



QUARTERLY REPORT

For the Quarter Ended
September 30, 2016
(Un-audited)

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	- Independent 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. Ghullam 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. I,
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 Associates (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 SEPTEMBER 30, 2016

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, 2016.

Gross revenue during the period was Rs.2.483 million vis-à-vis Rs.5.254 million for the corresponding period of 2015-16 mainly due to decrease in dividend income and bank profit. However, no trading in commodity was made during the period under review. Thus, Pre-tax Profit stood at Rs. 0.658 million against a Pre-tax Profit of Rs. 3.258 million for the corresponding period of 2015-16. The equity market continued with its upward momentum in this quarter, reflective in our unrealized gain. The unrealized gain in the value of investment in marketable securities was Rs.32.756 million.

We expect better results in the 2nd quarter of the year under review in wake of continuous improvement in prices of marketable securities.

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

AMEEN.

Karachi:
October 28, 2016

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ

برائے اختتامی مدت 30 ستمبر 2016

محترم سٹیفٹیکٹ یافتگان

السلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 30 ستمبر 2016 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 2.483 ملین روپے تھی جب 2015-16 کے اسی مدت کے لئے مجموعی آمدنی 5.254 ملین روپے تھی۔ جس کی اہم وجہ ڈیویڈنڈ کی آمدنی اور بینک کے نفع میں کمی ہے۔ مگر جائزہ کے تحت اس مدت کے دوران کسی کو موڈیٹی کی تجارت نہیں کی گئی۔ لہذا ٹیکس سے پہلے نفع 0.658 ملین روپے جب کہ 2015-16 کے اسی مدت کے ٹیکس سے پہلے نفع 3.258 ملین روپے رہا۔ اس سہ ماہی میں ایکویٹی مارکیٹ کی تیزی بدستور بلند رہی جو ہمارے غیر وصول شدہ نفع کا عکاس ہے۔ سیکورٹیز کی خرید و فروخت میں سرمایہ کاری کی مالیت میں غیر وصول شدہ نفع 32.756 ملین روپے تھا۔

سیکیورٹیز کی خرید و فروخت کی قیمتوں میں مسلسل اضافہ سے ہمیں جائزہ کے تحت سال کی دوسری سہ ماہی میں بہتر نتائج کی توقع ہے۔

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: 28 اکتوبر 2016

CONDENCED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2016

	Notes	(Un-audited) September 30 2016 Rupees	(Audited) June 30 2016 Rupees
CAPITAL AND RESERVES			
Authorized Capital			
10,000,000 Modaraba			
Certificates of Rs. 10/- each		100,000,000	100,000,000
Issued, subscribed and paid-up capital		75,151,587	75,151,587
Reserve		49,061,244	48,590,784
		124,212,831	123,742,371
Unrealized gain in value of investment		32,756,615	30,098,793
TOTAL EQUITY		156,969,446	153,841,164
NON-CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Accrued expenses and other liabilities		1,962,395	1,624,961
Due to Management Company		1,292,639	1,218,009
Unclaimed Dividend		1,074,645	1,074,645
		4,329,680	3,917,615
		161,299,126	157,758,779
NON-CURRENT ASSETS			
Property, plant & equipment		45,743	47,743
Long Term Deposits		40,019	40,019
		85,762	87,762
CURRENT ASSETS			
Stock in trade		-	36,580,000
Advances, deposit, prepayments & other Receivables		2,029,325	2,185,788
Investments	1	85,074,454	89,749,276
Cash and bank balances		74,109,586	29,155,953
		161,213,364	157,671,017
		161,299,126	157,758,779

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 INTERIM PROFIT AND LOSS ACCOUNT /
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	September 2016 Rupees	September 2015 Rupees
Operating Incomes	2,483,159	5,254,039
Operating expenses	(1,736,857)	(1,559,796)
Profit/(Loss) before charging management fee	746,302	3,694,243
Provision for management fee	(74,630)	(369,424)
Profit/(Loss) before wokers' welfare fund	671,672	3,324,819
Provision for workers' welfare fund	(13,433)	(66,496)
Profit/(Loss) before taxation	658,238	3,258,322
Taxation - current	(187,778)	(753,625)
Profit/(Loss) after taxation	470,460	2,504,698
Earning per certificate - Basic and Diluted	0.06	0.33

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 INTERIM STATEMENT OF OTHER
COMPREHENSIVE INCOME (UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	For the quarter ended September 30	
	2016	2015
	----- Rupees -----	
Profit/ (loss) for the period	470,460	2,504,698
Unrealized gain/(loss) on revaluation of Investments	2,904,645	(5,512,710)
Gain realized on disposal Investments	(246,823)	525,675
	2,657,822	(4,987,035)
Total comprehensive income for the period	3,128,282	(2,482,337)

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 INTERIM STATEMENT OF CASH FLOWS
(UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Sep 2016	Sep 2015
	----- Rupees -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	658,238	3,258,322
Adjustments for :		
Depreciation- own assets	2,000	6,193
Gain on sale of investments	(1,526,972)	(122,220)
Provision for Provident fund	80,508	74,838
Bank Profit	(662,817)	(747,694)
Provision for Management fee	74,630	369,424
Provision for WWF	13,433	66,496
Accrued income on Musharika Certificates	-	(46,079)
Dividend Income	(293,371)	(365,427)
	<u>(2,312,588)</u>	<u>(764,468)</u>
	(1,654,349)	2,493,854
Changes in working capital		
Decrease / (increase) in current assets :		
Trade debit	36,580,000	-
Stock in Trade	-	37,907,381
Advance, Deposits, prepayments and other receivable	(76,061)	63,674
Increase / (decrease) in current liabilities:		
Accrued expenses	243,493	7,634
Net increase in working capital	36,747,432	37,978,689
Taxes Paid	(103,577)	(7,125)
Net cash Inflow (outflow) from operating activities	<u>34,989,506</u>	<u>40,465,418</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in fixed assets		
Own use	-	-
Investments acquired	(5,250,332)	(6,979,995)
Proceeds from sale of Investments	14,109,948	2,819,460
Dividend received	654,496	279,760
Bank Profit received	450,015	572,222
Net cash inflow(outflow) from investing activities	<u>9,964,127</u>	<u>(3,308,553)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase/ (decrease) in cash and bank balances	44,953,633	37,156,865
Cash and bank balances at the beginning of the period	29,155,953	24,152,746
Cash and bank balances at the period ended September 30, 2016	<u>74,109,586</u>	<u>61,309,611</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 SEPTEMBER 30, 2016

Description	Issued subscribed and paid up capital	Reserves		Unrealized gain / (loss) on available for sale Investment	Total
		Statutory reserves	Unappropriated Profit		
	----- Rupees -----				
Balance as at July 01, 2015	75,151,587	32,474,152	11,152,477	43,626,629	148,532,551
Comprehensive income for the quarter	-	-	2,504,698	2,504,698	(2,482,338)
Balance as at September 30, 2015	<u>75,151,587</u>	<u>32,474,152</u>	<u>13,657,175</u>	<u>46,131,326</u>	<u>146,050,214</u>
Balance as at October 01, 2015	75,151,587	32,474,152	13,657,175	46,131,326	146,050,214
Transfer to the statutory reserves @ 50%	-	5,112,383	(5,112,383)	-	-
Dividend paid during the year	-	-	(5,260,612)	(5,260,612)	(5,260,612)
Comprehensive income for nine months	-	-	7,720,070	7,720,070	13,051,563
Balance as at June 30, 2016	<u>75,151,587</u>	<u>37,586,535</u>	<u>11,004,249</u>	<u>48,590,784</u>	<u>153,841,164</u>
Balance as at July 1, 2016	75,151,587	37,586,535	11,004,249	48,590,784	153,841,164
Comprehensive income for the quarter	-	-	470,460	470,460	3,128,282
Balance as at September 30, 2016	<u>75,151,587</u>	<u>37,586,535</u>	<u>11,474,709</u>	<u>49,061,244</u>	<u>156,969,446</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 NOTES TO INTERIM
FINANCIAL INFORMATION (UN-AUDITED)**
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

1. INVESTMENTS	September 2016 Rupees	June 2016 Rupees
1.1 Investment in Shares/Certificates	54,068,564	59,554,762
1.2 Investment in Mutual Funds-Open Ended	31,005,890	30,194,514
	<u>85,074,454</u>	<u>89,749,276</u>

1.1 Investment in Shares/Certificates

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

September 2016 Shares / Certificates	June 2016 Rupees	NAME OF COMPANY/ INSTITUTION	September 2016 Rupees	June 2016 Rupees
MODARABAS				
117,636	117,636	Orix Modaraba	3,245,578	2,940,901
72,900	72,900	First Punjab Modaraba	468,018	344,088
<u>190,536</u>	<u>190,536</u>	Total	<u>3,713,596</u>	<u>3,284,989</u>
BANK				
50,000	100,000	Meezan Bank Limited	2,750,500	4,249,999
<u>50,000</u>	<u>100,000</u>	Total	<u>2,750,500</u>	<u>4,249,999</u>
TEXTILE				
15,000	-	Nishat Mills Limited	2,113,500	-
<u>15,000</u>	<u>-</u>	Total	<u>2,113,500</u>	<u>-</u>
CEMENT				
35,000	35,000	Cherat Cement Ltd.	4,503,100	4,184,950
100000	100000	Fauji Cement Ltd.	3,527,000	3,580,000
25000	-	Pakcem Ltd.	523,407	-
<u>160,000</u>	<u>135,000</u>	Total	<u>8,553,507</u>	<u>7,764,950</u>
FUEL AND ENERGY				
15,840	15,840	Pakistan State Oil	6,559,977	5,947,286
30,873	30,873	Pakistan Petroleum Ltd.	5,053,016	4,786,892
110000	110000	Hub Power Company Ltd	13,108,700	13,206,600
49000	49000	Kohinoor Energy Ltd	2,190,291	2,018,791
425000	525000	K-Electric Ltd.	3,914,493	4,231,744
-	60000	Kot Addu Power Ltd.	-	5,355,293
<u>630,713</u>	<u>790,713</u>	Total	<u>30,826,478</u>	<u>35,546,607</u>
COMMUNICATION				
57,000	57,000	Pakistan Telecommunication Company Ltd.	1,041,960	856,710
<u>57,000</u>	<u>57,000</u>	Total	<u>1,041,960</u>	<u>856,710</u>
CHEMICALS & PHARMACEUTICALS				
42,820	62,820	Fauji Fertilizer Company Ltd.	4,452,424	7,206,709
10,000	10,000	Engro Fertilizer Company Ltd.	616,599	644,799
<u>52,820</u>	<u>72,820</u>	Total	<u>5,069,023</u>	<u>7,851,508</u>

1.2 Investment in Mutual Funds-Open Ended

September 2016	June 2016		September 2016	June 2016
Number of Units		<i>MUTUAL FUNDS-OPEN ENDED</i>	Rupees	Rupees
126,971	126,971	Meezan Balanced Fund	2,088,660	2,011,208
423,062	423,062	Meezan Cash Fund	21,461,924	21,212,318
105,286	105,286	Meezan Islamic Fund	7,455,306	6,970,988
655,319	655,319	Total	31,005,890	30,194,514

2. These financial statements are unaudited and were authorized for issued on **Oct 28, 2016** 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

Chairman
E. A. Management (Pvt) Ltd

Chief Executive
E. A. Management (Pvt) Ltd

Director
E. A. Management (Pvt) Ltd