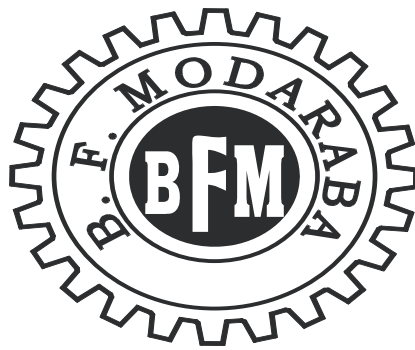


Financial Statements
(Reviewed) for the
Half Year Ended
December 31, 2021



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. Muhammad Samiullah	Independent Director
Ms. Tasneem Yusuf	Independent Director

AUDIT COMMITTEE

Mr. Muhammad Samiullah	Chairman
Mr. Ahmed Ali Mohammad Amin Bawany	Member
Mr. Hamza Omar Bawany	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Muhammad Samiullah	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. Rahman 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



Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

Plot No. 180, Block-A, S.M.C.H.S.
Karachi-74400, PAKISTAN.
Tel. No. : (021) 34549345-9
E-Mail : info@rsrir.com
Website: www.rsrir.com
Other Offices at
Lahore - Rawalpindi / Islamabad

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE CERTIFICATE HOLDERS OF M/S. B.F. MODARABA**

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **M/s. B.F. Modaraba** ("the Modaraba") as at **December 31, 2021** and the related condensed statement of profit or loss, condensed interim statement of comprehensive income, condensed statement of changes in equity, and condensed interim statement of cash flows and notes thereto for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As part of our engagement, we were only required to review the cumulative figures for the six-month period ended December 31, 2021. Accordingly, we have not reviewed the figures in the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the three-month period ended December 31, 2021.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **Mr. Muhammad Rafiq Dosani**.

 **RAHMAN SARFARAZ RAHIM IQBAL RAFIQ**
Chartered Accountants

Karachi

Date:

**DIRECTOR'S REPORTS
FOR THE PERIOD ENDED DECEMBER 31, 2021**

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 half year ended December 31, 2021, which has been reviewed by the External auditors.

Our gross revenue during the period was Rs. 3.861 million vis-à-vis Rs. 6.480 million for the corresponding period of 2020-21 declined by 40%. The unrealized loss in the value of investment in marketable securities increased by Rs. 2.533 million and stood at Rs.1.589 million as at December 31, 2021. Equity market showed downward trend, KSE-100 index posted a negative impact of 5.83% during 1HY21, closing at 44,596 points. Pre-tax Profit stood at Rs. 0.352 million against a Pre-tax Profit of Rs. 2.782 million for the corresponding period of 2020-21

We bow to Allah and pray for His blessing and guidance

AMEEN

Karachi:
February 25, 2022

Hamza Omar Bawany
Director

Muhammad Omar Amin Bawany
Chief Executive

چیف ایگزیکٹو کا جائزہ

برائے اختتامی مدت 31 دسمبر 2021

محترم سرٹیفیکیٹ ہولڈرز
اسلام علیکم!

اللہ تعالیٰ کے فضل و کرم سے میں 31 دسمبر 2021 کو ختم ہونے والے سہ ماہی 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 Rs. 3.861 ملین روپے کے مقابلے میں 2020-21 کے اسی عرصے کے لئے 6.48 ملین میں 40 فیصد کمی واقع ہوئی۔ منڈی سیکورٹیز میں سرمایہ کاری کی قدر پر غیر حقیقی نقصان 2.533 ملین تک اضافہ ہوا اور 31, 2021 دسمبر کو خسارہ 1.589 ملین روپے رہا۔ ایکویٹی مارکیٹ میں کمی دیکھی گئی، کے ایس ای 100 انڈیکس میں HY2021 کے دوران 5.89 فیصد کمی دیکھی گئی اور 44596 پوائنٹس پر بند ہوا۔ ہمارا پری ٹیکس منافع Rs. 0.352 ملین روپے کے مقابلے میں 2.782 ملین سال 2020-21 کے اسی عرصے پر تھا۔

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

ڈائریکٹر

محمد عمر امین یادانی
چیف ایگزیکٹو

کراچی: 25 فروری 2022

Condensed Interim Statement of Financial Position*As at December 31, 2021*

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
ASSETS	<i>Note</i>	-----Rupees-----	
Non-current assets			
Furniture and equipment		21,471	23,063
Long term deposits		40,019	40,019
Long term investments	3	111,585,627	127,330,464
Long term Musharaka	4	<u>22,800,000</u>	<u>14,000,000</u>
		<u>134,447,117</u>	<u>141,393,546</u>
Current assets			
Prepayments and other receivables	5	<u>516,763</u>	688,418
Advance tax - net		4,332,348	4,323,688
Cash and bank balances	6	<u>3,907,416</u>	<u>2,551,491</u>
		<u>8,756,527</u>	<u>7,563,597</u>
Total assets		<u><u>143,203,644</u></u>	<u><u>148,957,143</u></u>
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables		2,908,307	2,680,431
Due to Management Company		810,063	770,129
Unclaimed dividend		<u>1,693,972</u>	<u>1,545,584</u>
		<u>5,412,342</u>	4,996,144
Certificate holders' equity			
Certificate capital		<u>75,151,587</u>	<u>75,151,587</u>
Reserves		<u>64,228,472</u>	<u>67,865,607</u>
		<u>139,380,059</u>	143,017,194
Unrealized loss on re-measurement of investments classified as fair value through other comprehensive income	7	<u>(1,588,756)</u>	943,805
Contingencies and commitments	8		
Total equity and liabilities		<u><u>143,203,644</u></u>	<u><u>148,957,143</u></u>

The annexed notes from 1 to 13 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 Profit or Loss*For the six months and quarter ended December 31, 2021 (unaudited)*

	Six months ended		Quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	-----Rupees-----			
Revenue - net				
Unrealised gain on remeasurement of investments in units of mutual funds	1,854,524	4,882,874	(108,484)	1,876,778
Realized Profit / (Loss) on Sale of Mutual funds	69,440	-	423,067	-
Dividend - net of zakat	1,878,874	1,116,439	1,190,094	746,340
Profit on bank deposits accounts	57,741	480,513	35,207	219,293
	<u>3,860,579</u>	<u>6,479,826</u>	<u>1,539,884</u>	<u>2,842,411</u>
Administrative expenditure				
Operating expenses	(3,461,235)	(3,343,262)	(1,377,289)	(1,352,544)
Profit before charging Management Company's remuneration	<u>399,344</u>	<u>3,136,564</u>	<u>162,595</u>	<u>1,489,867</u>
Management Company's remuneration	(39,934)	(354,431)	(16,259)	(189,761)
Profit before Worker's Welfare Fund	<u>359,410</u>	<u>2,782,133</u>	<u>146,336</u>	<u>1,300,106</u>
Provision for Worker's Welfare Fund	(7,188)	(55,643)	(2,927)	(26,002)
Profit before taxation	<u>352,222</u>	<u>2,726,490</u>	<u>143,409</u>	<u>1,274,104</u>
Taxation	(231,778)	(167,313)	(147,755)	(111,798)
Profit after taxation	<u>120,444</u>	<u>2,559,177</u>	<u>(4,346)</u>	<u>1,162,306</u>
Earnings per certificate - basic and diluted	<u>0.016</u>	<u>0.341</u>	<u>(0.001)</u>	<u>0.155</u>

The annexed notes from 1 to 13 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*For the six months and quarter ended December 31, 2021 (unaudited)*

	Six months ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
	-----Rupees-----			
Profit / (loss) after taxation	120,444	2,559,177	(4,346)	1,162,306
Other comprehensive income				
<i>Items that will not be subsequently reclassified to profit or loss</i>				
(Deficit) / surplus on re-measurement of investments classified as at fair value through other comprehensive income	(2,532,563)	8,063,909	281,986	3,070,456
Total comprehensive (loss) / income for the year	<u>(2,412,119)</u>	<u>10,623,086</u>	<u>277,640</u>	<u>4,232,762</u>

The annexed notes from 1 to 13 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*For the six months ended December 31, 2021 (unaudited)*

	Certificate capital	Reserves		Total
		Statutory reserves	Unappropriated profits	
-----Rupees-----				
Balance as at June 30, 2020	75,151,587	48,713,466	13,646,051	137,511,104
<i>Total comprehensive income for the six months ended</i>				
- Profit after taxation	-	-	2,559,177	2,559,177
- Other comprehensive income	-	-	-	-
	-	-	2,559,177	2,559,177
Balance as at December 31, 2020	75,151,587	48,713,466	16,205,228	140,070,281
Balance as at June 30, 2021	75,151,587	50,255,171	17,610,436	143,017,193
<i>Total comprehensive income for the six months ended</i>				
- Profit after taxation	-	-	120,444	120,444
- Other comprehensive income	-	-	-	-
	-	-	120,444	120,444
Issuance of Cash Dividend @ 5%	-	-	(3,757,579)	(3,757,579)
Balance as at December 31, 2021	75,151,587	50,255,171	13,973,301	139,380,059

The annexed notes from 1 to 13 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*For the six months ended December 31, 2021 (unaudited)*

	December 31, 2021	December 31, 2020
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	352,222	2,726,490
Adjustments for non-cash charges and other items:		
- Depreciation on owned assets	1,592	1,980
- Profit on bank deposits	(57,741)	(480,513)
- Provision for Management Company's remuneration	39,934	354,431
- Provision for provident fund	207,688	189,626
- Provision for Worker's Welfare Fund	7,188	55,643
- Unrealised loss on remeasurement of investments	(1,854,524)	(4,882,874)
- Realized Profit / (Loss) on Sale of Mutual funds	(69,440)	-
- Dividend income- net	(1,878,874)	(1,116,439)
	<u>(3,604,177)</u>	<u>(5,878,146)</u>
Operating loss before working capital changes	<u>(3,251,955)</u>	<u>(3,151,656)</u>
Working capital changes		
<i>Decrease / (increase) in current assets</i>		
- Stock in trade	-	(12,184,205)
- Prepayments and other receivables	(151,889)	(2,197,644)
<i>Decrease in current liabilities</i>		
- Trade and other payables	13,000	(1,132,836)
	<u>(138,889)</u>	<u>(15,514,685)</u>
Taxes paid	(240,438)	(239,240)
Provident fund paid to employees	-	(90,994)
Management Company's remuneration paid	-	(111,898)
Dividend paid	(3,609,192)	-
Purchase of investments	(8,753,496)	(4,556,742)
Dividend received	2,201,874	1,116,439
	<u>(10,401,252)</u>	<u>(3,882,435)</u>
Net cash (used in) / generated from operating activities	<u>(13,792,096)</u>	<u>(22,548,776)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Profit received on bank deposits	58,285	484,576
Proceed from sale of investment	23,889,736	-
Musharaka financing	(8,800,000)	-
Net cash (used in) / generated from investing activities	<u>15,148,021</u>	<u>484,576</u>
Net (decrease) / increase in cash and cash equivalents	<u>1,355,925</u>	<u>(22,064,200)</u>
Cash and cash equivalents as at beginning of the year	<u>2,551,491</u>	<u>24,738,062</u>
Cash and cash equivalents as at the end of year	<u><u>3,907,416</u></u>	<u><u>2,673,862</u></u>

The annexed notes from 1 to 13 form an integral part of these financial statements.

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

B.F. Modaraba**Notes to the Condensed Interim Financial Statements**

For the six months ended December 31, 2021 (unaudited)

1. STATUS AND NATURE OF BUSINESS

B.F. Modaraba ('the Modaraba') was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder. The Modaraba is managed by E.A. Management (Private) Limited ('Modaraba Management Company'). The registered office of the Modaraba is situated at Plot No. 43-1-E(B), P.E.C.H.S., Block-6, Off Razi Road, Shahrah-e-Faisal, Karachi. The Modaraba is listed on Pakistan Stock Exchange. The Modaraba is a perpetual multi-purpose modaraba and is primarily engaged in investments in quoted securities, trading of sugar, leasing, musharika and murabaha transactions.

2. BASIS OF PREPARATION OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS**2.1 Statement of compliance with the applicable accounting and reporting standards**

These condensed interim unconsolidated financial statements (here-in-after referred to as the 'interim financial statements') have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise:

- International Accounting Standard (IAS) 34 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, and directives issued under, the Companies Act, 2017.

Where the provisions of, and directives issued under, the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, and directives issued under, the Companies Act, 2017 have been followed.

These interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2021.

2.2 Basis of measurement of items in these interim financial statements

All the items in these interim financial statements have been measured at their historical cost except for long term investments in quoted equity securities and open-ended mutual funds which are carried at fair value.

2.3 Functional and presentation currency

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Modaraba operates. These condensed interim financial statements are presented in Pak Rupees which is the Modaraba's functional and presentation currency.

2.4 Judgements and sources of estimation uncertainty

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Modaraba's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual financial statements of the Modaraba as at and for the year ended June 30, 2021.

2.5 Significant accounting policies

The significant accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Modaraba for the year ended June 30, 2021.

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
	Note	-----Rupees-----	
3. LONG TERM INVESTMENTS			
<i>At fair value through other comprehensive income</i>			
Ordinary shares of listed companies	3.1	44,814,280	38,593,346
<i>At fair value through profit or loss</i>			
Units of open-ended mutual funds	3.2	66,771,347	88,737,118
		<u>111,585,627</u>	<u>127,330,464</u>

3.1 Investments in ordinary shares of listed companies

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

Number of shares / certificates		Name of Company / Institution	Cost		Market value	
2021	2020		2021	2020	2021	2020
-----Rupees-----						
MODARABAS						
21,136	21,136	Orix Modaraba	191,281	191,281	338,176	369,880
72,900	72,900	First Punjab Modaraba	127,575	127,575	171,315	203,391
BANK						
39,505	34,353	Meezan Bank Limited	1,478,826	1,478,826	5,298,016	3,964,680
CEMENT						
177,000	177,000	Fauji Cement Limited	5,414,849	5,414,849	3,251,490	4,071,000
13,000	13,000	Kohat Cement Limited	2,122,412	2,122,412	2,451,800	2,684,370
10,000	10,000	D.G.Khan Cement Limited	975,797	975,797	829,400	1,179,200
10,000	10,000	Maple Leaf Cement	312,200	312,200	359,500	469,800
3,000	-	Lucky Cement	1,990,205	-	2,037,840	-
REFINERY						
12,500	12,500	Attock Refinery Limited	2,078,108	2,078,108	1,800,375	3,205,625
FUEL AND ENERGY						
22,419	22,419	Hub Power Company Limited	1,037,619	1,037,619	1,599,371	1,786,122
49,000	49,000	Kohinoor Energy Limited	2,126,091	2,126,091	1,701,280	1,764,000
10,099	10,099	Pakistan Petroleum Limited	886,443	886,443	798,225	876,896
600,500	600,500	K-Electric Limited	5,255,514	5,255,514	2,065,720	2,510,090
OIL & GAS EXPLORATION COMPANIES						
20,000	-	Pakistan Oil Fields	6,763,291	-	7,152,400	-
ENGINEERING						
33,350	29,000	Mughal Iron & Steel Industries Limited	2,028,825	2,028,825	3,472,069	3,027,600
25,000	25,000	International Steels Limited	3,654,865	3,654,865	1,653,000	2,335,250
AUTOMOBILE ASSEMBLER						
2,000	2,000	Pak Suzuki Motors Limited	1,434,613	1,434,613	466,520	710,880
COMMUNICATION						
57,000	57,000	Pakistan Telecommunication Company Limited	1,006,050	1,006,050	495,900	674,880
CHEMICALS & PHARMACEUTICALS						
95,000	95,000	Engro Fertilizer Limited	5,943,738	5,943,738	7,228,550	6,675,650
FOOD & PERSONAL CARE PRODUCTS						
10,000	10,000	Frieslandcampina Engro Pakistan	731,100	731,100	847,300	1,150,800
TEXTILE COMPOSITE						
10,000	10,000	Nishat Mills Ltd	843,634	843,634	795,800	933,000
			<u>46,403,036</u>	<u>37,649,540</u>	<u>44,814,280</u>	<u>38,593,345</u>

3.2 Investment in units of open-ended mutual funds

Number of units		Name of Mutual Fund	Cost		Fair Value	
2021	2020		2021	2020	2021	2020
-	54,475	Alfalah GHP Islamic Value Fund	-	5,304,336	-	4,856,855
69,549	69,549	AKD Islamic Stock Fund	3,000,000	3,000,000	3,067,612	3,463,316
116,508	116,508	Meezan Islamic Fund	6,379,345	6,379,345	7,166,023	7,383,783
1,058,763	1,419,068	Meezan Islamic Income Fund	54,410,304	72,926,297	56,537,739	73,033,201
			63,789,649	87,609,978	66,771,347	88,737,154

4. 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.

5. PREPAYMENTS AND OTHER RECEIVABLES	Note	(Un-audited)	(Audited)
		December 31, 2021	June 30, 2021
Prepayments		190,239	78,421
<i>Other receivables</i>			
Profit on bank deposits		2,269	2,813
Dividend receivable		-	323,000
Sales tax		324,255	284,184
		326,524	609,997
		516,763	688,418

6. CASH AND BANK BALANCES

Cash in hand		30,133	22,186
Balance with banks:			
- Current accounts		1,092,042	943,655
- Saving accounts	6.1	2,785,241	1,585,650
		3,877,283	2,529,305
		3,907,416	2,551,491

6.1 Saving accounts represent Islamic bank accounts. The rate of profit on these accounts ranges from 4.5% to 7% (June 30, 2021: 4.5% to 5.78%) per annum.

7. UNREALIZED (LOSS) / GAIN ON REMEASUREMENT OF INVESTMENTS CLASSIFIED AS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	Note	(Un-audited)	(Audited)
		December 31, 2021	June 30, 2021
Market value of investments	3.1	44,814,280	38,593,345
Less: cost of investments	3.1	46,403,036	37,649,540
		(1,588,756)	943,805

8. CONTINGENCY AND COMMITMENTS

- 8.1 There has been no change in the status of the contingencies and commitments as reported in note 14 to the annual financial statements of the Modaraba for the year ended June 30, 2021.

9. TRANSACTIONS ENTERED INTO AND BALANCES HELD WITH RELATED PARTIES

The related parties comprise of Faran Sugar Mills Limited, Modaraba Management Company, directors and key management personnel of the Modaraba Management Company as well as their close family members. Details of transactions with related parties, other than those disclosed elsewhere in these condensed interim financial statements, are as follows:

	(Un-audited) December 31,2021	(Un-audited) December 31,2020
Transactions during the six months ended		
Management fee - payment during the six months ended	-	346,593
Management fee - charge for the six months ended	<u>39,934</u>	<u>505,824</u>
	(Un-audited) December 31,2021	(Audited) June 30, 2021
Balances outstanding as at the year end		
Management fee payable	<u>810,063</u>	<u>770,129</u>

10. FAIR VALUE HIERARCHY

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The Modaraba measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Following is the fair value hierarchy of the assets carried at fair value:

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
Financial assets				
Investments in units of open-end mutual funds	66,771,347	-	-	66,771,347
Investment in ordinary shares of listed companies	44,814,280	-	-	44,814,280
	<u>111,585,627</u>	-	-	<u>111,585,627</u>
	June 30, 2021			
	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
Financial assets				
Investments in units of open-end mutual funds	88,737,118	-	-	88,737,118
Investment in ordinary shares of listed companies	38,593,346	-	-	38,593,346
	<u>127,330,464</u>	-	-	<u>127,330,464</u>

11. FINANCIAL RISK MANAGEMENT

The Modaraba's financial risk management objectives and policies are consistent with those disclosed in the preceding annual published financial statements of the Modaraba for the year ended June 30, 2021.

12. OPERATING SEGMENT

These condensed interim financial statements have been prepared on the basis of a single reportable segment as the Modaraba's asset allocation decisions are based on a single and integrated business strategy.

All non current assets of the Modaraba as at December 31, 2021 were located in Pakistan.

13. GENERAL**13.1 Date of authorization for issue of these condensed interim financial statements**

These condensed interim financial statements were authorized for issue by the Board of Directors of the Modaraba Management Company in their meeting held on February 25, 2022.

13.2 Level of rounding

Unless otherwise indicated, all figures in these condensed interim financial statements have been rounded off to the nearest rupee.

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

Chairman

Chief Executive

Director

Chief Financial Officer