

HALF YEARLY REPORT

For the period ended December 31, 2017
(Un-audited)



FIRST IMROOZ MODARABA

Managed by
A R Management Services (Private) Limited



FIRST IMROOZ MODARABA

MODARABA INFORMATION

Modaraba Management Company

A R Management Services (Private) Ltd.

Directors of Modaraba Company

Mr. Naveed Riaz—Chief Executive
Mrs. Saadat Ikram
Mr. Ameer Riaz
Mr. Omar Mohammad Khan

Chief Financial Officer

Mr. Ateed Riaz

Audit Committee

Mr. Omar Mohammad Khan (Chairman)
Mrs. Saadat Ikram (Member)
Mr. Ameer Riaz (Member)

Human Resource Committee

Mr. Omar Mohammad Khan (Chairman)
Mrs. Saadat Ikram (Member)
Mr. Ameer Riaz (Member)

Company Secretary

Mr. Shabbir Ahmed Jamsa

Chief Internal Auditor

Mr. Abbas Kerani

Auditors

M/s. Deloitte Yousuf Adil
Chartered Accountants

Bankers

Soneri Bank Limited
Bank Al falah Limited

Legal Advisors

Aatif Awan, Advocate

Shariah Advisor

Mufti Abdul Qadir

Principal place of business

Room No. 405, 4th Floor
Beaumont Plaza, Beaumont Road
Civil Lines Quarters, Karachi.

Registered Office of the Modaraba Company

125-S, Small Industrial Area
Kot Lakhpat, Lahore.

Certificate Registration Office

F.D. Registrar Services (SMC-Pvt.)
Limited 17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road Karachi



FIRST IMROOZ MODARABA

REPORT OF THE DIRECTORS

The Board of Directors of A R Management Services (Private) Limited, the management company of First Imrooz Modaraba are pleased to present their half yearly report alongwith un-audited condensed financial statements for the period ended December 31, 2017 which were duly reviewed by the statutory auditors.

1. Financial Highlights

Financial results of the Modaraba are summarized as under:-

	(Rupees in million)	
	Six months ended	
	31-Dec-17	31-Dec-16
Sales	422.382	374.645
Gross profit	75.854	56.937
Operating expenses	30.562	29.419
Other income	0.479	0.522
Profit before taxation	44.713	26.897
Taxation	18.636	17.151
Profit for the half year	26.077	9.746
Earnings per certificate - basic & diluted (Rupees)	8.69	3.25

2. Review of Operations

Alhamdulillah, Modaraba's turnover for the half year ended December 31, 2017 increased to Rs. 422.382 million as compared to Rs. 374.645 million of the corresponding period.

Gross profit for the six months also increased to Rs. 75.854 million compared to Rs. 56.937 of the corresponding period.

However, the operating expenses have slightly increased to Rs. 30.562 million as compared to Rs. 29.419 million of the corresponding period.

Resultantly, the Modaraba's profit after taxation for the half year ended December 31, 2017 increased to Rs. 26.077 million as against Rs. 9.746 million of the corresponding period.

The earnings per certificate of the Modaraba worked out to Rs. 8.69 as against Rs. 3.25 of the corresponding period.

Our history shows a better earning in the second half of the financial year, but this has been an exceptional 6 months and certain orders that were to be delivered during the period January to June 2018 were delivered in July to December 2017.

3. Acknowledgement

The Board wishes to express its thanks for continued guidance and support extended by the Registrar Modaraba and other officials of Securities and Exchange Commission of Pakistan. The Board also wishes to thank its certificate holders, colleagues, investors, bankers and business accounts for their continued support and co-operation.

on behalf of the Board

Naveed Riaz
Chief Executive
February 20, 2018



FIRST IMROOZ MODARABA

ڈائریکٹرز کی رپورٹ

فرسٹ امروز مضاربہ کی انتظامی کمپنی اے آر مینجمنٹ سروسز (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز مضاربہ کی مختصر غیر آڈٹ شدہ ششماہی رپورٹ بمعہ چھ ماہ اختتام 31 دسمبر 2017 کے مالی حسابات بشمول آڈیٹر کے جائزہ کے ساتھ پیش کرتے ہیں۔

نمایاں مالیاتی نکات

مضاربہ کے مالیاتی نتائج مندرجہ ذیل ہیں:

ششماہی اختتام		
31-Dec-16	31-Dec-17	
(ملین روپوں میں)		
374.645	422.382	فروخت اشیاء
56.937	75.854	مجموعی منافع
29.419	30.562	انتظامی اخراجات
0.522	0.479	دیگر آمدنی
26.897	44.713	قبل از ٹیکس منافع
17.151	18.636	ٹیکس
9.746	26.077	بعد از ٹیکس منافع
3.25	8.69	فی کس سرٹیفکیٹ آمدنی (بنیادی اور تحلیل شدہ) روپے

کارکردگی کا جائزہ

الحمد للہ اس ششماہی میں مضاربہ کی اشیاء کی فروخت پچھلی ششماہی دورانیے سے بڑھ کر 422.382 ملین روپے رہی جبکہ اسکے مقابلے میں پچھلے دورانیے میں یہ 374.645 ملین روپے تھی۔ اس کی مناسبت سے مجموعی منافع بھی 75.854 ملین روپے تک رہا، جب کہ اس کے مقابلے پچھلی مدت کے دوران مجموعی منافع 56.937 ملین روپے تھا۔ انتظامی اخراجات بڑھ کر 30.562 ملین روپے رہے جب کہ گزشتہ مدت میں یہ 29.419 ملین روپے تھے۔ نتیجاً مضاربہ کا خالص منافع ششماہی اختتام پہ 26.077 ملین روپے رہا، جو کہ گزشتہ مقابل مدت پہ 9.746 ملین روپے تھا۔ مضاربہ کی فی کس سرٹیفکیٹ آمدنی 8.69 روپے رہی جبکہ اسکے مقابلے میں پچھلے دورانیے میں یہ 3.25 روپے تھی۔ ہماری گزشتہ تاریخ مالیاتی سال کے دوسرے نصف میں بہتر آمدنی ظاہر کرتی ہے، لیکن حالیہ نتائج غیر معمولی ہیں جس میں جنوری سے جون 2018 کے عرصے کے بعض آرڈرز قبل از وقت جولائی سے دسمبر 2017 میں مکمل کر لیے گئے ہیں۔

اعتراف نامہ

بورڈ اس موقع پر رجسٹرڈ مضاربہ اور سیکورٹیز اینڈ اینج کیسٹیشن آف پاکستان کے دیگر حکام کی مسلسل رہنمائی اور مدد کے لئے اپنے تشکر کا اظہار کرتا ہے۔ بورڈ اس کے علاوہ اپنے سرٹیفکیٹ مالکان، رفقاء کے کار، سرمایہ کاروں، بینکاروں اور کاروباری پارٹیوں کی رہنمائی اور خصوصاً مضاربہ کے تمام ملازمین کی شانہ روز محنت اور لگن کے لئے ان سب کا شکر گزار ہے۔

منجانب بورڈ

نوید ریاض

چیف ایگزیکٹو

20 فروری، 2018

AUDITOR'S REPORT TO THE CERTIFICATE HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of First Imrooz Modaraba (the Modaraba) as at December 31, 2017 and the related condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the condensed interim financial information) for the half year then ended. Management Company of the Modaraba (A R Management Services (Private) Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim cash flow statement for the quarter ended December 31, 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year then ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 5.1.2 to the condensed interim financial information regarding implication of levy under Sindh Workers Welfare Fund Act, 2014. The ultimate outcome of the matter cannot presently be determined.


Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Dated: February 20, 2018
Place: Karachi

Member of
Deloitte Touche Tohmatsu Limited



FIRST IMROOZ MODARABA

CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2017

		(Un-audited) December 31, 2017	(Audited) June 30, 2017
	Note	----- Rupees -----	
NON CURRENT ASSETS			
Property and equipment	4	12,371,327	12,008,848
Intangible assets		1,085,201	1,337,993
Long term deposits		490,752	381,352
		13,947,280	13,728,193
CURRENT ASSETS			
Stock in trade		331,862,638	258,027,759
Trade debtors - unsecured, considered good		114,734,134	83,996,800
Advances, deposits, prepayments and other receivables		1,615,792	2,423,971
Taxation		4,320,765	5,174,807
Cash and bank balances		3,294,969	7,427,068
		455,828,298	357,050,405
		469,775,578	370,778,598
CAPITAL AND RESERVES			
Authorised capital			
10,000,000 Modaraba certificates of Rs. 10 each		100,000,000	100,000,000
Issued, subscribed and paid-up certificate capital		30,000,000	30,000,000
Statutory reserve		73,064,543	73,064,543
Revenue reserve		30,484,331	34,407,488
		133,548,874	137,472,031
NON CURRENT LIABILITY			
Defined benefit plan - Staff gratuity		19,965,965	21,263,114
CURRENT LIABILITIES			
Obligation under morabaha finances		23,304,867	34,371,227
Qard-e-Hasana from Modaraba Management Company		103,300,000	34,300,000
Creditors, accrued and other liabilities		189,655,872	143,372,226
		316,260,739	212,043,453
CONTINGENCIES AND COMMITMENTS			
	5	469,775,578	370,778,598

The annexed notes from 1 to 9 form an integral part of these condensed interim financial information.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2017

	Half year ended		Quarter ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Note	Rupees			
Sales	422,381,654	374,645,311	232,937,438	219,878,253
Cost of sales	(346,527,392)	(317,707,898)	(192,401,110)	(187,545,781)
Gross profit	75,854,262	56,937,413	40,536,328	32,332,472
Operating expenses	(30,561,920)	(29,419,433)	(14,820,142)	(15,494,465)
Operating profit	45,292,342	27,517,980	25,716,186	16,838,007
Murabaha charges	(1,058,614)	(1,142,572)	(371,943)	(510,423)
Other income	479,443	521,785	14,354	83,121
Profit before taxation	44,713,171	26,897,193	25,358,597	16,410,705
Taxation	6 (18,636,329)	(17,151,158)	(10,292,070)	(10,222,817)
Profit for the period	26,076,842	9,746,035	15,066,527	6,187,888
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	26,076,842	9,746,035	15,066,527	6,187,888
Earnings per certificate - basic and diluted	8.69	3.25	5.02	2.06

The annexed notes from 1 to 9 form an integral part of these condensed interim financial information.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Issued, subscribed and paid-up certificate capital	Statutory reserve	Revenue reserve Unappropriated Profit	Total
	Rupees			
Balance as at June 30, 2016	30,000,000	71,399,574	38,773,071	140,172,645
Transaction with owners				
Profit distribution for the year ended June 30, 2016 at Rs. 12 per certificate	-	-	(36,000,000)	(36,000,000)
Total comprehensive income for the half year ended December 31, 2016				
Profit for the period	-	-	9,746,035	9,746,035
Other comprehensive income	-	-	-	-
	-	-	9,746,035	9,746,035
Balance as at December 31, 2016	30,000,000	71,399,574	12,519,106	113,918,680
Total comprehensive income for the half year ended June 30, 2017				
Profit for the period	-	-	23,553,352	23,553,352
Other comprehensive income	-	-	-	-
	-	-	23,553,352	23,553,352
Transfer to statutory reserve	-	1,664,969	(1,664,969)	-
Balance as at June 30, 2017	30,000,000	73,064,543	34,407,489	137,472,032
Transaction with owners				
Profit distribution for the year ended June 30, 2017 at Rs. 10 per certificate	-	-	(30,000,000)	(30,000,000)
Total comprehensive income for the half year ended December 31, 2017				
Profit for the period	-	-	26,076,842	26,076,842
Other comprehensive income	-	-	-	-
	-	-	26,076,842	26,076,842
Balance as at December 31, 2017	30,000,000	73,064,543	30,484,331	133,548,874

The annexed notes from 1 to 9 form an integral part of these condensed interim financial information.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2017

	Half year ended		Quarter ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	44,713,171	26,897,193	25,358,597	16,410,705
Adjustments for:				
Depreciation	1,856,151	1,764,932	957,139	866,672
Amortization	252,792	323,682	126,396	161,840
Gain on disposal of property and equipment	(437,886)	(334,997)	-	(334,997)
Murabaha charges	1,958,620	1,142,572	371,949	510,423
Provision for staff retirement gratuity	1,337,478	1,337,478	668,739	668,738
	4,067,155	4,233,667	2,124,223	1,872,676
	48,780,326	31,130,860	27,482,820	18,283,381
Changes in operating assets and liabilities (Increase) / decrease in current assets				
Stock in trade	(73,834,879)	(16,321,462)	35,596,109	44,008,665
Trade debtors	(30,737,334)	14,061,767	(37,004,470)	(16,206,291)
Advances, deposits, prepayments and other receivables	808,179	154,866	1,262,905	1,850,094
	(103,764,034)	(2,104,829)	(145,456)	29,652,468
Increase/ (decrease) in current liabilities				
Creditors, accrued and other liabilities	44,065,757	(34,864,228)	(29,138,984)	(13,330,087)
Cash (used in) / generated from operating activities	(10,917,951)	(5,838,197)	(1,801,620)	34,605,762
Murabaha charges paid	(1,232,532)	(1,223,758)	(594,586)	(644,819)
Taxes paid	(17,782,288)	(17,713,586)	(9,463,086)	(8,504,471)
Staff gratuity paid	(2,634,627)	(773,280)	-	(773,280)
Security deposit for Ijarah paid	(109,400)	(264,700)	(109,400)	(264,700)
Net cash (used in) / generated from operating activities	(32,676,798)	(25,813,521)	(11,968,692)	24,418,492
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property and equipment	(2,435,745)	(2,634,194)	(1,959,701)	(2,462,619)
Proceeds from disposal of property and equipment	655,000	335,000	-	335,000
Net cash used in investing activities	(1,780,745)	(2,299,194)	(1,959,701)	(2,127,619)
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid	(27,608,196)	(35,385,197)	(27,608,196)	(35,385,197)
Proceeds of Qard-e-Hasana from Modaraba Management Company	132,500,000	55,000,000	75,500,000	33,000,000
Repayment of Qard-e-Hasana to Modaraba Management Company	(63,500,000)	(22,000,000)	(25,500,000)	(22,000,000)
Proceeds of murabaha finance	55,061,582	59,642,696	23,304,868	23,200,278
Repayment of murabaha finances	(66,127,942)	(72,800,257)	(37,692,991)	(35,797,770)
Net cash generated from / (used in) financing activities	30,325,444	(15,542,758)	8,003,681	(36,982,689)
Net decrease in cash and cash equivalents (A+B+C)	(4,132,099)	(43,655,473)	(5,924,712)	(14,691,816)
Cash and cash equivalents at the beginning of the period	7,427,068	61,300,889	9,219,681	32,337,232
Cash and cash equivalents at the end of the period	3,294,969	17,645,416	3,294,969	17,645,416

The annexed notes from 1 to 9 form an integral part of these condensed interim financial information.

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director



FIRST IMROOZ MODARABA

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 First Imrooz Modaraba (the Modaraba) was formed on September 27, 1993 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Rules framed there under and is managed by A R Management Services (Private) Limited. The Modaraba commenced its commercial operations from March 01, 1994. The Modaraba is listed on the Pakistan Stock Exchange Limited.
- 1.2 It is a multi purpose, perpetual Modaraba and is mainly engaged in domestic and international trading activities.
- 1.3 The principle place of the business of the Modaraba is situated at Room No. 405, 4th floor, Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi, in the province of Sindh, Pakistan.

2. BASIS OF PREPARATION

- 2.1 This condensed interim financial information of the Modaraba has been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting, the requirements of the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by SECP shall prevail.
- 2.2 Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, Securities and Exchange Commission of Pakistan has notified through Circular No. 23 of October 04, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Institute of Chartered Accountants of Pakistan has issued a circular No. 17 / 2017 dated October 6, 2017 stating that the said order of the Commission is also applicable for preparation of interim financial statements of the companies for the periods ending on or before December 31, 2017.
- 2.3 The disclosures made in this condensed interim financial information have been limited, based on the requirements of International Accounting Standard 34 - Interim Financial Reporting. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published annual financial statements of the Modaraba for the year ended 30, June 2017.
- 2.4 This condensed interim financial information is un-audited. However, limited scope review has been performed by the statutory auditors in accordance with the requirements of Clause 5.19.13 of the Rule Book of Pakistan Stock Exchange Limited and are being submitted to the certificate holders as required under Rule 10 of Modaraba Companies and Modaraba Rules, 1981.
- 2.5 This condensed interim financial information has been prepared under the historical cost convention.
- 2.6 This condensed interim financial information is prepared in Pakistani Rupees which is the Modaraba's functional and presentation currency. The figures in this condensed interim financial information have been rounded off to the nearest rupee unless otherwise specified.
- 2.7 Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2017, which do not have any impact on this condensed interim financial information.



FIRST IMROOZ MODARABA

3. ACCOUNTING POLICIES, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The accounting policies, basis of accounting estimates applied and methods of computation adopted in the preparation of this condensed interim financial information and financial risk management objectives and policies are the same as those applied in the preparation of the annual financial statements of the Modaraba for the year ended June 30, 2017.

4. PROPERTY AND EQUIPMENT

Following additions and disposals, at cost, were made during the period / year :

	December 31, 2017 (Un-audited)	June 30, 2017 (Audited)
	----- Rupees -----	
Opening fixed assets (Net book value)	12,008,848	12,497,055
Additions to fixed assets	2,435,745	3,114,281
Disposals to fixed assets	(1,176,000)	(2,998,877)
Depreciation charge for the period	(1,856,151)	(3,541,099)
Depreciation on disposal of fixed assets	958,885	2,937,488
	<u>12,371,327</u>	<u>12,008,848</u>

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingency

5.1.1 The matter relating to Federal Workers Welfare Fund is described in the note 18.1 of the annual financial statements for the year ended June 30, 2017. On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a review petition in the SCP against the said judgment, which is pending.

5.1.2 In the meantime, the Sindh Assembly passed The Sindh Workers Welfare Fund Act, 2014 (the WWF Act) on June 04, 2015. As per Section 5(1) of the WWF Act, contributions are payable with effect from the date of closing of account on or after December 31, 2013, that corresponds to Modaraba's account year ended on June 30, 2014. As per definitions Section 2(g) of the WWF Act, the Modarabas were considered to be an industrial establishment, despite the fact that even remotely they could not be considered as industrial establishment due to their nature of business. Few Modarabas have filed petitions against such levy, Sindh High Court has granted stay to various Banks and Financial Institutions in Suit No.610 of 2017. The Modaraba is also considering to join the petitioners on this matter. Therefore the management of the Modaraba is of the opinion that no provision is required. Had this provision been made since July 01, 2013 it would amount to Rs 5,871,224 (June 30, 2017: Rs 4,976,760)



FIRST IMROOZ MODARABA

5.2 Commitments

The Modaraba has issued post dated cheques to Collector of Customs amounting to Rs. 140,259,290 (June 30, 2017 : Rs.103,857,573) on account of custom dues / taxes on goods at bonded warehouse.

Commitments in respect of outstanding letters of credit for trading stock amounting to Rs. 40,238,441 (June 30, 2017 : Rs. 7,904,637).

6. TAXATION

Provision for taxation is provisional on the basis of presumptive tax regime. Final liability would be determined on the basis of annual results.

7. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Modaraba include the management company, associated undertakings, directors of the management company and key management personnel. Significant transactions with related parties are as follows:

	(Unaudited) December 31, 2017	(audited) December 31, 2016
	----- Rupees -----	
Dividend paid to Modaraba Management Company	6,000,000	7,200,000
Dividend paid to key management personnel	7,529,000	9,034,800
Share of common expenses to group companies	821,793	1,050,448
Warehouse rent to group companies	1,840,500	1,868,000
Receipt of Qard-e-Hasana from Modaraba Management Company	132,500,000	55,000,000
Repayment of Qard-e-Hasana to Modaraba Management Company	63,500,000	22,000,000

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value levels have been defined in note 26 of the annual financial statements for the year ended June 30, 2017. As at period ended December 31, 2017, the Modaraba does not hold any financial assets or liability measured at fair value, therefore, fair value hierarchies have not been disclosed.

Further, carrying value of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair value.

9. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors of the Modaraba Management Company and authorized for issue on February, 20, 2018

Naveed Riaz
Chief Executive

Ameed Riaz
Director

Mrs. Saadat Ikram
Director

If undelivered, please return to:

FIRST IMROOZ MODARABA

405, Beaumont Plaza, Beaumont Road., Civil Lines Quarters, Karachi-75530, Pakistan.

Tel: (+92-21) 3522 2743-5 Fax: (+92-21) 3522 2668

E-mail: inquiries@imrooz.com Website: www.firstimrooz.com