



A Wholly Owned Subsidiary of
The Bank of Punjab

**FIRST
PUNJAB
MODARABA**
(An Islamic Financial Institution)

QUARTERLY ACCOUNTS

31 MARCH, 2025
(UN-AUDITED)



CONTENTS

Corporate Profile	02
Director 's Report	03
Director's Report (Urdu)	04
Statement of Financial Position	05
Statement of Profit and Loss & other	06
Comprehensive income Account	
Statement of Changes in Equity	07
Cash Flow Statement	08
Notes to financial Statement	09-18

CORPORATE PROFILE

Board of Directors

Punjab Modaraba Services (Pvt.) Ltd.

Ijaz ur Rehman Qureshi	Chairman
Nadeem Amir	Director
Umer Iqbal Sheikh	Director
Imran Bashir	Director
Samina Afsar	Director
Khawar Shahid Ansari	Director
Asim Jahangir Seth	Chief Executive

Chief Financial Officer

Zeeshan Ahmed

Company Secretary

Mahboob Ahmed

Audit Committee

Imran Bashir	Chairman
Ijaz ur Rehman Qureshi	Member
Samina Afsar	Member

Human Resource Committee

Samina Afsar	Chairperson
Ijaz ur Rehman Qureshi	Member
Umer Iqbal Sheikh	Member
Imran Bashir	Member
Asim Jahangir Seth	Member

Board Risk Management Committee

Umer Iqbal Sheikh	Chairman
Asim Jahangir Seth	Member

Auditors of the Modaraba

Kreston Hyder Bhimji & Co.
Chartered Accountants

Auditors of the Management Company

Shinewing Hameed Chaudhry & Co.
Chartered Accountants

Bankers

The Bank of Punjab
NRSP Microfinance Bank Limited
BankIslami Pakistan Limited

Registrar

Hameed Majeed Associates (Pvt.) Ltd.
H.M House, 7-Bank Square,
The Mall, Lahore
Tel : (+92-42) 37235081-2

Registered Office

Office # 100, 3rd Floor, National Tower,
28-Egerton Road, Lahore.
Postal Code No. 54600
PABX : (+92-42) 36365191
FAX : (+92-42) 36365193
E-mail : info@punjabmodaraba.com.pk
URL : www.punjabmodraba.com.pk

Directors' Report

The Board of Directors of Punjab Modaraba Services (Private) Limited, the Management Company of First Punjab Modaraba, is pleased to present Financial Statements of First Punjab Modaraba along with Directors' Report for the Quarter ended March 31, 2025.

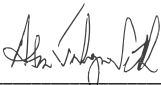
Despite the impact of fiscal consolidation, monetary tightening, geopolitical tensions and reduced consumer purchasing power, your Modaraba demonstrated resilience in maintaining operational sustainability. However, the high financial cost and post implementation impact of IFRS 9 had an adverse effect on financial performance, resulting in an after-tax loss of Rs. 62.959 million, compared to an after-tax profit of Rs. 3.032 million in the corresponding period of the previous year. Nonetheless, through prudent management and effective internal controls, administrative expenses were successfully reduced by 9.2%.

The reduction in financial cost by way of re-pricing of existing funding arrangements, diversification of business model and induction of quality human resource remain areas of focus going forward. Management remains committed to prudent risk management through rigorous assessment of borrowers' credit profiles and repayment capacities at the time of facility approval. Continuous monitoring and oversight ensure that risk exposures are effectively managed and remain within acceptable limits.

The Board extends its sincere appreciation to the Securities and Exchange Commission of Pakistan, the Registrar Modaraba, the State Bank of Pakistan, and the NBFCs & Modaraba Association of Pakistan for their continued support and valuable guidance. The Board also expresses its gratitude to the certificate holders and customers for their trust and confidence.

Lastly, the Board acknowledges and commends the dedication, commitment, and hard work of the management and entire staff of First Punjab Modaraba, whose efforts have been instrumental in navigating the challenges and driving the organization forward.

For and on behalf of the Board



Asim Jahangir Seth
Chief Executive Officer



Imran Bashir
Director

Lahore: June 30, 2025

ڈائریکٹرز رپورٹ

فرسٹ پنجاب مضاربہ کی مینجمنٹ کمیٹی، پنجاب مضاربہ سرورسز (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2025 کو ختم ہونے والی سرمایہ کے ڈائریکٹرز کی رپورٹ کے ساتھ فرسٹ پنجاب مضاربہ کے مالی گوشواروں کو پیش کرنے پر خوش ہے۔

مالیاتی استحکام، مالیاتی ترقی، جغرافیائی سیاسی تناؤ اور صارفین کی قوت خرید میں کمی کے اثرات کے باوجود، آپ کے مضاربہ نے آپریشنل پائیداری کو برقرار رکھنے میں پلک کا مظاہرہ کیا۔ تاہم، اعلیٰ مالیاتی لاگت اور IFRS کے نفاذ کے بعد کے اثرات نے مالی کارکردگی پر منفی اثر ڈالا، جس کے نتیجے میں بعد از ٹیکس 62.959 ملین روپے کا نقصان ہوا۔ جب کہ پچھلے سال کی اسی مدت میں 3.032 ملین بعد از ٹیکس منافع ہوا تھا۔ بہر حال، مناسب انتظام اور موثر داخلی کنٹرول کے ذریعے، انتظامی اخراجات میں کامیابی کے ساتھ 9.2 فیصد کی واپس دہائی ہوئی۔

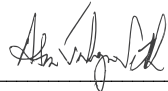
موجودہ فنڈنگ کے اختتام کی دوبارہ قیمتوں کے تعین کے ذریعے مالیاتی لاگت میں کمی، کاروباری ماڈل میں تنوع اور معیاری انسانی وسائل کی شمولیت مستقبل میں توجہ کے شعبے ہیں۔ انتظامیہ بھارت کی منظوری کے وقت قرض دہندگان کے کریڈٹ پروفائلز اور ادائیگی کی صلاحیتوں کی سخت تفتیش کے ذریعے محتاط ریسک مینجمنٹ کے لیے پرعزم ہے۔ مسلسل نگرانی اس بات کو یقینی بناتی ہے کہ خطرے کی نمائش کا مؤثر طریقے سے انتظام کیا جاتا ہے اور قابل قبول حدوں کے اندر رہتے ہیں۔

بورڈ سیکریٹریز اینڈ ایگزیکٹو کمیشن آف پاکستان، رجسٹرار مضاربہ، انسٹیٹیوٹ بینک آف پاکستان، اور NBFCs اینڈ مضاربہ ایسوسی ایشن آف پاکستان کو ان کی مسلسل حمایت اور قابل قدر رہنمائی کے لیے تہنید سے خراج تحسین پیش کرتا ہے۔ بورڈ حقیقتاً ہو لڈرز اور صارفین کے تعاون اور اعتماد کے لیے ان کا بھی شکریہ ادا کرتا ہے۔

آخر میں، بورڈ فرسٹ پنجاب مضاربہ کی انتظامیہ اور پورے عملے کی لگن، عزم اور محنت کو تسلیم کرتا ہے اور ان کی تعریف کرتا ہے، جن کی کاوشیں چیلنجوں سے نمٹنے اور تنظیم کو آگے بڑھانے میں اہم کردار ادا کرتی ہیں۔
بورڈ کے لیے اور اس کی جانب سے



عمران بشیر
ڈائریکٹر



عاصم بھائی گریہ
چیف ایگزیکٹو آفیسر

لاہور: 30 جون 2025

FIRST PUNJAB MODARABA
STATEMENT OF FINANCIAL POSITION (Un-Audited)
AS AT 31 MARCH 2025

	<u>Note</u>	March 31, 2025 Un-Audited Rupees	December 31, 2024 Audited Rupees
ASSETS			
Non current assets			
Tangible fixed assets			
- Ijarah assets	5.1	180,912,803	185,227,848
- Assets in own use	5.2	3,703,431	3,571,658
Intangible assets		221,513	388,332
Long term musharika investment - secured	6	599,177,847	690,449,778
Long term morabaha investment - secured	7	3,194,922	6,927,036
Long term deposits		1,422,494	1,422,494
Deferred tax asset		79,794,829	94,239,022
		868,427,839	982,226,168
Current assets			
Short term morabaha investment - secured	8	177,829,687	136,052,103
Current maturity of long term investment	9	454,105,498	430,279,088
Ijarah rental receivable	10	72,757,575	76,994,055
Short term investment		10,000,000	109,816,508
Development properties		15,933,537	25,290,372
Advances, deposits, prepayments and other receivables	11	157,577,923	159,798,809
Income tax refund due from government - net		33,064,947	32,040,852
Cash and bank balances	12	71,178,698	23,080,100
		992,447,864	993,351,888
TOTAL ASSETS		1,860,875,703	1,975,578,056
EQUITY AND LIABILITIES			
Authorized certificate capital			
50,000,000 (Dec 2024: 50,000,000) modaraba certificates of Rs. 10 each	13	500,000,000	500,000,000
Issued, subscribed and paid-up certificate capital			
34,020,000 (Dec 2024: 34,020,000) modaraba certificates of Rs. 10 each		340,200,000	340,200,000
Capital reserves	14	218,176,678	218,176,678
Revenue reserves - accumulated losses	14	(913,332,946)	(850,373,686)
Subordinated funds	15	500,000,000	500,000,000
Total equity		145,043,732	208,002,992
Non current liabilities			
Redeemable capital - participatory and unsecured	16	1,485,000,000	1,485,000,000
Long term security deposits		7,328,799	8,547,016
Deferred morabaha income		3,337,082	1,617,760
Staff retirement benefits - gratuity		8,063,392	7,593,368
		1,503,729,273	1,502,758,144
Current liabilities			
Current maturity of non current liabilities		45,210,018	45,210,018
Profit payable		55,513,884	103,723,983
Trade and other payables	17	85,022,048	89,030,847
Provision for levies		9,241,339	9,738,032
Unclaimed dividend		17,115,409	17,114,040
		212,102,699	264,816,920
TOTAL EQUITY AND LIABILITIES		1,860,875,703	1,975,578,056

The annexed notes 1 to 26 form an integral part of these financial statements.

For Punjab Modaraba Services (Private) Limited


Chief Financial Officer


Chief Executive Officer


Director


Director

FIRST PUNJAB MODARABA
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Mar-25 Un-Audited Rupees	Mar-24 Un-Audited Rupees
INCOME			
Income from ijarah rentals	18	7,424,501	26,117,879
Income from morabaha financing		773,365	5,224,206
Income from diminishing musharikhah financing		50,571,483	47,690,331
Gain from sale of development properties		643,164	-
Gain on disposal of assets		1,696,695	543,305
Other income	19	11,118,318	33,952,437
		72,227,526	113,528,158
EXPENSES			
Administrative and general expenses	20	15,999,834	17,682,996
Finance cost	21	91,100,292	92,124,419
		107,100,126	109,807,415
OPERATING PROFIT/ (LOSS) BEFORE PROVISIONS		(34,872,600)	3,720,743
(Provision) / Reversal of provision against ijarah rentals - net		5,157	87,300
(Provision) / Reversal of provision against morabaha investments - net		3,805,380	-
(Provision) / Reversal of provision against musharikhah investments - net		(16,728,054)	379,912
		(12,917,517)	467,212
PROFIT/ (LOSS) BEFORE INCOME TAX AND LEVIES		(47,790,117)	4,187,955
LEVIES	22	(724,950)	(1,155,198)
LOSS BEFORE INCOME TAX & LEVIES		(48,515,067)	3,032,757
INCOME TAX		(14,444,193)	-
PROFIT/ (LOSS) AFTER INCOME TAX AND LEVIES		(62,959,260)	3,032,757
OTHER COMPREHENSIVE INCOME FOR THE PERIOD			
Other Comprehensive income/ (loss) for the period		-	-
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD		(62,959,260)	3,032,757
PROFIT / (LOSS) PER CERTIFICATE - BASIC AND DILUTED	23	(1.85)	0.09

The annexed notes 1 to 26 form an integral part of these financial statements.

For Punjab Modaraba Services (Private) Limited
(Modaraba Management Company)


Chief Financial Officer


Chief Executive Officer


Director


Director

FIRST PUNJAB MODARABA
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Issued subscribed and paid up Certificate capital	Capital Reserve Statutory reserve	Subordinated funds	Revenue Reserve Accumulated losses	Total equity
Rupees					
Balance as at January 01, 2024	340,200,000	218,176,678	500,000,000	(680,257,522)	378,119,156
Profit after income tax for the period	-	-	-	3,032,757	3,032,757
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,032,757	3,032,757
Balance as at March 31, 2024	340,200,000	218,176,678	500,000,000	(677,224,765)	381,151,913
Balance as at January 01, 2025	340,200,000	218,176,678	500,000,000	(850,373,686)	208,002,992
Loss after income tax for the period	-	-	-	(62,959,260)	(62,959,260)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(62,959,260)	(62,959,260)
Balance as at March 31, 2025	340,200,000	218,176,678	500,000,000	(913,332,946)	145,043,732

The annexed notes 1 to 26 form an integral part of these financial statements.

For Punjab Modaraba Services (Private) Limited
(Modaraba Management Company)


Chief Financial Officer


Chief Executive Officer


Director


Director

FIRST PUNJAB MODARABA
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	March, 2025 Un-Audited Rupees	March , 2024 Un-Audited Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	25	66,190,589	103,337,221
Disbursements under Ijarah arrangements		(14,508,950)	(2,825,032)
Proceeds from transfer of ijarah assets		7,776,890	4,643,461
Morabaha financing - net		(9,506,948)	(6,668,633)
Musharikah financing - net		22,966,736	29,746,624
Development properties		9,999,999	(221,290)
Security deposits against ijarah assets - net		501,105	6,028,579
Profit paid on redeemable capital - participatory and unsecured		(139,297,126)	(142,730,075)
Bank charges paid		(13,265)	(25,314)
Gratuity paid		(59,602)	-
Income tax paid		(2,245,738)	(3,466,731)
		(124,386,899)	(115,518,411)
Net cash (used in) / generated from operating activities		(58,196,310)	(12,181,191)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of assets in own use		(247,538)	-
Profit received on bank deposits		6,724,570	5,223,215
Changes in short term investments made during the year - net		99,816,508	-
Net cash generated from / (used in) investing activities		106,293,540	5,223,215
CASH FLOW FROM FINANCING ACTIVITIES			
Profit distributed among the certificate holders		1,369	(59,955)
Net cash (used in) / generated from financing activities		1,369	(59,955)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		48,098,599	(7,017,931)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		23,080,100	233,544,957
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	12	71,178,698	226,527,027

The annexed notes 1 to 26 form an integral part of these financial statements.

For Punjab Modaraba Services (Private) Limited
(Modaraba Management Company)


Chief Financial Officer


Chief Executive Officer


Director


Director

FIRST PUNJAB MODARABA

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2025**1 STATUS AND NATURE OF BUSINESS**

First Punjab Modaraba (the Modaraba) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and rules framed there under and is managed by Punjab Modaraba Services (Private) Limited (the "Modaraba Company") which is a wholly owned subsidiary of The Bank of Punjab. The registered office of the Modaraba is situated at Office No. 100, 3rd floor, National Tower, 28-Egerton Road, Lahore. The Modaraba commenced its operations on December 23, 1992. The Modaraba is listed on Pakistan Stock Exchange.

The Modaraba is a perpetual and multi-dimensional Modaraba and is primarily engaged in the business of Ijarah, Musharikah and Murabaha financing, equity investment and other related businesses in accordance with the injunctions of Islam. Modaraba has obtained approval of the Securities & Exchange Commission of Pakistan to undertake Building, Construction and Real Estate activity by insertion of a new clause for this purpose in prospectus of the Modaraba on January 13, 2021.

The Pakistan Credit Rating Agency (PACRA) has assigned long term rating of A- (December 31, 2023: A-) and short term rating of A-2 (December 31, 2023: A-2) to the Modaraba on September 20, 2024 (December 31, 2023: September 20, 2023).

2 BASIS OF PREPARATION**2.1 Statement of compliance**

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

- o International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- o Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan;
- o Requirements of the Modaraba Companies and Modaraba (Floatation and & Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and the Modaraba Regulations, 2021; and
- o Provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017.

Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and & Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021 and Islamic Financial Accounting Standards (IFAS) and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017 differ from IFRS Standards, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021, IFAS and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017 have been followed.

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.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for defined benefit obligation i.e. gratuity at the present value of the obligation determined through actuarial valuation and discussed further in the respective policy note.

Permissible Islamic financial products including Murabaha (as a liability) and Musharikah have been used by the Modaraba, in line with similar industry practices. The accounting and presentation of the same are in line with the substance of the transaction and are limited to the extent of actual amount of facility utilized and mutually agreed mark-up / profit thereon. Accordingly, purchases, sales and Musharikah profits / reserves are not reflected in these financial statements except for Murabaha facility (as an asset) which has been accounted for in line with Islamic Financial Accounting Standard - 1.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee (Rs.) which is the Modaraba's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupee unless otherwise indicated.

2.4 Critical accounting estimates, judgments and assumptions

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Modaraba's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3 NEW STANDARDS, INTERPRETATIONS OF AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current year:

There are certain amendments to the published approved accounting standards that are effective in the current year. However, these do not have any significant impact on the Modaraba's operations and, therefore, have not been detailed in these financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Modaraba's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or will not have any significant effect on the Modaraba's operations and are, therefore, not detailed in these financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year except for the changes, if any, explained below:

4.1 Assets in own use

Measurement

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenditures that are directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amounts or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Modaraba and the cost of the items can be measured reliably. All other repairs and maintenance expenses are charged to the statement of profit and loss and other comprehensive income as and when incurred.

Depreciation

Depreciation on all operating fixed assets is charged to statement of profit and loss and other comprehensive income by applying the straight line method so as to write off the depreciable amount of the assets over their estimated useful lives at the rates given in **Note 5.2**. The residual values and useful lives are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant. Depreciation on additions is charged from the date on which the assets are available for use and on disposals up to the date on which the assets are disposed off.

4.2 Intangible assets

Measurement

Intangible assets having a finite useful life are stated at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent costs are included in the assets' carrying amounts or recognized as separate assets, as appropriate, only where it is probable that the future economic benefits associated with the assets will flow to the Modaraba and the cost of the items can be measured reliably. The useful lives and amortization method are reviewed and adjusted, as appropriate, at each reporting date. Amortization is charged when the asset is available for use as intended by management.

Research and development expenditure, if any, is charged to 'administrative and general expenses' in the statement of profit and loss and other comprehensive income, as and when incurred.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. Gain or loss on disposal of intangible assets, if any, is recognized in the statement of profit and loss and other comprehensive income.

4.11 Taxation

Income tax comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity (if any), and in which case the tax amounts are recognized directly in other comprehensive income or equity.

5 Tangible fixed assets

Jirah assets
Assets in own use

Note	March, 2025 Rupees	Dec, 2024 Rupees
5.1	180,912,803	185,227,848
5.2	3,703,431	3,571,658
	<u>184,616,234</u>	<u>188,799,506</u>

5.1 Jirah assets

Description	COST			DEPRECIATION			NET BOOK VALUE	
	As at 1 January 2025	Additions	Disposals	As at 31 March 2025	As at 1 January 2025	Charge for the Period	As at 31 March 2025	Life Years
					(Rupees)			

Plant and machinery	171,590,365	675,000	(450,000)	171,815,365	146,763,754	897,592	149,211,346	22,604,039	As per lease term
Vehicles	291,568,449	9,438,950	(49,169,000)	251,853,399	149,477,540	8,793,565	114,387,336	137,496,063	As per lease term
Consumer products	72,585,596	4,395,000	(4,612,500)	72,368,096	56,085,632	2,935,664	55,200,990	17,167,406	As per lease term
Haryana Ghar	3,915,493	-	-	3,915,493	119,949	119,949	229,898	3,675,595	As per lease term
2024	<u>539,674,923</u>	<u>14,508,950</u>	<u>(54,231,500)</u>	<u>499,952,373</u>	<u>354,447,075</u>	<u>12,743,800</u>	<u>319,039,570</u>	<u>180,912,803</u>	

Description	COST			DEPRECIATION			NET BOOK VALUE	
	As at 1 January 2024	Additions	Disposals	As at 31 December 2024	As at 1 January 2024	Charge for the year	As at 31 December 2024	Life Years
					(Rupees)			

Plant and machinery	311,357,190	38,139,000	(177,905,605)	171,590,365	242,843,226	897,592	149,763,754	22,625,631	As per lease term
Vehicles	270,704,609	130,775,032	(109,896,192)	291,568,449	218,008,611	26,839,060	149,477,540	142,105,909	As per lease term
Consumer products	139,707,690	16,445,896	(83,567,989)	72,585,596	112,849,423	21,734,816	56,085,632	16,499,764	As per lease term
Haryana Ghar	-	3,915,493	-	3,915,493	-	119,949	119,949	3,795,544	As per lease term
2023	<u>721,769,479</u>	<u>189,275,421</u>	<u>(371,369,977)</u>	<u>539,674,923</u>	<u>573,701,260</u>	<u>49,991,417</u>	<u>354,447,075</u>	<u>185,227,848</u>	

5.2 Assets in own use

Description	COST				DEPRECIATION				NET BOOK VALUE	
	As at 1 January 2025	Additions	Disposal	As at 31 March 2025	As at 1 January 2025	Change for the period	Disposal	As at 31 March 2025	As at 31 March 2025	Life Years
	(Rupees)									
Office equipment	5,388,756	247,538	-	5,636,294	3,843,305	58,909	-	3,902,214	1,734,080	3 to 7
Furniture and fixtures	2,269,800	-	-	2,269,800	2,116,541	6,605	-	2,123,146	146,654	7
Vehicles	2,958,300	-	-	2,958,300	1,085,352	50,251	-	1,135,603	1,822,697	5
2024	10,616,856	247,538	-	10,864,394	7,045,198	115,765	-	7,160,963	3,703,431	
Description	COST				DEPRECIATION				NET BOOK VALUE	
	As at 1 January 2024	Additions	Disposal	As at 31 December 2024	As at 1 January 2024	Charge for the Year	Disposal	As at 31 December 2024	As at 31 December 2024	Life Years
(Rupees)										
Office equipment	4,746,645	854,556	(215,445)	5,388,756	3,404,291	566,098	(127,084)	3,843,305	1,545,451	3 to 7
Furniture and fixtures	2,283,900	-	(14,100)	2,269,800	2,028,677	100,964	(14,100)	2,116,541	153,259	7
Vehicles	4,330,800	-	(1,372,500)	2,958,300	1,863,892	593,960	(1,372,500)	1,085,352	1,872,948	5
2023	11,364,345	854,556	(1,602,045)	10,616,856	7,297,860	1,261,022	(1,513,684)	7,045,198	3,571,658	

	Note	March, 2025 Un Audited Rupees	Dec 2024 Audited Rupees
6 LONG TERM MUSHARIKAH INVESTMENT - SECURED			
Long term musharika investment		1,080,329,199	1,147,396,206
Less: Expected credit loss against muhsarika investment on adoption of IFRS 9		(49,563,900)	(32,229,102)
Less: Current portion of long term musharika investment		(431,587,453)	(424,717,327)
		<u>599,177,847</u>	<u>690,449,778</u>
7 LONG TERM MORABAHA INVESTMENT - SECURED			
Long term morabaha investment		70,590,483	61,001,309
Add: Unearned morabaha income		5,815,862	4,634,330
		76,406,345	65,635,639
Less: Expected credit loss against long term morabaha investment on adoption of IFRS 9		(3,388,895)	(40,306)
		73,017,450	65,595,333
Less: Current portion of long term morabaha investment		(66,805,958)	(55,651,727)
		6,211,492	9,943,606
Less: Current portion of unearned morabaha income		(3,016,570)	(3,016,570)
		<u>3,194,922</u>	<u>6,927,036</u>
8 SHORT TERM MORABAHA INVESTMENT-SECURED			
Short term morabaha investment		389,245,278	349,426,355
Less: Expected credit losses against short term morabaha investment		(211,415,591)	(213,374,252)
		<u>177,829,687</u>	<u>136,052,103</u>
9 CURRENT MATURITY OF LONG TERM INVESTMENTS			
Current portion of long term musharika investment		287,708,794	280,838,667
Principal due but not received		143,878,659	143,878,659
Less: Expected credit losses against musharika investment		(36,315,684)	(36,922,428)
		107,562,975	106,956,231
		395,271,769	387,794,898
Current portion of long term morabaha investment		12,384,089	6,272,375
Principal due but not received		54,421,869	49,379,352
Add: Unearned morabaha income		3,016,570	3,016,570
Less: Expected credit losses against morabaha investment		(10,988,799)	(16,184,108)
		46,449,640	36,211,814
		<u>454,105,498</u>	<u>430,279,088</u>
10 IJARAH RENTAL RECEIVABLES			
Ijarah rental receivable		153,057,170	157,298,808
Less: Expected credit losses against ijarah rental receivable		(80,299,596)	(80,304,753)
		<u>72,757,575</u>	<u>76,994,055</u>
11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Profit receivable			
- Morabaha investment		310,449	414,536
- Musharika investment		13,333,790	19,153,437
		13,644,239	19,567,973
Prepayments		7,716,940	3,482,491
Advances		3,293,286	1,137,766
Non-banking assets		21,060,000	21,060,000
Other receivables		201,366,261	204,053,383
		247,080,726	249,301,612
Less: Expected credit losses against advances and other receivables		(89,502,803)	(89,502,803)
		<u>157,577,923</u>	<u>159,798,809</u>

	Note	March, 2025 Un Audited Rupees	Dec 2024 Audited Rupees
12 CASH AND BANK BALANCES			
Cash at banks			
- Current accounts		8,682,800	9,128,894
- Deposit account		9,195	206,038
- Savings accounts		61,774,982	13,681,403
- Current account with State Bank of Pakistan		117,201	17,201
		70,584,178	23,033,536
Cash in hand		594,520	46,564
		<u>71,178,698</u>	<u>23,080,100</u>
13 AUTHORIZED, ISSUED, SUBSCRIBED AND PAID-UP MODARABA CERTIFICATE CAPITAL			
Authorized certificate capital			
50,000,000 modaraba certificates of Rs.10 each		<u>500,000,000</u>	<u>500,000,000</u>
13.1 Issued, subscribed and paid-up certificate capital			
		March, 2025 Un Audited Numbers	Dec 2024 Audited Numbers
		20,000,000	20,000,000
	Modaraba certificates of Rs. 10 each fully paid in cash	200,000,000	200,000,000
		14,020,000	14,020,000
	Modaraba certificates of Rs. 10 each issued as fully paid bonus certificates	140,200,000	140,200,000
		<u>34,020,000</u>	<u>34,020,000</u>
		<u>340,200,000</u>	<u>340,200,000</u>
13.2 Following certificates held by associated companies of the Modaraba:			
		March, 2025	Dec, 2024
		Number of certificates	Number of certificates
		Rupees	Rupees
Punjab Modaraba Services (Pvt.) Limited		13,320,694	13,320,694
The Bank of Punjab Employees Gratuity Fund		5,099,500	5,099,500
The Bank of Punjab		4,788	4,788
		<u>18,424,982</u>	<u>18,424,982</u>
		<u>184,249,820</u>	<u>184,249,820</u>
	Note	March, 2025 Un Audited Rupees	Dec 2024 Audited Rupees
14 RESERVES			
Capital reserve			
Statutory reserve		218,176,678	218,176,678
Revenue reserves			
Accumulated loss		<u>(898,888,753)</u>	<u>(832,448,402)</u>
		<u>(680,712,075)</u>	<u>(614,271,724)</u>
15 SUBORDINATED FUNDS		<u>500,000,000</u>	<u>500,000,000</u>
This represents funds extended by The Bank of Punjab - parent company i.e. major sponsor under Musharikah Agreement dated October 27, 2023 as a support to improve the equity base of the Modaraba and classified as equity under the provisions of Modaraba Regulations, 2021. This amount is unsecured, repayable in three years time i.e. June 30, 2026 and carries profit at the rate of 18.61% per annum payable semi-annually.			
16 REDEEMABLE CAPITAL - PARTICIPATORY AND UNSECURED			
Certificate of musharikah - unsecured		<u>1,485,000,000</u>	<u>1,485,000,000</u>
This represents funds provided by the Bank of Punjab - parent company to finance the working capital requirements of the Modaraba. This amount is unsecured, repayable in three years time and carries profit at the rate of 18.61% per annum payable semi-annually.			

	Note	March, 2025 Un Audited Rupees	Dec 2024 Audited Rupees
17 TRADE AND OTHER PAYABLES			
Accrued expenses		633,500	633,500
Tax deducted at source		779,284	177,559
Advances against ijarah / morabaha / musharikah		34,609,423	43,730,458
Other payables		48,999,841	44,489,330
		<u>85,022,048</u>	<u>89,030,847</u>
	Note	March, 2025 Un Audited Rupees	March, 2024 Un Audited Rupees
18 INCOME FROM IJARAH RENTALS			
Ijarah income		20,168,301	38,024,769
Less: Depreciation on ijarah assets		<u>(12,743,800)</u>	<u>(11,906,890)</u>
		<u>7,424,501</u>	<u>26,117,879</u>
19 OTHER INCOME			
Profit on bank deposits		9,417,456	28,870,139
Processing fee		163,502	218,110
Documentation charges		220,550	-
Cheque return charges		412,500	183,500
Gain on settlement of musharikah		899,729	4,290,011
Miscellaneous income		4,581	390,677
		<u>11,118,318</u>	<u>33,952,437</u>
20 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and benefits		10,229,427	10,623,143
Traveling and conveyance		-	293,138
Legal and professional		42,000	162,393
Printing and stationary		190,925	327,676
Insurance		656,681	350,620
Fee and subscription		199,870	870,116
Repair and maintenance		680,067	334,422
Vehicle running and maintenance		113,165	287,607
Power and utilities		531,869	558,665
Entertainment		641,028	406,833
Advertisement		44,260	30,000
Telephone and postage		151,874	204,581
Corporate expenses		29,405	70,132
Rent, rates and taxes		1,685,923	1,353,205
Selling and marketing expenses		72,777	746,992
Depreciation - assets in use		115,765	316,705
Amortization of intangible assets		166,819	165,095
Miscellaneous expenses		447,979	581,673
		<u>15,999,834</u>	<u>17,682,996</u>
21 FINANCE COST			
Financial charges on redeemable capital		68,143,192	68,900,338
Financial charges on subordinated funds		22,943,836	23,198,767
Bank charges		<u>13,265</u>	<u>25,314</u>
		<u>91,100,292</u>	<u>92,124,419</u>

22 LEVIES

Minimum tax

- For the period
- Prior period

Note	March, 2025 Un Audited Rupees	March, 2024 Un Audited Rupees
	724,950	1,071,439
	-	83,759
	724,950	1,155,198

This represents portion of minimum tax paid under section 113, final tax on builders & developers under section 100D and final tax on dividend income under section 150 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

23 LOSS PER CERTIFICATE - BASIC AND DILUTED

23.1 Basic loss per certificate

		March, 2025 Un Audited	Dec 2024 Audited
Loss after taxation for the year	(Rupees)	(62,959,260)	3,032,757
Weighted average number of ordinary certificates outstanding during the year	(Numbers)	34,020,000	34,020,000
Loss per certificate - basic and diluted	(Rupees)	(1.85)	0.09

23.2 Diluted

No figure for diluted earnings per certificate has been presented as the Modaraba has not issued any instruments which would have an impact on loss / earnings per certificate when exercised.

24 RELATED PARTIES AND TRANSACTIONS WITH RELATED PARTIES

24.1 Transactions with the related parties

Names of related parties	Relationship	Nature of transactions	
		March, 2025 Un-Audited Rupees	March, 2024 Audited Rupees
The Bank of Punjab	Holding Company of Modaraba Company	Redeemable capital - participatory and unsecured received during the year	-
		Redeemable capital - participatory and unsecured rolled over during the year	-
		Redeemed during the year	-
		Subordinated funds received during the year	-
		Profit paid on certificates of musharaka	139,297,126
		Profit earned from bank accounts maintained with BOP	-
		Rent expense of head office premises	1,578,448
		Sale of office chair & laptop	-
		Remuneration of Key management personnel	2,005,989
		Staff loans disbursed during the year	1,325,000
Key Management Personnel	Key Management Personnel	Provident fund contributions paid to the fund	337,634
			75,000
First Punjab Modaraba Employees Provident Fund Trust	Associate		304,309

24.2 Balances with the related parties

Names of related parties	Relationship	Nature of balances	
		March, 2025 audited Rupees	Dec, 2024 Audited Rupees
The Bank of Punjab	Holding Company of Modaraba's Management Company	Redeemable capital - participatory and unsecured	1,485,000,000
		Profit payable on redeemable capital - participatory and unsecured	46,795,226
		Subordinated funds / loans	500,000,000
		Profit payable on subordinate funds / loans	8,718,658
		Outstanding Modaraba certificates	47,880
		Bank accounts maintained with BOP	69,753,467
		Outstanding Modaraba certificates	50,995,000
		Outstanding Modaraba certificates	133,206,940
		Outstanding loan under Musharaka arrangements during the period	7,338,100
		Advance against monthly contribution	-
The Bank of Punjab Employees Gratuity Fund	Associate		
Punjab Modaraba Services (Pvt.) Limited	Modaraba Management Company		
Key Management Personnel	Key Management Personnel		
First Punjab Modaraba Employees Provident Fund Trust	Associate		

	March, 2025 Un audited Rupees	March , 2024 Un audited Rupees
25 CASH GENERATED FROM OPERATIONS		
Profit / (loss) for the period before income tax	(47,790,117)	4,187,955
Adjustments for non cash other items:		
Depreciation of ijarah assets	12,743,800	11,906,890
Depreciation of assets in own use	115,765	385,327
Amortization of intangible assets	166,819	165,095
(Gain) / loss on disposal of ijarah assets	(1,696,695)	(543,305)
(Gain) / loss on disposal of Musharikah investment	(899,729)	(4,290,011)
(Gain) / loss on disposal of development property	(643,164)	-
(Reversal) / Provision for ijarah rental receivables	(5,157)	(87,300)
(Reversal) / Provision for musharikah investment	16,728,054	(379,912)
(Reversal) / Provision for morabaha investment	(3,805,380)	-
Profit on bank deposits	(9,417,456)	(28,870,139)
Financial charges on redeemable capital and subordinated funds	91,087,027	92,099,105
	104,903,510	70,385,750
Operating profit before working capital changes	57,113,393	74,573,705
Working capital changes:		
(Increase)/decrease in operating assets:		
Ijarah rental receivables - net	4,241,638	17,243,655
Advances, deposits, prepayments and other receivables	8,844,359	7,175,113
	13,085,996	24,418,768
Increase / (decrease) in operating liabilities:		
Trade and other payables	(4,008,800)	4,344,748
Net changes in operating assets and operating liabilities	9,077,196	28,763,516
Cash generated from operations	66,190,589	103,337,221

26 DATE OF AUTHORIZATION FOR ISSUE

The financial statements of Modaraba were approved by the Board of Directors of Modaraba Management Company and authorized for issue on June 30, 2025.

For Punjab Modaraba Services (Private) Limited
(Modaraba Management Company)


Chief Financial Officer


Chief Executive Officer


Director


Director



A Wholly Owned Subsidiary of
The Bank of Punjab

FIRST PUNJAB MODARABA

(An Islamic Financial Institution)

Managed By:

Punjab Modaraba Services (Pvt) Ltd.

PABX : +(92-42)36365191 - 93

Add : Office No.100, 3rd Floor, National Tower,
28-Egerton Road, Lahore-Pakistan

Website : www.punjabmodaraba.com.pk