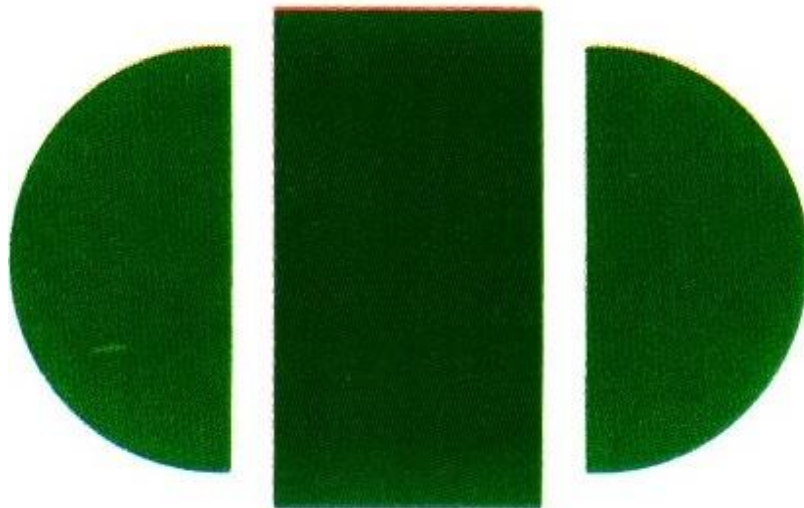


# **FIRST EQUITY MODARABA**

Half Yearly and Six Months  
For the period ended  
December 31, 2015



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

e-mail: [info@firstequitymodaraba.com.pk](mailto:info@firstequitymodaraba.com.pk)

website: [firstequitymodaraba.com.pk](http://firstequitymodaraba.com.pk)

Room No 503-504

Karachi Stock Exchange Building

Karachi

Tel : 021-32446020-3

Fax : 021-32446024

### *Contents*

Corporate information	1
Report of the Directors	2
Review Report of Auditors	3
Balance sheet	4
Profit and loss account	5
Statement of comprehensive income	6
Cash flow statement	7
Statement of changes in equity	8
Notes to the financial statements	9
Equity Textile Ltd - Balance Sheet	14
Equity Textile Ltd - Profit and Loss Accounts	15

**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 together with the auditors review on the financial statements of the Modaraba for the half year ended December 31, 2015.

***Financial Results***

Profit for the half year ended December 31, 2015 amounted to Rs 5.6 million as compared to Rs 8.7 million for the same period last year. The earning per certificate as at December 31, 2015 stood at Rs 0.11 from Rs 0.17 last December. The break up value per modaraba certificate stands at Rs 11.79

External auditors have challenged the management's decision in respect of valuation of TREC and shares of Karachi and Islamabad Stock Exchanges issued in lieu of membership cards. External auditors' are of the opinion that the valuation of TREC and shares on conversion of membership cards of Karachi and Islamabad Stock Exchanges was not in accordance to International Accounting Standard and technical opinion of Institute of Chartered Accountants of Pakistan.

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  
February 25, 2016

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

**FIRST EQUITY MODARABA  
AUDITORS' REPORT TO THE CERTIFICATE HOLDERS ON REVIEW OF  
CONDENSED INTERIM FINANCIAL INFORMATION**

**Introduction**

We have reviewed the accompanying condensed interim balance sheet of First Equity Modaraba as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six months period ended (here-in-after referred to as the "interim financial information"). Management Company of the Modaraba is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and statement of comprehensive income for the quarters ended December 31, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2015.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion

**Basis for Qualification**

Management of the Modaraba in the financial statements for the year ended June 30, 2013, had assigned values to Trading Rights Entitlement Certificates (TREC) of Karachi Stock Exchange Limited (KSE) and Islamabad Stock Exchange Limited (ISE) Rs. 15 million and Rs. 4 million respectively that were based on the value assigned by KSE and ISE for base minimum capital requirement purposes applicable to the brokers of the stock exchange and had recognised 4,007,383 shares of KSE and 3,034,603 shares of ISE at their face values of Rs. 10/- each on exchange of membership card thereby the Modaraba recognized gain of Rs. 36.369 million which, in our opinion, was not in accordance with International Accounting Standards and technical opinion of The Institute of Chartered Accountants of Pakistan (ICAP) issued in this respect.

Modaraba has charged unrealised loss of Rs. 9.5 million, in respect of investment classified as financial asset at fair value through profit and loss, in other comprehensive income instead of profit and loss account as required under International Accounting Standard (IAS) 39

Had the Modaraba recognized the intangible asset and shares of KSE and ISE in accordance with the Technical Opinion of ICAP, its equity, intangible asset and long term investments would have been lower by Rs. 36.369 million, Rs. 7.7 million and Rs. 28.6 million respectively and had the Modabra charged the unrealized loss to the profit and loss account, its profit for the period would have been lower by Rs. 9.5 million.

**Conclusion**

Based on our review, except for the matter referred in the above paragraphs, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at December 31, 2015 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan.

The company's financial statements for the half year ended December 31, 2014 and for the year ended June 30, 2015 were reviewed and audited by Avais Hyder Liaquat Nauman, Chartered Accountants who had issued qualified opinion on the above mentioned periods respectively.

**Baker Tally Mehmood Idress Qamar**  
Chartered Accountants  
Engagement Partner: Mehmood A. Razzak

Karachi  
Dated: February 25, 2016

**FIRST EQUITY MODARABA**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT DECEMBER 31, 2015**

	Note	December 31, 2015 Rupees	Audited June 30, 2015 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
<b>Certificate capital</b>			
Authorised capital			
60,000,000 (June 30, 2015: 60,000,000) modarabacertificates of Rs. 10 each		<b>600,000,000</b>	600,000,000
Certificate capital	6	<b>524,400,000</b>	524,400,000
Reserves		<b>123,126,989</b>	126,433,396
Remeasurement of define benefit liability - Actuarial gain		<b>91,191</b>	91,191
Unrealised loss on re-measurement of investments		<b>(29,846,977)</b>	(20,170,414)
<b>Certificate holders' equity</b>		<b>617,771,203</b>	630,754,173
<b>Non-current liabilities</b>			
Deferred liabilities		<b>2,786,983</b>	2,655,483
Security deposit		<b>200,000</b>	200,000
<b>Total non-current liabilities</b>		<b>2,986,983</b>	2,855,483
<b>Current liabilities</b>			
Creditors, accrued and other liabilities		<b>15,930,036</b>	24,375,437
Unclaimed profit distributions		<b>36,529,363</b>	27,618,316
<b>Total current liabilities</b>		<b>52,459,399</b>	51,993,753
<b>Total liabilities</b>		<b>55,446,382</b>	54,849,236
<b>Contingencies &amp; Commitments</b>	7		
<b>Total equity and liabilities</b>		<b>673,217,585</b>	685,603,409
<b>ASSETS</b>			
<b>Non - current assets</b>			
Fixed assets			
- tangible	8	<b>15,453,420</b>	15,426,202
- intangible		<b>19,000,000</b>	19,000,000
		<b>34,453,420</b>	34,426,202
Investment property		<b>1,891,667</b>	1,951,667
Investments	9	<b>325,839,310</b>	326,007,730
Advances		<b>2,510,000</b>	2,510,000
Deposits		<b>1,150,000</b>	1,150,000
<b>Total non-current assets</b>		<b>365,844,397</b>	366,045,599
<b>Current assets</b>			
Morabaha / musharaka receivables - secured		<b>145,854,575</b>	153,003,609
Short term investments		<b>98,499,212</b>	97,882,927
Advances		<b>454,646</b>	3,525,359
Trade deposits and prepayments		<b>15,213,250</b>	15,027,294
Other receivables		<b>32,876,560</b>	25,218,541
Tax refund due from government taxation - net		<b>8,388,224</b>	4,614,680
Cash and bank balances		<b>6,086,721</b>	20,285,400
<b>Total current assets</b>		<b>307,373,188</b>	319,557,810
<b>Total assets</b>		<b>673,217,585</b>	685,603,409

The annexed notes from 1 to 14 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 HALF YEAR ENDED DECEMBER 31, 2015**

	Quarter ended		Half year ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Note	Rupees	Rupees	Rupees	Rupees
Income	7,702,863	8,952,550	15,605,406	19,190,939
Expenditure				
Operating expenses	(4,936,369)	(6,221,775)	(10,168,652)	(10,648,967)
Financial charges	(5,859)	(607)	(9,679)	(1,075)
	(4,942,228)	(6,222,382)	(10,178,331)	(10,650,042)
<b>Operating profit</b>	<b>2,760,635</b>	<b>2,730,168</b>	<b>5,427,075</b>	<b>8,540,897</b>
Other income	72,320	120,225	181,318	183,548
<b>Profit before income tax</b>	<b>2,832,955</b>	<b>2,850,393</b>	<b>5,608,393</b>	<b>8,724,445</b>
Income tax expense	-	-	-	-
<b>Profit for the period</b>	<b>2,832,955</b>	<b>2,850,393</b>	<b>5,608,393</b>	<b>8,724,445</b>
<b>Earnings per certifica</b>	10	0.05	0.11	0.17

The annexed notes from 1 to 14 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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2015**

	Quarter ended		Half Yearly	
	December 31, 2015 Rupees	December 31, 2014 Rupees	December 31, 2015 Rupees	December 31, 2014 Rupees
Profit for the period	2,832,955	2,850,393	5,608,393	8,724,445
<b>Other comprehensive income</b>				
Unrealised gain / (loss) on re-measurement of investments	2,663,315	(10,336,962)	(15,615,344)	(18,842,810)
Gain realised on disposal of investments	2,550,280	3,699,530	5,938,781	6,827,654
	5,213,595	(6,637,432)	(9,676,563)	(12,015,156)
Taxation relating to component of other comprehensive income	-	-	-	-
Other comprehensive (loss) / income	8,046,550	(3,787,039)	(4,068,170)	(3,290,711)
<b>Total comprehensive (loss) / income</b>	<b>8,046,550</b>	<b>(3,787,039)</b>	<b>(4,068,170)</b>	<b>(3,290,711)</b>

The annexed notes from 1 to 14 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 STATEMENT OF CASH FLOWS (UN-AUDITED)****FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	<b>December 31, 2015 Rupees</b>	December 31, 2014 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	5,608,393	8,724,445
<b>Adjustments for non cash</b>		
Depreciation	958,066	826,909
Provision for gratuity	131,500	353,745
Dividend income	(2,972,032)	(2,074,374)
	<b>(1,882,466)</b>	<b>(893,720)</b>
<b>Operating profit before working capital changes (Increase) / decrease in current assets</b>	<b>3,725,927</b>	<b>7,830,725</b>
Morabaha / musharaka receivables	7,149,034	4,891,960
Advances	3,070,713	(1,686,077)
Short term investment	(616,285)	-
Trade deposits and prepayments	(185,956)	(145,366)
Other receivables	(7,658,019)	(51,046,961)
	<b>1,759,487</b>	<b>(47,986,444)</b>
<b>(Decrease) / Increase in current liabilities</b>		
Creditors, accrued and other liabilities	(8,445,401)	76,279,617
	<b>(2,959,987)</b>	<b>36,123,898</b>
Dividend paid	(3,753)	-
Tax paid	(3,773,544)	-
	<b>(3,777,297)</b>	<b>-</b>
<b>Net cash (used in) / generated operating activities</b>	<b>(6,737,284)</b>	<b>36,123,898</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments	(9,508,143)	(9,515,466)
Dividends received	2,977,596	2,074,374
Addition in tangible assets	(930,849)	(22,000)
<b>Net cash used in investing activities</b>	<b>(7,461,396)</b>	<b>(7,463,092)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(14,198,680)</b>	<b>28,660,806</b>
Cash and cash equivalents at the beginning of the half year	20,285,400	9,889,496
<b>Cash and cash equivalents at the end of the half year</b>	<b>6,086,720</b>	<b>38,550,302</b>

The annexed notes from 1 to 14 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 STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Remeasurement of define benefit liability	Unrealised gain / (loss) on re- measurement of investments	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
Total comprehensive income for the half year	-	-	-	-	-	(12,015,156)	8,724,445	(3,290,711)
Effect of restatement of note 5							(19,665,000)	(19,665,000)
<b>Balance as at December 31, 2014</b>	<b>524,400,000</b>	<b>148,356,187</b>	<b>131,100,000</b>	<b>27,120,000</b>	<b>815,245</b>	<b>(25,165,123)</b>	<b>(182,817,182)</b>	<b>623,809,127</b>
<b>Balance as at July 01, 2015</b>	<b>524,400,000</b>	<b>150,635,954</b>	<b>131,100,000</b>	<b>27,120,000</b>	<b>91,191</b>	<b>(20,170,414)</b>	<b>(182,422,558)</b>	<b>630,754,173</b>
Total comprehensive income for the half year	-	-	-	-	-	(9,676,563)	5,608,393	(4,068,170)
Profit Distribution							(8,914,800)	(8,914,800)
<b>Balance as at December 31, 2015</b>	<b>524,400,000</b>	<b>150,635,954</b>	<b>131,100,000</b>	<b>27,120,000</b>	<b>91,191</b>	<b>(29,846,977)</b>	<b>(185,728,965)</b>	<b>617,771,203</b>

The annexed notes from 1 to 13 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**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2015**

**1 Legal Status and Operations**

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

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

The Modaraba is listed on Karachi Stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange.

The Modaraba is a Trading Right Entitlement Certificate of Karachi Stock Exchange and Islamabad Stock Exchange and is operating brokerage activities in Karachi Stock Exchange.

Modaraba is holding Equity Textile Limited as a wholly owned subsidiary company.

**2 BASIS OF PREPARATION**

The unaudited condensed interim financial information is being presented and submitted to the shareholders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.

The Modaraba Company's management fee, statutory reserve @ 20% to 50%, provisions and profit distribution 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.

The condensed interim financial information is un-audited but have been subject to limited scope review by the auditors as required by the Code of Corporate Governance voluntary adopted by the modaraba and have been prepared in accordance with the requirements of International Accounting Standard - 34 (IAS-34 ) 'Interim Financial Reporting' as applicable in Pakistan.

**3 SIGNIFICANT ACCOUNTING POLICIES**

- 3.1 The accounting policies and method of computations used for preparation of these condensed interim financial information are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2015

**4 USE OF ESTIMATES**

Judgments and estimates made by the management in the preparation of the condensed interim financial information was same as those that were applied to the financial statements as at and for the year ended June 30, 2015.

**5 RESTATEMENT**

While performing the audit of current year, it was found the modaraba's error in recording the profit distribution, amounting to Rs 19,665,000 in the financial statements for the half year ended December 31, 2014. The error has been corrected in accordance with requirement of ISA 8 by restating the balances of comparative statement of changes in equity

**6 CERTIFICATE CAPITAL**

Fully paid modaraba certificates of Rs. 10 each.

<b>December 31, 2015</b>	<b>June 30, 2015</b>		<b>December 31, 2015</b>	<b>Audited June 30, 2015</b>
<b>(Number of shares)</b>			<b>Rupees</b>	<b>Rupees</b>
46,220,000	46,220,000	Issued for cash	462,200,000	462,200,000
6,220,000	6,220,000	Issued as bonus certificates	62,200,000	62,200,000
<b>52,440,000</b>	<b>52,440,000</b>		<b>524,400,000</b>	<b>524,400,000</b>

**FIRST EQUITY MODARABA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2015**

**7 CONTINGENCIES AND COMMITMENTS**

Modaraba has filed a suit against Samba Bank Ltd for the recovery of deposit amounting to Rs 21 million alongwith mark up. The matter is pending before the Honourable High Court of Sindh. Management of the Modaraba and its legal advisor are of the opinion that Modaraba has reasonable chances of the favourable outcome and that Modaraba may not suffer any loss from the same

	Note	Unaudited December 31, 2015 Rupees	Audited June 30, 2015 Rupees
<b>8 TANGIBLE FIXED ASSETS</b>			
Opening WDV		15,426,202	15,777,617
Addition during the period		930,848	1,227,800
Depreciation for the period		(903,630)	(1,562,986)
Deletion during the period		-	(16,229)
Closing WDV		15,453,420	15,426,202

**9 INVESTMENTS**

Listed securities - available for sale		1,790,710	1,959,130
Preference certificates		1,828,740	1,828,740
Unlisted securities		72,219,860	72,219,860
		75,839,310	76,007,730
Wholly owned subsidiary	9.1	250,000,000	250,000,000
		325,839,310	326,007,730

**9.1** Break up value of wholly owned subsidiary is Rs 27.88 (June 30, 2015: 28.29) per share as per unaudited accounts as at December 31, 2015

		December 31, 2015 Rupees	December 31, 2014 Rupees
<b>10 EARNINGS PER CERTIFICATE</b>			
Profit for the half year		5,608,393	8,724,445
		Number	Number
Weighted average number of certificates outstanding during the period		52,440,000	52,440,000
		Rupees	Rupees
Earnings per certificate - basic and diluted		0.11	0.17

**10.1** There is no dilution effect on the basic earnings per share of the modaraba as the modaraba has no such commitments.

**FIRST EQUITY MODARABA****SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2015****11 SEGMENT INFORMATION**

The modaraba determines the operating segments based on the services provided by it, further their segment analysis are used internally by the management to make strategic decision.

The modaraba has three primary source of revenue i.e. musharaka facility, brokerage operations and capital market based on the nature of business and related risk associated with each type of business segment which are not deemed by the management to be sufficiently significant to disclose as separate items are reported under

Segment assets and liabilities included all assets and liabilities related to the segment relevant proportion of the assets and liabilities allocated to the segment on reasonable basis.

Segment revenue and expenses included all revenue and expenses related to the segment and relevant proportion of the revenue and expenses allocated to the segment on reasonable basis.

	December 31, 2015					December 31,
	Musharaka facility	Brokerage operation	Capital market	Others	TOTAL	2014 TOTAL
	-----Rupees-----					-----Rupees-----
Segment revenues	8,700,967	1,041,882	5,202,557	841,318	15,786,724	19,374,487
Segment result	8,700,967	(1,860,681)	5,202,557	841,318	12,884,161	17,160,740
Unallocated cost						
Operating expenses					(7,275,768)	(8,436,295)
Profit before income tax					5,608,393	8,724,445
<b>Profit for the period</b>					<b>5,608,393</b>	<b>8,724,445</b>
Other information					December 31, 2015	December 31, 2014
Segment assets	145,854,575	63,024,012	424,338,522	-	633,217,109	670,170,355
Unallocated assets					40,000,476	89,516,858
<b>Total assets</b>					<b>673,217,585</b>	<b>759,687,213</b>
Segment liabilities	-	7,433,144	-	-	7,433,144	79,785,058
Unallocated liabilities					48,013,238	36,428,028
<b>Total liabilities</b>					<b>55,446,382</b>	<b>116,213,086</b>

**FIRST EQUITY MODARABA**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

**12 TRANSACTIONS WITH RELATED PARTIES**

The related parties of the modaraba comprise management company, staff retirement funds, directors of the management company and key management personnel. Transactions with related parties other than remuneration and benefits to officers and employees under the terms of their employment are as follows:

<b>12.1</b>	<b>Balance payable at end of half year</b>		<b>December 31, 2015</b>	June 30 2015
			<b>Rupees</b>	Rupees
	Modaraba Management Company		<b>6,120,321</b>	4,829,780
<b>12.2</b>	<b>Transactions during the period</b>	<b>Relationship</b>	<b>December 31, 2015</b>	December 31, 2014
	Dividend income	Associated company	<b>665</b>	1,113
	Services acquired	Associated company	<b>110,430</b>	247,155
	Brokerage commission	Associated company	<b>214,730</b>	6,075

**13 AUTHORIZATION FOR ISSUE**

The condensed interim financial information was authorized for issue in accordance with a resolution of the Board of Directors on February 25, 2016.

**14 GENERAL**

Figures in the condensed interim financial information have been rounded off to the nearest of rupee.

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**

Wholly Owned Subsidiary of

**First Equity Modaraba**

**half yearly ended**

**December 31, 2015**

**EQUITY TEXTILES LIMITED**  
**BALANCE SHEET AS AT DECEMBER 31 2015**

**Dec 2015**  
**Rupees**

**June 2015**  
**Rupees**

**ASSETS****NON CURRENT ASSETS**

Property, plant and equipment

Operating fixed assets

Capital work in progress

1,181,708,553

1,208,537,809

9,857,041

-

1,191,565,594

1,208,537,809

**CURRENT ASSETS**

Stores and spares

Stock in trade

Short term investment

Trade debts

Loans and advances

Trade deposits and short term prepayments

Other receivables

Tax refund due from government

Taxation - net

Cash and bank balances

25,299,386

29,440,537

451,654,511

214,722,397

30,122,840

26,928,737

125,697,079

93,542,674

55,123,631

37,746,557

14,728,150

8,140,588

2,195,762

1,700,000

17,045,995

16,372,566

4,500,429

7,774,788

6,226,501

11,344,598

732,594,284

447,713,442

1,924,159,878

1,656,251,251

**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 loss on investments

7,608,558

5,847,331

Profit and loss account

62,994,726

55,161,421

70,603,284

61,008,752

320,603,284

311,008,752

Surplus on revaluation of fixed assets

376,443,363

396,256,171

**NON CURRENT LIABILITIES**

Long term financing

Long term Markup

Deferred taxation

404,140,492

439,104,585

13,537,448

25,537,448

182,793,400

200,753,466

600,471,340

665,395,499

**CURRENT LIABILITIES**

Trade and other payables

Accrued Markup

Short term borrowings

Current portion of long term liabilities

237,515,600

151,773,850

24,781,658

19,722,294

270,416,452

18,166,501

93,928,181

93,928,184

626,641,891

283,590,829

**TOTAL EQUITY AND LIABILITIES**

1,924,159,878

1,656,251,251

**CHIEF EXECUTIVE****DIRECTOR**

**EQUITY TEXTILES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	<b>Dec 2015</b> <b>Rupees</b>	<b>Dec 2014</b> <b>Rupees</b>
Sales	912,376,590	1,121,062,493
Cost of Sales	(884,776,623)	(1,020,640,172)
Gross profit	27,599,967	100,422,321
Administrative and general expenses	(9,711,276)	(9,832,039)
Distribution and selling expenses	(7,214,974)	(8,348,802)
Operating profit	10,673,717	82,241,480
Financial charges	(29,052,129)	(41,251,368)
Other charges	-	(2,887,645)
	(29,052,129)	(44,139,013)
Operating profit /(loss)	(18,378,412)	38,102,467
Other income	387,685	859,810
Profit /(loss) before taxation	(17,990,727)	38,962,277
Provision for taxation		
Current	(8,596,129)	(8,698,675)
Prior	(3,352,716)	-
Deferred	17,960,066	27,961,205
	6,011,221	19,262,530
Profit /(loss) after taxation	(11,979,506)	58,224,807
Profit /(loss) per share - basic and diluted	(0.4792)	2.3290

CHIEF EXECUTIVE

DIRECTOR