



Financial Statements
(Un-Audited)

For the Nine Months Ended

March 31, 2020

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. Ghulam 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 MARCH 31, 2020**

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 Quarter ended March 31, 2020.

Our gross revenue during the period was Rs. 7.306 million vis-à-vis Rs. 3.642 million (Restated) for the corresponding period of 2018-19 improved by 100% mainly due to Unrealized Gain on Mutual Funds of Rs. 3.958 million. All corresponding figures have been restated in compliance with application of IFRS-9.

Due to certain new taxation measurements in Finance Act 2019, trading business activities still remained under pressure. Equity market is volatile due to COVID-19 Pandemic and its impacted on all type industries. International oil prices drops to below \$25 barrel. Our Pre-tax Profit stood at Rs. 2.379 million against a Pre-tax loss of Rs. 1.670 million (Restated) for the corresponding period of 2018-19. The unrealized loss in the value of investment in marketable securities stood at Rs. 14.214 million (Restated) as at March 31, 2020.

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

Karachi:
April 29, 2020

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ

برائے اختتامی مدت 31 مارچ 2020

محترم سرٹیفیکیٹ ہولڈرز

اسلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 31 مارچ 2020 کو ختم ہونے والی نو ماہ کے لئے آپ کے مضاربہ کی کارکردگی کا مختصر سا جائزہ پیش کرتے ہوئے مسرت محسوس کرتا ہوں

اس عرصے کے دوران ہماری مجموعی آمدنی 7.306 ملین کے مقابلے میں 2019-18 کی اسی مدت کے لئے 3.642 ملین (بحال) میں 100 فیصد بہتری آئی ہے جس کی بنیادی وجہ 3.958 ملین کے میوچل فنڈز پر غیر منقولہ فائدہ ہے۔ تمام متعلقہ شخصیات IFRS-9 کی درخواست کی تعمیل میں دوبارہ بحال کر دی گئی ہیں۔

فنانس ایکٹ 2019 میں ٹیکس کی کچھ نئی پیمائشوں کی وجہ سے، تجارتی کاروباری سرگرمیاں اب بھی دباؤ میں ہیں COVID-19 وبائی امراض کی وجہ سے ایکویٹی مارکیٹ غیر مستحکم ہے جس کا اثر اس نے تمام قسم کی صنعتوں پر پڑا ہے۔ تیل کی بین الاقوامی قیمتیں \$25 فی بیرل سے نیچے گر گئیں۔ ہمارا پری ٹیکس منافع 2.379 ملین کے مقابلے میں 2019-18 کی اسی مدت کے لئے 1.670 ملین قبل ٹیکس نقصان (بحالی) سرمایہ کاری میں مارکیٹ سیکیورٹیز پر غیر حقیقی نقصان 31 مارچ 2020 کو 14.214 ملین (بحال) رہا۔

اللہ تعالیٰ مضاربہ کے لئے ترقی اور ہماری کوششوں میں اپنی رہنمائی فرملائے اور ہمیں اپنی نعمتوں سے نوازے۔ آمین

محمد عمر امین باوانی

چیف ایگزیکٹو

کراچی: 29 اپریل 2020

CONDENCED INTERIM BALANCE SHEET

AS AT MARCH 31, 2020

| | Note | (Un-audited) Mar-2020 | (Audited) June-2019 |
|---|------|--------------------------|------------------------|
| -----Rupees----- | | | |
| ASSETS | | | |
| Current Assets | | | |
| Cash and bank balances | | 24,862,803 | 12,875,793 |
| Investments | 1 | 96,986,532 | 95,616,503 |
| Prepayments and other receivables | | 853,954 | 458,069 |
| Trade debts - considered good and unsecured | | - | 14,960,000 |
| Advance tax - net | | 3,128,075 | 2,332,676 |
| | | 125,831,365 | 126,243,041 |
| Non-Current Assets | | | |
| Long term deposits | | 40,019 | 40,019 |
| Property, plant and equipment | | 28,270 | 32,017 |
| | | 68,289 | 72,036 |
| TOTAL ASSETS | | 125,899,654 | 126,315,077 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities | | | |
| Accrued and other liabilities | | 1,424,742 | 1,577,496 |
| Due to management company | | 148,671 | 202,918 |
| Unclaimed dividend | | 1,545,582 | 1,545,583 |
| | | 3,118,995 | 3,325,997 |
| Certificate Holders' Equity | | | |
| Certificate capital | | 75,151,587 | 75,151,587 |
| Reserves | | 61,842,747 | 59,463,519 |
| | | 136,994,334 | 134,615,106 |
| Unrealized (loss) on fair value through OCI investments | | (14,213,675) | (11,626,026) |
| TOTAL LIABILITIES AND EQUITY | | 125,899,654 | 126,315,077 |
| Contingencies and Commitments | | | |
| | | - | - |

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

**CONDENSED INTERIM PROFIT AND LOSS
ACCOUNT (UN-AUDITED)**

FOR THE QUARTER ENDED MARCH 31, 2020

| | Nine Months ended | | Quarter ended | |
|--|------------------------------------|--|-----------------------------------|---|
| | July-2019 to Mar-2020 Rs. | July-2018 to Mar-2019 Rs. (Restated) | Jan-2020 to Mar-2020 Rs. | Jan-2019 to Mar-2019 Rs. (Restated) |
| | -----Rupees----- | | -----Rupees----- | |
| Revenue | | | | |
| Unrealized gain / (loss) on remeasurement of investment in units of mutual funds | 3,957,612 | (287,902) | (1,656,438) | 1,396,061 |
| Gain realized on disposal of investments in units of mutual funds | - | 630,643 | - | - |
| Trading profit | - | 663,660 | - | - |
| Dividend - net of zakat | 1,377,426 | 1,779,249 | 182,460 | 517,100 |
| Profit on bank deposits accounts | 1,971,855 | 856,404 | 676,859 | 328,885 |
| | <u>7,306,893</u> | <u>3,642,054</u> | <u>(797,119)</u> | <u>2,242,046</u> |
| Expenditure | | | | |
| Operating expenses | (4,383,433) | (4,747,723) | (1,337,723) | (1,285,355) |
| Profit before charging management fee | <u>2,923,460</u> | <u>(1,105,669)</u> | <u>(2,134,842)</u> | <u>956,691</u> |
| Management fee | (292,346) | - | - | - |
| Profit before Worker's Welfare Fund | <u>2,631,114</u> | <u>(1,105,669)</u> | <u>(2,134,842)</u> | <u>956,691</u> |
| Provision for Worker's Welfare Fund | (52,622) | - | - | - |
| Profit before Taxation | <u>2,578,492</u> | <u>(1,105,669)</u> | <u>(2,134,842)</u> | <u>956,691</u> |
| Taxation - current | (199,264) | (565,191) | (27,368) | (225,628) |
| Profit after taxation | <u>2,379,228</u> | <u>(1,670,860)</u> | <u>(2,162,210)</u> | <u>731,064</u> |
| Earning per certificate- basic and diluted | <u>0.32</u> | <u>(0.22)</u> | <u>(0.29)</u> | <u>0.10</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

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

FOR THE QUARTER ENDED MARCH 31, 2020

| | <div> <div>Nine months ended</div> <div>March 31,</div> </div> | | <div> <div>For the quarter ended</div> <div>March 31,</div> </div> | |
|--|--|---------------------------|--|-----------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | | (Restated) | | (Restated) |
| | ----- Rupees ----- | | | |
| Profit / (loss) after taxation | 2,379,228 | (1,670,860) | (2,162,210) | 731,064 |
| <i>Other comprehensive income / (loss)</i> | | | | |
| <i>Items that will not subsequently be reclassified to profit and loss account</i> | | | | |
| Increase / (decrease) on re-measurement of investments | (2,587,649) | (2,866,582) | 640,505 | (600,731) |
| Total comprehensive income / (loss) for the period | <u><u>(208,421)</u></u> | <u><u>(4,537,442)</u></u> | <u><u>(1,521,705)</u></u> | <u><u>130,333</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

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2020

| | March 31 2020 | March 31 2019 |
|--|--------------------|---------------------|
| | -----Rupees----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 2,578,492 | (1,105,669) |
| Adjustments for non cash charges and other items: | | |
| Depreciation on own assets | 3,747 | 4,800 |
| Provision for profit on bank deposits | (1,971,855) | (856,404) |
| Provision for management fee | 292,346 | - |
| Provision for provident fund | 246,243 | 275,961 |
| Provision for worker's welfare fund | 52,622 | - |
| Unrealized (gain) / loss on investment in mutual funds | (3,957,612) | 287,902 |
| Gain on sale of investment | - | (630,643) |
| Dividend income | (1,377,426) | (1,779,249) |
| | <u>(6,711,935)</u> | <u>(2,697,633)</u> |
| Operating loss before working capital changes | (4,133,443) | (3,803,302) |
| Working capital changes | | |
| <i>Decrease / (Increase) in current assets</i> | | |
| Stock in trade | - | (1,820,910) |
| Trade Debts | 14,960,000 | 1,863,406 |
| Advances, deposit, prepayments and other receivables | (111,841) | (220,224) |
| | <u>14,848,159</u> | <u>(177,728)</u> |
| <i>(Increase) / decrease in current liabilities</i> | | |
| Accrued and other liabilities | (428,687) | (3,264,773) |
| Net increase in working capital | <u>14,419,472</u> | <u>(3,442,501)</u> |
| Taxes paid | (994,660) | (943,568) |
| Dividend Paid | - | - |
| P.F Paid | (23,000) | (182,069) |
| Management Fee paid | (346,593) | (497,457) |
| | <u>(1,364,253)</u> | <u>(1,623,094)</u> |
| Net cash inflow from operating activities (A) | 8,921,776 | (8,868,897) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions in fixed assets - own use | - | - |
| Profit received on bank deposits | 1,842,900 | 889,605 |
| Purchase of investment | - | (13,120,145) |
| Proceed from sale of investment | - | 7,030,311 |
| Dividend received | 1,222,334 | 3,401,890 |
| Net cash (outflows) / inflows from investing activities (B) | 3,065,234 | (1,798,339) |
| Cash flows from financing activities (C) | | - |
| Net increase in cash and cash equivalents (A+B+C) | 11,987,010 | (10,667,235) |
| Cash and cash equivalents as at beginning of the period | 12,875,793 | 24,943,033 |
| Cash and cash equivalents as at the end of period | 24,862,803 | 14,275,798 |

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

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

| | Issued, subscribed and paid up capital | Reserves | | Total |
|---|---|-----------------------|---------------------------|--------------------|
| | | Statutory reserves | Unappropriated profits | |
| | -----Rupees----- | | | |
| Balance as at July 01, 2018 | 75,151,587 | 47,385,189 | 8,402,892 | 130,939,668 |
| Unrealized gain as on July 01, 2018 on remeasurement of investment in units of mutual funds carried at fair value through profit or loss - effect of correction of prior period errors | - | - | 4,005,384 | 4,005,384 |
| <i>Total comprehensive income for the period ended March 31, 2019</i> | | | | |
| - Profit after taxation (restated) | - | - | (1,670,860) | (1,670,860) |
| - Other comprehensive income | - | - | - | - |
| | - | - | (1,670,860) | (1,670,860) |
| Gain realized on disposal of investments in ordinary shares of listed companies | - | - | 2,846,903 | 2,846,903 |
| Balance as at March 31, 2019 (restated) | <u>75,151,587</u> | <u>47,385,189</u> | <u>13,584,319</u> | <u>136,121,095</u> |
| Balance as at July 01, 2019 (as previously reported) | 75,151,587 | 48,275,954 | 12,763,288 | 136,190,829 |
| Effect of correction of prior period errors | - | - | (1,575,723) | (1,575,723) |
| Balance as at July 01, 2019 (as restated) | <u>75,151,587</u> | <u>48,275,954</u> | <u>11,187,565</u> | <u>134,615,106</u> |
| <i>Total comprehensive income for the period ended March 31, 2020</i> | | | | |
| - Profit after taxation | - | - | 2,379,228 | 2,379,228 |
| - Other comprehensive income | - | - | - | - |
| | - | - | 2,379,228 | 2,379,228 |
| Balance as at March 31, 2020 | <u>75,151,587</u> | <u>48,275,954</u> | <u>13,566,793</u> | <u>136,994,334</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

**CONDENSED NOTES TO INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020**

| | Note | Un-audited March 31, 2020 | Audited June 30, 2019 |
|---|------|---------------------------------|-----------------------------|
| 1 INVESTMENTS | | | -----Rupees----- |
| Fair value through OCI | | | |
| Investments in listed shares/certificates | 1.1 | 17,727,331 | 20,314,749 |
| Fair value through profit or loss | | | |
| Investments in mutual funds open-ended units | 1.2 | 79,259,366 | 75,301,754 |
| | | <u>96,986,697</u> | <u>95,616,503</u> |
| 1.1 Investments in listed shares/certificates | | | |

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

| No. of shares / certificates March 31, 2020 | June 30, 2019 | | Un-audited March 31, 2020 | Audited June 30, 2019 |
|---|------------------|-------------------------------|---------------------------------|-----------------------------|
| No. of shares / certificates | | | | -----Rupees----- |
| | | MODARABAS | | |
| 21,136 | 21,136 | Orix Modaraba | 322,745 | 327,608 |
| 72,900 | 72,900 | First Punjab Modaraba | 145,800 | 167,670 |
| <u>94,036</u> | <u>94,036</u> | | <u>468,545</u> | <u>495,278</u> |
| | | COMMERCIAL BANKS | | |
| 21,230 | 21,230 | Meezan Bank Ltd. | 1,381,860 | 1,850,407 |
| <u>21,230</u> | <u>21,230</u> | | <u>1,381,860</u> | <u>1,850,407</u> |
| | | CEMENT | | |
| 162,000 | 162,000 | Fauji Cement Company Limited | 2,399,220 | 2,548,260 |
| 13,000 | 13,000 | Kohat Cement Limited | 1,134,250 | 682,890 |
| 10,000 | 10,000 | D.G.KHAN Cement Limited | 592,500 | 565,400 |
| <u>185,000</u> | <u>185,000</u> | | <u>4,125,970</u> | <u>3,796,550</u> |
| | | FUEL AND ENERGY | | |
| 22,419 | 22,419 | The Hub Power Company Limited | 1,530,545 | 1,765,496 |
| 49,000 | 49,000 | Kohinoor energy Limited | 1,249,491 | 1,764,000 |
| 600,500 | 600,500 | K-Electric Limited | 1,699,657 | 2,636,195 |
| 99 | 83 | Pakistan Petroleum Limited | 7,109 | 11,988 |
| <u>672,018</u> | <u>672,002</u> | | <u>4,486,802</u> | <u>6,177,679</u> |
| | | REFINERY | | |
| 12,500 | 12,500 | ATTOCK REFINERY | 830,125 | 965,875 |
| <u>12,500</u> | <u>12,500</u> | | <u>830,125</u> | <u>965,875</u> |

B.F. MODARABA**Quarterly Accounts**

| No. of shares / certificates | | | Un-audited | Audited |
|------------------------------|-----------|---|------------------|------------|
| March 31, | June 30, | | March 31, | June 30, |
| 2020 | 2019 | | 2020 | 2019 |
| No. of shares / certificates | | | -----Rupees----- | |
| | | ENGINEERING | | |
| 25,000 | 25,000 | Mughal Iron & Steel Ind. | 783,250 | 629,000 |
| 25,000 | 25,000 | International Steel | 904,750 | 992,750 |
| 50,000 | 50,000 | | 1,688,000 | 1,621,750 |
| | | AUTOMOBILE ASSEMBLER | | |
| 2,000 | 2,000 | Pak Suzuki Motors Ltd., | 268,080 | 457,920 |
| 2,000 | 2,000 | | 268,080 | 457,920 |
| | | COMMUNICATION | | |
| 57,000 | 57,000 | Pakistan Telecommunication Company Ltd. | 441,751 | 471,390 |
| 57,000 | 57,000 | | 441,751 | 471,390 |
| | | CHEMICALS & PHARMACEUTICALS | | |
| 70,000 | 70,000 | Engro Fertilizer Company Limited | 4,036,198 | 4,477,899 |
| 70,000 | 70,000 | | 4,036,198 | 4,477,899 |
| 1,163,784 | 1,163,768 | | 17,727,331 | 20,314,749 |

1.2 **Investment in mutual funds open-ended units**

| No. of units | | | Un-audited | Audited |
|--------------|-----------|--------------------------------|------------------|------------|
| March 31, | June 30, | | March 31, | June 30, |
| 2020 | 2019 | | 2020 | 2019 |
| | | MUTUAL FUNDS-OPEN ENDED | -----Rupees----- | |
| 111,436 | 111,436 | Meezan Islamic Fund | 4,476,629 | 5,340,403 |
| 1,224,273 | 1,224,273 | Meezan Islamic Income Fund | 68,742,423 | 62,972,563 |
| 51,061 | 51,061 | Alfalah GHP Islamic Value Fund | 4,096,769 | 4,568,392 |
| 69,549 | 69,549 | AKD Islamic Stock Fund | 1,943,545 | 2,420,396 |
| 1,456,319 | 1,456,319 | | 79,259,366 | 75,301,754 |

- These financial statements are unaudited and were authorized for issued on April 29, 2020 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 / restated where necessary for the purpose of comparison.

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

Chairman

Chief Executive

Director

Chief Financial Officer