3RD QUARTERLY REPORT
March 31, 2013
(Un-audited)

FIRST AL-NOOR MODARABA

(An Islamic Financial Institution)

Contents

Corporate Information

Board of Directors

Mr. Ismail H. Zakaria	Chairman
Mr. Jalaluddin Ahmed	Chief Executive
Mr. Yusuf Ayoob	
Mr. Suleman Ayoob	
Mr. Aziz Ayoob	
Mr. Zohair Zakaria	
Mr. Zain Ayoob	

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Bankers

Al-Baraka Bank (Pakistan) Limited
Meezan Bank Limited
National Bank of Pakistan

Shariah Advisor

Mufti Muhammad Ibrahim Essa

Registrar

M/s Technology Trade (Private) Ltd.
Dagia House, 241-C, Block 2, P.E.C.H
Society Off. Shahrah-e-Faisal, Karachi
Tel: 34391316-7 & 19   Fax: 34391318

Legal Advisor

Muhammad Jamshed Malik
Barrister-at-Law

Registered Office

3rd Floor, 96-A, Sindhi Muslim
Cooperative Housing Society, Karachi

Audit Committee

Mr. Suleman Ayoob, Chairman
Mr. Zohair Zakaria, Member
Mr. Zain Ayoob, Member

Contact Details

Telephone 34558268 ; 34552943
34553067
Fax: 34553137
Webpage: www.fanm.co
Email: info@fanm.co

Company Secretary

Mr. Roofi Abdul Razzak

Report Of The Directors Of Modaraba Company

FOR THE NINE MONTHS ENDED MARCH 31, 2013

I, on behalf of Board of Directors of Al-Noor Modaraba Management (Private) Limited, the "mudarib/management company" of First Al-Noor Modaraba (FAM), pleased to present the report together with un-audited accounts for the nine months ended March 31, 2013.

Financial Results

Financial results are summarized as under :

	Quarter ended March 31, 2013	Quarter ended March 31, 2012
	Rupees	
Profit after taxation	7,134,008	11,276,100
Un-appropriated profit brought forward	2,208,020	4,079,218
	9,342,028	15,355,318
Less: appropriations		
Add: Share of associate's incremental depreciation	163,160	262,606
Un-appropriated profit carried forward	9,505,188	15,613,849
Earning per certificate- basic and diluted	0.34	0.54

The profit upto the quarter ending March 31, 2013, could not compare favorably with the quarter ending in the previous year. The rationale, being that the Modaraba was constraint to dispose of non-shariah shares as per directives of the Securities & Exchange Commission of Pakistan. Moreover, the Modaraba disposed of its properties which were inherited from a delinquent customer.

It is still commendable that the Modaraba managed to reflect the aforementioned result, despite the above inhibiting factors. It is however, hoped that the result will further improve by the financial year ending June 30, 2013.

On behalf of the Board

Jalaluddin Ahmed
Chief Executive

Place: Karachi
Date: April 22, 2013

Condensed Interim Balance Sheet

As at March 31, 2013 (Unaudited)

	Note	(Unaudited) March 31,2013	(Audited) June 30, 2012
		Rupees	
ASSETS			
Current assets			
Cash and bank balances	4	26,754,686	15,728,215
Investments	5	86,532,477	154,939,036
Musawamah receivables - secured	6	58,200,000	61,321,478
Modaraba receivables - secured		-	15,000,000
Profit receivable		3,854,871	4,139,915
Trade Debtors		10,922,027	171,500
Stock In Trade	7	67,387,207	3,882,892
Ijarah rental receivables		196,550	
Advances, deposits, prepayments and other receivables		6,700,709	7,512,796
Income tax refundable / paid in advance		2,005,633	1,917,239
Total current assets		262,554,160	264,613,071
Non-current assets			
Long term deposits		3,839,989	3,853,589
Long term investments	8	12,964,014	20,021,159
Ijarah Assets	9	70,575,102	32,911,971
Fixed Assets in Use	10	6,686,671	32,897,369
Total non-current assets		94,065,776	89,684,088
Total Assets		356,619,936	354,297,159
LIABILITIES			
Current liabilities			
Current maturity of security deposits		1,745,350	954,850
Creditors, accrued and other liabilities		14,918,316	10,588,993
Provision for custom duty surcharge		4,398,842	4,398,842
Profit payable		1,156,200	1,787,738
Total current liabilities		22,218,708	17,730,423
Non-current liabilities			
Security deposits		11,568,467	5,732,842
Deferred liability - staff gratuity		2,989,942	2,174,651
Total non-current liabilities		14,558,409	7,907,493
Total liabilities		36,777,117	25,637,916
NET ASSETS		319,842,820	328,659,243
REPRESENTED BY:			
CAPITAL AND RESERVES			
Certificate Capital			
Authorised Certificate Capital			
40,000,000 (2011: 40,000,000) certificates of Rs 10/- each		400,000,000	400,000,000
Issued, subscribed and paidup capital		210,000,000	210,000,000
Reserves		100,977,411	100,977,411
Unappropriated profit		9,505,188	19,008,020
Unrealised diminution on remeasurement of investment classified as available for sale'- net		(639,779)	(1,326,188)
Total capital and reserves		319,842,820	328,659,243
CONTINGENCIES AND COMMITMENTS	11	-	-

The annexed notes 1 to 18 form an integral part of these financial statements.

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

Place : Karachi
Date : April 22, 2013

Chief Executive — Director — Director

Condensed Interim Profit and Loss Account

For the Nine months and 3rd Quarter Ended March 31, 2012 (Un-audited)

	Note	Nine Months Ended Mar 31, 2013	Nine Months Ended Mar 31, 2012	Quarter Ended Mar 31, 2013	Quarter Ended Mar 31, 2012
		Rupees		Rupees	
Profit from trading operations	12	4,200,967	6,012,591	2,578,259	1,047,184
Income on musawamah receivables		5,902,815	5,145,326	1,760,720	1,005,001
Income on modaraba receivables		877,054	1,210,017	-	717,757
Income from Ijarah		5,506,272	2,738,769	2,064,436	1,083,171
Income from investments		9,584,090	11,448,175	3,273,543	3,360,316
		26,071,198	26,554,877	9,676,958	7,213,429
Administrative and operating expenses		23,052,090	12,564,907	11,203,081	4,005,340
Financial and other charges		65,842	173,356	22,045	74,185
		23,117,932	12,738,263	11,225,126	4,079,525
Operating profit		2,953,266	13,816,614	(1,548,168)	3,133,903
Other income		2,863,024	1,295,205	980,738	290,741
		5,816,290	15,111,819	(567,430)	3,424,644
Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss		3,020,573	252,580	282,702	7,109,123
Share of (loss)/profit from associates		(563,621)	(1,593,672)	(374,008)	(2,456,642)
		8,273,242	13,770,727	(658,736)	8,077,125
Modaraba management fee		(827,324)	(1,377,073)	65,874	(807,713)
		7,445,918	12,393,654	(592,862)	7,269,412
Workers welfare fund		(145,998)	(243,013)	11,625	(142,537)
Profit before taxation		7,299,920	12,150,641	(581,237)	7,126,874
Income tax expense		(165,912)	(874,541)	-	(28,453)
Profit for the period		7,134,008	11,276,100	(581,237)	7,098,422
Earnings per certificate - Basic and Diluted		0.34	0.54	(0.03)	0.34

The annexed notes 1 to 18 form an integral part of these financial statements.

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

Place : Karachi
Date : April 22, 2013

Chief Executive — Director — Director

Condensed Interim Statement of Other Comprehensive Income

For the Nine Months and 3rd Quarter Ended March 31, 2013 (Un-audited)

	Nine Months Ended		Quarter Ended	
	Mar 31, 2013	Mar 31, 2012	Mar 31, 2013	Mar 31, 2012
	Rupees		Rupees	
Profit for the year	**7,134,008**	11,276,100	**(581,237)**	7,098,422
Others comprehensive income				
Unrealized gain/ (loss) on re-measurement of available for sale investment	**663,078**	887,704	**270,991**	1,770,780
Shares of others comprehensive income of associate	**23,331**	(4,075)	**23,331**	8,839
Others comprehensive income	**686,409**	883,629	**294,322**	1,779,619
Total comprehensive income	**7,820,417**	12,159,729	**(286,915)**	8,878,041

The annexed notes 1 to 18 form an integral part of these financial statements.

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

Chief Executive　　Director　　Director

Place : Karachi
Date : April 22, 2013

Condensed Interim Cash Flow Statement

For the Nine Months and 3rd Quarter Ended March 31, 2013 (Un-audited)

	Note	March 31, 2013	March 31, 2012
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash from operations after working capital changes	15	**(45,201,529)**	69,726,382
Increase/(Decrease) in long term security deposits		**6,626,125**	154,925
Income on musawamah receivables		**6,298,347**	9,804,656
Income on modaraba receivables		**979,451**	400,685
Income tax paid		**(165,912)**	(422,017)
Gratuity paid		**-**	(1,240,000)
Net cash from operating activities		**(31,463,518)**	78,424,631
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to fixed assets			
- Own		**(6,039,866)**	(236,618)
- Ijarah		**(54,042,000)**	(14,850,036)
Sale proceeds on disposal of fixed assets			
- Own		**26,287,000**	1,250,000
- Ijarah		**1,287,647**	234,557
Dividend received		**1,455,878**	2,183,666
Profit on term Deposit Modaraba		**1,544,827**	5,332,301
Profit on certificates of Islamic investment		**612,238**	-
Profit on Al-Samarat		**2,333,150**	-
ProfitonBarkatIslamic certificates		**370,233**	-
Profit on bank deposit		**1,715,825**	1,284,820
Sale/(Purchase) of investments in mutual funds		**(5,000,000)**	(7,000,000)
Purchase of investments in listed securities		**(5,423,775)**	(34,256,051)
Proceeds from sale of investments in listed securities		**29,050,704**	33,660,243
Net cash (used in) investing activities		**(5,848,139)**	(12,397,118)
CASH FLOWS FROM FINANCING ACTIVITIES			
Profit paid to the certificate holders		**(16,596,030)**	(17,697,255)
Financial charges paid		**(65,842)**	(173,356)
Net cash (used in) financing activities		**(16,661,872)**	(17,870,611)
Net increase/(decrease) in cash and cash equivalents		**(53,973,529)**	48,156,902
Cash and cash equivalents at beginning of the year		**120,728,215**	50,284,031
Cash and cash equivalents at end of the period		**66,754,686**	98,440,933

The annexed notes 1 to 18 form an integral part of these financial statements.

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

Chief Executive　　Director　　Director

Place : Karachi
Date : April 22, 2013

Condensed Interim Statement of Changes in Equity
For the Nine Months and 3rd Quarter Ended March 31, 2013 (Un-audited)

	Certificate Capital	*Statutory Reserve	Reserve: General reserve	Reserve: Unappropriated profit	Unrealized (loss)/Gain on remeasurement of available for sale investment	Total
	Rupees					
Balance as at June 30, 2011	210,000,000	86,833,651	9,500,000	21,879,218	(2,073,125)	326,139,744
Share of associate's incremental depreciation on account of revaluation of fixed assets	-	-	-	353,764	-	354,764
Total Comprehensive income for theperiod	-	-	-	18,218,798	746,937	18,965,735
Profit distribution in cash	-	-	-	(16,800,000)	-	(16,800,000)
Transfer to general reserve	-	-	1,000,000	(1,000,000)	-	-
Transfer to statutory reserve	-	3,643,760	-	(3,643,760)	-	-
Balance as at June 30, 2012	**210,000,000**	**90,477,411**	**10,500,000**	**19,008,020**	**(1,326,188)**	**328,659,243**
Share of associate's incremental depreciation on account of revaluation of fixed assets	-	-	-	163,160	-	163,160
Total Comprehensive income for the period	-	-	-	7,134,008	686,409	7,820,417
Profit distribution in cash	-	-	-	(16,800,000)	-	(16,800,000)
Transfer to general reserve	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Balance as at March 31, 2013	**210,000,000**	**90,477,411**	**10,500,000**	**9,505,188**	**(639,779)**	**319,842,820**

The annexed notes 1 to 18 form an integral part of these financial statements.

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

Place : Karachi
Date : April 22, 2013

Chief Executive | Director | Director

Notes to the Condensed Interim Financial Statements
For the Nine Months and 3rd Quarter Ended March 31, 2013 (Un-audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

The First Al Noor Modaraba was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is managed by Al Noor Modaraba Management (Private) Limited, a company incorporated in Pakistan. The address of its registered office is 96-A, Sindhi Muslim Housing Society. The Modaraba was floated on October 19, 1992 and commenced its business on November 02, 1992.

The Modaraba is a multipurpose perpetual modaraba and is primarily engaged in ijarah financing, musharikah, murabaha, musawamah, modaraba, equity investment, Ijarah and trading activities. The Modaraba is listed on the Karachi and Lahore Stock Exchanges.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by SECP differ with the requirements of IFRS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 or the directives issued by SECP prevail.

The figures of the condensed interim profit and loss of account for the quarter ended March 31, 2012 and 2013 are unaudited and the information do not include all the information and disclosures required in the annual financial information, and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2012.

2.1 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial information are consistent with those followed in the preparation of the Modaraba's annual financial statement for the year ended 30 June 2012.

a) Standards, amendments or interpretation which become effective during the period
The Modraba has adopted the following amended IFRS and IFRIC interpretations which became effective during the period

- IAS 24 (revised), 'Related Party Disclosures', effective from January 1, 2011.
- Amendments to "IFRS 7 Financial Instruments", Applies to annual periods beginning on or after 1 July 2011
- Deferred Tax: Recovery of Underlying Assets (Amendments to IAS 12), Applicable to annual periods beginning on or after 1 January 2012

3. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the interim financial information conformity with approved accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires management to exercise judgment in application of the Modaraba's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods.

The preparing the interim financial information, the significant judgments made by management in the applying the company's accounting policies and the key sources of estimation uncertainty ware the same as those that applied to the preceding published annual financial statements of the Modaraba as at and for the year ended June 2012.

		March 31, 2013	June 30, 2012
		Rupees	
4. CASH AND BANK BALANCES			
With cash in hand		34,615	-
With Banks			
with banks in current accounts		403,693	757,572
with banks in PLS account		26,316,378	14,970,643
		26,745,686	15,728,215

5. INVESTMENTS

5.1 Short term Investments

At fair value through profit and loss			
- Equity Secured Listed	5.1.1	46,532,477	49,939,036
Loans and Receivables			
(investment in Islamic Finance Certificates)	5.2	40,000,000	105,000,000
		86,532,477	154,939,036

5.1.1 At fair value through profit and loss Equities securities listed

Name of investee company	Number of Shares / Units: As at July 1, 2012	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2013	Balance as at March 31, 2013: Carrying cost	Market value	Appreciation / (diminution)
Banking Sector								
Bank Islami Pakistan Limited.	-	35,000	-	-	35,000	305,446	221,200	(84,246)
The Bank of Punjab	101,000	-	-	101,000	-	-	-	-
Summit Bank Limited	65,500	-	-	65,500	-	-	-	-
N.I.B. Bank Limited	111,200	-	-	111,200	-	-	-	-
Allied Bank Limited	18,174	-	-	18,174	-	-	-	-
Askari Bank Limited	63,090	-	-	63,090	-	-	-	-
MCB Bank Limited	5,856	-	-	5,856	-	-	-	-
Soneri Bank Limited	12,825	-	-	12,825	-	-	-	-
National Bank of Pakistan	28,530	-	-	28,530	-	-	-	-
Sub total	406,175	35,000	-	406,175	35,000	305,446	221,200	(84,246)
Construction & Materials								
Lafarge Pakistan Cement Compny Limited	85,000	-	-	65,000	20,000	104,124	128,600	24,476
Maple Leaf Cement Factory Limited	38,795	-	-	38,795	-	-	-	-
Fauji Cement Company Limited	20,000	-	-	20,000	-	-	-	-
Dewan Cement Company Limited	10,000	-	-	10,000	-	-	-	-
D.G. Khan Cement Limited	-	2,500	-	2,500	-	-	-	-
Cherat Cement Company Limited	-	2,500	-	2,500	-	-	-	-
Akzo Nobel Pakistan Limited	-	3,680	-	-	3,680	579,237	428,352	(150,885)
Kohat Cement Company Limited	-	1,500	-	1,500	-	-	-	-
Lucky Cement Limited	-	2,500	-	2,500	-	-	-	-
Sub total	153,795	12,680	-	142,795	23,680	683,361	556,952	(126,409)
Oil & Gas Producers								
BYCO Petroleum Limited	80,000	-	-	80,000	-	-	-	-
Shell Pakistan Limited	3,750	-	-	-	3,750	858,635	540,338	(318,298)
Pakistan State Oil Limited	10,000	4,000	5,000	1,500	17,500	3,407,759	3,554,775	147,016
Pakistan Oilfield Limited	10,000	2,500	-	12,500	-	-	-	-
Pakistan Refinery Limited	5,000	-	-	1,000	4,000	352,787	387,160	34,373
National Refinery Limited	5,000	200	-	-	5,200	1,701,773	1,183,780	(517,993)
Pakistan Petroleum Limited	29,000	6,000	5,250	13,000	27,250	4,319,067	4,774,473	455,405
Oil & Gas Development Co. Limited.	2,500	-	-	2,500	-	-	-	-
Sub total	145,250	12,700	10,250	110,500	57,700	10,640,021	10,440,525	(199,496)

Name of investee company	Number of Shares / Units: As at July 1, 2012	Purchases during the period	Bonus / right issue	Sales / write-offs during the period	As at March 31, 2013	Balance as at March 31, 2013: Carrying cost	Market value	Appreciation / (diminution)
Gas Water & Multiutilities								
Sui Northern Gas Pipelines Limited	46,305	-	4,630	-	50,935	1,444,496	889,325	(555,171)
Sub total	46,305	-	4,630	-	50,935	1,444,496	889,325	(555,171)
Electricity								
Southern Electric Power Comp. Limited	64,866	-	-	64,866	-	-	-	-
Japan Power Generation Comp. Limited	57,999	-	-	57,999	-	-	-	-
Nishat Chunian Power Limited	25,000	-	-	25,000	-	-	-	-
Nishat Power Limited	10,000	-	-	10,000	-	-	-	-
Hub Power Company Limited	-	1,000	-	1,000	-	-	-	-
Sub total	157,865	1,000	-	158,865	-	-	-	-
Automobile and Parts								
Agriauto Industries Limited	6,000	-	-	-	6,000	654,736	456,000	(198,736)
Sub total	6,000	-	-	-	6,000	654,736	456,000	(198,736)
Fixed Line Telecommunication								
Pakistan Tele Communication Limited	50,000	10,000	-	35,000	25,000	525,343	507,500	(17,843)
Sub total	50,000	10,000	-	35,000	25,000	525,343	507,500	(17,843)
Support Services								
TRG Pakistan Limited	25,000	-	-	25,000	-	-	-	-
Sub total	25,000	-	-	25,000	-	-	-	-
Chemicals								
Fauji Fertilizer Bin Qasim Limited	140,000	-	-	-	140,000	7,207,066	5,265,400	(1,941,666)
Engro Corporation of Pakistan Limited	26,000	-	-	7,000	19,000	2,248,514	2,451,000	202,486
Descon Chemicals Limited	62,201	-	-	-	62,201	231,836	155,503	(76,334)
Fauji Fertilizer Company Limited	17,250	27,750	-	-	45,000	5,378,706	4,945,500	(433,206)
Lotte Pakistan PTA Limited	200,000	-	-	-	200,000	2,193,568	1,456,000	(737,568)
ICI Pakistan Limited	11,000	7,319	-	11,000	7,319	1,152,021	1,014,999	(137,022)
Sub total	456,451	35,069	-	18,000	473,520	18,411,712	15,288,401	(3,123,310)
Equity Investment Instruments								
First Habib Bank Modaraba	500	-	-	500	-	-	-	-
Sub total	500	-	-	500	-	-	-	-
Financial Services								
Jahangir Siddiqui & Company Limited	20,000	-	-	20,000	-	-	-	-
Sub total	20,000	-	-	20,000	-	-	-	-
Personal Goods								
Azgard Nine	30,000	-	-	30,000	-	-	-	-
Nishat Mills Limited	25,000	-	-	25,000	-	-	-	-
Sub total	55,000	-	-	55,000	-	-	-	-
Industrial Engineering								
Al-Ghazi Tractors Limited	995	-	-	-	995	243,029	210,612	(32,417)
Sub total	995	-	-	-	995	243,029	210,612	(32,417)
Real Estate Investment and Services								
Pace (Pakistan) Limited	175,000	-	-	105,000	70,000	345,817	259,000	(86,871)
Sub total	175,000	-	-	105,000	70,000	345,817	259,000	(86,871)
Units of Mutual Funds								
UBL Bank Limited - Islamic saving fund Class C	28,109	-	2,008	-	30,117	2,500,000	3,018,312	518,312
Meezan Islamic Fund - Growth Units	59,055	-	11,765	-	70,820	2,500,000	3,832,062	1,332,062
Meezan Sovereign Fund - growth Fund	102,243	-	10,237	-	112,480	5,000,000	5,635,252	635,252
First Habib Islamic Balance Fund	-	48,812	-	-	48,812	5,000,000	5,119,334	119,334
Pakistan Premier Fund - A	-	15,156	1,867	17,023	-	-	-	-
Pakistan Strategic Fund -A	-	25,000	4,136	29,136	-	-	-	-
	189,407	88,968	30,013	46,159	262,229	15,000,000	17,604,960	2,604,960
Total Listed securities - At Fair value through Profit & Loss	1,887,743	197,917	44,893	1,124,494	1,006,059	48,354,624	46,532,477	(1,882,142)

5.1.2 Unrealised gain / (loss) on re-measurement of investment at fair value through profit or loss

	Note	March 31, 2013	June 30, 2012
		Rupees	
Market value as		46,532,477	49,939,036
cost of investment		48,354,624	67,571,232
Unrealised loss on investment as at period / year ended		(1,822,148)	(17,632,196)
Unrealised (loss)/gain on investment at the beginning of the year		(17,632,196)	(16,435,295)
Loss realised on disposal during the period / year		12,789,476	1,260,302
		(4,842,720)	(16,435,295)
Unrealised loss on investment for the period / year ended		3,020,573	(2,457,203)

5.2 Loans and receivables

	Note	March 31, 2013	June 30, 2012
Term depoosits with Islamic Banks			
- Term deposit mudaraba - Albaraka Bank	5.2.1	-	40,000,000
- Certificates of Islamic Investments - Meezan bank limited	5.2.2	-	10,000,000
- HBL Al-Samarat - Islamic Banking	5.2.3	-	55,000,000
- Barkat Islamic Investment certificates - Faysal Bank Ltd.	5.2.4	40,000,000	-
		40,000,000	105,000,000

5.2.1 Term Deposit receipts include an amount of Rs 40,000,000 (June 2012: Rs. 40,000,000) held with Al Baraka Bank (Pakistan) Limited. The deposit receipts carry profit at a rate of 8.05 % to 10.90% (June 2012: 10.25% to 12.25%).

5.2.2 Certificates of Islamic Investment include an amount of Rs 10,000,000 (June 2012: Rs. 10,000,000) held with Meezan Bank Limited. The COII carry profit at a rate of 10.50% (June 2012: 9.18 % to 10.50%l).

5.2.3 Certificates of HBL Al- Samarat Investment include an amount of Rs 40,000,000 (June 2012: Rs. 55,000,000) held with HBIL Islamic Banking Limited The HBL Al-Samarat carry profit at a rate of 10.00 % to 11.00% (June 2012 10.00 % to 11.00%).

5.2.4 Barkat islamic Investment certificates include an amount of Rs 40,000,000 (June 2012: Rs. Nil) held with Faysal Bank Limited Barkat Islamic Bank carry profit at a rate of 8.25 % (June 2012 Nil)

6 Musawamah Receivables - Secured

	Note	March 31, 2013	June 30, 2012
Muswamah receivables	6.1	58,200,000	61,321,478

6.1 This represents principal amount outstanding against musawamah receivable from various customers for the period ranging between 90 to 365 days. These musawmah carry profit ranging from 16.75% to 17.50% (June 2012: 16.00% to 21.00%) per annum. These are secured against hypothecation of stocks and trade receivables, vehicles, demand promissory notes, personal guarantee of directors/proprietors and mortgage of properties.

7 STOCK IN TRADE

	Note	March 31, 2013	June 30, 2012
Finished goods		67,654,997	4,150,682
less: Provision for slow moving stock		(267,790)	(267,790)
		67,387,207	3,882,892

8 LONG TERM INVESTMENTS

	Note	March 31, 2013	June 30, 2012
Investment in Associates	8.1	10,136,363	15,113,852
Investment in Equity securities		2,827,651	4,907,307
		12,964,014	20,021,159

8.1 This represents investment of modaraba in its associate group companies i.e., Al-Noor Sugar Mills Limited, Shah Murad Sugar Mills Limited and Reliance Insurance Company Limited on the basis of its common directorship.

9 IJARAH ASSETS

	March 31, 2013	June 30, 2012
	Rupees	
Machinery	7,490,845	9,809,912
Vehicles	46,928,511	23,102,059
Others	16,155,746	-
	70,575,102	32,911,971

10 FIXED ASSETS IN USE

	March 31, 2013	June 30, 2012
Tangible assets	6,621,843	32,812,741
Intangible assets	64,828	84,628
	6,686,671	32,897,369

10.1 Details of additions / (disposals) during the period are as follows:

	March 31, 2013	June 30, 2012
Cost of additions to fixed assets in use:		
- Computer equipment	8,796	140,411
- Office equipment and appliances	458,245	105,407
- Motor vehicles	5,572,825	248,818
- Intangibles	-	88,000
	6,039,866	582,636
Written down values of disposals of fixed assets:		
- Land and Building	29,910,426	30,500
- Office Equipments	11,164	1,295,965
- Motor Vehicles	919,913	1,015,172
	30,841,503	9,167,601

11 CONTINGENCIES AND COMMITMENTS

- Contingencies
Contingencies are same as disclosed in the financial statements for the year ended June 30, 2012

- Commitments
There are no commitments as on balance sheet date.

12 PROFIT FROM TRADING OPERATIONS

	for the period ended		for the period ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	---Rupees---		---Rupees---	
Local	38,751,564	64,313,980	33,245,964	6,938,382
Export	-	13,089,551	-	11,250,190
Sales-Net	38,751,564	77,403,531	33,245,964	18,188,572
Cost of Sales	(34,550,597)	(70,824,740)	(30,667,705)	(16,956,918)
Export expenses	-	(266,200)	-	(184,470)
	4,200,967	6,312,591	2,578,259	1,047,180

13 TAXATION

As per the clause 100 of Part I of Second Schedule to the Income Tax Ordinance, 2001, any income, not being income from trading activity, of a modaraba is exempt provided that not less than ninety per cent of its total profits in the year as reduced by the amount transferred to a mandatory reserve.The Modaraba intends to avail this exemption by distributing 90% of its profits to its certificate holders after making appropriation for statutory reserves. Accordingly, no provision in respect of current and deferred tax has been made in these condensed interim financial statements.

14 RELATED PARTIES TRANSACTIONS

The related parties of the Modaraba comprise of its Management Company, associated companies, directors of the Management Company and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel (which are employed by the Management Company) under the terms of their employment are as follows:

	Nine Months Ended March 31, 2013	Nine Months Ended March 31, 2012
	(Rupees)	
14.1 Balance outstanding at the period ended		
Modaraba Management Company		
- Management fee	1,306,598	1,377,073
Associated undertakings		
- Guarantee commission accrued to MCB Bank Limited	708,497	631,057
- Sharing of common expense balance for the period Al-Noor Sugar Mills Ltd.	150,000	300,000
	858,497	931,057
Other related parties (other than key management personnel)		
- Contribution to staff gratuity fund	2,989,942	1,908,532
14.2 Transactions during the period		
Modaraba Management Company		
- Management fee	827,324	1,377,073
Associated undertakings		
- Guarantee commission accrued to MCB Bank Limited	58,080	58,080
- Sharing of common expense charged during the period with Al-Noor Sugar Mills Ltd.	450,000	450,000
	508,080	508,080
Other related parties (other than key management personnel)		
- Contribution to staff gratuity fund	815,291	751,689
Associated undertakings	No. of shares	
- Bonus shares of Reliance Insurance Company Limited	-	36,114

15. CASH FROM OPERATIONS AFTER WORKING CAPITAL CHANGES	March 31, 2013	March 31, 2012
	(Rupees)	
Profit before taxation	7,299,920	12,150,641
Adjustments for:		
Gain on sale of investment in listed securities	(2,172,415)	(2,777,822)
Dividend income	(2,055,941)	(2,628,323)
Income on musawamah investment	(5,902,815)	(5,145,326)
Income on modaraba investment	(877,054)	(1,210,017)
Profit on disposal of fixed assets	(647,917)	(299,277)
Profit on TDR - (PLs Sharing Certificates)	(1,320,577)	(5,772,917)
Profit on COII(Certificates of Islamic Investment)	(574,943)	(269,112)
Profit on Al-Samarat	(2,548,997)	-
Profit on Barkat Islamic certificates	(911,217)	-
Profit on bank deposits	(1,433,423)	(794,930)
Amortization on leased out / Ijarah assets	17,849,578	8,306,640
Financial charges	65,842	173,356
Depreciation	1,389,261	1,005,801
Amortization of intangibles assets	19,800	20,625
Provision for gratuity	815,291	751,689
Share of profit from associates	563,621	1,593,672
Unrealized loss/(gain) on re measurement of investments in listed securities	(3,020,573)	(252,580)
	(762,480)	(7,298,521)
Operating profit before working capital changes	6,537,440	4,852,120
(Increase)/Decrease in current assets		
Stock in trade	(63,504,315)	14,773,863
Trade debtors	(10,750,527)	-
Bills receivables	-	(151,372)
Musawamah receivable - secured	3,121,478	62,597,775
Modaraba receivable - secured	15,000,000	(11,674,932)
Profit receivable	285,044	3,630,160
Ijarah Rental receivable	(196,550)	357,145
Advances,deposits,prepayments and other receivables	812,087	(2,785,091)
Increase/(Decrease) in current assets	(55,232,783)	66,747,548
Creditors, accrued expenses and other liabilities	4,125,352	(2,252,210)
Profit payable	(631,538)	378,924
	3,493,814	(1,873,286)
Cash flow from operations after working capital changes	(45,201,529)	69,726,382

16 FINANCIAL RISK MANAGEMENT

The Modaraba's financial risk management objectives and policies are consistent with those disclosed in the preceding annual published financial statements of the Modaraba for the year ended June 30,2012

17 Date of Authorization

These condensed interim financial statements were authorised for issue on April 22, 2013 by the Board of Directors of the Modaraba Management Company.

18 General

Figures have been rounded off to the nearest rupee.

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

Place : Karachi
Date : April 22, 2013

Chief Executive | Director | Director

Book Post

If undelivered, please return to:

FIRST AL-NOOR MODARABA

(An Islamic Financial Institution)

96-A, Sindhi Muslim Co-operative Housing Society, Karachi-74400.

Tel.: 3455 8268, 3455 3067, 3455 2974 & 3455 2943