



QUARTERLY REPORT

For the Quarter Ended

September 30, 2022
(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

<i>Mr. Ahmed Ali Mohammad Amin Bawany</i>	<i>Chairman</i>
<i>Mr. Muhammad Omar Amin Bawany</i>	<i>Chief Executive</i>
<i>Mr. Hamza Omar Bawany</i>	<i>Director</i>
<i>Mr. Muhammad Samiullah</i>	<i>Independent Director</i>
<i>Ms. Tasneem Yusuf</i>	<i>Independent Director</i>

AUDIT COMMITTEE

<i>Mr. Muhammad Samiullah</i>	<i>Chairman</i>
<i>Mr. Ahmed Ali Mohammad Amin Bawany</i>	<i>Member</i>
<i>Mr. Hamza Omar Bawany</i>	<i>Member</i>

HUMAN RESOURCE & REMUNERATION COMMITTEE

<i>Mr. Muhammad Samiullah</i>	<i>Chairman</i>
<i>Mr. Ahmed Ali Mohammad Amin Bawany</i>	<i>Member</i>
<i>Mr. Muhammad Omar Amin Bawany</i>	<i>Member</i>

CFO & 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), Block No. 06
Off Razi Road, P.E.C.H.S.,
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, 2022**

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, 2022.

Gross revenue during the period was Rs.3.661 million vis-à-vis Rs. 2.321 million for the corresponding period of 2021-22., Pre-tax Profit stood at Rs. 1.095 million against a Pre-tax Profit of Rs. 0.209 million for the corresponding period of 2021-22. The unrealized loss in the value of investment in marketable securities is Rs.6.541 million.

Equity market showed its slightly downward trend, KSE-100 index posted a negative impact of 1% during the period ended Sep-2022, closing at 41,128 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 27, 2022

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ
برائے اختتامی مدت 30 ستمبر 2022

محترم سرٹیفیکیٹ یافتگان
السلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 30 ستمبر 2022 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 3.661 ملین روپے تھی جب 2021-22 کے اسی مدت کے لئے مجموعی آمدنی 2.321 ملین روپے تھی۔ لہذا ٹیکس سے پہلے آمدنی 1.095 ملین روپے جب کہ 2021-22 کے اسی مدت کے ٹیکس سے پہلے آمدنی 0.209 ملین روپے رہا۔ سیکیورٹیز کی خرید و فروخت میں سرمایہ کاری کی مالیت میں غیر حقیقی نقصان 6.541 ملین روپے تھا۔

ایکویٹی مارکیٹ نے نیچے کا رجحان دکھایا، KSE-100 انڈیکس نے ستمبر 2022 کو ختم ہونے والی مدت کے دوران 1% کا منفی اثر ڈالا، جو 41,128 پوائنٹس پر بند ہوا۔ تاہم، مارکیٹ ایل سیکیورٹیز میں مزید ایکسپوزر لیتے ہوئے ہم 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: 27 اکتوبر 2022

B.F.MODARABA
BALANCE SHEET
AS AT SEPTEMBER 30, 2022
(UNAUDITED)

	Note	(Un-audited) Sep-2022	(Audited) June-2022
		Rupees	
ASSETS			
NON-CURRENT ASSETS			
Furniture and equipment		19,226	19,879
Long Term Deposits		40,019	40,019
Long term investments	1	94,437,186	95,249,082
Long term Musharaka	2	7,415,919	7,415,919
Diminishing Musharaka	3	11,518,031	12,062,975
		113,430,381	114,787,874
CURRENT ASSETS			
Prepayments & other Receivables		1,110,249	832,402
Current portion of Diminishing Musharaka	3	2,416,509	2,524,275
Advance Tax - Net		3,712,979	3,500,628
Cash and bank balances		2,255,846	2,485,415
		9,495,583	9,342,720
Total Assets		122,925,964	124,130,594
LIABILITIES & EQUITY			
NON-CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Accrued expenses and other liabilities		2,787,171	3,004,935
Due to Management Company		124,142	-
Unclaimed Dividend		1,690,889	1,690,889
Total Liabilities		4,602,202	4,695,824
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		49,713,092	48,996,651
		124,864,679	124,148,238
Unrealized (loss) /gain on re-measurement of investments classified as fair value through other comprehensive income		(6,540,916)	(4,713,468)
Total Liabilities and Equity		122,925,964	124,130,594

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, 2022

	September 2022	September 2021
	<u>Rupees</u>	
Operating Incomes	3,661,385	2,320,694
Operating expenses	<u>(2,419,964)</u>	<u>(2,083,946)</u>
Profit/(Loss) before charging management fee	1,241,421	236,748
Provision for management fee	<u>(124,142)</u>	<u>(23,675)</u>
Profit/(Loss) before wokers' welfare fund	1,117,279	213,073
Provision for workers' welfare fund	<u>(22,346)</u>	<u>(4,261)</u>
Profit/(Loss) before taxation	1,094,934	208,812
Taxation - current	<u>(378,493)</u>	<u>(84,023)</u>
Profit/(Loss) after taxation	<u><u>716,441</u></u>	<u><u>124,789</u></u>
Earning per certificate - Basic and Diluted	<u><u>0.10</u></u>	<u><u>0.02</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 COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	For the quarter ended September 30,	
	2022	2021
	<u>Rupees</u>	
Profit/ (loss) for the period	716,441	124,788
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	(1,827,682)	(2,814,549)
	<u>(1,111,241)</u>	<u>(2,689,761)</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 CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Description	Issued, subscribed and paid up capital	Reserves		Total
		Statutory Reserves	Unappropriated Profit	
Rupees				
Balance as at July 01, 2021	75,151,587	50,255,171	17,610,436	143,017,194
Comprehensive income for the quarter	-	-	124,788	124,788
Balance as at September 30, 2021	75,151,587	50,255,171	17,735,224	143,141,982
Balance as at October 01, 2021	75,151,587	50,255,171	17,735,224	143,141,982
Comprehensive income for nine months	-	-	(15,236,165)	(15,236,165)
Issuance of Cash Dividend @ 5%	-	-	(3,757,579)	(3,757,579)
Balance as at June 30, 2022	75,151,587	50,255,171	(1,258,520)	124,148,238
Balance as at July 1, 2022	75,151,587	50,255,171	(1,258,520)	124,148,238
Comprehensive income for the quarter	-	-	716,441	716,441
Balance as at September 30, 2022	75,151,587	50,255,171	(542,079)	124,864,679

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 CASH FLOWS
FOR THE PERIOD ENDED (1ST QUARTER) SEPTEMBER 30, 2022

	September-2022	September-2021
	<u>Rupees</u>	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,094,934	208,812
Adjustments for :		
Depreciation- own assets	651	796
Unrealised Profit / (loss) on remeasurement of investments	(413,213)	(1,963,008)
Provision for Provident fund	131,982	104,344
Realized Profit / (Loss) on Sale of Mutual funds	-	353,628
Bank Profit	(14,430)	(22,534)
Provision for Mangement fee	124,142	23,675
Provision for WWF	22,346	4,261
Diminishing Musharakah Income	(673,705)	-
Dividend Income	(2,560,038)	(688,780)
	(3,382,265)	(2,187,618)
	(2,287,331)	(1,978,806)
Changes in working capital		
Decrease / (increase) in current assets :		
Stock in Trade	-	-
Trade Debts	-	-
Prepayments and other receivable	(182,938)	(250,324)
Increase / (decrease) in current liabilities:		
Accrued expenses	(327,779)	(23,000)
Net increase in working capital	(510,717)	(273,324)
Taxes Paid	(584,660)	(87,403)
P.F Paid	-	-
Net cash Inflow(outflow) from operating activities	(3,382,708)	(2,339,533)
B CASH FROM INVESTING ACTIVITIES		
Additions in fixed assets	-	-
Diminishing Musharakah	673,705	-
Long Term Investments acquired	-	-
Proceeds from Purchase & Sale of Investments Net	-	10,089,739
Long term Musharaka	-	(8,800,000)
Dividend received	2,464,413	967,979
Bank Profit received	15,144	24,781
Net cash inflow(outflow) from investing activities	3,153,262	2,282,499
C. CASH FROM FINANCING ACTIVITIES		
Net cash used in financing activities	-	-
Net increase/ (decrease) in cash and bank balances	(229,569)	(57,158)
Cash and bank balances at the beginning of the period	2,485,415	2,551,491
Cash and bank balances at the period ended September 30, 2021	2,255,846	2,494,333

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

Notes to the Financial Statements

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1- LONG TERM INVESTMENTS

	Sep 2022 Rupees	June 2022 Rupees
<i>At fair value through other comprehensive income</i>		
1.1 Ordinary shares of listed companies	39,861,886	41,689,568
<i>At fair value through profit or loss</i>		
1.2 Units of open-ended mutual funds	54,575,299	53,559,514
	94,437,186	95,249,081

1.1 'Investments in ordinary shares of listed companies

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

June 2022 Shares/Certificate	Sep 2022	NAME OF COMPANY/ INSTITUTION	Sep 2022 Rupees	June 2022 Rupees
MODARABAS				
21,136	21,136	OLP Modaraba	338,176	338,176
72,900	72,900	First Punjab Modaraba	141,426	118,827
94,036	94,036	Total	479,602	457,003
BANK				
39,505	43,455	Meezan Bank Limited	4,769,186	4,463,275
39,505	43,455	Total	4,769,186	4,463,275
CEMENT				
177000	177000	Fauji Cement	2,653,230	2,508,090
13000	13000	Kohat Cement	2,080,000	1,691,690
10,000	10,000	D.G.Khan Cement	606,200	625,000
10,000	10,000	Maple Leaf Cement	278,600	273,500
3,000	3,000	Lucky Cement	1,489,680	1,377,120
213,000	213,000	Total	7,107,710	6,475,400
REFINERY				
12500	12500	Attock Refinery Ltd	1,840,250	2,197,250
12,500	12,500	Total	1,840,250	2,197,250
FUEL AND ENERGY				
10,099	10,099	Pakistan Petroleum Ltd	620,584	681,783
22419	22419	Hub Power Company Ltd	1,567,312	1,528,303
49000	49000	Kohinoor Energy Ltd	1,640,520	1,876,700
600500	600500	K-Electric Ltd	1,789,490	1,825,520
20000	20000	Pakistan Oilfields Limited	6,982,400	8,116,200
702,018	702,018	Total	12,600,306	14,028,506
ENGINEERING				
33350	33350	Mughal Iron & Steel Ind.	2,173,753	1,922,294
25000	25000	International Steel Ltd	1,378,250	1,484,000
58,350	58,350	Total	3,552,003	3,406,294

AUTOMOBILE ASSEMBLER

2,000	2,000	Pak Suzuki Motors Ltd.,	374,700	422,420
2,000	2,000	Total	374,700	422,420

FOOD & PERSONAL CARE PRODUCTS

10,000	10,000	Frieslandcampina Engro Pakistan	658,000	682,800
10,000	10,000	Total	658,000	682,800

TEXTILE COMPOSITE

10,000	10,000	Nishat Mills Ltd	681,200	739,100
10,000	10,000	Total	681,200	739,100

COMMUNICATION

57,000	57,000	Pakisatan Telecommunication Company Ltd.	387,030	396,720
57,000	57,000	Total	387,030	396,720

FERTILIZER

95,000	95,000	Engro Fertilizer Company Ltd.	7,411,900	8,420,800
95,000	95,000	Total	7,411,900	8,420,800

1,293,409	1,297,359	Grand Total	39,861,886	41,689,568
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1.2 Investment in units of open-ended mutual funds

June 2022	Sep 2022		Sep 2022	June 2022
Number of Units			Rupees	Rupees
MUTUAL FUNDS				
5,073	5,073	Meezan Islamic Fund	283,851	285,255
334,321	334,321	Meezan Islamic Income Fund	17,750,644	17,227,561
69,549	69,549	AKD Islamic Stock Fund	2,705,804	2,814,648
664,641	676,700	Meezan Rozana Amdani Fund	33,835,000	33,232,050
1,073,584	1,085,643	Grand Total	54,575,299	53,559,514

2- LONG TERM MUSHARAKA

This represent Musharaka Agreement entered into between Modaraba and M/s. Sustainable Environment Developers (SED) on May 26, 2021, with profit sharing ratio of 48.5% and 51.5% respectively. The agreement will dissolve / terminate upon mutual consent.

3- DIMINISHING MUSHARAKAH

	Sep 2022	June 2022
	Rupees	Rupees
Considered good	13,934,540	14,587,250
Less: Current portion of diminishing musharaka	(2,416,509)	(2,524,275)
	11,518,031	12,062,975

3.1 - These finance carry profit rate of Kibor plus i.e. 18% effective per anum and are repayable on monthly basis over the period of four years. The arrangement is secured against promisory note.

4. These financial statements are unaudited and were authorized for issued on **October 27, 2022** by the Board of Directors of the Management Company.

5. 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.

6. Amount of Taxation is Provisional and final Tax liability will be determined on the basis of Annual Result.

7. Figures have been rounded off to the nearest rupee and have been re-arranged where necessary for the purpose of comparison

Chairman

Chief Executive

Director

Chief Financial Officer