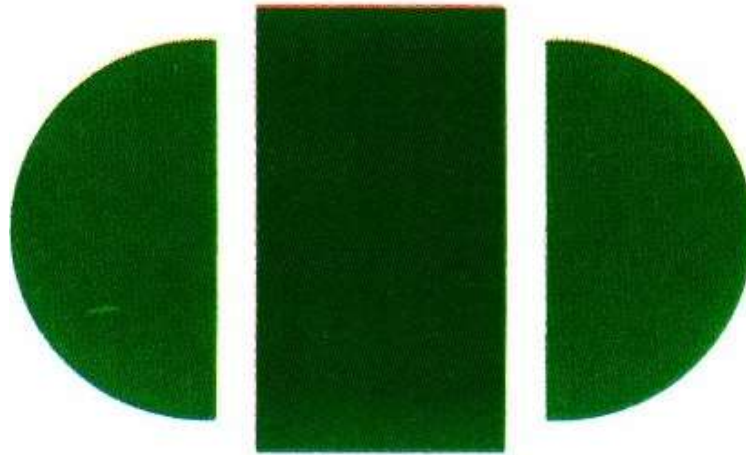


Quarterly Report
For the period ended
September 30, 2019



FIRST EQUITY MODARABA

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 Qaiser Magoon

Mr Adil A Ghaffar - Chief Executive Officer

AUDIT COMMITTEE

Mr Qaiser Magoon

Mr Zahid Bashir

Mr Nadeem Maqbool

HUNAM RESOURCE COMMITTEE

Mr Zahid Bashir

Mr Nadeem Maqbool

Mr Adil A Ghaffar

REGISTERED AND BUSINESS ADDRESS

B-1004 Lakson Square Building # 3
Sarwar Shaheed Road
Karachi

Tel : 021-35672815-18

Fax : 021-35686116

e-mail: info@firstequitymodaraba.com.pk

website: firstequitymodaraba.com.pk

Room No 503-504

Pakistan Stock Exchange Building

Karachi

Tel : 021-32446020-3

Fax : 021-32446024

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**FIRST EQUITY MODARABA
DIRECTORS REPORT**

The Directors of Premier Financial Services (Pvt) Ltd, the management company of FIRST EQUITY MODARABA, present their report and the un-audited financial statements of the Modaraba for the three months ended September 30, 2019.

Financial Results

Profit for the quarter ended September 30, 2019 amounted to Rs 0.277 million as against 0.129 million, for the same period last year

The earning per certificate as at September 30, 2019 was Rupees 0.005 while the earnings for the same period last year was Rupees 0.002. The Breakup value as of September 30 2019 was Rupees 11.16 per certificate.

Prospects

We anticipate that once the political and economic indecisiveness is settled, the capital market will again show a bullish trend. Our last year's annual report expressed our view on the state of economy, trade, finance and industry.

For and on behalf of Board

Karachi
October 30, 2019

Adil A Ghaffar
Chief Executive Officer

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2019

	Note	September 2019 Rupees	Audited June 30, 2019 Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Certificate capital			
Authorised capital			
60,000,000 (June 30, 2019: 60,000,000) modaraba			
certificates of Rs. 10 each		600,000,000	600,000,000
Certificate capital		524,400,000	524,400,000
Reserves	3	123,623,916	123,346,512
Remeasurement of define benefit liability - Actuarial gain		446,440	446,440
Unrealized loss on re-measurement of investments		(63,132,934)	(53,883,253)
Certificate holders' equity		585,337,422	594,309,699
Non-current liabilities			
Deferred liabilities		4,340,169	4,251,794
Security Deposit		200,000	200,000
Total non-current liabilities		4,540,169	4,451,794
Current liabilities			
Creditors, accrued and other liabilities		8,645,615	8,133,128
Unclaimed profit distributions		29,561,214	29,561,214
Total current liabilities		38,206,829	37,694,342
Total liabilities		42,746,998	42,146,136
Contingencies & Commitments			
Total equity and liabilities		628,084,420	636,455,835

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2019

	Note	September 2019 Rupees	Audited June 30, 2019 Rupees
Non - current assets			
Fixed assets			
- tangible		7,307,139	7,653,790
- intangible		-	-
Investment property		1,441,667	1,471,667
Investments	4	382,187,830	392,999,771
Advances		2,510,000	2,510,000
Deposits		1,750,000	1,750,000
Total non-current assets		395,196,636	406,385,228
Current assets			
Morabaha / musharaka receivables - secured		141,903,165	139,582,651
Short term investments		39,487,767	37,925,507
Advances		10,122,305	9,967,922
Trade deposits and prepayments		15,251,285	15,255,678
Other receivables		22,292,309	22,955,237
Cash and bank balances		3,830,953	4,383,612
Total current assets		232,887,784	230,070,607
Total assets		628,084,420	636,455,835

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

Qazi Obaid Ullah	Adil A Ghaffar		
Chief Financial Officer	Chief Executive	Director	Director
	Premier Financial	Premier Financial	Premier Financial
	Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SETEMBER 30, 2019

	September 2019 Rupees	September 2018 Rupees
<i>Income</i>	4,392,539	5,513,686
<i>Expenditure</i>		
Operating expenses	(4,131,212)	(5,392,676)
Bank charges	(305)	(4,831)
	(4,131,517)	(5,397,507)
	261,022	116,179
Other income	16,382	12,510
<i>Profit for the period</i>	277,404	128,689
Earnings per certificate	0.005	0.002

Qazi Obaid Ullah	Adil A Ghaffar		
Chief Financial Officer	Chief Executive	Director	Director
	Premier Financial	Premier Financial	Premier Financial
	Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

**FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019**

	September 2019 Rupees	September 2018 Rupees
Profit for the period	277,404	128,689
Other comprehensive income		
<hr/>		
Unrealized gain / (loss) on re-measurement of investments	(9,249,681)	(7,663,628)
Gain/(loss) realized on disposal of investments	-	-
	<hr/>	<hr/>
	(9,249,681)	(7,663,628)
Taxation relating to component of other comprehensive income	-	-
<hr/>		
Other comprehensive income	(9,249,681)	(7,663,628)
<hr/>		
Total comprehensive income	(8,972,277)	(7,534,939)

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

Qazi Obaid Ullah	Adil A Ghaffar		
Chief Financial Officer	Chief Executive	Director	Director
	Premier Financial	Premier Financial	Premier Financial
	Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

FIRST EQUITY MODARABA

CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 2019 Rupees	September 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	277,404	128,689
Adjustments for non cash/non operating items:		
Depreciation	391,662	392,248
Provision for gratuity	88,375	75,875
Dividend income	(1,000)	(739,831)
	479,037	(271,708)
Operating profit before working capital changes	756,441	(143,019)
Increase in current assets		
Morabaha / musharaka receivables	(2,320,514)	(3,829,214)
Advances	(154,383)	2,455,272
Trade deposits and prepayments	4,397	75,633
Other receivables	662,928	(842,090)
	(1,807,572)	(2,140,399)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	512,487	(1,880,748)
Dividend paid	-	(38,947)
	512,487	(1,919,695)
Net cash used in operating activities	(538,644)	(4,203,113)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	-	-
Dividends received	1,000	739,831
Tangible assets	(15,015)	(2,763,634)
Net cash generated (used in)/from investing activities	(14,015)	(2,023,803)
Net increase / (decrease) in cash and bank equivalents	(552,659)	(6,226,916)
Cash and bank equivalents at the beginning of the period	4,383,612	11,626,025
Cash and bank equivalents at the end of the period	3,830,953	5,399,108

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

Qazi Obaid Ullah
Chief Financial Officer

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

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Unrealized gain / (loss) on re-measurement of available for sale investments	Remeasurement of define benefit liability	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees
Balance as at June 30, 2018	524,400,000	161,050,000	131,100,000	27,120,000	(37,022,035)	(103,364)	(192,619,716)	613,924,885
Total comprehensive income for the period	-	-	-	-	(16,861,218)	549,804	(3,303,772)	(19,615,186)
Balance as at June 30, 2019	524,400,000	161,050,000	131,100,000	27,120,000	(53,883,253)	446,440	(195,923,488)	594,309,699
Total comprehensive income for the period	-	-	-	-	(9,249,681)		277,404	(8,972,277)
Balance as at September 30, 2019	524,400,000	161,050,000	131,100,000	27,120,000	(63,132,934)	446,440	(195,646,084)	585,337,422

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

Qazi Obaid Ullah
 Chief Financial Officer

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

Director
 Premier Financial
 Services (Private) Ltd.

Director
 Premier Financial
 Services (Private) Ltd.

FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SETEMBER 30, 2019

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.

The Modaraba is a holding two Trading Right Entitlement certificate of Pakistan Stock Exchanges Ltd and is currently operating its brokerage activities at Karachi.

The modaraba is holding Equity Textiles Ltd. Apex Financial Services (Pvt) Ltd and Capital Financial Services (Pvt) 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, 2019
- 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".

	September 2019 Rupees	June 2019 Rupees
3 Reserves		
Capital reserve	292,150,000	292,150,000
Revenue reserve	(168,526,084)	(168,803,488)
	<u>123,623,916</u>	<u>123,346,512</u>

4 Investments

Listed Securities - available for sale	41,800	41,800
Unlisted Securities	32,146,030	42,957,971
	<u>32,187,830</u>	<u>42,999,771</u>
Wholly owned subsidiary	350,000,000	350,000,000
	<u>382,187,830</u>	<u>392,999,771</u>

- 5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 30 2019

Qazi Obaid Ullah	Adil A Ghaffar		
Chief Financial Officer	Chief Executive	Director	Director
	Premier Financial	Premier Financial	Premier Financial
	Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

quarterly report for the period ended
September 30, 2019

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT SETEMBER 30, 2019

	September 2019	Audited
	Rupees	June 2019
		Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,160,121,195	1,182,102,543
Intangible fixed Assets	5,389,467	-
CWIP	917,960	5,393,156
Long Term Deposits	771,800	380,800
	1,167,200,422	1,187,876,499
CURRENT ASSETS		
Stores and spares	45,636,268	50,484,405
Stock in trade	261,689,084	397,258,108
Short term investment	6,461,198	9,525,923
Trade debts	205,373,913	211,690,534
Loans and advances	35,283,346	35,603,654
Trade deposits and short term prepayments	65,739,231	59,601,986
Other receivables	78,221	5,711,956
Tax refund due from government	80,555,699	85,305,165
Cash and bank balances	6,892,775	6,237,345
	707,709,735	861,419,076
	1,874,910,157	2,049,295,575
TOTAL ASSETS		
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 shares of Rs. 10/- each	250,000,000	250,000,000
Issued, subscribed and paid-up share capital	250,000,000	250,000,000
Unrealized Gain on investments	(5,781,857)	(2,717,132)
Profit and loss account	111,383,087	81,605,745
	105,601,230	78,888,613
	355,601,229	328,888,613
Surplus on revaluation of fixed assets	394,653,524	404,772,845
NON CURRENT LIABILITIES		
Long term financing	26,264,709	35,317,681
Liabilities against subject to finance lease	3,072,155	890,432
Deferred taxation	144,694,489	146,501,496
	174,031,353	182,709,609
CURRENT LIABILITIES		
Trade and other payables	719,942,547	718,110,594
Accrued Markup	29,877,434	34,691,151
Taxation-Net	3,430,682	4,749,466
Short term borrowings	84,448,539	231,604,616
Current portion of long term liabilities	112,924,849	143,768,681
	950,624,051	1,132,924,508
	1,874,910,157	2,049,295,575
TOTAL EQUITY AND LIABILITIES		

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 2019 Rupees	September 2018 Rupees
Sales	903,638,389	819,349,655
Cost of Sales	(840,546,746)	(752,384,028)
Gross profit	<u>63,091,643</u>	<u>66,965,627</u>
Administrative and general expenses	(8,786,187)	(6,698,367)
Distribution and selling expenses	(6,554,464)	(6,033,954)
Operating profit	<u>47,750,992</u>	<u>54,233,306</u>
Financial charges	(13,481,292)	(11,741,186)
Other charges	(2,368,473)	(2,978,484)
	<u>(15,849,765)</u>	<u>(14,719,670)</u>
	31,901,227	39,513,636
Other income	55,996	674,311
Profit before taxation	<u>31,957,223</u>	<u>40,187,947</u>
Provision for taxation		
Current	(14,106,209)	(13,011,324)
Deferred	1,807,007	(5,654,935)
	<u>(12,299,202)</u>	<u>(18,666,259)</u>
Profit after taxation	<u>19,658,021</u>	<u>21,521,688</u>
Earning per share - basic and diluted	<u>0.786</u>	<u>0.861</u>

CHIEF EXECUTIVE

DIRECTOR

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





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







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regulatory actions)
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فرسٹ ایکویٹی مضاربہ
ڈائریکٹرز رپورٹ

فرسٹ ایکویٹی مضاربہ کی انتظامی کمپنی پریمیر فائل سرورسز (پرائیویٹ) لمیٹڈ، فرسٹ ایکویٹی مضاربہ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2019 کو ختم ہونے والی سہ ماہی کیلئے اپنی رپورٹ بشمول غیر آڈٹ شدہ مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی نتائج:

30 ستمبر 2019 کو ختم ہونے والی سہ ماہی میں مبلغ 0.277 ملین روپے کا منافع حاصل کیا جس کا موازنہ گزشتہ سال کی اسی مدت کے منافع 0.129 ملین روپے سے کیا جاسکتا ہے۔

30 ستمبر 2019 کو فی سٹریکیٹ مبلغ 0.005 روپے آمدنی ہوئی جبکہ گزشتہ سال اسی مدت کو مبلغ 0.002 روپے آمدنی حاصل ہوئی تھی۔ 30 ستمبر 2019 کو بریک اپ ریلیو مبلغ 11.16 روپے فی سٹریکیٹ تھی۔

اظہار تشکر:

ہم امید کرتے ہیں کہ سیاسی اور اقتصادی غیر یقینی صورتحال کے باوجود کیمپنل مارکیٹ میں دوبارہ تیزی کا رجحان دکھائی دے گا۔ ہم نے آخری سالانہ رپورٹ میں اپنی معاشی، تجارتی، مالی اور صنعتی حالت پر اظہار خیال کیا تھا۔

بورڈ کی طرف سے

کراچی
30 اکتوبر 2019ء

عادل اے حفار
چیف ایگزیکٹو آفیسر