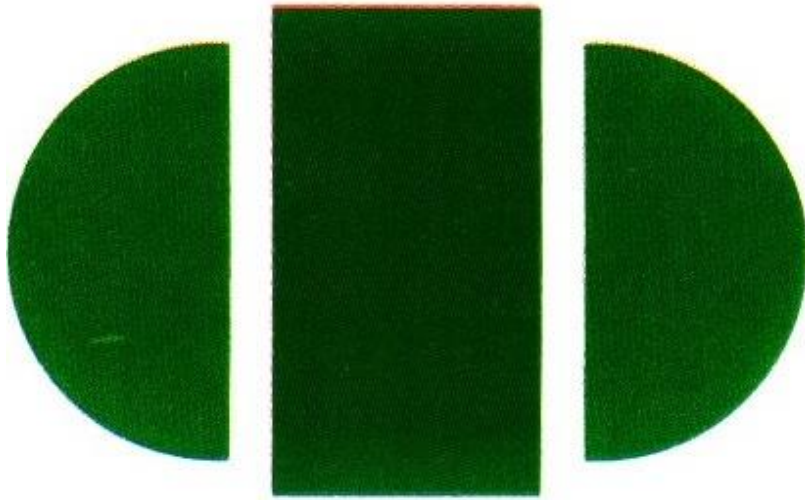


Quarterly Report  
For the period ended  
September 30, 2023



**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

Ms Alizeh Bashir

Mr Nadeem Maqbool

Mr Qaiser Ahmed Magoon

Mr Adil A Ghaffar - Chief Executive Officer

### AUDIT COMMITTEE

Mr Qaiser Ahmed Magoon

Ms Alizeh Bashir

Mr Nadeem Maqbool

### HUNAM RESOURCE COMMITTEE

Mr Qaiser Ahmed Magoon

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, 2023.

***Financial Results***

Loss for the quarter ended September 30, 2023 amounted to Rs (4.59) million as against loss of Rs (2.3) million, for the same period last year.

The loss per certificate as at September 30, 2023 stood at Rupees (0.088) while the earnings for the same period last year was Rupees (0.044). The Breakup value as of September 30 2023 was Rupees 10.16 per certificate.

***Prospects***

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

For and on behalf of Board

Karachi  
October 30, 2023

**Adil A Ghaffar**  
**Chief Executive Officer**

**FIRST EQUITY MODARABA**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT SETEMBER 30, 2023**

	Note	September 2023 Rupees	Audited June 30, 2023 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
<b>Certificate capital</b>			
Authorised capital			
60,000,000 (June 30, 2023: 60,000,000) modaraba certificates of Rs. 10 each		<b>600,000,000</b>	600,000,000
Certificate capital		<b>524,400,000</b>	524,400,000
Reserves	3	<b>74,027,239</b>	78,616,021
Remeasurement of define benefit liability - Actuarial gain		<b>1,688,143</b>	1,688,143
Unrealized loss on re-measurement of investments		<b>(67,083,012)</b>	(74,207,492)
<b>Certificate holders' equity</b>		<b>533,032,370</b>	530,496,672
<b>Non-current liabilities</b>			
Deferred liabilities		<b>6,780,327</b>	6,780,327
Security Deposit		<b>200,000</b>	200,000
<b>Total non-current liabilities</b>		<b>6,980,327</b>	6,980,327
<b>Current liabilities</b>			
Creditors, accrued and other liabilities		<b>12,442,476</b>	10,240,659
Unclaimed profit distributions		<b>31,127,871</b>	31,127,871
<b>Total current liabilities</b>		<b>43,570,347</b>	41,368,530
<b>Total liabilities</b>		<b>50,550,674</b>	48,348,857
<b>Contingencies &amp; Commitments</b>			
<b>Total equity and liabilities</b>		<b>583,583,044</b>	578,845,529

**FIRST EQUITY MODARABA**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT SETEMBER 30, 2023**

		September 30 2023 Rupees	Audited June 30, 2023 Rupees
	Note		
<b>Non - current assets</b>			
Fixed assets			
- tangible		2,817,630	2,965,488
- intangible		-	-
Investment property		961,667	991,667
Investments	4	408,502,006	408,502,006
Advances		2,510,000	2,510,000
Deposits		1,750,000	1,750,000
<b>Total non-current assets</b>		<b>416,541,303</b>	<b>416,719,161</b>
<b>Current assets</b>			
Short term investments			
		60,581,632	65,725,307
Advances- Considered		12,528,528	12,030,194
Trade deposits and prepayments		15,589,758	15,293,467
Other receivables		68,805,755	57,954,847
Cash and bank balances		9,536,068	11,122,553
<b>Total current assets</b>		<b>167,041,741</b>	<b>162,126,368</b>
<b>Total assets</b>		<b>583,583,044</b>	<b>578,845,529</b>

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

Qazi Obaid Ullah	Adil A Ghaffar	Nadeem Maqbool	Alizeh Bashir
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 (UN-AUDITED)**  
**FOR THE QUARTER ENDED SETEMBER 30, 2023**

	September 2023 Rupees	September 2022 Rupees
<b><i>Income</i></b>	449,668	2,742,724
<b><i>Expenditure</i></b>		
Operating expenses	(5,084,131)	(4,851,981)
Bank charges	(432)	(85)
	(5,084,563)	(4,852,066)
	(4,634,895)	(2,109,342)
Other income	112,492	32,482
<b><i>Profit Before Taxation</i></b>	(4,522,403)	(2,076,860)
Provision for Taxation	(66,381)	(225,653)
<b><i>Profit after Taxation</i></b>	(4,588,784)	(2,302,513)
Earnings per certificate	(0.088)	(0.044)

Qazi Obaid Ullah Chief Financial Officer	Adil A Ghaffar Chief Executive Premier Financial Services (Private) Ltd.	Nadeem Maqbool Director Premier Financial Services (Private) Ltd.	Alizeh Bashir Director Premier Financial Services (Private) Ltd.
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**FIRST EQUITY MODARABA**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SETEMBER 30, 2023**

	September 2023 Rupees	September 2022 Rupees
Profit for the period	(4,588,784)	(2,302,513)
<b>Other comprehensive income / (loss)</b>		
<hr/>		
Unrealized gain / (loss) on re-measurement of investments	12,680,112	(919,946)
Gain/(loss) realized on disposal of investments	(5,555,632)	83,558
	<hr/> 7,124,480	<hr/> (836,388)
Taxation relating to component of other comprehensive income	-	-
<hr/>		
Other comprehensive income / (loss)	7,124,480	(836,388)
<hr/>		
<b>Total comprehensive income / (loss)</b>	<b>2,535,696</b>	<b>(3,138,901)</b>

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

Qazi Obaid Ullah	Adil A Ghaffar	Nadeem Maqbool	Alizeh Bashir
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 SETEMBER 30, 2023**

	September 2023 Rupees	September 2022 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit Before Taxation	(4,522,403)	(2,076,860)
<b>Adjustments for non cash/non operating items:</b>		
Depreciation	218,859	338,068
Dividend income	(442,542)	(1,504,350)
	(223,683)	(1,166,282)
<b>Operating profit before working capital changes</b>	(4,746,086)	(3,243,142)
<b>(Increase) / Decrease in current assets</b>		
Morabaha / musharaka receivables	-	(233,520)
Advances	(498,334)	(212,223)
Trade deposits and prepayments	(296,291)	(28,846)
Other receivables	(10,850,908)	1,758,079
	(11,645,533)	1,283,490
<b>(Decrease) / increase in current liabilities</b>		
Creditors, accrued and other liabilities	2,201,817	(779,331)
Provision for Taxation	(66,381)	(225,653)
<b>Net cash used in operating activities</b>	(14,256,183)	(2,964,636)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments	12,268,155	1,227,410
Dividends received	442,542	1,504,350
Tangible assets	(41,000)	-
<b>Net cash generated (used in)/from investing activities</b>	12,669,697	2,731,760
<b>Net increase / (decrease) in cash and bank equivalents</b>	(1,586,486)	(232,876)
Cash and bank equivalents at the beginning of the period	11,122,553	10,675,941
<b>Cash and bank equivalents at the end of the period</b>	9,536,068	10,443,065

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

Qazi Obaid Ullah	Adil A Ghaffar	Nadeem Maqbool	Alizeh Bashir
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 CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED SETEMBER 30, 2023**

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Unrealized gain / (loss) on re- measurement of available for sale	Remeasureme nt of define benefit liability	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees
Balance as at June 30, 2022	524,400,000	164,334,210	131,100,000	17,321,036	(69,376,755)	1,364,966	(211,793,257)	557,350,200
Loss for the Year							(22,345,968)	(22,345,968)
Total comprehensive income for the period	-	-	-	-	(4,830,737)	323,177		(4,507,560)
Balance as at June 30, 2023	524,400,000	164,334,210	131,100,000	17,321,036	(74,207,492)	1,688,143	(234,139,225)	530,496,672
Loss for the period							(4,588,784)	(4,588,784)
Total comprehensive income for the period	-	-	-	-	7,124,482			7,124,482
<b>Balance as at September 30, 2023</b>	<b>524,400,000</b>	<b>164,334,210</b>	<b>131,100,000</b>	<b>17,321,036</b>	<b>(67,083,012)</b>	<b>1,688,143</b>	<b>(238,728,009)</b>	<b>533,032,370</b>

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.

Nadeem Maqbool  
Director  
Premier Financial  
Services (Private) Ltd.

Alizeh Bashir  
Director  
Premier Financial  
Services (Private) Ltd.

**FIRST EQUITY MODARABA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SETEMBER 30, 2023**

**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, 2023
- 2.3 The Modaraba Company's management fee, statutory reserve @ 20% to 50 %, provisions and profit Distribution will be determined at the year end.
- 2.4 These financial statements are in compliance with the disclosure requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting".

	September 2023 Rupees	June 2023 Rupees
<b>3 Reserves</b>		
Capital reserve	312,755,246	312,755,246
Revenue reserve	(238,728,007)	(234,139,225)
	<u>74,027,239</u>	<u>78,616,021</u>

**4 Investments**

Unlisted Securities	58,502,006	58,502,006
	<u>58,502,006</u>	<u>58,502,006</u>
Wholly owned subsidiary	350,000,000	350,000,000
	<u>408,502,006</u>	<u>408,502,006</u>

- 5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 30 2023

Qazi Obaid Ullah	Adil A Ghaffar	Nadeem Maqbool	Alizeh Bashir
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, 2023**

**EQUITY TEXTILES LIMITED**  
**BALANCE SHEET AS AT SETEMBER 30, 2023**

	<b>September 2023</b>	<b>Audited June 2023</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	1,155,778,069	1,185,249,903
Intangibles	3,327,289	3,412,604
Long term investment	9,652,302	7,898,774
Long Term Deposits	7,237,800	7,237,800
	1,175,995,460	1,203,799,081
<b>CURRENT ASSETS</b>		
Stores and spares	108,031,258	60,052,329
Stock in trade	708,269,810	571,136,706
Trade debts	451,382,582	550,024,951
Loans and advances	16,672,597	11,945,268
Trade deposits and short term prepayments	112,208,246	96,710,100
Other receivables	11,006,680	149,004
Tax refund due from government	32,820,588	73,147,156
Taxation - net	33,454,673	9,016,714
Cash and bank balances	26,566,061	30,173,158
	1,500,412,495	1,402,355,386
<b>TOTAL ASSETS</b>	<b>2,676,407,955</b>	<b>2,606,154,467</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
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
Revenue Reserves		
Unappropriated profit	450,385,360	441,695,721
Capital Reserves		
Unrealized Loss on Revaluation of investments	(2,590,754)	(4,344,282)
Surplus on revaluation of fixed assets	451,517,255	463,094,620
	1,149,311,861	1,150,446,059
<b>NON CURRENT LIABILITIES</b>		
Liabilities against subject to finance lease	18,809,714	15,405,431
GIDC Payable	12,023,281	176,102,228
Deferred taxation	157,444,064	12,023,281
	188,277,059	203,530,940
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,120,471,561	1,132,496,659
Accrued Markup	7,229,552	3,643,631
Short term borrowings	194,971,274	92,491,518
Current portion of lease Liability	16,146,648	23,545,660
	1,338,819,035	1,252,177,468
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,676,407,955</b>	<b>2,606,154,467</b>

CHIEF EXECUTIVE

DIRECTOR

**EQUITY TEXTILES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	September 2023 Rupees	September 2022
Sales	1,627,903,318	862,344,289
Cost of Sales	<u>(1,587,700,165)</u>	<u>(898,619,096)</u>
Gross profit	40,203,153	(36,274,807)
Administrative and general expenses	(18,952,390)	(17,063,905)
Distribution and selling expenses	<u>(7,248,906)</u>	<u>(5,329,364)</u>
Operating profit	14,001,857	(58,668,076)
Financial charges	<u>(14,755,985)</u>	<u>(16,263,399)</u>
Other charges	<u>(100,506)</u>	<u>-</u>
	<u>(14,856,491)</u>	<u>(16,263,399)</u>
	(854,634)	(74,931,475)
Other income	<u>2,210,741</u>	<u>2,420,025</u>
Profit before taxation	1,356,107	(72,511,450)
Provision for taxation		
Current	<u>(20,431,082)</u>	<u>(10,590,903)</u>
Prior	(2,470,915)	-
Deferred	<u>18,658,164</u>	<u>22,114,172</u>
	<u>(4,243,833)</u>	<u>11,523,269</u>
Profit after taxation	<u><u>(2,887,726)</u></u>	<u><u>(60,988,181)</u></u>
Earning per share - basic and diluted	<u><u>(0.116)</u></u>	<u><u>(2.440)</u></u>

CHIEF EXECUTIVE

DIRECTOR

# فرسٹ ایکویٹی مضاربہ

## ڈائریکٹرز رپورٹ

فرسٹ ایکویٹی مضاربہ کی انتظامی کمپنی پریمیر فنانشل سروسز (پرائیویٹ) لمیٹڈ کے ڈائریکٹرز اپنی رپورٹ اور مضاربہ کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے اختتامی مدت سہ ماہی 30 ستمبر 2023ء پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

### مالیاتی نتائج:

گذشتہ سال اسی مدت کے خسارہ مبلغ (2.3) ملین روپے کے مقابلے میں 30 ستمبر 2023ء کو اختتام پزیر ہونے والی سہ ماہی مدت میں مبلغ (4.59) ملین روپے کا خسارہ ہوا۔

30 ستمبر 2023ء تک فی سرٹیفکیٹ آمدنی مبلغ (0.088) روپے رہی جبکہ گذشتہ سال اسی مدت میں فی سرٹیفکیٹ آمدنی مبلغ (0.044) روپے تھی۔ 30 ستمبر 2023ء کے اختتام تک بریک اپ ویلئے مبلغ 10:16 روپے فی سرٹیفکیٹ تھی۔

### تسلیمات:

ہماری گذشتہ سال کی سالانہ رپورٹ میں معیشت، تجارت، مالیات اور صنعت کے بارے میں ہمارا نظریہ ظاہر کیا گیا ہے۔ ہمارا خیال ہے کہ ایک باریک بینی اور معاشی غیر یقینی صورتحال ختم ہو جائے تو سرمایہ کاری کی مارکیٹ میں مزید تیزی کا رجحان پیدا ہوگا۔

کراچی، اکتوبر 2023ء

بورڈ کی جانب سے

عادل اے غفار  
چیف ایگزیکٹو آفیسر