

# QUARTERLY ACCOUNTS

(un-audited)

For the period ended March 31, 2016



FIRST IMROOZ MODARABA

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Managed by  
A R Management Services (Private) Limited



# 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 report alongwith un-audited financial statements for the quarter and nine months period ended March 31, 2016.

### 1. Financial Highlights

Financial results of the Modaraba are summarized as under:-

	(Rupees in million)	
	Nine months ended	
	31-Mar-16	31-Mar-15
Sales	561.783	468.939
Gross profit	86.622	70.498
Operating expenses	35.498	32.501
Other income	0.309	0.467
Profit before taxation	49.842	35.506
Profit after tax for the nine months	23.741	14.962
Earnings per certificate - basic & diluted (Rupees)	7.91	4.99

### 2. Review of Operations

The turnover for the period under consideration is increased to Rs. 561.783 million as against Rs. 468.939 million of the corresponding period. Gross profit also increased to Rs. 86.622 million as against Rs. 70.498 million mainly due to increased sales volume.

The other income for the period is Rs. 0.309 million as against Rs. 0.467 million of the corresponding period.

As a result, the Modaraba's profit for nine months period ended March 31, 2016 stood at Rs. 23.741 million as compared to Rs. 14.962 million of the corresponding period.

The earnings per certificate of the Modaraba worked out to Rs. 7.91 as against Rs. 4.99 of the corresponding period.

### 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

April 20, 2016



## FIRST IMROOZ MODARABA

### ڈائریکٹرز کی رپورٹ

فرسٹ امروز مضاربہ کی انتظامی کمپنی اے آر مینجمنٹ سروسز (پرائیوٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز مضاربہ کے سہ ماہی اختتام 31 مارچ 2016 کے نتائج بمعہ 9 مہینے تک کے غیر آڈٹڈ مالی حسابات کو پیش کرتے ہیں۔

### مالیاتی جھلکیاں

مضاربہ کے مالیاتی نتائج مندرجہ ذیل ہیں

(ملین روپیوں میں)

نومہ کے نتائج

2015 مارچ 31	2016 مارچ 31	
468.939	561.783	فروخت
70.498	86.622	کل منافع
32.501	35.498	انتظامی اخراجات
0.467	0.309	دیگر آمدنی
35.506	49.842	قبل از ٹیکس منافع
14.962	23.741	بعد از ٹیکس منافع
4.99	7.91	نیٹس شیئر آمدنی (بنیادی اور تحلیل شدہ) روپے

### کارکردگی کا جائزہ

زیور خوردت کے دوران فروخت 561.783 ملین روپے تک ہوئی جبکہ اسکے مقابلے میں پچھلے دورانیے میں 468.939 ملین روپے تھے۔ اس کی مناسبت سے کل منافع 86.622 ملین روپے تک رہا، جب کہ اس کے مقابلے پچھلی مدت کے دوران کل منافع 70.498 ملین روپے تھا۔ اس اضافہ کی بڑی وجہ فروخت کا حجم بڑھنا ہے۔

اس مدت کی دیگر آمدنی 0.309 ملین روپے رہی جب کہ گزشتہ مدت میں یہ 0.467 ملین روپے تھی۔

نتیجے کے طور پر مضاربہ کا منافع 9 ماہ کے اختتام پہ 23.741 ملین روپے رہا، جو کہ گزشتہ مقابلے مدت پہ 14.962 ملین روپے تھا۔ نیٹس شیئر آمدنی 7.91 روپے رہی جو کہ پچھلی مقابلے مدت میں 4.99 روپے تھی۔

### اقرارنامہ

بورڈ اس موقع پر جسٹرار مضاربہ اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے دیگر حکام کی مسلسل رہنمائی اور مدد کے لئے اپنے شکر یہ کا اظہار کرنا چاہتا ہے۔ بورڈ اس کے علاوہ اپنے سرٹیفکیٹ ہولڈرز، رفقاء کار، سرمایہ کاروں، بینکاروں اور کاروباری پارٹیوں کی رہنمائی اور مدد کے لئے ان سب کا شکر گزار ہے۔

منجانب بورڈ

نوید ریاض

چیف ایگزیکٹو



# FIRST IMROOZ MODARABA

## CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2016

	(Un-audited) March 31, 2016 Rupees	(Audited) June 30, 2015 Rupees
<b>NON CURRENT ASSETS</b>		
Property and equipment	7,655,507	6,703,667
Intangible assets	1,790,218	275,738
	<u>9,445,725</u>	<u>6,979,405</u>
<b>CURRENT ASSETS</b>		
Stock in trade	166,781,056	162,806,656
Trade debtors - unsecured, considered good	79,917,171	107,237,065
Advances, deposits, prepayments and other receivables	4,083,914	466,886
Taxation	7,004,388	4,783,931
Cash and bank balances	28,229,664	9,969,276
	<u>286,016,193</u>	<u>285,263,814</u>
	<u>295,461,918</u>	<u>292,243,219</u>
<b>CAPITAL AND RESERVES</b>		
Authorised Certificate Capital 10,000,000 Modaraba Certificates of Rs.10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up certificate capital	30,000,000	30,000,000
Statutory reserve	69,298,719	69,298,719
Revenue reserve	27,070,198	30,329,434
	<u>126,368,917</u>	<u>129,628,153</u>
<b>NON CURRENT LIABILITY</b>		
Staff gratuity	15,098,759	16,376,541
<b>CURRENT LIABILITIES</b>		
Obligation under murabaha finances	24,538,664	26,885,708
Qard-e-Hasana from modaraba management company	20,000,000	-
Creditors, accrued and other liabilities	109,455,578	119,352,817
	<u>153,994,242</u>	<u>146,238,525</u>
<b>CONTINGENCIES AND COMMITMENTS</b> 4	<u>295,461,918</u>	<u>292,243,219</u>

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

Naveed Riaz  
Chief Executive

Ameed Riaz  
Director

Mrs. Saadat Ikram  
Director



# FIRST IMROOZ MODARABA

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine months ended		Quarter ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees			
Sales	561,783,405	468,938,823	195,390,071	159,660,971
Cost of sales	475,161,430	398,440,388	163,846,427	134,104,528
Gross profit	86,621,975	70,498,435	31,543,644	25,556,443
Operating expenses	35,497,861	32,500,961	11,679,702	9,398,576
Operating profit	51,124,114	37,997,474	19,863,942	16,157,867
Murabaha charges	( 1,590,634)	(2,957,688)	(441,111)	(1,052,834)
Other income	308,799	466,737	70,841	143,964
Profit before taxation	49,842,279	35,506,523	19,493,672	15,248,997
Taxation	26,101,515	20,544,733	8,962,919	7,043,505
Profit for the period	23,740,764	14,961,790	10,530,752	8,205,492
Other comprehensive income	-	-	-	-
Total comprehensive income	23,740,764	14,961,790	10,530,752	8,205,492
Earnings per certificate - basic and diluted	7.91	4.99	3.51	2.74

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

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

	Issued, subscribed and paid up certificate capital	Statutory reserve	Revenue reserve (un-appropriated profit)	Total
	Rupees			
Balance as at July 01, 2014	30,000,000	67,941,076	19,534,227	117,475,303
Profit distribution for the year ended June 30, 2014 @ Rs. 5.00 per certificate	-	-	(15,000,000)	(15,000,000)
Total comprehensive income - Jul 14 to Mar 15	-	-	14,961,790	14,961,790
Balance at March 31, 2015	30,000,000	67,941,076	19,496,017	117,437,093
Total comprehensive income - Apr 15 to Jun 15	-	-	12,191,060	12,191,060
Transfer to statutory reserve	-	1,357,643	(1,357,643)	-
Balance as at June 30, 2015	30,000,000	69,298,719	30,329,434	129,628,153
Profit distribution for the year ended June 30, 2015 @ Rs. 9.00 per certificate	-	-	(27,000,000)	(27,000,000)
Total comprehensive income - Jul 15 to Mar 16	-	-	23,740,764	23,740,764
Balance as at March 31, 2016	30,000,000	69,298,719	27,070,198	126,368,917

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

Naveed Riaz  
Chief Executive

Ameed Riaz  
Director

Mrs. Saadat Ikram  
Director



# FIRST IMROOZ MODARABA

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine months ended		Quarter ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Rupees				
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	49,842,279	35,506,523	19,493,672	15,248,997
Adjustments for:				
Depreciation on property and equipment	1,788,461	1,499,298	645,422	501,625
Amortization of intangible assets	485,520	110,520	411,840	36,840
Murabaha charges	1,590,634	2,957,688	441,111	1,052,834
Provision for staff gratuity	2,313,000	2,308,724	771,000	771,000
	<u>6,177,615</u>	<u>6,876,230</u>	<u>2,269,373</u>	<u>2,362,299</u>
	56,019,894	42,382,753	21,763,045	17,611,296
Changes in operating assets and liabilities				
(Increase) / Decrease in current assets				
Stock in trade	(3,974,400)	(26,700,241)	(5,771,496)	(23,142,900)
Trade debtors	27,319,894	2,798,872	(7,428,695)	(666,977)
Advances, deposits, prepayments and other receivables	(3,617,028)	1,292,000	260,783	(94,879)
	19,728,466	(22,609,369)	(12,939,408)	(23,904,756)
(Decrease) / Increase in current liabilities				
Creditors, accrued and other liabilities	(11,333,982)	(55,645,283)	19,747,301	25,509,545
Cash generated from / (used in) operations	<u>64,414,378</u>	<u>(35,871,899)</u>	<u>28,570,938</u>	<u>19,216,085</u>
Murabaha charges paid	(1,688,136)	(3,017,965)	(311,187)	(1,162,668)
Taxes paid	(28,321,972)	(23,805,887)	(9,502,207)	(8,504,019)
Gratuity paid	(3,590,782)	(2,059,380)	(3,590,782)	-
Net cash generated from / (used in) operating activities	<u>30,813,488</u>	<u>(64,755,131)</u>	<u>15,166,761</u>	<u>9,549,398</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property and equipment	(2,740,300)	(1,746,800)	-	(1,604,300)
Purchase of intangible assets	(2,000,000)	-	(2,000,000)	-
Net cash used in investing activities	<u>(4,740,300)</u>	<u>(1,746,800)</u>	<u>(2,000,000)</u>	<u>(1,604,300)</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Profit distribution	(25,465,756)	(14,817,503)	(15,538)	(455,450)
Qard-e-Hasana from modaraba management company - net	20,000,000	73,500,000	(5,000,000)	-
(Repaid) / Proceeds from murabaha finances - net	(2,347,044)	7,521,079	6,841,624	(2,261,154)
Net cash (used in) / generated from financing activities	<u>(7,812,800)</u>	<u>66,203,576</u>	<u>1,826,086</u>	<u>(2,716,604)</u>
Net increase / (decrease) in cash and cash equivalent (A+B+C)	18,260,388	(298,355)	14,992,847	5,228,494
Cash and cash equivalent at the beginning of the period	<u>9,969,276</u>	<u>19,768,400</u>	<u>13,236,817</u>	<u>14,241,551</u>
Cash and cash equivalent at the end of the period	<u>28,229,664</u>	<u>19,470,045</u>	<u>28,229,664</u>	<u>19,470,045</u>

The annexed notes from 1 to 5 form an integral part of this 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 NINE MONTHS PERIOD ENDED MARCH 31, 2016

### 1. LEGAL STATUS AND NATURE OF BUSINESS

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 thereunder 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 (formerly Karachi Stock Exchange Limited).

It is a multi purpose, perpetual Modaraba and is mainly engaged in domestic and international trading activities.

### 2. BASIS OF PREPARATION

- 2.1 This condensed interim financial information of the Modaraba for nine months period and quarter ended March 31, 2016 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 The disclosures made in this condensed interim financial information have been limited, based on the requirements of International Accounting Standard 34 - "Interim Financial Reporting"
- 2.3 This condensed interim financial information has been prepared under the "historical cost convention"
- 2.4 This condensed interim financial information is prepared in Pakistani Rupees which is the Modaraba's functional and presentation currency. Amounts have been rounded off to the nearest rupee.

### 3. SIGNIFICANT ACCOUNTING POLICIES

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, 2015.

### 4. CONTINGENCIES AND COMMITMENTS

#### 4.1 Contingencies

- a. The Modaraba has issued post dated cheques to the Collector of Customs amounting to Rs. 40.500 million (June 30, 2015 : Rs. 48.095 million) on account of customs dues / taxes on goods at bonded warehouse.
- b. There is no change in the status of the petitions pending with the Supreme Court of Pakistan in respect of WWF as reported in note 18 to the published financial statements of the Modaraba for the year ended June 30, 2015.

#### 4.2 Commitments

Commitments in respect of outstanding letters of credit (LC) for trading stock amounting to Rs. 8.953 million (June 30, 2015 : Rs. 8.902 million).

### 5. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors of the Modaraba Management Company and authorized for issue on April 20, 2016.

**If undelivered, please return to:**

**FIRST IMROOZ MODARABA**

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