

**3RD QUARTERLY REPORT**  
March 31, 2017  
(Un-audited)



**FIRST AL-NOOR MODARABA**

*(An Islamic Financial Institution)*

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المضارب

# Corporate Information

## **BOARD OF DIRECTORS**

### **Non Executive Directors**

#### **Chairman**

Mr. Ismail H. Zakaria

#### **Directors**

Mr. Yusuf Ayoob  
Mr. Suleman Ayoob  
Mr. Aziz Ayoob  
Mr. Mansoor Alam, Independent  
Mr. Zia Zakaria  
Mr. Zain Ayoob

### **Executive Directors**

#### **Chief Executive**

Mr. Jalaluddin Ahmed

### **Company Secretary**

Mr. Roofi Abdul Razzak

### **Board Audit Committee**

Mr. Suleman Ayoob - Chairman  
Mr. Mansoor Alam - Member  
Mr. Zia Zakaria - Member

### **HR & Remuneration Committee**

Mr. Zain Ayoob - Chairman  
Mr. Aziz Ayoob - Member  
Mr. Jalaluddin Ahmed - Member

### **Bankers**

Al-Baraka Bank (Pakistan) Limited  
Askari Bank Limited, Islamic Banking  
Faysal Bank Limited, Baraka Islamic Banking  
Habib Bank Limited, Islamic Banking  
MCB Bank Limited, Islamic Banking  
Meezan Bank Limited  
National Bank of Pakistan

### **Auditors**

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants

### **Shariah Advisor**

Mufti Muhammad Ibrahim Essa

### **Legal Advisor**

Muhammad Jamshid Malik  
Barrister-at-Law

### **Share Registrar**

M / s Technology Trade (Private) Limited  
Dagja House, 241-C, Block 2, P.E.C.H.S.  
Off. Shahrah-e-Faisal, Karachi  
Tel: 34391316-7 & 19, 34387960-1  
Fax: 34391318

### **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

# Report Of The Directors Of Modaraba Company

For the Nine Months and 3rd Quarter Ended March 31, 2017

I, on behalf of Board of Directors of Al-Noor Modaraba Management (Private) Limited, the "mudarib/management company" of First Al-Noor Modaraba (FAM), pleased to present the Report together with the unaudited financial statements of the Modaraba for the nine months ended March 31, 2017.

## Financial Results

Financial results are summarized as under

	Nine Months ended	
	March 31, 2017	March 31, 2016
Profit/(Loss) after taxation	10,319,874	(7,297,488)
Un-appropriated profit/(loss) brought forward	(12,758,742)	(12,885,641)
	(2,438,868)	(20,183,129)
Share of associate's incremental depreciation	10,620	26,330
Un-appropriated profit/(loss) brought forward	(2,428,248)	(20,156,799)
Earning per certificate - basic and diluted	0.49	(0.35)

It is increasingly heartening to note that the modaraba has made a complete turn around within a span of one year. This phenomenal increase in profitability of more than 200% has provided immense stability to the modaraba. The Modaraba would now try to maintain this momentum to further consolidated its gains. This is surely a sterling attainment considering the fact that the lending rates are still at a historically low of around 6-7 percent. This success is largely attributable to the adoption of a strategic policy for portfolio / asset management.

We are confident that this growth trajectory will just remain unstoppable and the modaraba would accomplish the desired result by the end of the current financial year.

On behalf of the Board

sd/-

**Jalaluddin Ahmed**  
Chief Executive

Place: Karachi  
Date: April 25, 2017

## ڈائریکٹر رپورٹ

### بابت تیسری سہ ماہی / نو ماہی برائے مارچ ۲۰۱۷ء (غیر آڈٹ شدہ)

بورڈ آف ڈائریکٹرز انورمضار بہینجمنٹ (پرائیوٹ) لمیٹڈ "مضاربہینجمنٹ کمپنی" برائے فرسٹ انورمضار بہ (ایف اے ایم) کی جانب سے میں انتہائی مسرت کے ساتھ مضاربہ کمپنی کی غیر آڈٹ شدہ رپورٹ بابت تیسری سہ ماہی / نو ماہی برائے 3 مارچ 2017 مالیاتی دستاویز پیش کر رہا ہوں۔

#### بابت تیسری سہ ماہی نو ماہی

۲۰۱۷ مارچ ۳۱      ۲۰۱۷ مارچ ۳۱  
(رقم پاکستانی روپوں میں)

(۷,۲۹۷,۲۸۸)	۱۰,۳۱۹,۸۷۳
(۱۲,۸۸۵,۶۳۱)	(۱۲,۷۵۸,۷۳۲)
(۲۰,۱۸۳,۱۲۹)	(۲,۴۳۸,۲۲۸)
۲۶,۳۳۰	۱۰,۶۲۰
(۲۰,۱۵۶,۷۹۹)	(۲,۴۳۸,۲۲۸)
(۰,۳۵)	۰,۳۹

منافع بعد از ٹیکس  
غیر تقسیم شدہ منافع / نقصان) گزشتہ

مستحقہ انکرینٹ کی کمی پیشی کے شیئر  
غیر تقسیم شدہ منافع / نقصان)  
آمدنی فی سرٹیفیکٹ - بنیادی اور مقررہ

انتہائی مسرت کے ساتھ یہ وضع کیا جاتا ہے کہ مضاربہ نے محض ایک سال کے قلیل عرصے میں اپنی حالت یکسر تبدیل کر لی ہے۔ یہ غیر معمولی بڑھوتری جو کہ ۲۰۰ فیصد سے زائد ہے جس نے مضاربہ کو کافی استحکام دیا ہے۔ اب مضاربہ کی کوشش ہوگی کہ وہ اس منافع کے بڑھنے کو قائم رکھے اور اس کو وسعت دے سکے، یہ بڑھوتری شرح منافع کی تاریخی سطح پر ۶-۷ فیصد پر رہنے کے باوجود حاصل کی گئی۔ اس کامیابی کا صحر اس حکمت عملی کو جاتا ہے جو کہ حصص / اثاثہ جات کے کثیر انتظام کے لیے اپنا نہیں گئیں۔

ہمیں امید ہے کہ یہ بڑھنے کا عمل ندرکنے والا ہو اور مضاربہ اس مالیاتی سال کے اختتام تک اپنے مطلوبہ نتائج حاصل کر سکے۔

منجانب بورڈ

منور ۲۵ اپریل ۲۰۱۷  
بمقام: کراچی

جلال الدین  
چیف ایگزیکٹو

# Condensed Interim Balance Sheet

As at March 31, 2017 (Unaudited)

	Note	(Unaudited) March 31,2017	(Audited) June 30, 2016
		Rupees	
<b>CURRENT ASSETS</b>			
Cash and bank balances	4	34,128,548	24,206,892
Short term investments	5	41,546,196	22,948,587
Musawamah facility - secured	6	25,000,000	25,000,000
Profit receivable	7	1,122,624	1,169,330
Ijarah rental receivable	8	1,454,688	1,024,220
Trade Debtors - unsecured considered good		8,955,000	9,305,000
Current portion of investment in sukuk certificates	9	1,428,572	1,428,572
Current portion of investment in diminishing musharakah		15,000,000	15,000,000
Advances, deposits, prepayments and other receivables	10	19,419,874	15,747,368
Taxation	11	3,196,057	2,750,970
<b>TOTAL CURRENT ASSETS</b>		<b>151,251,559</b>	<b>118,580,939</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Long term deposits	12	3,846,989	3,846,989
Long term portion of investment in sukuk certificates	9	1,785,713	2,499,999
Long term portion of investment in diminishing musharakah		45,000,000	45,000,000
Long term investment	13	30,739,988	39,834,157
Ijarah assets	14	128,406,930	144,224,464
Fixed assets in own use	15	3,835,967	2,951,897
<b>TOTAL NON-CURRENT ASSETS</b>		<b>213,615,587</b>	<b>238,357,506</b>
<b>TOTAL ASSETS</b>		<b>364,867,146</b>	<b>356,938,445</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Current maturity of security deposits	16	5,780,840	11,772,251
Creditors, accrued and other liabilities	17	18,353,957	16,691,997
Provision for custom duty & surcharge	18	4,398,842	4,398,842
Profit payable	19	481,783	474,587
<b>TOTAL CURRENT LIABILITIES</b>		<b>29,015,422</b>	<b>33,337,677</b>
<b>NON CURRENT LIABILITIES</b>			
Security deposits	16	27,134,600	24,609,050
Deferred gratuity - staff gratuity	20	5,772,550	6,764,935
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>32,907,150</b>	<b>31,373,985</b>
<b>TOTAL LIABILITIES</b>		<b>61,922,572</b>	<b>64,711,662</b>
<b>NET ASSETS</b>		<b>302,944,574</b>	<b>292,226,783</b>
<b>REPRESENTED BY:</b>			
<b>CAPITAL AND RESERVES</b>			
<b>Certificate Capital</b>			
Authorised certificate capital		400,000,000	400,000,000
40,000,000 (June 2016: 40,000,000) certificates of Rs 10/- each			
Issued, subscribed and paid-up capital	21	210,000,000	210,000,000
Reserves	22	97,479,973	97,479,973
Unappropriated profit		(2,428,248)	(12,758,742)
Unrealised diminution on remeasurement of investment classified as available for sale- net		(2,107,151)	(2,494,448)
<b>Total capital and reserves</b>		<b>302,944,574</b>	<b>292,226,783</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	23	-	-

The annexed notes 1 to 30 form an integral part of these condensed interim financial information.

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

Place : Karachi	sd/-	sd/-	sd/-
Date: April 25, 2017	Chief Executive	Director	Director

## Condensed Interim Profit and Loss Account

For the Nine Months and 3rd Quarter Ended March 31, 2017

	Note	Nine Months Ended		Quarter Ended	
		Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
		Rupees		Rupees	
Profit (loss) from trading operations	24	1,181,000	(3,216,428)	-	-
Income on musawamah receivables		-	1,339,454	-	48,221
Income on diminishing musharakah ( Syndicate)		4,001,950	-	1,297,906	-
Income from Ijarah - net of depreciation		11,636,020	12,784,323	3,856,942	4,149,052
Gain/(Loss) from investments		10,196,677	3,275,796	4,481,389	2,402,101
		<u>27,015,647</u>	<u>14,183,145</u>	<u>9,636,238</u>	<u>6,599,374</u>
Administrative and operating expenses		19,318,344	19,413,644	6,434,198	6,921,329
Financial and other charges		27,089	4,472	18,322	1,141
		<u>19,345,433</u>	<u>19,418,116</u>	<u>6,452,520</u>	<u>6,922,470</u>
<b>Operating profit /(loss)</b>		<b>7,670,214</b>	<b>(5,234,971)</b>	<b>3,183,719</b>	<b>(323,097)</b>
Other income		2,330,076	1,768,234	1,938,351	586,658
		<u>10,000,290</u>	<u>(3,466,736)</u>	<u>5,122,070</u>	<u>263,561</u>
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss		770,380	(3,357,385)	(619,635)	(186,293)
Share of profit / loss from associate		929,868	(473,367)	428,379	(293,377)
		<u>11,700,538</u>	<u>(7,297,488)</u>	<u>4,930,814</u>	<u>(216,109)</u>
Management company's remuneration		(1,170,054)	-	(493,081)	-
		<u>10,530,484</u>	<u>(7,297,488)</u>	<u>4,437,733</u>	<u>(216,109)</u>
Workers welfare fund		(210,610)	-	(88,755)	-
<b>Profit / (loss) before taxation</b>		<b>10,319,874</b>	<b>(7,297,488)</b>	<b>4,348,978</b>	<b>(216,109)</b>
Income tax expense		-	-	-	237,560
<b>Profit/ (loss) for the period</b>		<b>10,319,874</b>	<b>(7,297,488)</b>	<b>4,348,978</b>	<b>21,450</b>
Earnings / (loss) per certificate - Basic and Diluted	25	0.49	(0.35)	0.21	0

The annexed notes 1 to 30 form an integral part of these condensed interim financial information.

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

Place : Karachi  
Date: April 25, 2017

sd/-  
Chief Executive

sd/-  
Director

sd/-  
Director

## Condensed Interim Statement of Other Comprehensive Income

For the Nine Months and 3rd Quarter Ended March 31, 2017 (UN-AUDITED)

	Nine Months Ended		Quarter Ended	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
	Rupees		Rupees	
<b>Profit / (loss) for the period</b>	<b>10,319,874</b>	<b>(7,297,488)</b>	<b>4,348,978</b>	<b>21,450</b>
<b>Other comprehensive income</b>				
Unrealized (loss) / gain on re-measurement of available for sale investment	389,777	(3,237,243)	1,322,288	(899,251)
Reversal of Share of associate's incremental depreciation on account of revaluation of fixed assets	(2,480)	-	(517)	-
Other comprehensive income	387,297	(3,237,243)	1,321,771	(899,251)
<b>Total other comprehensive income</b>	<b>10,707,171</b>	<b>(10,534,731)</b>	<b>5,670,749</b>	<b>(877,801)</b>

The annexed notes 1 to 30 form an integral part of these condensed interim financial information.

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

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Place : Karachi  
Date: April 25, 2017

sd/-  
Chief Executive

sd/-  
Director

sd/-  
Director



# Condensed Interim Cash Flow Statement

For the Nine Months and 3rd Quarter Ended March 31, 2017

	Note	March 31, 2017	March 31, 2016
		Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash from operations after working capital changes	27	40,944,211	95,777,903
Increase in long-term security deposits		(3,465,861)	5,111,965
Income on musawamah receivables		-	973,974
Income on diminishing musharakah (Syndicate)		3,986,991	-
Income tax paid		(445,087)	(562,713)
Gratuity paid		(1,986,800)	-
<b>Net cash generated from operating activities</b>		<b>39,033,455</b>	<b>101,301,129</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to fixed assets			
- Own		(2,109,650)	(1,925,299)
- Ijarah		(42,816,000)	(74,765,500)
Sale proceeds on disposal of fixed assets			
- Own		-	14,000
- Ijarah		11,209,353	5,526,220
Dividend received		2,062,437	3,215,493
Profit on bank deposit		504,160	1,385,578
Repayment of Intallment of Sukuk Certificates		966,286	1,307,321
Purchase of investments in Mutual funds		(3,000,000)	
Proceeds from sale of investments in mutual funds		2,530,587	10,046,200
Purchase of investments in listed securities		(99,680,339)	(31,618,575)
Proceeds from sale of investments in listed securities		101,248,456	32,054,986
<b>Net cash (used in) investing activities</b>		<b>(29,084,710)</b>	<b>(54,759,576)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Profit paid to the certificate holders		-	(10,321,408)
Financial charges paid		(27,089)	(4,472)
<b>Net cash (used in) financing activities</b>		<b>(27,089)</b>	<b>(10,325,880)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>9,921,656</b>	<b>36,215,673</b>
Cash and cash equivalents at beginning of the year		24,206,892	42,319,170
<b>Cash and cash equivalents at end of the year</b>	4	<b>34,128,548</b>	<b>78,534,843</b>

The annexed notes 1 to 30 form an integral part of these condensed interim financial information.

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

Place : Karachi  
Date: April 25, 2017

sd/-  
Chief Executive

sd/-  
Director

sd/-  
Director

## Condensed Interim Statement of Changes in Equity

For the Nine Months and 3rd Quarter Ended March 31, 2017

	Certificate Capital	*Statutory Reserve	Reserve		Others Comprehensive Income	Total
			General reserve	Unappropriated profit		
Rupees						
<b>Balance as at June 30, 2015</b>	210,000,000	96,956,413	11,000,000	(12,885,641)	467,453	305,538,225
Share of associate's incremental depreciation on account of revaluation of fixed assets	-	-	-	26,330	-	26,330
Total Comprehensive income for the period	-	-	-	(7,297,488)	(3,237,243)	(10,534,731)
Profit distribution in cash	-	-	-	(10,500,000)	-	(10,500,000)
Transfer to statutory reserve	-	-	(10,500,000)	10,500,000	-	-
<b>Balance as at March 31, 2016</b>	<b>210,000,000</b>	<b>96,956,413</b>	<b>500,000</b>	<b>(20,156,799)</b>	<b>(2,769,790)</b>	<b>284,529,824</b>
Share of associate's incremental depreciation on account of revaluation of fixed assets	-	-	-	6,330	-	6,330
Total Comprehensive income for the period	-	-	-	7,415,287	275,342	7,690,629
Transfer to statutory reserve	-	23,560	-	(23,560)	-	-
<b>Balance as at June 30, 2016</b>	<b>210,000,000</b>	<b>96,979,973</b>	<b>500,000</b>	<b>(12,758,742)</b>	<b>(2,494,448)</b>	<b>292,226,783</b>
Share of associate's incremental depreciation on account of revaluation of fixed assets	-	-	-	10,620	-	10,620
Total Comprehensive income for the period	-	-	-	10,319,874	387,297	10,707,171
Profit distribution in cash	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
<b>Balance as at March 31, 2017</b>	<b>210,000,000</b>	<b>96,979,973</b>	<b>500,000</b>	<b>(2,428,248)</b>	<b>(2,107,151)</b>	<b>302,944,574</b>

\* In accordance with the Prudential Regulations for Modarabas, the Modaraba is required to transfer an amount not less than 20% and not more than 50% of its after tax profits to statutory reserve until the reserve funds equals the paid-up capital. Thereafter, a sum not less than 5% of the after tax profits is required to be transferred to the statutory reserve.

The annexed notes 1 to 30 form an integral part of these condensed interim financial information.

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

	sd/-	sd/-	sd/-
Place : Karachi	Chief Executive	Director	Director
Date: April 25, 2017			

# Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

## 1 LEGAL STATUS AND NATURE OF BUSINESS

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

The Modaraba is a multipurpose perpetual modaraba and is primarily engaged in ijarah financing, musharikhah, murabaha, musawamah, modaraba, equity investment, Ijarah and trading activities. The Modaraba is listed on the Pakistan Stock Exchange (Previously on the Karachi and Lahore Stock Exchanges).

## 2 STATEMENTS OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by SECP differ with the requirements of IFRS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issued by SECP prevail.

"The figures of the condensed interim profit and loss of account for the quarter ended March 31, 2016 and 2017 are unaudited and the information do not include all the information and disclosures required in the annual financial information, and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2016.

### 2.1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial information are consistent with those followed in the preparation of the Modaraba's annual financial statement for the year ended 30 June 2016

## 3. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the interim financial information conformity with approved accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires management to exercise judgment in application of the Modaraba's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods.

The preparing the interim financial information, the significant judgments made by management in the applying the company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended June 2016.

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

	Note	March 31, 2017	June 30, 2016
Rupees			
<b>4. CASH AND BANK BALANCES</b>			
With Cash in Hand		54,947	-
With banks in current accounts			
- Islamic Banks /Islamic Window operations		380,833	166,029
- Conventional Banks		1,221,498	948,438
With banks in PLS accounts			
- Islamic Banks /Islamic Window operations	4.1	32,471,271	23,092,425
- Conventional Banks		-	-
		<b>34,128,548</b>	<b>24,206,892</b>

4.1 These deposits accounts carry profit at rates ranging from 2.05% to 4.38% (June 2016: 2.05% to 6.48%).

### 5. INVESTMENTS

#### 5.1 SHORT TERM INVESTMENTS

##### At fair value through profit and loss

Shariah compliant			
- Equity securities - listed		32,093,175	15,837,640
- Mutual funds - listed		8,605,546	7,110,947
Non - Shariah compliant			
- Equity securities - listed*		847,475	-
- Mutual funds - listed		-	-
		<b>41,546,196</b>	<b>22,948,587</b>

##### At fair value through profit and loss Equities securities listed

Name of investee company	Number of Shares / Units				Balance as at March 31, 2017			
	As at July 1, 2016	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2017	Carrying cost	Market value	Appreciation / (diminution)
<b>CEMENT</b>								
Dewan Cement Limited	-	9,000	-	9,000	-	-	-	-
Fauji Cement Company Limited	5,000	-	-	5,000	-	-	-	-
D.G. Khan Cement Limited	-	5,000	-	5,000	-	-	-	-
Lucky Cement Company Limited	-	1,500	-	500	1,000	853,419	837,390	(16,029)
Maple Leaf Cement Limited	-	11,000	-	1,000	10,000	1,298,213	1,240,600	(57,613)
Power Cement Limited	-	62,000	-	60,800	1,200	23,033	23,904	871
Best Way Cement Co. Limited	-	500	-	-	500	159,256	140,055	(19,201)
Safe Mix Concrete Product	-	2,500	-	1,500	1,000	11,501	11,480	(21)
AKZO nobel Pakistan Limited	-	3,000	-	2,000	1,000	253,709	235,210	(18,499)
Kohat Cement Company Limited	2,000	-	-	500	1,500	384,451	395,085	10,634
<b>Sub total</b>	<b>7,000</b>	<b>94,500</b>	<b>-</b>	<b>85,300</b>	<b>16,200</b>	<b>2,983,582</b>	<b>2,883,724</b>	<b>(99,858)</b>
<b>REFINERY</b>								
Attock Refinery Limited	-	9,000	-	-	9,000	4,293,849	4,039,290	(254,559)
Pakistan Refinery Limited	12,000	31,000	-	42,000	1,000	61,872	79,700	17,828
National Refinery Limited	-	35,600	-	29,100	6,500	4,911,364	4,634,175	(277,189)
Byco Petroleum Pakistan Limited*	-	41,000	-	18,500	22,500	538,142	484,875	(53,267)
<b>Sub total</b>	<b>12,000</b>	<b>116,600</b>	<b>-</b>	<b>89,600</b>	<b>39,000</b>	<b>9,805,228</b>	<b>9,238,040</b>	<b>(567,188)</b>
<b>OIL &amp; GAS MARKETING COMPANIES</b>								
Attock Petroleum Limited	-	2,000	-	2,000	-	-	-	-
Hascol Petroleum Limited	-	26,500	-	21,500	5,000	1,541,529	1,409,530	(131,999)
Pakistan State Oil Companies Limited	-	4,500	-	4,500	-	-	-	-
Sui Southern Gas Limited	-	52,500	-	32,500	20,000	770,627	738,800	(31,827)
Sui Northern Gas Pipeline Limited	-	7,500	-	3,500	4,000	448,290	571,080	122,790
<b>Sub total</b>	<b>-</b>	<b>93,000</b>	<b>-</b>	<b>64,000</b>	<b>29,000</b>	<b>2,760,446</b>	<b>2,719,410</b>	<b>(41,036)</b>
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>								
Oil & Gas Development Company Limited	-	1,000	-	-	1,000	155,316	148,310	(7,006)
Pakistan Petroleum Limited	13,300	-	-	13,300	-	-	-	-
<b>Sub total</b>	<b>13,300</b>	<b>1,000</b>	<b>-</b>	<b>13,300</b>	<b>1,000</b>	<b>155,316</b>	<b>148,310</b>	<b>(7,006)</b>

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

Name of investee company	Number of Shares / Units				Balance as at March 31, 2017			
	As at July 1, 2016	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2017	Carrying cost	Market value	Appreciation / (diminution)
<b>CABLE &amp; ELECTRICAL GOODS</b>								
TPL Traker Limited	-	55,000	-	-	55,000	833,758	773,850	(59,908)
Pakistan Electronic Limited	7,500	-	-	3,500	4,000	356,276	368,400	12,124
<b>Sub total</b>	<b>7,500</b>	<b>55,000</b>	<b>-</b>	<b>3,500</b>	<b>59,000</b>	<b>1,190,034</b>	<b>1,142,250</b>	<b>(47,784)</b>
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>								
Thal Limited	2,000	2,600	-	3,100	1,500	637,207	795,000	157,793
General Tyre & Rubber Co. of Pakistan Limited	-	14,000	-	3,000	11,000	3,027,145	2,981,880	(45,265)
Exide Pakistan Limited	-	220	-	-	220	212,021	189,684	(22,337)
Atlas Battery Limited	-	500	-	400	100	88,569	94,000	5,431
<b>Sub total</b>	<b>2,000</b>	<b>17,320</b>	<b>-</b>	<b>6,500</b>	<b>12,820</b>	<b>3,964,942</b>	<b>4,060,564</b>	<b>95,622</b>
<b>PAPER &amp; BOARD</b>								
Packages Limited	-	2,000	-	-	2,000	1,753,175	1,735,960	(17,215)
<b>Sub total</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>1,753,175</b>	<b>1,735,960</b>	<b>(17,215)</b>
<b>POWER GENERATION &amp; DISTRIBUTION</b>								
K-Electric Limited	-	112,000	-	12,000	100,000	981,120	818,000	(163,120)
Kot Addu Power Company Limited	-	8,000	-	-	8,000	719,572	641,680	(77,892)
<b>Sub total</b>	<b>-</b>	<b>120,000</b>	<b>-</b>	<b>12,000</b>	<b>108,000</b>	<b>1,700,692</b>	<b>1,459,680</b>	<b>(241,012)</b>
<b>AUTOMOBILE ASSEMBLER</b>								
Honda Atlas Car (Pakistan) Limited	-	1,800	-	1,300	500	284,178	375,960	91,782
Ghandhars Nissan Limited	-	3,000	-	3,000	-	-	-	-
Millat Tractors Limited	-	5,000	-	4,200	800	661,396	1,053,128	391,732
<b>Sub total</b>	<b>-</b>	<b>9,800</b>	<b>-</b>	<b>8,500</b>	<b>1,300</b>	<b>945,574</b>	<b>1,429,088</b>	<b>483,513</b>
<b>TECHNOLOGY &amp; COMMUNICATION</b>								
Pakistan Telecommunication Company Limited	50,000	36,000	-	86,000	-	-	-	-
<b>Sub total</b>	<b>50,000</b>	<b>36,000</b>	<b>-</b>	<b>86,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENGINEERING</b>								
Amerli Steels Limited	-	4,000	-	2,500	1,500	115,820	142,425	26,605
Aisha Steels Mills Limited	-	4,000	-	4,000	-	-	-	-
Crescent Steels & Allied Product	-	5,000	-	5,000	-	-	-	-
Mughal Iron & Steel Industries Limited	2,500	-	-	2,500	-	-	-	-
<b>Sub total</b>	<b>2,500</b>	<b>13,000</b>	<b>-</b>	<b>14,000</b>	<b>1,500</b>	<b>115,820</b>	<b>142,425</b>	<b>26,605</b>
<b>FERTILIZER</b>								
Fauji Fertilizer Company Limited*	62,000	2,000	-	60,500	3,500	389,885	362,600	(27,285)
Engro Corporation Limited	-	24,600	-	19,600	5,000	1,893,523	1,836,597	(56,926)
Engro Fertilizer Limited	43,500	18,000	-	45,000	16,500	1,092,821	1,033,890	(58,931)
Dawood Hercules Chemicals Limited	-	15,000	-	8,000	7,000	1,048,871	930,370	(118,501)
<b>Sub total</b>	<b>105,500</b>	<b>59,600</b>	<b>-</b>	<b>133,100</b>	<b>32,000</b>	<b>4,425,100</b>	<b>4,163,457</b>	<b>(261,644)</b>
<b>CHEMICAL</b>								
Lotte Chemical Pakistan Limited	41,500	50,000	-	51,500	40,000	433,243	424,000	(9,243)
Agri-tech Limited	-	2,500	-	2,500	-	-	-	-
ICI Pakistan Limited	-	2,600	-	2,200	400	423,835	446,344	22,509
Bawany Air Products Limited	-	23,500	-	2,200	21,300	333,373	305,500	(27,873)
Linde Pakistan Limited	-	2,200	-	1,500	700	212,229	203,504	(8,725)
Ittehad Chemicals Limited	-	9,500	-	-	9,500	457,996	345,515	(112,481)
<b>Sub total</b>	<b>41,500</b>	<b>90,300</b>	<b>-</b>	<b>59,900</b>	<b>71,900</b>	<b>1,860,677</b>	<b>1,724,863</b>	<b>(135,814)</b>
<b>PHARMACEUTICALS</b>								
Searle Company Limited	100	472	28	100	500	235,570	315,960	80,390
Glaxo Smithkline Pakistan Limited	-	7,500	-	4,500	3,000	654,979	676,860	21,881
<b>Sub total</b>	<b>100</b>	<b>7,972</b>	<b>28</b>	<b>4,600</b>	<b>3,500</b>	<b>890,549</b>	<b>992,820</b>	<b>102,271</b>

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

Name of investee company	Number of Shares / Units					Balance as at March 31, 2017		
	As at July 1, 2016	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2017	Carrying cost	Market value	Appreciation / (diminution)
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>								
Fauji Foods Limited	-	24,500	-	20,000	4,500	467,920	497,655	29,735
Treet Corporaiton Limited	-	4,500	-	4,500	-	-	-	-
Al-Shaher Corporaiton	-	5,000	750	1,500	4,250	243,937	198,900	(45,037)
<b>Sub total</b>	-	<b>34,000</b>	<b>750</b>	<b>26,000</b>	<b>8,750</b>	<b>711,857</b>	<b>696,555</b>	<b>(15,302)</b>
<b>TEXTILE COMPOSITE</b>								
Nishat Mills Limited	500	-	-	500	-	-	-	-
Artistic Denim Mills Limited	5,000	-	-	5,000	-	-	-	-
<b>Sub total</b>	<b>5,500</b>	-	-	<b>5,500</b>	-	-	-	-
<b>GLASS &amp; CERAMICS</b>								
Shahir Tiles & Ccermics Limited	-	22,500	-	2,500	20,000	258,571	322,600	64,029
Tariq Glass Industries Limited	-	5,000	-	5,000	-	-	-	-
<b>Sub total</b>	-	<b>27,500</b>	-	<b>7,500</b>	<b>20,000</b>	<b>258,571</b>	<b>322,600</b>	<b>64,029</b>
<b>MISCELLANEOUS</b>								
Synthetic Products Limited	-	14,050	142	12,500	1,692	62,379	81,068	18,526
<b>Sub total</b>	-	<b>14,050</b>	<b>142</b>	<b>12,500</b>	<b>1,692</b>	<b>62,379</b>	<b>81,068</b>	<b>18,526</b>
	246,900	791,642	920	631,800	407,662	33,583,943	32,940,651	(643,293)
<b>Mutual funds - listed</b>								
Units of Mutual Funds								
Meezan Islamic Fund - Growth Units	1,834	-	-	-	1,834	42,173	155,858	113,685
Meezan Balance Fund	-	-	-	-	-	-	-	-
Al-Ameen Islamic Active Allocation Plan-1	9,394	-	-	-	9,394	972,178	1,251,123	278,945
First Habib Islamic Balanced Fund	57,712	1,448	-	-	59,160	4,818,102	7,198,565	2,380,463
<b>68,940</b>	<b>1,448</b>	-	-	<b>70,388</b>	<b>5,832,453</b>	<b>8,605,546</b>	<b>2,773,093</b>	
<b>Total Listed securities</b>								
- At Fair value through Profit & Loss	315,840	793,090	920	631,800	478,050	39,416,396	41,546,197	2,129,800

Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss	March 31, 2017	June 30, 2016
	Rupees	
Market Value as at	41,546,196	22,948,587
Cost of investment	39,416,396	22,348,899
Unrealised gain on investment as at period/ year ended	2,129,800	599,689
Unrealised gain on investment at the beginning of the year	599,689	6,100,888
Loss realised on disposal during the period / year	759,731	(4,830,726)
Unrealised gain on investment for the period / year ended	770,380	(670,473)

### 6 MUSAWAMAH FACILITY - SECURED

Musawamah facility - secured considered doubtful	25,000,000	25,000,000
Less: provision against potential losses	-	-
	25,000,000	25,000,000

#### 6.1 Musawamah facility (Classified portfolio)

	March 31, 2017		June 30, 2016	
	Balance Outstanding	Provision Held	Balance Outstanding	Provision Held
OAEM	-	-	25,000,000	-
Substandard	25,000,000	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	25,000,000	-	25,000,000	-

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

**6.2** This represents musawamah principal amount updated for the period of 180 days carried profit rate of nil (June 2016: 10%) per annum. secured against hypothecation of current assets, demand promissory notes, personal guarantee of directors and pledge of stocks(raw cotton) . During the year, M/s Quetta Textile Mills Limited has defaulted and the Modaraba has filed a suit for recovery of principal and profit in banking court No. II. The legal advisor of the Modaraba are of the opinion that Modaraba has reasonable chances of recovery of the defaulted amounts. Further, the Modaraba has also filed for registration of criminal complaint against M/s Quetta Textile Mills Ltd.

	Note	March 31, 2017	June 30, 2016
Rupees			
<b>7 PROFIT RECEIVABLE</b>			
Musawamah facility	6.2 & 7.1	-	-
Diminishing Musharakah		1,062,082	1,047,123
Sukuk		3,128	53,348
PLS bank account		57,414	68,859
		<u>1,122,624</u>	<u>1,169,330</u>
<b>7.1 Provision against potential losses</b>			
Musawamah facility		678,083	678,083
Less: Income suspended		<u>(678,083)</u>	<u>(678,083)</u>
		-	-
<b>8 IJARAH RENTALS RECEIVABLES</b>			
Ijarah rentals receivable - considered good		1,454,688	1,024,220
Less: allowance for potential ijarah losses		-	-
		<u>1,454,688</u>	<u>1,024,220</u>
<b>9 INVESTMENT IN SUKUK CERTIFICATES - Held to Maturity</b>			
Investment in Sukuk Certificates	9.1	3,928,571	4,642,857
Less: Principal Repaid		(714,286)	(714,286)
Less: Current portion of Investment in Sukuk Certificates		<u>(1,428,572)</u>	<u>(1,428,572)</u>
		<u>1,785,713</u>	<u>2,499,999</u>
<b>9.1</b> This represent sukuk certificates of Albaraka Bank (Pakistan) Limited carrying profit similar to base rate of six months of KIBOR + 1.25% (June 2016: KIBOR + 1.25%) receivable in 14 equal installments till September, 2021.			
<b>10 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Advances - considered good			
- Suppliers		12,063,500	500,000
- Employees		244,000	647,000
Prepayments		4,516,912	4,690,541
Others		622,039	8,420,703
Dividend receivable		124,325	242,552
Sales tax receivable		1,849,099	1,246,572
		<u>19,419,874</u>	<u>15,747,368</u>
<b>11 TAXATION</b>			
<b>11.1</b> The income of the Modaraba, not being trading income, is exempt from tax subject to the condition that not less than ninety per cent of its total profits in the year as reduced by the amount transferred to a mandatory reserve, required under the provisions of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) are distributed amongst the shareholders.			

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

	Note	March 31, 2017	June 30, 2016
Rupees			
<b>11.2 Income tax refundable</b>		<b>2,750,970</b>	1,065,719
Income tax adjusted / deducted at source		<b>445,087</b>	1,685,251
		<b>3,196,057</b>	2,750,970
<b>12 LONG TERM DEPOSITS</b>			
National Commodities Exchange Limited		<b>2,500,000</b>	2,500,000
Security Deposit-N.C.E.L.-Office Space		<b>850,000</b>	850,000
Guarantee Margin - MCB		<b>440,000</b>	440,000
Mobile Phone - Pakistan Mobile Comm.		<b>12,489</b>	12,489
Mobile Phone - Warid Telecom		<b>7,000</b>	7,000
Security Deposit- CDC Pakistan Ltd.		<b>37,500</b>	37,500
		<b>3,846,989</b>	3,846,989
<b>13 LONG TERM INVESTMENT</b>			
Investment in Associates	13.1	<b>8,030,703</b>	8,656,849
Available for Sale			
- Equity securities - listed	13.2	<b>18,025,982</b>	27,585,291
- Mutual funds - listed	13.3	<b>4,683,303</b>	3,992,215
		<b>30,739,988</b>	39,834,157
<b>13.1 Investment in Associates</b>			
Opening balance		<b>8,256,651</b>	8,328,828
Share of incremental depreciation		<b>10,620</b>	32,660
Share of comprehensive income		-	21,502
Share of profit/loss of associate		<b>929,868</b>	273,859
		<b>940,488</b>	328,021
Dividend income		<b>(455,100)</b>	(400,198)
Reversal of Sales of Shares		<b>(711,336)</b>	-
		<b>8,030,703</b>	8,656,849
Name of Associate		Basis of significant influence	
Al-Noor Sugar Mills Limited		Common directorship	

### 13.2 Available for sale

Equity securities - listed

Name of investee company	Number of Shares / Units					Balance as at March 31, 2017		
	As at July 1, 2016	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2017	Carrying cost	Market value	Appreciation / (diminution)

Fully paid ordinary shares of Rs 10 each unless stated otherwise

#### MODARABAS

First Habib Modaraba	4,500	-	-	-	4,500	36,646	49,500	12,854
First Imrooz Modaraba	500	2,000	-	-	2,500	364,741	575,000	210,259
Allied Rental Modaraba	9,967	33	-	-	10,000	287,653	241,100	(46,553)
Orix Modaraba	-	11,000	-	-	11,000	283,258	251,900	(31,358)
<b>Sub total</b>	<b>15,367</b>	<b>13,033</b>	-	-	<b>28,000</b>	<b>972,299</b>	<b>1,117,500</b>	<b>145,201</b>

#### CEMENT

Fauji Cement Company Limited	107,000	-	-	104,500	2,500	93,171	106,700	13,529
Power Cement Company Limited	25,000	44,000	-	66,700	2,300	31,052	45,816	14,764
<b>Sub total</b>	<b>136,500</b>	<b>44,000</b>	-	<b>171,200</b>	<b>4,800</b>	<b>124,223</b>	<b>152,516</b>	<b>28,293</b>



## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

Name of investee company	Number of Shares / Units				Balance as at March 31, 2017			
	As at July 1, 2016	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2017	Carrying cost	Market value	Appreciation / (diminution)
<b>AUTOMOBILE ASSEMBLER</b>								
Al-Ghazi Tractors Limited	2,800	4,200	-	3,500	3,500	2,006,204	1,972,425	(33,779)
Hinopak Motors Limited	150	100	-	140	110	112,256	176,000	63,744
<b>Sub total</b>	<b>2,950</b>	<b>4,300</b>	<b>-</b>	<b>3,640</b>	<b>3,610</b>	<b>2,118,460</b>	<b>2,148,425</b>	<b>29,965</b>
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>								
Fauji Foods Limited	2,000	2,000	-	4,000	-	-	-	-
<b>Sub total</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PAPER &amp; BOARD</b>								
Cherat Packages Limited	4,100	8,100	-	6,900	5,300	1,940,803	1,571,344	(369,459)
<b>Sub total</b>	<b>4,100</b>	<b>8,100</b>	<b>-</b>	<b>6,900</b>	<b>5,300</b>	<b>1,940,803</b>	<b>1,571,344</b>	<b>(369,459)</b>
<b>ENGINEERING</b>								
Crescent Steel & Allied Products	5,000	5,500	-	8,500	2,000	388,941	500,600	111,659
<b>Sub total</b>	<b>5,000</b>	<b>5,500</b>	<b>-</b>	<b>8,500</b>	<b>2,000</b>	<b>388,941</b>	<b>500,600</b>	<b>111,659</b>
<b>FERTILIZER</b>								
Fauji Fertilizer Bin Qasim Limited*	47,000	-	-	47,000	-	-	-	-
Engro Fertilizer Company Limited	6,000	5,500	-	-	11,500	782,583	720,590	(61,993)
Engro Corporation Limited	15,000	1,000	-	8,900	7,100	2,421,697	2,698,071	276,374
Fauji Fertilizer Company Limited*	38,000	-	-	7,500	30,500	3,490,656	3,159,800	(330,856)
<b>Sub total</b>	<b>106,000</b>	<b>6,500</b>	<b>-</b>	<b>63,400</b>	<b>49,100</b>	<b>6,694,936</b>	<b>6,578,461</b>	<b>(116,475)</b>
<b>OIL &amp; GAS MARKETING COMPANIES</b>								
Pakistan Petroleum Limited	12,000	8,100	-	1,000	19,100	3,605,115	2,958,781	(646,334)
Pakistan Oilfield Limited	13,000	3,800	-	12,500	4,300	1,667,178	1,913,715	246,537
Attock Petroleum Limited	1,000	800	-	800	1,000	604,387	634,790	30,403
Hascol Petroleum Limited	2,500	-	-	1,000	1,500	197,015	449,850	252,835
<b>Sub total</b>	<b>28,500</b>	<b>12,700</b>	<b>-</b>	<b>15,300</b>	<b>25,900</b>	<b>6,073,694</b>	<b>5,957,136</b>	<b>(116,558)</b>
<b>300,417</b>	<b>96,133</b>	<b>-</b>	<b>272,940</b>	<b>118,710</b>	<b>18,313,356</b>	<b>18,025,982</b>	<b>(287,374)</b>	

Non - Shariah compliant-equity securities - listed\*

### 13.3 Mutual funds - listed

Units of Mutual Funds								
Plan -VI Class B Preservation Fund -B	-	29,101	-	-	29,101	3,000,000	3,175,451	175,451
Al-Ameen Islamic Principal Preservation Fund-IV Class A	25,579	-	-	25,579	-	-	-	-
Meezan Balance Fund	8,200	-	-	-	8,200	110,449	152,433	41,984
UBL AL-Ameen Islamic Active Allocation Plan - 1	10,177	-	-	-	10,177	1,053,194	1,355,419	302,225
	<b>43,956</b>	<b>29,101</b>	<b>-</b>	<b>25,579</b>	<b>47,477</b>	<b>4,163,642</b>	<b>4,683,303</b>	<b>519,661</b>
<b>Total Listed securities - AFS</b>	<b>344,373</b>	<b>125,234</b>	<b>-</b>	<b>298,519</b>	<b>166,187</b>	<b>22,476,998</b>	<b>22,709,285</b>	<b>232,287</b>

March 31, 2017      June 30, 2016  
Rupees

### 13.4 Unrealized gain/ (loss) on re-measurement of available of sale investment.

Market Value as at	22,709,285	31,577,526
Cost of investment	22,476,998	31,746,215
Unrealised gain / (loss) on investment as at period / year ended	232,287	(168,689)
Unrealised loss on investment at the beginning of the year	(168,689)	2,045,174
Gain realised on disposal during the period / year	11,199	46,503
Unrealised gain on investment for the period /year ended	389,777	(2,260,366)

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

		March 31, 2017	June 30, 2016
<u>Rupees</u>			
<b>14 IJARAH ASSETS</b>			
Opening		144,224,464	116,877,357
Additions	14.1	42,316,000	93,646,500
Deletions	14.1	(10,675,473)	(7,128,918)
Depreciation for the period		(47,458,061)	(59,170,475)
Net book value		<u>128,406,930</u>	<u>144,224,464</u>

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees	
<b>14.1 Details of additions in Ijarah assets</b>			
	Additions	Deletions	
	Deletions	Additions	
	Deletions	Deletions	
Machinery	-	-	586,276
Vehicles	42,316,000	8,769,593	93,646,500
Others	-	1,750,000	-
	<u>42,316,000</u>	<u>10,675,473</u>	<u>93,646,500</u>
			<u>7,128,918</u>

<b>15 FIXED ASSETS IN OWN USE</b>			
Tangible assets	15.1	3,835,965	2,951,895
Intangible assets	15.2	2	2
		<u>3,835,967</u>	<u>2,951,897</u>
<b>15.1 Tangible assets</b>			
Opening balance		2,951,895	2,745,538
Addition during the period	15.1.1	2,109,650	1,925,299
Disposal during the period	15.1.1	-	(246,610)
Depreciation for the period		(1,225,580)	(1,472,332)
Net book Value		<u>3,835,965</u>	<u>2,951,895</u>

	Un-audited 31 March 2017 Rupees	Audited 30 June 2016 Rupees	
<b>15.1.1 Details of additions in tangible assets</b>			
	Additions	Deletions	
	Deletions	Additions	
	Deletions	Deletions	
Computer equipments	18,000	-	159,320
Office equipments and appliances	39,700	-	273,458
Furniture and fixtures	-	-	628,110
Motor Vehicles	2,051,950	-	864,411
Total	<u>2,109,650</u>	<u>-</u>	<u>1,925,299</u>
			<u>246,610</u>

<b>15.2 Intangible assets</b>		
Opening balance		253,000
Amortization for the period		(252,998)
Closing balance		<u>2</u>

<b>16 SECURITY DEPOSITS</b>		
Security deposits		32,915,440
Less: Repayable / adjustable after one year		(27,134,600)
Current maturity of security deposits		<u>5,780,840</u>
		<u>36,381,301</u>
		<u>(24,609,050)</u>
		<u>11,772,251</u>

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

	March 31, 2017	June 30, 2016	
	<u>Rupees</u>		
<b>17 CREDITORS, ACCRUED AND OTHER LIABILITIES</b>			
Creditors	6,273,535	4,394,227	
Accrued expense	1,367,012	1,772,691	
Payable to management company	1,322,161	15,092	
Clearing and forwarding charges	-	458,900	
Takaful / Insurance	555,667	451,260	
Advances from customer	4,172,967	3,636,524	
Provision for Worker's Welfare Fund	604,381	393,771	
Advance Ijarah rentals	2,921,420	4,431,380	
Unclaimed profit distributions	1,136,814	1,138,152	
	<u>18,353,957</u>	<u>16,691,997</u>	
<b>18 PROVISION FOR CUSTOM DUTY &amp; SURCHARGE</b>			
Custom duty / surcharges	18.1 4,398,842	4,398,842	
<b>18.1</b>	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.		
<b>19 PROFIT PAYABLE</b>			
Late payment & cheques return	267,268	267,268	
Shares Dividend	214,515	207,319	
	<u>481,783</u>	<u>474,587</u>	
<b>20 DEFERRED LIABILITY - STAFF GRATUITY</b>			
<b>20.1 Staff Gratuity Scheme</b>	The Modaraba operates an unfunded gratuity scheme for its permanent employees. The latest actuarial valuation was carried out as at June 30, 2016, using the Projected Unit Credit Method.		
	Liability recognised in the balance sheet:		
Present value of the defined benefit obligation	5,772,550	6,764,935	
Less: fair value of planned assets	-	-	
Defined benefit liability recognized in the accounts	<u>5,772,550</u>	<u>6,764,935</u>	
<b>21 CERTIFICATE CAPITAL</b>			
Authorised certificate capital			
March 31, 2017	June 30, 2016	March 31, 2017	June 30, 2016
----Number of certificates----		------(Rupees)-----	
40,000,000	40,000,000	400,000,000	400,000,000
		Modaraba Certificates of Rs 10 each	
20,000,000	20,000,000	200,000,000	200,000,000
		Modaraba Certificates of Rs 10 each fully paid in cash	
1,000,000	1,000,000	10,000,000	10,000,000
		Modaraba Certificates of Rs 10 each issued as fully paid bonus certificates	
<u>21,000,000</u>	<u>21,000,000</u>	<u>210,000,000</u>	<u>210,000,000</u>
<b>21.1</b>	As at 31 March 2017, First Al-Noor Modaraba Management (Private) Limited (the Management Company) held 4,200,000 certificates (June 2016: 4,200,000 certificates), as required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.		

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

### 22 RESERVES

#### Statutory reserve

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

During the current period the Modaraba has transferred an amount of Rs Nil (June, 2016: Rs 23,560) as Modaraba has incurred loss.

### 23 CONTINGENCIES AND COMMITMENTS

There are no major changes in the status of contingencies as reported in note 24 to the annual audited financial statements of the Modaraba for the year ended June 30, 2016.

	March 31, 2017	March 31, 2016
	<u>Rupees</u>	
<b>24 PROFIT (LOSS) FROM TRADING OPERATIONS</b>		
Local	21,181,000	47,958,677
Export	-	-
Sales -Net	21,181,000	47,958,677
Cost of Sales	(20,000,000)	(51,175,105)
Export Expenses	-	-
(Loss) / Profit from trading operations	<u>1,181,000</u>	<u>(3,216,428)</u>

### 25 EARNINGS / (LOSS) PER CERTIFICATE - BASIC AND DILUTED

Profit / (loss) for the period	<u>10,319,874</u>	<u>(7,297,488)</u>
	----- (Rupees) -----	
Weighted average number of certificates	<u>21,000,000</u>	<u>21,000,000</u>
	----- (Rupees) -----	
Profit / (loss) per certificate - basic and diluted	<u>0.49</u>	<u>(0.35)</u>

There is no dilutive effect on the basic earnings per certificate of the Modaraba, since there are no convertible instruments in issue as at March 31, 2017 and June 30, 2016 which would have any effect on the earnings per certificate if the option to convert is exercised. There is no dilutive effect on the basic earning per certificate of the Modaraba.

### 26 RELATED PARTY TRANSACTIONS

The related parties of Modaraba comprise of its Management Company, associated companies, directors of the Management Company and key management personnel. Transaction with related parties other than remuneration and benefit of key management personnel (which are employed by the Management Company) under the term of their employment are as follows:

	Note	<u>Nine Months Ended</u> ----- (Rupees) -----	
		31 March 2017	31 March 2016
<b>26.1 Balance outstanding at period end</b>			
Modaraba Management Company			
- Management Fee		<u>1,322,161</u>	<u>-</u>
Associated undertakings			
- Guarantee commission accrued to MCB Bank Limited		<u>-</u>	<u>-</u>
- Sharing of common expenses with charged during the year		<u>200,000</u>	<u>150,000</u>
Other related parties (Other than management personnel)			
- Contribution to staff gratuity fund		<u>5,772,550</u>	<u>7,708,431</u>

## Notes to the Condensed Interim Financial Statements

For the Nine Months and 3rd Quarter Ended March 31, 2017

26.2 Transaction during the period	Nine Months Ended	
	(Rupees)	
	31 March 2017	31 March 2016
Modaraba Management Company		
- Management Fee	1,170,054	-
Associated undertakings		
- Sharing of common expenses with charged during the year with Al-Noor Sugar Mills Limited	200,000	450,000
- Other related parties (Other than management personnel)		
- Contribution to staff gratuity fund	994,415	979,400
<b>27. CASH FROM OPERATIONS AFTER WORKING CAPITAL CHANGES</b>		
<b>Profit / (loss) before taxation</b>	<b>10,319,874</b>	<b>(7,081,380)</b>
Adjustments for:		
Gain on sale of investment in listed securities	(8,050,687)	(136,188)
Dividend income	(1,944,210)	(2,891,139)
Income on musawamah facility	-	(1,339,454)
Income on diminishing musharakah	(4,001,950)	-
Gain on sukuk certificates	(201,780)	(248,469)
Profit on disposal of fixed assets	-	(10,378)
Profit on takafuls claim	-	(198,416)
Profit on bank deposits	(492,715)	(1,450,107)
Financial charges	27,089	4,472
Depreciation - owned assets	1,225,580	1,095,630
Depreciation - Ijarah assets	46,924,181	42,050,215
Amortization of intangible assets	-	5,426
Provision for gratuity	994,415	979,400
Share of profit from Associate	(929,868)	473,367
Unrealized loss/(gain) on re measurement of investments in listed securities	(770,380)	3,357,385
	<b>32,779,676</b>	<b>41,691,744</b>
<b>Operating profit before working capital changes</b>	<b>43,099,550</b>	<b>34,610,364</b>
<b>(Increase)/Decrease in current assets</b>		
Stock in trade	-	24,793,445
Musawamah facility - secured	34,505,383	
Profit receivable	46,706	(333,913)
Trade Debtors - unsecured considered good	350,000	
Ijarah Rental receivable	(430,468)	(1,087,159)
Advances, deposits, prepayments and other receivables	(3,790,733)	2,625,373
	<b>(3,824,495)</b>	<b>60,503,129</b>
<b>Increase/(Decrease) in current liabilities</b>		
Creditors, accrued and other liabilities	1,661,960	466,883
Profit payable	7,196	197,527
	<b>1,669,156</b>	<b>664,410</b>
<b>Cash flow from operating activities</b>	<b>40,944,211</b>	<b>95,777,903</b>
<b>28 FINANCIAL RISK MANAGEMENT</b>		
The Modaraba's financial risk management objectives and policies are consistent with those disclosed in the preceding annual published financial statements of the Modaraba for the year ended June 30, 2016.		
<b>29 DATE OF AUTHORIZATION</b>		
These condensed interim financial statements were authorized for issue on April 25, 2017 by the Board of Directors of the Modaraba Management Company.		
<b>30 GENERAL</b>		
<b>30.1</b> Prior period figures have been rearranged / reclassified for the purpose of better presentation and comparison.		
<b>30.2</b> Figures have been rounded off to the nearest rupee.		

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

	sd/-	sd/-	sd/-
Place : Karachi	Chief Executive	Director	Director
Date: April 25, 2017			

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