

3rd QUARTERLY REPORT
March 31, 2024
(Un-audited)



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 Ayooob

Mr. Noor Zakaria

Mr. Abdul Rahim Suriya, Independent

Mr. Tausif Ilyas, Independent

Dr. Irum Saba, Independent

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 Zakaria - Member

HR & Remuneration Committee

Mr. Tausif Ilyas - Chairman

Mr. Zainuddin Aziz - Member

Mr. A. Aziz Ayooob - 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

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

REPORT OF THE DIRECTORS OF MODARABA COMPANY For the Nine Months Ended March 31, 2024

On behalf of the 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 Unaudited Financial Statements of the Modaraba for the nine months ended March 31, 2024:

Financial Results	For nine months ended	
	March 31, 2024	March 31, 2023
	----Amount in Pak. Rupees----	
Profit before taxation	5,304,341	4,710,412
Taxation	(2,224,703)	(1,281,881)
Profit after Taxation	<u>3,079,638</u>	<u>3,428,531</u>
Components of Other Comprehensive Income	-	90,864
(Deficit)/Surplus transferred to accumulated losses	-	-
Transfer to Statutory Reserve	-	-
Unappropriated profit/(loss) brought forward	<u>(49,853,576)</u>	<u>(49,695,602)</u>
Unappropriated profit/(loss) carried forward	<u>(46,773,938)</u>	<u>(46,176,566)</u>
	<u>0.13</u>	<u>0.15</u>

The net revenue of Rs. 27.615 million was achieved during the nine months ended March 31, 2024, compared to Rs. 28.79 million in the same period last year. This has translated into a profit of Rs. 0.13 per certificate compared to Rs. 0.15 on March 31, 2023, a decrease of nearly 13%.

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

On behalf of the Board

sd/-
Zainuddin Aziz
Chief Executive/Director

Dated : April 26, 2024

Place : Karachi

ڈائریکٹر رپورٹ

برائے اختتام نو ماہی مدت مارچ 31، 2024 (جائزہ شدہ)

النور مضاربہ منجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے فرسٹ النور مضاربہ (FAM) کی "مضاربہ/انتظامی کمپنی" کے غیر آڈٹ شدہ مالیاتی گوشوارے 31 مارچ 2024 کو ختم ہونے والی مدت کو پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔ ختم ہونے والی ششماہی

31 مارچ 2023	31 مارچ 2024	مالیاتی نتائج
4,710,412	5,304,341	عکس سے پہلے منافع
(1,281,881)	(2,224,703)	ٹیکسیشن
3,428,531	3,079,638	ٹیکسیشن کے بعد منافع
90,864	-	دیگر جامع آمدنی کے اجزاء
-	-	سرپلس جمع شدہ نقصان میں منتقلی
(49,695,602)	(49,853,576)	غیر منقسم منافع/ (نقصان) آگے لایا گیا
(46,176,566)	(46,773,938)	غیر منقسم منافع/ (نقصان) آگے بڑھایا گیا
0.15	0.13	

گزشتہ اسی سال کی مدت کے مقابلے میں نو ماہی کی دوران منافع 27.65 ملین ہوا۔ 31 مارچ 2024 تک پچھلے سال کی اسی مدت میں 28.79 ملین روپے کے مقابلے میں 31 مارچ 2024 کو 0.15 روپے کی مقابلے میں 0.13 روپے فی سرٹیکلیٹ کے مقابلے میں تقریباً 13% فیصد کمی واقع ہوئی۔

انتظامیہ 30 جون 2024 کو ختم ہونے والی موجودہ مالی سال کے بقیہ حصے میں بہتر بعد از ٹیکس منافع کی توقع کرتی ہے۔

بورڈ کی جانب سے

زین الدین عزیز

چیف ایگزیکٹو/ ڈائریکٹر

بتاریخ: 26 اپریل 2024

بمقام: کراچی

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

		(Un-Audited) March 31, 2024	(Audited) June 30, 2023
	Note Rupees	
ASSETS			
Current assets			
Cash and bank balances	4	96,278,591	23,150,626
Short term investments	5	29,009,101	28,490,983
Musawamah facility	6	-	-
Stock In Trade		78,661,336	111,377,444
Profit receivable		1,758,323	1,290,909
Receivable from diminishing musharakah		2,992,245	1,065,522
Current portion of investment in Diminishing Musharakah		9,005,421	30,772,233
Advances, deposits, prepayments and other receivables		3,239,012	3,031,307
Taxation	7	3,451,015	3,528,462
		224,395,044	202,707,486
Non - current assets			
Long term deposits		3,842,954	3,842,911
Long term investments	9	34,645,167	48,693,011
Diminishing musharakah financing	8	3,808,467	7,012,720
Deferred tax		1,278,667	1,278,667
Fixed assets	10	1,236,024	1,729,956
		44,811,279	62,557,265
TOTAL ASSETS		269,206,323	265,264,751
CERTIFICATE HOLDERS' EQUITY			
Authorised certificate capital		400,000,000	400,000,000
Issued, subscribed, and paid - up certificate capital	11	231,000,000	231,000,000
Reserves	12	77,284,641	77,284,641
Accumulated losses		(46,523,938)	(52,343,230)
		261,760,703	255,941,411
Deficit on revaluation of investments	13	3,952,524	(2,215,042)
LIABILITIES AND CERTIFICATE HOLDERS' EQUITY			
Non - current liabilities			
Deferred Liability-Staff Gratuity	19	4,045,739	4,931,967
Current liabilities			
Creditors, accrued and other liabilities	14	1,791,173	1,098,427
Provision for custom duty & surcharge	15	4,398,842	4,398,842
Unclaimed profit distributions		1,109,146	1,109,146
Charity Payable		53,244	-
		7,352,405	6,606,415
TOTAL LIABILITIES		11,398,144	11,538,382
TOTAL LIABILITIES AND CERTIFICATE HOLDERS' EQUITY		269,206,323	265,264,751
Contingencies and commitments	16	-	-

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

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

sd/-
Chief Executive Officer

sd/-
Chief Financial Officer

sd/-
Director

sd/-
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
For the Nine Months and Three Months Period Ended March 31, 2024

	Note	Nine months ended		Quarter ended	
		March 31,		March 31,	
		2024	2023	2024	2023
		Rupees			
Loss from trading operations	17	(6,757,526)	2,800,300	(2,121,985)	-
Income on Diminishing Musharakah		6,240,090	11,017,315	1,653,238	3,207,302
Income from investments	18	27,337,415	14,237,298	8,741,397	2,716,156
		<u>26,819,979</u>	<u>28,054,913</u>	<u>8,272,650</u>	<u>5,923,458</u>
Administrative and operating expenses		(23,357,337)	(20,930,892)	(8,138,213)	(6,596,420)
Reversal of provision against non performing loan		1,200,000	2,550,000	360,000	450,000
Financial and other charges		(15,056)	(1,440)	(11,123)	(452)
		<u>(22,172,393)</u>	<u>(18,382,332)</u>	<u>(7,789,336)</u>	<u>(6,146,872)</u>
Operating profit / (loss)		4,647,586	9,672,581	483,314	(223,414)
Other income		794,540	1,067,082	331,486	287,802
		<u>5,442,126</u>	<u>10,739,663</u>	<u>814,800</u>	<u>64,388</u>
Unrealised (loss) / gain on re-measurement of					
investments at fair value through profit or loss		(171,701)	(5,664,372)	(454,886)	(613,735)
Share of profit from associates		847,616	357,296	-	-
		<u>6,118,040</u>	<u>5,432,587</u>	<u>359,913</u>	<u>(549,347)</u>
Management co's remuneration		(611,804)	(543,259)	(35,991)	54,934
Sales Tax on management co's remuneration		(79,535)	(70,264)	(4,679)	7,141
Workers welfare fund		(122,361)	(108,652)	(7,198)	10,987
Profit before taxation		<u>5,304,341</u>	<u>4,710,412</u>	<u>312,045</u>	<u>(476,285)</u>
Income tax expense		(2,224,703)	(1,281,881)	(182,364)	851,031
Profit after taxation		3,079,638	3,428,531	129,681	374,746
		<u><u>3,079,638</u></u>	<u><u>3,428,531</u></u>	<u><u>129,681</u></u>	<u><u>374,746</u></u>
			Restated		Restated
Earning per certificate -		<u>0.13</u>	<u>0.15</u>	<u>0.01</u>	<u>0.02</u>
(Including bonus certificates)					

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

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

sd/-
Chief Executive Officer

sd/-
Chief Financial Officer

sd/-
Director

sd/-
Director

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)**
For the Nine Months and Three Months Period Ended March 31, 2024

	Nine months ended		Quarter ended	
	2024	2023	2024	2023
 Rupees			
Profit after taxation	3,079,638	3,428,531	26,213	(3,303,642)
Components of other comprehensive income reflected in equity				
Items that will not be reclassified subsequently profit and loss account				
Remeasurement of net defined benefit liability	-	90,000	-	-
Share of other comprehensive income of associate -incremental depreciation	-	988	-	-
Impact of deferred tax	-	(124)	124	-
Other Comprehensive loss	-	90,864	124	-
Total comprehensive income / (loss) for the period transferred to equity	3,079,638	3,519,395	26,337	(3,303,642)
Equity investments at FVOCI - change in fair value	-	302,960	12,572	2,529,786
Impact of deferred tax	-	(1,572)	-	-
Reversal of realised on disposal during the year	-	-	-	-
Unrealised loss on re-measurement of available for sale investments	-	-	-	-
Total comprehensive income	3,079,638	3,820,783	38,909	(773,856)

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

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

sd/-
Chief Executive Officer

sd/-
Chief Financial Officer

sd/-
Director

sd/-
Director

**CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

	Issued, subscribed, and paid-up certificate capital	Reserve reserve			Total	
		Statutory reserve (refer note 16)	General reserve	Accumulated losses		
----- Rupees -----						
Balance as at Mar 31, 2022	<u>210,000,000</u>	<u>97,716,506</u>	<u>250,000</u>	<u>(61,187,841)</u>	<u>36,778,665</u>	<u>246,778,665</u>
Balance as at July 01, 2022	210,000,000	98,177,130	250,000	(52,413,130)	(52,163,130)	256,014,600
Issuance of 10% Bonus Shares	21,000,000	(21,000,000)	-	-	(21,000,000)	-
Profit for the period	-	-	-	3,053,425	3,053,425	3,053,425
Other comprehensive income	-	-	-	864	864	864
Total comprehensive income	-	-	-	3,054,289	3,054,289	3,054,289
Surplus transferred to acc loss - net of tax	-	-	-	23,924	23,924	23,924
Transfer to statutory reserve	-	610,685	-	(610,685)	(610,685)	-
Balance as at Dec 31, 2022	<u>231,000,000</u>	<u>77,787,815</u>	<u>250,000</u>	<u>(49,695,602)</u>	<u>(49,695,602)</u>	<u>259,092,813</u>
Balance as at Dec 31, 2022	231,000,000	77,788,415	250,000	(49,695,602)	(49,445,602)	259,342,813
Profit for the period	-	-	-	3,428,172	3,428,172	3,428,172
Other comprehensive income	-	-	-	90,864	90,864	-
Total comprehensive income	-	-	-	3,519,036	3,519,036	3,428,172
Balance as at Mar 31, 2023	<u>231,000,000</u>	<u>77,788,415</u>	<u>250,000</u>	<u>(46,176,566)</u>	<u>(45,926,566)</u>	<u>262,861,849</u>
Balance as at Jan 01, 2024	231,000,000	77,284,641	250,000	(49,853,576)	(49,603,576)	258,681,065
Profit for the period	-	-	-	3,079,638	3,079,638	3,079,638
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	3,079,638	3,079,638	3,079,638
Balance as at Mar 31, 2024	<u>231,000,000</u>	<u>77,284,641</u>	<u>250,000</u>	<u>(46,773,938)</u>	<u>(46,523,938)</u>	<u>261,760,703</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

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

sd/-
Chief Executive Officer

sd/-
Chief Financial Officer

sd/-
Director

sd/-
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
For the Nine Months Ended March 31, 2024

	Note	(Un-Audited) March 31, 2024	(Un-Audited) March 31, 2023
	 Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash from operations after working capital changes	24	40,361,807	(50,839,281)
Increase/ (decrease) in long-term security deposits		(1,513)	4,256
Income tax paid		(2,676,735)	(1,281,881)
Financial charges paid		(15,056)	(1,440)
Gratuity paid		(1,490,864)	(3,636,428)
Net cash (used in) / generated from operating activities		36,177,639	(53,474,281)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions			
- Fixed assets		448,305	(704,520)
Reversal of non performing loan provision		2,490,000	-
Dividend received		6,674,607	912,811
Profit received from TDR's		27,337,415	583,310
Investments in TDR		-	(25,000,000)
Investments in listed securities		-	(20,718,654)
Proceeds from sale of investments in listed securities		-	16,010,663
Net cash generated from / (used in) operations		36,950,326	(28,916,390)
Net increase / (decrease) in cash and cash equivalents		73,127,965	(82,390,671)
Cash and cash equivalents at the beginning of the period		23,150,626	95,036,459
Cash and cash equivalents at the end of the period	4	96,278,591	12,645,788

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

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

sd/-
Chief Executive Officer

sd/-
Chief Financial Officer

sd/-
Director

sd/-
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) For the Nine Months Ended March 31, 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 (Pvt.) Limited, a company incorporated in Pakistan. The address of its registered office is 96-A, Sindhi Muslim Housing Society. The Modaraba was floated on October 19, 1992 and commenced its business on November 02, 1992.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Modaraba for the nine months period ended 31 March 2024 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

The SECP has issued directive (vide SRO 431 (I) / 2007 dated May 22, 2007) that Islamic Financial Accounting Standard 2 (IFAS 2) shall be followed in preparation of the financial statements by Companies and Modarabas while accounting for Lease Financing transactions as defined by the said standard. The Modaraba has adopted the said standard.

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

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) For the Nine Months Ended March 31, 2024

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

- 2.1.1** The interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Modaraba as at and for the year ended June 30, 2023.
- 2.1.2** These condensed interim financial statements comprises of the condensed interim balance sheet as at March 31, 2024 and the condensed interim profit and loss account & condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and the notes forming part thereof for the nine months ended March 31, 2024.
- 2.1.3** These interim financial statements are unaudited but subject to limited scope review by the external auditors as required by the Code of Corporate Governance and are being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates and judgements

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

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

3 SIGNIFICANT ACCOUNTING POLICIES

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

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

Standards	Effective date (Annual periods beginning on or after)
IFRS 3 Definition of a Business (Amendment to IFRS 3)	January 1, 2020
IAS 1 and IAS 8 Definition of Material (Amendment to IAS 1 and IAS 8)	January 1, 2020
IFRS 9, IAS 39 and IFRS 7 Investment rate benchmark Reform (Amendment to IFRS 9 IAS 39 and IFRS 7)	January 1, 2020

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

	Note	(Un-audited) March 31, 2024	Audited June 30, 2023
4 CASH AND BANK BALANCES	-----Rupees-----		
With banks in current accounts			
Islamic Banks /Islamic Window operations		9,035	896,951
Conventional Banks		49,801	543,990
With banks in PLS accounts			
- Islamic Banks /Islamic Window operations	4.1	21,201,621	4,709,685
With banks in term deposit account			
- Term Deposit Accounts	4.2	75,000,000	17,000,000
Cash in Hand			
Cash		18,134	-
		96,278,591	23,150,626

4.1 These deposits accounts carry profit at rates ranging from 10 to 14 % (June 30, 2023: 3% to 5%) per annum

4.2 These represents term deposits receipts (TDRs) carrying profit ranging from ranging from 17.50% to 19.75% (June 30, 2023: 17.50).

	Note	(Un-audited) March 31, 2024	Audited June 30, 2023
5 SHORT TERM INVESTMENTS	-----Rupees-----		
At fair value through profit or loss Shariah compliant			
Listed equity securities	5.1.1	9,009,101	11,376,538
Listed Mutual funds	5.1.2	20,000,000	17,114,445
		29,009,101	28,490,983

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

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

Name of investee company	Number of share As at March 31, 2024	Carrying value as at March 31, 2024 (Rupees)	Market value as at March 31, 2024 (Rupees)
Chemicals			
Engro Chemicals Limited	10,000	493,550	452,300
Oil & Gas Producers			
Pakistan Refinery Limited	1,000	27,600	27,110
Cynergy Byco Petroleum Limited	25,000	125,000	110,500
		152,600	137,610
Engeneering			
Gandhara Nissan Limited	3,000	540,000	477,150
Mughal Iron and Steel Industries Limited	20,000	1,469,337	1,261,400
		2,009,337	1,738,550
Electricity and Gas			
K-Electric	45,050	225,701	199,121
Sui Southern Gas Company Limited	15,000	192,907	157,350
		418,608	356,471
Pharmaceuticals			
The Searle Company Limited	80,000	4,197,247	4,184,000
Citi Pharma Limited	26,000	658,976	602,940
Glaxo Smithkline Pakistan Ltd.	10,000	753,700	848,200
		5,310,698	5,335,915
Food & Personal Care Products			
Fauji Foods Limited	17,500	173,318	162,925
Unity Foods	12,500	334,375	293,375
		507,693	456,300
Cement			
D.G Khan Cement Limited	1,500	122,250	97,635
Maple Leaf Cement Factory Limited	3,000	117,750	106,740
		240,000	204,375
Miscellaneous			
Al Shaheer Corporation Limited	3,000	37,500	27,780
Interloop Limited	4,000	298,454	299,800
		335,954	327,580
Total		9,468,440	9,009,101

5.1.2 Listed Mutual Funds - 'at fair value through profit or loss'

MCB - Al Hamra Wada Plan - II	20,000,000	20,000,000
Grand Total	29,468,440	29,009,101

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

	(Un-audited) March 31, 2024	Audited June 30, 2023
Note	-----Rupees-----	
6 MUSAWAMAH FACILITY - SECURED		
Musawamah facility - secured considered doubtful	20,800,000	22,000,000
Less: provision against potential losses	(20,800,000)	(22,000,000)
6.1	<u>-</u>	<u>-</u>

6.1 Musawamah facility (Classified portfolio)	March 31, 2024 (Un-audited)		June 30, 2023 Audited	
	Balance Outstanding	Provision held	Balance Outstanding	Provision held
	----- (Rupees) -----			
OAEM	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	20,800,000	(20,800,000)	22,000,000	(22,000,000)
	20,800,000	(20,800,000)	22,000,000	(22,000,000)

6.2 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 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. In June 2022 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 the payment of Rs. 5,040,000 has been received by the Modaraba.

7 TAXATION

7.1 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 (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

		(Un-audited) March 31, 2024	Audited June 30, 2023
	Note	-----Rupees-----	
8 DIMINISHING MUSHARAKAH FINANCING			
Diminishing musharka financing		12,813,888	86,025,520
Less: Provision in respect of Diminishing Musharaka		-	-
		<u>12,813,888</u>	<u>86,025,520</u>
Less: Current portion	8.1	<u>(9,005,421)</u>	<u>(50,179,344)</u>
		<u>3,808,467</u>	<u>35,846,176</u>
8.1	These carry profit rate ranging from 9.00% to 18.50% (June 30, 2023: 9.22% to 15.50%) per annum and are repayable on monthly basis over a maximum period of five years. The financing is secured by way of personal guarantees of the parties and ownership of vehicles.		
		(Un-audited) March 31, 2024	Audited June 30, 2023
	Note	-----Rupees-----	
9 LONG TERM INVESTMENTS			
Investment in Associates	9.1	9,402,149	9,402,149
At fair value through other comprehensive income Shariah compliant			
Equity securities-listed	9.2	2,454,291	1,821,692
Mutual funds-listed	9.3	12,640,635	27,469,170
		<u>15,094,926</u>	<u>29,290,862</u>
At Amortised Cost			
Investment in Sukuk Certificates	9.4	10,148,093	10,000,000
		<u>34,645,167</u>	<u>48,693,011</u>
9.1 Investment in Associates			
Opeing Balance		9,402,149	10,258,083
Share of profit/(loss) of associate		847,616	
Share of other comprehensive loss of associate		-	(302,059)
Dividend income		<u>(847,616)</u>	<u>(553,875)</u>
	9.1.2	<u>9,402,149</u>	<u>9,402,149</u>

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

9.1.1 This represents investment in associate, the Al-Noor Sugar Mills 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.

9.1.2 The associate is accounted for using equity method in these financial statements. For the purposes of applying the equity method of accounting, the financial statements of Al-Noor Sugar Mills for the nine months period ended December 31, 2023 have been used to reflect the profit/(loss) for the nine months period ended March 31, 2024. As at March 31, 2024, the fair value of the Modaraba's interest in Al-noor Sugar Mills is disclosed in 9.1.3 based on the quoted market price available on the Pakistan Stock Exchange, which is a level 1 input in terms of IFRS 13.

9.1.3 The summarized financial information in respect the Al-Noor Sugar Mills 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	Basis of significant influence Common directorship	
	(Un-audited) March 31, 2024	Audited June 30, 2023
Al-Noor Sugar Mills Limited		
Number of shares held (Number)	110,775	110,775
Ownership interest (%)	0.54%	0.54%
Share capital ordinary shares of Rs 10. each	204,737	204,737
Total assets	11,753,724	13,280,480
Total liabilities	8,241,368	9,806,163
Net assets	3,512,356	3,474,317
Revenue	4,310,040	10,274,015
Profit after tax	47,758	156,959
	-----Rupees in '000-----	
Other comprehensive income	-	65,785
Cost of investment	1,482,481	1,482,481
Marker value of shares	10,494,823	5,333,816

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

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

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

Name of investee company	Number of share As at March 31, 2024	Carrying value as at March 31, 2024 (Rupees)	Market value as at March 31, 2024 (Rupees)
Modarabas			
First Habib Modaraba	4,171	30,407	32,117
Orix Modarba	11,000	124,300	145,090
First Imrooz Modaraba	4,400	695,200	553,564
		849,907	730,771
Cement			
Power cement Limited	4,500	18,450	23,805
Lucky Cement Limited	500	327,363	382,490
		345,813	406,295
Automobile Assembler			
Ghandhara Nissan Limited	3,293	119,799	301,869
Ghandhara Industries Limited	4,200	338,268	466,206
		458,067	768,075
Pharmaceuticals			
The Searle Company Limited	10,500	480,809	549,150
Total		2,134,596	2,454,291

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

Meezan Rozana Amadni Fund	24,393	1,217,988	1,217,988
NPB Islamic Daily Dividend Fund	106,635	1,066,347	1,066,347
HBL Islamic Money Market Fund	80,671	8,161,818	8,161,818
MCB AL Hamra Islamic Money Market fund	10,857	1,080,373	1,080,373
Atlas Islamic Money Market Fund	2,209	1,114,109	1,114,109
Total		12,640,635	12,640,635

- 9.4** Investments made in sukuk certificates Tier II of Al Baraka Bank Pakistan Limited, carrying profit to base rate of six months of KIBOR + 0.75% with principle payment on maturity on August 21, 2024 (June 30, 2022: KIBOR + 0.75%) and Meezan Bank Limited carrying profit to base rate of six month kibar + 0.35% with principle payment on maturity on December 16 2031 (June 30, 2022:KIBOR + 0.35%)

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

	(Un-audited) March 31, 2024	Audited June 30, 2023
Note	-----Rupees-----	
10 FIXED ASSETS IN OWN USE		
Net book value		
Computer equipment	116,155	205,575
Office equipment and appliances	264,366	320,703
Furniture and Fixtures	442,033	529,421
Motor Vehicles	413,470	674,257
	<u>1,236,024</u>	<u>1,729,956</u>

11 CERTIFICATE CAPITAL

11.1 Authorised certificate capital

(Un-audited) March 31, 2024	Audited June 30, 2023		(Un-audited) March 31, 2024	Audited 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

11.2 Issued, subscribed and paid - up certificate capital

(Un-audited) March 31, 2024	Audited June 30, 2023		(Un-audited) March 31, 2024	Audited June 30, 2023
----Number of certificates----			-----Rupees-----	
20,000,000	20,000,000	Modaraba certificates of Rs. 10 each fully paid in cash	200,000,000	200,000,000
1,000,000	1,000,000	Issued as Bonus Certificates	10,000,000	10,000,000
2,100,000	2,100,000	Issued as Bonus Certificates	21,000,000	-
<u>23,100,000</u>	<u>23,100,000</u>		<u>231,000,000</u>	<u>210,000,000</u>

11.3 As at March 31, 2024, First Al-Noor Modaraba Management (Private) Limited (the Management Company and a related party) held 4,620,000 certificates (June 2023: 4,620,000 certificates), as required under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

12 STATUTORY RESERVE

Statutory reserves include statutory reserves which represent profits set aside by the Modaraba to comply with the requirements of the Modaraba Regulations, 2021 issued by the SECP.

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

	(Un-audited) March 31, 2024	Audited June 30, 2023
	-----Rupees-----	
13 DEFICIT ON REVALUATION OF INVESTMENTS - Classified As 'FVTOCI'		
Market value of investments	25,589,749	29,290,861
Less: cost of investments	(29,542,273)	(31,822,334)
Impact of deferred tax	-	316,430
	<u>(3,952,524)</u>	<u>(2,215,043)</u>
Deficit on revaluation at the beginning of the period	(2,215,042)	(4,052,470)
Deficit/(Surplus) transferred to accumulated losses	<u>(3,378,872)</u>	<u>1,880,517</u>
Deficit on revaluation during the year	<u>1,641,390</u>	<u>(43,089)</u>
	<u>(1,737,482)</u>	<u>1,837,428</u>
Deficit on revaluation at the end of the period	<u>(3,952,524)</u>	<u>(2,215,042)</u>
14 CREDITORS, ACCRUED AND OTHER LIABILITIES		
Accrued expenses	1,662,932	823,364
Takaful / Insurance	18,400	18,369
Advances from customers	49,718	1,342,658
Provision for Worker's Welfare Fund	60,123	451,332
Audit Fee Payable	-	296,237
	<u>1,791,173</u>	<u>2,931,960</u>

14.1 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 and provision made against WWF up till June 30, 2014 is reversed during the period.

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.

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

		(Un-audited) March 31, 2024	Audited June 30, 2023
	Note	-----Rupees-----	
15 PROVISION FOR CUSTOM DUTY & SURCHARGE			
Custom duty / surcharges	15.1	<u>4,398,842</u>	<u>4,398,842</u>

15.1 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.

16 CONTINGENCIES AND COMMITMENTS

16.1 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 14.1, 15.1 and 16.1.1 respectively.

16.1.1 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.

16.2 Commitments

There are no commitments as at March 31, 2024 (June 30, 2023: Nil)

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

	For Nine months ended March 31,		Three months period ended March 31,	
	2024	2023	2024	2023
17 INCOME FROM TRADING OPERATIONS				
Local	108,769,508	28,480,322	10,851,897	8,667,500
Cost Of Sales	(115,527,034)	(25,680,032)	(12,973,880)	(7,765,773)
	<u>(6,757,526)</u>	<u>2,800,290</u>	<u>(2,121,983)</u>	<u>901,727</u>
18 INCOME FROM INVESTMENTS				
Gain on sale of securities - net	4,101,448	1,884,792	(6,550)	92,862
Dividend income	6,674,607	5,190,276	2,014,379	1,633,410
Gain on Sukuk Certificates	2,104,399	1,010,758	1,074,029	422,696
Profit on Islamic Certificates	14,456,961	6,151,472	5,659,539	752,912
	<u>27,337,415</u>	<u>14,237,298</u>	<u>8,741,397</u>	<u>2,716,156</u>

19 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 are as follows:

	(Un-audited) March 31, 2024	Audited June 30, 2023
	Note	-----Rupees-----
19.1 Transactions during the period		
Other related parties (other than key management personnel)		
Staff Gratuity Scheme	<u>4,045,739</u>	<u>5,536,603</u>

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

	(Un-audited) March 31, 2024	Audited June 30, 2023
-----Rupees-----		
20 CASH FROM OPERATIONS AFTER WORKING CAPITAL CHANGES		
Profit Before Taxation	5,304,341	4,710,053
Depreciation on:		
Ijarah assets		-
Fixed assets in own use	(1,684,329)	822,295
Income on diminishing musharakah	(6,240,090)	(11,017,315)
Dividend income	(6,674,607)	(5,190,276)
Income on investment in islamic certificate	(14,456,961)	(6,151,472)
Gain on sukuk certificates	(2,104,399)	(1,010,758)
Profit on bank deposits	(794,540)	(1,067,082)
Gain on sale of investment	(4,101,448)	(1,884,792)
Dividend income from associates	(996,975)	(553,875)
Managements remuneration	611,804	613,882
Unrealized loss on re-measurement of:		
Equity securities	171,701	5,664,372
Share of profit from associate	(847,616)	(357,296)
Financial and other charges	15,056	1,440
Remeasurement of defined benefit liability	-	90,000
Deferred tax adjustments	-	361,461
Provision for wwf	60,123	108,652
Sales tax written off	-	-
Fixed assets written off	-	486,893
Provision for gratuity	-	892,300
Operating profit before working capital changes	(36,898,793)	(18,191,571)
	(31,594,452)	(13,481,518)
Changes in assets		
Diminishing musharakah financing- net	45,065,229	35,796,784
Profit receivable	(942,744)	(16,126)
Investments- net	12,091,216	(4,707,991)
Stock in trade	23,891,818	(102,553,154)
Deferred tax assets	(5,378,018)	-
Proceed from stock in trade	-	31,280,632
Advances, deposits, prepayments and other receivables	(6,701)	1,243,135
	74,720,800	(38,956,720)
	43,126,348	(52,438,238)
Changes in liabilities		
Creditors, accrued and other liabilities	(2,784,878)	1,644,091
Charity payable	20,337	(45,514)
	(2,764,541)	1,598,577
Cash flow from operating activities	40,361,807	(50,839,661)

**NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
For the Nine Months Ended March 31, 2024**

21. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Modaraba's activities expose it to a variety of financial risks. These condensed interim financial statements do not include all financial risk management information and disclosure which are required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Modaraba as at June 30, 2023. There has been no change in any risk management policies since the period end.

22. FAIR VALUE OF ASSETS AND LIABILITIES

The carrying value of all financial assets and liabilities are estimated to approximate their fair values. There were no transfers amongst levels during the period.

23. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved and authorized for issue on 26th April, 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

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FIRST AL-NOOR MODARABA

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