

ANNUAL REPORT 2024



**FIRST AL-NOOR
MODARABA**

(An Islamic Financial Institution)



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COMPANY INFORMATION

BOARD OF DIRECTORS

Non Executive Directors

Chairman

Mr. Zia Zakaria

Directors

Mr. Abdul Aziz Ayoob

Mr. Noor Muhammad Zakaria

Mr. Abdul Rahim Suriya, Independent

Mr. Tausif Ilyas, Independent

Dr. Irum Saba, Independent

(Resigned in June 6, 2024)

Executive Directors

Chief Executive

Mr. Zainuddin Aziz

Chief Financial Officer

Mr. Umair Rafiq

Company Secretary

Mr. Roofi Abdul Razzak

Board Audit Committee - Chairman

Mr. Abdul Rahim Suriya - Chairman

Mr. Tausif Ilyas - Member

Mr. Zia I. Zakaria - Member

HR & Remuneration Committee

Mr. Tausif Ilyas - Chairman

Mr. Zainuddin Ayoob - Member

Mr. A. Aziz Ayoob - Member

Risk Management Committee

Mr. Zainuddin Ayoob - Chairman

Mr. Roofi Abdul Razzak - Member

Mr. Sufiyan Yasin - Member

Bankers

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

United Bank Limited - Islamic Banking

NRSP Microfinance Bank Limited

Auditors

Grant Thornton Anjum Rahman

Chartered Accountants

Shariah Advisor

Al Hamd Shariah Advisory Services (Pvt.) Ltd.

Legal Advisor

Mr. Sufyan Zaman

Advocate High Court

Share Registrar (Share Registration Office)

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

96-A, Sindhi Muslim Cooperative

Housing Society, Karachi

Contact Details

Telephone : 34558268; 34552943; 34553067

Fax : 34553137

Webpage : www.fanm.co

Email : info@fanm.co



CHAIRMAN'S REVIEW REPORT

Dear Certificate Holders,

I am pleased to present to the certificate holders of First Al-Noor Modaraba, review of the financial performance of the Company along with the audited Financial Statements for the year ended June 30, 2024.

Financial year ended June 30, 2024 registered moderate recovery with GDP growth rate of 2.38% against 0.21 last year and it is expected that it will further be improved in the coming financial years. The progress is equally reflected by secondary market where the KSE 100 index significant growth observed by nearly 90%.

We are continuously focusing on our core activities and exploring new opportunities to generate additional growth in your Modaraba. This also includes various agricultural products and commodities which may provide good growth looking at the timely rainfall and water supplies in this region.

On behalf of the Board of Directors, I would like to acknowledge the contribution of all the team for their hard work in trying to manage the crises and pray to Allah SWT for the success and growth of the Modaraba.

Sd/-

Zia Zakaria

Chairman

September 10, 2024

چیئرمین کی جائزہ رپورٹ

محترم سرٹیفکیٹ ہولڈرز،

مجھے فرسٹ النور مضاربہ کے سرٹیفکیٹ ہولڈرز کے سامنے 30 جون 2024 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ کمپنی کی مالی کارکردگی کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

30 جون 2024 کو ختم ہونے والے مالی سال میں جی ڈی پی کی شرح نمو 2.38 فیصد کے ساتھ گزشتہ سال 0.21 کے مقابلے میں اعتدال پسند ریکوری درج کی گئی اور امید ہے کہ آنے والے مالی سالوں میں اس میں مزید بہتری آئے گی۔ اس پیشرفت کی جھلک ثانوی مارکیٹ سے بھی ہوتی ہے جہاں کے ایس ای 100 انڈیکس میں تقریباً 90 فیصد نمایاں اضافہ دیکھا گیا ہے۔

ہم مسلسل اپنی بنیادی سرگرمیوں پر توجہ مرکوز کر رہے ہیں اور آپ کے مضاربہ میں اضافی نمو پیدا کرنے کے لیے نئے مواقع تلاش کر رہے ہیں۔ اس میں مختلف زرعی مصنوعات اور اجناس بھی شامل ہیں جو اس خطے میں بروقت بارش اور پانی کی فراہمی کو دیکھتے ہوئے اچھی نمو فراہم کر سکتی ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے، میں بحرانوں کو سنبھالنے کی کوشش میں تمام ٹیم کی محنت کے لیے تعاون کا اعتراف کرنا چاہتا ہوں اور مضاربہ کی کامیابی اور ترقی کے لیے اللہ تعالیٰ سے دعا کرتا ہوں۔

Sd/-
ضیاء زکریا (چیئرمین)

10 ستمبر 2024



OUR VISION

To become sustainable, growth oriented and efficient Modaraba, and to offer wide range of product and services catering to the need of the customers.

The Modaraba management should consider the interest of all the stake holders before making any business decision and to do that they should do concrete efforts to achieve their objectives.

OUR MISSION

- ▶ To inculcate the most efficient, ethical and time tested business practices in our management.
- ▶ To uphold our reputation for acting with responsibility and integrity, respecting the laws and regulations, traditions and cultures of the country within which we operate.
- ▶ To accomplish excellent results through increased earnings which can benefit all the stakeholders.
- ▶ To work as a team and put the interest of the Modaraba before that of the individuals.



VERTICAL ANALYSIS

BALANCE SHEET ITEMS (in %age)

ASSETS	2024	2023	2022	2021	2020	2019
NON-CURRENT ASSETS						
Fixed Assets - tangible						
Long term deposits	1.43	1.45	1.42	1.42	1.43	1.33
Long Term Portion of diminishing musharakah (syndicate)	0.40	2.64	13.29	27.82	14.39	14.82
Long Term Investments	13.49	18.36	6.81	7.52	10.28	10.69
Ijarah Assets	-	-	-	0.37	2.30	15.07
Fixed Assets in own use	0.40	0.65	0.81	0.98	1.35	1.59
Deferred tax asset	0.38	0.48	1.24	-	-	-
CURRENT ASSETS						
Cash & Bank Balances	34.45	8.73	35.24	21.75	3.41	11.71
Short Term investments	14.42	10.74	19.55	10.80	45.22	4.18
Musawamah receivables - secured	-	-	-	-	-	-
Ijarah rental receivable	-	-	-	0.03	0.22	0.61
Receivable from diminishing musharka	0.28	0.40	0.61	0.80	-	-
Trade debts	-	-	-	-	-	1.28
Stock in trade	29.23	41.99	-	-	-	18.68
Advances, Deposits, Prepayments & Other Receivables	2.11	1.14	1.15	8.97	3.48	5.94
Current portion of investment in Sukuk Certificates	-	-	-	0.13	0.27	0.25
Current portion of investment in diminishing musharakah	2.32	11.60	18.61	17.22	15.28	11.80
Income tax refundable/paid in advance	0.26	1.33	1.00	1.89	2.15	1.63
Profit Receivable	0.84	0.49	0.34	0.29	0.24	0.39
TOTAL ASSETS	100.00	100.00	100.08	100.00	100.00	100.00
EQUITY & LIABILITIES						
CAPITAL & RESERVES						
Issued, subscribed and paid up capital	85.84	87.08	77.88	77.41	77.98	72.67
Reserves	28.75	29.13	36.41	35.85	36.24	33.86
Accumulated loss	(19.18)	(19.73)	(19.34)	(19.43)	(20.09)	(19.31)
TOTAL CAPITAL AND RESERVES	95.40	96.49	94.94	93.82	94.13	87.23
Unrealised appreciation on remeasurement of investment classified as available for Sales-net	(0.30)	(0.84)	(1.50)	(0.85)	(1.99)	(2.56)
NON-CURRENT LIABILITIES						
Security Deposits	-	-	-	-	0.16	0.78
Deferred liability - staff gratuity	2.43	1.86	3.40	2.77	2.77	3.40
CURRENT LIABILITIES						
Current maturity of security deposits	-	-	-	0.21	1.01	6.05
Creditors, accrued and other liabilities	0.42	0.41	1.12	2.04	1.88	3.20
Provision for custom duty/surcharge	1.63	1.66	1.63	1.62	1.63	1.52
Unclaimed profit distributions	0.41	0.42	0.41	0.41	0.41	0.38
TOTAL EQUITIES & LIABILITIES	100.00	100.00	100.00	100.00	100.00	100.00
PROFIT & LOSS ACCOUNT ITEMS						
Profit on trading operations	(19.38)	7.93	35.33	-	6.98	7.55
Income on Diminshing Musharakah (Syndicate)	-	-	-	-	6.54	15.21
Income on musawamah receivables	-	-	-	-	-	-
Income on Diminshing Musharakah	20.03	38.39	43.87	44.69	36.29	22.70
Income from Ijarah	-	-	2.29	6.03	23.50	42.82
Reversal of provision against Musawamah Facility	3.96	8.49	-	-	-	-
Income from investments	95.40	45.18	18.52	49.28	26.69	11.71
Gross Revenue	100.00	100.00	100.00	100.00	100.00	100.00
Operating Expenses	(94.57)	(78.04)	(71.49)	(107.38)	(100.23)	(111.09)
Impairment loss on trade debtors and other receivables	-	-	-	-	(10.45)	(15.45)
Financial and other charges	(0.08)	(0.04)	(0.09)	(0.06)	(0.08)	(0.11)
Other Income	3.84	4.27	2.79	14.70	19.95	6.37
Unrealized loss on remeasurement of investments classified at fair value through profit & loss	(1.57)	(15.36)	(24.30)	(10.24)	(13.33)	(30.55)
Share of (loss)/ profit from associates	4.04	(0.43)	2.25	9.28	3.49	(4.36)
Modaraba Company's management fee	-	-	-	-	-	-
Provision for workers welfare fund	(0.23)	(0.21)	(0.09)	(0.13)	-	-
Taxation (10.31)	(8.69)	(2.95)	(3.72)	-	-	-
Profit for the year (in %age)	1.12	1.51	6.13	2.44	(0.65)	(55.18)



HORIZONTAL ANALYSIS

BALANCE SHEET ITEMS (in %age)

ASSETS	2024	2023	2022	2021	2020	2019
NON-CURRENT ASSETS						
Long term deposits	-	-	0.00	-	(0.00)	-
Long Term Portion of diminshing musharakah	(84.73)	(80.44)	(52.50)	94.76	(9.54)	5.74
Long Term Investments	(25.43)	165.29	(10.05)	(26.28)	(10.41)	(8.99)
Ijarah Assets	-	-	(100.00)	(83.73)	(85.81)	(55.38)
Fixed Assets in own use	(38.40)	(20.32)	(18.28)	(26.74)	(21.14)	(22.36)
Deferred tax asset	(20.45)	100.00	-	-	-	-
CURRENT ASSETS						
Bank Balances	300.48	(75.64)	61.08	543.07	(72.89)	39.40
Short Term investments	36.18	(45.96)	79.93	(75.94)	908.84	(53.01)
Musawamah receivables - secured	-	-	-	-	-	-
Ijarah rental receivable	-	-	(100.00)	(87.06)	(66.01)	(32.11)
Receivable from diminishing musharka and trade debts	-	(34.92)	(24.98)	100.00	-	-
Trade Receivables	-	-	-	-	(100.00)	(71.37)
Stock in trade	(29.37)	100.00	-	-	(100.00)	100.00
Advances, Deposits, Prepayments & Other Receivables	87.62	(2.48)	(87.23)	160.06	(45.49)	78.77
Current portion of investment in Sukuk Certificates	-	-	(100.00)	(50.00)	0.00	-
Current portion of investment in diminishing musharakah	(79.71)	(38.68)	7.42	13.49	20.68	53.20
Income tax refundable/paid in advance	(80.27)	30.47	(47.28)	(11.23)	0.23	0.11
Profit Receivable	75.20	39.31	18.81	21.14	(42.92)	11.22
TOTAL ASSETS	1.45	(1.63)	(0.59)	0.73	(6.80)	(8.67)
EQUITY & LIABILITIES						
CAPITAL & RESERVES						
Issued, subscribed and paid up capital	-	10.00	-	-	-	-
Reserves	0.10	(21.28)	0.95	(0.34)	(0.26)	-
Accumulated loss	(1.37)	0.35	(1.14)	(2.45)	(3.04)	36.95
TOTAL CAPITAL AND RESERVES	(1.27)	(10.94)	(0.19)	(2.79)	(3.29)	36.95
Deficit on revaluation of investment	(63.60)	(45.34)	74.93	(56.87)	(27.51)	175.69
NON-CURRENT LIABILITIES						
Security Deposits	-	-	-	(100.00)	(80.30)	(89.38)
Deferred liability - staff gratuity	32.53	(46.23)	22.20	0.55	(24.03)	29.91
CURRENT LIABILITIES						
Islamic export refinance	-	-	-	-	-	-
Musharikah Finance - Secured	-	-	-	-	-	-
Murabaha Finance - secured	-	-	-	-	-	-
Current maturity of security deposits	-	-	(100.00)	(79.44)	(84.48)	92.96
Creditors, accrued and other liabilities	3.82	(63.51)	(45.47)	9.23	(45.42)	7.40
Provision for custom duty/surcharge	-	-	-	-	-	-
Unclaimed profit distributions	-	-	-	-	-	-
TOTAL EQUITIES & LIABILITIES	1.45	(1.63)	(0.59)	0.73	(6.80)	(8.67)
PROFIT & LOSS ACCOUNT (%)	2024	2023	2022	2021	2020	2019
Profit on trading operations	(341.31)	(78.95)	100.00	(100.00)	9.89	73.76
Income on diminshing musharakah (Syndicate)	-	-	-	(100.00)	(48.83)	(8.20)
Income on Diminshing Musharakah	(48.51)	(17.90)	37.96	8.41	90.14	1,029.94
Income from Ijarah	-	(100.00)	(46.76)	(77.40)	(34.72)	(24.45)
Reversal of provision against Musawamah Facility	(54.00)	100.00	-	-	-	-
Income from investments	108.41	128.84	(47.18)	62.55	171.03	(33.15)
Operating Expenses	19.62	2.40	(6.43)	(5.68)	7.32	(3.37)
Impairment loss on trade debtors and other receivables	-	-	-	(100.00)	-	-
Financial and other charges	100.79	(58.81)	101.75	(36.35)	(5.54)	(14.36)
Other Income	(11.17)	43.62	(73.32)	(35.15)	272.72	(5,273.49)
Unrealized loss on remeasurement of investments classified at fair value through profit & loss	(89.90)	(40.71)	233.42	(32.37)	(48.09)	(5.48)
Share of profit / (loss) from associates	1,038.01	(117.72)	(65.90)	133.91	195.18	(86.50)
Modaraba Company's management fee	-	-	-	-	-	(100.00)
Provision for workers welfare fund	10.61	110.09	3.80	100.00	-	-
Taxation and levies	17.16	176.49	11.21	100.00	-	-
Profit / (Loss) for the year	(27.02)	(76.82)	252.43	432.90	(98.61)	(43.56)



KEY FINANCIAL DATA SIX YEARS AT A GLANCE

KEY FINANCIAL DATA	2024	2023	2020	2021	2020	2019
Figures in Million						
Total Assets	269.12	265.26	269.65	271.27	269.31	288.96
Fixed Assets (owned)	1.07	1.73	2.17	2.66	3.63	4.60
Fixed Assets (ijarah)	-	-	-	1.01	6.18	43.56
Other Non Current Assets	42.24	60.83	61.17	99.72	70.27	77.58
Current Assets	225.81	202.71	206.31	167.89	189.23	163.22
Total Liabilities	13.18	11.54	17.69	19.09	21.18	44.32
Current Liabilities	6.65	6.61	8.52	11.59	13.27	32.24
Non Current Liabilities	6.54	4.93	9.17	7.51	7.91	12.08
Total Equity and deficit on revaluation of investments	255.93	253.73	251.96	252.17	248.12	244.64
Reserves	77.36	77.28	98.18	97.26	97.59	97.84
Certificate Holders' Equity	231.00	231.00	210.00	210.00	210.00	210.00
Accumulated losses	(51.62)	(52.34)	(52.16)	(52.77)	(54.09)	(55.79)
Deficit on revaluation of investments	(0.81)	(2.22)	(4.05)	(2.32)	(5.37)	(7.41)
Revenue	36.20	36.83	38.70	30.73	36.50	27.21
Net Revenue	0.39	0.53	2.31	1.65	(0.20)	(14.12)
			Restated	Restated	Restated	Restated
Earning (loss) per Certificate	0.02	0.02	0.10	0.03	(0.01)	(0.61)
Cash dividend (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

STAKEHOLDER INFORMATION	2024	2023	2022	2021	2020	2019
Profit after tax ratio (%)	1.12	1.51	6.13	2.44	(0.65)	(55.18)
Return on assets (%)						
Return on equity / capital employed	0.002	0.002	0.009	0.003	(0.001)	(0.056)
Return on capital employed (%)						
Assets Turnover Ratio (%)	13%	13%	14%	10%	11%	8%
Current ratio	33.97	30.68	24.22	14.49	14.26	5.06
Market Value per certificate (year end)						
High	3.50	3.30	3.62	3.20	3.00	3.10
Low	3.50	2.85	3.40	3.20	3.00	3.10
Closing	3.50	3.08	3.51	3.20	3.00	3.10
			Restated	Restated	Restated	Restated
Earning / (loss) per Certificate	0.02	0.02	0.10	0.03	(0.01)	(0.61)
Net assets / breakup value per certificate	11.11	11.08	12.19	12.12	12.07	12.00
Earning asset to total assets ratio (%)	0.17	0.53	0.55	0.08	(2.56)	(6.46)
Price earning ratio	207.25	133.10	35.16	112.97	(352.56)	(5.07)
Dividend Yield Ratio (%)	-	-	-	-	-	-
Cash Dividend per certificate (in Rs.)	-	-	-	-	-	-



THIRTY SECOND REPORT OF THE DIRECTORS OF MODARABA COMPANY FOR THE YEAR ENDED JUNE 30, 2024

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 Thirty Second Annual Report together with the Audited Financial Statements of the Modaraba for the year ended June 30, 2024:

Financial Results

	For the year ended	
	June 30, 2024	June 30, 2023
	----- Amount in Pak. Rupees -----	
Profit before taxation	3,985,244	3,603,062
Levies - Final Tax	(2,791,940)	(1,459,511)
Taxation	(803,200)	(1,608,998)
Profit after Taxation	390,104	534,553
Components of Other comprehensive income	(736,937)	1,272,775
Surplus/(Deficit) transferred to accumulated losses	1,143,968	(1,880,517)
Transfer to Statutory Reserve	(78,021)	(106,911)
Accumulated losses brought forward	(52,343,230)	(52,163,130)
Accumulated losses carried forward	(51,624,116)	(52,343,230)
DISTRIBUTION		
Profit distribution @ 0.00% (2023 @ 0.00%)	-	-
Bonus Certificates @ 0.00% (2023 @ 00.00%)	-	-
General Reserve	-	-

Economic Review and Review of Operations

During FY2024, Pakistan's economy registered moderate recovery reflected by a GDP growth of 2.38 percent against previous year's contraction of 0.21 percent. The prudent policy management and the resumption of inflows from multilateral and bilateral partners, and the gradual economic recovery in the major trading partners, turned the negative growth in FY2023 to positive growth in FY2024. The prolonged inflationary impact is gradually fading in FY2024. The inflation is trending downward steadily since third quarter of FY2024. This improvement is with the resilient external sector and fiscal consolidation.

In the international scenario, Global growth decelerated due to sluggish performance in advanced economies amid contractionary monetary policy stance to tackle inflation whereas the economic growth has slowed down from 3.5% in 2022 to 3.2% in 2023 and is projected to continue the same pace in 2024 and 2025, below the historical (2000-2019) annual average of 3.8%. World merchandise trade volume is projected to grow by 2.6% in 2024 (-1.2% in 2023) before picking up to 3.3% in 2025 (WTO). Geopolitical tensions have emerged as the predominant risk to the global economic landscape. Presently, conflicts in Eastern Europe and the Middle East, critical hubs for global food and energy distribution, pose imminent challenges.

The performance of major world stock markets (US, France, India, China, and Pakistan) remained robust except Shanghai Stock Exchange (SSE) Composite Index of China. Primarily, the property sector crisis in China slightly dented the investors' sentiments.

The KSE-100 index of Pakistan posted a significant growth of 82.8 percent from 41,453 (end June 2023) to 75,878 (end June 2024) owing to successful IMF's program under Stand-by Arrangement and stability on economic & political front.

Modaraba faced challenges in the commodity trading sector due to sluggish conditions resulting in some losses for the year ended June 30, 2024. However, secondary market operations performed exceptionally well, generating over 108% more compared to the previous financial year.

This strong performance in the secondary market could be a key factor in offsetting the losses from commodity trading and might indicate potential for future growth. To build on this success, Modaraba could consider strategies to enhance its commodity trading operations or further leverage its secondary market gains. Diversifying and adapting to market conditions will be crucial for sustaining and improving overall performance.

**Future Outlook**

Pakistan's economy moved towards stability in FY2024 with decreasing inflation, a surplus in the primary fiscal account (Jul-May), a negligible current account deficit, and a stable exchange rate. In the real sector, agriculture outperformed, whereas large-scale manufacturing is set to take off. In June 2024, CPI inflation reached the cusp of the single-digit range. The external account position improved due to contained imports resulting from prudent fiscal and monetary management, while exports and remittances increased significantly. To further strengthen stability, government has recently reached a staff level agreement with IMF on a 37-month Extended Fund Facility Arrangement (EFF) for \$7 billion.

The agriculture sector growth target is set at 2 percent for FY2025. Due to a high base in the previous year, important and other crops are projected to keep a reasonable good pace of growth in 2024-25. Furthermore, livestock, fishery, and forestry are projected to continue on the growing trajectory due to favourable and encouraging environment. The recovery that began in the LSM will likely continue throughout FY2025, driven by a stable exchange rate, macroeconomic stability, and relaxed import restrictions. Inflation is expected to range 12.0-13.0 percent for July 2024 and 11.0-12.0 percent in August 2024. It is expected that exports and imports will continue to observe an increasing trend and will remain within the range of \$2.4-2.7 billion and \$4.5-4.9 billion, respectively, in July 2024. Revived domestic economic activities, better agriculture output, stable exchange rate, improved foreign demand, and low global commodity prices will remain instrumental for external sector stability.

Modaraba is positioning itself well for growth by focusing on increasing its revenues and expanding its range of commodities. By remaining adaptable and diversifying its offerings, it could capitalize on various economic opportunities and strengthen its market position. If Modaraba can effectively manage its resources and navigate the economic landscape, it should be able to achieve its goals of growth and increased strength.

Sustainability - related Risk

We remain steadfast in addressing risks that impact our operations and stake holders. Key risks include upholding business ethics; governance and transparency.

Shariah Perspective

A fundamental requirement of an Islamic financial institution is that its whole business practices and operations are based on Shariah rules and principles. Islamic finance derives its value proposition from the application of Shariah principle in financial transactions that provide for different risks and return profile.

The management of First Al-Noor Modaraba continuously focuses on Shariah governance and compliance culture under guidance and supervision of our worthy Shariah advisor. However, continuous efforts have been made for its further improvement.

We feel that Shariah governance is our utmost responsibility and our team is fully committed as their prime objective for its perfection and flawless processes.

Our business strategies are based on strong ethical foundation and concept of sustainable business to create maximum value for our stakeholders. Translating this believe our sustainability model is surrounding within our People, Organization and Planet. Shariah Compliance and Audit Mechanism

A complete Shariah Audit report of Shariah Advisor for the year ended June 30, 2024 is also attached with annual report.

The Board of Directors and Audit Committee

During the year, Dr. Irum Saba resigned from the board as Independent Director. The Board of Directors of the Al-Noor Modaraba Management (Private) Limited, the management Company of First Al-Noor Modaraba has accepted her resignation and will be proceeding to appoint an Independent Director for the remainder term, subject to approval of The Registrar Modarabas, Securities & Exchange Commission of Pakistan, Islamabad.

Directors Training & Orientation

The Majority directors are compliant with necessary requirements of Directors Training Certificate with few trained at The Institute of Chartered Accountants of Pakistan (ICMAP) and Institute of Business Administration (IBA).

Pattern of Certificate Holders

A Statement showing pattern of Certificate Holding of the Modaraba and additional information as at June 30, 2024 is included in this report.



Corporate and Financial Reporting Framework

The Directors are pleased to confirm compliance with Corporate and Financial Reporting Framework of the Securities & Exchange Commission Pakistan (SECP) and the Code of Corporate Governance for the following:

- The financial statements, prepared by the management of the modaraba, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the modaraba have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates used are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable to Modarabas in Pakistan, have been followed in preparation of financial statements and any departures there from have been adequately disclosed. Further, the management of the Modaraba appreciates the unreserved compliance of IFRS to the possible extent in order to promote the fair financial reporting.
- The system of internal control is in place and has been effectively implemented. It is being continuously reviewed by internal audit and other such procedures.
- Board is satisfied with the Modaraba's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2019, except those mentioned in the statement of compliance with code of corporate governance.
- Key operating and financial data for the last six years in summarized form is included in this annual report.
- There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on June 30, 2024 except for those disclosed in the financial statements.

Composition of the Board

The composition of the Board of Directors of the Company as on June 30, 2024 is as follows:

1. The total number of Directors are Six as per the following:

Male: 6

*Female: -

* The Female member of the board is vacant as of June 30, 2024 due to resignation of Dr. Irum Saba. The casual vacancy will be filled in due course.

2. The number of Directors under respective categories are as follows:

Category	Names
Independent Directors	1) Mr. Abdul Rahim Suriya 2) Mr. Tausif Ilyas 3) Dr. Irum Saba*
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. A. Aziz Ayoob 2) Mr. Noor Muhammad Zakaria 3) Mr. Zia

* Resigned on June 6, 2024

**Directors' attendance**

During the year, four (4) Board meetings were held. Attendance by each Director was as follows:

Name of Director	Number of Meetings attended	21-Sept-23	24-Oct-23	21-Feb-24	26-Apr-24
Mr. A. Aziz Ayoob	4/4	✓	✓	✓	✓
Mr. Zia I. Zakaria	3/4	✓	✗	✓	✓
Mr. Noor Muhammad Zakaria	4/4	✓	✓	✓	✓
Mr. Zainuddin Ayoob	4/4	✓	✓	✓	✓
Mr. Abdul Rahim Suriya	4/4	✓	✓	✓	✓
Mr. Tausif Ilyas	3/4	✓	✓	✗	✓
Dr. Irum Saba	3/4	✗	✓	✓	✓

Remuneration policy for Non Executive / Independent Directors

The fee for Non-Executive including independent directors for attending the Board and Committee meetings of the Company is determined from time to time.

Auditors

The Board, on the recommendation of the Boards Audit Committee, has appointed M/s Rahman Sarfaraz Rahim Iqbal Rafiq & Company, Russel Bedford, Chartered Accountants, who offer themselves for appointment as Auditors for the financial year ending June 30, 2025, replacing M/s. Anjum Rahman, Grant Thornton, Chartered Accountants, subject to the approval of Registrar Modaraba SECP.

Acknowledgement

The Board would like to express its sincere thanks and gratitude for the continued support and guidance provided by Securities & Exchange Commission of Pakistan, Registrar Modaraba Companies and clients of the Modaraba for their patronage and business, Certificate holders who have remained committed to First Al-Noor Modaraba.

In the end Board appreciates dedication, high level of professionalism and hard work of employees of your Modaraba for achieving the objectives.

On behalf of the Board

Sd/-
Zainuddin Aziz
Chief Executive/Director

Dated : September 10, 2024
Place : Karachi

اعتراف

بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، رجسٹرار مضاربہ کمپنیز اور مضاربہ کے کلائنٹس کی طرف سے ان کی سرپرستی اور کاروبار کے لیے فراہم کردہ مسلسل تعاون اور رہنمائی کے لیے تہہ دل سے شکریہ ادا کرنا چاہتا ہے، سرٹیفکیٹ ہولڈرز جو فرسٹ ال کے لیے پر عزم ہیں۔ نور مضاربہ۔

آخر میں بورڈ مقاصد کے حصول کے لیے آپ کے مضاربہ کے ملازمین کی لگن، اعلیٰ پیشہ ورانہ مہارت اور محنت کو سراہتا ہے۔

بورڈ کی جانب سے

زین الدین عزیز (چیف)

ایگزیکٹو ڈائریکٹر

تاریخ: 10 ستمبر 2024
کراچی۔

2- متعلقہ زمروں کے تحت سال کے دوران ڈائریکٹرز کی تعداد حسب ذیل ہے:

نام	زمرہ
جناب عبدالرحیم سوریا	آزاد ڈائریکٹرز
جناب توصیف الیاس	
ڈاکٹر ارم صبا	
جناب زین الدین عزیز	ایگزیکٹو ڈائریکٹر
جناب عبدالعزیز ایوب	
جناب نور محمد زکریا	نان ایگزیکٹو ڈائریکٹر
جناب ضیاء زکریا	

6 جون 2024 کو استعفیٰ دے دیا۔

ڈائریکٹرز کی حاضری

سال کے دوران بورڈ کے چار (4) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل تھی:

ڈائریکٹر کے نام	شرکت کرنے والے اجلاسوں کی تعداد	21 ستمبر 2023	24 اکتوبر 2023	21 فروری 2024	26 اپریل 2004
جناب عبدالعزیز ایوب	4/4	✓	✓	✓	✓
جناب ضیاء زکریا	3/4	✓	×	✓	✓
جناب نور محمد زکریا	4/4	✓	✓	✓	✓
جناب زین الدین عزیز	4/4	✓	✓	✓	✓
جناب عبدالرحیم سوریا	4/4	✓	✓	✓	✓
جناب توصیف الیاس	3/4	✓	✓	✓	✓
ڈاکٹر ارم صبا	3/4	×	✓	×	✓

غیر ایگزیکٹو/آزاد ڈائریکٹرز کے لئے معاوضے کی پالیسی

کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے غیر ایگزیکٹو بشمول آزاد ڈائریکٹرز کی فیس کا تعین وقتاً فوقتاً کیا جاتا ہے۔

آڈیٹرز

بورڈ نے بورڈز آڈٹ کمیٹی کی سفارش پر میسرز رحمان سرفراز، رحیم اقبال رفیق اینڈ کمپنی، رسل بیڈ فورڈ، چارٹرڈ اکاؤنٹنٹس کو مقرر کیا ہے، جو 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے بطور آڈیٹر تقرری کے لیے خود کو پیش کرتے ہیں، ان کی جگہ ایم۔ ایس، انجم رحمان، گرانٹ تھورنٹن، چارٹرڈ اکاؤنٹنٹس، رجسٹرڈ مضاربہ ایس ای سی پی کی منظوری سے مشروط۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

ڈائریکٹرز کو سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان (SECP) کے کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک اور کوڈ آف کارپوریٹ گورننس کی تعمیل کی تصدیق کرتے ہوئے خوشی ہوئی ہے:

- مضاربہ کی انتظامیہ کی طرف سے تیار کردہ مالیاتی گوشواروں میں اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور اینکویٹی میں ہونے والی تبدیلیوں کو پیش کیا جاتا ہے۔
- مضاربہ کے حسابات کی صحیح کتابیں رکھی گئی ہیں۔
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے۔ استعمال شدہ اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز (IFRS)، جیسا کہ پاکستان میں مدارس پر لاگو ہوتا ہے، مالیاتی بیانات کی تیاری میں پیروی کی گئی ہے اور وہاں سے کسی بھی رواں کو مناسب طور پر ظاہر کیا گیا ہے۔ مزید برآں، مضاربہ کی انتظامیہ منصفانہ مالیاتی رپورٹنگ کو فروغ دینے کے لیے مکملہ حد تک IFRS کی غیر محفوظ تعمیل کی تعریف کرتی ہے۔
- اندرونی کنٹرول کا نظام اپنی جگہ پر ہے اور اسے موثر طریقے سے نافذ کیا گیا ہے۔ اندرونی آڈٹ اور اس طرح کے دیگر طریقہ کار کا مسلسل جائزہ لیا جا رہا ہے۔
- بورڈ مضاربہ کی ایک جاری تشویش کے طور پر جاری رکھنے کی صلاحیت سے مطمئن ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں تفصیل سے بتایا گیا ہے، سوائے کارپوریٹ گورننس کے ضابطہ کی تعمیل کے بیان میں بیان کردہ۔
- اس سالانہ رپورٹ میں گزشتہ چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا خلاصہ شکل میں شامل کیا گیا ہے۔
- ٹیکسز، ڈیوٹی اور چارجز کی مد میں کوئی قانونی ادائیگیاں نہیں ہیں جو 30 جون 2024 تک بقیہ ہیں سوائے ان مالیاتی گوشواروں کے جن کا انکشاف کیا گیا ہے۔

بورڈ کی تشکیل

30 جون 2024 تک کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل حسب ذیل ہے:

1- درج ذیل کے مطابق ڈائریکٹرز کی کل تعداد چھ ہے:

مرد: 6

خاتون: *

* ڈاکٹر ارم صبا کے استعفیٰ کی وجہ سے 30 جون 2024 کو بورڈ کی خاتون رکن کی جگہ خالی ہے۔ آرام دہ اسمی کو مقررہ وقت پر برقرار کیا جائے گا۔

موثر طریقے سے منظم کر سکتا ہے اور اقتصادی منظر نامے پر تشریف لے سکتا ہے، تو اسے اپنے ترقی اور بڑھتی ہوئی طاقت کے اہداف حاصل کرنے کے قابل ہونا چاہیے۔

پائیداری- متعلقہ خطرہ

ہم ان خطرات سے نمٹنے میں ثابت قدم رہتے ہیں جو ہمارے آپریشنز اور اسٹیک ہولڈرز کو متاثر کرتے ہیں، گورننس اور شفافیت کو مد نظر رکھتے ہوئے اہم خطرات میں کاروباری اخلاقیات کو برقرار رکھنا شامل ہے۔

شرعی تناظر

اسلامی مالیاتی ادارے کا ایک بنیادی تقاضہ یہ ہے کہ اس کے تمام کاروباری طریقے اور آپریشنز شرعی اصولوں پر مبنی ہوں۔ اسلامی فنانس مالیاتی لین دین میں شرعی اصول کے اطلاق سے اپنی قیمت کی تجویز حاصل کرتا ہے جو مختلف خطرات اور واپسی کی پروفائل فراہم کرتا ہے۔

فرسٹ النور مضاربہ کا انتظام ہمارے قابل شرعی مشیر کی رہنمائی اور نگرانی میں شرعی حکمرانی اور تعمیل کلچر پر مسلسل توجہ مرکوز کرتا ہے۔ تاہم اس کی مزید بہتری کے لیے مسلسل کوششیں جاری ہیں۔

ہم محسوس کرتے ہیں کہ شرعی حکمرانی ہماری انتہائی ذمہ داری ہے اور ہماری ٹیم اس کے کمال اور بے عیب عمل کے لیے اپنے بنیادی مقصد کے طور پر پوری طرح پرعزم ہے۔

ہماری کاروباری حکمت عملی مضبوط اخلاقی بنیاد اور پائیدار کاروبار کے تصور پر مبنی ہے تاکہ ہمارے اسٹیک ہولڈرز کے لیے زیادہ سے زیادہ قدر پیدا کی جاسکے۔ اس کا ترجمہ کرتے ہوئے یقین کریں کہ ہمارا پائیداری کا ماڈل ہمارے لوگوں، تنظیم اور سیارے کے اندر گھیر رہا ہے۔ شرعی تعمیل اور آڈٹ میکانزم

30 جون 2024 کو ختم ہونے والے سال کے لیے شریعہ ایڈوائزری کی مکمل شرعی آڈٹ رپورٹ بھی سالانہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی

سال کے دوران، ڈاکٹر ارم صبا نے بورڈ سے آزاد ڈائریکٹر کی حیثیت سے استعفیٰ دے دیا۔ النور مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز، فرسٹ النور مضاربہ کی انتظامی کمیٹی نے ان کا استعفیٰ قبول کر لیا ہے اور رجسٹرڈ مضاربہ کی منظوری کے بعد بقیہ مدت کے لیے ایک آزاد ڈائریکٹر کی تقرری کے لیے کوشش کی جائے گی۔ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسلام آباد۔

ڈائریکٹرز کی تربیت اور واقفیت

انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICMAP) اور انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن (IBA) میں تربیت یافتہ چند افراد کے ساتھ اکثریت ڈائریکٹرز ڈائریکٹرز ٹریننگ سرٹیفکیٹ کی ضروری ضروریات کی تعمیل کرتے ہیں۔

سرٹیفکیٹ ہولڈرز کا پیٹرن

مضاربہ کے سرٹیفکیٹ ہولڈنگ کا نمونہ اور 30 جون 2024 تک اضافی معلومات کو ظاہر کرنے والا بیان اس رپورٹ میں شامل ہے۔

امکان ہے۔ اور 2025ء، تاریخی (2000-2019) سالانہ اوسط 3.8 فیصد سے نیچے۔ عالمی تجارتی سامان کی تجارت کا حجم 2024ء میں 2.6% (2023ء میں 1.2%) بڑھنے سے پہلے 2025 (WTO) میں 3.3% تک بڑھنے کا امکان ہے۔ جغرافیائی سیاسی تناؤ عالمی اقتصادی منظر نامے کے لیے ایک اہم خطرہ بن کر ابھر رہا ہے۔ فی الوقت، مشرقی یورپ اور مشرق وسطیٰ میں تنازعات، عالمی خوراک اور توانائی کی تقسیم کے لیے اہم مرکز، چینجز کا باعث ہیں۔

چین کے شنگھائی اسٹاک ایکسچینج (SSE) کمپوزٹ انڈیکس کے علاوہ بڑی عالمی اسٹاک مارکیٹوں (امریکہ، فرانس، بھارت، چین اور پاکستان) کی کارکردگی مضبوط رہی۔ بنیادی طور پر، چین میں جائیداد کے شعبے کے بحران نے سرمایہ کاروں کے جذبات کو قدرے متاثر کیا۔

پاکستان کے KSE-100 انڈیکس نے 41,453 (جون 2023ء کے آخر میں) سے 75,878 (جون 2024ء کے آخر) تک 82.8 فیصد کی نمایاں نمو ظاہر کی جس کی وجہ سے IMF کے کامیاب پروگرام اسٹینڈ بائی آرئجمنٹ اور معاشی اور سیاسی محاذ پر استحکام ہے۔

مضاربہ کو 30 جون 2024ء کو ختم ہونے والے سال کے لیے کچھ نقصانات کے نتیجے میں کموڈٹی ٹریڈنگ کے شعبے میں چیلنج کا سامنا کرنا پڑا۔ تاہم، ثانوی مارکیٹ کے آپریشنز نے غیر معمولی کارکردگی کا مظاہرہ کیا، جو پچھلے مالی سال کے مقابلے میں 108 فیصد زیادہ ہے۔

ثانوی مارکیٹ میں یہ مضبوط کارکردگی کموڈٹی ٹریڈنگ سے ہونے والے نقصانات کو پورا کرنے میں ایک اہم عنصر ہو سکتی ہے اور مستقبل میں ترقی کے امکانات کی نشاندہی کر سکتی ہے۔ اس کامیابی کو آگے بڑھانے کے لیے، مضاربہ اپنے کموڈٹی ٹریڈنگ آپریشنز کو بڑھانے کے لیے حکمت عملیوں پر غور کر سکتا ہے یا اپنی ثانوی مارکیٹ کے فوائد سے مزید فائدہ اٹھا سکتا ہے۔ مجموعی کارکردگی کو برقرار رکھنے اور بہتر بنانے کے لیے مارکیٹ کے حالات میں تنوع اور موافقت بہت اہم ہوگی۔

مستقبل کا آؤٹ لک

پاکستان کی معیشت مالی سال 2024ء میں گرتی ہوئی مہنگائی، بنیادی مالیاتی کھاتے (جولائی- مئی) میں سرپلس، کرنٹ اکاؤنٹ خسارہ، اور مستحکم شرح مبادلہ کے ساتھ استحکام کی طرف بڑھی۔ حقیقی شعبے میں، زراعت نے بہتر کارکردگی کا مظاہرہ کیا، جب کہ بڑے پیمانے پر مینوفیکچرنگ شروع ہونے والی ہے۔ جون 2024ء میں، CPI افراط زر سنگل ہندسے کی حد تک پہنچ گیا۔ محتاط مالی اور زرعی انتظام کے نتیجے میں موجود درآمدات کی وجہ سے بیرونی کھاتوں کی پوزیشن بہتر ہوئی، جبکہ برآمدات اور ترسیلات میں نمایاں اضافہ ہوا۔ استحکام کو مزید مضبوط بنانے کے لیے، حکومت نے حال ہی میں IMF کے ساتھ 7 بلین ڈالر کے 37 ماہ کے توسیعی فنڈ سہولت انتظام (EFF) پر عملے کی سطح پر معاہدہ کیا ہے۔

مالی سال 2025ء کے لیے زرعی شعبے کی ترقی کا ہدف 2 فیصد مقرر کیا گیا ہے۔ پچھلے سال میں ایک اعلیٰ بنیاد کی وجہ سے، اہم اور دیگر فصلوں کے 2025-2024 میں ترقی کی مناسب رفتار برقرار رکھنے کا امکان ہے۔ مزید برآں، سازگار اور حوصلہ افزا ماحول کی وجہ سے لائیو سٹاک، ماہی گیری اور جنگلات کے بڑھتے ہوئے راستے پر جاری رہنے کا امکان ہے۔ LSM میں شروع ہونے والی ریکوری ممکنہ طور پر FY2025 کے دوران جاری رہے گی، جو کہ ایک مستحکم شرح مبادلہ، معاشی استحکام، اور نرمی والی درآمدی پابندیوں کی وجہ سے ہے۔ جولائی 2024ء کے لیے افراط زر کی شرح 12.0-13.0 فیصد اور اگست 2024ء میں 11.0-12.0 فیصد رہنے کی توقع ہے۔ توقع ہے کہ برآمدات اور درآمدات بڑھتے ہوئے رجحان کا مشاہدہ کرتی رہیں گی اور یہ 2.4-2.7 بلین ڈالر اور 4.5-4.9 ڈالر کی حد میں رہیں گی۔ جولائی 2024ء میں بالترتیب بلین۔

مضاربہ اپنی آمدنی کو بڑھانے اور اشیاء کی اپنی ریٹج کو بڑھانے پر توجہ مرکوز کر کے ترقی کے لیے خود کو اچھی طرح سے مضبوط کر رہا ہے۔ موافقت پذیر رہنے اور اپنی پیشکشوں کو متنوع بنا کر، یہ مختلف اقتصادی مواقع سے فائدہ اٹھا سکتا ہے اور اپنی مارکیٹ کی پوزیشن کو مضبوط بنا سکتا ہے۔ اگر مضاربہ اپنے وسائل کو

30 جون 2024 کو ختم ہونے والے سال کے لیے مداربہ کمپنی کے ڈائریکٹرز کی تیسری دوسری رپورٹ

النور مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، فرسٹ النور مداربہ (FAM) کی "مداربہ/انتظامی کمپنی"، ہمیں آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔ 30 جون 2024 کو ختم ہونے والے سال کا مضاربہ:

مالیاتی نتائج	ختم ہونے والے سال کیلئے	جون 30، 2024	جون 30، 2023
	رقم پاکستانی روپیہ میں		
ٹیکس سے پہلے منافع		3,985,244	3,603,062
لیوزر۔ حتمی ٹیکس		(2,791,940)	(1,459,511)
ٹیکسز		(803,200)	(1,608,998)
ٹیکسز کے بعد منافع		390,104	534,553
دیگر جامع آمدنی کے اجزاء		(736,937)	1,272,775
سرپلس/ (خسارہ) جمع شدہ نقصانات میں منتقل		1,143,968	(1,880,517)
قانونی ریزرو میں منتقلی		(78,021)	(106,911)
غیر منقسم		(52,343,230)	(52,163,130)
غیر منقسم		(51,624,116)	(52,343,230)
تقسیم			
منافع تقسیم @ 0.00% (2023 @ 0.00%)		-	-
بونس سرٹیفکیٹ @ 0.00% (2023 @ 0.00%)		-	-
جزل ریزرو		-	-

اقتصادی جائزہ اور آپریشنز کا جائزہ

مالی سال 2024 کے دوران، پاکستان کی معیشت نے اعتدال پسند بحالی درج کی جس کی عکاسی گزشتہ سال کے 0.21 فیصد کے سکڑاؤ کے مقابلے میں 2.38 فیصد کی GDP نمو سے ہوتی ہے۔ سمجھدار پالیسی کے انتظام اور کثیر جہتی اور دو طرفہ شراکت داروں سے رقوم کی بحالی، اور بڑے تجارتی شراکت داروں میں بتدریج اقتصادی بحالی نے مالی سال 2023 میں شرح نمو کو مالی سال 2024 میں مثبت نمو میں تبدیل کر دیا۔ طویل مہنگائی کا اثر مالی سال 2024 میں بتدریج گرتا جا رہا ہے۔ مالی سال 2024 کی تیسری سہ ماہی سے مہنگائی مسلسل نیچے کی طرف چل رہی ہے۔ یہ بہتری چکدار بیرونی شعبے اور مالیاتی استحکام کے ساتھ ہے۔

بین الاقوامی منظر نامے میں، مہنگائی سے نمٹنے کے لیے مانیٹری پالیسی کے حالات کے درمیان ترقی یافتہ معیشتوں میں سست کارکردگی کی وجہ سے عالمی نمو میں کمی آئی ہے جبکہ اقتصادی ترقی 2022 میں 3.5 فیصد سے کم ہو کر 2023 میں 3.2 فیصد رہ گئی ہے اور 2024 میں اسی رفتار کو جاری رکھنے کا



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

Annual Shariah Advisor's Report

For the year ended June 2024

We have reviewed the affairs of First Al Noor Modaraba managed by Al Noor Modaraba Management (Private) for the year ended June 30, 2024, as per the requirements of Circular No. 8 of 2012, issued by the Securities and Exchange Commission of Pakistan, concerning Shariah Compliance and the Shariah Audit Mechanism for Modarabas.

SHARIAH COMPLIANCE:

The Modaraba has established a mechanism to enhance Shariah compliance both in principle and practice. The systems, procedures, and policies adopted by the Modaraba are in alignment with Shariah principles.

Based on our review, the following were the major activities/developments related to Shariah during this period:

BANK ACCOUNTS:

The Modaraba does not hold any savings accounts with conventional banks. All accounts are held with Islamic banks or Islamic windows of commercial banks.

FRESH DISBURSEMENTS:

On the asset side, the Modaraba has purchased various commodities and sold them in the market. We have examined the relevant documents and we confirm their compliance with Shariah.

INVESTMENTS IN EQUITY SHARES:

The Modaraba's entire equity investments were made in approved Shariah-compliant securities as provided and updated in compliance with circular 8 of 2012.

DIVIDEND PURIFICATION:

The Modaraba has successfully conducted the process of dividend purification for equities and has transferred the appropriate charitable amounts to charity.

TAKAFUL:

For risk mitigation, the Modaraba has effectively adopted and maintained Takaful coverage with Takaful companies, avoiding any coverage from conventional insurance companies.

CONCLUSION:

The Management of First Al-Noor Modaraba has earnestly demonstrated its commitment to adhering to Shariah Rulings in their true essence. Therefore, we believe that the business operations of First Al Noor Modaraba are in accordance with Shariah principles to the best of our knowledge.



MUFTI UBAID UR RAHMAN ZUBAIRI

For & on behalf of
Alhamd Shariah Advisory Services Private Limited
30th July, 2024



MUFTI UZAIR BILWANI



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ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

سالانہ شریعہ ایڈوائزر رپورٹ

جون ۲۰۲۳

ہم نے فرسٹ انور مضاربہ کا شریعہ آڈٹ ایس ای سی پی کے جاری کردہ سرکلر ۸ سال ۲۰۱۲ کے Shariah اور Shariah Compliance Audit Mechanism for Modarabas کے مطابق سال جون ۲۰۲۳ کا شرعی جائزہ لیا ہے، جس کے نتیجے میں درج ذیل چیزیں سامنے آئیں: فرسٹ انور مضاربہ کے پاس، شریعہ کی دی گئی ہدایات پر مؤثر طریقہ سے عمل کرنے کا ایک میکنزم موجود ہے، جس کی وجہ سے فرسٹ انور مضاربہ کا نظام، طریقہ کار اور پالیسیاں شریعت کی دی گئی ہدایات کے مطابق ہیں۔ ہمارے جائزے کے مطابق اس عرصے کے دوران درج ذیل سرگرمیاں عمل پذیر ہوئیں:

بینک اکاؤنٹس: اس پورے مالی سال میں فرسٹ انور مضاربہ نے کسی بھی کنونشنل بینک کے سیونگ اکاؤنٹ کو استعمال نہیں کیا، اپنی تجارتی ضرورتوں کو پورا کرنے کے لیے فل فلیج یا ونڈو اسلامی بینکوں کے سیونگ اکاؤنٹس استعمال کے گئے۔

فریش ڈسبرسمنٹ: ایسٹ سائڈ (Asset Side) پر فرسٹ انور مضاربہ نے مختلف خورد و نوش اشیاء کی خریداری کر کے مارکیٹ میں فروخت کی ہیں۔ ہم نے متعلقہ دستاویزات کی جانچ پڑتال کی ہے جو شرعی ہدایات کے مطابق ہیں۔

ایکویٹی شیئرز میں سرمایہ کاری: مضاربہ کی مکمل ایکویٹی سرمایہ کاری شریعت کے مطابق منظور شدہ اسکرپٹس میں ہی کی گئی تھی، جو ایس ای سی پی کے 2012 کے سرکلر 8 کے مطابق تھی۔

ڈویڈنڈ کی چیریٹی: فرسٹ انور مضاربہ نے شریعت کے تقاضوں کو سامنے رکھتے ہوئے Dividend کی جو رقم چیریٹی کے لیے لازم کی گئی تھی، وہ خیراتی کاموں کے لیے ٹرانسفر کر دی ہے۔

حکافل: فرسٹ انور مضاربہ نے خطرات کو کم کرنے کے لیے حکافل کمپنی سے COVERAGE حاصل کیا، اس موقع پر کسی بھی کنونشنل انشورنس کمپنی سے کسی قسم کا کوئی COVERAGE حاصل نہیں کیا گیا۔

خلاصہ: فرسٹ انور مضاربہ کی مینجمنٹ شریعہ کی ہدایات پر عمل کرنے میں اپنی تمام تر توجہ کے ساتھ کوشاں ہے۔ ان ساری چیزوں کو مد نظر رکھتے ہوئے، ہم اپنی معلومات کے مطابق، فرسٹ انور مضاربہ کے بزنس کو شریعت کے مطابق سمجھتے ہیں۔ واللہ اعلم بالصواب



مفتی محمد بلواری

المحمد شریعہ ایڈوائزر سروسز (پرائیویٹ) لمیٹڈ

مفتی عبید الرحمن زبیری

المحمد شریعہ ایڈوائزر سروسز (پرائیویٹ) لمیٹڈ

۳۰ جولائی ۲۰۲۳

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THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Board has constituted a functional Audit Committee. The features of the terms of reference of the Committee in accordance with the Code of Corporate Governance are as follows:

- (a) Determination of appropriate measures to safeguard the listed company's assets.
- (b) To monitor the integrity of the financial statements of the company, and any formal announcements relating to the company's financial performance, reviewing significant financial reporting judgments contained in them. In particular to review the half-year and annual financial statements and associated report before submission to the Board focusing on:
 - Any changes in accounting policies and practices
 - Major judgmental and risk areas
 - Significant adjustments resulting from the audit
 - The going concern assumption
 - Compliance with accounting standards
 - Compliance with International Financial Accounting Standards.
 - Compliance with listing regulations and other statutory and regulatory requirements
- (c) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in absence of management, where necessary);
- (d) Review of management letter issued by external auditors and management's response thereto.
- (e) To make recommendations to the Board, for approval in respect of matters relating to: · the appointment or · re-appointment or · removal of the external auditor;
- (f) Ensuring coordination between the internal and external auditors of the company.
- (g) Review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the company.
- (h) Consideration of major finding of internal investigation and management's response thereto.
- (i) Ascertaining that the internal control system including financial and operational controls, accounting system and reporting structure are adequate and effective.
- (j) Review the company's statement of internal control system prior to endorsement by the board of directors.
- (k) Determination of compliance with relevant statutory requirements.
- (l) Monitoring compliance with the best practices of corporate governance and identification of any significant violations thereof and
- (m) Consideration of any other issue or matter as may be assigned by the board of directors.

THE TERMS OF REFERENCE OF HUMAN RESOURCE & REMUNERATION COMMITTEE (HR&R)

The Board adopted the responsibilities contained in clause (XXV) of the Code of Corporate Governance 2019 from (i) to (iv) as the Terms of Reference (TOR) of the HR&R Committee. The Committee shall be responsible for:

- (i) Recommending human resource management policies to the board;
- (ii) Recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO.
- (iii) Consideration and approval on recommendations for CEO on such matters for key management positions who report directly to CEO



The terms of reference of Risk Management Committee

Terms of Reference

The committee advises the board on the company's overall risk appetite and strategy based on the current and prospective macroeconomic and financial environment with the following responsibilities:

- Monitor the organisation's risk profile;
- About risk assessment:
 - Review and approve the risk management infrastructure and the critical risk management policies adopted by the Company.
 - Review regularly and approve the parameters used in these measures and the methodology adopted.
 - Set a standard for accurate and timely monitoring of large exposures and certain risk types of critical importance.
- Review and assess the effectiveness of the Company's Enterprise Risk Management processes and recommend improvements.



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2019 FIRST AL-NOOR MODARABA YEAR ENDED JUNE 30, 2024

The company has complied with the requirements of the Regulations, in the following manner:

1. The total number of directors during the year are 7 (seven) as per the following:
 - a. Male 6
 - b. Female 1
2. The composition of board is as follows :

Category	Names
Independent Directors	1) Mr. Abdul Rahim Suriya 2) Mr. Tausif Ilyas 3) Dr. Irum Saba*
Executive Director	1) Mr. Zainuddin Aziz
Non-Executive Directors	1) Mr. A. Aziz Ayoob 2) Mr. Noor Muhammad Zakaria* 3) Mr. Zia I. Zakaria

* Female Director Dr. Irum Saba
(Resigned in June 6, 2024)

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies including this modaraba;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The board has ensured that complete record of particulars of significant policies along with their dates of approval or updating is maintained by the company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board;
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. All the Directors of the Company have completed / are exempted from the requirement of Directors' Training program;
10. The board has approved appointment of Chief financial officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board;

12. The board has formed committees comprising of members given below:

a) Audit Committee

S.No.	Name	Designation
1.	Mr. Abdul Rahim Suriya	Chairman
2.	Mr. Tausif Ilyas	Member
3.	Mr. Zia Zakaria	Member

b) HR and Remuneration Committee

S.No.	Name	Designation
1.	Mr. Tausif Ilyas	Chairman
2.	Mr. Aziz Ayoob	Member
3.	Mr. Zainuddin Aziz	Member

c) Risk Management Committee

The risk management committee was formed on June 07, 2023 comprising of:

S.No.	Name	Designation
1.	Mr. Zainuddin Aziz	Chairman
2.	Mr. Roofi Abdul Razzak	Member
3.	Mr. Sufyan Yasin	Member

13. The terms of reference of the aforementioned committees have been formed documented and advised to the committee for companies;

14. The frequency of meetings of the committee were as per following:

- a) Audit Committee - Quarterly
- b) HR and Remuneration Committee - Yearly
- c) Risk Management Committee - Yearly

15. The board has set up an effective internal audit function.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all other requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements during the year, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:



S.No.	Non-Mandatory Requirement	Regulation Number	Explanation
a.	The Board is responsible for governance and oversight of sustainability risks and opportunities and tasks appropriate measures to address it. Further, the Board ensures that the Company's sustainability and DE&I related strategies are periodically reviewed and monitored.	10A (1) (3) (4)	The Board will ensure that the Modaraba has addressed sustainability-related risks and opportunities. Also, it will ensure that Modaraba's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
b.	The Board may establish a dedicated sustainability committee or assign additional responsibilities to an existing Board committee.	10A (5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit Committee.

for and on behalf of the Board

Sd/-
Zia I. Zakaria
Chairman

Sd/-
Zainuddin Aziz
Chief Executive

Dated: September 10, 2024



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE CERTIFICATE HOLDERS OF FIRST AL-NOOR MODARABA

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Al-Noor Modaraba Management (Private.) Limited, the Modaraba Management Company of First Al-Noor Modaraba (the Modaraba) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Modaraba Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Modaraba's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Modaraba's personnel and review of various documents prepared by the Modaraba Management Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Modaraba Management Company's corporate governance procedures and risks.

The Regulations require the Modaraba Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Modaraba Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Modaraba for the year ended June 30, 2024.

Further, we highlight below instances of non-compliance with the requirement(s) of the Regulations during the year as reflected in the paragraph 19 of the Statement of Compliance:

S.No	Paragraph reference	Description
I.	19(a)	The Board is responsible for governance and oversight of sustainability risks and opportunities and takes appropriate measures to address it. However, no policies have been formed
II.	19(b)	
		The Board has yet not established sustainability committee or assigned additional responsibilities to an existing Board committee

Chartered Accountants

Karachi

Date: September 18, 2024

UDIN: CR20241015479awnp01J



INDEPENDENT AUDITORS' REPORT

To the certificate holders of First Al-Noor Modaraba

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **First Al-Noor Modaraba** (the Modaraba), which comprise the statement of financial position as at **June 30, 2024**, and the statement of profit and loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit and loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), in the manner so required and respectively give a true and fair view of the state of the Modaraba's affairs as at Jun 30, 2024 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Modaraba and Al-Noor Modaraba Management (Private) Limited (the Modaraba Company) in accordance with the International Ethics Standards Board for Accountants 'Code of Ethics for Professional Accountants' as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1.	Cash and bank balances and Investments As at June 30, 2024 the Modaraba's cash and bank balances amounts to Rs. 92.71 million as disclosed in note 6 and total investments amounts to Rs. 75.11 million as disclosed in note 7 and 14 of the financial statements representing 62.36% of the total assets of the Modaraba. The proper valuation of cash and bank balances and investments for the Modaraba were considered as a high-risk area and therefore, we consider this as a Key Audit Matter (KAM).	We performed the following audit procedures: <ul style="list-style-type: none">• Obtained an understanding of design effectiveness of the key controls on the cash and bank balances and investments.• Obtained independent confirmations for verifying the existence of the cash and bank balances and investments portfolio as at June 30, 2024 and reconciled it with the books and records of the Modaraba.• Re-performed valuation to assess that the investments are carried as per the valuation methodology specified in the accounting policies.• Checked presentation and disclosure as per applicable financial reporting framework.



Information Other than the Financial Statements and Auditor's Report Thereon

Management of the Modaraba Company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Modaraba Company for the Financial Statements

Management of the Modaraba Company is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and for such internal control as management of the Modaraba Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the Modaraba Company is responsible for assessing the Modaraba's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management of the Modaraba Company either intends to liquidate the Modaraba or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Modaraba Company are responsible for overseeing the Modaraba's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurances about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Modaraba's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Modaraba Company;
- Conclude on the appropriateness of the management of the Modaraba Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Modaraba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Modaraba to cease to continue as a going concern; and



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors of the Modaraba Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors of the Modaraba Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors of the Modaraba Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Modaraba Company in respect of the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980);
- b) the statement of financial position, the statement of profit and loss, the statement comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and are in agreement with the books of account;
- c) business conducted, investments made, expenditure incurred and guarantees extended during the year by the Modaraba were in accordance with the objects, terms and conditions of the Modaraba; and
- d) no zakat was deducted at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.

Chartered Accountants

Karachi

Date: September 18, 2024

UDIN: AR202410154y1NlxFb9v



STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023
		----- Rupees -----	
ASSETS			
Current assets			
Cash and bank balances	6	92,712,516	23,150,626
Short term investments	7	38,799,648	28,490,983
Musawamah facility	8	-	-
Profit receivable	9	2,261,619	1,290,909
Stock in trade	10	78,661,336	111,377,444
Receivable form diminishing musharaka		751,570	1,065,522
Loans, advances, prepayments and other receivables	11	5,687,216	3,031,307
Current portion of investment in sukuk certificates	14	-	-
Current portion of diminishing musharaka financing	15	6,243,797	30,772,233
Taxation and levies - net	12	696,045	3,528,462
		225,813,747	202,707,486
Non - current assets			
Long term deposits	13	3,838,407	3,842,911
Long term investments- net	14	36,311,359	48,693,011
Diminishing musharakah financing	15	1,070,502	7,012,720
Deferred tax asset	16	1,017,198	1,278,667
Fixed assets in own use	17	1,065,606	1,729,956
Intangible assets for own use	18	-	-
		43,303,072	62,557,265
TOTAL ASSETS		269,116,819	265,264,751
EQUITY AND LIABILITIES			
CERTIFICATE HOLDERS' EQUITY			
Authorised certificate capital			
40,000,000 (2023: 40,000,000) certificates of Rs. 10 each	19.1	400,000,000	400,000,000
Issued, subscribed, and paid - up certificate capital	19.2	231,000,000	231,000,000
Capital reserves	20	77,362,662	77,284,641
Revenue reserves		(51,624,116)	(52,343,230)
		256,738,546	255,941,411
Deficit on revaluation of investments	21	(806,226)	(2,215,042)
Non - current liabilities			
Deferred liability - staff gratuity	22	6,536,176	4,931,967
Current liabilities			
Creditors, accrued and other liabilities	23	1,140,335	1,098,427
Charity payable	24	-	-
Provision for custom duty & surcharge	25	4,398,842	4,398,842
Unclaimed profit distributions		1,109,146	1,109,146
		6,648,323	6,606,415
TOTAL LIABILITIES		13,184,499	11,538,382
TOTAL LIABILITIES AND CERTIFICATE HOLDERS' EQUITY		269,116,819	265,264,751
Contingencies and commitments	26		

The annexed notes from 1 to 46 form an integral part of these financial statements.

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

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024	Restated June 30, 2023
		----- Rupees -----	
Income from trading operations	27	(6,757,524)	2,800,300
Income on diminishing musharakah	28	6,981,569	13,559,511
Reversal of provision against Musawamah Facility	8.2	1,380,000	3,000,000
Income from investments	29	33,255,672	15,956,527
		34,859,717	35,316,338
Administrative and operating expenses	30	(32,967,392)	(27,560,888)
Other income	31	1,340,312	1,508,859
		3,232,637	9,264,309
Financial and other charges	32	(27,055)	(13,474)
Unrealised loss on re-measurement of investments at fair value through profit or loss	7.4	(547,590)	(5,424,073)
Share of profit / (loss) of associate	14.1	1,408,584	(150,168)
Management Company's remuneration including sales tax	33	-	-
Sindh workers' welfare fund	34	(81,332)	(73,532)
Profit before levies and income tax		3,985,244	3,603,062
Levies - Final and minimum tax		(2,791,940)	(1,459,511)
Taxation	35	(803,200)	(1,608,998)
Profit for the year		390,104	534,553
Earning per certificate - basic and diluted	36	0.02	0.02

The annexed notes from 1 to 46 form an integral part of these financial statements.

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

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023
		----- Rupees -----	
Profit for the year		390,104	534,553
Components of other comprehensive (loss) /income reflected in equity - net of tax			
Items that will not be reclassified subsequently to profit and loss account			
Remeasurement (loss) / gain of net defined benefit liability	22.5	(601,947)	1,841,779
Share of other comprehensive income / (loss) of associate	14.1	21,697	(151,891)
Impact of deferred tax		(156,687)	(417,113)
		(736,937)	1,272,775
Total comprehensive (loss) / income for the year transferred to equity- net of tax		(346,833)	1,807,328
Components of other comprehensive income / (loss) reflected below equity net of tax			
Surplus / (deficit) on revaluation of investments classified as 'at fair value thorough other comprehensive income- net of tax	21	2,552,784	(43,089)
Total comprehensive income for the year		2,205,951	1,764,239

The annexed notes from 1 to 46 form an integral part of these financial statements.

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

**Sd/-
Chief Executive Officer**

**Sd/-
Chief Financial Officer**

**Sd/-
Director**

**Sd/-
Director**



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

	Issued, subscribed, and paid-up certificate capital	Capital reserves	Revenue reserves			Total reserves	Total
		Statutory reserve (refer note 20)	General reserve	Accumulated losses	Subtotal		
Note	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 income for the year	-	-	-	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 losses	-	-	-	(1,880,517)	(1,880,517)	(1,880,517)	(1,880,517)
Transfer to statutory reserve	-	106,911	-	(106,911)	(106,911)	-	-
Balance as at June 30, 2023	231,000,000	77,284,641	250,000	(52,593,230)	(52,343,230)	24,941,411	255,941,411
Balance as at July 1, 2023	231,000,000	77,284,641	250,000	(52,593,230)	(52,343,230)	24,941,411	255,941,411
Profit for the year	-	-	-	390,104	390,104	390,104	390,104
Other comprehensive loss for the year	-	-	-	(736,937)	(736,937)	(736,937)	(736,937)
Total comprehensive loss for the year	-	-	-	(346,833)	(346,833)	(346,833)	(346,833)
Surplus transferred to accumulated losses 21	-	-	-	1,143,968	1,143,968	1,143,968	1,143,968
Transfer to statutory reserve 20	-	78,021	-	(78,021)	(78,021)	-	-
Balance as at June 30, 2024	231,000,000	77,284,641	250,000	(51,874,166)	(51,624,116)	(25,738,546)	256,738,546

The annexed notes from 1 to 46 form an integral part of these financial statements.

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

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023
		----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,985,244	3,603,062
Adjustments for:			
Depreciation on fixed assets	30	765,686	776,666
Profit on bank deposits	31	(1,340,312)	(1,508,859)
Unrealised loss on re-measurement of investments at fair value through profit or loss		547,590	5,424,073
Share of (profit) / loss of associate	14.1	(1,408,584)	150,168
Financial and other charges	32	27,055	13,474
Advance tax written off	30	4,343,312	-
Provision for gratuity	22.4	1,311,762	1,780,715
Operating profit before working capital changes		4,246,509	6,636,237
		8,231,753	10,239,299
Changes in assets			
Diminishing musharakah financing		30,470,654	48,240,567
Profit receivable		(1,038,022)	(389,467)
Stock in trade		32,716,108	(111,377,444)
Receivable from diminishing musharakah		313,952	571,683
Investments- net		5,268,151	(11,873,566)
Loans, advances, prepayments and other receivables		(2,655,909)	76,992
		65,074,934	(74,751,235)
		73,306,687	(64,511,936)
Changes in liabilities			
Creditors, accrued and other liabilities		41,908	(1,833,533)
Charity payable		-	(78,421)
		41,908	(1,911,954)
Cash flow from operating activities		73,348,595	(66,423,890)
Long term deposits		4,504	(2,700)
Income taxes and levies paid		(4,760,941)	(2,464,404)
Financial charges paid		(27,055)	(13,474)
Gratuity paid	22.3	(309,500)	(4,180,000)
Net cash generated from / (used in) operating activities		68,255,603	(73,084,468)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets in own use	17.1	(101,336)	(335,400)
Profit received on bank deposits		1,407,623	1,534,035
Net cash generated from investing activities		1,306,287	1,198,635
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase / (decrease) in cash and cash equivalents		69,561,890	(71,885,833)
Cash and cash equivalents at the beginning of the year		23,150,626	95,036,459
Cash and cash equivalents at the end of the year	6	92,712,516	23,150,626

The annexed notes from 1 to 46 form an integral part of these financial statements.

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

Sd/-
Chief Executive Officer

Sd/-
Chief Financial Officer

Sd/-
Director

Sd/-
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

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 (Private) 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 listed on the Pakistan Stock Exchange (PSX).

The Modaraba is a perpetual, multi purpose and multi dimensional Modaraba and is primarily engaged in trading, providing Ijarah financing, Musharakah, Diminishing Musharakah, Musawamah, equity investment and other Shari'ah compliant trading activities.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) as are notified under Companies Act, 2017;
- Islamic Financial Standards (IFAS) issued by the Institute of Chartered Accountant of Pakistan as are notified under Companies Act, 2017;
- Provisions of and directions issued under the Companies Act 2017;
- The requirements of Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations 2021 for Modarabas (hereinafter referred to as the relevant laws).

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 IFRS 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.

The SECP has issued directive (vide SRO 431 (I) / 2007 dated May 22, 2007) that Islamic Financial Accounting Standard 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.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the measurement at fair value of certain financial instruments in accordance with the requirements of IFRS 9 'Financial Instrument', wherever applicable.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistani Rupee which is the functional and presentation currency of the Modaraba. These figures have been rounded off to the nearest Pakistani Rupee.

2.4 Restatement

The Company has restated the amount of taxes paid and charged to the statement of profit and loss over income tax, subject to and determined using general enacted rate of taxation under Income Tax Ordinance, 2001 classified as current income tax in the statement of profit and loss to levy as reflected in statement of profit and loss and note 35 of these financial statement.

2.4 Significant event or transactions

There are no significant events or transactions during the year.

3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Modaraba's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period effected. In the process of applying the Modaraba's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

Estimate of residual values, useful lives and depreciation methods of fixed assets in own use and ijarah assets (note 5.6 and 5.7 respectively);

Estimate of residual values, useful lives and amortization methods of intangible assets for own use (note 5.8);

Impairment of financial assets (note 5.2.3);

Impairment of non financial assets (note no 5.9);

Taxation (note no 5.10);

Provisions and contingent assets and liabilities (note no 5.12); and

Staff retirement benefits (note no 5.14).

4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

4.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain new and amended standards, amendments and interpretations that are mandatory for the Modaraba's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any significant effect on the Modaraba's operations and therefore are not detailed in these financial statements.

4.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Modaraba

In addition certain new standards, amendments and interpretations to approved accounting standards are not yet effective. The Modaraba is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Modaraba.

4.3 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Certain new standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

5 SUMMARY OF MATERIAL ACCOUNTING POLICIES

5.1 Investment in associates

The Modaraba considers its associate to be such in which the Modaraba have ownership of not less than twenty percent of the voting power and / or has significant influence through common directorship, but not control.

The Modaraba accounts for its investment in associate using the equity method. Under this method investment in initially recognized at cost, being the fair value of consideration given includes acquisition charges associated with such investments. Subsequently the investors' share in profit / loss of the Investee is recognized in statement of profit and loss. Distributions received from the investee reduce the carrying amount of the investment. Adjustment to the carrying amount will also be made for changes in the investor's proportionate interest in the investee arising from changes in the investee's over comprehensive income.

Where Modaraba's share of loss of an associates equal or exceeds its interest in the associates, the Modaraba discontinue to recognize its shares of further losses except to the extent that Modaraba has incurred legal or constructive obligation or made payment on behalf of the associates. If the associates subsequently reports profits, the Modaraba resumes recognizing its share of those profit only after its share of the profit equals the share of losses not recognized.

5.2 Financial Instruments- Initial recognition and subsequent measurement

5.2.1 Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost of cost as the case may be.

5.2.1.1 Classification of financial assets

IFRS 9 has the following categories for classification of financial assets:

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVOCI), with recycling of gains or losses to statement of profit and loss account on derecognition.
- Equity instruments at FVOCI, with no recycling of gains or losses to statement of profit and loss on derecognition.
- Financial assets at fair value through profit or loss (FVTPL).

The classification is based on true criteria which is the entity's business model for managing the assets; and b) whether the instruments contractual cashflows represent 'solely payments of principal and profit' on the principal amount outstanding.

5.2.1.2 Classification of financial liabilities

The Modaraba classified its financial liabilities in the following categories:

- at fair value through profit or loss (FVTPL); or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to measured at FVTPL (such as instruments held for trading or derivatives) or the Modaraba has opted to measure them at FVTPL.

5.2.2 Subsequent measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income.

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit and loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit and loss in the period in which they arise.

5.2.3 Impairment of financial assets

The Modaraba assesses on a forward-looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The Modaraba recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

The Modaraba applies the IFRS 9 general approach to measure Expected Credit Losses (ECL) for ijarah finance and diminishing musharakah. A lifetime ECL is recorded on Ijarah finance and diminishing musharakah in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and which are credit impaired as on the reporting date. A 12 months ECL is recorded for ijarah finance and diminishing musharakah which do not meet the criteria for SICR or "credit impaired" as at the reporting date. To assess whether there is a significant increase in credit risk the Modaraba compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Modaraba also considers reasonable and supportive forward-looking information in determination of ECL. The allowance is increased by provisions charged to statement of profit and loss and other comprehensive income and is decreased by charge-offs, net of recoveries.

In evaluating the adequacy of ECL, the management considers various factors, including the nature and characteristics of the obligor, current economic conditions, credit concentrations or deterioration in collateral, historical loss experience and delinquencies.

The Modaraba Regulations, 2021 specifies a criteria for classification and provisioning of impaired assets. The Modaraba while recognising provision for impaired assets has considered the amount which is higher of (on a customer basis):

- the provision required under the Modaraba Regulations, 2021; and
- the provision required under IFRS 9 using the Expected Credit Loss (ECL) model.

5.2.4 Derecognition

5.2.4.1 Financial assets

The Modaraba derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risk and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received or receivables is recognized as gain/ (loss). In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to statement of profit and loss. In contrast, on derecognition of an investment in equity instrument which the Modaraba has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement of profit and loss, but transferred to statement of changes in equity.

5.2.4.2 Financial liabilities

The Modaraba derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non- cash assets transferred or liabilities assumed, is recognized in the statement of profit and loss.

5.2.5 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the recognized amounts and the Modaraba intends to either settle on a net basis, or to recognize the asset and settle the liability simultaneously.

5.3 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+2' purchases and sales are recognised at the trade date. Trade date is the date on which the Modaraba commits to purchase or sell the assets.

5.4 Receivable from terminated / matured contracts

These are stated net of impairment loss. Impairment loss is recognised for doubtful receivables on the basis of Prudential Regulations for Modarabas issued by the SECP or based on the judgment of management, whichever is higher. Bad debts are written off when identified.

5.5 Diminishing musharakah, Ijarah rentals and Musawamah finance

These are stated net of provision and suspense income. Provision is recognized in accordance with the Modaraba Regulations, 2021 for Modarabas. Bad debts are written-off when identified.

5.6 Fixed assets in own use

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any except free hold land are stated at cost less any accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Modaraba and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss as and when incurred.

Depreciation on all fixed assets is charged to income applying the straight-line method over the useful life of the asset as disclosed in note 18.1 to the financial statements and after taking into account residual value, if significant. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date. Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit and loss, in the period in which they arise.

Repairs and maintenance are charged to income as and when incurred.

5.7 Ijarah assets

Assets leased out under Ijarah arrangements are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Modaraba and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss as and when incurred. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

Depreciation is charged to income applying the straight line method whereby the cost of an asset less residual value is written off over the standard hours of usage, which is considered to be the estimated useful life of the asset. Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit and loss, in the period in which they arise.

5.8 Intangible assets

Intangible assets having a finite useful life are stated at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only where it is probable that the future economic benefits associated with the asset will flow to the Modaraba and the cost of item can be measured reliably. Amortization is charged to income using the straight line method in accordance with the rates specified in note 19 to these financial statements after taking into account residual value, if any. The residual values, useful lives and amortization method are reviewed adjusted, as appropriate, at each reporting date. Amortization is charged from the month the asset is available for use while in the case of assets disposed of, it is charged till the month preceding the month of disposal.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. These assets are not amortized as they are expected to have an indefinite life and are marketable.

Gain and loss on disposal of intangible assets, if any, are taken to the statement of profit and loss.

5.9 Impairment of non financial assets

The Modaraba assesses at each reporting date whether there is any indication that non financial assets excluding stock in trade may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where the carrying value exceeds the recoverable amount, assets are written down to the recoverable amount and the difference is charged to the statement of profit and loss. The recoverable amount is the higher of an assets' fair value less cost to sale and value in use.

Where impairment loss for asset subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of initial cost of the asset. Reversal of impairment loss is recognised as loss.

5.10 Taxation

5.10.1 Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credit and rebates, if any. Income for the purpose of computing current taxation is determined under the provisions of tax laws. Further, levies are accounted for in accordance with the requirement of IFRIC - 21.

5.10.2 Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from difference between the carrying amount of the assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit and loss, except where deferred tax arises on the items credited or charged to equity in which case it is included in equity or when they relate to items recognised in other comprehensive income in which case it is recognised in the other comprehensive income.

5.11 Creditors, accrued and other liabilities

These are carried at amortized cost, which is the fair value of the consideration to be paid in the future for goods and services.

5.12 Provisions and contingent assets and liabilities

Provisions are recognised when the Modaraba has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent assets are not recognized and are disclosed unless an inflow of economic benefits is virtually certain. Contingent liabilities are not recognized and are disclosed unless the probability of an outflow of resources embodying economic benefits are removed.

5.13 Commitments

Commitments are disclosed in the financial statements at committed amounts.

5.14 Staff retirement benefits

Staff gratuity scheme

The Company operates an unapproved staff gratuity scheme for its employees completing the eligibility period of service as defined under the plan. The scheme provides for a graduated scale of benefits dependent on the length of service of an employee on terminal date, subject to the completion of minimum qualifying period of service.

Provisions are made to cover the obligations under the scheme on the basis of actuarial valuation carried out annually by an external expert, using the 'Projected Unit Credit Method'. All re-measurement gains and losses are recognized in statement of other comprehensive income as these occur. The amount recognized in the unconsolidated statement of financial position represents the present value of defined benefit obligations. The past service cost, current service cost and interest cost are recognized in the unconsolidated statement of profit and loss when they incurred.

5.15 Stock in trade

Stock of raw material, work in process and finished goods are measured at at the lower of cost and net realizable value. Cost is determined on first in first out basis. Cost of raw materials and trading stock comprises the invoice values and other charges paid thereon. Cost of work in process and finished goods include prime cost and appropriate portion of manufacturing overheads. Items in transit are stated at invoice value plus other incidental charges paid thereon up to the reporting date.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale. If the net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

The Modaraba reviews the net realizable value of items of stock in trade to assess any possible impairment on annual basis. Net realizable value is estimated with reference to the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale. Any change in the estimates in the future might affect the carrying amount of respective stock in trade with corresponding effects on the provision for impairment, if any.



5.16 Revenue recognition

5.16.1 Trading operations

Sales from trading operations is recognized when the Modaraba satisfies performance obligations by transferring goods to customer. Goods are transferred when the customer obtains their control, i.e. on dispatch of goods to customers. Sales is measured at fair value of the consideration received or receivable. Revenue from trading operation is recorded net of discount and taxes.

5.16.2 Ijarah

Ijarah rental is recognised on an accrual basis, as and when rentals become due on a systematic basis over the lease and Ijarah period.

Documentation charges, front end fee and other Ijarah income are taken to the statement of profit and loss when these are realised.

Gain / losses on termination on Ijarah contracts are recognised as income as the difference between the proceeds realised from the customer on sale of Ijarah assets and the net book value at which such assets are carried at the time of termination.

Income in respect of non-performing Ijarah finance is held in suspense account, where necessary, in accordance with the requirements of Prudential Regulations for Modarabas issued by the SECP.

5.16.3 Musharakah Finance

Profit on musharakah finance is recognised on the basis of pre-agreed profit / loss sharing ratio when actual gain / loss on transaction is computed upon termination / completion of transaction.

5.16.4 Musawamah Finance

Profit on musawamah finance is recognized on an accrual basis, whereas unrealized musawamah income is excluded from profit.

5.16.5 Dividend Income

Dividend income is recognised when the Modaraba's right to receive the dividend is established.

5.16.6 Gain and loss on sale of investment

Gain and losses on sale of investments are accounted for when the commitment (trade debt) for sale of security is made.

5.16.7 Return on deposit with bank

Return on deposit with bank is recognized on an accrual basis.

5.16.8 Income from Shariah non-compliant revenue

Income from Shariah non-compliant revenue is not recognised in the statement of profit and loss and is classified as charity payable.

5.17 Segment reporting

As per IFRS 8, 'Operating Segments', segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer of the Management Company has been identified as the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

The Chief Executive Officer is responsible for the Modaraba's entire product portfolio and considers the business to have a single operating segment. The Modaraba's asset allocation decisions are based on a single integrated investment strategy and the Modaraba's performance is evaluated on an overall basis.



Based on internal management reporting structure, services provided and products produced and sold, the Modaraba is organised into the following four operating segments:

- Trading - import and distribution of rice;
- Financing - Musharakah, Diminishing Musharakah, Musawamah;
- Investments - realized and unrealized gain on investments and dividend income; and
- Ijarah - Ijarah financing.

5.18 Earnings per certificate

The Modaraba presents basic and diluted earnings per certificate data for its ordinary certificates. Basic earning per certificate is calculated by dividing the profit or loss attributable to ordinary certificate holders of the Modaraba by the weighted average number of certificates outstanding during the year. Diluted earning per certificate is determined by adjusting the profit or loss attributable to ordinary certificate holders and the weighted average number of ordinary certificates outstanding for the effects of all dilutive potential ordinary certificates.

5.19 Proposed profit distribution to certificate holders and transfers between reserves

Dividend declared and transfers between reserves made subsequent to the reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividend are declared/ transfers are made.

5.20 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position at cost. For the purpose of the cash flow statements, cash and cash equivalent comprise of cash in hand, balances with banks in current accounts and in profit and loss account and term deposit receipt with maturity upto 90 days.

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
6 CASH AND BANK BALANCES			
With banks in current accounts			
- Islamic Banks /Islamic Window operations		874,977	896,950
- Conventional Banks		486,224	543,990
		<u>1,361,201</u>	<u>1,440,940</u>
With banks in PLS accounts			
- Islamic Banks /Islamic Window operations	6.1	16,351,315	4,709,686
With banks in term deposit accounts			
- Islamic Banks /Islamic Window operations (TDRs)	6.2	75,000,000	17,000,000
		<u>92,712,516</u>	<u>23,150,626</u>
6.1	These saving accounts carry profit at rates ranging from 6.99% to 11.01% (June 30, 2023: 3.25% to 6.90 %) per annum.		
6.2	These represents TDRs carrying profit rate of 20.5% (June 30, 2023: 17.5%) and having maturity upto 3 months.		
		June 30, 2024	June 30, 2023
7 SHORT TERM INVESTMENTS	Note	----- Rupees -----	
At fair value through profit or loss Shariah compliant			
Listed equity securities	7.1	16,641,030	11,376,538
Listed Mutual funds	7.2	20,872,603	17,114,445
Non Shariah Compliant Listed equity securities	7.2	1,286,015	-
		<u>38,799,648</u>	<u>28,490,983</u>

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	--- Number of Shares ---		----- Rupees -----	
7.1 Shahriah Compliant listed equity securities - 'at fair value through profit or loss' Face value of Rs.10 /-each				
Chemicals				
Engro Fertilizer Limited	4,500	900	747,990	74,277
Fauji Fertilizer Bin Qasim Limited	-	12,000	-	141,360
Engro Polymer Chemicals Limited	12,000	-	528,240	-
Berger Paint Pakistan Limited	2,500	-	180,125	-
			1,456,355	215,637
Construction and Materials				
Maple Leaf Cement Limited	7,500	-	285,000	-
Oil & Gas Producers				
Pakistan State Oil	9,000	5,450	1,495,890	605,005
Cnergyico Pk Limited (Form. Byco Petroleum Limited)	37,000	115,500	142,450	328,020
Pakistan Petroleum Limited	23,000	30,500	2,693,530	1,803,770
Pakistan Refinery Limited	32,000	69,000	742,400	935,640
National Refinery Limited	4,500	-	1,194,660	-
			6,268,930	3,672,435
Gas Water & Multi utilities				
Sui Sothern Gas Company Ltd	15,000	-	142,200	-
Sui Northern Gas Pipeline Limited	6,500	-	412,555	-
			554,755	-
Textiles				
Nishat Mills Limited	1,500	-	106,275	-
Power Generation & Distribution				
K-Electric	50,000	101,000	231,500	173,720
The Hub Power Company Limited	1,500	-	244,620	-
			476,120	173,720
Pharmaceuticals				
The Searle Company Limited	98,000	25,000	5,597,760	958,000
Glaxo Smithkline Pakistan Limited	-	11,500	-	866,755
			5,597,760	1,824,755
Cable and Electrical goods				
Pak elektron limited	-	55,000	-	497,750
Waves Singer Pakistan Limited	-	109,500	-	673,425
			-	1,171,175
Banks				
Meezan Bank Limited	-	13,001	-	1,122,896
Food & Personal Care Products				
Al-Shaheer Corporation Ltd	3,000	-	24,210	-
Al-Tahur Limited	15,000	-	210,150	-
Treet Corporatin Ltd	15,000	-	233,400	-
National Foods Limited	-	3,750	-	369,000
Unity Foods Limited	-	34,000	-	531,420
			467,760	900,420
Technology and communication				
Avanceon Limited	9,000	-	486,180	-
System Limited	900	-	376,470	-
			862,650	-
Engineering				
International Steel Limited	-	16,000	-	648,480
Glass & Creamics				
Tariq Galss Industries Limited	2,000	-	233,100	-
Miscellaneous				
Pakistan Aluminium Beverage Can Ltd.	4,500	-	332,325	-
The Organic Meat Company Limited	-	100	-	2,078
Ghandhara Automoiels Limited	-	23,500	-	854,930
Shabbir Tiles & Ceramics Limited	-	17,500	-	145,600
Ghani Global Holdings Limited	-	65,290	-	644,412
			332,325	1,647,020
			16,641,030	11,376,538



	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	--- Number of units ---		----- Rupees -----	
7.2 Shariah compliant Listed Mutual Funds - 'at fair value through profit or loss'				
MCB AL Hamra Islamic Money Market	200,865	119,504	20,872,603	11,891,851
NBP Islamic Daily Dividend Fund	-	482,987	-	4,829,872
Atlas Islamic Money market Fund	-	783	-	392,722
			<u>20,872,603</u>	<u>17,114,445</u>
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	--- Number of units ---		----- Rupees -----	
7.3 Non Shariah Compliant listed equity securities - 'at fair value through profit or loss' Face value of Rs.10 /-each				
Oil & Gas Producers				
Oil And Gas Development Company Limited	9,500	-	1,286,015	-
7.4 Unrealised loss on re-measurement of investments at fair value through profit or loss				
On shariah compliant investments			(517,497)	(5,424,073)
On non shariah compliant investments			(30,093)	-
			<u>(547,590)</u>	<u>(5,424,073)</u>
			June 30, 2024	June 30, 2023
		Note	----- Rupees -----	
8 MUSAWAMAH FACILITY Secured				
Musawamah facility - considered doubtful			20,620,000	22,000,000
Less: provision against potential losses			<u>(20,620,000)</u>	<u>(22,000,000)</u>
		8.1 & 8.2	<u>-</u>	<u>-</u>
8.1 Musawamah facility (Classified portfolio)	June 30, 2024		June 30, 2023	
	Balance outstanding	Provision held	Balance outstanding	Provision held
	----- (Rupees) -----			
Loss	<u>20,620,000</u>	<u>(20,620,000)</u>	<u>22,000,000</u>	<u>(22,000,000)</u>
8.2	This represents musawamah principal amount overdue by more than one year carried profit rate of 10% (June 30, 2023: 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 year ended June 30, 2022, Quetta Textiles Mills Limited approached the Modaraba for out of court settlement. The settlement agreement had been agreed and was submitted to honorable banking court and the respective order dated August 16, 2022 has been passed by the court. Effectively the agreed repayment has been executed and will be received by the Modaraba as per the agreed schedule. During the year ended June 30, 2023 and June 30, 2024 an amount of Rs. 3 million and Rs. 1.38 million have been received respectively.

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
9 PROFIT RECEIVABLE			
Profit on Sukuk Certificates		484,479	441,629
Term deposit receipt profit		1,745,034	749,863
PLS bank account		32,106	99,418
		<u>2,261,619</u>	<u>1,290,909</u>
10 STOCK IN TRADE			
Rice		78,661,336	102,553,153
Maize		-	8,824,291
		<u>78,661,336</u>	<u>111,377,444</u>
11 LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Loans to staff	11.1	700,000	600,000
Advances - considered good			
- Suppliers		129,931	708,107
- Employees	11.2	52,000	250,000
Prepayments		1,029,863	633,761
Others		3,129,227	193,244
Dividend receivable		18,676	18,676
Sales tax receivable	11.3	627,519	627,519
		<u>5,687,216</u>	<u>3,031,307</u>
11.1	This include short term loan given to the company secretary. These are given as per the Modaraba's policy and are secured against the salary and retirement benefit. The maximum aggregate amount at any time during the year is Rs. 700,000 (2023: Rs. 600,000).		
11.2	The maximum aggregate amount at any time during the year is Rs. 250,000 (June 2023: Rs. 250,000).		
11.3	This include an amount of Rs. 0.63 million (2023: Rs. 0.63 million) on account of sales tax paid on management remuneration to the management company for onward submission to Sindh Revenue Board (SRB). However, the amount is not yet deposited into SRB by the Management Company.		
		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
12 TAXATION AND LEVIES - NET			
Income tax refundable		3,528,462	2,704,327
Provision for income tax & levies for current year		(3,250,046)	(1,640,269)
Advance tax written off		(4,343,312)	-
Income tax adjusted / deducted at source		4,760,941	2,464,404
		<u>696,045</u>	<u>3,528,462</u>



		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
13 LONG TERM DEPOSITS			
National Commodities Exchange Limited		2,500,000	2,500,000
Security Deposit-N.C.E.L.-Office Space		850,000	850,000
Guarantee Margin - MCB Bank Limited		440,000	440,000
Mobile Phone - Pakistan Mobile Communication		12,489	12,489
Security Deposit- CDC Pakistan Limited		35,918	40,422
		3,838,407	3,842,911
14 LONG TERM INVESTMENTS			
Investment in Associates - shariah compliant	14.1	9,835,455	9,402,149
At fair value through other comprehensive income			
Shariah compliant			
Equity securities-listed	14.2	2,719,460	1,821,692
Mutual funds-listed	14.3	13,756,444	27,469,170
		16,475,904	29,290,862
At Amortised Cost			
Investment in Sukuk Certificates	14.4	10,000,000	10,000,000
Less: Current maturity		-	-
		10,000,000	10,000,000
		36,311,359	48,693,011
14.1 Investment in Associates			
Opening Balance		9,402,149	10,258,083
Share of other comprehensive income / (loss) of associate		21,697	(151,891)
Share of (loss) / profit of associate		1,408,584	(150,168)
		1,430,281	(302,059)
Dividend income		(996,975)	(553,875)
		9,835,455	9,402,149

14.1.1 This represents investment in associate, the Al-Noor Sugar Mills Limited which is incorporated in Pakistan and listed on Pakistan Stock Exchange. Its registered office is situated at 96-A, Sindhi Muslim Society, Karachi. The principal activities of the associate is manufacturing sugar, medium density fiber (MDF) board, power generation and its sale.

The Modaraba owns 0.54% (June 2023: 0.54%) share capital of the Al-Noor Sugar Mills. However, Al-Noor Sugar Mills Limited is associated company of the Modaraba base on the common directorship. The associate is accounted for using equity method in these financial statements.

14.1.2 The financial year end of the Al-Noor Sugar Mills Limited is September 30. This was the reporting date established when that Company was incorporated and a change of reporting date is currently not possible. For the purposes of applying the equity method of accounting, the unaudited financial statements of Al-Noor Sugar Mills Limited for the year ended June 30, 2023 have been used to reflect the profit /(loss) for the year. As at June 30, 2023, the fair value of the Modaraba's interest in Al-Noor Sugar Mills is disclosed in 14.1.3 based on the quoted market price available on the Pakistan Stock Exchange, which is a level 1 input in terms of IFRS 13.

14.1.3 The summarized unaudited financial information in respect the Al-Noor Sugar Mills Limited is set out below. The summarized financial information represents the amounts shown in the associate's financial statements for the respective year.



Name of Associate

Al-Noor Sugar Mills Limited

**Basis of significant influence
Common directorship**

	June 30, 2024	June 30, 2023
	----- Rupees -----	
Number of shares held (number)	110,775	110,775
Ownership interest (%)	0.54%	0.54%
	June 30, 2024	June 30, 2023
	----- Rupees -----	
Share capital ordinary shares of Rs. 10 each	204,737	204,737
Total assets	22,769,796	13,429,908
Total liabilities	11,810,746	10,113,896
Net assets	10,959,050	3,316,012
Revenue	18,450,563	12,200,161
Profit / loss after tax	260,848,889	(27,809)
Other comprehensive income / (loss)	4,017,963	(28,128)
Cost of investment	1,482,481	1,482,481
Market value of shares	9,415,875	7,131,695

14.1.4 The Company's share of contingencies of associated company based on financial information of associated company is Rs. 55.36 million (June 30, 2023: Rs. 3.62 million).

14.1.5 The Company's share of commitments of associated company based on financial information of associated company is Rs. 1.03 million (June 30, 2023: 3.65 million).

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	--- Number of Shares ---		----- Rupees -----	
14.2 Shahriah Compliant listed equity securities - at fair value through other comprehensive income' Face value of Rs.10 /-each				
Automobile Assembler				
Gandhara Nissan Limited	3,093	3,293	540,409	119,799
Gandhara Industries Limited	4,100	4,200	1,120,899	338,268
			1,661,308	458,067
Modarabas				
First Habib Modaraba	10,000	4,171	160,092	30,407
OLP Modaraba (Formerly: Orix Modaraba)	11,000	11,000	149,820	124,300
First Imrooz Modaraba	4,160	4,400	719,680	695,200
			1,029,592	849,907
Oil & Gas Producers				
Attock Petroleum Limited	-	150	-	45,038
Cement				
Power cement Limited	-	6,000	-	24,600
Pharmaceuticals				
The Searle Company Limited	500	6,497	28,560	248,965
Automobile and Parts				
Hino Pak Motor Limited	-	1,042	-	195,115
			2,719,460	1,821,692



	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	--- Number of Units ---		----- Rupees -----	
14.3 Listed Mutual Funds - 'at fair value through other comprehensive income'				
MCB AL Hamra Islamic Money Market	-	64,458	-	6,414,215
NBP Islamic Daily Dividend Fund	111,016	1,004,245	1,110,168	10,042,455
Meezan Rozana Amdani Fund	59,650	220,250	2,982,503	11,012,500
Atlas Islamic Money Market Fund	2,308	-	1,161,366	
HBL Islamic Money Market Fund	84,037	-	8,502,408	
			<u>13,756,444</u>	<u>27,469,170</u>
14.4 Two separate investment made in sukuk certificates of Tier II of AlBaraka Bank Pakistan Limited and Meezan Bank Limited carrying profit of six months of KIBOR to spread of 0.35% to 1.25% (June 30, 2022: KIBOR to spread of 0.35% to 1.25%). These will mature by year 2031.			June 30, 2024	June 30, 2023
			----- Rupees -----	
15 DIMINISHING MUSHARAKAH FINANCING - Secured				
Diminishing musharakah financing	15.1	7,314,299	37,784,953	
Less: Provision in respect of diminishing musharakah		-	-	
		<u>7,314,299</u>	<u>37,784,953</u>	
Less: Current portion		<u>(6,243,797)</u>	<u>(30,772,233)</u>	
		<u>1,070,502</u>	<u>7,012,720</u>	
15.1 These carry profit rate ranging from 9.22% to 15.50% (2023: 9.22% to 15.40%) 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 ownership of vehicles.			June 30, 2024	June 30, 2023
			----- Rupees -----	
16 DEFERRED TAX ASSET				
Deferred tax asset / (liability) arising in respect of :-				
- accelerated tax depreciation		328,493	186,488	
- Investments		(1,119,127)	270,615	
- Provision for gratuity		1,764,991	2,547,720	
- Provision for Worker's welfare fund		42,841	125,353	
	16.1	<u>1,017,198</u>	<u>1,278,667</u>	

16.1 Reconciliation of deferred tax asset

	Opening balance	Recognized in statement profit and loss	Recognized in statement of comprehensive income	Closing balance
			-----Rupees-----	
June 30, 2024	1,278,667	(345,094)	83,625	1,017,198
June 30, 2023	3,130,176	(1,428,240)	(423,269)	1,278,667

	Note	June 30, 2024 ----- Rupees -----	June 30, 2023
17 FIXED ASSETS IN OWN USE			
Tangible assets	17.1	1,065,606	1,729,956

17.1 Tangible assets

	Computer equipment	Office equipment and appliances	Furniture and Fixtures	Motor Vehicles	Total
			----- Rupees -----		
Cost					
Balance as at July 1, 2022	1,126,680	797,900	950,166	5,091,382	7,966,128
Additions	-	120,400	215,000	-	335,400
Balance as at June 30, 2023	1,126,680	918,300	1,165,166	5,091,382	8,301,528
Balance as at July 01, 2023	1,126,680	918,300	1,165,166	5,091,382	8,301,528
Additions	-	101,336	-	-	101,336
Balance as at June 30, 2024	1,126,680	1,019,636	1,165,166	5,091,382	8,402,864
Accumulated depreciation					
Balance as at July 01, 2022	(785,506)	(442,431)	(543,437)	(4,023,532)	(5,794,906)
Charge for the year	(135,599)	(155,166)	(92,308)	(393,593)	(776,666)
Balance as at June 30, 2023	(921,105)	(597,597)	(635,745)	(4,417,125)	(6,571,572)
Balance as at July 01, 2023	(921,105)	(597,597)	(635,745)	(4,417,125)	(6,571,572)
Charge for the year	(136,486)	(150,695)	(84,918)	(393,587)	(765,686)
Balance as at June 30, 2024	(1,057,591)	(748,292)	(720,663)	(4,810,712)	(7,337,258)
Net book value as at June 30, 2024	69,089	271,344	444,503	280,670	1,065,606
Net book value as at June 30, 2023	205,575	320,703	529,421	674,257	1,729,956
Annual Rate of depreciation	30%	30%	10%	20%	



	Software	Web page design	Total
	----- Rupees -----		
18 INTANGIBLE ASSETS FOR OWN USE			
Cost			
Balance as at July 1, 2022	225,000	88,000	313,000
Balance as at June 30, 2023	225,000	88,000	313,000
Balance as at July 1, 2023	225,000	88,000	313,000
Balance as at June 30, 2024	225,000	88,000	313,000
Accumulated Amortization			
Balance as at July 1, 2022	(225,000)	(88,000)	(313,000)
Balance as at June 30, 2023	(225,000)	(88,000)	(313,000)
Balance as at July 1, 2023	(225,000)	(88,000)	(313,000)
Balance as at June 30, 2024	(225,000)	(88,000)	(313,000)
Net book value as at June 30, 2024	-	-	-
Net book value as at June 30, 2023	-	-	-
Annual Rate of amortization	30%	30%	

18.1 Software relate to the accounting and tax software system purchased in 2018.

18.2 Web design relates to website cost of the Modaraba made in the year 2012.

19 CERTIFICATE CAPITAL

19.1 Authorised certificate capital

June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
---- Number of certificates ----			----- Rupees -----	
40,000,000	40,000,000	Modaraba certificates of Rs. 10 each	400,000,000	400,000,000

19.2 Issued, subscribed and paid - up certificate capital

June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
---- Numbers ----			----- Rupees -----	
20,000,000	20,000,000	Modaraba certificates of Rs. 10 each fully paid	200,000,000	200,000,000
1,000,000	1,000,000	in cash	10,000,000	10,000,000
2,100,000	2,100,000	Modaraba certificates issued as bonus	21,000,000	2,100,000
23,100,000	23,100,000		231,000,000	23,100,000

19.3 As at June 30, 2024, First Al-Noor Modaraba Management (Private) Limited (the Management Company and a related party) held 4,620,000 certificates (June 30, 2023: 4,620,000 certificates), as required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

**20 STATUTORY RESERVE**

The Statutory reserve represents profits set aside as per the Modaraba Regulations, 2021 issued by the SECP.

These regulations also require that, if minimum equity requirements are applicable on any Modaraba and are not compliant, such Modarabas may create a reserve fund which shall create a reserve fund to which shall be credited an amount equivalent to one hundred percent of its annual after-tax profit till such time the minimum equity requirements are complied with. However, the minimum equity requirement does not apply to the Modaraba.

During the current year the Modaraba has transferred an amount of Rs. 78,021 (2023: Rs. 106,911).

	June 30, 2024	June 30, 2023
	----- Rupees -----	
21 DEFICIT ON REVALUATION OF INVESTMENTS - net of tax - Classified As 'FVTOCI'		
Market value of investments	16,475,903	29,290,862
Less: cost of investments	(17,347,499)	(31,644,337)
Impact of deferred tax	65,370	138,432
	(806,226)	(2,215,042)
Deficit on revaluation at the beginning of the year	(2,215,042)	(4,052,470)
(Surplus) / Deficit transferred to accumulated losses	(1,143,968)	1,880,517
(Surplus) / Deficit on revaluation during the year- net of tax	2,552,784	(43,089)
	1,408,816	1,837,428
Deficit on revaluation at the end of the year	(806,226)	(2,215,042)

Deficit on revaluation of investments is presented under a separate head below equity as 'deficit on revaluation of investments' in accordance with the requirement of circular No. SC/M/PROD/PRs/2017-259 dated December 11, 2017.

22 DEFERRED LIABILITY - STAFF GRATUITY**22.1 Staff Gratuity Scheme**

As disclosed in note 5.14, the Modaraba operates an unfunded gratuity scheme for its permanent employees. The latest actuarial valuation was carried out as at June 30, 2024, using the Projected Unit Credit Method.

The actuarial valuation of gratuity plan was carried out as at June 30, 2024. The projected unit credit method using the following significant assumptions were used for this valuation:

	2024	2023
Discount rate used for interest Cost in P&L charge	15.75%	13.50%
Discount rate used for year end obligation	14.50%	15.75%
Rate of increase in salary level in long-term	13.50%	14.75%
Withdrawal Rates	Age -Based SLIC 2001-2005 Age 60	
Mortality Rates		
Retirement Assumption		



	Note	June 30, 2024	June 30, 2023
		----- Rupees -----	
22.2 Liability recognised in the statement of financial position:			
Present value of the defined benefit obligation	22.3	6,536,176	4,931,967
Less: fair value of planned assets		-	-
Defined benefit liability recognized in the accounts		6,536,176	4,931,967
22.3 Changes in present value of defined benefit obligation:			
Obligation as at start of the year		4,931,967	9,173,031
Current service cost	22.4	559,350	824,506
Interest cost of defined benefit obligation	22.4	752,412	956,209
benefit due but not paid (payables)		-	-
Benefits paid		(309,500)	(4,180,000)
Remeasurements		-	-
Actuarial (gain)/loss from changes in demographic assumptions	22.5	-	-
Actuarial loss from changes in financial assumptions	22.5	(51,059)	77,098
Experience adjustments	22.5	653,006	(1,918,877)
Obligation as at year end		6,536,176	4,931,967
22.4 Amounts recognized in statement of profit and loss			
Current service cost		559,350	824,506
Interest cost of defined benefit obligation		752,412	956,209
Expense recognized in P&L		1,311,762	1,780,715
22.5 Total remeasurement chargeable in other comprehensive income			
Remeasurement of plan obligation		-	-
Actuarial (gain)/loss from changes in demographic assumptions		-	-
Actuarial (gain)/loss from changes in financial assumptions		(51,059)	77,098
Experience adjustments		653,006	(1,918,877)
Total remeasurement chargeable in other comprehensive income		601,947	(1,841,779)
22.6 Changes in net liability			
Opening balance sheet liability		4,931,967	9,173,031
Expense chargeable to P& L	22.4	1,311,762	1,780,715
Remeasurement chargeable in other comprehensive income	22.5	601,947	(1,841,779)
Benefits paid	22.3	(309,500)	(4,180,000)
Closing balance sheet liability		6,536,176	4,931,967

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions	Increase in assumptions	Decrease in assumptions
		-----Rupees-----	
Discount rate	1%	5,899,479	7,269,651
Salary increase rate	1%	7,308,805	5,853,320

The average duration of the defined benefit obligation is 10 years.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity liability recognised within the statement of financial position.

- 22.7** Estimated expenses to be charged to statement of Profit and Loss account in the financial year 2025 in amounting to Rs. 1,577,242.

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
23 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Accrued expenses		697,712	933,075
Takaful		18,400	23,100
Advances from customers		239,591	-
Provision for Worker's Welfare Fund	23.1	158,649	142,252
Others		25,783	-
		<u>1,140,335</u>	<u>1,098,427</u>

- 23.1** The Finance Act 2008, introduced an amendment to the Worker's Welfare Fund Ordinance, 1971 (WWF Ordinance). Through these amendments Workers Welfare Fund (WWF) was payable @ 2% of the profit before taxation or taxable income whichever is higher. The legality of the above amendments were challenged in Sindh, Lahore and Peshawar High Courts. Due to variable judgments from the aforesaid Courts, the matter was forwarded to the Honorable Supreme Court of Pakistan. The Honorable Supreme Court has decided the matter on November 10, 2016, and Para 21 of its judgment states that the levy of WWF is in the nature of fee and the law could not be amended by the money bill and as such amendments made in the year 2006 and 2008 are unlawful ultravires to the Constitution. In terms of judgment by the Honorable Supreme Court of Pakistan, WWF under WWF Ordinance, is no more payable by the Modaraba. Subsequently the Sindh Assembly passed a bill on May 4, 2015 and notified Sindh Worker's Welfare Act 2014 on June 4, 2015.

As per the said Act the applicability of the Sindh Workers Welfare Fund is effective from the financial year of the entities ended on or after December 31, 2013. Accordingly, provision has been made at the rate of 2% of profit before taxation or taxable income, whichever is higher, effective after June 30, 2014.

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
24 Charity payable			
Opening balance		-	21,235
Add: amount credited during the year		8,906	78,422
		8,906	99,657
Less: paid during the year		(8,906)	(99,657)
Closing balance		-	-

25 PROVISION FOR CUSTOM DUTY & SURCHARGE

Custom duty / surcharges	25.1	<u>4,398,842</u>	<u>4,398,842</u>
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- 25.1** In a suit filed with the Honorable High Court of Sindh in the year 1994 - 95, Modaraba has disputed the amount of duty and surcharge levied by the Collector of Customs on import of 1,901.472 metric tons of edible oil imported from Singapore. The Honorable High Court rejected the appeal and ordered to deposit amount for the disputed amount of duty. The Modaraba has filed an appeal in the Honorable Supreme Court against the decision of the Honorable High Court. The Honorable Supreme Court in its interim order allowed the Modaraba to get release of goods for which Modaraba has provided bank guarantee of Rs. 4.4 million against 10% cash margin and hypothecation charge on current assets until the matter is decided. The Modaraba, however, has fully provided for the duty and surcharge of Rs. 4,398,842, as claimed by the Collector of Customs.

**26 CONTINGENCIES AND COMMITMENTS****26.1 Contingencies**

Details of contingencies regarding Provision for Sindh Workers' Welfare Fund, Musawamah facility litigation against Quetta Textile Mills Limited and Provision for Custom Duty and Surcharge are disclosed in notes 23.1, 8.2 and 26.1 respectively.

26.1.1 PROVISION FOR SERVICE SALES TAX ON MANAGEMENT COMPANY'S REMUNERATION

The Sindh Revenue Board (SRB) has imposed Sindh Sales Tax (SST) on the Modaraba Management Company's remuneration with effect from 01 November 2011. However, certain modaraba management companies have approached the Honorable Sindh High Court (the Court) and Appellate Tribunal of SRB, challenging the levy of SST on management company's remuneration. The Modaraba Management Company has not received any demand notice from SRB for payment of SST on Management Company's remuneration and accordingly, based on legal advisor's opinion, can neither file any petition challenging the levy of SST on Management Company's remuneration nor can join the proceedings of pending petition in the Court. As a matter of abundant caution the management is accruing SST on Management Company's remuneration and will discharge the liability on direction of the Court based on outcome of the petition filed by other modaraba management companies.

26.2 Commitments

There are no commitments as at June 30, 2024 (June 30, 2023: Nil).

		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
27 INCOME FROM TRADING OPERATIONS			
Shariah Compliant			
Sales		104,619,918	28,480,332
Cost of sales	27.1	<u>(111,377,442)</u>	<u>(25,680,032)</u>
		<u>(6,757,524)</u>	<u>2,800,300</u>
27.1 Cost of sales			
Opening stock		111,377,444	-
Purchases		78,661,334	137,057,476
Less: closing stock		<u>(78,661,336)</u>	<u>(111,377,444)</u>
Cost of sales		<u>111,377,442</u>	<u>25,680,032</u>
28 INCOME ON DIMINISHING MUSHARAKA			
Income on diminishing musharaka		<u>6,981,569</u>	<u>13,559,511</u>
29 INCOME FROM INVESTMENTS			
Shariah Compliant			
Gain on sale of securities- net		6,525,256	1,255,797
Dividend income - shariah compliant	29.1	7,609,399	7,276,089
Profit on sukuk certificates		2,178,970	1,091,705
Profit on investment in islamic certificates and term deposit receipts		<u>16,942,047</u>	<u>6,332,936</u>
		<u>33,255,672</u>	<u>15,956,527</u>
29.1 Dividend income			
FVTOCI (shares held at reporting date)		93,921	218,425
FVTPL		<u>7,515,478</u>	<u>7,057,664</u>
		<u>7,609,399</u>	<u>7,276,089</u>



		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
30 ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and others staff benefits	30.1 & 30.5	18,162,262	16,474,260
Rent, rates and taxes		5,678,770	988,603
Postage and telephone		353,351	262,985
Printing and stationary		341,214	474,760
Fee & subscription	30.3	2,458,066	2,442,107
Legal and professional charges		33,900	159,839
Travelling and conveyance		1,285,550	991,913
Entertainment		32,631	250,099
Repair and maintenance		578,266	514,184
Depreciation		765,686	776,666
Auditor's remuneration	30.4	1,329,200	1,313,230
Advertisement and publicity		23,250	56,250
Takaful	30.2	1,334,302	2,492,617
Commission		322,189	223,980
Others		268,755	139,395
		32,967,393	27,560,888

30.1 This includes Rs. 1,311,762 (2023: Rs.1,780,715) in respect of staff retirement benefits.

30.2 This includes Rs. 994,626 (2023: Rs. 2,223,589) in respect Takaful for diminishing musharakah assets and Rs. 93,660 (2023: Rs. 239,581) for stocks.

30.3 This includes Rs.400,000 (2023: Rs.425,000) in respect Directors Meeting Fee.

	June 30, 2024	June 30, 2023
	----- Rupees -----	
30.4 Auditor's remuneration		
Audit fee	300,000	300,000
Other certification	60,000	60,000
Half yearly review	110,000	110,000
Out-of-pocket expenses	60,000	65,630
Tax Consultancy	799,200	777,600
	1,329,200	1,313,230

- 30.5** The aggregate amount of remuneration charged in these financial statement, including all benefits to officers and employees of the Modaraba are as under:

	2024			2023		
	Executives	Other Staff	Total	Executives	Other Staff	Total
Salary	4,421,000	5,292,391	9,713,391	5,880,000	4,161,000	10,041,000
Contract staff	4,800,000	-	4,800,000	1,890,000	-	1,890,000
Bonus	575,000	406,000	981,000	127,500	1,202,500	1,330,000
Gratuity	1,105,472	206,290	1,311,762	833,361	947,354	1,780,715
EOBI	57,330	95,550	152,880	21,000	81,000	102,000
Group insurance	256,093	126,136	382,229	210,948	106,167	317,115
General services	821,000	-	821,000	640,005	-	640,005
Leave in cash	-	-	-	473,425	-	473,425
	12,035,895	6,126,367	18,162,262	10,076,239	6,498,021	16,574,260
No. of persons	3	6	9	3	6	9

In addition the executives are also provided with the Modaraba's maintained vehicles.

	June 30, 2024	June 30, 2023
	----- Number -----	
No of employees as at year end	<u>9</u>	<u>9</u>
Average number of employees	<u>9</u>	<u>9</u>

	June 30, 2024	June 30, 2023
	----- Rupees -----	
31 OTHER INCOME		
Profit on bank deposits - Shariah Compliant	<u>1,340,312</u>	<u>1,508,850</u>
32 FINANCIAL AND OTHER CHARGES		
Bank charges	9,455	4,674
Guarantee commission	<u>17,600</u>	<u>8,800</u>
	<u>27,055</u>	<u>13,474</u>

33 MANAGEMENT COMPANY'S REMUNERATION INCLUDING SALES TAX

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. No provision for Management Company's remuneration including sales tax has been made during the year.



		June 30, 2024	June 30, 2023
	Note	----- Rupees -----	
34 SINDH WORKERS' WELFARE FUND	34.1	<u>81,332</u>	<u>73,532</u>
34.1	Due to the applicability of the Sindh Workers Welfare Fund effective from the financial year of the entities ended on or after December 31, 2013 as disclosed in note 23.1, provision of Sindh workers's welfare fund has been made at the rate of 2% of profit before taxation or taxable income, whichever is higher, effective after June 30, 2014.		
	Note	June 30, 2024	Restated June 30, 2023
		----- Rupees -----	
35 TAXATION			
Current tax expense		-	168,266
Prior year tax		458,106	12,492
Deferred tax expense		<u>345,094</u>	<u>1,428,240</u>
	35.1	<u>803,200</u>	<u>1,608,998</u>
35.1	Relationship between accounting profit and tax expense for the year is as follows:		
Profit before taxation		<u>3,985,243</u>	<u>3,603,062</u>
Tax at the applicable tax rate of 29%		1,155,721	1,044,888
Tax effect of income taxable under final tax and separate block of income		(410,427)	1,421,618
Tax effect of prior period tax		458,106	12,492
Tax effect of permanent differences		<u>(400,200)</u>	<u>(870,000)</u>
		<u>803,200</u>	<u>1,608,998</u>
		June 30, 2024	June 30, 2023
		----- Rupees -----	
36. EARNING PER CERTIFICATE - BASIC AND DILUTED			
Profit for the year		<u>390,104</u>	<u>534,553</u>
		----- (Numbers) -----	
Weighted average number of certificates		<u>23,100,000</u>	<u>23,100,000</u>
		----- (Rupees) -----	
Earning per certificate		<u>0.02</u>	<u>0.02</u>
36.1	There is no dilutive potential shares as at the year end.		



As at June 30, 2024			
	FVTPL	FVTOCI	At Amortised Cost
	----- Rupees -----		
37 FINANCIAL INSTRUMENTS BY CATEGORY			
Financial assets			
Cash and bank balances	-	-	92,712,516
Investments	38,799,648	16,475,904	10,000,000
Long term deposits	-	-	3,838,407
Profit receivable	-	-	2,261,619
Receivable form diminishing musharaka	-	-	751,570
Diminishing musharakah	-	-	7,314,299
Other receivables	-	-	3,847,903
Total financial assets	38,799,648	16,475,904	120,726,314
Financial liabilities			
Creditors, accrued and other liabilities	-	-	742,095
Unclaimed profit distributions	-	-	1,109,146
Total financial liabilities	-	-	1,851,241
As at June 30, 2023			
	FVTPL	FVTOCI	At Amortised Cost
	----- Rupees -----		
Financial assets			
Cash and bank balances	-	-	23,150,626
Investments	28,490,983	29,290,862	10,000,000
Long term deposits	-	-	3,842,911
Profit receivable	-	-	1,290,909
Receivable form diminishing musharaka	-	-	1,065,522
Diminishing musharakah	-	-	37,784,953
Other receivables	-	-	811,920
Total financial assets	28,490,983	29,290,862	77,946,841
Financial liabilities			
Creditors, accrued and other liabilities	-	-	956,175
Unclaimed profit distributions	-	-	1,109,146
Charity payable	-	-	-
Total financial liabilities	-	-	2,065,321

38 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Modaraba's objective in managing risks is the creation and protection of Certificate holders' value. Risk is inherent in the Modaraba's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Modaraba's continuing profitability. The Modaraba is exposed to market risk (which includes profit rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

The Modaraba primarily invests in Ijarah assets, diminishing musharakah, diversified portfolio of listed securities, and Islamic investments instruments. Such investments are subject to varying degrees of risk, which emanate from various factors that include but are not limited to:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

38.1 Credit risk

Credit risk is the risk of financial loss to the Modaraba if the counterparty to a financial instrument fails to meet its contractual obligations. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Modaraba's policy is to enter into financial contracts in accordance with the internal risk management policies and the requirements of the Modaraba Rules and Regulations. The carrying amount of respective financial assets represents the maximum credit exposure at the reporting date.

	June 30, 2024	June 30, 2023
	----- Rupees -----	
Cash and bank balances	92,712,516	23,150,626
Investments	44,629,047	54,583,615
Long term deposits	3,838,407	3,842,911
Profit receivable	2,261,619	1,290,909
Receivable form diminishing musharaka	751,570	1,065,522
Diminishing musharakah	7,314,299	37,784,953
Other receivables	3,847,903	811,920
	155,355,361	122,530,456

Bank balances and term deposits receipts

Credit risk rating of the banks and their respective balances are given below:

Bank	Rating			June 30, 2024	June 30, 2023
	Agency	Short term	Long term	----- Rupees -----	
Al-Baraka Bank Limited	JCR-VIS	A-1	A+	800,000	992,670
Askari Bank Limited	PACRA	A-1+	AA+	75,092,707	17,067,689
Faysal Bank Limited	PACRA	A-1+	AA	321,173	288,807
HLB Bank Limited	JCR-VIS	A-1+	AAA	72,946	1,097,425
MCB Islamic Bank Limited	PACRA	A-1+	AAA	57,868	81,538
Meezan Bank Limited	JCR-VIS	A-1+	AAA	10,737,357	3,097,289
National Bank of Pakistan	PACRA	A-1+	AAA	486,222	448,448
United Bank Limited	JCR-VIS	A-1+	AAA	5,060,177	-
NRSP Microfinance Bank	JCR-VIS	A2	A-	84,066	76,760

Ijarah rental receivable, Diminishing musharakah facility and Investments

The Modaraba's policy is to enter into financial contracts in accordance with the internal risk management policies and the requirements of the Prudential Regulations for Modarabas issued by the Securities and Exchange Commission of Pakistan (SECP). The Modaraba aims to manage its credit risk exposure through diversification of its arrangements to avoid undue concentration of risks with individuals or groups of customers in specific locations or businesses. Credit risk is further mitigated through proper due diligence, appropriate transaction structuring and adequate collateralization of the exposure. In addition, the risk is mitigated through adequate takaful coverage of the assets under charge of the Modaraba. The respective collateral details against the Modaraba's exposure is detailed in notes of facilities and investments.

Long term deposit

Such deposit is refundable upon termination of services and management does not expect significant credit risk to arise there against.

An analysis of the financial assets that are individually impaired as per the requirements of the Prudential Regulations for Modarabas are as under:

	June 30, 2024		June 30, 2023	
	Balance outstanding	Provision held	Balance outstanding	Provision held
Musawamah facility (Classified Portfolio)				
Loss	20,620,000	(20,620,000)	22,000,000	(22,000,000)

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect groups of counterparties whose aggregate credit exposure is significant in relation to the Modaraba's total credit exposure. Concentration of credit risk indicate the relative sensitivity of the Modaraba's performance to developments affecting a particular industry.

The Modaraba manages credit risks and its concentration through diversification of activities to avoid undue concentration of risk with individuals, groups or specific industry segments. For this purpose, the Modaraba has established exposure limits for geographical and industrial sectors.

Details of the Modaraba's concentration of credit risk of financial instruments in respect of investments and , diminishing musharakah receivables with respect to segment assets are as follows:

	June 30, 2024		June 30, 2023	
	Rupees	%	Rupees	%
Chemicals	1,456,355	2.01%	215,637	0.20%
Construction and Materials	285,000	0.39%	24,600	0.02%
Oil & Gas Producers	7,554,945	10.41%	3,717,473	3.52%
Gas Water & Multi utilities	554,755	0.76%	-	0.00%
Automobile and Parts	5,947,221	8.19%	11,560,845	10.95%
Textiles	106,275	0.15%	-	0.00%
Pharmaceuticals	5,626,320	7.75%	2,073,720	1.96%
Cable and Electrical goods	-	0.00%	1,171,175	1.11%
Food & Personal Care Products	651,640	0.90%	3,225,747	3.06%
Banks	10,000,000	13.78%	11,122,896	10.54%
Mutual Fund	34,629,047	47.71%	44,583,615	42.23%
Power Generation & Distribution	476,120	0.66%	173,720	0.16%
Engineering	-	0.00%	12,198,480	11.56%
Modarabas	1,029,592	1.42%	849,907	0.81%
Technology & Communication	862,650	1.19%	2,481,126	2.35%
Glass & Creamics	233,100	0.32%	-	0.00%
Logistics	-	0.00%	4,392,100	4.16%
Miscellaneous	3,176,831	4.38%	7,775,757	7.37%
	72,589,851	100.00%	105,566,798	100.00%

38.2 Liquidity risk

Liquidity risk is the risk that the Modaraba will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Modaraba will be required to pay its liabilities earlier than expected or will face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Modaraba's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Modaraba's reputation. The following are the contractual maturities of financial liabilities:

June 30, 2024				
	Carrying amount	Contractual cash flows	Upto 3 months	Over 3 months to on year
	----- Rupees -----			
Financial liabilities				
Creditors, accrued and other liabilities	742,095	(742,095)	742,095	-
Unclaimed profit distributions	1,109,146	(1,109,146)	1,109,146	-
	<u>1,851,241</u>	<u>(1,851,241)</u>	<u>1,851,241</u>	<u>-</u>
June 30, 2023				
	Carrying amount	Contractual cash flows	Upto 3 months	Over 3 months to on year
	----- Rupees -----			
Financial liabilities				
Creditors, accrued and other liabilities	956,175	(956,175)	956,175	-
Unclaimed profit distributions	1,109,146	(1,109,146)	1,109,146	-
	<u>2,065,321</u>	<u>(2,065,321)</u>	<u>2,065,321</u>	<u>-</u>

The table above shows the undiscounted cash flows of the Modaraba's financial liabilities on the basis of their earliest possible contractual maturity or settlement.

38.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

38.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Modaraba, at present, is not exposed to currency risk as all transactions are carried out in Pakistani Rupees.

38.3.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market profit rates. The Modaraba has adopted appropriate policies to minimize its exposure to this risk. The profit rate profile of the Modaraba's significant profit bearing financial instruments and the periods in which these will mature are as follows:

June 30, 2024								
		Effective yield/ profit rate	Total	Exposed to yield/ profit rate risk				Not exposed to yield/ profit rate risk
				Upto one month	Over one month to three months	Over three months to one year	Over one year to five years	
On balance sheet financial instruments		%	Rupees					
Financial assets								
Cash and bank balances	6.99-20.5	92,712,516	91,351,315	-	-	-	-	1,361,201
Investments	21.82-22.17	65,275,552	-	-	-	10,000,000	-	55,275,552
Long term deposits		3,838,407	-	-	-	-	-	3,838,407
Profit receivable		2,261,619	-	-	-	-	-	2,261,619
Receivable form diminishing musharaka		751,570	-	-	-	-	-	751,570
Diminishing musharakah	9.22-15.50	7,314,299	-	-	6,243,797	1,070,502	-	-
Other receivables		3,847,903	-	-	-	-	-	3,847,903
Total financial assets		176,001,866	91,351,315	-	6,243,797	11,070,502	-	67,336,252
Financial liabilities								
Creditors, accrued and other liabilities		742,095	-	-	-	-	-	742,095
Unclaimed profit distributions		1,109,146	-	-	-	-	-	1,109,146
		1,851,241	-	-	-	-	-	1,851,241
On balance sheet gap		174,150,625	91,351,315	-	6,243,797	11,070,502	-	65,485,011

		June 30, 2023						
Effective yield/ profit rate	Total	Exposed to yield/ profit rate risk					Not exposed to yield/ profit rate risk	
		Upto one month	Over one month to three months	Over three months to one year	Over one year to five years	Over five years		
On balance sheet financial instruments	%	Rupees						
Financial assets								
Cash and cash equivalent	3.25-17.8	23,150,626	21,709,686	-	-	-	-	1,440,940
Investments	19.81 -22.8	67,781,845	-	-	-	10,000,000	-	57,781,845
Long term deposits		3,842,911	-	-	-	-	-	3,842,911
Profit receivable		1,290,909	-	-	-	-	-	1,290,909
Receivable form								
diminishing musharaka		1,065,522	-	-	-	-	-	1,065,522
Diminishing musharakah	9.22-15.40	37,784,953	-	-	30,772,233	7,012,720	-	-
Other receivables		811,920	-	-	-	-	-	811,920
Total financial assets		135,728,686	21,709,686	-	30,772,233	17,012,720	-	66,234,047
Financial liabilities								
Creditors, accrued and other liabilities		956,175	-	-	-	-	-	956,175
Unclaimed profit distributions		1,109,146						1,109,146
Charity Payable		-	-	-	-	-	-	-
		2,065,321	-	-	-	-	-	2,065,321
On balance sheet gap		133,663,365	21,709,686	-	30,772,233	17,012,720	-	64,168,726

Fair value sensitivity analysis for variable rate instruments

As at the reporting date, variable rate instruments of the Modaraba represent cash and bank balances, Diminishing Musharakah, Sukuk and Islamic certificates. In case of 100 basis points increase/ decrease in profit rates on the last reporting date of variable rate instruments with all other variables held constant, the following will be the impact on the profit and loss account and the equity of the Modaraba.

	June 30, 2024		June 30, 2023	
	Increase in 100 basis points	Decrease in 100 basis points	Increase in 100 basis points	Decrease in 100 basis points
Cash and cash equivalent	913,513	(913,513)	217,097	(217,097)
Investments	100,000	(100,000)	100,000	(100,000)
Diminishing musharakah	73,143	(73,143)	377,850	(377,850)
	<u>1,086,656</u>	<u>(1,086,656)</u>	<u>694,946</u>	<u>(694,946)</u>

There are not fixed rate financial instruments as at June 30, 2024 and June 30, 2023.

The composition of the Modaraba's portfolio of financial instruments and profit rates are expected to change over time. Therefore, the sensitivity analysis prepared as June 30, 2023 is not necessarily indicative of the effect of the Modaraba's profit and loss and reserves due to changes in profit rates.

38.3.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Modaraba is exposed to equity securities and mutual funds price risk because of investments held by the Modaraba and classified as 'FVTOCI' and "FVTPL". To manage its price risk arising from investments in equity securities, the Modaraba diversifies its portfolio.

In case of 10% increase/decrease in equity shares and investment in mutual funds held and classified as other comprehensive income for the year would be affected by Rs. 1.65 million (2023: Rs 2.93 million) as a result of gains/losses on investments classified as at FVTOCI and investment classified as FVTPL would be affected by Rs. 3.88 million (2023: Rs 2.85 million) as a result of gains/losses on investments classified as at FVTPL.

The analysis is based on the assumption that the equity index had increased / decreased by 10% with all other variables held constant and all the Modaraba's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Modaraba's investment portfolio and the correlation thereof to the PSX 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2023 is not necessarily indicative of the effect on the Modaraba's net assets of future movements in the level of the PSX 100 Index.

38.4 Operational risk

Operational risk is the potential for loss resulting from inadequate or failed internal processes and systems, human error, or from impact of external events (including legal risks). Operational risk is inherent in the Modaraba's activities and, as with the other risk types, is managed through an overall framework with checks and balances that includes recognized ownership of the risk by the businesses, independent risk management oversight and an independent review by the Internal Audit.

The Modaraba considers the overall operational risk by breaking it down into different sub-components / areas called as operational risk sub-types under which operational risks are identified. The overall operational risk management responsibilities lie with the Operational Risk department. For the identified operational risks, operational risk control owners are put in place and made responsible for performance of checks and testing of identified controls in their areas and reporting of the same to the operational risk department which reports any exception or deviation to the Operational Risk Committee where corrective and preventive actions are taken.

39 CAPITAL RISK MANAGEMENT

The Modaraba's prime objective when managing capital is to safeguard the Modaraba's ability to continue as a going concern so that it can continue to provide optimum returns to its certificate holders' and benefits of other stake holders and to maintain a strong capital base to support the sustained development of its businesses. The Modaraba manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Modaraba may adjust the amount of profit paid to certificate holders or issue new certificates. The Modaraba is not subject to externally imposed capital requirements.

40 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is 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.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the assets or liability that are not based on observable market data (that is, unobservable input).

If the inputs used to measure the fair value of financial asset fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Modaraba determine fair values using valuation techniques unless the fair value cannot be reliably measured.

For assets that are recognised in the financial statements at fair value on a recurring basis, the Modaraba recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

The table below shows the carrying amounts and fair values of a financial asset and financial liability including their fair value hierarchy for financial instruments measured at fair value.

June 30, 2024							
	At amortised cost	Carrying amount			Fair value		
		FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value		-----Rupees-----					
Investments							
Listed equity securities	-	17,927,045	2,719,460	20,646,505	20,646,505	-	-
Listed Mutual funds (note 40.1)	-	20,872,603	13,756,444	34,629,047	-	34,629,047	-
	-	38,799,648	16,475,904	55,275,552	20,646,505	34,629,047	-
Financial assets not measured at fair value							
Investments							
Sukuk Certificates (note 40.1)	10,000,000	-	-	10,000,000	-	9,976,472	-
Cash and bank balances (note 40.2)	92,712,516	-	-	92,712,516	-	-	-
Long term deposits (note 40.2)	3,838,407	-	-	3,838,407	-	-	-
Receivable form diminishing musharaka (note 40.2)	751,570	-	-	751,570	-	-	-
Profit receivable (note 40.2)	2,261,619	-	-	2,261,619	-	-	-
Diminishing musharakah (note 40.2)	7,314,299	-	-	7,314,299	-	-	-
Other receivables (note 40.2)	3,847,903	-	-	3,847,903	-	-	-
	120,726,314	-	-	120,726,314	-	9,976,472	-



June 30, 2024			
Carrying amount			
	FVTPL	At amortized cost	Total
-----Rupees-----			
Financial liabilities not measured at fair value (note 40.2)			
Creditors, accrued and other liabilities	-	742,095	742,095
Unclaimed profit distributions	-	1,109,146	1,109,146
	-	1,851,241	1,851,241

June 30, 2023							
Carrying amount				Fair value			
At amortised cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	
-----Rupees-----							
Financial assets measured at fair value							
Investments							
Listed equity securities	-	11,376,538	1,821,692	13,198,230	13,198,230	-	-
Listed Mutual funds (note 40.1)	-	17,114,445	27,469,170	44,583,615	-	44,583,615	-
	-	28,490,983	29,290,862	57,781,845	13,198,230	44,583,615	-
Financial assets not measured at fair value							
Investments							
Sukuk Certificates (note 40.1)	10,000,000	-	-	10,000,000	-	10,053,120	-
Islamic Certificates (note 40.2)	-	-	-	-	-	-	-
Cash and bank balances (note 40.2)	23,150,626	-	-	23,150,626	-	-	-
Long term deposits (note 40.2)	3,842,911	-	-	3,842,911	-	-	-
Receivable form diminishing musharaka (note 40.2)	1,065,522	-	-	1,065,522	-	-	-
Profit receivable (note 40.2)	1,290,909	-	-	1,290,909	-	-	-
Diminishing musharakah (note 40.2)	37,784,953	-	-	37,784,953	-	-	-
Other receivables (note 40.2)	811,920	-	-	811,920	-	-	-
	77,946,841	-	-	77,946,841	-	10,053,120	-

June 30, 2023			
Carrying amount			
	FVTPL	At amortized cost	Total
-----Rupees-----			
Financial liabilities not measured at fair value (note 40.2)			
Creditors, accrued and other liabilities	-	956,175	956,175
Unclaimed profit distributions	-	1,109,146	1,109,146
	-	2,065,321	2,065,321

**40.1 Valuation techniques used in determination of fair values within level 2:**

- 40.1.1** Investment in mutual funds are valued on the basis of the closing net assets at the reporting date announced by the Mutual Funds Association of Pakistan (MUFAP) based on the closing net assets of the mutual funds.
- 40.1.2** Investment in sukuk, issued by AlBaraka Bank Limited and Meezan Bank Limited are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan (SECP).
- 40.2** 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.

41 RELATED PARTY TRANSACTIONS

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 and disclosed elsewhere in these financial statements are as follows:

	June 30, 2024	June 30, 2023
	----- Rupees -----	
41.1 Balance outstanding at period end		
Other related parties (other than key management personnel)		
Contribution to staff gratuity fund	<u>6,536,176</u>	<u>4,931,967</u>
41.2 Transactions during the period		
Other related parties (other than key management personnel)		
Contribution to staff gratuity fund	<u>1,311,762</u>	<u>1,338,499</u>

42 INFORMATION ABOUT BUSINESS SEGMENTS

As per IFRS 8 - 'Operating Segments', operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision maker. The chief executive officer of the management company has been identified as the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

The Chief Executive Officer is responsible for Modaraba's entire product portfolio and consider business to have a three operating segments.

The internal reporting provided to the chief executive officer for the Modaraba's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.

The Modaraba's is domiciled in Pakistan. All of the Modaraba's income is from the investments in entities incorporated in Pakistan.

Details of segment revenues, costs, profit, assets and liabilities are as follows:

	June 30, 2024			
	Trading	Financing	Investment	Total
	-----Rupees-----			
Segment revenue	(6,757,524)	8,361,569	33,255,672	34,859,717
Segment results	(6,757,524)	8,361,569	34,116,666	35,720,711
Unallocated corporate expenses				(35,786,388)
Other income				1,340,312
Provision for worker's welfare fund				(81,332)
Taxation				(803,200)
Profit for the year				<u>390,104</u>
Segment assets and liabilities				
Reportable segment assets	78,661,336	7,444,230	74,598,511	160,704,077
Unallocated corporate assets				108,412,742
Consolidated total assets				<u>269,116,819</u>
Reportable segment liabilities	-	7,650,728	-	7,650,728
Unallocated corporate liabilities				5,533,771
Consolidated total liabilities				<u>13,184,499</u>
	June 30, 2023			
	Trading	Financing	Investment	Total
	-----Rupees-----			
Segment revenue	2,800,300	16,559,511	15,956,527	32,316,338
Unallocated corporate expenses	-	-	-	(900,774)
Other income	-	-	-	1,508,859
Provision for worker's welfare fund				(73,532)
Profit for the year				<u>534,553</u>
Segment assets and liabilities				
Reportable segment assets	111,377,444	144,819,430	52,793,486	308,990,360
Unallocated corporate assets	-	-	-	(43,725,609)
Consolidated total assets				<u>265,264,751</u>
Reportable segment liabilities	-	6,030,394	-	6,030,394
Unallocated corporate liabilities	-	-	-	5,507,988
Consolidated total liabilities				<u>11,538,382</u>

**43 DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX**

Following information has been disclosed with reference to circular No. 14 of 2016 dated April 21, 2016, issued by the securities and Exchange commission of Pakistan relating to " All Shares Islamic Index

Description	Explanation
i) Loan and advances	Non-interest bearing
ii) Long term deposits	Non-interest bearing
iii) Segment revenue	Non-interest bearing
iv) Relationship with banks	Segment wise revenue disclosed note no. 44 Modaraba maintains profit based banking relationships with Islamic Banks/ Bank Islamic window operations.
v) Banks balances	All profit yielding bank accounts are maintained with Islamic Banks/ Bank Islamic window operations whereas few of the current accounts are also maintained with conventional banking systems (note no. 6).
vi) Profit on bank deposits	This represents profit, only from Islamic banks/ Bank Islamic window operations.
vii) Breakup of dividend income -classification wise	Disclosed in note no. 29.1.
viii) All sources of their income	Disclosed in note No. 27-29 and 31.
ix) Gain /loss regardless of realized or unrealized from investments in shares/mutual funds	Disclosed in note no. 27, 14.1, 7 and 21.

44 CORRESPONDING FIGURES

Corresponding figure has been rearranged and reclassified, wherever necessary, for the purpose of better presentation in the financial statements. However, there is no significant rearrangements or reclassifications.

45 SUBSEQUENT EVENT

No subsequent events have occurred till the reporting date that may require adjustment of or disclosure in the financials statements for the year ended June 30, 2024.

46 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue on September 10, 2024 by the Board of Directors of the Management Company.

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

**Sd/-
Chief Executive Officer**

**Sd/-
Chief Financial Officer**

**Sd/-
Director**

**Sd/-
Director**



PATTERN OF CERTIFICATE HOLDING AS AT JUNE 30, 2024

No. of Certificate Holders	Certificate Holdings		Total Certificate Held
	From	To	
110	1	100	2,427
56	101	500	12,833
112	501	1,000	65,564
152	1,001	5,000	303,350
37	5,001	10,000	247,085
19	10,001	15,000	225,256
5	15,001	20,000	84,350
7	20,001	25,000	161,602
2	25,001	30,000	51,152
6	30,001	35,000	201,398
2	35,001	40,000	72,050
2	45,001	50,000	98,593
3	50,001	55,000	165,000
2	70,001	75,000	143,000
1	85,001	90,000	85,998
2	90,001	95,000	185,849
1	95,001	100,000	99,000
1	100,001	105,000	104,030
1	105,001	110,000	110,000
1	120,001	125,000	121,000
1	130,001	135,000	132,000
1	135,001	140,000	138,600
1	140,001	145,000	145,000
1	200,001	205,000	204,000
1	205,001	210,000	209,000
1	275,001	280,000	278,850
2	305,001	310,000	610,795
1	345,001	350,000	350,000
1	425,001	430,000	425,260
1	445,001	450,000	449,524
1	570,001	575,000	573,342
1	650,001	655,000	653,500
1	665,001	670,000	669,284
1	895,001	900,000	897,000
1	935,001	940,000	938,850
1	1,030,001	1,035,000	1,031,118
1	1,495,001	1,500,000	1,500,000
1	1,710,001	1,715,000	1,712,477
1	1,990,001	1,995,000	1,990,450
1	3,030,001	3,035,000	3,031,413
1	4,615,001	4,620,000	4,620,000
544			23,100,000

CATEGORIES OF SHAREHOLDING AS AT JUNE 30, 2024

S.No.	Shareholders Category	No. of Certificate Holders	No. of Certificates	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	2	2,061,950	8.93
2	Associated Companies, Undertakings and related Parties	3	8,224,755	35.61
3	NIT and ICP			
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	4	3,938	0.02
5	Insurance Companies	3	425,953	1.84
6	Modarabas and Mutual Funds	1	669,284	2.90
7	Share holders holding 10%	2	7,651,413	33.12
8	General Public :			
	a. local	516	11,499,487	49.78
	b .Foreign			
9	Others	15	214,633	0.93
Total		544	23,100,000	100.00

Shareholders holding five (5) percent or more certificates

Name	No. of Certificate Holders	Holding	Holding %age
Al-Noor Modaraba Management (Private) Limited	1	4,620,000	20.00%
Zain Trading Corporation (Private) Limited	1	3,031,413	13.12%
Masood Ahmed	2	2,458,350	10.56%
Zohair Zakaria	1	1,990,450	8.62%
Dinaz Cassim	1	1,712,477	7.41%



NOTICE OF ANNUAL REVIEW MEETING

Notice is hereby given to the certificate holders that Twenty Fifth (25th) Annual Review Meeting of First Al-Noor Modaraba will be held on Monday, October 21, 2024 at 11:30 a.m. at the Registered Office of the Company at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, physically and through Video Conference.

By order of the Board

Sd/-
Roofi Abdul Razzak
Company Secretary

Karachi : September 10, 2024

Notes:

1. Book Closure

The Share Transfer Book of the Modaraba will remain closed from Monday, October 21, 2024 to Thursday, October 31, 2024 (both days inclusive) and no transfer will be accepted during this period. The transfers received in order at the office of the Share Registrar, M/s FAMCO Share Registration Services (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahr-e-Faisal, Karachi by the close of business on October 19, 2024 will be considered in time for the purpose of determination of their respective entitlement(s), if any, and eligibility to attend the Annual Review Meeting.

2. Virtual Participation in ARM proceedings

Certificate holders interested in attending the ARM virtually, are hereby advised to get themselves registered with the company by providing the following information through email at company.secretary@fanm.co:

Name of Certificate holder	CNIC Number	Folio No. / CDC Account Number	Number of Certificates	Contact Number	Email address

Online meeting link and login credentials will be shared with only those members whose emails, containing all the required particulars, are received at the given email address not later than 4:00 p.m. on Friday October 18, 2024.

3. Payment of Cash Dividend through Electronic Mode

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its certificate holders only through electronic mode directly into bank account designated by the entitled certificate holders.

In order to receive dividends directly into their bank account, certificate holders are requested to fill in Electronic Credit Mandate Form available on Modaraba's website and send it duly signed along with a copy of CNIC to the Shares Registrar of the Company M/s FAMCO Share Registration Services (Private) Limited, in case of physical certificates.

The Certificate holders in CDC, are requested to provide the same to their Participants in CDC who maintain their accounts in CDC and ensure that their IBAN details are updated. In case of unavailability of IBAN and valid CNIC, the Company would be constrained to withhold dividend in accordance with the Companies (Distribution of Dividends) Regulations, 2017.

4. Deduction of Income Tax from Dividend and Exemptions from deduction

The current prescribed rates for the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 from payment of dividend by the companies are as under:

For filers of income tax returns : 15%

For non-filers of income tax returns : 30%

The income tax is deducted from the payment of dividend according to the Active Tax-Payers List (ATL) provided on the website of FBR. All those certificateholders who are filers of income tax returns are therefore advised to ensure that their names are entered into ATL to enable the Company to withhold income tax from payment of cash dividend @ 15% instead of 30%.

Further, according to Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint holder(s) based on their shareholding proportions in case of joint accounts held by the certificateholders.

In this regard all certificateholders who hold certificates jointly are requested to provide the shareholding proportions of Principal shareholder and Joint holders in respect of certificates held by them to our Shares Registrar in writing as follows:

FIRST AL-NOOR MODARABA						
Folio / CDC Account Number	Total Holding	Principal Shareholder		Joint Certificateholders		Signatures
		Name of Principal Shareholder & CNIC	Shareholding proportion (# of Certificates)	Names of Joint Certificateholders & CNIC	Shareholding proportion (# of Certificates)	

The joint accounts information must reach our Shares Registrar within 20 days of this notice. In case of non-receipt of the information, it will be assumed that the certificates are equally held by principal shareholder and the Joint Holder(s).

The corporate certificateholders of the Company in CDC are advised to ensure that their National Tax Numbers (NTNs) have been updated with their respective participants, whereas corporate physical certificateholders must send a copy of their NTN Certificate with their Folio Numbers mentioned thereon to the Company or its Shares Registrar

The certificateholders, who want to avail exemption u/s 150 of the Income Tax Ordinance 2001, must provide valid Tax Exemption Certificate to our Shares Registrar before commencement of book closure otherwise tax will be deducted on dividend as per applicable rates.

5. Transmission of Annual Audited Financial Statements, Reports and Notice of AGM

The Annual Audited Separate and Consolidated Financial Statements of the Company for the year ended June 30, 2024, have been placed on the Company's website, which can be accessed/downloaded from the following link and QR code:

The Annual Audited Financial Statements along with the reports and Notice of AGM are being sent to members who have provided their email addresses. Physical copy of the Annual Report will be provided to the members on demand.

<http://fanm.co/financial-statements.html>





6. Consent for Video Conference Facility

Pursuant to Section 132 (2) of the Companies Act, 2017, Members may avail video conference facility for this Annual Review Meeting provided the Company receives consent from the members holding aggregate 10% or more shareholding at least 7 days prior to the date of meeting at company.secretary@fanm.co.

7. Conversion of Physical Certificates into Book-Entry Form

As per Section 72 of the Companies Act, 2017, all listed companies are required to replace certificates issued by them in physical form to book-entry form. Accordingly, all members of the Company having physical certificates are advised to convert their certificates into book-entry form at the earliest with the Central Depository Company of Pakistan Limited. The members may contact the Company or Shares Registrar, M/s FAMCO Share Registration Services (Private) Limited for the conversion of physical certificates into book-entry form

8. Unclaimed Dividends and Share Certificates

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the members to claim their unclaimed dividends and undelivered share certificates in accordance with the law. Members, whose dividends and share certificates are still unclaimed/ undelivered, are hereby once again advised to approach the Company to claim their outstanding dividend amounts and/ or undelivered share certificates.

9. Change of Address

Members are requested to immediately notify the change in their mailing address to the Company's Shares Registrars, M/s FAMCO Share Registration Services (Private) Limited.

30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالی بیانات کمپنی کی ویب سائٹ پر رکھے گئے ہیں، جنہیں درج ذیل لنک اور QR کوڈ سے حاصل/ڈاؤن لوڈ کیا جاسکتا ہے:

سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ رپورٹس اور AGM کے نوٹس ان ممبران کو بھیجے جا رہے ہیں جنہوں نے اپنے ای میل ایڈریس فراہم کیے ہیں۔ سالانہ رپورٹ کی فزیکل کاپی ممبران کے طلب کرنے پر فراہم کی جائے گی۔

<http://fanm.co/financial-statements.html>



6- ویڈیو کانفرنس کی سہولت کے لیے رضامندی۔

کمپنیز ایکٹ 2017 کے سیکشن 132 (2) کے مطابق، ممبران اس سالانہ جائزہ میٹنگ کے لیے ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں بشرطیکہ کمپنی میٹنگ کی تاریخ سے کم از کم 7 دن پہلے مجموعی طور پر 10% یا اس سے زیادہ شیئرز ہولڈنگ رکھنے والے ممبران کو ای میل company.secretary@fanm.co پر بھجوائیں۔

7- جسمانی سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کرنا

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، تمام لسٹڈ کمپنیوں پر لازم ہے کہ وہ اپنے ذریعہ جاری کردہ سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کریں۔ اس کے مطابق، فزیکل سرٹیفکیٹ رکھنے والے کمپنی کے تمام ممبران کو مشورہ دیا جاتا ہے کہ وہ اپنے سرٹیفکیٹس کو جلد از جلد سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ کے پاس بک انٹری فارم میں تبدیل کریں۔ فزیکل سرٹیفکیٹس کو بک انٹری فارم میں تبدیل کرنے کے لیے ممبران کمپنی یا شیئرز رجسٹرار، میسرز فامکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ سے رابطہ کر سکتے ہیں۔

8- غیر دعویٰ شدہ ڈیویڈنڈ اور شیئرز سرٹیفکیٹس

کمپنی نے پہلے کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت اپنی ذمہ داری ادا کی ہے جس کے تحت کمپنی نے ممبران سے قانون کے مطابق اپنے غیر دعویٰ شدہ منافع اور غیر ڈیلیور شدہ شیئرز سرٹیفکیٹس کا دعویٰ کرنے کے لیے رابطہ کیا۔ ممبران، جن کے ڈیویڈنڈ اور شیئرز سرٹیفکیٹس ابھی تک غیر دعویٰ دار/غیر ڈیلیور کیے گئے ہیں، انہیں ایک بار پھر مشورہ دیا جاتا ہے کہ وہ اپنے بقایا ڈیویڈنڈ کی رقم اور/یا غیر ڈیلیور شدہ شیئرز سرٹیفکیٹس کا دعویٰ کرنے کے لیے کمپنی سے رجوع کریں۔

9- ایڈریس کی تبدیلی

ممبران سے درخواست کی جاتی ہے کہ وہ اپنے میلنگ ایڈریس میں تبدیلی کی اطلاع فوری طور پر کمپنی کے شیئرز رجسٹرارز، M/s FAMCO شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کو دیں۔

سی ڈی سی میں سرٹیفکیٹ ہولڈرز سے درخواست کی جاتی ہے وہ یہ معلومات کو اپنے سی ڈی سی پارٹنرسپنٹ اکاؤنٹ میں بھجوائیں، جو سی ڈی سی میں اپنے اکاؤنٹس کو برقرار رکھتے ہیں اور اس بات کو یقینی بنائیں کہ ان کے آئی بی اے این کی تفصیلات اپ ڈیٹ ہوں۔ IBAN اور درست CNIC کی عدم دستیابی کی صورت میں، کمپنی کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈز) ریگولیشنز، 2017 کے مطابق ڈیویڈنڈ کو روکنے پر مجبور ہوگی۔

4۔ ڈیویڈنڈ سے انکم ٹیکس کی کٹوتی اور کٹوتی سے چھوٹ

انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت کمپنیوں کی طرف سے ڈیویڈنڈ کی ادائیگی سے وہ ہولڈنگ ٹیکس کی کٹوتی کے لیے موجودہ مقررہ شرحیں درج ذیل ہیں:

انکم ٹیکس گو شوارے جمع کرانے والوں کے لیے: 15%

انکم ٹیکس گو شوارے جمع نہ کرانے والوں کے لیے: 30%

ایف بی آر کی ویب سائٹ پر فراہم کردہ ایکٹو ٹیکس پیرز لسٹ (اے ٹی ایل) کے مطابق ڈیویڈنڈ کی ادائیگی سے انکم ٹیکس کاٹا جاتا ہے۔ ان تمام سرٹیفکیٹ ہولڈرز جو انکم ٹیکس ریٹرن فائل کرنے والے ہیں اس لیے اس بات کو یقینی بنائیں کہ ان کے نام ATL میں درج کیے گئے ہیں تاکہ کمپنی 30% کی بجائے 15% کیش ڈیویڈنڈ کی ادائیگی سے انکم ٹیکس کو روک سکے۔

مزید، فیڈرل بورڈ آف ریونیو (ایف بی آر) کے مطابق، وہ ہولڈنگ ٹیکس کا تعین پر نپل شیئر ہولڈرز کے ساتھ ساتھ جوائنٹ ہولڈرز کے 'فائلر/نان فائلر' اسٹیٹس پر ان کے شیئر ہولڈنگ کے تناسب کی بنیاد پر کیا جائے گا۔

اس سلسلے میں تمام سرٹیفکیٹ ہولڈرز جو مشترکہ طور پر سرٹیفکیٹ رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ پر نپل شیئر ہولڈر اور جوائنٹ ہولڈرز کے شیئر ہولڈنگ کا تناسب ہمارے شیئرز رجسٹر کو تحریری طور پر فراہم کریں۔

فلیو نمبر سی ڈی سی اکاؤنٹ نمبر	ٹوٹل ہولڈنگ	پر نپل شیئر ہولڈر	جوائنٹ سرٹیفکیٹ ہولڈر	دستخط
		پر نپل شیئر ہولڈر کا نام اور شناختی کارڈ نمبر	شیئر ہولڈنگ کا تناسب (سرٹیفکیٹس کا #)	مشترکہ سرٹیفکیٹ ہولڈرز کے نام اور شناختی کارڈ
			شیئر ہولڈنگ کا تناسب (سرٹیفکیٹس کا #)	شیئر ہولڈنگ کا تناسب (سرٹیفکیٹس کا #)

مشترکہ اکاؤنٹس کی معلومات اس نوٹس کے 20 دنوں کے اندر ہمارے شیئرز رجسٹر ارنک پہنچی چاہیے۔ معلومات نہ ملنے کی صورت میں، یہ سمجھا جائے گا کہ سرٹیفکیٹس پر نپل شیئر ہولڈر اور جوائنٹ ہولڈرز کے پاس یکساں ہیں۔

CDC میں کمپنی کے کارپوریٹ سرٹیفکیٹ ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ ان کے نیشنل ٹیکس نمبرز (NTNs) کو ان کے متعلقہ شرکاء کے ساتھ اپ ڈیٹ کر دیا گیا ہے، جبکہ کارپوریٹ فنریکل سرٹیفکیٹ ہولڈرز کو اپنے NTN سرٹیفکیٹ کی ایک کاپی ان کے فلیو نمبرز کے ساتھ کمپنی کو بھیجی جائے، یا اس کے شیئرز رجسٹر سرٹیفکیٹ ہولڈرز، جو انکم ٹیکس آرڈیننس 2001 کے تحت 150 کے تحت استثنیٰ حاصل کرنا چاہتے ہیں، انہیں بک کلوز شروع کرنے سے پہلے ہمارے شیئرز رجسٹر کو ٹیکس سے مستثنیٰ کا درست سرٹیفکیٹ فراہم کرنا ہوگا بصورت دیگر قابل اطلاق شرحوں کے مطابق ڈیویڈنڈ پر ٹیکس کاٹ دیا جائے گا۔

5۔ سالانہ آڈٹ شدہ مالیاتی بیانات، رپورٹس اور AGM کے نوٹس کی ترسیل

سالانہ جائزہ اجلاس کانوٹس

سرٹیفکیٹ ہولڈرز کو اطلاع دی جاتی ہے کہ فرسٹ النور مضاربہ کاپیسیواں سالانہ جائزہ اجلاس 21 اکتوبر 2024 بروز پیر صبح 11:30 بجے کمپنی کے رجسٹرڈ آفس A-96 میں سندھی مسلم کوآپریٹو ہاؤسنگ سوسائٹی، کراچی، جسمانی طور پر اور ویڈیو کانفرنس کے ذریعے منعقد ہوگا۔

بورڈ کے حکم سے

رونی عبدالرزاق

کمپنی سیکرٹری

کراچی۔ 10 ستمبر 2024

نوٹس:

1- کتاب کی بندش

مضاربہ کی شیئر ٹرانسفر بک پیر 21 اکتوبر 2024 سے جمعرات 31 اکتوبر 2024 (دونوں دن سمیت) تک بند رہے گی اور اس مدت کے دوران کوئی منتقلی قبول نہیں کی جائے گی۔ شیئر رجسٹرار، میسرز فامکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، F-8، نزد ہوٹل فاران، نرسری، بلاک-6، P.E.C.H.S، شاہراہ فیصل، کراچی میں ترتیب سے موصول ہونے والی منتقلی 19 اکتوبر 2024 کو کاروبار کے بند ہونے پر ان کے متعلقہ حقداروں، اگر کوئی ہے، اور سالانہ جائزہ اجلاس میں شرکت کی اہلیت کے تعین کے لیے وقت پر غور کیا جائے گا۔

2- ARM کی کارروائی میں مجازی شرکت

ARM میں عملی طور پر شرکت کرنے میں دلچسپی رکھنے والے سرٹیفکیٹ ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ کمپنی کے ساتھ درج ذیل معلومات company.secretary@fanm.co فراہم کر کے کمپنی کے ساتھ رجسٹرڈ ہو جائیں۔

سرٹیفکیٹ ہولڈر کا نام	شناختی کارڈ نمبر	فولیو نمبر اسی ڈی سی اکاؤنٹ نمبر	سرٹیفکیٹ کی تعداد	رابطہ نمبر	ای میل ایڈریس
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آن لائن میٹنگ کالنگ اور لاگ ان کی اسناد صرف ان ممبروں کے ساتھ شیئر کی جائیں گی جن کی ای میلز، تمام مطلوبہ تفصیلات جمعہ 18 اکتوبر 2024 کو شام 4 بجے تک بعد موصول ہو جائیگا۔

3- الیکٹرانک موڈ کے ذریعے نقد ڈیویڈنڈ کی ادائیگی

کمپنیز ایکٹ، 2017 کے سیکشن 242 کی دفعات کے تحت، ایکٹ لسٹڈ کمپنی کے لیے لازمی ہے کہ وہ اپنے سرٹیفکیٹ ہولڈرز کو نقد ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار سرٹیفکیٹ ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کرے۔

براہ راست اپنے بینک اکاؤنٹ میں ڈیویڈنڈ حاصل کرنے کے لیے، فزیکل سرٹیفکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ مضاربہ کی ویب سائٹ پر دستیاب الیکٹرانک کریڈٹ مینڈیٹ فارم کو پُر کریں اور CNIC کی ایک کاپی کے ساتھ دستخط شدہ کمپنی کے شیئر رجسٹرار کو بھجوائیں۔