



**FIRST
ELITE
CAPITAL
MODARABA**

*Annual Report
Two Thousand Twenty Four*

Managed by
**CRESCENT MODARABA MANAGEMENT
COMPANY LIMITED**



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FIRST ELITE CAPITAL MODARABA

VISION STATEMENT

To develop into a leading small venture Islamic Financial Institution that will actively participate in the management of projects in addition to the conventional mode of Modaraba activities.

MISSION STATEMENT

Engage in activities that will maximize return on investment through Shariah mode of financing for Certificate holders of the Modaraba.



FIRST ELITE CAPITAL MODARABA

CORPORATE INFORMATION

BOARD OF DIRECTORS OF MODARABA MANAGEMENT COMPANY

Mr. Muneeb Ahmed Dar	Chairman
Mr. Aamir Iftikhar Khan	Chief Executive
Mr. Ghazanfar Farrokh	Director
Mr. Muhammad Javed Amin	Director
Mrs. Rukhsana Javed Amin	Director
Mrs. Shahana Javed Amin	Director
Sheikh Muhammad Ali Asif	Director

AUDIT COMMITTEE

Sheikh Muhammad Ali Asif	Chairman
Mr. Ghazanfar Farrokh	Member
Mr. Muneeb Ahmed Dar	Member

CFO & COMPANY SECRETARY

Mr. Muhammad Arif Hilal

LEGAL ADVISOR

International Legal Services

SHARIAH ADVISOR

Mufti Muhammad Umar



FIRST ELITE CAPITAL MODARABA

AUDITORS OF THE MODARABA

Ilyas Saeed & Co.
Chartered Accountants

HR & R COMMITTEE

Mr. Muneeb Ahmed Dar	Chairman
Mr. Aamir Iftikhar Khan	Member
Mr. Ghazanfar Farrokh	Member

BANKERS OF THE MODARABA

Bank Alfalah Limited
Meezan Bank Limited

PRINCIPAL & REGISTERED OFFICE

50-A, Garden Block, New Garden Town, Lahore - Pakistan
Tel: 042-35442735 - 36
E-mail: info@fecm.com.pk
Web: www.fecm.com.pk

SHARE REGISTRAR

CorpTec Associates (Pvt.) Limited
503-E, Johar Town, Lahore.
Tel: 042-35170336-7
Fax: 042-35170338
E-mail: info@corptec.com.pk



FIRST ELITE CAPITAL MODARABA

CHAIRMAN'S REVIEW REPORT

Dear Modaraba Certificate Holders,

As required under the code of corporate Governance, an annual evaluation of the Board of Directors of Crescent Modaraba Management Company Limited Manager of First Elite Capital Modaraba has been carried out. The objective of this evaluation is to measure the Board's overall performance and effectiveness.

For the Financial year ended June 30, 2024, the Board's overall performance and effectiveness have been assessed as satisfactory. Improvements are an ongoing process leading to an action plan.

The Board of Directors received agendas and supporting papers in a timely manner for its meeting and decisions. All directors fully participated in and made contributions to the decision making process of the Board. The Board has in place policies for all relevant areas of the company's operations.

I would like to thank all the Board members for the cooperation and support.

On behalf of the Board, I take this opportunity to thank Registrar of Modaraba, Securities and Exchange Commission of Pakistan and other relevant regulatory bodies for their continued guidance and support.

Muneeb Ahmed Dar
Chairman

September 27, 2024



FIRST ELITE CAPITAL MODARABA

DIRECTORS' REPORT TO THE CERTIFICATE HOLDERS

Valued Certificate Holders

The Board of Directors of **Crescent Modaraba Management Company Limited**, manager of **First Elite Capital Modaraba** presents the 33rd annual audited accounts of the Modaraba for the year ended June 30, 2024.

Financial Results

Financial results for the year ended June 30, 2024 are summarized as below:

	June 30, 2024 Rupees	June 30, 2023 Rupees
Total Income of Modaraba	69,320,517	34,002,932
Depreciation of Assets Leased Out	23,693,723	23,234,210
Administrative & General Expenses	18,083,343	17,017,096
Financial Charges	11,362	7,588
Management Fee	2,753,209	-
Taxation	1,137,171	805,064
Profit/(Loss) after Taxation	23,641,709	(7,061,026)
Earnings/(Loss) per certificate-basic and diluted	2.08	(0.62)

Profit Distribution

Keeping in view the accumulated losses, the Board of Directors of Management Company of the Modaraba did not recommend any dividend this year.

Review of Operations

During the period under review, the Modaraba has posted after tax profit of Rs.23,641,709/= as compared to loss of Rs.7,061,026/= in the corresponding period of preceding year. Earnings per certificate remained at Rs.2.08 as compared to loss of Re.0.62 per certificate in the last year. The profit during the year is mainly due to fair value gain on investment properties. Despite the tough business conditions, your Modaraba generated a gross revenue of Rs.69,320,517/= which was mainly derived from fair value gain on Investment Properties, Ijarah/Lease and profit on Investment in Mutual Funds.

The portfolio of Ijarah remained at Rs.98,004,925/= as on June 30, 2024. The Certificate holders equity of Modaraba stand at Rs.122,030,330/= and the breakup value of certificate comes to Rs.10.76 per certificate.

Economy

During the financial year 2023-2024, the economy of the country remained depressed due to substantial Federal Budget deficits, rising prices of essential commodities, political instability after the General Elections and monetary tightening policy. These factors collectively slowed the country's economic growth.

Although, the Government is trying to stabilize the Pakistan's economy by taking decisions including restricting non-essential imports, reducing the interest rates, and to control the inflation but it is still under pressure.

Future outlook

The Management of the Modaraba is optimistic about the future business prospects and intends to concentrate on small ticket Ijarah financing besides exploring new avenues of profitable business to improve the performance of the Modaraba with the hope that the Government would formulate long term and consistent policies to gain the confidence of business community and to boost the economic activities.

Corporate and Financial Reporting Framework

- The Financial statements, prepared by the management of the Modaraba, present fairly its true state of affairs, the result of its operations, cash flows and changes in equity.



FIRST ELITE CAPITAL MODARABA

- Proper books of accounts of the Modaraba have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International financial reporting standards, as applicable to Modaraba in Pakistan, have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Modaraba's ability to continue as a going concern.
- The Directors, CEO, CFO, Company Secretary and their spouses and minor children do not hold any interest in the certificates of Modaraba, other than that disclosed in the pattern of certificate holding.
- During the year under review five meetings of the Board of Directors were held. Attendance by each Director is as follows:-

	Name of Director	Number of Meetings Attended
I.	Mr. Aamir Iftikhar Khan	05
II.	* Dr. Sardar Ahmad Khan (Late)	00
III.	Mr. Ghazanfar Farrokh	05
IV.	** Miss Jehanara Javed Amin	03
V.	Mr. Muhammad Javed Amin	05
VI.	Mr. Muneeb Ahmed Dar	05
VII.	Mrs. Rukhsana Javed Amin	05
VIII.	Mrs. Shahana Javed Amin	05
IX.	*** Sheikh Muhammad Ali Asif	00

*Dr. Sardar Ahmad Khan, Director died on October 30, 2023.

**Miss Jehanara Javed Amin, Director elected on November 13, 2023 and resigned on May 31, 2024.

***Sheikh Muhammad Ali Asif co-opted as Independent Director on May 31, 2024 against casual vacancy created due to resignation of Miss Jehanara Javed Amin.

- During the year under review four meetings of the Audit Committee were held. Attendance by each member is as follows:-

	Name of Member	Number of Meetings Attended
I.	Mr. Ghazanfar Farrokh	04
II.	Mr. Muhammad Javed Amin	02
III.	Mr. Muneeb Ahmed Dar	04
IV.	Mrs. Shahana Javed Amin	02
V.	Sheikh Muhammad Ali Asif	00

- Mr. Muhammad Javed Amin co-opted as member of Audit Committee in place of Mrs. Shahana Javed Amin on November 27, 2023 and Sheikh Muhammad Ali Asif co-opted as member/chairman of Audit Committee in place of Mr. Muhammad Javed Amin and Mr. Ghazanfar Farrokh respectively on June 28, 2024.
- During the year under review one meeting of the Human Resource and Remuneration Committee was held. Mr. Muneeb Ahmed Dar, Chairman Mr. Ghazanfar Farrokh, Member and Mr. Aamir Iftikhar Khan, Member attended the meeting.



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Pattern of Certificate Holding

A statement reflecting the pattern of holding of the certificates as on June 30, 2024 is annexed to this Report.

Key Operating & Financial Data

A statement summarizing key operating and financial data for the last six years is attached to the Annual Report.

The Board of Directors

The total number of directors are 7 as per the following

- a) Male: 5
- b) Female: 2

The composition of board is as follows:

<u>Name</u>	<u>Category</u>
Mr. Muneeb Ahmed Dar	Non-Executive Director
Mr. Aamir Iftikhar Khan	Executive Director
Mr. Ghazanfar Farrokh	Non-Executive Director
Mr. Muhammad Javed Amin	Non-Executive Director
Mrs. Rukhsana Javed Amin	Non-Executive Director
Mrs. Shahana Javed Amin	Non-Executive Director
Sheikh Muhammad Ali Asif	Independent Director

Director's Remuneration

Through the Articles of the company, the Board of Directors is authorized to fix remuneration of Non-Executive and independent Directors from time to time. In this regard the board of Directors has developed a Remuneration Policy for Non-Executive and independent Directors of the Company.

Auditors

The board has approved the appointment of M/s Ilyas Saeed & Co. Chartered Accountants for the year 2024-2025 subject to the approval of the Registrar of Modaraba Companies & Modarabas.

Acknowledgement

The Board thanks the regulatory authorities for their continuous guidance and co-operation and places on record its appreciation of the services rendered by the staff members for their hard work, dedication and commitment in discharge of their responsibilities in a difficult situation.

On behalf of the Board

AAMIR IFTIKHAR KHAN
CHIEF EXECUTIVE

MUNEEB AHMED DAR
CHAIRMAN

Date: September 27, 2024



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پٹرن آف سرٹیفکیٹ ہولڈنگ:- (Pattern of Certificate Holding)
سرٹیفکیٹ ہولڈنگ کی ترتیب جو کہ 30 جون 2024ء کے مطابق ہے اس رپورٹ کے ساتھ منسلک ہے۔
کلیدی آپریٹنگ اور فنانشل ڈیٹا:- (Key Operating and Financial Data)
گزشتہ چھ سال کا کلیدی مالیاتی خلاصہ سالانہ رپورٹ کے ساتھ منسلک ہے۔
بورڈ آف ڈائریکٹرز:- (The Board of Directors)
مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات ہے۔

مرد : 5

عورت : 2

بورڈ کی تشکیل مندرجہ ذیل ہے۔

نام	کیٹیگری
محترم نبیب احمد ڈار	نان ایگزیکٹو ڈائریکٹر
محترم عامر افتخار خان	ایگزیکٹو ڈائریکٹر
محترم غففر فرخ	نان ایگزیکٹو ڈائریکٹر
محترم محمد جاوید امین	نان ایگزیکٹو ڈائریکٹر
محترم مرخسانہ جاوید امین	نان ایگزیکٹو ڈائریکٹر
محترمہ شہانہ جاوید امین	نان ایگزیکٹو ڈائریکٹر
شیخ محمد علی آصف	انڈیپنڈنٹ ڈائریکٹر

ڈائریکٹرز کا مشاہرہ:- (Director's Remuneration)
کمپنی کے آرٹیکل کے تحت، بورڈ آف ڈائریکٹرز کو اختیار حاصل ہے کہ وہ وقتاً فوقتاً نان ایگزیکٹو اور انڈیپنڈنٹ ڈائریکٹرز کا مشاہرہ طے کرے۔ اس سلسلے میں بورڈ آف ڈائریکٹرز نے نان ایگزیکٹو اور انڈیپنڈنٹ ڈائریکٹرز کیلئے مشاہرہ پالیسی تیار کی ہے۔

آڈیٹرز:- (Auditors)
بورڈ نے سال 2024-2025 کے لیے میسرز الیاس سعید اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی تقرری کی منظوری دی ہے جو مضاربہ کمپنیز اینڈ مضاربہ کے رجسٹرار کی منظوری سے مشروط ہے۔

اعتراف:- (Acknowledgement)
بورڈ ریگولیٹری حکام کی جانب سے مسلسل رہنمائی اور تعاون کا شکریہ ادا کرتا ہے اور عمل کی جانب سے پیش کی گئی خدمات اور مشکل صورت حال میں پوری ذمہ داری، لگن اور عزم و ہمت کے ساتھ کام کرنے پر ان کو خراج تحسین پیش کرتا ہے۔

از طرف بورڈ آف ڈائریکٹرز:-

نبیب احمد ڈار
چیئر مین

عامر افتخار خان
چیف ایگزیکٹو

27 ستمبر 2024ء

☆☆☆☆



FIRST ELITE CAPITAL MODARABA

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک:- (Corporate & Financial Reporting Frame Work)

- مضاربہ کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے، اسکے تمام امور، آپریشنز کے نتائج، نقدی کا بہاؤ اور ایکویٹی میں تبدیلی کو منصفانہ طور پر پیش کیا گیا ہے۔
- مضاربہ کی اکاؤنٹس بکس کو باقاعدہ طور پر برقرار رکھا گیا ہے۔
- مالیاتی جائزوں اور اکاؤنٹنگ اندازوں کی تیاری میں مناسب اور دانشمندانہ فیصلے پر مبنی پالیسیوں کو مسلسل لاگو کیا گیا ہے۔
- مالیاتی گوشواروں (Financial Statements) کی تیاری میں بین الاقوامی رپورٹنگ کے معیار، جو کہ پاکستان میں مضاربہ پر لاگو ہیں، کی پیروی کی گئی ہے، اور تمام اخراج کا مناسب طور پر انکشاف اور اسکی وضاحت کی گئی ہے۔
- اندرونی کنٹرول کا نظام اپنی ساخت میں انتہائی مضبوط ہے اور اس پر موثر طریقے سے عمل درآمد اور نگرانی کی جاتی ہے۔
- آئندہ بھی ایک کامیاب کاروبار کے طور پر جاری رہنے کیلئے مضاربہ کی اہلیت میں کوئی نمایاں شہ نہیں ہے۔
- ڈائریکٹرز، سی ای او، سی ایف او، کینیڈی سیکرٹری اور ان کے شوہر/بیوی اور ان کے چھوٹے بچے مضاربہ سرٹیفکیٹ میں کوئی دلچسپی (Interest) نہیں رکھتے، ماسوائے اسکے جن کا انکشاف پیٹرن آف سٹیکہولڈنگ میں موجود ہے۔
- زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس منعقد کئے گئے تھے۔ ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد
i. محترم عامر افتخار خان	05
ii. ☆ ڈاکٹر سردار احمد خان (مرحوم)	00
iii. محترم غضنفر فرخ	05
iv. ☆☆ مس جہان آرا جاوید امین	03
v. محترم محمد جاوید امین	05
vi. محترم منیب احمد ڈار	05
vii. محترمہ رخسانہ جاوید امین	05
viii. محترمہ شہابانہ جاوید امین	05
ix. ☆☆☆ شیخ محمد علی آصف	00

☆ ڈائریکٹر ڈاکٹر سردار احمد خان، 30 اکتوبر 2023 کو انتقال کر گئے۔

☆☆ مس جہاں آرا جاوید امین، ڈائریکٹر 13 نومبر 2023 کو منتخب ہوئیں اور 31 مئی 2024 کو مستعفی ہوئیں۔

☆☆☆ شیخ محمد علی آصف کو 31 مئی 2024 کو مس جہاں آرا جاوید امین کے استعفیٰ کی وجہ سے خالی آسامی پر آزاد

ڈائریکٹر کے طور پر منتخب کیا۔

• زیر جائزہ سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری درج ذیل ہے:-

ممبر کا نام	اجلاس میں شرکت کی تعداد
i. محترم غضنفر فرخ	04
ii. محترم محمد جاوید امین	02
iii. محترم منیب احمد ڈار	04
iv. محترمہ شہابانہ جاوید امین	02
v. شیخ محمد علی آصف	00

• 27 نومبر 2023 کو محترم محمد جاوید امین کو مسز شہابانہ جاوید امین کی جگہ آڈٹ کمیٹی کا رکن منتخب کیا اور 28 جون 2024

کو شیخ محمد علی آصف کو محترم محمد جاوید امین اور محترم غضنفر فرخ کی جگہ بالترتیب آڈٹ کمیٹی کا رکن اہمیر میں منتخب کیا۔

• زیر جائزہ سال کے دوران انسانی وسائل اور مشاہرہ (HR & R) کمیٹی کا ایک اجلاس منعقد ہوا جس میں محترم منیب احمد

ڈار (چیئرمین)، محترم غضنفر فرخ (ممبر) اور محترم عامر افتخار خان (ممبر) نے شرکت کی۔



ڈائریکٹرز رپورٹ برائے سرٹیفکیٹ ہولڈرز

معزز سرٹیفکیٹ ہولڈرز:-

فرسٹ ایلٹ کیپٹل مضار بہہ برائے انتظام کر لینڈ مضماریہ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز، مضار بہہ کے 30 جون 2024ء کو ختم ہونے والے مالی سال کے سالانہ نتیجے میں (33rd) آڈٹ شدہ اکاؤنٹس پیش کرتے ہیں۔

مالیاتی نتائج:- (Financial Results)

30 جون 2024ء کو ختم ہونے والے سال کے مختصراً مالیاتی نتائج درج ذیل ہیں۔

30 جون 2023ء (روپے)	30 جون 2024ء (روپے)	
34,002,932	69,320,517	مضار بہہ کی کل آمدن
23,234,210	23,693,723	لیزڈ آؤٹ اثاثوں کی فرسودگی
17,017,096	18,083,343	انتظامی و عمومی اخراجات
7,588	11,362	مالی اخراجات (فنانس چارجز)
-	2,753,209	مضار بہہ کمپنی کی انتظامی فیس
805,064	1,137,171	ٹیکسیشن
(7,061,026)	23,641,709	منافع (خسارہ) بعد از ٹیکسیشن
(0.62)	2.08	آمدنی / (خسارہ) فی سرٹیفکیٹ - بنیادی اور تحلیل شدہ

منافع کی تقسیم:- (Profit Distribution)

جمع شدہ نقصانات کو مد نظر رکھتے ہوئے، مضار بہہ کی مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے اس سال کسی منافع کی سفارش نہیں کی۔

آپریٹنگ ریکارڈ کا جائزہ:- (Review of Operations)

زیر غور مدت کے دوران مضار بہہ کو بعد از ٹیکسیشن = 23,641,709 روپے کا منافع ہوا۔ جبکہ گزشتہ سال اسی مدت کے دوران = 7,061,026 روپے کا خسارہ تھا۔ فی سرٹیفکیٹ 2.08 روپے کی آمدنی ہوئی جبکہ اس کے مقابلہ میں گزشتہ سال فی سرٹیفکیٹ 0.62 روپے کا خسارہ تھا۔

سال کے دوران منافع کی بڑی وجہ انوسٹمنٹ پراپرٹیز کو اصل رقم میں لانے کی وجہ سے ہوئی۔ سخت کاروباری حالات کے باوجود، آپ کے مضار بہہ نے = 69,320,517 روپے کی مجموعی آمدنی حاصل کی جو بنیادی طور پر انوسٹمنٹ پراپرٹیز، اجارہ / لیز اور میوچل فنڈز میں سرمایہ کاری پر منافع سے حاصل کی گئی۔

30 جون 2024 کو اجارہ کا پورٹ فولیو = 98,004,925 روپے رہا۔ مضار بہہ کے سرٹیفکیٹ ہولڈرز کی ایکویٹی = 122,030,330 روپے ہے اور سرٹیفکیٹ کی بریک اپ ویلیو 10.76 روپے فی سرٹیفکیٹ بنتی ہے۔

معیشت:- (Economy)

مالی سال 2024-2023 کے دوران وفاقی بجٹ میں خاطر خواہ خسارہ؛ ایشیائے ضروریہ کی بڑھتی ہوئی قیمتوں، عام انتخابات کے بعد سیاسی عدم استحکام اور مائیکرو پالیسی سخت کرنے کے باعث ملک کی معیشت مایوس کن رہی۔ ان عوامل نے اجتماعی طور پر ملک کی اقتصادی ترقی کو سست کر دیا۔

اگرچہ حکومت غیر ضروری درآمدات کو محدود کرنے، شرح سود میں کمی اور مہنگائی کو کنٹرول کرنے سمیت فیصلے لے کر پاکستان کی معیشت کو مستحکم کرنے کی کوشش کر رہی ہے لیکن وہ ابھی بھی دباؤ میں ہے۔

مستقبل کا نقطہ نظر:- (Future Outlook)

مضار بہہ کی انتظامیہ مستقبل کے کاروبار کی کامیابی کے بارے میں پُر امید ہے اور مضار بہہ کی کارکردگی کو بہتر بنانے کے لیے منافع بخش کاروبار کی نئی راہیں تلاش کرنے کے علاوہ چھوٹی لیزنگ / اجارہ پروچہ مرکوز کرنے کا ارادہ رکھتی ہے اس امید کے ساتھ کہ حکومت کاروباری برادری کا اعتماد اور معاشی سرگرمیوں کو فروغ دینے کے لیے طویل مدتی اور مستقل پالیسیاں مرتب کرے گی۔



FIRST ELITE CAPITAL MODARABA

AUDITORS' REPORT TO THE CERTIFICATE HOLDERS

We have audited the annexed statement of financial position of **First Elite Capital Modaraba** ("the Modaraba") as at June 30, 2024 and the related statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the financial statements), for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

These financial statements are the responsibility of the Modaraba Management Company (Crescent Modaraba Management Company Limited), who is also responsible to establish and maintain a system of internal control, and prepare and present the above said financial statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies and significant estimates made by the Modaraba Management Company, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:-

- (a) in our opinion, proper books of accounts have been kept by the Modaraba Management Company in respect of First Elite Capital Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981;
- (b) in our opinion;
 - (i) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981 and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Modaraba's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects, terms and conditions of the Modaraba;
- (c) in our opinion and to the best of our information and according to the explanation given to us, the statement of financial position, statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Modaraba Companies and Modaraba Rules, 1981 in the manner so required and respectively give a true and fair view of the state of the Modaraba's affairs as at June 30, 2024 and of its profit, other comprehensive income, its cash flows and changes in equity for the year then ended, and
- (d) in our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Other matter

The financial statements of the previous year were audited by another firm of auditors who expressed an unmodified opinion on those financial statements on September 28, 2023.

Ilyas Saeed & Co.
Chartered Accountants

Engagement Partner: Bushra Sana

Date: September 27, 2024

Place: Lahore

UDIN: AR202410278ZNzprhWV7



FIRST ELITE CAPITAL MODARABA

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
ASSETS			
CURRENT ASSETS			
Cash and bank balances	4	6,103,477	2,398,266
Short term investments	5	11,054,452	8,607,942
Short term investments in Mutual Funds	6	23,629,108	20,239,036
Short term finances under musharakah arrangements - Secured	7	-	-
Short term finances under murabahah arrangements - Secured	8	16,403	16,403
Ijarah rentals receivable - Secured	9	668,614	1,859,248
Profit receivable - Secured	10	-	-
Advances, deposits, prepayments and other receivables	11	5,633,834	5,097,343
Advance income tax	12	417,679	722,764
		47,523,567	38,941,002
NON-CURRENT ASSETS			
Assets leased out under ijarah contracts	13	98,004,925	98,797,049
Property and equipment	14	1,360,025	1,626,196
Investment property	15	54,450,000	23,533,287
		153,814,950	123,956,532
TOTAL ASSETS		201,338,517	162,897,534
LIABILITIES			
CURRENT LIABILITIES			
Accrued and other liabilities	16	3,729,922	1,344,966
Security deposits	17	3,233,049	5,906,805
Unclaimed profit distribution		8,457,185	8,486,021
		15,420,156	15,737,792
NON-CURRENT LIABILITIES			
Security deposits	17	51,193,739	43,326,769
Employees retirement benefits	18	12,694,292	11,291,679
		63,888,031	54,618,448
Contingencies and commitments	19	-	-
TOTAL LIABILITIES		79,308,187	70,356,240
NET ASSETS		122,030,330	92,541,294
REPRESENTED BY			
Authorized certificate capital 20,000,000 (2023: 20,000,000) modaraba certificates of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed and paid-up certificate capital	20	113,400,000	113,400,000
Accumulated losses		(17,028,743)	(40,670,452)
Other reserves	21	25,659,074	19,811,747
		122,030,330	92,541,294

The annexed notes 1 to 39 form an integral part of these financial statements.

**For Crescent Modaraba Management Company Limited
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
INCOME			
Income from ijarah financing	22	32,249,458	29,665,216
Income from murabahah financing	23	330	-
Return on investments	24	5,727,983	2,895,350
Reversal of provision for doubtful receivables		145,735	148,707
Fair value gain on investment properties	15	30,916,713	-
Other income	25	280,298	1,293,659
		69,320,517	34,002,932
EXPENSES			
Depreciation of assets leased out under ijarah contracts	13	(23,693,723)	(23,234,210)
Administrative and general expenses	26	(18,083,343)	(17,017,096)
Financial charges		(11,362)	(7,588)
		(41,788,428)	(40,258,894)
		27,532,089	(6,255,962)
Management fee	27	(2,753,209)	-
Profit/(Loss) before taxation		24,778,880	(6,255,962)
Taxation	28	(1,137,171)	(805,064)
Profit/(Loss) after taxation		23,641,709	(7,061,026)
Earnings/(Loss) per certificate - basic and diluted	29	2.08	(0.62)

The annexed notes 1 to 39 form an integral part of these financial statements.

For Crescent Modaraba Management Company Limited
(Management Company of First Elite Capital Modaraba)

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
Profit /(Loss) after taxation		23,641,709	(7,061,026)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss			
Changes in fair value of available for sale investments		5,847,327	(1,030,549)
Reclassification adjustments for (gain)/ loss included in profit or loss		-	-
		5,847,327	(1,030,549)
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan	18.3	-	1,348,943
Total comprehensive income/(loss)		29,489,036	(6,742,632)

The annexed notes 1 to 39 form an integral part of these financial statements.

**For Crescent Modaraba Management Company Limited
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
Cash Generated From Operations	30	53,160,337	39,811,069
Receipts/(payments) for:			
Income taxes		(832,086)	(670,918)
Purchase of Ijarah assets		(28,808,400)	(56,695,813)
Transfer of Ijarah assets		5,906,801	22,109,677
Staff retirement benefits paid		(544,550)	-
Profit distribution		(28,836)	(3,993)
		(24,307,071)	(35,261,047)
Net cash (used in)/ generated from operating activities		28,853,266	4,550,022
Cash Flow From Investing Activities			
Sale Proceed of property and equipment		29,600	116,500
Purchase of property and equipment		-	(637,864)
Purchase of investments		(15,988,290)	(20,380,463)
Proceeds from sale of investments		16,805,022	3,953
Fair value gain on investment property		(30,916,713)	-
Dividend received		4,922,326	2,894,990
Net cash (used in)/ generated from investing activities		(25,148,055)	(18,002,884)
Cash Flow From Financing Activities		-	-
Net Increase /(Decrease) In Cash And Cash Equivalents		3,705,211	(13,452,862)
Cash And Cash Equivalents At The Beginning Of The Year		2,398,266	15,851,128
Cash And Cash Equivalents At The End Of The Year	31	6,103,477	2,398,266

The annexed notes 1 to 39 form an integral part of these financial statements.

For Crescent Modaraba Management Company Limited
(Management Company of First Elite Capital Modaraba)

Chairman

Chief Executive

Director

Chief Financial Officer




FIRST ELITE CAPITAL MODARABA

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

Note	Paid-up Certificate Capital Rupees	Reserves				Total Rupees
		Capital Reserves	Available for sale financial assets Rupees	Revenue Reserves Accumulated losses Rupees	Total Rupees	
Balance as at June 30, 2022	113,400,000	32,870,088	(12,027,792)	(34,958,369)	(14,116,073)	99,283,926
Comprehensive loss for the year ended June 30, 2023	-	-	-	(7,061,026)	(7,061,026)	(7,061,026)
Loss after taxation	-	-	(1,030,549)	1,348,943	318,394	318,394
Other comprehensive (loss)/income	-	-	(1,030,549)	(5,712,083)	(6,742,632)	(6,742,632)
Total comprehensive loss for the year	-	-	(1,030,549)	(5,712,083)	(6,742,632)	(6,742,632)
Balance as at June 30, 2023	113,400,000	32,870,088	(13,058,341)	(40,670,452)	(20,858,705)	92,541,294
Comprehensive Income for the year ended J une 30, 2024						
Profit/(Loss) after taxation	-	-	-	23,641,709	23,641,709	23,641,709
Other comprehensive income/(loss)	-	-	5,847,327	-	5,847,327	5,847,327
Total comprehensive income for the year	-	-	5,847,327	23,641,709	29,489,036	29,489,036
Balance as at June 30, 2024	113,400,000	32,870,088	(7,211,014)	(17,028,743)	8,630,331	122,030,330

The annexed notes 1 to 39 form an integral part of these financial statements.

For Crescent Modaraba Management Company Limited
(Management Company of First Elite Capital Modaraba)


Chairman


Director



FIRST ELITE CAPITAL MODARABA

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

1 STATUS AND NATURE OF THE BUSINESS

First Elite Capital Modaraba ("the Modaraba") is a perpetual, multi-purpose and multi-dimensional modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by Crescent Modaraba Management Company Limited ("the Management Company"), a company incorporated in Pakistan under the Companies Act, 2017, vide Registration No. L 01630 dated 30th May, 1989. The registered office of the Modaraba is situated at 50-A, Garden Block, New Garden Town, Lahore. The Modaraba was floated on September 26, 1991 and is listed on Pakistan Stock Exchange Limited. The Modaraba is primarily engaged in the business of ijarah, musharakah and murabahah financing, investment in marketable securities, trading of stock and other related businesses.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 ("the Ordinance"), the Modaraba Companies and Modaraba Rules, 1981 ("the Rules"), Prudential Regulations for Modarabas ("the Regulations") and other directives ("the Directives") issued by the Securities and Exchange Commission of Pakistan together with approved accounting standards as applicable in Pakistan to Modarabas. Approved accounting standards comprise of such International Financial Reporting Standards ("IFRS"), the International Accounting Standards ("IAS") and the Islamic Financial Accounting Standards ("IFAS") as notified under the provisions of the Companies Act, 2017 and made applicable to modarabas under the Ordinance, the Rules, the Regulations and the Directives. The requirements of the Ordinance, the Rules, the Regulations or the Directives take precedence wherever they differ from the requirements of approved standards. Further, where the requirements of IFAS differ from the requirements of other approved standards, the IFASs take precedence.

SECP vide its circular No. 10 of 2004 dated 13 February 2004, had deferred, till further orders, the applicability of International Accounting Standard (IAS) 17 "Leases" on Modarabas with effect from 1 July 2003 and advised the management companies of Modarabas that they may continue to prepare the financial statements of the Modarabas without applying the requirements of IAS 17 to the Modarabas. However, the requirements of IAS 17 were considered for the purpose of leasing transactions (net investment in finance lease, assets given on finance lease, liabilities against assets subject to finance lease, and assets obtained on finance lease entered into by the Modaraba upto 30 June 2008. From 1 July 2008, all new lease transactions (both for assets given and assets obtained) are being accounted for in accordance with the requirements of IFAS 2 as explained hereunder. Islamic Financial Accounting Standard 2 'Ijarah' issued by the Institute of Chartered Accountants of Pakistan was adopted by the Securities and Exchange Commission of Pakistan ('the SECP') vide SRO 431(1)/ 2007 dated 22 May 2007. During the year ended 30 June 2009, SECP vide its letter no. SC/M/RW/SC/2009 dated 9 March 2009, directed that the management companies of Modarabas may apply the accounting treatment of IFAS 2, only to the leasing (Ijarah) transactions entered on or after 1 July 2008. Under the above IFAS 2, the 'Ijarah' transactions are accounted for in the following manner:

- Mustajir (lessor) presents the assets subject to Ijarah in their balance sheet according to the nature of the asset, distinguished from the assets in own use.
- Costs, including depreciation on the assets given on Ijarah, incurred in earning the Ijarah income are recognized as expenses.
- Ijarah income is recognized in income on an accrual basis as and when the rental becomes due, unless another systematic basis is more representative of the time pattern in which the benefit of the use derived from the leased asset is diminished.

Consequently, in preparation of these financial statements the Modaraba has accounted for leasing transactions executed before 1 July 2008 as finance leases consistent with prior years and has treated leasing transactions executed on or after 1 July 2008 in accordance with the requirements of IFAS 2.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain financial instruments at fair value/amortized cost and employees retirement benefits at present value. In these financial statements, except for the cash flow statement, all transactions have been accounted for on accrual basis.

2.3 Judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the



FIRST ELITE CAPITAL MODARABA

reported amounts of assets, liabilities, income, and expenses. These estimates and assumptions are based on historical experience and other relevant factors, forming the basis for judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates. Estimates and assumptions are reviewed regularly, with any revisions recognized in the period of change and future periods. Significant judgments and estimates that may require material adjustments in future periods include the following:

2.3.1 Recoverable amount and impairment

The Modaraba assesses its assets for possible impairment, estimating recoverable amounts when necessary. Investments in marketable securities are evaluated for impairment based on active market prices, with allowances made for permanent diminutions in value. Musharakah, Murabahah, and Ijarah finances, along with related receivables, are tested for impairment considering the borrowers' credit history, adequacy of security, and compliance with Prudential Regulations for Modarabas.

2.3.2 Depreciation method, rates and useful lives of property and equipment

The Modaraba reassesses useful lives, depreciation method and rates for each item of property and equipment annually by considering expected pattern of economic benefits that the Modaraba expects to derive from that item.

2.3.3 Obligation under defined benefit plan

The Modaraba's obligation under the defined benefit plan is based on assumptions of future outcomes, the principal ones being in respect of increases in remuneration, remaining working lives of employees and discount rates to be used to determine present value of defined benefit obligation.

2.3.4 Provisions

Provisions, other than allowances for impairment, are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Modaraba would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

2.4 Functional currency

These financial statements are prepared in Pak Rupees which is the Modaraba's functional currency.

2.5 Standards, amendments and interpretations to the published standards that may be relevant to the Modaraba and adopted in the current year

The following amendments and interpretations to published accounting and reporting standards that are applicable to the Modaraba's financial statements covering annual periods, beginning on or after the following dates:

New or Revised Standard or Interpretation	Effective Date (Annual periods beginning on or after)
Amendments to IAS 1, 'Presentation of Financial Statements' includes requiring companies to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.	01 January 2023
The International Accounting Standards Board (the Board) has issued these amendments to end diversity in treatment of IAS 8, accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. An entity should use measurement techniques and inputs to develop an accounting estimate. Measurement techniques include estimation techniques (for example, techniques used to measure a loss allowance for expected credit losses applying IFRS 9) and valuation techniques (for example, techniques used to measure the fair value of an asset or liability applying IFRS 13). and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates.	01 January 2023



FIRST ELITE CAPITAL MODARABA

IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after 30 June 2023.

SECP vide S.R.O 1827 (I)/2022 (dated September 29, 2022) modified the effective date for applicability of IFRS 9 for the Non-Banking Finance Companies (NBFCs) and Modarabas as 'Reporting period ending on or after June 30, 2024. June 30, 2024

2.5.1 Amendments and interpretations to accounting and reporting standards that became effective in the current year

There were certain amendments and interpretations to published accounting and reporting standards that are applicable for the financial year beginning on July 1, 2023 but does not have any significant impact on the Modaraba's financial reporting and therefore, have not been disclosed in these financial statements.

2.5.2 Standards and amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Company

There is a standard and certain amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Modaraba for the financial year beginning on July 1, 2023. The standard and amendments are not expected to have any material impact on the Modaraba's financial reporting and, therefore, have not been disclosed in these financial statements.

2.6 Standards, Interpretations And Amendments To Approved Accounting Standards That Are Not Yet Effective

2.6.1 There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2023. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 3 to these financial statements.

2.6.2 Standards, amendments and interpretations to existing standards that are not yet effective:

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IAS 1 Presentation of Financial Statements (Amendments)	01 January 2024
IAS 7 Statement of Cash Flows (Amendments)	01 January 2024
IFRS 16 Leases (Amendments)	01 January 2024
IFRS 17 Insurance Contracts	01 January 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION

The Modaraba adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2 'Making Materiality Judgments') from 01 July, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that users need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Changes in Accounting Policy – Adoption of IFRS 9

3.1.1 Overview

The Modaraba has adopted IFRS 9, "Financial Instruments," which replaces IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 introduces new requirements for the classification, measurement, and impairment of financial assets and liabilities. The adoption of IFRS 9 has resulted in changes to the Modaraba's accounting policies for financial instruments.

3.1.2 Summary of Key Changes

The key changes resulting from the adoption of IFRS 9 are summarized as follows:

Classification and Measurement of Financial Assets and Liabilities

Under IFRS 9, financial assets are classified into three principal categories:



FIRST ELITE CAPITAL MODARABA

- 1 - Amortized Cost,
- 2 - Fair Value through Other Comprehensive Income (FVOCI), and
- 3 - Fair Value through Profit or Loss (FVTPL).

The classification is based on the Modaraba's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Modaraba has reclassified its financial assets as follows:

Short term finances under musharakah and murabahah arrangements:

Previously classified as "Loans and Receivables" under IAS 39, these financial assets are now classified and measured at Amortized Cost under IFRS 9, as they are held within a business model to collect contractual cash flows, which represent solely payments of principal and interest.

Short term investments

Short term investments previously classified as "Available-for-Sale" (AFS) have been reclassified to FVTPL, as they do not meet the criteria for measurement at FVOCI under IFRS 9.

Ijarah rentals receivable

These receivables were previously classified as "Loans and Receivables" under IAS 39 and are now classified at Amortized Cost under IFRS 9. They continue to be held within a business model to collect contractual cash flows.

Advances to employees

Previously classified as "Loans and Receivables" under IAS 39, advances to employees are now classified at Amortized Cost under IFRS 9. These advances are held to collect contractual cash flows, which represent solely payments of principal and interest.

Security deposits

These were previously classified as "Loans and Receivables" under IAS 39 and are now classified at Amortized Cost under IFRS 9. These deposits are held with the objective of collecting contractual cash flows.

Other receivables

Other receivables were previously classified as "Loans and Receivables" under IAS 39 and are now classified at Amortized Cost under IFRS 9.

Cash and bank balances

Previously classified as "Loans and Receivables" under IAS 39, cash and bank balances are now classified at Amortized Cost under IFRS 9.

3.1.3 Effect of change in accounting policy

The Modaraba has adopted IFRS 9 retrospectively from 1 July, 2023. However, the adoption of IFRS 9 has not resulted in any significant impact on the Modaraba's financial position, as the reclassification of financial assets and liabilities under the new standard has not led to changes in their fair value or carrying amounts.

3.1.4 Updated accounting policies

The Modaraba's accounting policies for financial instruments have been updated to reflect the requirements of IFRS 9. The updated policies are effective from 1 July 2023 and are described in Note 3.11

3.2 Property and equipment

These comprise operating fixed assets of the Modaraba.

Operating fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction, erection and installation.

Major renewals and improvements to operating fixed assets are recognized in the carrying amount of the item if it is probable that the embodied future economic benefits will flow to the Modaraba and the cost of renewal or improvement can be measured reliably. The cost of the day-to-day servicing of operating fixed assets are recognized in profit or loss as incurred.

Depreciation is charged from the date, an asset is available for use using rates specified in note 14 to the financial statements

An operating fixed asset is de-recognized when permanently retired from use. Any gain or loss on disposal of operating fixed assets is recognized in profit or loss.

3.3 Assets leased out under ijarah contracts

3.3.1 Assets leased out are stated at cost less accumulated depreciation.



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Depreciation of cost of Modaraba is recognized in profit or loss over the period of lease by applying straight line method. In respect of additions and sales / transfers during the year, amortization is charged proportionately to the period of lease.

3.3.2 Cost of Ijarah assets include net purchasing price incurred by the Modaraba.

3.4 Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3.5 Certificate capital

Certificate capital is recognized as equity. Incremental costs directly attributable to the issue of certificates are recognized as deduction from the equity.

3.6 Employees retirement benefits

3.6.1 The Modaraba recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

3.6.2 Post employment benefits

The Modaraba operates an unfunded gratuity scheme (defined benefit plan) for all its employees who have completed the minimum qualifying service period. The amount recognized on balance sheet represents the present value of defined benefit obligation. Actuarial gains or loss are recognized immediately in other comprehensive income as required by IAS-19 Employee Benefits. The details of the scheme are referred to in note 18 to the financial statements.

3.7 Revenue

International Financial Reporting Standards ("IFRS") 15 "Revenue From Contracts with Customers" which provides a unified five-step model for determining the timing, measurement and recognition of revenue. The focus of the new standard is to recognize revenue as performance obligations are made rather than based on the transfer of risk and rewards. IFRS 15 includes a comprehensive set of disclosure requirements including qualitative and quantitative information about contracts with customers to understand the nature, amount, timing and uncertainty of revenue. The standard supersedes IAS 18 "Revenue", IAS 11 "Construction Contracts" and the number of revenue related interpretations.

The Modaraba has applied the modified retrospective method upon adoption of IFRS 15 as allowed under the Standard. This method requires the recognition of the cumulative effect (without practical expedients) of initially applying IFRS 15 to retained earnings. Under this transition method, comparative information for prior periods has not been restated and continues to be reported in accordance with the previous standard under IAS 18 and related interpretations.

Apart from providing more extensive disclosures, the application of IFRS 15 has not had a significant impact on the financial position and / or financial performance of the Modaraba. Accordingly, there was no adjustment to retained earnings on application of IFRS 15 at 1 July 2019.

Revenue from different sources is recognized as follows:

Ijarah rentals are recognized over the period of lease as and when the related rentals become due.

Profit on murabahah finances is recognized on time proportion basis as and when accrued.

Profit on musharakah finances is recognized on time proportion basis as and when accrued.

Trading Income is recognized on time proportion basis as and when accrued.

Return on saving accounts is recognized on time proportion basis as and when accrued.

Dividend income is recognized when right to receive payment is established.

3.8 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include holding company, associated companies with or without common directors, directors and major shareholders and their close family members, key management personnel and staff and retirement benefit funds.



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3.9 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income. Other comprehensive income comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by approved accounting standards, and is presented in 'statement of profit or loss and other comprehensive income'.

3.9.1 Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in other comprehensive income.

3.9.2 Current taxation

Current tax is the amount of tax payable on taxable income for the year and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

3.9.3 Deferred taxation

Deferred tax is accounted for using the balance sheet approach providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the treatment prescribed by the Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. However, the Modaraba has not recognized any amount in respect of deferred tax in these financial statements due to tax losses.

3.10 Earnings per certificate (EPC)

Basic EPC is calculated by dividing the profit or loss attributable to certificate holders of the Modaraba by the weighted average number of certificates outstanding during the period.

Diluted EPC is calculated by adjusting basic EPC by the weighted average number of certificates that would be issued on conversion of all dilutive potential certificates into certificates and post-tax effect of changes in profit or loss attributable to certificate holders of the Modaraba that would result from conversion of all dilutive potential certificates into certificates.

3.11 Financial instruments

Recognition and measurement

Financial assets and liabilities are recognized, when the Modaraba becomes a party to the contractual provisions of the instrument and derecognized when the Modaraba loses control of the contractual rights to receive cash flows from the assets that comprise the financial asset or the rights have been transferred and the Modaraba has transferred substantially all the risks and rewards of ownership or the enterprise loses control of the contractual rights that comprise financial assets or a portion of financial assets. In case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets are long term investments, short term investments, finances under musharakah and murabahah arrangements, Ijarah rentals receivables, advances to employees, security deposits, other receivables and cash and bank balances. The Modaraba derecognizes a financial asset or a portion of financial asset when, and only when, the right to receive the cash flows from the assets have been expired or have been transferred; and the Modaraba has transferred substantially all the risks and rewards of ownership or the enterprise loses control of the contractual rights that comprise the financial assets or a portion of financial assets.

The Modaraba has classified its financial assets based on the requirements as set out in IFRS-9 'Financial Instruments'. IFRS 9 sets out the requirements for recognizing and



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measuring financial assets, financial liabilities.

3.11.1 Financial assets

Financial assets at Amortized Cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- (i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and;
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Financial Asset at Fair Value through Other Comprehensive Income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (i) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and;
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Financial Asset at Fair Value through Profit or Loss

A financial asset shall be measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Recognition and measurement

Financial assets at initial recognition are measured at its fair value of the consideration given. Subsequent to initial recognition, financial assets shall be classified at amortized cost using effective interest method, fair value through other comprehensive income with changes in fair value recognized in other comprehensive income and fair value through profit or loss with changes in fair value recognized in the profit and loss account.

3.11.2 Financial liabilities

Financial liabilities are recognized according to the substance of the contractual arrangements entered into. At the time of initial recognition, all financial liabilities shall be measured at fair value plus or minus transaction cost that are directly attributable to the issue of a financial liability. Financial liabilities shall subsequently be measured at amortized cost. Significant financial liabilities are short term borrowings, due to related party, retention money payable, trade and other payables.

3.11.3 Offsetting of financial assets and financial liabilities

A financial asset and liability is offset against each other and the net amount is reported in the balance sheet if the Modaraba has legally enforceable right to set off the recognized amount and intends either to settle on net basis or realize the asset and settle the liability simultaneously.

3.11.4 Derecognition

Financial assets

The Modaraba derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Modaraba neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Modaraba might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Modaraba derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Modaraba also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the profit and loss account.

3.11.5 Impairment

Financial assets

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit or loss.



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Impairment losses in respect of Musharakah, Murabahah and Ijarah finances are determined by reference to the borrowers' payment/ credit history, adequacy of security and requirements of the Prudential Regulations for Modarabas. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Financial liabilities

The Modaraba derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Modaraba also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the profit and loss account.

3.12 Provisions and contingencies

Provisions are recognized when the Modaraba has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is recognized at an amount that is the best estimate of the expenditure required to settle the present obligation at the reporting date. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

3.13 Profit distribution to certificate holders

Profit distribution to certificate holders is recognized as a deduction from accumulated profit in statement of changes in equity and as a liability, to the extent it is unclaimed/unpaid, in the Modaraba's financial statements in the year in which the dividends are approved by the Board of Directors of the Management Company.

3.14 Stock in trade

Stock in trade is valued at lower of cost and net realizable value. Cost of stock in trade is based on weighted average cost and net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
4 CASH AND BANK BALANCES			
Cash in hand		71,585	39,386
Cash at bank			
Current accounts		536,561	554,772
Saving / deposit accounts	4.1	5,495,331	1,804,108
		6,031,892	2,358,880
		6,103,477	2,398,266

4.1 Effective rate of return on deposit/saving accounts, for the year, ranges from 6.50% to 10.75% (2023: 6.50% to 10.80%).

5 SHORT TERM INVESTMENTS

These represent investments in listed securities and have been classified as available for sale financial assets.

Cost	5.1	21,436,433	25,402,672
Accumulated changes in fair value (trading suspended)		(3,170,967)	(3,736,390)
Accumulated changes in fair value (others)		(7,211,014)	(13,058,340)
	5.1	11,054,452	8,607,942



5.1 Particulars of investments

Fertilizer

Fauji Fertilizer Bin Qasim Limited

Cements

D.G Khan Cement Company Limited

Fauji Cement Company Limited

Flying Cement Limited

Maple Leaf Cement Factory Limited

Textile Composite

Sunrise Textiles Limited

Nishat Mills Limited

Technology & Communication

Callmate Telips Telecom Limited

Pakistan Telecommunication Company Limited

Worldcall Telecom Limited

Cable and Electrical Goods

Pak Electron Limited

The Searl Company Limited

Waves Corporation Limited

Waves Home Appliances Ltd.

Power Generation

Karachi Electric Limited

Hub Power Company Limited

Oil & Gas marketing Co.

Sui Northern Gas Pipelines Limited

Pakistan State Oil Company Limited

Pakistan Petroleum Limited

Sui Southern Gas Company Limited

Oil and Gas Development Company Limited

Investment Banks/Co.

Dadabhoy Leasing Company Limited

Bankers Equity Limited

Javed Omer Vohra & Company Limited

Automobile Assembler

Gandhara Industries Limited

Commercial Banks

Meezan Bank Limited

Modarabas

First Treet Manufacturing Modaraba

First Fidelity Leasing Modaraba

Modaraba Al Mali

BRR Guardian Modaraba

Awwal Corporate Restructuring Co. Ltd.

Treet Battery Limited

Chemical

Ghani Global Holding Company Limited

Food and personal care

Quice Food Industries Limited

Unity Foods Limited

TOTAL

5.2 Shares of Javed Omer Vohra & Company Limited are in CDC Freeze Account.



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No. Of Shares/ Certificates		Average Cost		Fair Value	
June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
		Rupees		Rupees	
15,000	15,000	826,865	826,865	532,050	176,700
-	2,200	-	198,756	-	112,860
-	17,437	-	350,949	-	205,059
2,050	2,050	32,069	32,069	17,056	11,357
-	100	-	3,570	-	2,833
153,900	153,900	2,023,076	2,023,076	-	-
8,000	1,100	624,481	95,907	566,800	62,447
-	5,100	-	530,323	-	-
102,500	102,500	4,384,526	4,384,526	1,231,025	616,025
4,000	4,000	13,836	13,836	5,040	4,360
32,000	32,000	2,446,492	2,446,492	790,720	289,600
6,000	-	382,404	-	342,720	-
4,000	4,000	65,112	65,112	28,080	24,600
-	800	-	-	-	3,544
-	2,000	-	9,066	-	3,440
-	800	-	62,472	-	55,664
43,000	48,000	3,345,608	3,734,608	2,729,210	1,889,760
11,000	7,687	2,163,871	1,570,998	1,828,310	853,334
17,500	10,030	2,235,657	1,331,514	2,049,425	593,174
49,000	49,000	1,036,646	1,036,646	464,520	420,910
-	36,960	-	4,650,201	-	2,882,880
-	1,000	-	9,000	-	-
-	2,000	-	26,100	-	-
8,800	8,800	1,164,611	1,164,611	16,720	16,720
-	300	-	65,587	-	24,162
-	445	-	56,121	-	38,435
-	500	-	7,547	-	1,755
-	500	-	2,074	-	855
500	500	11,702	11,702	2,865	1,755
-	500	-	7,203	-	6,070
1,140	1,140	11,846	11,846	11,400	11,400
-	499	-	-	-	4,990
12,650	12,650	276,058	276,058	120,428	124,856
-	1,000	-	6,264	-	3,500
10,550	10,550	391,573	391,573	318,083	164,897
481,590	535,048	21,436,433	25,402,672	11,054,452	8,607,942



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			June 30, 2024 Rupees	June 30, 2023 Rupees
6	SHORT TERM INVESTMENTS IN MUTUAL FUNDS			
		Units		
		Rate		
	Meezan Rozana Amdani Fund	472,582.16	50	
			23,629,108	20,239,036
			23,629,108	20,239,036
7	SHORT TERM FINANCES UNDER MUSHARAKAH ARRANGEMENTS - SECURED			
	Considered good		-	-
	Considered doubtful		453,744	586,744
			453,744	586,744
	Provision for doubtful receivables	7.1	(453,744)	(586,744)
			-	-

These represent investments made under musharakah arrangements on profit and loss sharing basis and are secured by specific charge over vehicle. The share of profit of Modaraba is 40% per annum.

7.1 Movement in provision for doubtful receivables is as follows:

As at beginning of the year	586,744	637,500
Recognized during the year	-	-
Amount received during the year	(133,000)	(50,756)
As at end of the year	453,744	586,744

8	SHORT TERM FINANCES UNDER MURABAHAH ARRANGEMENTS - SECURED			
	Considered good		16,403	16,403
	Considered doubtful		55,009,233	55,021,968
			55,025,636	55,038,371
	Provision for doubtful receivables	8.1	(55,009,233)	(55,021,968)
			16,403	16,403

These represent receivable against murabaha transactions on deferred payment basis at a specified margin. These are secured against mortgage of property, and personal guarantees. Profit margin on murabahah transactions ranges from 13% to 20% (2023: 13% to 20%) per annum receivable on monthly basis.

8.1 Movement in provision for doubtful receivables is as follows:

As at beginning of the year	55,021,968	55,021,968
Recognized during the year	-	-
Reversed during the year	(12,735)	-
	(12,735)	-
As at end of the year	55,009,233	55,021,968

8.1.1 The Modaraba has filed Three (2023: Three) execution petitions for claim of Rs. 25,868,727/- (2023: 25,868,727/-) against different parties in Modaraba Tribunal Punjab, Lahore. The management is aggressively pursuing its cases in the Court of law. There are almost no chances of any unfavorable decision(s) against First Elite Capital Modaraba.

8.1.2 The Modaraba has filed a claim for Rs. 22,063,889/- (2023: Rs. 22,063,889/-) against Sunrise Textiles Limited. The Modaraba has applied to the official liquidators, appointed by the honorable Lahore High Court in C.O.No. 10/1995 for recovery of its dues, however the company has been dissolved.

8.1.3 The Modaraba has filed Twenty Five (2023: Twenty Five) suits for recovery of receivables amounting to Rs. 26,475,820/- (2023: Rs.26,475,820/-) against different parties in Banking Court, Lahore. The management is aggressively



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pursuing its cases in the Court of law. There are almost no chances of any unfavorable decision(s) against First Elite Capital Modaraba.

- 8.1.4** The Modaraba has filed One (2023: One) criminal complaint under section 20 of the Financial Institutions (Recovery of Finances) Ordinance, 2001. against party in Banking Court, Lahore.

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
9 IJARAH RENTALS RECEIVABLE - SECURED			
Considered good		668,614	1,859,248
Considered doubtful		6,644,601	6,726,504
		7,313,215	8,585,752
Provision for doubtful receivables	9.1	(6,644,601)	(6,726,504)
		668,614	1,859,248

These represent rentals receivable against assets leased out under Ijarah contracts. These are secured against vehicles registered in favor of Modaraba. The details are as follows:

- 9.1** Movement in provision for doubtful receivables is as follows:

As at beginning of the year		6,726,504	5,734,093
Recognized during the year		-	1,006,411
Reversed during the year		(81,903)	(14,000)
	22	(81,903)	992,411
As at end of the year		6,644,601	6,726,504

- 9.1.1** The Modaraba has filed Two (2023: Two) execution petitions for claim of Rs.6,686,020/- (2023: Rs.6,686,020/-) against two parties (Rana Muhammad Ibrahim Noon Rs: 6,476,404 and Atif Saleem Rs. 93,060) in Banking Court, Lahore. The learned Banking Court passed an ex-parte judgement and decree for a sum of Rs. 6,476,404/- in favour of FECM and against the defendants (Rana Muhammad Ibrahim Noon). The process of auction of the property of the judgment Debtor Rana Muhammad Ibrahim Noon is underway.

9.2 Future Ijarah rentals receivable			
Not later than one year		30,929,305	36,245,762
Later than one year but not later than five years		36,307,604	43,704,813
Later than five years		-	-
		67,236,909	79,950,575

10 PROFIT RECEIVABLE - SECURED			
Considered good		-	-
Considered doubtful		21,687,140	21,687,470
		21,687,140	21,687,470
Provision for doubtful receivables	10.1	(21,687,140)	(21,687,470)
		-	-

This represents profit receivable on murabahah and musharikah finance

- 10.1** Movement in provision for doubtful receivables is as follows:

As at beginning of the year		21,687,470	21,687,470
Recognized during the year		-	-
Reversed during the year	23	(330)	-
		(330)	-
As at end of the year		21,687,140	21,687,470



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	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances to employees - unsecured but considered good			
against salaries		552,179	591,662
against retirement benefits	11.1	2,816,906	2,894,391
Security deposits		40,450	40,450
Prepayments		1,517,670	1,396,942
Other receivables - unsecured			
Considered good		706,629	173,898
Considered doubtful		2,610,080	2,667,990
		3,316,709	2,841,888
Provision for doubtful receivables		(2,610,080)	(2,667,990)
		706,629	173,898
		5,633,834	5,097,343
12 ADVANCE INCOME TAX			
Opening balance		722,764	856,910
Add : tax deducted / paid during the year		832,086	670,918
Less: Adjustment for Prior Year		4,300	-
Less: provision for taxation		(1,141,471)	(805,064)
As at end of the year		417,679	722,764



13 ASSETS LEASED OUT UNDER IJARAH CONTRACTS

Year ended June 30, 2024

PARTICULARS	COST			DEPRECIATION			Carrying Value As at June 30, 2024
	As at July 01, 2023	Additions	Disposals	As at June 30, 2024	For the year	Adjustment	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Vehicles	126,365,113	22,269,000	20,647,300	127,986,813	22,691,276	14,980,499	37,051,358
Machinery	4,703,200	6,539,400	1,600,000	9,642,600	1,02,447	1,360,000	2,573,130
	131,068,313	28,808,400	22,247,300	137,629,413	23,693,723	16,340,499	98,004,925

Year ended June 30, 2023

PARTICULARS	COST			DEPRECIATION			Carrying Value As at June 30, 2023
	As at July 01, 2022	Additions	Disposals	As at June 30, 2023	For the year	Adjustment	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Vehicles	130,188,300	56,695,813	60,519,000	126,365,113	21,840,517	39,463,780	29,340,581
Office equipment	1,080,000	-	1,080,000	-	106,665	768,000	-
Machinery	5,990,200	-	1,287,000	4,703,200	1,287,028	821,000	2,930,683
	137,258,500	56,695,813	62,886,000	131,068,313	23,234,210	41,052,780	98,797,049



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14 PROPERTY AND EQUIPMENT

Year ended June 30, 2024

PARTICULARS	COST			Rate %age	DEPRECIATION			Net book value as at June 30, 2024		
	As at July 01, 2023	Additions	Disposals		As at June 30, 2024	For the year	Adjustment		As at June 30, 2024	
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees		Rupees	
Furniture and fixtures	271,815	-	-	271,815	10	214,424	5,739	-	220,163	51,652
Office equipment	2,343,466	-	37,306	2,306,160	10	1,723,786	61,091	27,790	1,757,087	549,073
Vehicles	2,998,265	-	-	2,998,265	20	2,049,140	189,825	-	2,238,965	759,300
	5,613,546	-	37,306	5,576,240		3,987,350	256,655	27,790	4,216,215	1,360,025

Year ended June 30, 2023

PARTICULARS	COST			Rate %age	DEPRECIATION			Net book value as at June 30, 2023		
	As at July 01, 2022	Additions	Adjustment		As at June 30, 2023	For the year	Adjustment		As at June 30, 2023	
	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees		Rupees	
Furniture and fixtures	271,815	-	-	271,815	10	208,047	6,377	-	214,424	57,391
Office equipment	2,191,262	185,464	33,260	2,343,466	10	1,693,960	51,353	21,527	1,723,786	619,680
Vehicles	2,765,865	452,400	220,000	2,998,265	20	2,045,201	186,771	182,832	2,049,140	949,125
	5,228,942	637,864	253,260	5,613,546		3,947,208	244,501	204,359	3,987,350	1,626,196



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	June 30, 2024	June 30, 2023
Note	Rupees	Rupees
15 INVESTMENT PROPERTY		
As at beginning of the year	23,533,287	23,533,287
Fair value gain/(loss) during the year	30,916,713	-
As at end of the year	<u>54,450,000</u>	<u>23,533,287</u>
15.1	As of June 30, 2024, the carrying amount of investment property was remeasured at fair value. The difference between the fair value and the previous carrying amount has been recognized in the statement of profit or loss.	
15.2	Investment property measuring 11 Marlas and 90 Sft is situated at Sardar Iqbal Road, Gulberg V, Lahore.	
15.3	The fair value of investment property is estimated by independent PBA approved valuer Al-Wazzan Associates (Private) Limited at Rs. 54,450,000/-	
16 ACCRUED AND OTHER LIABILITIES		
Management fee payable	2,753,209	-
Accrued expenses	742,454	820,076
Advance ijarah rentals	98,964	410,241
Withholding tax payable	34,294	9,465
Charity payable	10,274	14,457
Other payables	90,727	90,727
	<u>3,729,922</u>	<u>1,344,966</u>
17 SECURITY DEPOSITS		
Security deposits under ijarah contracts	17.1 54,426,788	49,233,574
Current maturity presented under current liabilities	(3,233,049)	(5,906,805)
Non current liabilities	<u>51,193,739</u>	<u>43,326,769</u>
17.1	These are amounts received by Modaraba against Ijarah contracts, these are adjusted against the value of assets at the end of Ijarah contract.	
18 EMPLOYEES RETIREMENT BENEFITS		
The amounts recognized on balance sheet are as follows:		
Present value of defined benefit obligation	18.1 <u>12,694,292</u>	<u>11,291,679</u>
18.1 Movement in present value of defined benefit obligation		
As at beginning of the year	18.2 11,291,679	10,669,018
Current service cost	580,671	557,959
Interest cost on defined benefit obligation	18.2 1,366,492	1,413,645
Benefit Paid	(544,550)	-
	<u>12,694,292</u>	<u>12,640,622</u>
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	-	-
Actuarial (gains)/losses from changes in financial assumptions	-	38,653
Experience adjustments	-	(1,387,596)
	18.3 -	(1,348,943)
As at the end of the year	<u>12,694,292</u>	<u>11,291,679</u>



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Note	June 30, 2024 Rupees	June 30, 2023 Rupees			
18.2 Expenses to be charged to P&L					
Current service cost	580,671	557,959			
Interest cost on defined benefit obligation	1,366,492	1,413,645			
	1,947,163	1,971,604			
18.3 Remeasurements recognized in other comprehensive income					
Actuarial (gains) / losses from changes in demographic assumptions	-	-			
Actuarial (gains) / losses from changes in financial assumptions	-	38,653			
Experience adjustments	-	(1,387,596)			
	-	(1,348,943)			
18.4 Significant actuarial assumptions					
Discount rate used for interest cost charged in P&L	16.25%	13.25%			
Discount rate used for year end obligation	16.25%	16.25%			
Salary increase used for year end obligation					
Salary increase FY 2024	14.25%	N/A			
Salary increase FY 2025	14.25%	14.25%			
Salary increase FY 2026	14.25%	14.25%			
Salary increase FY 2027	14.25%	14.25%			
Salary increase FY 2028	14.25%	14.25%			
Salary increase FY 2029	14.25%	14.25%			
Salary increase FY 2030 onwards	14.25%	14.25%			
Next salary is increased at	July 01, 2024	July 01, 2023			
Mortality rates	SLIC (2001 - 2005) Setback 1 Year	SLIC (2001 - 2005) Setback 1 Year			
Withdrawal rates	Age-based (per Appendix) Age 60	Age-based (per appendix) Age 60			
Retirement assumption					
18.5 Historical information					
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Historical information					
Present value of defined benefit obligation Rupees	12,694,292	11,291,679	10,669,018	9,277,791	9,066,663
Actuarial adjustment arising during the year %	1.12	1.06	1.15	1.02	1.07
18.6 Future expectation					
The estimated expenses to be charged to P & L during the year ending June 30, 2024 amounts to Rs.1.947 million. The actual cost will be determined after valuation of the Fund as at June 30, 2025 when the actuarial gains and losses arising during the year ending June 30, 2024 will be available.					
18.7 Additional disclosure items					
Year end sensitivity analysis (± 100 bps) on defined benefit obligation					
Discount rate + 100 bps	12,373,778			10,982,451	
Discount rate - 100 bps	12,111,823			11,627,340	
Salary increase + 100 bps	12,028,066			11,637,690	
Salary increase - 100 bps	11,766,111			10,967,745	
Average duration of the defined benefit obligation	4 years			4 years	



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19 CONTINGENCIES AND COMMITMENTS

Contingencies

- 19.01** Proceedings for Tax Year 2021 were initiated by the Deputy Commissioner Inland Revenue (the DCIR), AEOI Zone, Lahore vide notice bearing reference No. AEOI-LHR/RFI/147 dated 20-06-2022 under Section 182(1)(17) of the Ordinance wherein the DCIR intended to impose penalty for late filing of CRS (Common Reporting Standards) Return. The Modaraba through its AR (Authorized Representative) complied the said notice by stating that the CRS Return was filed within due date i.e. 31-03-2021. No further correspondence has been received from the tax department till date.
- 19.02** Proceedings for Tax Year 2020 were initiated by the Assistant Commissioner Inland Revenue (the ACIR), Audit-III, Range-I, Unit-IV, Corporate Tax Office, (CTO) Lahore vide notice bearing barcode No. 100000093113633 dated 03-03-2021 under Rule 44(4) of Income Tax Rules, 2002 (the Rules). Last reply in this regard was submitted on 08-03-2021. No further correspondence has been received from the tax department till date.
- 19.03** Proceedings for Tax Year 2019 were initiated by the ACIR, Audit-III, Range-I, Unit-IV, CTO, Lahore vide notice bearing barcode No. 100000093113670 dated 03-03-2021 under Rule 44(4) of the Rules. Last reply in this regard was submitted on 08-03-2021. No further correspondence has been received from the tax department till date.
- 19.04** Proceedings for Tax Year 2018 were initiated by the ACIR, E&C, Unit-07, Range-02, Zone-06, CRTO, Lahore vide notice bearing barcode No. 100000059200918 dated 25-09-2019 under Section 182(2) of the Ordinance wherein the officer intended to impose penalty for late filing of CRS Return. The Modaraba through its AR complied the said notice by stating that the Return was filed within due date i.e. 31-05-2019. The Learned ACIR passed the Order bearing barcode No. 100000064637626 dated 29-11-2019 and imposed penalty of Rs 1,230,000/-.

Aggrieved from the above Order, the Modaraba preferred appeal before the Commissioner Inland Revenue Appeals, Zone-VI, Lahore (the CIR-A) who after considering our arguments decided the case vide Order No. 237/A-VI dated 22-06-2020 and remanded the case back to ACIR with the directions to recalculate the default days.

Being aggrieved from the aforesaid Order, the Modaraba preferred second appeal before the Honourable Appellate Tribunal Inland Revenue (the ATIR) which is pending adjudication till date.

Subsequently, the DCIR, Enforcement-II, Range-IV, Unit-XV, CTO, Lahore, in compliance to the directions of the CIR-A, re-calculated the default days and passed Order bearing barcode No. 100000125588887 dated 10-06-2022 reducing the penalty to Rs. 712,500/-.

Feeling aggrieved, the Modaraba again preferred appeal before the CIR-A through letter bearing reference No IT/F-05/22/736 dated 01-07-2022. The main appeal was heard on 03-10-2022 and CIR-A after considering the arguments put forth decided the case in favour of the Modaraba vide the Order bearing barcode no. 100000133217775 dated 11-10-2022 by holding that CRS Return was filed within the due date, therefore no calculation of a default was necessary and ordered to delete the penalty imposed.

- 19.05** Proceedings under Section 214C of the Ordinance were initiated by Commissioner Inland Revenue vide notice bearing barcode no.100000077933644 for Tax Year 2018 wherein the case of Modaraba was selected for Audit through parametric computer ballot through Audit Policy 2019.

The DCIR Audit-III, Unit-IV, Range-I, CTO, Lahore issued notice bearing barcode no.10000001282399 dated 25-01-2021 under Section 177 of the Ordinance wherein certain documents/details were required for the conduct of Audit proceedings. The Modaraba through its AR duly complied the said notice through reply bearing reference no. IT/F-05/22/21 dated 07-01-2022 and accordingly, DCIR through notice bearing barcode no. 100000116741940 dated 20-01-2022 u/s 177(6) of the Ordinance issued Tax Audit Report.

Later, the DCIR issued notice u/s 122(9) of the Ordinance bearing barcode No. 100000117513897 dated 03-02-2022. The Modaraba through its AR, duly complied the said notice by furnishing various replies. Last reply in this regard was submitted on 22-02-2022. Subsequently, the proceedings were concluded through Order bearing barcode no. 100000118566213 dated 28-02-2022 raising tax demand of Rs. 903,195/-.

Feeling aggrieved from the above Order, the Modaraba preferred an appeal before the CIR-A vide letter bearing reference no. IT/F-05/22/340 dated 28-3-2022. The main



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appeal was heard on 19-10-2022 and the CIR-A after considering the arguments put forth by AR, vide his Order bearing reference no. 100000134129804 dated 21-10-2022 decided the appeal in favour of Modaraba by deleting the demand of Rs. 903,195/- raised through above impugned order. And accordingly, the above proceedings were closed.

19.06 The DCIR, E & C, Unit-VII, Range II, Zone VI, CTO, Lahore issued notice u/s 161(1A) of the Ordinance for Tax Year 2018 bearing barcode no. 10000074325898 dated 08-06-2020. The Modaraba through its AR made compliance of the aforesaid notice by submitting various replies. Last reply in this regard was submitted on 10-06-2024. Later on, the DCIR Zone-IV, CTO on 14-06-2024 finalized the proceedings by passing Order bearing bar code no 100000198270296 u/s 161 (1A) and raised tax demand of Rs 3,922,791/-. The taxpayer through its AR preferred an appeal before CIR-A. However, the case is pending for fixation till date.

19.07 Proceedings for Tax Year 2017 were initiated by the ACIR, Audit-III, Range-I, Unit-IV, CTO, Lahore vide notice bearing barcode No. 100000093113722 dated 03-03-2021 under Rule 44(4) of the Rules. The Modaraba through its AR made compliance of the aforesaid notice by submitting reply bearing reference No. IT/F-05/21/282 dated 08-03-2021.

The DCIR, Audit-III, Unit-II, Range-I, CTO, Lahore issued notice u/s 161(1A) of the Ordinance 2001 bearing barcode no. 100000128628549 dated 17-08-2022. The Modaraba through its AR made partial compliance by submitting reply bearing reference no. IT/F-05/22/901 dated 26-08-2022 and seek adjournment of two weeks for provisioning of remaining data. The DCIR proceeded ex-parte and without curtailing the extension already granted and preferred to pass the Order bearing barcode No. 100000129737546 dated 05-09-2022, raising tax demand of Rs 9,939,972/-.

Being aggrieved from the said Order, the Modaraba preferred an appeal before the CIR-A through letter bearing reference no. IT/F-05/22/1021 dated 04-10-2022. The main appeal was heard on 13-03-2023 and the CIR-A vide Order bearing barcode no. 100000149555102 dated 10-04-2023 annulled the tax imposed under Salary, Travelling, Repair & Maintenance, Printing & Stationery, Insurance and Entertainment and remanded the case back to the DCIR with the directions to proceed afresh after providing reasonable opportunity of being heard to the Appellant. No further correspondence has been received from the tax department till date.

19.08 The DCIR, Enforcement-II, Range-IV, Unit-XV, CTO, Lahore issued notice u/s 221(2) of the Ordinance for the Tax Year 2017 bearing barcode no. 100000134240977 dated 24-10-2022 alleging that the Modaraba has adjusted refunds of Rs 381,575/- in its Annual Income Tax Return for the subject year in violation to the provisions of Section 170(4) of the Ordinance. The Modaraba duly complied the said notice through reply bearing reference no. IT/F-05/22/1108 dated 31-10-2022, however, the DCIR concluded the above proceedings by rejecting the said adjustment vide Order bearing barcode no. 100000135640378 dated 10-11-2022 and raised demand of Rs. 381,575/-.

Being aggrieved from the said Order, the Modaraba preferred an appeal before the CIR-A vide letter bearing reference no. IT/F-05/1204 dated 08-12-2022.

Subsequently, the DCIR, Enforcement-II, Range-IV, Unit-XV, CTO, Lahore vide Orders dated 28-12-2022 passed u/s 170(3) of the Ordinance have duly allowed the said refund adjustment from available refunds of tax years 2014, 2015 & 2020. Consequently, the appeal pending before CIR-A has been withdrawn and the same is ordered vide order bearing barcode no.100000178367678 dated 30-11-2023 passed u/s 129(1). of the Ordinance.

19.09 The Modaraba received notice for the Tax Year 2016 bearing reference no. 100000024618950 dated 18-10-2017 issued under Rule 44(4) of the Rules. The Modaraba through its AR made compliance of the aforesaid notice by submitting replies bearing reference no. IT/F-05/18/03 and IT/F-05/18/51 dated 05-01-18 and 19-01-18 respectively.

The DCIR, E & C, Unit-VII, Range II, Zone VI, CTO, Lahore issued notice u/s 161/205 of the Ordinance 2001 bearing barcode no.10000074325651 dated 08-06-2020. The Modaraba through its AR made compliance of the aforesaid notice by submitting various replies. Last reply in this regard was submitted on 16-02-2022.

The DCIR finalized the above proceedings by passing an Order bearing barcode no. 100000118409893 dated 21-02-2022, raising demand of Rs 1,408,029/-. Being aggrieved from the said Order, the Modaraba preferred an appeal before the CIR-A vide its letter bearing reference no. IT/F-05/22/301 dated 21-03-2022.

The main appeal was heard on 19-10-2022 and the CIR-A vide Order bearing barcode



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no. 100000137853488 dated 16-12-2022 deleted the impugned demand to the extent of Rs. 156,113/- and remanded the case back to the DCIR with the directions to proceed afresh after providing reasonable opportunity of being heard to the Appellant. No further correspondence has been received from the tax department till date.

- 19.10** The Additional Commissioner Inland Revenue (the Adl. CIR) Audit-III, Range-I, CTO, Lahore issued notice u/s 122(5A) of the Ordinance for the Tax Year 2016 bearing barcode no.100000126038673 dated 20-06-2022 alleging that the Modaraba has adjusted refunds amounting to Rs.151,585/- in its Annual Income Tax Return for the subject year in violation to the provisions of Section 170(4) of the Ordinance. The Modaraba duly complied the said notice through reply bearing reference no. IT/F-05/22/695 dated 22-06-2022. Subsequently, the Add. CIR concluded the above proceedings by rejecting the said adjustment vide Order bearing barcode no. 100000126556818 dated 29-06-2022 and raised demand of Rs. 151,585/-.

Being aggrieved from the said Order, the Modaraba preferred an appeal before the CIR-A vide letter bearing reference no. IT/F-05/22/797 dated 21-07-2022. The main appeal was heard on 10-10-2022 and the CIR-A decided the appeal by passing the Order bearing barcode no. 1000000137856189 dated 16-12-2022 by confirming the impugned demand.

Subsequently, the DCIR, Enforcement-II, Range-IV, Unit-XV, CTO, Lahore vide Order bearing barcode no. 100000138550496 dated 28-12-2022 passed u/s 170(3) of the Ordinance have duly allowed the said refund adjustment from available refunds of Tax Year 2014.

- 19.11** The DCIR, WHT Zone, Unit-V, Range-II, CRTO Lahore issued notice under Section 182(2) of the Ordinance bearing barcode no. 100000010651796 dated 14-03-2016 intending to impose penalty of Rs. 145,000/- for late filing of withholding statement for the month of December 2015.

The DCIR finalized the above proceedings by passing Order bearing barcode No. 100000126589759 dated 30-06-2022 raising demand of Rs 10,000/-. The Modaraba duly deposited the said demand through CPR # IT-20220715-0101-1132417 on 15-07-2022 and accordingly, the above proceedings were closed.

- 19.12** Proceedings, under Section 161(1A) of the Ordinance for the Tax Year 2015 were initiated by the DCIR, Unit-VII, Range-II, Zone-VI, CTO, Lahore through its notice bearing barcode no. 100000024618839 dated 18-10-2017.

The Modaraba duly complied the notice by submitting all the relevant reconciliations alongwith documents through various replies. Last reply bearing reference No. IT/F-05/21/258 in this regard was submitted on 02-03-2021. Subsequently, the DCIR concluded the proceedings by passing Order bearing barcode No. 100000098602176 u/s 161/205 of the Ordinance dated 12-06-2021 raising an impugned demand of Rs. 2,538,710/-.

Being aggrieved from the said Order, the Modaraba filed an appeal before CIR-A on 09-07-2021. The main appeal was heard on 03-10-2022 and the CIR-A vide Order bearing barcode no. 100000133217728 dated 11-10-2022 remanded the case back to the DCIR with the directions to proceed afresh after providing reasonable opportunity of being heard to the Appellant. No further correspondence has been received from the tax department till date.

No provision has been made in these financial statements as management and legal advisor of the modaraba expects favourable outcome of the pending cases.

	Note	June 30, 2024	June 30, 2023
	Rupees	Rupees	Rupees
19.2 Commitments		Nil	Nil
20 ISSUED, SUBSCRIBED AND PAID-UP CERTIFICATE CAPITAL			
Modaraba certificates of Rs. 10 each			
10,000,000 (2023: 10,000,000) certificates issued for cash		100,000,000	100,000,000
1,340,000 (2023: 1,340,000) certificates issued as full paid bonus certificates		13,400,000	13,400,000
		113,400,000	113,400,000



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	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
21 OTHER RESERVES			
Statutory reserve	21.1	32,870,088	32,870,088
Unrealized loss on Available for sale financial assets		(7,211,014)	(13,058,341)
		<u>25,659,074</u>	<u>19,811,747</u>
<p>21.1 These include statutory reserves which represent profits set aside by the Modaraba to comply with the Prudential Regulations for Modarabas issued by the SECP. These regulations require the Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that reserves equal 100% of the paid up capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred. During the current year, the Modaraba has transferred an amount of Rs. Nil (2023: Rs. Nil) which represents Rs.Nil (2023: Rs.Nil) of the profit/loss after taxation for the year.</p>			
22 INCOME FROM IJARAH FINANCING			
Income from ijarah rental		32,249,458	30,479,120
Ijarah income (suspended) / recovered - net	22.1	-	(992,411)
		<u>32,249,458</u>	<u>29,486,709</u>
Gain on disposal of ijarah assets		-	178,507
		<u>32,249,458</u>	<u>29,665,216</u>
<p>22.1 This represents ijarah income recovered/(suspended) in accordance with the prudential regulations applicable to the Modaraba.</p>			
23 INCOME FROM MURABAHAH FINANCING			
Murabahah income recovered	23.1	330	-
		<u>330</u>	<u>-</u>
<p>23.1 This represents murabahah income recovered in accordance with the prudential regulations applicable to the Modaraba.</p>			
24 RETURN ON INVESTMENTS			
Dividend income-gross		4,922,326	2,894,990
(Loss) / gain on sale of investments-net		805,657	360
		<u>5,727,983</u>	<u>2,895,350</u>
25 OTHER INCOME			
Return on bank deposits		260,189	1,194,648
Gain on sale of fixed assets		20,084	67,599
Misc. income		25	31,412
		<u>280,298</u>	<u>1,293,659</u>
26 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and benefits	26.1	10,593,516	10,296,078
Rent, rates and taxes		35,280	136,200
Utilities		853,369	595,258
Repair and maintenance		676,265	445,410
Printing and stationery		501,256	486,134
Communication		221,161	214,269
Postage		152,133	112,113
Travelling and conveyance		841,988	633,716
Insurance/Takaful		133,787	189,718
Advertisement		19,661	19,661
Fee and subscription		646,856	676,452
Newspapers, books and periodicals		3,425	5,760
Entertainment		57,887	44,148
Auditors' remuneration	26.2	490,000	490,000
Legal and professional charges		1,762,168	1,594,741



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	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
Shariah Advisor		235,200	235,200
Registrar services		320,073	310,068
Depreciation	14	256,655	244,501
Zakat and charity		10,274	14,568
Others		272,389	273,101
		18,083,343	17,017,096
26.1	These include charge in respect of employees retirement benefits amounting to Rs. 1,947,163/- (2023: Rs.1,971,604/-).		
26.2 Auditors' remuneration			
Annual statutory Audit		300,000	300,000
Half yearly review		90,000	90,000
Review report under Code of Corporate Governance		75,000	75,000
Out of pocket expenses		25,000	25,000
		490,000	490,000
27 MANAGEMENT FEE			
Management Fee		2,753,209	-
The Modaraba Management Company is entitled to a fee for services rendered to the Modaraba under the provisions of the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980 upto a maximum of 10% per annum of the net annual profits of the Modaraba. The fee for the year ended 30 June 2024 is Rs. 2,753,209/- (2023: Nil).			
28 TAXATION			
Current taxation			
For the year		(1,141,471)	(805,064)
Prior year		4,300	-
		(1,137,171)	(805,064)
- Income tax return has been filed to the income tax authorities up to and including tax year 2023 under the provisions of the Income tax Ordinance, 2001. No numeric reconciliation has been presented, being practicable.			
- No material deferred tax arose during the year under reporting.			
29 EARNINGS/(LOSS) PER CERTIFICATE - BASIC AND DILUTED			
Earnings/(Loss) attributable to certificate holders	Rupees	23,641,709	(7,061,026)
Weighted average number of certificates outstanding during the year	No. of certificates	11,340,000	11,340,000
Earnings/(Loss) per certificate	Rupees	2.08	(0.62)
There is no diluting effect on the basic earnings per certificate of the Modaraba			
30 CASH GENERATED FROM OPERATIONS			
Profit/(Loss) before taxation		24,778,880	(6,255,962)
Adjustments for non-cash and other items			
Depreciation of assets under own use		256,655	244,501
Depreciation of assets leased out under ijarah contracts		23,693,723	23,234,210
Gain on sale of investments		(805,657)	(360)
Dividend income		(4,922,326)	(2,894,990)
Gain on transfer of assets leased out		-	(178,507)
Gain on sale of property and equipment		(20,084)	(67,599)
Provision for employees retirement benefits		1,947,163	1,971,604
Reversal of provision for doubtful murabahah receivables		(145,735)	(148,707)
		20,003,739	22,160,152



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	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
Operating profit before changes in working capital		44,782,619	15,904,190
Changes in working capital			
Finances under murabahah arrangements		12,735	-
Finances under musharakah arrangements		133,000	171,000
Ijarah rentals receivable		1,190,634	1,875,881
Profit receivable		(330)	-
Advances, deposits, prepayments and other receivables		(536,491)	20,807,362
Security deposits		5,193,214	928,125
Accrued and other liabilities		2,384,956	124,511
		8,377,718	23,906,879
Cash generated from operations		53,160,337	39,811,069
31 CASH AND CASH EQUIVALENTS			
Cash and bank balances	4	6,103,477	2,398,266

32 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related party of the Modaraba comprise of the modaraba management company, directors and key management personnel. Transactions with related parties are disclosed below.

32.1 Transaction with related party during the year

Name	Nature of relationship	Nature of transaction	June 30, 2024 Rupees	June 30, 2023 Rupees
Crescent Modaraba Management Company Limited	Management Company	Sale of asset	-	22,500
Progressive Clothing Company (Pvt) Ltd.	Associated Company	Sale of asset	-	16,000
			-	38,500

32.2 Payable to related parties

Name	Nature of relationship	Accounts Balances	June 30, 2024 Rupees	June 30, 2023 Rupees
Crescent Modaraba Management Company Limited	Management Company	Management fee payable	2,753,209	-

33 FINANCIAL INSTRUMENTS

33.1 Financial instruments by class and category

Financial assets as at June 30, 2024

	Note	At fair value through profit or loss Rupees	at amortized cost Rupees	At fair value through profit or loss Rupees	Total Rupees
Cash and bank balances	4	-	6,103,477	-	6,103,477
Short term investments	5	11,054,452	-	-	11,054,452
Short term investments in Mutual Funds	6	23,629,108	-	-	23,629,108
Finances under musharakah arrangements	7	-	-	-	-
Finances under murabahah arrangements	8	-	16,403	-	16,403
Ijarah rentals receivable	9	-	668,614	-	668,614
Profit receivable	10	-	-	-	-
Advances to employees	11	-	3,369,085	-	3,369,085
Security deposits	11	-	40,450	-	40,450
Other receivables	11	-	706,629	-	706,629
		34,683,560	10,904,658	-	45,588,218



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Financial assets as at June 30, 2023

Note	At fair value through profit or loss Rupees	at amortized cost Rupees	At fair value through profit or loss Rupees	Total Rupees
Cash and bank balances	4	-	2,398,266	2,398,266
Short term investments	5	8,607,942	-	8,607,942
Short term investments in Mutual Funds	6	20,239,036	-	20,239,036
Finances under musharakah arrangements	7	-	-	-
Finances under murabahah arrangements	8	-	16,403	16,403
Ijarah rentals receivable	9	-	1,859,248	1,859,248
Profit receivable	10	-	-	-
Advances to employees	11	-	3,486,053	3,486,053
Security deposits	11	-	40,450	40,450
Other receivables	11	-	173,898	173,898
		28,846,978	7,974,318	36,821,296

Note	2024 Financial liabilities at Amortized cost Rupees	2023 Financial liabilities at amortized cost Rupees	
Accrued expenses	16	742,454	820,076
Management fee payable	16	2,753,209	-
Charity payable	16	10,274	14,457
Other payables	16	90,727	90,727
		3,596,664	925,260

Financial liabilities

33.2 Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged or liability be settled between knowledgeable willing parties in an arm's length transaction. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts.

33.2.1 Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. Fair values of financial assets and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

33.2.2 Discount/interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

34 FINANCIAL RISK EXPOSURE AND MANAGEMENT

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

The Modaraba primarily invests in ijarah assets, musharakah, murabahah and diversified portfolio of listed securities. These are subject to varying degrees of risks. The way these risks affect revenues, expenses, assets, liabilities and forecast transactions of the Modaraba and the manner in which these risks are managed is as follows:

34.1 Credit risk

Credit risk is the risk of financial loss to the Modaraba, if the counterparty to a financial instrument fails to meet its obligations.

34.1.1 Maximum exposure to credit risk

The maximum exposure to credit risk as at the reporting date is as follows:



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	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
Financial assets			
Cash and bank balances	4	6,103,477	2,398,266
Finances under musharakah arrangements	7	-	-
Finances under murabahah arrangements	8	16,403	16,403
Ijarah rentals receivable	9	668,614	1,859,248
Profit receivable	10	-	-
Other receivables	11	706,629	173,898
		7,495,123	4,447,815

34.1.2 Concentration of credit risk

The Modaraba identifies concentrations of credit risk by reference to type of counter party and balances with customers are further analyzed by reference to industry distribution. Maximum exposure to credit risk by type of counterparty is as follows:

Customers and other parties	1,391,646	2,049,549
Banking companies and financial institutions	6,103,477	2,398,266
	7,495,123	4,447,815

Concentration of credit risk in respect of balances with customers and other parties by industrial distribution is as follows:

2024						
	Ijarah rentals Receivable	Finances under Murabahah arrangements	Finances under Musharakah arrangements	Profit receivables	Others receivables	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Services	-	-	-	533,301	706,629	1,239,930
Textile	-	23,720,130	-	14,288,302	476,036	38,484,468
Transport	-	-	453,744	923,610	503,804	1,881,158
Electrical and engineering	-	-	-	255,647	-	255,647
Packaging	-	3,180,619	-	3,013,864	132,928	6,327,411
Individuals	7,228,942	28,124,891	-	2,672,415	1,555,222	39,581,470
	7,228,942	55,025,640	453,744	21,687,139	3,374,619	87,770,084
2023						
	Ijarah rentals Receivable	Finances under Murabahah arrangements	Finances under Musharakah arrangements	Profit receivables	Others receivables	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Services	-	-	-	533,301	173,898	707,199
Textile	-	23,728,130	-	14,288,302	476,036	38,492,468
Transport	-	-	586,744	923,610	503,804	2,014,158
Electrical and engineering	-	-	-	255,647	-	255,647
Packaging	-	3,180,619	-	3,013,864	132,928	6,327,411
Individuals	8,585,752	28,129,622	-	2,672,746	1,555,222	40,943,342
	8,585,752	55,038,371	586,744	21,687,470	2,841,888	88,740,225

34.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, except for balances with customers where credit quality is assessed by reference to historical information about counterparty default rates and present ages.

Counterparties with external credit ratings

These include banking companies, which are counterparties to cash deposits. These counterparties have reasonably high credit ratings as determined by various credit rating agencies and management does not expect non-performance by these counterparties on their obligations to the Modaraba.



FIRST ELITE CAPITAL MODARABA

Counterparties without external credit ratings

These include customers which are counter parties to finances under murabahah, musharakah and ijarah arrangements, profit receivable thereon and other receivable from parties. The Modaraba is exposed to credit risk in respect of these balances. These analysis of ages of customer balances as at the reporting date is as follows:

	2024		2023	
	Gross Carrying Amount	Accumulated Impairment	Gross carrying Amount	Accumulated Impairment
	Rupees	Rupees	Rupees	Rupees
Neither past due nor impaired	706,629	-	173,898	-
Past due by upto 90 days	584,341	584,341	1,085,657	1,085,657
Past due by 90 to 180 days	431,319	431,319	1,266,326	1,266,326
Past due by 180 days to 1 year	1,437,730	1,437,730	1,376,315	1,376,315
Past due by 1 to 2 years	431,319	431,319	903,726	903,726
Past due by 2 to 3 years	2,450,533	2,450,533	2,060,028	2,060,028
Past due by 3 years or more	1,725,503	1,725,503	1,725,503	1,725,503
5 year or more	80,002,710	79,986,303	80,148,772	80,132,364
	87,770,084	87,047,048	88,740,225	88,549,919

The Management believes that the existing impairment allowance is adequate and no further allowance is necessary.

34.1.4 Collateral held

The Modaraba's investments in ijarah assets are secured by registration of title to the underlying assets in the name of Modaraba. Particulars of collateral held against financing under musharakah and murabahah arrangements and profit receivable thereon is referred to in relevant notes to the financial statements.

34.1.5 Credit risk management

The Modaraba's portfolio of loans and receivables is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk. The Modaraba does not have significant concentration of credit risk with a single counterparty. Formal policies and procedures of credit management and administration of receivables are established and executed. In monitoring customer credit risk, the ageing profile of total receivable balances and individually significant balances, along with collection activities are reported Management Company on a monthly basis. High risk customers are identified and restrictions are placed on future financing and credit period extensions.

34.2 Liquidity risk

Liquidity risk is the risk that the Modaraba will not be able to meet its financial obligations as they fall due. Given the nature of Modaraba's operations and existing financial liabilities, the Modaraba's exposure to liquidity risk is very limited and liquidity risk management is limited to ensuring that it has sufficient cash on demand to meet expected operational cash flows.

34.3 Market risk

34.3.1 Currency risk

The Modaraba is not exposed to currency risk.

34.3.2 Profit rate risk

Profit rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in profit rates. The Modaraba's exposure to profit rate risk is limited as all of its investments in ijarah assets, musharakah, murabahah are fixed rate instruments.

Note	June 30, 2024 Rupees	June 30, 2023 Rupees	
Finances under musharakah arrangements	7	-	-
Finances under murabahah arrangements	8	16,403	16,403
Ijarah rentals receivable	9	668,614	1,859,248
		685,017	1,875,651

34.3.3 Price risk

Price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from profit rate risk or currency risk, whether those changes are



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caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments.

The Modaraba is exposed to unfavorable changes in the fair value of the investments in listed equity securities as a result of the changes in the equity prices. The particulars of investments exposed to price risk as at the reporting date are referred to note 5 to the financial statements.

35 CAPITAL MANAGEMENT

The Modaraba's policy is to maintain a strong capital base so as to maintain investor confidence and to sustain future development of the business. The Management Company monitors the return on assets of the Modaraba, including finances under ijarah, murabahah and musharakah arrangements and investments in capital market which are managed through appropriate risk management policies. For major aspects of capital management, the Modaraba adheres to the requirements of the Ordinance, Rules and Regulations including the requirements of statutory reserve. The level of profit distribution to certificate holders is kept at the required level in order to avail the tax exemption. There were no changes in the Modaraba's approach to capital management during the year.

36 REMUNERATION OF OFFICERS AND OTHER EMPLOYEES

The aggregate amount charged to profit or loss account and statement of comprehensive income in respect of all officers and other employees on account of managerial remuneration, allowances and perquisites, post employment benefits and the number of such executives and employees is as follows:

	2024		
	Officers	Other Employees	Total
	Rupees	Rupees	Rupees
Managerial remuneration	2,710,200	2,304,594	5,014,794
Allowances and perquisites	2,064,240	1,567,319	3,631,559
Post employment benefits	1,075,223	871,940	1,947,163
	<u>5,849,663</u>	<u>4,743,853</u>	<u>10,593,516</u>
Number of employees at year end	<u>3</u>	<u>10</u>	<u>13</u>
Average no. of employees during the year	<u>3</u>	<u>10</u>	<u>13</u>
	2023		
	Officers	Other Employees	Total
	Rupees	Rupees	Rupees
Managerial remuneration	2,575,200	2,130,167	4,705,367
Allowances and perquisites	2,115,046	1,504,061	3,619,107
Post employment benefits	1,261,827	709,777	1,971,604
	<u>5,952,073</u>	<u>4,344,005</u>	<u>10,296,078</u>
Number of employees at year end	<u>3</u>	<u>10</u>	<u>13</u>
Average no. of employees during the year	<u>3</u>	<u>10</u>	<u>13</u>

37 RECOVERABLE AMOUNTS AND IMPAIRMENT

Impairment on ijarah, murabahah and musharakah finances, and profit receivable thereon is recognized in accordance with the requirements of Prudential Regulations for Modarabas pertaining to classification and provisioning. In the opinion of the management, no further impairment, in addition to that already recognized in accordance with Prudential Regulations, is necessary. Further, the recoverable amounts of all other assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

38 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Management Company on September 27, 2024.

39 GENERAL

Figures have been rounded off to the nearest rupee.

Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison.

**For Crescent Modaraba Management Company Limited
(Management Company of First Elite Capital Modaraba)**

Chairman

Chief Executive

Director

Chief Financial Officer



FIRST ELITE CAPITAL MODARABA

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 Year ended June 30, 2024

The Crescent Modaraba Management Company Limited ("The Management Company") is a Public Limited Company and is not listed on Stock Exchange. However, the First Elite Capital Modaraba ("the Modaraba") is listed on Pakistan Stock Exchange Limited. The Board of Directors ("the Board") of Crescent Modaraba Management Company Limited is responsible for the management of the affairs of the Modaraba.

The Management Company of the Modaraba has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following,
 - a. Male : 5
 - b. Female : 2
2. The composition of the board is as follows:

NAME	CATEGORY
Mr. Muneeb Ahmed Dar	Non-Executive Director
Mr. Aamir Iftikhar Khan	Executive Director
Mr. Ghazanfar Farrokh	Non-Executive Director
Mr. Muhammad Javed Amin	Non-Executive Director
Mrs. Rukhsana Javed Amin	Non-Executive Director
Mrs. Shahana Javed Amin	Non-Executive Director
Sheikh Muhammad Ali Asif	Independent Director

 - Currently there is one independent director and company intends to appoint/elect another independent director in due course of time.
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The Management Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Management Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board of directors of the Management Company/certificate holders of the Modaraba, (where ever applicable), as empowered by the relevant provisions of the Companies Act, 2017 (the "Act") and these Regulations;
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board;
8. The board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. The Board has arranged Directors' Training program for the following:
 - a) Mr. Aamir Iftikhar Khan
 - b) Mr. Muneeb Ahmed Dar
 - c) Mr. Ghazanfar Farrokh
 - d) Mr. Muhammad Javed Amin
 - e) Mrs. Shahana Javed Amin
 - f) Sheikh Muhammad Ali Asif
10. The board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board;
12. The board has formed committees comprising of members given below.
 - a) **Audit Committee**

Sheikh Muhammad Ali Asif	Chairman
Mr. Ghazanfar Farrokh	Member
Mr. Muneeb Ahmed Dar	Member



FIRST ELITE CAPITAL MODARABA

b) HR and Remuneration Committee

Mr. Muneeb Ahmed Dar	Chairman
Mr. Aamir Iftikhar Khan	Member
Mr. Ghazanfar Farrokh	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committee were as per following;
- a) Audit Committee Quarterly
- b) HR and Remuneration Committee Annually
15. The board has outsourced the internal audit function to M/S Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Management Company;
16. The statutory auditors of the Modaraba have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with expect:

Sr. No.	Regulation No.	Description	Explanation
1.	6	At least two or one third members of the Board, whichever is higher, as independent directors.	Currently there is one independent director and company intends to appoint/elect another independent director in due course of time.

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

Sr. No.	Regulation No.	Description	Explanation
2.	24	The same person shall not simultaneously hold office of chief financial officer and the company secretary.	The current CFO and Company Secretary is suitably qualified and professionally capable to act and fulfill the duties and responsibilities of both the roles. In addition, it is also a cost-effective measure that is in the better interest of the certificate holders of the Modaraba, therefore hiring a separate person for both position is not feasible.

MUNEEB AHMED DAR
Chairman

Date: September 27, 2024



FIRST ELITE CAPITAL MODARABA

PATTERN OF CERTIFICATE HOLDERS AS AT JUNE 30, 2024

NUMBER OF CERTIFICATE HOLDERS	CERTIFICATE HOLDINGS FROM	TO	TOTAL CERTIFICATE HELD
2,314	1	100	110,503
416	101	500	137,910
1,122	501	1,000	662,415
277	1,001	5,000	635,382
56	5,001	10,000	423,491
25	10,001	15,000	302,038
16	15,001	20,000	280,472
4	20,001	25,000	92,301
16	25,001	30,000	443,496
2	30,001	35,000	69,718
3	35,001	40,000	114,487
3	40,001	45,000	127,050
1	45,001	50,000	46,500
2	50,001	55,000	109,126
2	55,001	60,000	114,200
1	80,001	85,000	84,624
2	95,001	100,000	196,803
1	105,001	110,000	107,549
1	120,001	125,000	123,000
1	125,001	130,000	129,500
1	225,001	230,000	226,500
1	295,001	300,000	300,000
1	390,001	395,000	392,620
1	530,001	535,000	531,972
1	700,001	705,000	700,444
1	1,130,001	1,135,000	1,134,000
1	3,740,001	3,745,000	3,743,899
4,272			11,340,000



FIRST ELITE CAPITAL MODARABA

CATEGORIES OF CERTIFICATE HOLDING AS AT JUNE 30, 2024

CATEGORIES OF CERTIFICATE HOLDERS	NUMBERS	CERTIFICATE HELD	PERCENTAGE
ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES			
Crescent Modaraba Management Co. Ltd.	1	1,134,000	10.00
NIT			
CDC-Trustee National Investment (Unit) Trust	1	392,620	3.46
DIRECTORS, CEO AND THEIR SPOUSES AND MINOR CHILDREN			
	4	853,586	7.53
Mr. Muhammad Javed Amin		700,444	
Mrs. Shahana Javed Amin		129,500	
Mrs. Rukhsana Javed Amin		8,700	
Mr. Ghazanfar Farrokh		14,942	
EXECUTIVE			
		-	-
PUBLIC SECTOR COMPANIES AND CORPORATIONS			
State Life Insurance Corporation of Pakistan	1	531,972	4.69
BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS			
	9	84,616	0.75
JOINT STOCK COMPANIES			
	20	205,295	1.81
INDIVIDUALS			
	4,236	8,137,911	71.76
TOTAL	4,272	11,340,000	100.00

CERTIFICATES HOLDERS HOLDING FIVE PERCENTAGE OR MORE INTEREST IN THE LISTED COMPANY.

Crescent Modaraba Management Company Limited	1,134,000	10.00
Mr. Nauman Rathore	3,743,899	33.01



FIRST ELITE CAPITAL MODARABA

KEY OPERATING AND FINANCIAL DATA

YEAR	2024	2023	2022	2021	2020	2019
	Rupees in million					
Revenues	69.32	34.00	36.11	48.22	38.37	45.42
Profit/(Loss) after Management Fee & Taxation	23.64	(7.06)	(7.22)	4.26	(5.27)	(4.37)
Paid up Capital	113.40	113.40	113.40	113.40	113.40	113.40
Certificate Holder's Equity	122.03	92.54	99.28	113.39	106.90	113.25
Current Liabilities	15.42	15.74	25.86	28.06	17.45	16.44
Fixed Assets	153.81	123.96	111.98	118.52	134.71	145.61
Current Assets	47.52	38.94	55.99	67.30	46.39	36.66
Dividend (%)	-	-	-	3.00	-	-
Earning/(Loss) per Certificate	2.08	(0.62)	(0.64)	0.38	(0.46)	(0.39)
Break up Value	10.76	8.16	8.76	10.00	9.43	9.99



FIRST ELITE CAPITAL MODARABA

Independent Auditors' Review Report of First Elite Capital Modaraba Review Report on Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

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

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024. Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1.	2	At least two or one third members of the Board, whichever is higher, are not appointed as independent directors.
2.	19	The same person simultaneously holds office of chief financial officer and the company secretary.

Ilyas Saeed & Co.
Chartered Accountants

Engagement Partner: Bushra Sana

Date: September 27, 2024

Place: Lahore

UDIN: CR202410278Vhtxz2M8r



FIRST ELITE CAPITAL MODARABA

Shariah Advisor's Report

I have conducted the Shariah review of **First Elite Capital Modaraba** managed by **Crescent Modaraba Management Company Limited** for the year ended June 30, 2024 in accordance with the requirements of the **Shariah Compliance and Shariah Audit Mechanism for Modarabas**. Based on my review I report that in my opinion:

- i. The Modaraba has introduced a mechanism which has strengthened the Shariah compliance, in letter and spirit and the systems, procedures and policies adopted by the Modaraba are in line with the Shariah principles.
- ii. I confirm that the financing agreement(s) entered into by the Modaraba are Shariah compliant and the financing agreement(s) have been executed on the formats as approved by the Religious Board and all the related conditions have been met;
- iii. During the year, the Shariah Advisor has been visiting the premises regularly to provide Shariah guidance in concerned cases.
- iv. To the best of my information and according to the explanations given to me, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shariah requirements as well as the requirements of the Prospectus, Islamic Financial Accounting Standards as applicable in Pakistan and the Shariah Compliance and Shariah Audit Regulations for Modarabas.
- v. The Modaraba does not offer any deposit raising products and therefore no review has been done in respect to profit sharing ratio.
- vi. The Charity amount has been credited to charity account and has also been paid to approved charitable institution.

Recommendation(s)

- A few remaining Non Shariah Non Tradable equity instruments will be disposed off when they would be tradable equity instruments.
- Non Shariah Compliant shares of Pakistan Telecommunication Company Limited and WorldCall Telecom Limited should be disposed off at the earliest.

Conclusion

Alhamdulillah, after introduction of Shariah Compliance and Shariah Audit Mechanism for Modarabas by Securities & Exchange Commission of Pakistan (SECP), the Management of First Elite Capital Modaraba has effectively shown its sincerity to comply with Shariah Rulings. According to my best knowledge the business operations of First Elite Capital Modaraba are Shariah compliant.

May Allah bless us with the best Tawfeeq to accomplish his cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes.

Mufti Muhammad Umar
Shariah Advisor

Date: September 27, 2024



FIRST ELITE CAPITAL MODARABA

NOTICE OF ANNUAL REVIEW MEETING

Notice is hereby given that 25th Annual Review Meeting of certificate holders of First EliteCapital Modaraba will be held on Monday, October 28, 2024 at 2:30 p.m. at 50-A, Garden Block, New Garden Town, Lahore to review the performance of the Modaraba for the year ended June 30, 2024. The Certificate Holders whose names appear on the Register of Certificate Holders of the Modaraba as on October 21, 2024 will be eligible to attend the Meeting.

Muhammad Arif Hilal

Company Secretary

Crescent Modaraba Management Company Limited

Manager of First Elite Capital Modaraba

Date: October 04, 2024

Place: LAHORE

Note:

1. The Certificate Transfer Books shall remain closed from October 22, 2024 to October 28, 2024 (both days inclusive.) Transfers received in order at the office of our Registrar M/s Corptec Associates (Pvt.) Limited, 503-E, Johar Town, Lahore, before the close of business on October 21, 2024 will be treated in time for the purpose of eligibility to attend the Annual Review Meeting.
2. CDC certificate holders desiring to attend the meeting are requested to bring their original CNIC, Account and participant's ID number for identification purpose.

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FIRST ELITE CAPITAL MODARABA

Managed By
Crescent Modaraba Management Company Limited

PRINCIPAL & REGISTERED OFFICE
50-A, Garden Block,
New Garden Town, Lahore - Pakistan
Tel: 35442735-36
E-mail: info@fecm.com.pk
Web: www.fecm.com.pk