

FIRST PARAMOUNT MODARABA

(An Islamic Financial Institution)
Managed by: Paramount Investments Limited

September 30, 2024

QUARTERLY REPORT

For Long Term 'BBB', For Short Term A-3
Out Look - Stable
VIS Credit Rating Company



First Paramount Modaraba
(An Islamic Financial Institution)

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Mission & Vision

1. It is our firm commitment to operate the Modaraba activities in accordance with Islamic Sharia with Its true spirit.
2. To employ the Modaraba funds in best possible way and to promote the human talents, to maximize the profit for certificate holders.
3. It is our mission to constantly endeavour for excellence in all spheres of business activity, maintain its eminent market position, promote lasting relationship with our customers and other stakeholders, and construct a durable and vibrant Pakistan.



STATEMENT OF ETHICS AND BUSINESS PRACTICES

We believe a complete code of ethics is a prerequisite for all Directors and employees of Frist Paramount Modaraba. We endeavour to the philosophy behind the code of ethics to carry out honestly activities assigned to them. Our aim is to have highest standard of excellence for the product and the betterment for all those involved directly or indirectly with our Modaraba.

**CORPORATE INFORMATION
 FIRST PARAMOUNT MODARABA
 MANAGED BY: PARAMOUNT INVESTMENTS LIMITED**

BOARD OF DIRECTORS

Mr. Tanveer Ahmed Magoon	Chairman
Mr. Syed Wajih Hasan	Chief Executive Officer
Mr. Nadeem Iqbal	Director
Mr. Abrar Ahmed	Director
Mrs. Shahida Tanweer	Director
Mr. Humayun Mazhar Qureshi	Independent Director
Mr. Habib Ahmed Navaid	Independent Director

AUDIT COMMITTEE

Mr. Habib Ahmed Navaid	Chairman
Mr. Nadeem Iqbal	Member
Mr. Abrar Ahmed	Member

HUMAN RESOURCE COMMITTEE

Mr. Humayun Mazhar Qureshi	Chairman
Mr. Tanveer Ahmed Magoon	Member
Mr. Nadeem Iqbal	Member
Mr. Syed Wajih Hasan	Member

CHIEF FINANCIAL OFFICER / COMPANY SECRETARY

Mr. Syed Mudassir Ali

SHARIAH ADVISOR

Mufti Muhammad Farhan Farooq

SHARIAH CONSULTANT

Mufti Muhammad Najeeb Khan

CREDIT RATING

Long term **BBB** Short Term **A-3**

Outlook **Stable**

By VIS Credit Rating Company

AUDITORS OF THE MODARABA

M/s Crowe Hussain Chaudhury & Co. Chartered Accountants *

**Approval of auditors appointment is awaited from Registrar Modaraba, SECP.*

AUDITORS OF THE MODARABA MANAGEMENT COMPANY

M/s. Hafizullah & Co. Chartered Accountants

LEGAL ADVISOR

M/s Raja Qasit Nawaz, Advocates



First Paramount Modaraba
(An Islamic Financial Institution)

BANKERS

Meezan Bank Limited
Bank Islami Pakistan Limited
Al Baraka Bank (Pakistan) Limited
Habib Metropolitan Bank Limited -Islamic Banking
Habib Bank Limited
Faysal Bank Limited

REGISTERED OFFICE

Suit # 107, 108, 1st Floor, P.E.C.H.S. Community Office Complex,
Block-2 PECHS, Shahrāh-e-Quaiden, Karachi.
Phone: 34381037-38-52 & 34381101. Fax: 34534410
E-mail: info@fpm.com.pk
Web: www.fpm.com.pk

SHARE REGISTRAR

THK ASSOCIATES (PVT) LTD.
32-C, Jami Commercial Street 2,
D.H.A Phase VII, Karachi 75500
Pakistan
UAN : +92 (021) 111-000-322
Tel : +92 (021) 35310191-6
Web: www.thk.com.pk
Email: sfc@thk.com.pk

DIRECTORS' REPORT TO THE CERTIFICATE-HOLDERS OF FIRST PARAMOUNT MODARABA

The Directors of Paramount Investment Limited, Management Company of First Paramount Modaraba, are pleased to present the unaudited unconsolidated and consolidated financial statements for the three-month period ended 30th September 2024.

Despite challenging macroeconomic conditions, the Modaraba remained focused on its core objectives of financial stability, growth, and innovation, while continuing to create value for Modaraba's certificate holders in accordance with shariah principles.

During this three-month period, Modaraba has posted a pre-tax profit of Rs. 8,918,508, as compared to Rs. 14,639,794 for the same period last year (a decrease of 39%). The after-tax profit for the period stood at Rs. 6,332,141, recording a decrease of Rs. 4,062,113 from the corresponding period last year. Earnings per certificate for the period stood at Rs. 0.46 while it was Rs. 0.75 per certificate in the same period last year. Although the profits figures have decreased in comparison with the same period last year, Nevertheless, the Modaraba took significant steps to diversify its revenue streams and innovate in emerging technologies. These initiatives have set the foundation for long-term growth and seize new opportunities in the evolving business landscape.

FPM Petro Services, an in-house division of Modaraba continued to make substantial strides in realizing its targets and contributed to the overall profitability of the Modaraba. Through relentless efforts in realignment of product portfolio and continuous introduction of new products, we anticipate sustained growth for this division moving forward.

FPM AML-CHECK, another division of Modaraba is progressing well in its screening services. The Modaraba, through its subsidiary, is contemplating to launch its commercial operations in Middle East, Africa and Central Asia. Besides healthy returns on local businesses, the Modaraba is anticipating to earn healthy foreign inflows which will not only contribute to our country's foreign exchange reserves but will also significantly enhance the value of the Modaraba's investment in the subsidiary.

The Modaraba, through contractual arrangements with its Partners, has participated in the sandbox testing of "Assets Fractionalization Platform", announced by the SECP. This business initiative is expected to generate substantial profits in next few months and increase the size of the Modaraba.

As per revised Modaraba Regulations issued on 15 August 2022 by SECP, all deposit taking Modarabas were required to have a minimum equity of Rs. 500 million (FPM's is at 256 million) and a minimum credit rating of "A-" (FPM's rating is BBB) in a period of 3 years. Regulations also restricted issuance of dividend to Modaraba's certificate holders until compliance of these conditions are made. The Board of Directors and the Management of Modaraba are fully committed to comply with all the requirements of these Regulations and meeting the criteria mentioned therein.

We anticipate the economic environment to continue to remain challenging due to macroeconomic pressures and global uncertainties. However, we are confident that the steps taken by the Modaraba in business expansion and technological innovation, has positioned it to navigate through these challenges. We will continue to focus on improving Modaraba's operational efficiency, expanding its businesses, and exploring new growth avenues in untapped markets.

The Management of the Modaraba and the Board of Directors recognizes the continued patronage and cooperation of the regulators, especially of the offices of Registrar Modaraba, Securities and Exchange Commission of Pakistan. Management also appreciates hard-work and dedication of the staff members of Modaraba.

For and on behalf of the Board of Directors of
Paramount Investments Limited
Managers of First Paramount Modaraba

Mr. Syed Wajih Hassan
Chief Executive Officer

Mr. Nadeem Iqbal
Director

Karachi
Date: 23 October 2024

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2024**

	Note	Un-audited Sept 30' 2024 Rupees	Audited June 30' 2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	3	17,465,424	13,308,344
Long term investments		9,980	9,980
Murabaha financing	4	27,496,421	31,982,963
Musharaka financing		12,000,000	12,000,000
Loan to employees		337,503	385,503
Long-term deposits		264,500	264,500
		57,573,828	57,951,290
CURRENT ASSETS			
Stock in trade		25,496,520	24,102,663
Trade debtors		171,632,886	175,324,983
Advances, prepayments and other receivables		34,986,628	17,212,171
Short-term murabaha financing	5	26,354,167	-
Current portion of murabaha financing	4	35,449,725	43,479,040
Current portion of musharaka financing		13,949,054	13,949,054
Current portion of loans to employees		204,000	210,000
Short-term deposit		2,707,194	2,707,194
Accrued profit		1,520,147	1,532,576
Tax refunds due from Government		75,443,436	70,020,921
Short term investment		22,044,916	21,308,669
Cash and bank balances		5,912,998	47,115,806
		415,701,671	416,963,077
		473,275,499	474,914,367
EQUITY AND LIABILITIES			
CERTIFICATE CAPITAL AND RESERVES			
Authorised certificate capital		25,000,000	25,000,000
25,000,000 certificates of Rupees 10 each		250,000,000	250,000,000
Issued, subscribed and paid-up certificate capital		137,884,193	137,884,193
Capital reserves		96,050,328	89,718,187
Revenue reserves		22,392,468	22,392,468
		256,326,989	249,994,848
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income		7,642,658	7,962,634
Certificates of musharaka	6	123,875,000	121,150,000
		131,517,658	129,112,634
CURRENT LIABILITIES			
Creditors, accrued & other liabilities		6,503,578	16,373,672
Current portion of deferred income		7,139,248	7,139,248
Current portion of certificates of musharaka	6	47,250,000	47,250,000
COM matured parties		2,800,000	2,800,000
Accrued profit on certificates of musharaka		3,112,835	3,514,280
Unclaimed profit distributions		18,625,191	18,729,685
		85,430,852	95,806,885
Liabilities associated with assets classified as held for sale		-	-
TOTAL LIABILITIES		216,948,510	224,919,519
CONTINGENCIES AND COMMITMENTS			
		-	-
TOTAL EQUITY AND LIABILITIES		473,275,499	474,914,367

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

		Three months ended 30 September 2024 Rupees	30 September 2023 Rupees
Note		----- (Rupees) -----	-----
Operating income	7	143,289,653	159,589,015
Operating cost			
Operating expenses		(129,947,486)	(139,356,162)
(Provision)/Reversal for doubtful recoveries		360,103	-
		(129,587,383)	(139,356,162)
		13,702,270	20,232,853
Other income		2,056,899	2,049,838
Financial charges		(5,647,482)	(5,684,285)
		10,111,687	16,598,406
Modaraba Company's management fee		(1,011,169)	(1,659,841)
		9,100,518	14,938,565
Provision for Sindh Workers' Welfare Fund		(182,010)	(298,771)
Profit before taxation		8,918,508	14,639,794
Taxation		(2,586,367)	(4,245,540)
Profit after taxation		6,332,141	10,394,254
Earnings per certificate - basic and diluted		0.46	0.75

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Three months ended	
	30 September 2024	30 September 2023
	Rupees	Rupees
Profit after taxation	6,332,141	10,394,254
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account	-	-
Other comprehensive income for the Period	-	-
Total comprehensive income for the Period	6,332,141	10,394,254

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
 (Management Company)

 Chief Financial Officer

 Chief Executive Officer

 Director

 Director

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	30 September 2024	30 September 2023
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,918,508	14,639,794
Adjustments for non-cash items:		
Depreciation and amortization	747,872	544,970
Gain on disposal	(3,158)	-
Provision for Sindh workers' welfare fund	182,010	298,771
Financial charges	5,647,482	5,684,285
(Reversal of provision) / Provision for doubtful recoveries	(360,103)	-
	<u>6,214,103</u>	<u>6,528,026</u>
Operating profit before working capital changes	15,132,611	21,167,820
(Increase) / decrease in current assets		
Murabaha financing - net	(13,478,207)	10,014,669
Diminishing musharaka financing - net	-	123,556
Musharaka financing - net	-	3,000,000
Loans to employees	54,000	47,998
Stock in trade	(1,393,857)	4,717,277
Trade debtors - net	3,692,097	(88,004,388)
Advances, prepayments and other receivables	(17,774,453)	(1,512,661)
Short-term deposit	-	50,000
Short term investment	(736,247)	(934,112)
Accrued profit	12,429	933,772
(Decrease) / increase in current liabilities		
Deferred income	(319,976)	419,640
Creditors, accrued and other liabilities	(10,052,104)	51,167,147
Net cash generated from operations	<u>(24,863,707)</u>	<u>1,190,718</u>
Financial charges paid	(4,466)	(8,860)
Tax (paid) / refunded - net	(8,008,882)	(8,807,337)
Net cash generated from operating activities	<u>(32,877,055)</u>	<u>(7,625,479)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(4,906,798)	(73,000)
Sale proceed on disposals of fixed assets	5,000	-
Net cash (used in)	<u>(4,901,798)</u>	<u>(73,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Certificate of musharaka - issuance	6,875,000	5,275,000
Certificate of musharaka - redemptions	(4,150,000)	(13,750,000)
Profit paid to certificates of mushraka (COM) holder	(6,044,461)	(5,471,647)
Profit distributed to certificate holders	(104,494)	(97,382)
Net cash used in financing activities	<u>(3,423,955)</u>	<u>(14,044,029)</u>
Net increase in cash and cash equivalents	<u>(41,202,808)</u>	<u>(21,742,508)</u>
Cash and cash equivalents at beginning of the year	47,115,806	46,413,056
Cash and cash equivalents at end of the Period	<u>5,912,998</u>	<u>24,670,548</u>

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Reserves				Total	Rupees
	Capital		Revenue			
	Merger reserve	Statutory reserve	Total	Unappropriated profit		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 01 July 2023	137,884,193	1,935,160	59,240,549	61,175,709	22,392,468	221,452,370
Total comprehensive income:						
Profit after taxation	-	-	-	-	10,394,254	10,394,254
Other comprehensive income	-	-	-	-	10,394,254	10,394,254
Transferred to statutory reserve @ 100%	-	-	10,394,254	10,394,254	(10,394,254)	-
Balance as at 30 September 2023	137,884,193	1,935,160	69,634,803	71,569,963	22,392,468	231,846,624

Balance as at 01 July 2024	137,884,193	1,935,160	87,783,027	89,718,187	22,392,468	249,994,848
Total comprehensive income:						
Profit after taxation	-	-	-	-	6,332,141	6,332,141
Other comprehensive income	-	-	-	-	6,332,141	6,332,141
Transferred to statutory reserve @ 100%	-	-	6,332,141	6,332,141	(6,332,141)	-
Balance as at 30 September 2024	137,884,193	1,935,160	94,115,168	96,050,328	22,392,468	256,326,989

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

FIRST PARAMOUNT MODARABA
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1. LEGAL STATUS AND OPERATIONS

First Paramount Modaraba (the Modaraba) is a multi purpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) on June 26, 1994.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at Suite #107-109, 1st Floor, P.E.C.H.S. Community Office Complex, Block-2. P.E.C.H.S. Shahrah-e-Quaideen, Karachi.

Modaraba's principal activities include deployment of funds on murabaha, modaraba and musharaka arrangements and its in-house ventures are (a) Electrical maintenance and troubleshooting services' under the name of "FPM Solutions" (b) Chemical business under the name of "FPM Petro Services" (c) Anti-money laundering screening services under the name FPM AML - CHECK

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements of the Modaraba for the three months period ended 30 Sep 2024 are unaudited and being submitted to the certificate holders as required under Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting", Companies Act 2017, Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas (hereinafter referred to as the relevant laws).

The unconsolidated condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Modaraba as at and for the year ended June 30, 2024.

2.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Modaraba's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, except otherwise stated.

2.3 Significant accounting policies, estimates and judgments

The accounting policies and methods of computation followed for the preparation of these unconsolidated condensed interim financial statements are same as those applied in preparing the financial statements for the year ended June 30, 2024.

The preparation of unconsolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2024.

3. FIXED ASSETS

	Sep 30, 2024	June 30, 2024
	----- (Rupees) -----	
Tangible	17,274,562	13,102,420
Intangible	190,862	205,924
	<u>17,465,424</u>	<u>13,308,344</u>

3.1 ADDITIONS & DISPOSALS MADE DURING THE PERIOD

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Additions during the period		
Computers	406,798	738,730
Office and other equipments	-	437,053
Furnitures and fixtures	-	130,000
Vehicles	4,500,000	2,328,644
	<u>4,906,798</u>	<u>3,634,427</u>

4. MURABAHA FINANCING - secured

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Considered good	62,946,146	75,462,003
Considered doubtful	1,755,465	2,115,568
	<u>64,701,611</u>	<u>77,577,571</u>
Provision for doubtful recoveries	(1,755,465)	(2,115,568)
	<u>62,946,146</u>	<u>75,462,003</u>
Current portion of long-term murabaha financing	(35,449,725)	(43,479,040)
	<u>27,496,421</u>	<u>31,982,963</u>

5. SHORT-TERM MURABAHA RECEIVABLES - secured

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Considered good	26,354,167	
Considered doubtful	-	
	<u>26,354,167</u>	-
Provision for doubtful recoveries	-	-
	<u>26,354,167</u>	<u>-</u>

6. CERTIFICATES OF MUSHARAKA

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Opening balance	168,400,000	167,500,000
Issuance	6,875,000	26,375,000
Redemptions	(4,150,000)	(25,475,000)
	<u>171,125,000</u>	<u>168,400,000</u>
Less: Current portion certificates of musharaka	(47,250,000)	(47,250,000)
	<u>123,875,000</u>	<u>121,150,000</u>

	(Un-audited) 30 SEPT 2024	(Un-audited) 30 SEPT 2023
	----- (Rupees) -----	
7. OPERATING INCOME		
Profit on murabaha receivables	4,069,976	3,422,756
Profit on diminishing musharaka	-	36,450
Profit on musharaka projects	450,000	600,000
Income from FPM Solutions	-	2,620,714
Income from FPM Petro Income	7.1 138,769,677	152,909,095
	<u>143,289,653</u>	<u>159,589,015</u>

7.1 This represents income generated from chemical business of FPM Petro Services. The Modaraba's share of income is 55%.

7.2 Trade receivables under FPM Petro Services as at the period end is Rupees 170.65 million (2023: 177.49)

8. CONTINGENCIES

The current status of contingencies is same as disclosed in the annual audited financial statements for the Year ended June 30, 2024

9. GENERAL

Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current period. However, there are no material reclassification / re-arrangement to report.

Figures have been rounded off to the nearest rupee.

10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 23 October 2024

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2024**

		Un-audited Sept 30' 2024 Rupees	Audited June 30' 2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	3	17,465,424	13,308,344
Murabaha financing	4	27,496,421	31,982,963
Musharaka financing		12,000,000	12,000,000
Loan to employees		337,503	385,503
Long-term deposits		264,500	264,500
		<u>57,563,848</u>	<u>57,941,310</u>
CURRENT ASSETS			
Stock in trade		25,496,520	24,102,663
Trade debtors		171,632,886	175,324,983
Advances, prepayments and other receivables		34,906,745	17,212,171
Short-term murabaha financing	5	26,354,167	-
Current portion of murabaha financing	4	35,449,725	43,479,040
Current portion of musharaka financing		13,949,054	13,949,054
Current portion of loans to employees		204,000	210,000
Short-term deposit		2,707,194	2,707,194
Accrued profit		1,520,147	1,532,576
Tax refunds due from Government		75,443,486	70,020,921
Short term investment		22,044,916	21,308,669
Cash and bank balances		5,920,909	47,123,633
		<u>415,629,749</u>	<u>416,970,904</u>
		<u>473,193,597</u>	<u>474,912,214</u>
EQUITY AND LIABILITIES			
CERTIFICATE CAPITAL AND RESERVES			
Authorised certificate capital		250,000,000	250,000,000
25,000,000 certificates of Rupees 10 each		<u>137,884,193</u>	<u>137,884,193</u>
Issued, subscribed and paid-up certificate capital		95,882,760	89,550,505
Capital reserves		22,392,468	22,392,468
Revenue reserves		256,159,421	249,827,166
Equity attributable to certificate holders of the holding company		(316)	(316)
Non-controlling interest		<u>256,159,105</u>	<u>249,826,850</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income		7,642,658	7,962,634
Certificates of musharaka	6	123,875,000	121,150,000
		<u>131,517,658</u>	<u>129,112,634</u>
CURRENT LIABILITIES			
Creditors, accrued & other liabilities		6,589,560	16,539,517
Current portion of deferred income		7,139,248	7,139,248
Current portion of certificates of musharaka	6	47,250,000	47,250,000
COM matured parties		2,800,000	2,800,000
Accrued profit on certificates of musharaka		3,112,835	3,514,280
Unclaimed profit distributions		18,625,191	18,729,685
		<u>85,516,834</u>	<u>95,972,730</u>
Liabilities associated with assets classified as held for sale		-	-
TOTAL LIABILITIES		<u>217,034,492</u>	<u>225,085,364</u>
CONTINGENCIES AND COMMITMENTS		-	-
TOTAL EQUITY AND LIABILITIES		<u>473,193,597</u>	<u>474,912,214</u>

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Note	Three months ended	
		30 September 2024 Rupees	30 September 2023 Rupees
----- (Rupees) -----			
Operating income	7	143,289,653	159,589,015
Operating cost			
Operating expenses		(129,947,486)	(139,360,047)
(Provision)/Reversal for doubtful recoveries		360,103	-
		(129,587,383)	(139,360,047)
		13,702,270	20,228,968
Other income		2,057,099	2,049,838
Financial charges		(5,647,568)	(5,684,285)
		10,111,801	16,594,521
Modaraba Company's management fee		(1,011,169)	(1,659,452)
		9,100,632	14,935,069
Provision for Sindh Workers' Welfare Fund		(182,010)	(298,701)
Profit before taxation		8,918,622	14,636,368
Taxation		(2,586,367)	(4,244,547)
Profit after taxation		6,332,255	10,391,821
Earnings per certificate - basic and diluted		0.46	0.75

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
 CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Three months ended	
	30 September 2024	30 September 2023
	Rupees	Rupees
Profit after taxation	6,332,255	10,391,821
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit and loss account	-	-
Items that may be reclassified subsequently to profit and loss account	-	-
Other comprehensive income for the Period	-	-
Total comprehensive income for the Period	6,332,255	10,391,821

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
 (Management Company)

 Chief Financial Officer

 Chief Executive Officer

 Director

 Director

**FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	30 September 2024	30 September 2023
	Note Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,918,622	14,636,368
Adjustments for non-cash items:		
Depreciation and amortization	747,872	544,970
Gain on disposal	(3,158)	-
Provision for Sindh workers' welfare fund	182,010	298,701
Financial charges	5,647,568	5,684,285
(Reversal of provision) / Provision for doubtful recoveries	(360,103)	-
	<u>6,214,189</u>	<u>6,527,956</u>
Operating profit before working capital changes	15,132,811	21,164,324
(Increase) / decrease in current assets		
Murabaha financing - net	(13,478,207)	10,014,669
Diminishing musharaka financing - net	-	123,556
Musharaka financing - net	-	3,000,000
Loans to employees	54,000	47,998
Stock in trade	(1,393,857)	4,717,277
Trade debtors - net	3,692,097	(88,004,388)
Advances, prepayments and other receivables	(17,694,570)	(1,509,215)
Short-term deposit	-	50,000
Short term investment	(736,247)	(934,112)
Accrued profit	12,429	933,772
(Decrease) / increase in current liabilities		
Deferred income	(319,976)	419,640
Creditors, accrued and other liabilities	(10,131,967)	51,167,144
Net cash generated from operations	<u>(24,863,487)</u>	<u>1,190,665</u>
Financial charges paid	(4,552)	(8,860)
Tax (paid) / refunded - net	(8,008,932)	(8,807,284)
Net cash generated from operating activities	<u>(32,876,971)</u>	<u>(7,625,479)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(4,906,798)	(73,000)
Sale proceed on disposals of fixed assets	5,000	-
Net cash (used in)	<u>(4,901,798)</u>	<u>(73,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Certificate of musharaka - issuance	6,875,000	5,275,000
Certificate of musharaka - redemptions	(4,150,000)	(13,750,000)
Profit paid to certificates of mushraka (COM) holder	(6,044,461)	(5,471,647)
Profit distributed to certificate holders	(104,494)	(97,382)
Net cash used in financing activities	<u>(3,423,955)</u>	<u>(14,044,029)</u>
Net increase in cash and cash equivalents	<u>(41,202,724)</u>	<u>(21,742,508)</u>
Cash and cash equivalents at beginning of the year	47,123,633	46,413,056
Cash and cash equivalents at end of the Period	<u>5,920,909</u>	<u>24,670,548</u>

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

FIRST PARAMOUNT MODARABA
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Reserves				Total	Rupees	
	Issued, subscribed and paid up certificate capital	Capital		Revenue			Non-controlling interest
		Merger reserve	Statutory reserve				
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 01 July 2023	137,884,193	1,935,160	59,240,549	61,175,709	22,392,468	221,452,370	
Total comprehensive income:							
Profit after taxation	-	-	-	-	10,391,821	10,391,821	
Other comprehensive income	-	-	-	-	-	-	
Transferred to statutory reserve @ 100%	-	-	10,391,821	10,391,821	(10,391,821)	-	
Balance as at 30 September 2023	137,884,193	1,935,160	69,632,370	71,567,530	22,392,468	231,844,191	

Balance as at 01 July 2024	137,884,193	1,935,160	87,615,345	89,550,505	22,392,468	(316)	249,826,850
Total comprehensive income:							
Profit after taxation	-	-	-	-	6,332,255	-	6,332,255
Other comprehensive income	-	-	-	-	6,332,255	-	6,332,255
Transferred to statutory reserve @ 100%	-	-	6,332,255	6,332,255	(6,332,255)	-	-
Balance as at 30 September 2024	137,884,193	1,935,160	93,947,600	95,882,760	22,392,468	(316)	256,159,105

The annexed notes from 01 to 10 form an integral part of these financial statements.

For Paramount Investments Limited
 (Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

**FIRST PARAMOUNT MODARABA
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

1. LEGAL STATUS AND OPERATIONS

First Paramount Modaraba (the Modaraba) is a multi purpose, perpetual and multidimensional Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by Paramount Investments Limited (the Management Company), a company incorporated in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) on June 26, 1994.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at Suite #107-109, 1st Floor, P.E.C.H.S. Community Office Complex, Block-2. P.E.C.H.S. Shahrah-e-Quaideen, Karachi.

Modaraba's principal activities include deployment of funds on murabaha, modaraba and musharaka arrangements and its in-house ventures are (a) Electrical maintenance and troubleshooting services' under the name of "FPM Solutions" (b) Chemical business under the name of "FPM Petro Services" (c) Anti-money laundering screening services under the name of FPM AML - CHECK

Paramount Compliance Private Limited

The Paramount Compliance Private Limited (PCPL) was incorporated in Pakistan on August 24, 2023 as a private limited company under the Companies Act, 2017. The registered office is situated at Suit No. 107- 108, First Floor, P.E.C.H.S. Community Office Complex, Block 2, Shahrah-e-Quaideen, Karachi, in the province of Sindh. The principal activity of the Paramount Compliance Private Limited is provision of Anti Money Laundering screening services and solutions. Paramount Compliance Private Limited is yet to commence commercial operations. Non-controlling interest in the Paramount Compliance Private Limited – subsidiary company is 0.02% (2023: Nil).

Complytech Global Limited

The Complytech Global Limited is wholly owned subsidiary of Paramount Compliance Private Limited and was incorporated in United Kingdom on January 15, 2024 as a private limited company under the UK Companies Act, 2006. The registered office is situated at Unit 19 1-13 Adler Street, London, England, E1 1EG. Non-controlling interest in the Complytech Global Limited – subsidiary company is 0.02% (2023: Nil).

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated condensed interim financial statements of the Modaraba for the three months period ended 30 Sep 2024 are unaudited and being submitted to the certificate holders as required under Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting", Companies Act 2017, Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas (hereinafter referred to as the relevant laws).

The consolidated condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Modaraba as at and for the year ended June 30, 2024.

2.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Modaraba's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, except otherwise stated.

2.3 Significant accounting policies, estimates and judgments

The accounting policies and methods of computation followed for the preparation of these consolidated condensed interim financial statements are same as those applied in preparing the financial statements for the year ended June 30, 2024.

The preparation of consolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Modaraba's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2024.

3. FIXED ASSETS

	Sep 30, 2024	June 30, 2024
	----- (Rupees) -----	
Tangible	17,274,562	13,102,420
Intangible	190,862	205,924
	<u>17,465,424</u>	<u>13,308,344</u>

3.1 ADDITIONS & DISPOSALS MADE DURING THE PERIOD

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Additions during the period		
Computers	406,798	738,730
Office and other equipments	-	437,053
Furnitures and fixtures	-	130,000
Vehicles	4,500,000	2,328,644
	<u>4,906,798</u>	<u>3,634,427</u>

4. MURABAHA FINANCING - secured

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Considered good	62,946,146	75,462,003
Considered doubtful	1,755,465	2,115,568
	<u>64,701,611</u>	<u>77,577,571</u>
Provision for doubtful recoveries	(1,755,465)	(2,115,568)
	<u>62,946,146</u>	<u>75,462,003</u>
Current portion of long-term murabaha financing	(35,449,725)	(43,479,040)
	<u>27,496,421</u>	<u>31,982,963</u>

5. SHORT-TERM MURABAHA RECEIVABLES - secured

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Considered good	26,354,167	-
Considered doubtful	-	-
	<u>26,354,167</u>	<u>-</u>
Provision for doubtful recoveries	-	-
	<u>26,354,167</u>	<u>-</u>

6. CERTIFICATES OF MUSHARAKA

	(Un-audited) 30 SEPT 2024	(Audited) 30 JUNE 2024
	----- (Rupees) -----	
Opening balance	168,400,000	167,500,000
Issuance	6,875,000	26,375,000
Redemptions	(4,150,000)	(25,475,000)
	<u>171,125,000</u>	<u>168,400,000</u>
Less: Current portion certificates of musharaka	(47,250,000)	(47,250,000)
	<u>123,875,000</u>	<u>121,150,000</u>

	(Un-audited) 30 SEPT 2024	(Un-audited) 30 SEPT 2023
	----- (Rupees) -----	
7. OPERATING INCOME		
Profit on murabaha receivables	4,069,976	3,422,756
Profit on diminishing musharaka	-	36,450
Profit on musharaka projects	450,000	600,000
Income from FPM Solutions	-	2,620,714
Income from FPM Petro Income	7.1 <u>138,769,677</u>	<u>152,909,095</u>
	<u>143,289,653</u>	<u>159,589,015</u>

7.1 This represents income generated from chemical business of FPM Petro Services. The Modaraba's share of income is 55%.

7.2 Trade receivables under FPM Petro Services as at the period end is Rupees 170.65 million (2023: 177.49)

8. CONTINGENCIES

The current status of contingencies is same as disclosed in the annual audited financial statements for the Year ended June 30, 2024

9. GENERAL

Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current period. However, there are no material reclassification / re-arrangement to report.

Figures have been rounded off to the nearest rupee.

10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 23 October 2024

Chief Financial Officer

Chief Executive Officer

Director








Director










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(An Islamic Financial Institution)

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