

Financial Statements
(Un-Audited)
for the Quarter Ended
March 31, 2016



B.F. MODARABA

Managed By

E.A. MANAGEMENT (PVT) LTD.

Registered under

The Companies Ordinance 1984 & Modaraba
Companies & Modaraba Ordinance 1980

CORPORATE INFORMATION**MODARABA MANAGEMENT COMPANY**

E.A. Management (Pvt.) Ltd.

BOARD OF DIRECTORS**DIRECTORS OF MODARABA MANAGEMENT COMPANY**

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

AUDIT COMMITTEE

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ahmed Ali Muhammad Amin Bawany	- Chairman
Mr. Muhammad Omar Amin Bawany	- Member
Mr. Hamza Omar Bawany	- Member

CFO & COMPANY SECRETARY

Mr. Muhammad Ayub

SHARIAH ADVISOR

Mr. Mufti Zubair Usmani

LEGAL ADVISOR

Mr. Ghulam Rasool Korai

MODARABA AUDITORS

M/s. RSM Avais Hyder Liaquat Nauman
Chartered Accountants

BANKERS

Al-Baraka Islamic Investment Bank
Bank Al-Habib Limited-Islamic
Habib Bank Limited
Habib Metropolitan Islamic Bank Limited
Burj Bank Limited
UBL Ameen Islamic Banking

REGISTERED OFFICE

4th Floor, Bank House No. 1,
Habib Square, M.A. Jinnah Road,
Karachi-74000, Pakistan.
Phone : (92-21) 111 786 878, 32413240
Fax : (92-21) 32421010

EMAIL & WEBSITE

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

SHARES REGISTRAR

M/s. C & K Management Associated (Pvt.) Ltd,
404, Trade Tower, Abdullah Haroon Road,
Near Metropole Hotel, Karachi-75530
Tel: (92-21) 35687839 & 35685930

CHIEF EXECUTIVE REVIEW

FOR THE PERIOD ENDED MARCH 31, 2016

Dear Certificate Holders,
Assalamo Alaikum,

By the grace of Almighty Allah I take pleasure in presenting a brief review of the performance of your Modaraba for the period ended March 31, 2016.

Gross revenue during the Nine months was Rs.10.790 million vis-à-vis Rs.14.017 million for the corresponding period of 2014-15. Pre-tax Profit stood at Rs.5.806 million against a Pre-tax Profit of Rs. 9.190 million for the corresponding period of 2014-15 mainly due to decrease in capital gain and bank profits. However, trading income improved by Rs.1.766 million. Unrealized gain in the value of investment in marketable securities was Rs.26.398 million which has been reflected in the equity.

We are focusing to take more exposure in marketable securities and expect further improvement in profitability in the last quarter of year under review.

May Almighty Allah guide us in our efforts of the progress of Modaraba and reward us with his blessings AMEEN.

Karachi:
April 27, 2016

Muhammad Omar Amin Bawany
Chief Executive

CONDENCED INTERM BALANCE SHEET

AS AT MARCH 31, 2016

	Notes	Mar-2016	June-2015
		— Rupees —	
CERTIFICATE CAPITAL AND RESERVES			
Authorized Capital			
10,000,000 Modaraba Certificates of Rs. 10/- each		<u>100,000,000</u>	<u>100,000,000</u>
EQUITY AND LIABILITIES			
Issued, subscribed and paid-up capital		75,151,587	75,151,587
Reserve		<u>43,363,862</u>	<u>43,626,629</u>
		118,515,449	118,778,216
Unrealized gain on available for sale-financial assets		<u>26,398,610</u>	<u>29,754,335</u>
Total equity		<u>144,914,059</u>	<u>148,532,551</u>
Non-Current Liabilities			
		-	-
Current Liabilities			
Accrued and other liabilities		1,424,779	1,302,176
Due to management company		658,332	1,056,250
Unclaimed Dividend		1,074,859	831,521
Total of current liabilities		<u>3,157,970</u>	<u>3,189,947</u>
Contingencies & Commitments		-	-
Total equity and liabilities		<u>148,072,029</u>	<u>151,722,498</u>
ASSETS			
Non-Current Assets			
Own use		111,302	129,881
Long term deposits		<u>40,019</u>	<u>40,019</u>
		151,321	169,900
Current Assets			
Stock in trade		<u>40,522,000</u>	43,030,000
Advances, deposit, prepayments & other receivables		1,262,693	1,109,801
Available-for-sale Financial assets	1	<u>87,990,534</u>	83,260,051
Cash and bank balances		<u>18,145,480</u>	<u>24,152,746</u>
		147,920,708	151,552,598
Total Assets		<u>148,072,029</u>	<u>151,722,498</u>

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

Chairman
E. A. Management (Pvt) Ltd

Chief Executive
E. A. Management (Pvt) Ltd

Director
E. A. Management (Pvt) Ltd

**CONDENSED INTERM PROFIT AND LOSS ACCOUNT /
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**
FOR THE QUARTER ENDED MARCH 31, 2016

	Nine months ended		Quarter ended	
	July-15 to Mar-16	July-14 to Mar-15	Jan-16 to Mar-16	Jan-15 to Mar-15
	Rupees			
Operating Incomes	10,790,788	14,017,661	2,544,393	5,255,848
Less:				
Operating expenses	(4,207,469)	(3,597,919)	(1,143,287)	(1,020,651)
Profit/(Loss) before charging management fee	6,583,319	10,419,742	1,401,106	4,235,197
Management fee	(658,332)	(1,041,974)	(140,111)	(423,520)
Profit/(Loss) before workers welfare fund	5,924,987	9,377,768	1,260,995	3,811,677
Workers Welfare Fund	(118,500)	(187,555)	(25,220)	(76,234)
Profit/(Loss) before taxation	5,806,487	9,190,212	1,235,775	3,735,443
Taxation - current	(808,643)	(446,736)	(16,043)	23,722
Profit/(Loss) after taxation	<u>4,997,845</u>	<u>8,743,476</u>	<u>1,219,733</u>	<u>3,759,165</u>
Earning per certificate - Basic & Diluted	<u>0.67</u>	<u>1.16</u>	<u>0.16</u>	<u>0.50</u>

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Chairman
E. A. Management (Pvt) Ltd

Chief Executive
E. A. Management (Pvt) Ltd

Director
E. A. Management (Pvt) Ltd

**CONDENSED INTERM STATEMENT OF OTHER
COMPREHENSIVE INCOME (UN-AUDITED)**
FOR THE QUARTER ENDED MARCH 31, 2016

	Nine months ended March 31		Quarter ended March 31	
	2016	2015	2016	2015
	Rupees			
Profit/ (loss) for the period	4,997,845	8,743,476	1,219,733	3,759,165
Unrealized gain/(loss) on revaluation of available for sale - financial assets	(2,643,387)	2,076,821	1,109,404	773,023
Gain on financial assets transferred to profit and loss account	(712,338)	(3,899,201)	(447,303)	(2,742,787)
	(3,355,724)	(1,822,379)	662,102	(1,969,764)
Total comprehensive income for the period	<u>1,642,121</u>	<u>6,921,098</u>	<u>1,881,834</u>	<u>1,789,402</u>

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

Chairman
E. A. Management (Pvt) Ltd

Chief Executive
E. A. Management (Pvt) Ltd

Director
E. A. Management (Pvt) Ltd

**CONDENSED INTERM STATEMENT OF CASH FLOWS
(UNAUDITED)**

FOR THE QUARTER ENDED MARCH 31, 2016

	March 31, 2016	March 31, 2015
	----- Rupees -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,806,487	9,190,212
Adjustments for :		
Depreciation on own assets	18,579	23,778
Gain on sale of financial assets	(1,014,163)	(5,677,149)
Provision for Management fee	658,332	1,041,974
Provision for Provident fund	249,695	222,768
Accrued income on Musharika Certificates	(182,814)	-
Provision for WWF	118,500	187,555
Dividend income	(3,523,115)	(2,718,590)
	<u>(3,674,986)</u>	<u>(6,919,663)</u>
	2,131,502	2,270,549
Changes in working capital		
Decrease / (increase) in current assets :		
Stock in trade	2,508,000	12,461,500
Advances, deposits, prepayments and other receivables	66,135	(218,916)
(Decrease) / increase in current liabilities: Accrued expenses	(215,482)	(238,422)
Net increase in working capital	<u>2,358,653</u>	<u>12,004,162</u>
	4,490,153	14,274,710
Taxes paid	(264,266)	(96,917)
Dividend paid	(5,017,274)	(3,110)
P.F. paid	(30,110)	-
Management fee paid	(1,056,250)	(589,919)
Net cash inflow / (outflow) from operating activities	<u>(1,877,746)</u>	<u>13,584,764</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in fixed assets		
Own use	-	-
Purchase of Investments	(15,641,663)	(39,516,351)
Proceed from sale of investment	8,752,432	30,074,745
Dividend received	2,759,712	2,079,661
Net cash inflow from investing activities	<u>(4,129,519)</u>	<u>(7,361,945)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net cash inflow / (outflow) in financing activities	<u>-</u>	<u>-</u>
Net increase/ (decrease) in cash and bank balances	(6,007,265)	6,222,821
Cash and bank balances at the beginning of the period	24,152,746	46,427,873
Cash and bank balances at the end of the period	<u>18,145,480</u>	<u>52,650,694</u>

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

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2016

Description	Issued subscribed and paid up capital	Reserves		Unrealized gain / (loss) on available for sale financial assets	Total
		Statutory reserves	Unappropriated Profit		
			----- Rupees -----		
Balance as at July 01, 2014	75,151,587	28,827,702	5,682,801	24,658,043	134,320,133
Comprehensive income for nine months	-	-	8,743,476	(1,822,380)	6,921,097
Balance as at March 31, 2015	75,151,587	28,827,702	14,426,277	22,835,663	141,241,230
Balance as at April 1, 2015	75,151,587	28,827,702	14,426,277	22,835,663	141,241,230
Comprehensive income	-	3,646,450	(3,273,800)	6,918,672	7,291,322
Balance as at June 30, 2015	75,151,587	32,474,152	11,152,477	29,754,335	148,532,551
Balance as at July 1, 2015	75,151,587	32,474,152	11,152,477	29,754,335	148,532,551
Comprehensive income for nine months	-	-	4,997,845	(3,355,725)	1,642,120
Cash Dividend @ 7%	-	-	(5,260,612)	-	(5,260,612)
Balance as at March 31, 2016	75,151,587	32,474,152	10,889,710	26,398,610	144,914,059

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

Chairman
E.A. Management (Pvt) Ltd.

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

Director
E.A. Management (Pvt) Ltd.

**AVAILABLE FOR SALE FINANCIAL ASSETS
(UN-AUDITED)**

FOR THE QUARTER ENDED MARCH 31, 2016

1. INVESTMENTS	March 31, 2016	June 30, 2015
- Available for sale	Rupees	Rupees
1.1 Investments in listed shares and close ended units	53,433,275	49,935,255
1.2 Investments in open ended units	<u>29,328,367</u>	<u>28,278,717</u>
	<u>82,761,642</u>	<u>78,213,972</u>
1.3 Held to Maturity		
Investment in Musharaka Certificates	<u>5,228,893</u>	<u>5,046,079</u>
	<u>5,228,893</u>	<u>5,046,079</u>

1.1 Investments in listed shares and close-ended units

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

March 2016	June 2015	DESCRIPTION	March 2016	June 2015
Shares / Certificates			Rupees	Rupees
		MODARABAS		
117,636	117,636	Standard Chartered Modaraba	2,987,955	3,529,081
72,900	72,900	First Punjab Modaraba	357,210	391,473
-	19,360	First Tri Star Modaraba	-	48,401
<u>190,536</u>	<u>209,896</u>		<u>3,345,165</u>	<u>3,968,955</u>
		CEMENT		
50,000	50,000	Fauji Cement Company Limited	2,095,500	1,743,500
55,000	55,000	Cherat Cement Company Limited	5,935,050	4,786,650
<u>105,000</u>	<u>105,000</u>		<u>8,030,550</u>	<u>6,530,150</u>
		FUEL AND ENERGY		
110,000	110,000	Hub Power Company Ltd	11,499,400	10,292,700
49,000	49,000	Kohinoor Energy Ltd	1,969,791	2,474,500
525,000	250,000	K- Electric Ltd	3,727,744	2,105,000
60,000	-	Kot Addu Power	4,630,493	-
15,840	15,840	Pakistan State Oil Company Ltd.	5,563,642	6,110,914
-	7,000	Pakistan Oilfields Ltd	-	2,826,740
30,873	30,873	Pakistan Petroleum Ltd	3,955,482	5,071,232
<u>790,713</u>	<u>462,713</u>		<u>31,346,552</u>	<u>28,881,086</u>
		COMMUNICATION		
57,000	57,000	Pakistan Telecommunication Company Ltd	856,140	1,168,500
<u>57,000</u>	<u>57,000</u>		<u>856,140</u>	<u>1,168,500</u>
		CHEMICALS & PHARMACEUTICALS		
10,000	-	Engro Corporation Ltd	3,157,000	-
62,820	47,820	Fauji Fertilizer Ltd	6,697,867	9,386,564
<u>62,820</u>	<u>47,820</u>		<u>9,854,867</u>	<u>9,386,564</u>
<u>1,206,069</u>	<u>882,429</u>		<u>53,433,275</u>	<u>49,935,255</u>

1.2 Investment in mutual funds open-ended units

March 2016 No. of Units	June 2015	DESCRIPTION	March 2016 Rupees	June 2015 Rupees
MUTUAL FUNDS-OPEN ENDED				
123,463	123,463	Meezan Balanced Fund	1,887,745	1,811,197
101,226	97,582	Meezan Islamic Fund	6,240,524	5,963,177
409,268	409,268	Meezan Cash Fund	21,200,098	20,504,343
633,957	630,313		29,328,367	28,278,717

1.3 Investment in Musharaka Certificates

March 2016 No. Certificate	June 2015	DESCRIPTION	March 2016 Rupees	June 2015 Rupees
5	5	Musharaka Certificates	5,046,079	5,046,079
-	-	Income on Musharaka Certificates	182,814	-
5	5		5,228,893	5,046,079

- These financial statements are unaudited and were authorized for issued on April 27, 2016 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.
- Figures have been rounded off to the nearest rupee and have been re-arranged where necessary for the purpose of comparison.

Chairman
E. A. Management (Pvt) Ltd

Chief Executive
E. A. Management (Pvt) Ltd

Director
E. A. Management (Pvt) Ltd