



QUARTERLY REPORT

For the Quarter Ended
September 30, 2017
(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
UBL Ameen Islamic Banking

REGISTERED OFFICE

Bungalow No. 14-H, Block 6,
P.E.C.H.S, Main Shahrah-e-Faisal,
Karachi, Pakistan.
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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, 2017

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, 2017.

Gross revenue during the period was Rs.2.401 million vis-à-vis Rs.2.483 million for the corresponding period of 2016-17. Thus, Pre-tax Profit stood at Rs. 0.357 million against a Pre-tax Profit of Rs. 0.658 million for the corresponding period of 2016-17. The unrealized gain in the value of investment in marketable securities was Rs.13,149 million.

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

AMEEN.

Karachi:
October 30, 2017

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ

برائے اختتامی مدت 30 ستمبر 2017

محترم سرٹیفکیٹ یافتگان

السلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 30 ستمبر 2017 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 2.401 ملین روپے تھی جب 2016-17 کے اسی مدت کے لئے مجموعی آمدنی 2.483 ملین روپے تھی۔ لہذا ٹیکس سے پہلے نفع 0.357 ملین روپے جب کہ 2016-17 کے اسی مدت کے ٹیکس سے پہلے نفع 0.658 ملین روپے رہا۔ سیکورٹیز کی خرید و فروخت میں سرمایہ کاری کی مالیت میں غیر وصول شدہ نفع 13.149 ملین روپے تھا۔

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: 30 اکتوبر 2017

CONDENCED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2017

	Notes	(Un-audited) September 30 2017	(Audited) June 30 2017
CAPITAL AND RESERVES			
Authorized Capital		Rupees	Rupees
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		59,917,665	59,585,957
		<u>135,069,252</u>	<u>134,737,544</u>
Unrealized gain in value of investment		13,149,412	18,998,836
TOTAL EQUITY		<u>148,218,664</u>	<u>153,736,379</u>
NON-CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Accrued expenses and other liabilities		2,302,075	2,154,192
Due to Management Company		1,843,424	1,802,932
Unclaimed Dividend		1,236,326	1,236,326
Provision for Taxation		25,425	21,832
		<u>5,407,249</u>	<u>5,215,282</u>
		<u>153,625,913</u>	<u>158,951,662</u>
NON-CURRENT ASSETS			
Property, plant & equipment		38,186	39,745
Long Term Deposits		40,019	40,019
		<u>78,205</u>	<u>79,764</u>
CURRENT ASSETS			
Stock in trade		30,087,034	30,087,034
Advances, deposit, prepayments & other Receivables		5,130,372	4,995,495
Available-for-sale Financial assets	1	112,679,341	116,889,103
Cash and bank balances		5,650,961	6,900,266
		<u>153,547,708</u>	<u>158,871,898</u>
		<u>153,625,913</u>	<u>158,951,662</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 INTERIM PROFIT AND LOSS ACCOUNT
(UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	September 2017 Rupees	September 2016 Rupees
	<u> </u>	<u> </u>
Operating Incomes	2,401,340	2,483,159
Operating expenses	(1,996,421)	(1,736,857)
Profit/(Loss) before charging management fee	404,919	746,302
Provision for management fee	(40,492)	(74,630)
Profit/(Loss) before workers' welfare fund	364,427	671,672
Provision for workers' welfare fund	(7,289)	(13,433)
Profit/(Loss) before taxation	357,138	658,238
Taxation - current	(25,425)	(187,778)
Profit/(Loss) after taxation	<u>331,713</u>	<u>470,460</u>
Earning per certificate - Basic and Diluted	<u>0.04</u>	<u>0.06</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 INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	For the quarter ended September 30	
	2017	2016
	----- Rupees -----	
Profit/ (loss) for the period	331,713	470,460
Unrealized gain/(loss) on revaluation of available for sale - financial assets	(3,654,924)	2,904,645
Gain realized on disposal of financial assets	(2,194,500)	(246,823)
	(5,849,424)	2,657,822
Total comprehensive income for the period	(5,517,711)	3,128,282

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, 2017

	Sep 2017	Sep 2016
	----- Rupees -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	357,138	658,238
Adjustments for :		
Depreciation- own assets	1,557	2,000
Gain on sale of investments	(2,189,500)	(1,526,972)
Provision for Provident fund	104,526	80,508
Bank Profit	(54,840)	(662,817)
Provision for Management fee	40,492	74,630
Provision for WWF	7,289	13,433
Dividend Income	(157,000)	(293,371)
	<u>(2,247,477)</u>	<u>(2,312,588)</u>
	(1,890,338)	(1,654,349)
Changes in working capital		
Decrease / (increase) in current assets :		
Trade debts	-	36,580,000
Advance, Deposits, prepayments and other receivable	(114,090)	(76,061)
Increase / (decrease) in current liabilities:		
Accrued expenses	36,065	243,493
Net increase in working capital	(78,025)	36,747,432
Taxes Paid	(27,159)	(103,577)
Dividend Paid	-	-
Net cash Inflow(outflow) from operating activities	<u>(1,995,522)</u>	<u>34,989,506</u>
B CASH FROM INVESTING ACTIVITIES		
Additions in fixed assets		
Own use	-	-
Available for sale Investments acquired	(2,272,412)	(5,250,332)
Proceeds from sale of Investments	2,822,250	14,109,948
Dividend received	132,000	654,496
Bank Profit received	64,380	450,015
Net cash inflow(outflow) from investing activities	<u>746,218</u>	<u>9,964,127</u>
C. CASH FROM FINANCING ACTIVITIES		
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase/ (decrease) in cash and bank balances	(1,249,305)	44,953,633
Cash and bank balances at the beginning of the period	6,900,266	29,155,953
Cash and bank balances at the period ended September 30, 2017	<u>5,650,961</u>	<u>74,109,586</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, 2017

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, 2016	75,151,587	37,586,535	11,004,249	30,098,793	153,841,164
Comprehensive income for the quarter	-	-	470,460	2,657,822	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>32,756,615</u>	<u>156,969,446</u>
Balance as at October 01, 2016	75,151,587	37,586,535	11,474,709	32,756,615	156,969,447
Transfer to the statutory reserves @ 50%	-	7,940,013	(7,940,013)	-	-
Dividend paid during the year	-	-	(4,884,853)	-	(4,884,853)
Comprehensive income for nine months	-	-	15,409,566	(13,757,779)	1,651,787
Balance as at June 30, 2017	<u>75,151,587</u>	<u>45,526,548</u>	<u>14,059,409</u>	<u>18,998,836</u>	<u>153,736,379</u>
Balance as at July 1, 2017	75,151,587	45,526,548	14,059,409	18,998,836	153,736,379
Comprehensive income for the quarter	-	-	331,713	(5,849,424)	(5,517,711)
Balance as at September 30, 2017	<u>75,151,587</u>	<u>45,526,548</u>	<u>14,391,122</u>	<u>13,149,412</u>	<u>148,218,668</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, 2017**

1. INVESTMENTS	September 2017 Rupees	June 2017 Rupees
1.1 Investment in Shares/Certificates	45,651,511	49,201,891
1.2 Investment in Mutual Funds-Open Ended	67,027,831	67,687,212
	<u>112,679,341</u>	<u>116,889,103</u>

1.1 Investment in Shares/Certificates

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

September 2017 Shares / Certificates	June 2017 Shares / Certificates	NAME OF COMPANY/ INSTITUTION	September 2017 Rupees	June 2017 Rupees
MODARABAS				
117,636	117,636	Orix Modaraba	2,456,239	2,744,448
72,900	72,900	First Punjab Modaraba	437,400	583,200
<u>190,536</u>	<u>190,536</u>	Total	<u>2,893,639</u>	<u>3,327,648</u>
BANK				
53,000	50,000	Meezan Bank Limited	3,944,790	3,950,000
<u>53,000</u>	<u>50,000</u>	Total	<u>3,944,790</u>	<u>3,950,000</u>
CEMENT				
162,000	162,000	Fauji Cement	5,268,240	6,646,860
10,000	-	Kohat Cement	1,499,600	-
<u>172,000</u>	<u>162,000</u>	Total	<u>6,767,840</u>	<u>6,646,860</u>
FUEL AND ENERGY				
30,873	30,873	Pakistan Petroleum Ltd.	5,393,238	4,573,560
85,000	110,000	Hub Power Company Ltd	9,503,850	12,917,300
49,000	49,000	Kohinoor Energy Ltd	2,302,991	2,110,421
600,500	600,500	K-Electric Ltd.	4,227,763	4,143,693
<u>765,373</u>	<u>790,373</u>	Total	<u>21,427,842</u>	<u>23,744,974</u>
ENGINEERING				
25,000	25,000	Mughal Iron & Steel Ind.	1,430,500	2,018,250
25,000	25,000	International Steel	3,028,250	3,197,250
<u>50,000</u>	<u>50,000</u>	Total	<u>4,458,750</u>	<u>5,215,500</u>
AUTOMOBILE ASSEMBLER				
2,000	2,000	Pak Suzuki Motors Ltd.,	915,340	1,560,340
<u>2,000</u>	<u>2,000</u>	Total	<u>915,340</u>	<u>1,560,340</u>
COMMUNICATION				
57,000	57,000	Pakistan Telecommunication Company Ltd.	839,610	889,770
<u>57,000</u>	<u>57,000</u>	Total	<u>839,610</u>	<u>889,770</u>
CHEMICALS & PHARMACEUTICALS				
70,000	70,000	Engro Fertilizer Company Ltd.	4,403,699	3,866,799
<u>70,000</u>	<u>70,000</u>	Total	<u>4,403,699</u>	<u>3,866,799</u>
<u>1,359,909</u>	<u>1,371,909</u>	Grand Total	<u>45,651,511</u>	<u>49,201,891</u>

1.2 Investment in Mutual Funds-Open Ended

September 2017	June 2017		September 2017	June 2017
Number of Units		<i>MUTUAL FUNDS-OPEN ENDED</i>	Rupees	Rupees
133,957	133,957	Meezan Balanced Fund	2,123,199	2,270,551
111,436	111,436	Meezan Islamic Fund	7,570,907	8,514,766
1,107,256	1,107,256	Meezan Islamic Income Fund	57,333,725	56,901,895
1,352,649	1,352,649	Grand Total	67,027,831	67,687,212

2. These financial statements are unaudited and were authorized for issued on **Oct 30, 2017** 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