



QUARTERLY REPORT

For the Quarter Ended

September 30, 2019
(Un-audited)

B.F. MODARABA

Managed By

E.A. MANAGEMENT (PVT) LTD.

CORPORATE INFORMATION

MODARABA MANAGEMENT COMPANY

E. A. Management (Pvt.) Ltd.

BOARD OF DIRECTORS

DIRECTORS OF MODARABA MANAGEMENT COMPANY

Mr. Ahmed Ali Mohammad Amin Bawany	Chairman
Mr. Muhammad Omar Amin Bawany	Chief Executive
Mr. Hamza Omar Bawany	Director
Mr. Abdul Ghaffar Umer	Independent Director

AUDIT COMMITTEE

Mr. Abdul Ghaffar Umer	Chairman
Mr. Ahmed Ali Mohammad Amin Bawany	Member
Mr. Hamza Omar Bawany	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Abdul Ghaffar Umer	Chairman
Mr. Ahmed Ali Mohammad Amin Bawany	Member
Mr. Muhammad Omar Amin Bawany	Member

COMPANY SECRETARY

Mr. Muhammad Ayub

SHARIAH ADVISOR

Mr. Mufti Zubair Usmani

LEGAL ADVISOR

Mr. Ghullam Rasool Korai

MODARABA AUDITORS

M/s. Rehman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

BANKERS

Al-Baraka Islamic Bank
Bank Al-Habib Islamic Limited
Habib Bank Limited
Habib Metropolitan Islamic Bank Limited
UBL Ameen Islamic Bank

REGISTERED OFFICE

Plot No. 43-1-E, (B) P.E.C.H.S,
Block-6, Off Razi Road,
Shahrah-e-Faisal, Karachi Pakistan.
UAN : 111-229-269
Fax : (92-21) 34322864

EMAIL & WEBSITE

E-mail: info@bfmodaraba.com.pk
feedback@bfmodaraba.com.pk
URL: www.bfmodaraba.com.pk

SHARES REGISTRAR

M/s. C & K Management Associates (Pvt.) Limited
404, Trade Tower, Abdullah Haroon Road, Near
Metropole Hotel, Karachi-75530
Phone: 35687839-35685930

**DIRECTOR'S REPORTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2019**

Dear Certificate Holders,

Assalamo Alaikum,

By grace of Almighty Allah I take pleasure in presenting a brief review of the performance of your Modaraba for the first quarter ended September 30, 2019.

Gross revenue during the period was Rs.1.105 million vis-à-vis Rs. 1.526 million for the corresponding period of 2018-19., Pre-tax loss stood at Rs. 0.713 million against a Pre-tax loss of Rs. 0.562 million for the corresponding period of 2018-19. Corresponding figures of previous have been reclassified due to mandatory adoption of IFRS-9. The unrealized loss in the value of investment in marketable securities was Rs.13.466 million.

Due to certain new taxation measurements in Finance Act 2019, trading business may remain under pressure. Stock market will remain volatile in the near future due to current economy condition and we will remain cautious while taking further exposure in marketable securities.

We bow to Allah and pray for His blessing and guidance

AMEEN

Karachi:
October 29, 2019

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ
برائے اختتامی مدت 30 ستمبر 2019

محترم سرٹیفیکیٹ یافتگان
السلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 30 ستمبر 2019 کو ختم ہونے والی پہلی سہ ماہی کے لئے آپ کے مضاربہ کی کارکردگی کا مختصر سا جائزہ پیش کرتے ہوئے مسرت محسوس کرتا ہوں۔

اس مدت کے دوران مجموعی آمدنی 1.105 ملین روپے تھی جب 2018-19 کے اسی مدت کے لئے مجموعی آمدنی 1.526 ملین روپے تھی۔ لہذا ٹیکس سے پہلے نقصان 0.713 ملین روپے جب کہ 2018-19 کے اسی مدت کے ٹیکس سے پہلے نقصان 0.562 ملین روپے رہا۔ سیکیورٹیز کی خرید و فروخت میں سرمایہ کاری کی مالیت میں غیر حقیقی نقصان 13.466 ملین روپے تھا۔ IFRS-9 کو لازمی طور پر اپنانے کی وجہ سے سابقہ اعداد و شمار کی دوبارہ درجہ بندی کی گئی ہے

فنانس ایکٹ 2019 میں ٹیکس کی کچھ نئی پیمائشوں کی وجہ سے تجارتی کاروبار دباؤ میں رہ سکتا ہے۔ موجودہ معیشت کی خرابی کی وجہ سے مستقبل میں اسٹاک مارکیٹ غیر متکرم ہے گی اہم ایکویٹی مارکیٹ میں مزید اقدامات کرتے ہوئے محتاط رہیں گے۔

اللہ تعالیٰ مضاربہ کے لئے ترقی کی ہماری کوششوں میں اپنی رہنمائی فرمائے اور نعمتوں سے نوازے آمین

محمد عمر امین باوانی
چیف ایگزیکٹو

کراچی: 29 اکتوبر 2019

**B.F.MODARABA
BALANCE SHEET
AS AT SEPTEMBER 30, 2019
(UNAUDITED)**

	Note	(Un-audited) Sep-2019 Rupees	(Audited) June-2019 Rupees
CAPITAL AND RESERVES			
Authorized 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 capital		75,151,587	75,151,587
Reserve		<u>60,249,866</u>	<u>61,039,242</u>
		135,401,453	136,190,829
Unrealized gain in value of investment		<u>(13,466,083)</u>	<u>(13,371,286)</u>
TOTAL EQUITY		<u>121,935,370</u>	<u>122,819,543</u>
NON-CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Accrued expenses and other liabilities		1,790,479	1,603,358
Due to Management Company		346,593	346,593
Unclaimed Dividend		1,545,582	1,545,582
		3,682,654	3,495,533
		<u>125,618,024</u>	<u>126,315,076</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment		30,768	32,017
Long Term Deposits		<u>40,019</u>	<u>40,019</u>
		70,787	72,036
CURRENT ASSETS			
Advance Tax - Net		2,914,351	2,332,676
Trade Debts		-	14,960,000
Prepayments & other Receivables		1,228,025	458,069
Available-for-sale Financial assets	1	95,521,769	95,616,503
Cash and bank balances		<u>25,883,090</u>	<u>12,875,792</u>
		125,547,235	126,243,040
		<u>125,618,024</u>	<u>126,315,076</u>

The annexed notes form an integral part of these financial statements.

FOR E.A Management (Private) Limited
(Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer

B.F.MODARABA
STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 2019 <u>Rupees</u>	September 2018 <u>Rupees</u>
Operating Incomes	1,105,183	1,525,576
Operating expenses	<u>(1,818,209)</u>	<u>(2,087,154)</u>
Profit/(Loss) before charging management fee	(713,026)	(561,578)
Provision for management fee	<u>-</u>	<u>-</u>
Profit/(Loss) before wokers' welfare fund	(713,026)	(561,578)
Provision for workers' welfare fund	<u>-</u>	<u>-</u>
Profit/(Loss) before taxation	(713,026)	(561,578)
Taxation - current	<u>(76,350)</u>	<u>(102,225)</u>
Profit/(Loss) after taxation	<u><u>(789,376)</u></u>	<u><u>(663,803)</u></u>
Earning per certificate - Basic and Diluted	<u><u>(0.11)</u></u>	<u><u>(0.09)</u></u>

The annexed notes form an integral part of these financial statements.

FOR E.A Management (Private) Limited
(Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer

B.F.MODARABA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	For the quarter ended September 30,	
	2019	2018
	----- Rupees -----	
Profit/ (loss) for the period	(789,376)	(663,803)
Deficit on Re-Measurement of Investments	(94,902)	(2,655,433)
Gain realized on disposal of investments - re-classified to profit and loss account	-	-
	(94,902)	(2,655,433)
Total comprehensive loss for the period	<u>(884,278)</u>	<u>(3,319,236)</u>

The annexed notes form an integral part of these financial statements.

FOR E.A Management (Private) Limited
 (Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer

B.F.MODARABA
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

Description	Issued, subscribed and paid up capital	Reserves			Total
		Statutory Reserves	Unappropriate d Profit	Total Reserves	

-----Rupees-----

Balance as at July 01, 2018	75,151,587	47,385,189	8,402,892	55,788,081	130,939,668
Realized Gain on disposal of investments (IFRS-	-	-	1,404,938	1,404,938	1,404,938
Comprehensive income for the quarter	-	-	(663,803)	(663,803)	(663,803)
Balance as at September 30, 2018	75,151,587	47,385,189	9,144,027	56,529,216	131,680,803
Balance as at October 01, 2018	75,151,587	47,385,189	9,144,027	56,529,216	131,680,804
Transfer to the statutory reserves @ 50%	-	890,765	(890,765)	-	-
Realized Gain on disposal of (IFRS-9)	-	-	2,064,693	2,064,693	2,064,693
Comprehensive income for nine months	-	-	2,445,333	2,445,333	2,445,333
Balance as at June 30, 2019	75,151,587	48,275,954	12,763,288	61,039,242	136,190,829
Balance as at July 1, 2019	75,151,587	48,275,954	12,763,288	61,039,242	136,190,829
Comprehensive income for the quarter	-	-	(789,376)	(789,376)	(789,376)
Balance as at September 30, 2019	75,151,587	48,275,954	11,973,912	60,249,866	135,401,453

The annexed notes form an integral part of these financial statements.

FOR E.A Management (Private) Limited
(Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer

B. F. MODARABA
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED (1ST QUARTER) SEPTEMBER 30, 2019

	Sep-19 Rupees	Sep-18 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(713,026)	(561,578)
Adjustments for :		
Depreciation- own assets	1,249	1,561
Gain on sale of investments	-	-
Provision for Provident fund	71,834	104,079
Bank Profit	(596,183)	(152,416)
Provision for Mangement fee	-	-
Provision for WWF	-	-
Dividend Income	(509,000)	(709,500)
	(1,032,100)	(756,276)
	(1,745,126)	(1,317,853)
Changes in working capital		
Decrease / (increase) in current assets :		
Stock in Trade	-	10,107,090
Trade Debts	14,960,000	(10,348,244)
Prepayments and other receivable	(144,065)	899,256
Increase / (decrease) in current liabilities:		
Accrued expenses	131,217	(2,456,537)
Net increase in working capital	14,947,152	(1,798,435)
Taxes Paid	(658,018)	(197,134)
P.F Paid	(16,000)	(105,000)
Net cash Inflow(outflow) from operating activities	12,528,008	(3,418,422)
B CASH FROM INVESTING ACTIVITIES		
Additions in fixed assets		
Own use	-	-
Available for sale Investments acquired	-	(13,120,144)
Proceeds from sale of Investments	-	3,464,722
Dividend received	-	2,123,239
Bank Profit received	479,289	192,164
Net cash inflow(outflow) from investing activities	479,289	(7,340,019)
C. CASH FROM FINANCING ACTIVITIES		
Net cash used in financing activities	-	-
Net increase/ (decrease) in cash and bank balances	13,007,298	(10,758,442)
Cash and bank balances at the beginning of the period	12,875,792	24,943,033
Cash and bank balances at the period ended September 30, 2019	25,883,090	14,184,592

The annexed notes form an integral part of these financial statements.

FOR E.A Management (Private) Limited
(Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer

B.F.MODARABA
INVESTMENT AVAILABLE FOR SALE
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

INVESTMENTS	Sep 2019 Rupees	June 2019 Rupees
1.1 Investment in Shares/Certificates	19,131,422	20,314,749
1.2 Investment in Mutual Funds	76,390,347	75,301,754
	<u>95,521,769</u>	<u>95,616,503</u>

1.1 Investment in Shares/Certificates

Unless stated otherwise the holdings are in ordinary shares/certificates of Rs. 10/- each.

June 2019 Shares/Certificate	Sep 2019	NAME OF COMPANY/ INSTITUTION	Sep 2019 Rupees	June 2019 Rupees
		MODARABAS		
21,136	21,136	Orix Modaraba	354,026	327,608
72,900	72,900	First Punjab Modaraba	147,987	167,670
<u>94,036</u>	<u>94,036</u>	Total	<u>502,013</u>	<u>495,278</u>
		BANK		
21,230	21,230	Meezan Bank Limited	1,529,409	1,850,407
<u>21,230</u>	<u>21,230</u>	Total	<u>1,529,409</u>	<u>1,850,407</u>
		CEMENT		
162000	162000	Fauji Cement	2,170,800	2,548,260
13000	13000	Kohat Cement	598,260	682,890
10,000	10,000	D.G.Khan Cement	483,400	565,400
<u>185,000</u>	<u>185,000</u>	Total	<u>3,252,460</u>	<u>3,796,550</u>
		FUEL AND ENERGY		
83	83	Pakistan Petroleum Ltd	11,290	11,988
22419	22419	Hub Power Company Ltd	1,586,144	1,765,496
12500	12500	Attock Refinery Ltd	975,500	965,875
49000	49000	Kohinoor Energy Ltd	1,959,011	1,764,000
600500	600500	K-Electric Ltd	2,132,017	2,636,195
<u>684,502</u>	<u>684,502</u>	Total	<u>6,663,962</u>	<u>7,143,554</u>
		ENGINEERING		
25000	25000	Mughal Iron & Steel Ind.	699,500	629,000
25000	25000	International Steel	993,500	992,750
<u>50,000</u>	<u>50,000</u>	Total	<u>1,693,000</u>	<u>1,621,750</u>
		AUTOMOBILE ASSEMBLER		
2000	2000	Pak Suzuki Motors Ltd.,	321,180	457,920
<u>2,000</u>	<u>2,000</u>	Total	<u>321,180</u>	<u>457,920</u>
		COMMUNICATION		
57,000	57,000	Pakistan Telecommunication Company Ltd.	393,300	471,390
<u>57,000</u>	<u>57,000</u>	Total	<u>393,300</u>	<u>471,390</u>
		CHEMICALS & PHARMACEUTICALS		
70,000	70,000	Engro Fertilizer Company Ltd.	4,776,098	4,477,899
<u>70,000</u>	<u>70,000</u>	Total	<u>4,776,098</u>	<u>4,477,899</u>
<u>1,163,768</u>	<u>1,163,768</u>	Grand Total	<u>19,131,422</u>	<u>20,314,749</u>

1.2 Investment in Mutual Funds

June 2019	Sep 2019		Sep 2019	June 2019
Number of Units			Rupees	Rupees
<i>MUTUAL FUNDS</i>				
111,436	111,436	Meezan Islamic Fund	5,000,344	5,340,403
1,224,273	1,224,273	Meezan Islamic Income Fund	64,787,532	62,972,563
51,061	51,061	Alfalsh GHP Islamic Value Fund	4,475,385	4,568,392
69,549	69,549	AKD Islamic Stock Fund	2,127,086	2,420,396
<u>1,456,319</u>	<u>1,456,319</u>	Grand Total	<u>76,390,347</u>	<u>75,301,754</u>

2. These financial statements are unaudited and were authorized for issued on **October 29, 2019** by the Board of Directors of the Management Company.
3. The accounting policies adopted for the preparation of these financial statements are consistent with those applied for the preparation of the preceding published financial statements.
4. Amount of Taxation is Provisional and final Tax liability will be determined on the basis of Annual Result.
5. Figures have been rounded off to the nearest rupee and have been re-arranged where necessary for the purpose of comparison

FOR E.A Management (Private) Limited
(Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer