



## **QUARTERLY REPORT**

For the Quarter Ended

September 30, 2023  
(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. M/s. RSM Avasi Hyder Liaquat Nauman*  
*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](mailto:info@bfmodaraba.com.pk)*  
*[feedback@bfmodaraba.com.pk](mailto:feedback@bfmodaraba.com.pk)*  
*URL: [www.bfmodaraba.com.pk](http://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, 2023**

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, 2023.

Gross revenue during the period was Rs.7.671 million vis-à-vis Rs. 3.661 million for the corresponding period of 2022-23, mainly from Trading income Rs. 4.497 million and Dividend income Rs. 2.243 million., Pre-tax Profit stood at Rs. 4.271 million against a Pre-tax Profit of Rs. 1.095 million for the corresponding period of 2022-23.

As we know that we can improve any time as the rates of blue chip shares are running below their fair value. The positive trend was reflected in our portfolio investment valuation and unrealized loss decrease from 6.263 million to 3.465 million in the value of investment in marketable securities as on reporting date for the period ended Sep-2023. Moreover, we shall perform in commodity trading as we did in the past.

We bow to Allah and pray for His blessing and guidance

**AMEEN**

Karachi:  
October 30, 2023

Hamza Omar Bawany  
Director

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 2023 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 عرصے کے دوران مجموعی آمدنی 7.671 ملین روپے تھی۔ 3.661 ملین 2022-23 کی  
اسی مدت کے لیے تھی۔ بنیادی طور پر تجارتی آمدنی 4.497 ملین اور ڈیویڈنڈ آمدنی 2.243  
ملین سے ہے، 2022-23 کی اسی مدت کے 1.095 ملین کے قبل از ٹیکس منافع کے مقابلے  
میں قبل از ٹیکس منافع 4.271 ملین رہا۔

جیسا کہ ہم جانتے ہیں کہ ہم کسی بھی وقت بہتری لا سکتے ہیں کیونکہ بلیو چپ حصص کے  
نرخ ان کی مناسب قیمت سے نیچے چل رہے ہیں۔ ہمارے پورٹ فولیو سرمایہ کاری کی  
تشخیص میں مثبت رجحان کی عکاسی ہوئی اور ستمبر-2023 کو ختم ہونے والی مدت کی  
رپورٹنگ کی تاریخ کے مطابق مارکیٹ ایبل سیکیورٹیز میں سرمایہ کاری کی قدر میں غیر  
حقیقی نقصان 6.263 ملین سے کم ہو کر 3.465 ملین ہو گیا۔ مزید برآں، ہم کموڈٹی ٹریڈنگ  
میں کارکردگی کا مظاہرہ کریں گے جیسا کہ ہم نے ماضی میں کیا 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

ڈائریکٹر

کراچی: 30 اکتوبر 2023

**B.F.MODARABA**  
**BALANCE SHEET**  
**AS AT SEPTEMBER 30, 2023**  
**(UNAUDITED)**

	<i>Note</i>	<b>(Un-audited)</b> Sep-2023	<b>(Audited)</b> June-2023
<b>Rupees</b>			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Furniture and equipment		16,734	17,276
Long term deposits		40,019	40,019
Long term investments	1	38,644,776	38,739,058
Diminishing Musharaka	3	7,915,439	8,747,881
Long term Musharaka	2	-	-
		<b>46,616,968</b>	<b>47,544,234</b>
<b>CURRENT ASSETS</b>			
Prepayments and other receivables		9,197,421	9,636,699
Current portion of Diminishing Musharak	3	3,273,910	3,147,290
Advance tax - net		3,785,050	3,759,858
Trade debts - considered good		8,685,000	-
Stock in trade		41,689,542	48,048,890
Cash and bank balances		7,713,953	1,573,030
		<b>74,344,877</b>	<b>66,165,767</b>
<b>Total Assets</b>		<b>120,961,845</b>	<b>113,710,002</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>NON-CURRENT LIABILITIES</b>			
		-	-
<b>CURRENT LIABILITIES</b>			
Accrued expenses and other liabilities		2,080,409	1,895,744
Due to Management Company		484,245	-
Unclaimed Dividend		1,690,889	1,690,889
<b>Total Liabilities</b>		<b>4,255,543</b>	<b>3,586,633</b>
<b>CAPITAL AND RESERVES</b>			
Authorized Capital			
10,000,000 Modaraba			
Certificates of Rs. 10/- each		<b>100,000,000</b>	<b>100,000,000</b>
Issued, subscribed and paid-up capital		75,151,587	75,151,587
Reserve		45,019,414	41,234,881
		<b>120,171,001</b>	<b>116,386,468</b>
Unrealized (loss) /gain on re-measurement of investments classified as fair value through other comprehensive income		<b>(3,464,698)</b>	<b>(6,263,099)</b>
<b>Total Liabilities and Equity</b>		<b>120,961,845</b>	<b>113,710,002</b>

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, 2023**

	September 2023	September 2022
	<u>Rupees</u>	
<b>Operating Incomes</b>		
Dividend - net of zakat	2,243,517	2,560,038
Profit on bank deposits	149,538	14,430
Diminishing Musharakah Income	781,193	673,705
Trading	4,496,510	-
Unrealised Gain / (Loss) on remeasurement of investments in units of mutual funds	-	413,213
	<u>7,670,759</u>	<u>3,661,385</u>
Operating expenses	<u>(2,828,313)</u>	<u>(2,419,964)</u>
Profit/(Loss) before charging management fee	4,842,446	1,241,421
Provision for management fee	<u>(484,245)</u>	<u>(124,142)</u>
Profit/(Loss) before wokers' welfare fund	4,358,201	1,117,279
Provision for workers' welfare fund	<u>(87,164)</u>	<u>(22,346)</u>
Profit/(Loss) before taxation	4,271,037	1,094,934
Taxation - current	<u>(321,828)</u>	<u>(378,493)</u>
Profit/(Loss) after taxation	<u>3,949,209</u>	<u>716,441</u>
Earning per certificate - Basic and Diluted	<u>0.53</u>	<u>0.10</u>

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

For E.A.Management (Pvt) Ltd.,  
(Management Company)

Chairman

Chief Executive

Director

Chief Financial Officer

**B.F.MODARABA**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	For the quarter ended September 30,	
	2023	2022
	<u>Rupees</u>	
<b>Profit/ (loss) for the period</b>	<b>3,949,209</b>	<b>716,441</b>
<b>Other comprehensive income</b>		
<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	2,795,879	(1,827,682)
	<u>6,745,089</u>	<u>(1,111,241)</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, 2023**

Description	Issued, subscribed and paid up capital	Reserves		Total
		Statutory Reserves	Unappropriated Profit	
Rupees				
Balance as at July 01, 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
Balance as at October 01, 2022	75,151,587	50,255,171	(542,079)	124,864,679
Comprehensive loss for nine months	-	-	(8,478,211)	(8,478,211)
Balance as at June 30, 2023	75,151,587	50,255,171	(9,020,290)	116,386,468
Balance as at July 1, 2023	75,151,587	50,255,171	(9,020,290)	116,386,468
Comprehensive income for the quarter	-	-	3,949,209	3,949,209
- Loss realized on disposal of investments in ordinary shares of listed companies			(164,677)	(164,677)
Balance as at September 30, 2023	75,151,587	50,255,171	(5,235,757)	120,171,001

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 SEPTEMBER 30, 2023**

	September-2023	September-2022
	<u>Rupees</u>	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,271,037	1,094,934
Adjustments for :		
Depreciation- own assets	539	651
Unrealised Profit / (loss) on remeasurement of investments	-	(413,213)
Provision for Provident fund	157,614	131,982
Trading	(4,496,510)	-
Bank Profit	(149,538)	(14,430)
Provision for Mangement fee	484,245	124,142
Provision for WWF	87,164	22,346
Diminishing Musharakah Income	(781,193)	(673,705)
Dividend Income	(2,243,517)	(2,560,038)
	(6,941,197)	(3,382,265)
	(2,670,160)	(2,287,331)
<b>Changes in working capital</b>		
<b>Decrease / (increase) in current assets :</b>		
Stock in Trade	(6,359,348)	-
Trade Debts	8,685,000	-
Prepayments and other receivable	1,951,870	(182,938)
<b>Increase / (decrease) in current liabilities:</b>		
Accrued expenses	312,473	(327,779)
Net increase in working capital	4,589,995	(510,717)
Income tax refund received / (paid) - net	(344,259)	(584,660)
P.F Paid	-	-
Net cash Inflow(outflow) from operating activities	1,575,577	(3,382,708)
<b>B CASH FROM INVESTING ACTIVITIES</b>		
Additions in fixed assets	-	-
Diminishing Musharakah	781,193	673,705
Long Term Investments acquired	-	-
Sale / (Purchase) of investments - net	2,688,835	-
Dividend received	945,780	2,464,413
Bank Profit received	149,538	15,144
Net cash inflow(outflow) from investing activities	4,565,347	3,153,262
<b>C. CASH FROM FINANCING ACTIVITIES</b>		
Net cash used in financing activities	-	-
Net increase/ (decrease) in cash and bank balances	6,140,923	(229,569)
Cash and bank balances at the beginning of the period	1,573,030	2,485,415
Cash and bank balances at the period ended September 30, 2023	7,713,953	2,255,846

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

Chairman

Chief Executive

Director

Chief Financial Officer

## B.F.MODARABA

## Notes to the Financial Statements

## FOR THE QUARTER ENDED SEPTEMBER 30, 2023

## 1- LONG TERM INVESTMENTS

		Sep 2023 Rupees	June 2023 Rupees
	<i>At fair value through other comprehensive income</i>		
1.1	Ordinary shares of listed companies	38,644,776	38,702,409
	<i>At fair value through profit or loss</i>		
1.2	Units of open-ended mutual funds	-	36,650
		<b>38,644,776</b>	<b>38,739,058</b>

## 1.1 'Investments in ordinary shares of listed companies

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

Sep 2023 Shares/Certificate	June 2023	NAME OF COMPANY/ INSTITUTION	Sep 2023 Rupees	June 2023 Rupees
<b>MODARABAS</b>				
21,136	21,136	OLP Modaraba	272,232	238,837
<b>21,136</b>	<b>21,136</b>	<b>Total</b>	<b>272,232</b>	<b>238,837</b>
<b>BANK</b>				
58,455	58,455	Meezan Bank Limited	6,699,528	5,048,758
<b>58,455</b>	<b>58,455</b>	<b>Total</b>	<b>6,699,528</b>	<b>5,048,758</b>
<b>CEMENT</b>				
199,125	199,125	Fauji Cement	2,252,104	2,341,710
-	13,000	Kohat Cement	-	2,255,110
10,000	10,000	D.G.Khan Cement	434,200	513,000
10,000	10,000	Maple Leaf Cement	299,400	283,300
6,000	6,000	Lucky Cement	3,388,680	3,132,540
<b>225,125</b>	<b>238,125</b>	<b>Total</b>	<b>6,374,384</b>	<b>8,525,660</b>
<b>REFINERY</b>				
12,500	12,500	Attock Refinery Ltd	3,181,750	2,145,375
<b>12,500</b>	<b>12,500</b>	<b>Total</b>	<b>3,181,750</b>	<b>2,145,375</b>
<b>FUEL AND ENERGY</b>				
10,099	10,099	Pakistan Petroleum Ltd	748,033	597,255
22,419	22,419	Hub Power Company Ltd	1,980,270	1,559,914
49,000	49,000	Kohinoor Energy Ltd	1,541,050	1,506,750
600,500	600,500	K-Electric Ltd	1,176,980	1,032,860
20,000	20,000	Pakistan Oilfields Limited	7,795,200	8,035,400
<b>702,018</b>	<b>702,018</b>	<b>Total</b>	<b>13,241,533</b>	<b>12,732,179</b>
<b>ENGINEERING</b>				
25,000	25,000	International Steel Ltd	1,062,750	1,013,250
<b>25,000</b>	<b>25,000</b>	<b>Total</b>	<b>1,062,750</b>	<b>1,013,250</b>

**FOOD & PERSONAL CARE PRODUCTS**

-	10,000	Frieslandcampina Engro Pakistan	-	590,300
-	10,000	<b>Total</b>	-	590,300

**TEXTILE COMPOSITE**

10,000	10,000	Nishat Mills Ltd	600,200	567,700
10,000	10,000	<b>Total</b>	600,200	567,700

**FERTILIZER**

95,000	95,000	Engro Fertilizer Company Ltd.	7,212,400	7,840,350
95,000	95,000	<b>Total</b>	7,212,400	7,840,350

1,149,234	1,172,234	<b>Grand Total</b>	38,644,776	38,702,409
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**1.2 Investment in units of open-ended mutual funds**

Sep 2023	June 2023		Sep 2023	June 2023
Number of Units			Rupees	Rupees
-	733	Meezan Rozana Amdani Fund	-	36,650
-	733	<b>Grand Total</b>	-	36,650

**MUTUAL FUNDS****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. Carrying amount of the Musharaka investment is as follows:

	Sep 2023	June 2023
	Rupees	Rupees
<b>Cost of investment</b>		
Carrying value as at	-	22,800,000
Investment made during the year	-	-
	-	22,800,000
<b>Accumulated share of profit / (loss):</b>		
Opening balance	-	(15,384,081)
Share of loss for the year	-	(7,415,919)
	-	(22,800,000)
<b>Carrying value as at reporting date</b>	-	-

**3- DIMINISHING MUSHARAKAH**

	Sep 2023	June 2023
	Rupees	Rupees
Considered good	11,189,349	11,895,171
Less: Current portion of diminishing musharaka	(3,273,910)	(3,147,290)
	7,915,439	8,747,881

3.1 - These finance carry profit rate of Kibor plus 3.1% per annum and are receivable 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 30, 2023** 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