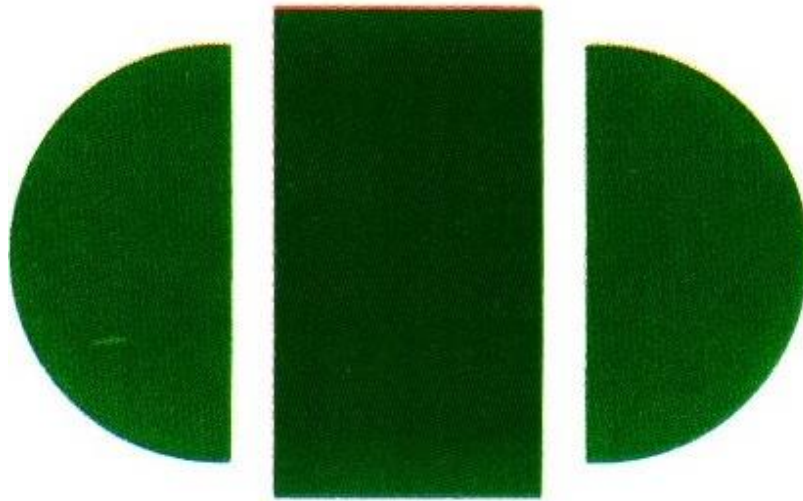


FIRST EQUITY MODARABA

Quarter and Nine Months Reports
For the period ended
March 31, 2016



Managed by

PREMIER FINANCIAL SERVICES (PVT) LTD



FIRST EQUITY MODARABA

CORPORATE INFORMATION

MODARABA COMPANY

Premier Financial Services (Pvt) Ltd

BOARD OF DIRECTORS

Mr Zahid Bashir

Mr Nadeem Maqbool

Mr Adil A Ghaffar - Chief Executive Officer

REGISTERED AND BUSINESS ADDRESS

B-1004 Lakson Square Building # 3
Sarwar Shaheed Road
Karachi
Tel : 021-35672815-18
Fax : 021-35686116

Room No 503-504
Karachi Stock Exchange Building
Karachi
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**FIRST EQUITY MODARABA
DIRECTORS REPORT**

The Directors of Premier Financial Services (Private) Ltd, the management company of FIRST EQUITY MODARABA, are pleased to present their report and the un-audited financial statements of the Modaraba for the nine months ended March 31, 2016.

Financial Results

Profit for the nine months ended March 31, 2016 amounted to Rupees 8.022 million as compared to Rupees 9.305 million for the same period last year. The earning per certificate as at March 31, 2016 was Rs 0.15 as against Rs. 0.18. The break up value, per modaraba certificate, stands at Rs 11.96 at the end of the period.

The formation of two wholly owned subsidiary companies are under process and we anticipate that by the end of the financial year the process will be completed.

For and on behalf of Board

Karachi
April 28, 2016

Adil A Ghaffar
Chief Executive Officer

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016

	Note	March 31 2016 Rupees	Audited June 30, 2015 Rupees
EQUITY AND LIABILITIES			
Certificate capital			
Authorised capital			
60,000,000 (June 30, 2015: 60,000,000) modaraba certificates of Rs. 10 each		600,000,000	600,000,000
<hr/>			
Certificate capital		524,400,000	524,400,000
Reserves	3	125,540,815	126,433,396
Remeasurement of define benefit liability - Actuarial gain		91,191	91,191
Unrealised loss on re-measurement of investments		(23,029,833)	(20,170,414)
Certificate holders' equity		627,002,173	630,754,173
Non-current liabilities			
Deferred liabilities		2,852,733	2,655,483
Security deposit		200,000	200,000
Total non-current liabilities		3,052,733	2,855,483
Current liabilities			
Creditors, accrued and other liabilities		14,464,802	24,375,437
Unclaimed profit distributions		30,410,136	27,618,316
Total current liabilities		44,874,938	51,993,753
Total liabilities		47,927,671	54,849,236
Total equity and liabilities		674,929,844	685,603,409

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016

	Note	March 31 2016 Rupees	Audited June 30, 2015 Rupees
ASSETS			
Non - current assets			
Fixed assets			
- tangible		14,989,762	15,426,202
- intangible		19,000,000	19,000,000
		33,989,762	34,426,202
Investments	4	325,791,850	326,007,730
Investment in property		1,861,667	1,951,667
Advances		2,510,000	2,510,000
Deposits		1,150,000	1,150,000
Total non-current assets		365,303,279	366,045,599
Current assets			
Morabaha / musharaka receivables - secured		144,457,819	153,003,609
Short term investments		90,928,111	97,882,927
Advances		479,671	3,525,359
Trade deposits and prepayments		15,269,015	15,027,294
Other receivables		36,386,570	25,218,541
Tax refund due from government		8,554,372	4,614,680
Cash and bank balances		13,551,007	20,285,400
Total current assets		309,626,565	319,557,810
Total assets		674,929,844	685,603,409

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2016

	Quarter ended		Nine months ended	
	March 31 2016 Rupees	March 31 2015 Rupees	March 31 2016 Rupees	March 31 2015 Rupees
Income	6,773,602	6,080,917	22,560,326	25,455,404
Expenditure				
Operating expenses	(4,359,776)	(5,500,684)	(14,538,107)	(16,150,726)
Operating profit	2,413,826	580,233	8,022,219	9,304,678
Taxation	-	-	-	-
Profit for the period	2,413,826	580,233	8,022,219	9,304,678
Earnings per certificate	0.0460	0.0111	0.1530	0.1774

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

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Zahid Bashir
Director
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Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2016

	Quarter ended		Nine Months ended	
	March 31 2016 Rupees	March 31 2015 Rupees	March 31 2016 Rupees	March 31 2015 Rupees
Profit for the period	2,413,826	8,226,272	8,022,219	21,002,978
Other comprehensive income				
Unrealised gain / (loss) on re-measurement investments	6,817,144	5,486,481	(8,798,200)	5,183,617
Gain / (loss) realised on disposal of investments	-	(3,508,678)	5,938,781	(3,164,305)
	6,817,144	1,977,803	(2,859,419)	2,019,312
Taxation relating to component of other comprehensive income	-	-	-	-
Other comprehensive income	6,817,144	1,977,803	5,162,800	2,019,312
Total comprehensive income	6,817,144	10,204,075	5,162,800	23,022,290

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Services (Private) Ltd.

FIRST EQUITY MODARABA**CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS(UN-AUDITED)****FOR THE NINE MONTHS ENDED MARCH 31, 2016**

	March 31 2016 Rupees	March 31 2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	8,022,219	9,304,678
Adjustments for non cash/non operating items:		
Depreciation	1,457,288	1,242,660
Provision for gratuity	197,250	801,370
Dividend income	(4,015,123)	(2,074,706)
	(2,360,585)	(30,676)
Operating profit before working capital changes (Increase) / decrease in current assets	5,661,634	9,274,002
Morabaha / musharaka receivables	8,545,790	10,656,088
Advances	(894,004)	(2,412,843)
Trade deposits and prepayments	(241,721)	(15,230)
Other receivables	(10,787,733)	(6,841,316)
	(3,377,668)	1,386,699
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(9,910,635)	745,684
	(13,288,303)	2,132,383
Dividend paid	(6,122,980)	(15,888,635)
	(6,122,980)	(15,888,635)
Net cash used in operating activities	(19,411,283)	(13,756,252)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	4,311,277	(3,098,448)
Dividends received	3,634,828	2,074,706
Tangible assets	(930,849)	(85,500)
Net cash generated from investing activities	7,015,256	(1,109,242)
Net increase / (decrease) in cash and bank equivalents	(6,734,393)	(5,591,492)
Cash and bank equivalents at the beginning of the period	20,285,400	9,889,496
Cash and bank equivalents at the end of the period	13,551,007	4,298,004

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
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Zahid Bashir
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Nadeem Maqbool
Director
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Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Remeasure ment of define benefit liability	Unrealised gain / (loss) on re- measurement of available for sale	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees
Balance as at July 1, 2014	524,400,000	148,356,187	131,100,000	27,120,000	815,245	(13,149,967)	(171,876,627)	646,764,838
Profit distribution							(19,665,000)	(19,665,000)
Total comprehensive income for the period	-	-	-	-	-	(20,599,870)	9,304,678	(11,295,192)
Balance as at March 31, 2015	524,400,000	148,356,187	131,100,000	27,120,000	815,245	(33,749,837)	(182,236,949)	615,804,646
Balance as at July 01, 2015	524,400,000	150,635,954	131,100,000	27,120,000	91,191	(20,170,414)	(182,422,558)	630,754,173
Profit distribution							(8,914,800)	(8,914,800)
Total comprehensive income for the period	-	-	-	-	-	(2,859,419)	8,022,219	5,162,800
Balance as at March 31, 2016	524,400,000	150,635,954	131,100,000	27,120,000	91,191	(23,029,833)	(183,315,139)	627,002,173

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Adil A Ghaffar
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Services (Private) Ltd.

Zahid Bashir
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Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

**FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2016**

1 Legal Status and Nature of Business

First Equity Modaraba was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Premier Financial Services (Private) Limited, a Company incorporated in Pakistan.

The Modaraba is a perpetual, multi purpose modaraba able to undertake a variety of fund and fee based activities. These include trading, manufacturing, equity investment and their financing and facilitation.

The Modaraba is listed on Pakistan Stock Exchanges Ltd

The Modaraba is holding two Trading Right Entitlement certificates of Pakistan Stock Exchange Ltd and is currently operating its brokerage activities in Karachi.

The modaraba is holding Equity Textiles Ltd as a wholly owned subsidiary company

2 General

- 2.1 These financial statements are unaudited and are being submitted to certificate holders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.
- 2.2 The accounting policies adopted for the preparation of these unaudited financial statements are the same as those applied in preparation of the audited published financial statements of the Modaraba for the year ended June 30, 2015
- 2.3 The Modaraba Company's management fee, statutory reserve @ 20% to 50 %, provisions, profit Distribution and taxation will be determined at the year end. No provision for income tax will be required if not less than 90% of the Modaraba's profit for the year is distributed as cash dividend, except the presumptive tax
- 2.4 These financial statements are in compliance with the disclosure requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting".

	March 2016 Rupees	June 2015 Rupees
3 Reserves		
Capital reserve	281,735,954	281,735,954
Revenue reserve	(156,195,139)	(155,302,558)
	<u>125,540,815</u>	<u>126,433,396</u>

4 Investments

Listed Securities - available for sale	1,743,250	1,959,130
Unlisted Securities	72,219,860	72,219,861
	<u>73,963,110</u>	<u>74,178,991</u>
Preference shares	1,828,740	1,828,740
Wholly owned subsidiary	250,000,000	250,000,000
	<u>325,791,850</u>	<u>326,007,731</u>

- 5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 28, 2016

Adil A Ghaffar
Chief Executive
Premier Financial
Services (Private) Ltd.

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

	March 2016 Rupees	June 2015 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,167,038,338	1,208,537,809
CURRENT ASSETS		
Stores and spares	23,868,072	29,440,537
Stock in trade	377,745,164	214,722,397
Short term investment	36,622,932	26,928,737
Trade debts	147,609,355	93,542,674
Loans and advances	85,777,623	37,746,557
Trade deposits and short term prepayments	12,427,248	8,140,588
Other receivables	1,721,961	1,700,000
Tax refund due from government	16,988,360	16,372,566
Tax -net	7,738,511	7,774,788
Cash and bank balances	10,723,034	11,344,598
	<u>721,222,260</u>	<u>447,713,442</u>
TOTAL ASSETS	<u><u>1,888,260,598</u></u>	<u><u>1,656,251,251</u></u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 shares of Rs. 10/- each	<u>250,000,000</u>	<u>250,000,000</u>
Issued, subscribed and paid-up share capital	250,000,000	250,000,000
Unrealized loss on investments	14,108,650	5,847,331
Profit and loss account - adverse balance	32,387,204	55,161,421
	<u>46,495,854</u>	<u>61,008,752</u>
	296,495,854	311,008,752
Surplus on revaluation of fixed assets	366,536,958	396,256,171
NON CURRENT LIABILITIES		
Long term financing	386,658,446	439,104,584
Long term Markup	8,537,448	25,537,448
Deferred taxation	182,517,962	200,753,466
	<u>577,713,856</u>	<u>665,395,498</u>
CURRENT LIABILITIES		
Trade and other payables	267,149,689	151,773,850
Accrued Markup	28,454,062	19,722,294
Short term borrowings	258,981,994	18,166,501
Current portion of long term liabilities	92,928,185	93,928,185
	<u>647,513,930</u>	<u>283,590,830</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,888,260,598</u></u>	<u><u>1,656,251,251</u></u>

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	March 2016 Rupees	March 2015 Rupees
Sales	1,512,986,981	1,633,214,163
Cost of Sales	<u>(1,493,649,812)</u>	<u>(1,486,039,973)</u>
Gross profit	19,337,169	147,174,190
Administrative and general expenses	(17,507,709)	(17,390,428)
Distribution and selling expenses	<u>(12,177,267)</u>	<u>(12,598,480)</u>
Operating profit / (loss)	(10,347,807)	117,185,282
Financial charges	<u>(45,630,072)</u>	<u>(61,063,422)</u>
Other charges	-	(3,942,022)
	<u>(45,630,072)</u>	<u>(65,005,444)</u>
	(55,977,879)	52,179,838
Other income	<u>1,772,260</u>	<u>1,008,901</u>
Profit / (Loss) before taxation	(54,205,619)	53,188,739
Provision for taxation		
Current	<u>(13,112,964)</u>	<u>(14,668,132)</u>
Prior	(3,410,351)	(285,243)
Deferred	<u>18,235,504</u>	<u>40,552,561</u>
	1,712,189	25,599,186
Profit / (Loss) after taxation	<u>(52,493,430)</u>	<u>78,787,925</u>
Profit / (Loss) per share - basic and diluted	<u>(2.0997)</u>	<u>3.1515</u>

CHIEF EXECUTIVE

DIRECTOR