



QUARTERLY REPORT

For the Quarter Ended

September 30, 2020
(Un-audited)

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. Ghullam 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 SEPTEMBER 30, 2020**

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, 2020.

Gross revenue during the period was Rs.3.637 million vis-à-vis Rs. 2.193 million for the corresponding period of 2019-20. Pre-tax Profit stood at Rs. 1.452 million against a Pre-tax loss of Rs. 0.331 million for the corresponding period of 2019-20. Comparative Figures were restated due to the retrospective Correction of errors. The unrealized loss in the value of investment in marketable securities is Rs.5.987 million.

Equity market showed its upward trend, KSE-100 index posted a positive return of 17.8% during the period ended Sep-2020, closing at 40,571 points. However, we will remain cautious while taking further exposure in marketable securities.

We bow to Allah and pray for His blessing and guidance

AMEEN

Karachi:
October 29, 2020

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ
برائے اختتامی مدت 30 ستمبر 2020

محترم سرٹیفیکیٹ یافتگان
السلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 30 ستمبر 2020 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 3.637 ملین روپے تھی جب 20-2019 کے اسی مدت کے لئے مجموعی آمدنی 2.193 ملین روپے تھی۔ لہذا ٹیکس سے پہلے آمدنی 1.452 ملین روپے جب کہ 20-2019 کے اسی مدت کے ٹیکس سے پہلے آمدنی 0.331 ملین روپے رہا۔ سیکیورٹیز کی خرید و فروخت میں سرمایہ کاری کی مالیت میں غیر حقیقی نقصان 5.987 ملین روپے تھا۔ IFRS-9 کو لازمی طور پر اپنانے کی وجہ سے سابقہ اعداد و شمار کی دوبارہ درجہ بندی کی گئی ہے

ایکویٹی مارکیٹ نے اپنے اضافے کا رجحان ظاہر کیا، کے ایس ای 100 انڈیکس نے ستمبر 2020 کو ختم ہونے والی مدت کے دوران 17.8 فیصد کی مثبت واپسی ریکارڈ کی، جو 40،571 پوائنٹس پر بند ہوا۔ تاہم، ہم قابل تجارتی سیکیورٹیز میں مزید نمائش ہونے پر محتاط رہیں گے۔

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: 29 اکتوبر 2020

**B.F.MODARABA
BALANCE SHEET
AS AT SEPTEMBER 30, 2020
(UNAUDITED)**

	(Un-audited) Sep-2020	(Audited) June-2020 (Restated)
	Rupees	
ASSETS		
NON-CURRENT ASSETS		
Furniture and equipment	26,031	27,023
Long Term Deposits	40,019	40,019
Long term investments	<u>114,316,191</u>	<u>103,046,631</u>
	<u>114,382,241</u>	<u>103,113,673</u>
CURRENT ASSETS		
Advance Tax - Net	3,213,454	3,174,271
Prepayments & other Receivables	475,718	378,099
Cash and bank balances	<u>19,086,801</u>	<u>24,738,062</u>
	22,775,973	28,290,432
Total Assets	<u><u>137,158,215</u></u>	<u><u>131,404,105</u></u>
LIABILITIES & EQUITY		
NON-CURRENT LIABILITIES	-	-
CURRENT LIABILITIES		
Accrued expenses and other liabilities	2,367,536	3,168,302
Due to Management Company	324,251	159,581
Unclaimed Dividend	<u>1,545,582</u>	<u>1,545,582</u>
Total Liabilities	4,237,369	4,873,465
CAPITAL AND RESERVES		
Authorized Capital		
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	<u>63,756,389</u>	<u>62,359,515</u>
	138,907,976	137,511,102
Unrealized (loss) /gain on re-measurement of investments classified as fair value through other comprehensive income	<u>(5,987,129)</u>	<u>(10,980,462)</u>
TOTAL EQUITY	<u>132,920,847</u>	<u>126,530,640</u>
Total Liabilities and Equity	<u><u>137,158,215</u></u>	<u><u>131,404,105</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

B.F.MODARABA
STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 2020	September 2019 (Restated)
	<u>Rupees</u>	
Operating Incomes	3,637,415	2,193,836
Operating expenses	<u>(1,990,716)</u>	<u>(1,818,209)</u>
Profit/(Loss) before charging management fee	1,646,699	375,627
Provision for management fee	<u>(164,670)</u>	<u>(37,563)</u>
Profit/(Loss) before wokers' welfare fund	1,482,029	338,064
Provision for workers' welfare fund	<u>(29,641)</u>	<u>(6,761)</u>
Profit/(Loss) before taxation	1,452,388	331,303
Taxation - current	<u>(55,515)</u>	<u>(102,225)</u>
Profit/(Loss) after taxation	<u><u>1,396,874</u></u>	<u><u>229,078</u></u>
Earning per certificate - Basic and Diluted	<u><u>0.19</u></u>	<u><u>0.03</u></u>

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

Chairman

Chief Executive

Director

Chief Financial Officer

B.F.MODARABA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	For the quarter ended September 30,	
	2020	2019
	(Restated)	
	Rupees	
Profit/ (loss) for the period	1,396,874	229,078
Other comprehensive income		
<i>Items that will not be subsequently reclassified to profit or loss</i>		
Surplus / (deficit) on re-measurement of investments classified as at fair value through other comprehensive income	4,993,453	(1,183,555)
	6,390,327	(954,477)

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

B.F.MODARABA
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Description	Issued, subscribed and paid up capital	Reserves (Restated)		Total
		Statutory Reserves	Unappropri- ated Profit	

Rupees

Balance as at July 01, 2019	75,151,587	47,385,189	12,317,774	134,854,550
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Comprehensive income for the quarter	-	-	229,078	229,078
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Balance as at September 30, 2019	75,151,587	47,385,189	12,546,852	135,083,628
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Balance as at October 01, 2019	75,151,587	47,385,189	12,546,852	135,083,628
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Comprehensive income for nine months	-	-	2,427,474	2,427,474
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Transfer to the statutory reserves @ 50%	-	1,328,276	(1,328,276)	-
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Balance as at June 30, 2020	75,151,587	48,713,465	13,646,050	137,511,102
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Balance as at July 1, 2020	75,151,587	48,713,465	13,646,050	75,151,587
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Comprehensive income for the quarter	-	-	1,396,874	-
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Balance as at September 30, 2020	75,151,587	48,713,465	15,042,924	75,151,587
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The annexed notes form an integral part of these financial

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

Chairman

Chief Executive

Director

Chief Financial Officer

B. F. MODARABA
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED (1ST QUARTER) SEPTEMBER 30, 2020

	September-2020	September-2019 (Restated)
	<u>Rupees</u>	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,452,388	331,303
Adjustments for :		
Depreciation- own assets	990	1,249
Unrealised Profit / (loss) on remeasurement of investments	(3,006,096)	(1,088,653)
Provision for Provident fund	101,554	71,834
Bank Profit	(261,220)	(596,183)
Provision for Mangement fee	164,670	37,563
Provision for WWF	29,641	6,761
Dividend Income	(370,099)	(509,000)
	<u>(3,340,560)</u>	<u>(2,076,429)</u>
	(1,888,172)	(1,745,126)
Changes in working capital		
Decrease / (increase) in current assets :		
Stock in Trade	-	-
Trade Debts	-	14,960,000
Prepayments and other receivable	(58,208)	(144,065)
Increase / (decrease) in current liabilities:		
Accrued expenses	(920,513)	131,217
Net increase in working capital	(978,721)	14,947,152
Taxes Paid	(94,697)	(658,018)
P.F Paid	(11,450)	(16,000)
Net cash Inflow(outflow) from operating activities	<u>(2,973,040)</u>	<u>12,528,008</u>
B CASH FROM INVESTING ACTIVITIES		
Additions in fixed assets	-	-
Own use	-	-
Long Term Investments acquired	(3,270,007)	-
Proceeds from sale of Investments	-	-
Dividend received	327,515	-
Bank Profit received	264,393	479,289
Net cash inflow(outflow) from investing activities	<u>(2,678,099)</u>	<u>479,289</u>
C. CASH FROM FINANCING ACTIVITIES		
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase/ (decrease) in cash and bank balances	(5,651,263)	13,007,298
Cash and bank balances at the beginning of the period	24,738,062	12,875,792
Cash and bank balances at the period ended September 30, 2020	<u>19,086,801</u>	<u>25,883,090</u>

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

Chairman

Chief Executive

Director

Chief Financial Officer

B.F.MODARABA
INVESTMENT AVAILABLE FOR SALE
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

			Sep 2020 Rupees	June 2020 Rupees
<i>At fair value through other comprehensive income</i>				
1.1 Ordinary shares of listed companies			30,103,798	21,840,336
<i>At fair value through profit or loss</i>				
1.2 Units of open-ended mutual funds			84,212,393	81,206,295
			114,316,191	103,046,631
1.1 'Investments in ordinary shares of listed companies				
<i>Unless stated otherwise, the following holdings are in ordinary shares/certificates of Rs. 10/- each.</i>				
June 2020 Shares/Certificate	Sep 2020	NAME OF COMPANY/ INSTITUTION	Sep 2020 Rupees	June 2020 Rupees
MODARABAS				
21,136	21,136	Orix Modaraba	448,293	380,446
72,900	72,900	First Punjab Modaraba	161,109	145,800
94,036	94,036	Total	609,402	526,246
BANK				
21,230	34,353	Meezan Bank Limited	2,824,160	1,461,685
21,230	34,353	Total	2,824,160	1,461,685
CEMENT				
162000	162000	Fauji Cement	3,220,560	2,734,560
13000	13000	Kohat Cement	2,219,620	1,786,850
10,000	10,000	D.G.Khan Cement	1,031,100	853,300
-	10,000	Maple Leaf Cement	358,900	-
185,000	195,000	Total	6,830,181	5,374,711
REFINERY				
12500	12500	Attock Refinery Ltd	1,743,500	1,116,500
12,500	12,500	Total	1,743,500	1,116,500
FUEL AND ENERGY				
10,099	10,099	Pakistan Petroleum Ltd	929,712	876,391
22419	22419	Hub Power Company Ltd	1,758,995	1,625,377
49000	49000	Kohinoor Energy Ltd	1,665,991	1,714,011
600500	600500	K-Electric Ltd	2,528,348	1,807,747
682,018	682,018	Total	6,883,046	6,023,526
ENGINEERING				
25000	25000	Mughal Iron & Steel Ind.	1,607,000	997,000
25000	25000	International Steel Ltd	1,926,000	1,291,250
50,000	50,000	Total	3,533,000	2,288,250
AUTOMOBILE ASSEMBLER				
2,000	2,000	Pak Suzuki Motors Ltd.,	402,940	323,660
2,000	2,000	Total	402,940	323,660
FOOD & PERSONAL CARE PRODUCTS				
-	10,000	Frieslandcampina Engro Pakistan	785,100	-
-	10,000	Total	785,100	-
TEXTILE COMPOSITE				
-	10,000	Nishat Mills Ltd	1,010,700	-
-	10,000	Total	1,010,700	-
COMMUNICATION				
57,000	57,000	Pakistan Telecommunication Company Ltd.	616,171	506,161
57,000	57,000	Total	616,171	506,161
FERTILIZER				
70,000	80,000	Engro Fertilizer Company Ltd.	4,865,599	4,219,598
70,000	80,000	Total	4,865,599	4,219,598
1,173,784	1,226,907	Grand Total	30,103,798	21,840,336

1.2 Investment in units of open-ended mutual funds

June 2020	Sep 2020		Sep 2020	June 2020
Number of Units			Rupees	Rupees
		<i>MUTUAL FUNDS</i>		
116,508	116,508	Meezan Islamic Fund	6,395,921	5,439,299
1,343,360	1,343,360	Meezan Islamic Income Fund	70,458,039	69,136,843
51,229	51,229	Alfalalah GHP Islamic Value Fund	4,620,631	4,549,833
69,549	69,549	AKD Islamic Stock Fund	2,737,802	2,080,320
1,580,646	1,580,646	Grand Total	84,212,393	81,206,295

2. These financial statements are unaudited and were authorized for issued on October 29, 2020 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

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

Chairman

Chief Executive

Director

Chief Financial Officer