

**B. F. MODARABA**  
PROFILE

**MODARABA MANAGEMENT COMPANY**  
E. A. Management (Pvt) Ltd

**BOARD OF DIRECTORS**

**DIRECTORS OF MODARABA COMPANY**

Mr. Ahmed Ali Amin Bawany	Chairman
Mr. Omar Amin Bawany	Chief Executive
Mr. Abdul Ghani Samad	Director
Mr. Abdul Wahid Jaliawala	Director

**AUDIT COMMITTEE**

Mr. Omar Amin Bawany	Chairman
Mr. Abdul Ghani Samad	Member
Mr. Abdul Wahid Jaliawala	Member

**COMPANY SECRETARY**

Mr. Muhammad Ayub

**MODARABA AUDITORS**

Rehman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants

**BANKERS**

Al-Baraka Islamic Investment Bank  
Bank Al-Habib Limited  
Habib Bank Limited  
Habib Metropolitan Islamic Bank Limited  
Dawood Islamic Bank Limited

**REGISTERED OFFICE**

4th Floor, Bank House No.1, Habib Square,  
M. A. Jinnah Road, Karachi-74000 Pakistan  
Ph: (92-21) 111-786-878, 32413240.  
Fax : (92-21) 32421010  
E-mail: [info@bfmodaraba.com.pk](mailto:info@bfmodaraba.com.pk)  
[bfmodaraba1@hotmail.com](mailto:bfmodaraba1@hotmail.com)  
URL : bfmodaraba.com.pk

**SHARES REGISTRAR**

C & K Management Associates (Pvt.) Ltd  
404, Trade Tower, Abdullah Haroon Road,  
Near Metropole Hotel,  
Karachi-75530  
Ph: (92-21) 35687839, 35685930.

**B. F. MODARABA**  
Chief Executive Review Report  
For the period ended September 30, 2009

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, 2009.

Gross revenue during the period was Rs.7.429 million vis-à-vis Rs.0.667 million for the corresponding period of 2008-09, mainly due to increase in trading income. Thus, Pre-tax Profit stood at Rs. 4.96 million against a Pre-tax Profit of Rs.0.109 million for the corresponding period of 2008-09. Since past few months, domestic bourses have been continuing improving and KSE-100 Index crossed 9,000 levels in September 2009. This positive trend is reflected in our port folio investment valuation that decreased impairment loss at some extend. Impairment in marketable securities amounting Rs.1.2 million was charged to profit loss account after any adjustment/ effect for price movements in this quarter in accordance with SRO 150 (1) /2009, dated 13<sup>th</sup> February 2009. The unrealized gain in the value of investment in marketable securities was Rs.5.9 million after transferring impairment loss to profit and loss account, which has been reflected in the equity.

Keeping in view current market condition, we are applying conservative approach while trading in equity market. However, we hope, inshallah, we shall perform well in commodity trading as we did in the past.

We bow to Allah and pray for His blessing and guidance

October 28, 2009  
Karachi

**OMAR AMIN BAWANY**  
*Chief Executive*

**B. F. MODARABA**  
BALANCE SHEET  
As At September 30, 2009

Notes	Sep 2009	Jun-09
	Rupees	
<b>CAPITAL AND RESERVES</b>		
Authorized Capital		
10,000,000 ModarabaCertificates of Rs. 10/- each	100,000,000	100,000,000
Issued, subscribed and paid-up capital	68,319,625	68,319,625
Statutory reserve	16,211,482	16,211,482
Accumulated profit / (loss)	9,769,375	6,527,351
	94,300,482	91,058,458
Unrealized gain / (loss) in value of investment	5,976,417	556,510
<b>TOTAL EQUITY</b>	<b>100,276,899</b>	<b>91,614,968</b>
<b>NON-CURRENT LIABILITIES</b>		
Staff Gratuity	82,300	82,300
Long term lease deposits	84,600	84,600
	166,900	166,900
<b>CURRENT LIABILITIES</b>		
Creditors, accrued expenses and other liabilities	1,231,064	3,451,618
Management Fee payable	1,362,994	811,102
Provision of taxation	5,705,000	3,980,000
Unclaimed Dividend	278,583	278,583
	8,577,640	8,521,303
<b>Total Laibilities and Equity</b>	<b>109,021,439</b>	<b>100,303,171</b>
<b>FIXED ASSETS</b>		
Own use	566,009	595,574
Leased out	571,143	606,369
Long Term Deposits	40,019	40,019
<b>CURRENT ASSETS</b>		
Trade Debt	2,751,000	-
Stock in Trade	7,069,815	37,333,536
Advances, deposit, prepayments & other receivables	3,133,093	8,020,413
Investment	48,408,567	38,216,733
Cash and bank balances	46,481,793	15,490,527
	107,844,268	99,061,209
<b>Total Assets</b>	<b>109,021,439</b>	<b>100,303,171</b>

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

Chairman	Chief Executive	Director
E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd

**B. F. MODARABA**  
PROFIT & LOSS ACCOUNT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009

	September 2009	September 2008
	Rupees	
Operating Incomes	7,429,320	667,366
Operating expenses	(637,819)	(545,250)
Profit Before Impairment Loss	6,791,501	122,117
Impairment Loss on Investment	(1,272,585)	-
Profit before charging Management Fee	5,518,916	122,117
Management Fee	(551,892)	(12,212)
Profit before taxation	4,967,024	109,905
Taxation	(1,725,000)	(51,143)
Profit after taxation	<b>3,242,024</b>	<b>58,762</b>

Earning per certificate - Basic & Diluted

**0.47**

**0.01**

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

**B.F.MODARABA**  
**STATEMENT OF CHANGES IN EQUITY FOR THE 1ST QUARTER ENDED**  
**SEPTEMBER 30, 2009**

	Issued Subscribed Paidup Capital	Reserve for issue of Bonus Certificate	Statutory Reserve	Accumulated Profit/ (Loss)	Unrealized gain / (loss) in value of investment	Total
Balance at July 01, 2008	63,553,140	-	15,107,786	8,718,545	5,932,956	93,312,427
Profit for the period July 01, 2008 to September 30, 2008	-	-	-	58,762	(5,778,705)	(5,719,943)
Unrealized gain/(loss) in value of investment	-	-	-	-	-	-
Balance as at September 30, 2008	63,553,140	-	15,107,786	8,777,307	154,251	87,592,484
Profit for nine months Oct 01, 2008 to June 30, 2009	-	-	-	3,620,225	-	3,620,225
Unrealized gain/(loss) in value of investment	-	-	-	-	(3,630,220)	(3,630,220)
Impairment Loss transferred to profit/loss	-	-	-	-	4,032,479	4,032,479
Transfer to statutory reserve	-	-	1,103,696	(1,103,696)	-	-
Issue of Bonus Certificates	4,766,485	-	-	(4,766,485)	-	-
Balance as at June 30, 2009	68,319,625	-	16,211,482	6,527,351	556,510	91,614,968
Profit for the period of July 01, 2009 to September 30, 2009	-	-	-	3,242,024	-	3,242,024
Impairment loss transfer to profit/(loss) a/c	-	-	-	-	1,272,585	1,272,585
Unrealized gain in value of investment	-	-	-	-	4,147,322	4,147,322
Balance as at September 30, 2009	<b>68,319,625</b>	<b>-</b>	<b>16,211,482</b>	<b>9,769,375</b>	<b>5,976,417</b>	<b>100,276,899</b>

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

Chairman	Chief Executive	Director
E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd

**B. F. MODARABA**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2009**

	Sep 30, 2009	Sep 30, 2008
	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,967,024	109,905
<u>Adjustments for:</u>		
Depreciation on own assets	29,565	38,172
Amortization on leased assets	35,226	30,402
Gain/(loss) on Sales of Investment	800,527	-
Provision for Management fee	551,892	12,212
Impairment loss on investment	1,272,585	-
Dividend Income	(524,860)	(485,800)
	2,164,935	(405,014)
	7,131,959	(295,109)
<b>Changes in working capital</b>		
<b>Decrease/(increase) in current assets:</b>		
Trade Debts	(2,751,000)	6,021,000
Investment in marketable securities	(6,845,039)	(10,000,000)
Stock in Trade	30,263,721	(15,524,384)
Advances, deposit, prepayments and other receivables	4,906,345	1,705,679
	25,574,027	(17,797,705)
<b>Increase / (decrease) in current liabilities:</b>		
Accrued expenses	(2,220,554)	5,653
	(2,220,554)	5,653
<b>Net increase (decrease) in working capital</b>	23,353,473	(17,792,052)
Net Cash inflow / (outflow) from operating Activities	30,485,431	(18,087,161)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
B. Addition in fixed Assets - own use	-	(4,550)
Dividend received	505,836	543,300
Net Cash inflow / (outflow) from investing Activities	505,836	538,750
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
C. Net cash inflow / (outflow) in financing activities	-	-
Net increase/(decrease) in cash and bank balances	30,991,267	(17,548,411)
Cash and bank balances at July 01 2009	15,490,527	25,109,181
Cash and bank balances at September 30, 2009	46,481,793	7,560,770

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

Chairman	Chief Executive	Director
E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd

**B F MODARABA**  
**Notes to the Financial Statement**  
**for the Quarter Ended September 30, 2009**

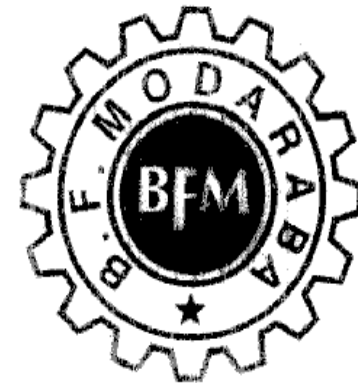
	September 2009	June 2009
	Rupees	Rupees
<b>1. INVESTMENTS</b>		
- Available for sale		
1.1 Investment in shares and close end unit:	21,535,654	17,219,029
1.2 Investment in open end units	26,872,913	20,997,704
	<b>48,408,567</b>	<b>38,216,733</b>
<b>1.1 Investment in shares and close end units</b>		

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

	Number of Shares/Certificate		NAME OF COMPANY/ INSTITUTION	MARKET VALUE	
	June 2009	September 2009		September 2009 Rupees	June 2009 Rupees
			<i>MUTUAL FUNDS-CLOSE ENDED</i>		
	164,000	164,000	Pakistan Premier Fund	1,108,640	672,400
			<i>MODARABAS</i>		
	117,636	117,636	Standard Chartered Modaraba	1,372,813	1,099,897
	100,000	100,000	First Habib Bank Modaraba	451,000	391,000
	72,900	72,900	First Panjab Modaraba	145,071	123,930
	19,360	19,360	First Tri Star Modaraba	58,080	79,182
	13,000	13,000	First UDL Modaraba	52,910	45,630
	<u>322,896</u>	<u>322,896</u>	<b>Total</b>	<u>2,079,874</u>	<u>1,739,639</u>
			<i>INVESTMENT COMPANIES/BANKS</i>		
	73,186	73,186	Trust Investment Bank Ltd.	615,494	727,469
	40,898	40,898	Security Investment Bank Ltd	143,143	122,285
	6,875	6,875	Jahangir Siddique & Company	263,451	159,431
	<u>120,959</u>	<u>120,959</u>	<b>Total</b>	<u>1,022,088</u>	<u>1,009,185</u>
			<i>TEXTILE WEAVING</i>		
	200	200	Service Fabric Ltd	40	68
	9,000	9,000	Reliance Weaving Mills Ltd	57,600	31,500
	<u>9,200</u>	<u>9,200</u>	<b>Total</b>	<u>57,640</u>	<u>31,568</u>
			<i>SUGAR &amp; ALLIED</i>		
	2,507	2,507	Bawany Sugar Mills Ltd	5,741	5,014
	5,000	5,000	Habib ADM Ltd (Share of Rs 5/- each)	106,350	80,250
	<u>7,507</u>	<u>7,507</u>	<b>Total</b>	<u>112,091</u>	<u>85,264</u>
			<i>CEMENT</i>		
	531	531	Maple Leaf Cement Ltd	2,512	2,262
	5,300	5,300	Cherat Cement	80,825	71,709
	<u>5,831</u>	<u>5,831</u>	<b>Total</b>	<u>83,337</u>	<u>73,971</u>
			<i>FUELAND ENERGY</i>		
	100,000	100,000	Hub Power Company Ltd	3,139,000	2,709,000
	11,000	11,000	Sui Northern Gas Pipeline Ltd.	308,440	351,450
	18510	18510	Pakistan Petroleum Ltd.	3,430,168	3,440,151
	10,000	10,000	Oil & Gas Development Company Ltd	1,073,800	786,400
	<u>139,510</u>	<u>139,510</u>	<b>Total</b>	<u>7,951,408</u>	<u>7,287,001</u>
			<i>AUTO &amp; ALLIED</i>		
	4455	4455	Pak Suzuki Motors Co Ltd	387,764	302,495
	68	68	Millat Tractors	27,174	18,988
	500	500	Indus Motors	87,620	53,860
	20	20	Agriauto Industries Ltd	1,145	653
	<u>5,043</u>	<u>5,043</u>	<b>Total</b>	<u>503,703</u>	<u>375,996</u>
			<i>TECHNOLOGY &amp; COMMUNICATION</i>		
	57,000	57,000	Pakistan Telecommunication Company Ltd	1,139,430	982,680
	10,000	10,000	TRG Pakistan Ltd.	24,400	13,500
	<u>67,000</u>	<u>67,000</u>	<b>Total</b>	<u>1,163,830</u>	<u>996,180</u>
			<i>CHEMICALS &amp; PHARMACEUTICALS</i>		
	22,764	22,764	Bawany Air Products Ltd	99,024	80,812
	304	304	Fauji Fertilizer Bin Qasim Company Ltd	6,983	5,378
	55,913	71,504	Fauji Fertilizer Company Ltd	7,347,036	4,861,635
	<u>78,981</u>	<u>94,572</u>	<b>Total</b>	<u>7,453,043</u>	<u>4,947,825</u>
	<u>920,927</u>	<u>936,518</u>	<b>Grand Total</b>	<u>21,535,654</u>	<u>17,219,029</u>
			<i>1.2 Investment in open end units</i>		
			<i>MUTUAL FUNDS-OPEN ENDED</i>		
	53,024	53,024	Pakistan Capital Market Fund	510,086	440,095
	104,450	106,129	United Islamic Income Fund	10,786,958	10,479,503
	103,995	107,623	Meezan Islamic Income Fund	5,542,581	5,398,366
	-	195,810	Meezan Cash Fund	10,033,288	-
	497,480	-	Nafa Islamic Income Fund	-	4,679,740
	<u>758,949</u>	<u>462,586</u>	<b>Grand Total</b>	<u>26,872,913</u>	<u>20,997,704</u>

- These Financial Statements are un-audited and were authorized for issue on October 28, 2009 by the Board of Directors of the Management Company.
- 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.
- Amount of taxation is provisional and final tax liability will be determined on the basis of Annual Result.
- Figures have been rounded off to the nearest rupee and have been re-arranged where necessary for the purpose of comparison.

Chairman	Chief Executive	Director
E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd	E. A. Management (Pvt) Ltd



**QUARTERLY REPORT**  
**JULY - SEPTEMBER 2009**  
**(UNAUDITED)**

**B. F. MODARABA**

Managed By  
**E. A. MANAGEMENT (PVT) LTD**

Registered under the companies ordinance 1984 & registered under  
Modaraba Companies & Modaraba Ordinance 1980.