

FIRST PRUDENTIAL MODARABA

**QUARTERLY REPORT
MARCH 31, 2024**

**MANAGED BY
AWWAL MODARABA MANAGEMENT LIMITED**

Vision

Awwal Modaraba Management Limited (AMML) will play a role in the economic process and development of Pakistan by providing a range of advisory services and financial support, through Sharia compliant modes; to viable projects in high growth, capital starved sectors of the economy.

Mission

Awwal Modaraba Management Limited (AMML) aims to be at the vanguard of innovation in modaraba management services, offering the best solutions to our customers, value to our certificate holders and modaraba investors, complemented with a challenging, equal opportunity to our employees.

FIRST PRUDENTIAL MODARABA

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	Chairman	Independent Director
Mr. Shahid Ghaffar		Independent Director
Mr. S.M.Aamir Shamim		Non-Executive Director
Mr. Abdul Jaleel Shaikh		Non-Executive Director
Ms. Humaira Siddique		Non-Executive Director
Ms. Sadaf Shabbir		Chief Executive Officer

Audit Committee

Mr. Shahid Ghaffar	Chairman
Mr. Khalid Aziz Mirza	Member
Mr. Abdul Jaleel Shaikh	Member
Ms. Humaira Siqqiqu	Member

Human Resource and Remuneration Committee

Mr. Khalid Aziz Mirza	Chairman
Mr. S.M.Aamir Shamim	Member
Ms. Sadaf Shabbir	Member

Company Secretary

Ms. Misbah Asjad

Chief Financial Officer

Mr. Aftab Afroz Mahmoodi

Auditor

BDO Ebrahim & Co, Chartered Accountants

Bankers

Habib Bank Limited
Dubai Islamic Bank

Certificate Registrar

C&K Management Associates (Pvt.) Limited
404, Trade Tower, Abdullah Haroon Road,
Near Metropole Hotel, Karachi – 75530
Phone: 021-35687839 & 021-35685930

Legal Advisor

S & B Durrani Law Associates

Shariah Advisor

Al-Hamd Shariah Advisory Services (Pvt) Limited

Registered & Head Office

3rd Floor, Horizon Vista, Plot No:
Commercial 10, Block-4, Clifton, Karachi
Phone : 021- 35361215-9,Fax: 021-
35374275

FIRST PRUDENTIAL MODARABA

Directors' Report

For the nine months period ended 31 March 2024

On behalf of the Board of Directors of Awwal Modaraba Management Limited ("AMML"), the management company of First Prudential Modaraba, we are pleased to present Directors' Report together with the unaudited financial results of First Prudential Modaraba for the nine months period ended 31 Mar 2024.

Economy Outlook

The economic conditions of the country remain subdued during the first nine months of FY2024 due to high inflation, depreciated rupee, and political uncertainty which has impacted both demand and operating margins of businesses. The State Bank of Pakistan has held the Policy Rate constant during this period and we do not expect a material change by end of this financial year. Going forward, we expect a gradual decline as inflation falls due to base rate effect. Energy inflation persists which has impacted the supply chain for businesses along with increasing cost of production.

Financial Performance

The outstanding portfolio size of First Prudential Modaraba remained nearly stable at PKR 659.38 million as on March 31, 2024 from the last quarter end as we continue to deploy available liquidity in good credits to preserve the profitability position of the Modaraba.

During the first nine months of FY2024, overall revenues have been recorded at PKR 151.16 million compared to PKR 121.30 million in corresponding period last year i.e. 3QFY2023. Total operating expenses for the period amounted to PKR 49.30 million. Financial charges on the PKR 150 million borrowing from PBICL increased in line with increase in KIBOR to PKR 27.39 million from PKR 22.66 million in corresponding period last year. During 3QFY2024, there was nil reversal in provisioning compared to PKR 23.18 million in the corresponding period last year. Nevertheless, Modaraba's profit after tax increased to PKR 59.67 million compared to PKR 50.69 million during 3QFY2023.

Future Outlook

Pak Brunei Investment Company Ltd. ("PBICL"), the parent company of AMML, is in the process of concluding divestment of its 100% shareholding in AMML. The management of the Modaraba continues to conduct its affairs with prudence in view of this situation.

Sadaf Shabbir

Chief Executive Officer

Dated: April 27, 2024

Humaira Siddique

Director

فرسٹ پروڈینشل مضاربہ

ڈائریکٹرز رپورٹ

31 مارچ 2024 کو ختم ہونے والی نو ماہ کی مدت کے لیے

اول مضاربہ بینجمنٹ لمیٹڈ ("AMML") کے بورڈ آف ڈائریکٹرز کی جانب سے، فرسٹ پروڈینشل مضاربہ کی انتظامی کمپنی، ہمیں 31 مارچ 2024 کو ختم ہونے والی نو ماہ کی مدت کے لیے فرسٹ پروڈینشل مضاربہ کے غیر آڈٹ شدہ مالیاتی نتائج کے ساتھ ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

معاشی نظریہ

ملک کے معاشی حالات مالی سال 2024 کے پہلے نو مہینوں کے دوران بلند افراط زر، روپے کی قدر میں کمی اور سیاسی غیر یقینی صورتحال کی وجہ سے پست رہے جس نے کاروبار کی طلب اور آپریٹنگ مارجن دونوں کو متاثر کیا ہے۔ اسٹیٹ بینک آف پاکستان نے اس مدت کے دوران پالیسی ریٹ کو مستحکم رکھا ہے اور ہمیں اس مالی سال کے اختتام تک کسی مادی تبدیلی کی توقع نہیں ہے۔ آگے بڑھتے ہوئے، ہم بتدریج کمی کی توقع کرتے ہیں کیونکہ بنیادی شرح کے اثر کی وجہ سے افراط زر گرتا ہے۔ توانائی کی افراط زر برقرار ہے جس نے پیداواری لاگت میں اضافے کے ساتھ کاروبار کے لیے سپلائی چین کو متاثر کیا ہے۔

مالیاتی کارکردگی

فرسٹ پروڈینشل مضاربہ کا بقایا پورٹ فولیو حجم 31 مارچ 2024 کو آخری سہ ماہی کے آخر تک 659.38 PKR ملین پر تقریباً مستحکم رہا کیونکہ ہم مضاربہ کی منافع کی پوزیشن کو برقرار رکھنے کے لیے اچھے کریڈٹس میں دستیاب لیکویڈیٹی کو تعینات کرنا جاری رکھے ہوئے ہیں۔

مالی سال 2024 کے پہلے نو مہینوں کے دوران مجموعی آمدنی 151.16 PKR ملین ریکارڈ کی گئی ہے جو گزشتہ سال کی اسی مدت یعنی 3QFY2023 میں 121.30 PKR ملین تھی۔ اس مدت کے لیے کل آپریٹنگ اخراجات 49.30 PKR ملین تھے۔ PBICL سے 150 PKR ملین ادھار پر مالی چارجز گزشتہ سال کی اسی مدت میں 22.66 PKR ملین سے KIBOR میں 27.39 PKR ملین تک بڑھ

گئے۔ 3QFY2024 کے دوران، گزشتہ سال کی اسی مدت میں 23.18PKR ملین کے فراہمی کے مقابلے میں کوئی ردوبدل نہیں ہوا۔ اس کے باوجود، مضاربہ کا بعد از ٹیکس منافع 3QFY2023 کے دوران 50.69PKR ملین کے مقابلے میں 59.67PKR ملین تک بڑھ گیا۔

مستقبل کا نظریہ

پاک برونائی انویسٹمنٹ کمپنی لمیٹڈ ("PBICL")، جو AMML کی بنیادی کمپنی ہے، AMML میں اپنے 100% شیئر ہولڈنگ کو ختم کرنے کے عمل میں ہے۔ مضاربہ کی انتظامیہ اس صورت حال کے پیش نظر تدبیر کے ساتھ اپنے معاملات کو جاری رکھے ہوئے ہے۔

حمیرا صدیق

ڈائریکٹر

صدف شبیر

چیف ایگزیکٹو آفیسر

بتاریخ: 27 اپریل 2024

**FIRST PRUDENTIAL MODARABA
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2024**

		<u>March 31, 2024</u>	<u>June 30, 2023</u>
	Note	<u>Un-audited</u>	<u>Audited</u>
		-----Rupees-----	
ASSETS			
NON CURRENT ASSETS			
Property and equipment - own use	4	2,101,628	1,815,466
Property, plant and equipment - Ijarah	5	65,344,503	82,676,743
Intangible assets		-	41,111
Investment properties	6	74,180,000	74,180,000
Long term portion of diminishing musharika finance	7	408,874,563	462,904,323
Long term investments	8	5,494,924	9,006,813
Long term advances and deposits		825,633	730,003
Deferred tax asset		16,054,392	10,993,677
		572,875,643	642,348,136
CURRENT ASSETS			
Modaraba, Musharika, Murabaha and other finance - net	9	-	-
Current portion of Diminishing Musharika Finance	7	250,508,549	190,537,594
Short term investments	10	12,534,087	6,539,334
Ijarah rentals receivable	11	4,581,520	3,136,775
Receivable against sale of agriculture produce - net	12	-	-
Advances, prepayments and other receivables	13	11,257,139	56,413,369
Taxation - net	14	23,792,166	22,865,160
Cash and bank balances	15	134,895,513	86,330,327
		437,568,974	365,822,559
TOTAL ASSETS		<u>1,010,444,617</u>	<u>1,008,170,695</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized certificate capital			
152,217,660 modaraba certificates of rupees 10/- each		1,522,176,600	1,522,176,600
Issued, subscribed and paid-up certificate capital			
129,391,676 modaraba certificates of rupees 10/- each		1,293,916,760	1,293,916,760
Statutory reserve		157,982,325	157,982,325
Reserve arising out of merger		(208,031,240)	(208,031,240)
Accumulated loss		(488,039,621)	(508,892,154)
		755,828,224	734,975,691
Unrealised loss on remeasurement of investment classified as fair value through other comprehensive income		(7,269,791)	(3,757,902)
		748,558,433	731,217,789
NON CURRENT LIABILITIES			
Long term portion of Ijarah deposits	16	21,863,249	23,363,249
CURRENT LIABILITIES			
Short term finance	17	150,000,000	150,000,000
Redeemable capital - participatory and unsecured		815,000	815,000
Current portion of Ijarah deposits	16	10,688,681	14,670,556
Accrued and other liabilities		25,456,883	41,907,083
Unclaimed profit distribution		53,062,371	46,197,018
		240,022,935	253,589,657
TOTAL EQUITY AND LIABILITIES		<u>1,010,444,617</u>	<u>1,008,170,695</u>
CONTINGENCIES AND COMMITMENTS			
	18		

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements

**For Awwal Modaraba Management Limited
(Management Company)**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

**FIRST PRUDENTIAL MODARABA
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
-----Rupees-----				
Income				
Ijarah rentals earned	22,508,903	20,825,611	7,092,911	8,724,583
Income from deposits with banks	2,549,312	8,005,458	1,064,195	1,298,899
Income from Diminishing Musharika Finance	122,311,453	83,133,533	38,879,286	33,206,500
Dividend income	922,266	1,460,438	250,404	378,482
Rental income from investment properties	310,185	2,537,874	-	845,958
Other income	2,562,483	5,337,994	316,751	2,538,489
	<u>151,164,602</u>	<u>121,300,908</u>	<u>47,603,547</u>	<u>46,992,911</u>
Unrealized gain/ (loss) on investments classified as 'fair value through profit or loss	10.2.2 5,994,752	(1,791,202)	1,160,004	(252,038)
Reversal of provision against doubtful receivables - net	972,333	23,179,653	100,000	18,129,653
	<u>158,131,687</u>	<u>142,689,359</u>	<u>48,863,551</u>	<u>64,870,526</u>
Expenses				
Depreciation on Ijarah assets	(14,649,178)	(15,988,235)	(4,729,896)	(6,043,854)
Administrative expenses	(49,305,752)	(42,872,230)	(11,339,094)	(15,077,245)
Finance charges	(27,393,970)	(22,665,066)	(8,739,900)	(9,552,098)
	<u>(91,348,900)</u>	<u>(81,525,531)</u>	<u>(24,808,890)</u>	<u>(30,673,197)</u>
	66,782,787	61,163,828	24,054,661	34,197,329
Modaraba company's remuneration	19 -	-	-	-
Provision for service sales tax on Management ' Company's remuneration	-	-	-	-
	-	-	-	-
Provision for Workers' Welfare Fund	(1,178,867)	(855,152)	(421,069)	(326,397)
Profit before taxation	65,603,920	60,308,676	23,633,592	33,870,932
Provision for taxation	21 (5,933,884)	(9,616,988)	(6,947,721)	(6,411,272)
Profit after taxation	<u>59,670,036</u>	<u>50,691,688</u>	<u>16,685,871</u>	<u>27,459,660</u>
Earnings per certificate - basic and diluted	22 <u>0.46</u>	<u>0.39</u>	<u>0.13</u>	<u>0.21</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements

**For Awwal Modaraba Management Limited
(Management Company)**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

**FIRST PRUDENTIAL MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	<u>Period ended</u>		<u>Quarter ended</u>	
	<u>March 31,</u> <u>2024</u>	<u>March 31,</u> <u>2023</u>	<u>March 31,</u> <u>2024</u>	<u>March 31,</u> <u>2023</u>
	-----Rupees-----			
	Note			
Profit for the period	59,670,036	50,691,688	16,685,871	27,459,660
Other comprehensive loss for the period:				
Item that will not be reclassified subsequently to profit and loss				
Unrealised loss on remeasurement of investment classified as 'fair value through other comprehensive income	(3,511,889)	(4,126,592)	(1,699,741)	(2,426,851)
Total comprehensive income for the period	<u>56,158,147</u>	<u>46,565,096</u>	<u>14,986,130</u>	<u>25,032,809</u>

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**For Awwal Modaraba Management Limited
(Management Company)**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

**FIRST PRUDENTIAL MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	March 31, 2024	March 31, 2023
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	65,603,920	60,308,677
Adjustments of non-cash and other items:		
Dividend income	(922,266)	(1,394,566)
Unrealised (gain)/loss on investments	(5,994,752)	1,791,202
Reversal of provision against morabaha finance	-	(5,140,000)
Reversal of provision against Ijarah finance	-	(8,570,755)
Reversal of provision against Modaraba finance	-	(4,209,389)
Gain on disposal - ijarah assets	(266,811)	(128,123)
Financial charges	27,393,970	22,665,066
Depreciation - own use assets	152,838	305,928
Depreciation - Ijarah assets	14,649,178	15,988,235
Provision against gratuity	-	256,248
Amortization on intangible assets	41,111	115,705
	<u>100,657,188</u>	<u>81,988,228</u>
Decrease / (increase) in current assets		
Diminishing Musharika Finance	(5,941,195)	(110,805,965)
Investment against repurchase agreement	-	23,624,891
Ijarah rentals receivable	(1,444,745)	(2,378,395)
Advances, prepayments and other receivables	39,999,885	21,013,931
	<u>32,613,945</u>	<u>(68,545,538)</u>
Increase / (decrease) in current liabilities		
Ijarah deposits	(5,481,875)	13,000,000
Short term finance	-	18,000,000
Redeemable capital	-	(300,000)
Unclaimed dividend	6,865,353	1,172,328
Accrued and other liabilities	(22,384,086)	(2,000,011)
	<u>(21,000,608)</u>	<u>29,872,317</u>
Cash generated from operations	112,270,525	43,315,007
Taxes paid	(927,006)	(1,592,639)
Financial charges	(27,393,970)	(22,665,066)
Net cash flows from operating activities	<u>83,949,549</u>	<u>19,057,302</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	922,266	1,394,566
Proceeds from disposal - ijarah assets	2,949,873	55,351,793
Proceeds from disposal - modaraba finance	-	4,209,389
Proceeds from disposal - morabaha finance	-	5,140,000
Purchase of own assets	(439,000)	(117,500)
Purchase of ijarah assets	-	(92,250,000)
Net cash flows from / (used in) investing activities	<u>3,433,139</u>	<u>(26,271,752)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Profit paid to certificate holders	(38,817,502)	(20,887,650)
Dividend payable	-	246,479
Net cash used in financing activities	<u>(38,817,502)</u>	<u>(20,641,171)</u>
Net decrease in cash and cash equivalents	48,565,186	(27,855,621)
Cash and cash equivalents at beginning of the period	86,330,327	146,066,656
Cash and cash equivalents at end of the period	<u><u>134,895,513</u></u>	<u><u>118,211,035</u></u>

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**For Awwal Modaraba Management Limited
(Management Company)**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

**FIRST PRUDENTIAL MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Issued, subscribed, and paid up certificate capital	Merger Reserve	Statutory reserve	Accumulated loss	Unrealised (loss) / gain on investment classified as fair value through other comprehensive income	Total
	----- (Rupees) -----					
Balance at July 1, 2022 (Audited - restated)	1,293,916,760	(208,031,240)	157,982,325	(586,549,989)	7,769,197	665,087,053
Total comprehensive income for the period						
Profit for the period	-	-	-	-	-	-
Profit for the period ended March 2023- FPRM	-	-	-	24,422,122	-	24,422,122
Profit for the period ended March 2023- KASB	-	-	-	24,616,495	-	24,616,495
Profit for the period ended March 2023- FPAK	-	-	-	1,653,072	-	1,653,072
Distribution of dividend declared for the year ended June 30, 2022 - FPRM	-	-	-	(14,827,003)	-	(14,827,003)
Distribution of dividend declared for the year ended June 30, 2022 - KASB	-	-	-	(4,806,648)	-	(4,806,648)
Distribution of dividend declared for the year ended June 30, 2022 - FPAKM	-	-	-	(1,254,000)	-	(1,254,000)
Other comprehensive income	-	-	-	-	(4,126,592)	(4,126,592)
				29,804,038	(4,126,592)	25,677,446
Balance at March 31, 2023 (Un-audited)	<u>1,293,916,760</u>	<u>(208,031,240)</u>	<u>157,982,325</u>	<u>(556,745,951)</u>	<u>3,642,605</u>	<u>690,764,499</u>
Balance at July 1, 2023 (Audited)	1,293,916,760	(208,031,240)	157,982,325	(508,892,154)	(3,757,902)	731,217,789
Total comprehensive income for the period						
Profit for the period	-	-	-	59,670,036	-	59,670,036
Other comprehensive loss	-	-	-	-	(3,511,889)	(3,511,889)
Distribution @ 0.16 per share declared for the period ended June 30, 2023	-	-	-	(38,817,503)	-	(38,817,503)
Balance at March 31, 2024 (Un-audited)	<u>1,293,916,760</u>	<u>(208,031,240)</u>	<u>157,982,325</u>	<u>(488,039,621)</u>	<u>(7,269,791)</u>	<u>748,558,433</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements

**For Awwal Modaraba Management Limited
(Management Company)**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

**FIRST PRUDENTIAL MODARABA
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 First Prudential Modaraba is a multipurpose, perpetual Modaraba. The Modaraba is registered under the Modaraba (Floatation and Control) Ordinance, 1980 and the Modaraba Companies and Modaraba Rules, 1981. The Registrar (Modarabas) with the approval of SECP vide order dated April 03, 2019 appointed Awwal Modaraba Management Limited (AMML) to takeover and manage the affair of the Modaraba. AMML (the management company) has taken over the management and administrative control of the First Prudential Modaraba effective from February 03, 2020. AMML is the wholly owned subsidiary of Pak Brunei Investment Company Limited (PBICL).

The registered office of First Prudential Modaraba is situated at 3rd floor, Horizon Vista, Plot No. Commercial 10, Block No. Scheme No. 5, Clifton, Karachi.

In addition to the First Prudential Modaraba (FPrM), the Registrar (Modarabas) also appointed AMML, to takeover and manage the affair of the First Pak Modaraba (FPM) and KASB Modaraba (KASBM) in a similar manner and the AMML simultaneously taken over the management and administrative control of these Modarabas.

- 1.2 The Board of Directors of AMML in their meeting held on March 11, 2022 approved the scheme of arrangement for merger of FPM and KASBM with and into FPrM. On the March 02, 2023, the Honorable High Court of Sindh approved/sanctioned the merger scheme by way of amalgamation of FPM and KASBM (amalgamated modarabas) with and into FPrM(surviving modaraba) effective from December 31, 2021.
- 1.3 The Board of Directors of PBICL has decided to proceed with divestment of its total interest in AMML. Accordingly, the Board of Directors of AMML in their meeting held on September 30, 2023 directed to disseminate the significant development to relevant authorities and stakes holders in a timely and transparent manner.

The material information was sent to the Pakistan Stock Exchange and Securities & Exchange Commission of Pakistan on September 30, 2023.

On October 12 2023, invitation for Expression of Interest was published in the newspaper for complete acquisition of AMML including management rights of the modaraba.

On November 21, 2023, the PBICL informed the Registrar Modaraba, SECP about the receipt of bids from various parties. The SECP vide letter dated November 21, 2023, directed to apply to the Registrar Modaraba for the transfer of AMML shares and management rights of the modaraba to the proposed acquirer.

The process of evaluation/ review of the bids, received by the PBICL, is completed and the Share Purchase Agreement (agreement) between the PBICL and the buyer has been signed subsequently on April 03, 2024. The buyer has paid the advance consideration to the PBICL (20% of total consideration) with the signing of the agreement and the balance shall be paid after fulfilment of legal/ regulatory obligations as applicable on PBICL and the buyer. The closing date for the completion of all process is determined as maximum of 120 days from the execution date of the agreement or such later date as mutually agreed by both the parties.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 - Interim Financial Reporting, Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) ['the Modaraba Regulations'].

Wherever the requirements of 'the Modaraba Regulations' differ from the requirements of International Accounting Standard (IAS) 34 - Interim Financial Reporting and Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, requirements of 'the Modaraba Regulations' have been followed.

Securities and Exchange Commission of Pakistan (SECP) vide S.R.O 1827 (I)/2022 dated September 29, 2022 has deferred the effective date for applicability of International Financial Reporting Standard (IFRS) 9 - 'Financial Instruments' for Non-Banking Finance Companies and Modarabas. The said standard has superseded International Accounting Standard (IAS) 39 - 'Financial Instruments: Recognition and Measurement'. IFRS 9 is now effective for reporting period / year ending on or after June 30, 2024.

2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Modaraba for the year ended June 30, 2023.

2.1.3 The comparative condensed interim balance sheet presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Modaraba for the year ended June 30, 2023, whereas the comparative condensed interim profit and loss, condensed interim cash flow statement, condensed interim statement of changes in equity of the Modaraba are extracted from the unaudited condensed interim financial statements for the period ended March 31, 2023.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention , unless otherwise stated.

2.3 Functional and presentation currency

These condensed interim financial statements are prepared in Pakistani Rupees which is the Modaraba's functional and presentation currency. The figures in these condensed interim financial statements have been rounded off to the nearest rupee unless otherwise specified.

3 MATERIAL ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Modaraba for the year ended June 30, 2023.

3.2 The preparation of these condensed interim financial statements are in conformity with approved accounting standards requires management to make estimates, assumptions and use of judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The material estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2023.

3.4 Standards, interpretations and amendments to published approved accounting standards that are effective

The Modaraba adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they will impact the accounting policy information disclosed in the annual financial statements.

The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose ‘significant accounting policies’ with ‘material accounting policy information’. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments had no effect on the interim condensed financial statements of the Modaraba as they relate to disclosures of accounting policies in the annual financial statements rather than interim financial statements. The amendments are expected to be applicable for the accounting policy disclosures in the annual financial statements of the Modaraba.

Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

There are certain other new standards, interpretations and amendments to accounting and reporting standards which are mandatory for the Modaraba’s accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or have any significant effect on the Modaraba’s financial reporting and therefore, have not been disclosed in these condensed interim financial statements.

- 3.5 The Modaraba's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Modaraba for the year ended June 30, 2023.

		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		-----Rupees-----	
4	PROPERTY AND EQUIPMENT - OWNED		
			Note
	Opening net book value (NBV)	1,815,466	2,050,776
	Additions during the period / year at cost	439,000	117,500
	Disposals during the period / year at NBV		
	Cost	-	(954,000)
	Accumulated depreciation	-	954,000
		-	-
	Depreciation charge for the period / year	(152,838)	(352,810)
	Closing net book value (NBV)	<u>2,101,628</u>	<u>1,815,466</u>

- 4.1 Additions includes the office equipment purchased during the period.

5 PROPERTY, PLANT AND EQUIPMENT - IJARAH

Opening net book value (NBV)		82,676,743	58,326,331
Additions during the period / year at cost	5.1	-	92,250,000

	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	-----Rupees-----	
Disposals during the period / year at NBV		
Cost	8,425,000	62,240,000
Accumulated depreciation	(5,741,938)	(15,487,084)
	(2,683,062)	(46,752,916)
Depreciation charge for the period / year	(14,649,178)	(21,146,672)
Closing net book value (NBV)	<u>65,344,503</u>	<u>82,676,743</u>

5.1 This includes vehicles purchased during the period under Ijarah arrangement with customers.

6 INVESTMENT PROPERTIES - CARRIED AT FAIR VALUE

Investment property is revalued by an independent valuer named Oceanic Surveyors (Private) Limited as at June 30, 2023. There is no material change in fair value at the period end.

7 DIMINISHING MUSHARIKA

Diminishing musharaka finance - considered good	7.1	906,754,648	927,302,191
Diminishing musharaka finance - doubtful		666,134	539,959
Unearned Income		(247,371,536)	(273,860,274)
		<u>660,049,246</u>	<u>653,981,876</u>
Less: provision for non-performing diminishing musharaka	7.2	(666,134)	(539,959)
		<u>659,383,112</u>	<u>653,441,917</u>
Less: Current portion of diminishing musharika		(250,508,549)	(190,537,594)
		<u>408,874,563</u>	<u>462,904,323</u>

7.1 This represent diminishing musharaka financing for a term of 3 to 5 years. These carry profit rate ranging from 14.00% and 28.58% (June 30,2023: 14.00% and 26.58%). All diminishing musharaka arrangements are secured against hypothecation of assets, personal guarantees and promissory notes.

7.2 Movement of Provision

Opening balance	539,959	666,134
Reversal of provision during the period	-	(126,175)
Transfer from unearned income against suspended income	126,175	-
Closing balance	<u>666,134</u>	<u>539,959</u>

			March 31, 2024	June 30, 2023
			(Un-audited)	(Audited)
		Note	-----Rupees-----	
8	LONG TERM INVESTMENTS			
	Investment classified as 'fair value through other comprehensive income			
	Unquoted Companies	8.1	-	-
	Quoted Companies	8.2	5,494,924	9,006,813
			<u>5,494,924</u>	<u>9,006,813</u>

8.1 Unquoted companies

March 31, 2024	June 30, 2023		March 31, 2024	June 30, 2023
Un-audited	Audited		-----Rupees-----	
Number of Shares			Un-audited	Audited
1,594,744	1,594,744	Prudential Securities Limited		
		Cost	9,048,707	9,048,707
		Less: Impairment	(9,048,707)	(9,048,707)
		8.1.1	-	-
		Prudential Discount and Guarantee House Limited		
-	191,700	Cost	-	1,041,815
		Less: Impairment	-	(1,041,815)
		8.1.1 & 8.1.2	-	-
			<u>-</u>	<u>-</u>

8.1.1 Due to adverse financial conditions of the investee Company, investments have been fully impaired.

8.1.2 As per Honorable Islamabad High Court (IHC) order dated November 15, 2021, the Company has been wound up through liquidator. Final return of Rs.223,584/- (i.e Rs.1.166 per share) has been received by the modaraba.

8.2 Quoted Companies

March 31, 2024	June 30, 2023		March 31, 2024	June 30, 2023
Un-audited	Audited		-----Rupees-----	
Number of Shares			Un-audited	Audited
295,536	295,535	LSE Proptech Limited		
		Cost	3,313,951	3,313,951
		Fair value adjustment	(2,066,789)	(1,892,428)
		8.2.1	1,247,162	1,421,523
		LSE Venture Limited		
842,810	842,810	Cost	9,450,764	9,450,764
		Fair value adjustment	(5,203,002)	(1,865,474)
		8.2.1	4,247,762	7,585,290
			<u>5,494,924</u>	<u>9,006,813</u>

8.2.1 The Lahore High Court vide order dated April 26, 2023 has approved the demerger of LSE Financial Services Limited (Formerly LSE) and split it into two following Companies:

- LSE PropTech Limited
- LSE Ventures Limited

Accordingly, the entire investment of modaraba in LSE Financial Services has been converted into the above-mentioned companies with actual number of shares allotted.

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

9 MODARABA, MUSHARIKA, MURABAHA AND OTHER FINANCE

Modaraba, Musharaka and morabaha finance

Considered good		-	-
Considered doubtful	9.1	446,369,606	468,341,342
		446,369,606	468,341,342
Less: Provision against doubtful debts	9.2	(446,369,606)	(468,341,342)
		<u>-</u>	<u>-</u>

9.1 This include amount of Modaraba, Musharaka and Morabaha finance receivable from various parties, outstanding since many years. Based on the guidelines of Modaraba Regulations outstanding balances against these finances have been fully provided and suspended accordingly.

9.2 Movement of provision for Modaraba, Musharaka and morabaha finance

Opening balance		468,341,342	517,237,262
Written off during the period / year		(21,641,736)	(39,285,290)
Reversal of provision during the period / year	9.3	(330,000)	(9,610,630)
Closing balance		<u>446,369,606</u>	<u>468,341,342</u>

9.3 The reversal of provision has been made to the extent of actual amount recovered from a customer.

		March 31, 2024	June 30, 2023
		Un-audited	Audited
	Note	-----Rupees-----	
10	SHORT TERM INVESTMENTS		
	Amortised cost		
	Term Deposits Receipts - considered doubtful	10.1	-
	Fair value through profit or loss		
	Quoted securities	10.2	12,534,087
		<u>12,534,087</u>	<u>6,539,334</u>
		<u>12,534,087</u>	<u>6,539,334</u>

10.1 Modaraba had entered into an agreement dated December 06, 2012, with the Invest Capital Investment Bank Limited (ICIBL) for settlement of the Term Deposit Receipt of Rs.10 million. As per the terms, the entire mark-up/profit/penalties accrued upto the date of settlement agreement were waived off by the Modaraba. The balance was receivable in 60 equal monthly instalments of Rs. 166,667 beginning from December 10, 2012 at Nil profit. Rescheduled amount was as follows:

Term Deposit Receipt as at December 06, 2012	10,000,000	10,000,000
Less: Amortization charge	(2,000,000)	(2,000,000)
Less: received in earlier period / year	(3,219,433)	(3,219,433)
Net receivable	<u>4,780,567</u>	<u>4,780,567</u>
Less: provision against doubtful recoveries	(4,780,567)	(4,780,567)
	<u>-</u>	<u>-</u>

10.2 Quoted securities

Following is the detail of shares of listed entities - held by the Modaraba at the reporting date:

Shares of listed companies - Fully paid up ordinary shares of Rs. 10 each, unless stated otherwise:

March 31, 2024	June 30, 2023		March 31, 2024	June 30, 2023
Un-audited	Audited		Un-audited	Audited
			-----Rupees-----	
Number of Shares / Units	Name of Investee Company / Fund	Note		
525	525	Nishat Mills Limited	34,823	29,804
54,367	54,367	The Hub Power Company Limited	6,593,086	3,782,856
1,495	1,495	Sui Northern Gas Pipeline Limited*	93,467	58,858
16,468	16,468	Thal Limited*	5,812,710	2,667,816
348	348	Hussain Industries Limited*	10.2.1	-
1,670,720	1,670,720	Prudential Stock Fund	10.2.1	-
360,000	360,000	Zeal-Pak Cement Factory Limited	10.2.1	-
<u>2,103,923</u>	<u>2,103,923</u>		<u>12,534,087</u>	<u>6,539,334</u>

10.2.1 These investee Companies and Fund are suspended or delisted in prior years, and have been provided in full.

* These shares are not in the name of the Modaraba: Sui Northern Gas Pipeline Limited 254 (June 30,2023: 254) shares and Hussain Industries Limited 348 (June 30,2023: 348) shares (Third Prudential Modaraba) and Thal Limited 16,468 (June 30,2023: 16,468) shares (KASB Modaraba).

10.2.2 Net unrealized (loss) / gain on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net

	March 31, 2024	June 30, 2023
	Un-audited	Audited
	-----Rupees-----	
Weighted average cost of investments	6,539,335	8,236,248
Unrealized gain / (loss) on changes in fair value	5,994,752	(1,696,913)
Market value of investments	<u>12,534,087</u>	<u>6,539,335</u>

11 IJARAH RENTAL RECEIVABLE

Considered good	4,581,520	3,136,775
Considered doubtful	61,847,457	61,847,457
	<u>66,428,977</u>	<u>64,984,232</u>
Less: provision for doubtful receivables	<u>(61,847,457)</u>	<u>(61,847,457)</u>
	<u>4,581,520</u>	<u>3,136,775</u>

12 RECEIVABLE AGAINST SALE OF AGRICULTURE PRODUCE - SECURED

There is no change in the status of matters associated with receivable against sale of agricultural produce as disclosed in note 17 of the audited financial statements for the year ended June 30, 2023.

13 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

Note	Considered good		Considered doubtful		Total	
	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2023
	-----Rupees-----					
Advance						
To staff - Secured	1,020,099	929,761	1,814,000	1,814,000	2,834,099	2,743,761
Against purchase of assets	-	48,468,500	-	-	-	48,468,500
Prepayments	1,698,443	801,627	-	-	1,698,443	801,627
Other receivables from						
Brokers on account						
- of sale of shares	-	-	78,095,768	78,095,768	78,095,768	77,095,768
- of advance for shares	-	-	18,432,273	18,432,273	18,432,273	19,432,273
A bank	-	-	10,241,347	10,241,347	10,241,347	10,241,347
Return on deposits						
with banks	820,568	752,237	-	-	820,568	752,237
Others	7,718,029	5,461,244	18,381,590	18,381,590	26,099,619	23,842,834
Sub total	<u>11,257,139</u>	<u>56,413,369</u>	<u>126,964,978</u>	<u>126,964,978</u>	<u>138,222,117</u>	<u>183,378,347</u>
Provision for doubtful receivables	-	-	(126,964,978)	(126,964,978)	(126,964,978)	(126,964,978)
	<u>11,257,139</u>	<u>56,413,369</u>	<u>-</u>	<u>-</u>	<u>11,257,139</u>	<u>56,413,369</u>

13.1 The balances are secured against Provident Fund (PF) balances of employees.

13.2 There is no change in status of matters with regards to doubtful advances and other receivables as disclosed in notes 18.2.1, 18.3 and 18.4 of the audited financial statements for the year ended June 30, 2023.

		March 31, 2024 Un-audited	June 30, 2023 Audited
14	TAXATION - NET	-----Rupees-----	
	Advance tax	14.1 34,786,765	31,503,671
	Provision for taxation	<u>(10,994,599)</u>	<u>(8,638,511)</u>
		<u>23,792,166</u>	<u>22,865,160</u>

14.1 This includes an amount of Rs. 1.674 million forcefully withdrawn from bank by the Taxation Authorities on March 14, 2016 against which the Modaraba has filed an application for refund due to the fact that the amount was wrongly withdrawn on the ground that original return filed for the year 2009 was erroneous. The withdrawal was based on the original return filed whereas the revised return filed and order passed by the Additional Commissioner of Inland Revenue in favor of the Modaraba has been ignored. The management is confident that the amount will be recovered from the tax authority.

15 CASH AND BANK BALANCES

	Cash in hand	30,000	-
	Balances with banks		
	Current accounts	32,078,590	25,230,031
	Saving accounts	102,786,923	61,100,296
		<u>134,865,513</u>	<u>86,330,327</u>
		<u>134,895,513</u>	<u>86,330,327</u>

15.1 The balance in saving accounts carry profit at an average rates ranging from 3.75% to 15.80% per annum (June 30, 2023: 3.75% to 15.00% per annum).

16 IJARAH DEPOSITS

	Ijarah deposits	32,551,930	38,033,805
	Less: Current portion ijarah deposit	<u>(10,688,681)</u>	<u>(14,670,556)</u>
		<u>21,863,249</u>	<u>23,363,249</u>

17	SHORT TERM FINANCE	17.1 <u>150,000,000</u>	<u>150,000,000</u>
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17.1 The Modaraba has availed finance facility of Rs.150 million under Wakala Agreement dated December 29, 2022 from Pak Brunei Investment Company Limited (PBICL). As per terms of the agreement, PBIC acts as Muwakkil (the principal) and Modaraba as Wakil (the agent) to execute the Shariah Compliant transactions through and as part of the Wakil's pool of assets for deployment of funds under the extended facility.

The facility matured on December 28, 2023 and have been thereafter extended by a further period of one year as approved by both parties. Return to the Muwakil on investment is expected at 3 Months KIBOR + 2% per annum. The facility is secured by way of First Hypothecation charge on all present and future assets of the Modaraba equivalent to PKR. 200,000,000/- with 25% margin.

As per the Shares Purchase Agreement between the PBICL and the buyer (note -1.3) , post finalization of the sell/ purchase transaction, the buyer undertakes to ensure that by no later than six months from the closing date,the facility shall either be fully settled or refinanced and if required by the PBICL renegotiate and reststructure the underlying security.

18

18.1 Contingencies

18.1.1 Modaraba filed an appeal with the Appellate Tribunal Inland Revenue on November 06, 2023 against the assessment order of the First Pak Modaraba (Merged Modaraba) for the tax year 2017. The taxation officer erroneously concluded that in the said tax year modaraba acquired vehicles of Rs. 19.98 million which were not appearing in the financial statements as fixed assets, therefore considered as “Unexplained Investments” as per section 111 (1)(b) of the Income Tax Ordinance 2001 and created demand amounted to Rs. 6 million. It was explained that the said vehicles were acquired for financing to the customers, therefore, appearing under the head of “Diminishing Musharaka Finance” in accordance with the nature of transaction and reporting framework of Islamic Financial Accounting Standard. The Taxation officer and CIR Appeal did not serve proper notices as these were sent to the office of the previous management company in Islamabad. Initiating the administrative action, the tax authorities blocked the Bank account of the First Pak Modaraba. The management is confident that outcome of the appeal with the tribunal will be decided in favor of the modaraba as facts are simple and proper opportunities of being heard were not provided by the Taxation officer.

18.1.2 During the current period, modaraba received notices from Sindh Revenue Board (SRB) for the payment of SWWF liability as provided and disclosed in the respective financial statements. The payments of SWWF were held because one of the other modaraba under common management (associated modaraba) filed petition in the Sindh High Court against the applicability of SWWF Act. Other modarabas in the industry also filed the similar petitions. The case is still pending, however, during the year 2020, the Honorable Court passed the order for depositing the SWWF pertaining to the Sindh operations either with Nazir or with the SRB.

Accordingly, upon receipt of the notices from SRB the modaraba (associated modaraba) commenced the payment of SWWF (pertains to Sindh operations) to SRB. It was decided by the management to follow the same mechanism of payment in First Prudential Modaraba (FPrM) upon receipt of notice from SRB.

Therefore, following the same practice, FPrM paid the total amount of SWWF (pertains to Sindh operations) from 2016 to 2023, in the current period.

The Deputy Commissioner-SRB while framing the order, imposed additional tax computed @ 15% per annum for the period of liability remained unpaid. The total amount of additional tax from the year 2016 to 2022 is Rs. 875,575.

The modaraba filed an appeal with the tribunal for condonation of the additional tax imposed by the Deputy Commissioner as total due amount of SWWF has been paid to SRB upon receipt of notices without any contest even though case filed in the Sindh High Court by the other modarabas is pending.

- 18.1.3 The status of other contingencies are same as disclosed in the annual audited financial statements for the year ended June 30, 2023 except for the matters disclosed above.

18.2 Commitment

There was no commitment as at the reporting date.

19 MANAGEMENT COMPANY'S REMUNERATION

The Modaraba Management Company is entitled to a remuneration for services rendered to the Modaraba under provisions of the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980 up to a maximum of 10% per annum of the net annual profits of the Modaraba.

The management records accrual in respect of Management Company out of the net annual profit of the Modaraba on the basis of annual audited accounts. Therefore, no Management Company's remuneration has been accrued in these condensed interim financial statements.

20 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 Honourable 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 obtained by one of the Modaraba under common management, 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.

	March 31 2024 Un-audited	March 31 2023 Un-audited
	-----Rupees-----	
21 PROVISION FOR TAXATION		
Current	10,994,599	8,976,944
Deferred	(5,060,715)	640,044
	<u>5,933,884</u>	<u>9,616,988</u>

22 EARNINGS PER CERTIFICATE - BASIC AND DILUTED

	Period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Un-audited)			
Basic earning per certificate	(Rupees)			
Profit for the period after taxation	59,424,250	50,691,688	16,685,871	27,459,660
	(Number)			
Weighted average number of certificates outstanding during the period	129,391,676	129,391,676	129,391,676	129,391,676
	(Rupee)			
Earnings per certificate	0.46	0.39	0.13	0.21

Diluted

Diluted earnings per certificate has not been presented as the Modaraba does not have any convertible instruments in issue as at reporting date which would have any effect on the earnings per certificate if the option to convert is exercised.

23 FAIR VALUE OF FINANCIAL INSTRUMENTS

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 in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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. It does not include the fair value information of financial assets and financial liabilities not measured at fair value if the carrying amount is reasonable approximation of fair value.

	Carrying Amount			Total
	----- As at March 31, 2024 -----			
	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	
Financial assets				
Cash and bank balances	-	-	134,895,513	134,895,513
Investments	-	12,534,087	-	12,534,087
Diminishing Musharika Finance	-	-	659,383,112	659,383,112
Ijarah rentals receivable	-	-	4,581,520	4,581,520
Advances, prepayments and other receivables	-	-	10,237,040	10,237,040
Long term investments	5,494,924	-	-	5,494,924
Long term advances and deposits	-	-	825,633	825,633
	5,494,924	12,534,087	809,922,818	477,327,109
Financial liabilities				
Short term finance	-	-	150,000,000	150,000,000
Ijarah deposits	-	-	32,551,930	32,551,930
Accrued and other liabilities	-	-	23,097,586	23,097,586
	-	-	205,649,516	205,649,516
	Level 1	Level 2	Level 3	Total
Investment classified as 'fair value through profit or loss'				
Quoted securities	12,534,087	-	-	12,534,087
Investment classified as 'fair value through other comprehensive income'				
Quoted securities	5,494,924	-	-	5,494,924

Carrying Amount				Total
----- As at June 30, 2023 -----				
Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost		
----- Rupees in '000 -----				
Financial assets				
Cash and bank balances	-	-	86,330,327	86,330,327
Investments	-	6,539,334	-	6,539,334
Diminishing Musharika Finance	-	-	653,441,917	653,441,917
Ijarah rentals receivable	-	-	3,136,775	3,136,775
Advances, prepayments and other receivables	-	-	7,143,242	7,143,242
Long term investments	9,006,813	-	-	9,006,813
Long term advances and deposits	-	-	730,003	730,003
	9,006,813	6,539,334	750,782,264	766,328,411
Financial liabilities				
Short term finance	-	-	150,000,000	150,000,000
Ijarah deposits	-	-	38,033,805	38,033,805
Accrued and other liabilities	-	-	21,055,235	21,055,235
	-	-	209,089,040	209,089,040
	Level 1	Level 2	Level 3	Total

Investment classified as 'fair value through profit or loss

Quoted securities	6,539,334	-	-	6,539,334
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Investment classified as 'fair value through other comprehensive income

Quoted securities	9,006,813	-	-	9,006,813
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24 RELATED PARTY TRANSACTIONS

The related parties of the Modaraba comprise of the Management Company and its Holding Company, other associated companies, staff retirement funds, Directors and Key Management Personnel. Transactions with related parties are carried out at agreed rates.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Modaraba. The Modaraba considers its Chief Financial Officer and business heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement. Details of certificate holding of Holding Company, Management Company, Directors, Key Management Personnel and their family members are disclosed in pattern of certificate holding included in the annual report of the Modaraba. Details of transactions and balances at period end are as follows:

24.1 Transactions during the period:

Expense / (income) for the nine months	Relationship with Modaraba	Nature of transaction	March 31,	March 31,
			2024	2023
			Un-audited	Un-audited
			Rupees	
Staff Provident Fund	Staff provident fund	Contribution made	481,381	397,937
Pak Brunei Investment Company Limited	Holding Company of the Management Company	Return on short term finance	27,381,416	21,873,492
		Against collection agent fee	(153,283)	-
		Shared service cost	7,117,305	7,248,496
AWWAL Corporate Restructuring Company	Associated Company	Sharing of common expenses	1,434,619	2,118,631
		Staff cost of deputed employee	3,048,914	5,898,403
		Management Company's remuneration	-	-
Jubilee Life Insurance	Other related Party	Takaful premium	489,155	361,394
Payments / (Receipts) made during the period				
Staff Provident Fund	Staff provident fund	Contribution made	481,381	397,937
Pak Brunei Investment Company Limited	Holding Company of the Management Company	Receipt against collection agent fee	(153,283)	-
		Return on Short Term Finance	27,385,888	22,564,189
		Shared service cost	7,053,777	7,304,708
AWWAL Corporate Restructuring Company	Associated Company	Sharing of common expenses	2,417,360	3,055,286
		Staff cost of deputed employee	6,358,721	7,676,170
		Management Company's remuneration	9,629,014	-
Jubilee Life Insurance	Other related Party	Takaful premium	489,155	361,394

24.2 Balance at period end

Balances with related parties	Relationship with Modaraba	Nature of transaction	March 31,	June 30,
			2024	2023
			Un-audited	Audited
			Rupees	
Pak Brunei Investment Company Limited	Holding Company of the Management Company	Short term finance payable	150,000,000	150,000,000
		Payable against return on Short Term Finance	192,213	196,685
		Payable against shared service cost	833,163	769,635
AWWAL Corporate restructuring Company	Associated Company	Payable against Sharing of common expenses	554,571	1,537,312
		Payable against Staff cost of deputed employee	-	3,309,807
		Payable against Management Company's remuneration	2,168,108	11,797,122

25 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison and better presentation. There were no major reclassifications in these financial statements.

26 DATE OF AUTHORISATION

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

27 GENERAL

Figures have been rounded off to nearest rupees unless otherwise stated.

**For Awwal Modaraba Management Limited
(Management Company)**

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

FIRST PRUDENTIAL MODARABA

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**QUARTERLY
REPORT
MARCH 31, 2024**