

Q U A R T E R L Y R E P O R T

2020

Un-Audited
Standalone & Consolidated
Condensed Interim Financial Information
For The Nine Months Period Ended
March 31, 2020

B.R.R. TOWER



B.R.R. Guardian Modaraba

(An Islamic Financial Institution)

Managed by:

B.R.R. Investment (Private) Limited



Contents	Page
<u>Corporate Information</u>	03
<u>Directors' Report</u>	04
<u>ڈائریکٹر کی رپورٹ</u>	05
<u>Condensed Interim Balance Sheet</u>	06
<u>Condensed Interim Profit and Loss Account</u>	07
<u>Condensed Interim Statement of Comprehensive Income</u>	08
<u>Condensed Interim Statement of Cash Flows</u>	09
<u>Condensed Interim Statement of Changes in Equity</u>	10
<u>Notes to the Condensed Interim Financial Information</u>	11

**B.R.R. Guardian Modaraba**

(An Islamic Financial Institution)

Managed by:**B.R.R. Investment (Private) Limited**

Contents	Page
Directors' Report to the Consolidated Condensed Interim Financial Information	18
ڈائریکٹرز کی رپورٹ برائے مجموعی مالیاتی گوشوارے	19
Consolidated Condensed Interim Balance Sheet	20
Consolidated Condensed Interim Profit and Loss Account	21
Consolidated Condensed Interim Statement of Comprehensive Income	22
Consolidated Condensed Interim Statement of Cash Flows	23
Consolidated Condensed Interim Statement of Changes in Equity	24
Notes to the Consolidated Condensed Interim Financial Information	25



B.R.R. Guardian Modaraba

(An Islamic Financial Institution)

Managed by:

B.R.R. Investment (Private) Limited

CORPORATE INFORMATION

Modaraba Company	B.R.R. Investment (Private) Limited
Chairman	Mr. Rafique Dawood
Chief Executive	Mr. Ayaz Dawood
Directors	Mr. Waqas Anwar Qureshi - Director Syed Ali Raza - Director
Audit Committee	Mr. Waqas Anwar Qureshi - Chairman Mr. Rafique Dawood - Member Syed Ali Raza - Member
HR and Remuneration Committee	Syed Ali Raza - Chairman Mr. Rafique Dawood - Member Mr. Waqas Anwar Qureshi - Member
Shariah Advisor	Mufti Muhammad Aqeel
Chief Financial Officer	Syed Tariq Masood
Company Secretary	Mr. Tahir Mehmood
Head of Internal Audit	Abdul Rahman Subhan
Auditors	Horwath Hussain Chaudhury & Co. Chartered Accountants
Legal Advisor	A.Q. Abbasi & Associates Malik & Malik Law Associates Minto & Mirza Nuruddin Saki & Co. Rabbani & Ansari Advocates S & B Durrani Law Associate
Bankers	Al Baraka Bank (Pakistan) Limited Habib Metropolitan Bank Limited National Bank of Pakistan
Web-site	www.firstdawood.com/brr
Registered Office & Head Office	1900-B Saima Tower, I.I. Chundrigar Road, Karachi-74000 PABX : 92-21-32270181-06 Fax : 92-21-32271912
Registrars	F.D. Registrar Services Pvt. Ltd 1705, 17th Floor, Saima Trade Tower "A" I.I. Chundrigar Road, Karachi-74000 Phone # 92-21- 35478192-3 # 92-21-32271905-6 Fax # 92-21-32213243
Branch Offices	Office No. 405 4th Floor, ISE Tower Jinnah Avenue, Islamabad
Security Vault	G-187, Block-2, Shahrah-e-Quaideen, PECHS Karachi-754000



DIRECTORS' REPORT

Dear Certificate holders,

The Board of Directors of B.R.R. Investment (Private) Limited, Manager of B.R.R. Guardian Modaraba (BRRGM), take pleasure in presenting the 3rd Quarter Financial statement of the Modaraba for the nine months ended March 31, 2020.

OPERATIONS AND PERFORMANCE

Financial highlights	March 31, 2020	March 31, 2019
 Rupees.....	
Rental Income	158,606,892	139,934,046
Total Income	212,383,672	149,843,199
Total Expenses	122,607,485	126,209,993
Profit after Management fee, WWF	78,038,848	20,543,400
Earning per certificate	0.90	0.24

During the nine months period under review the Modaraba has earned an operating profit of Rs. 78.039 million, as compared with Rs. 20.543 million profit in the same period last year.

The Certificate Holders' Equity of Modaraba stands at Rs. 1,466.303 million as compared with Rs. 1,370.600 million in the same period last year with an increase of 6.98%. The breakup value share comes to Rs 16.98 per certificate.

Operating expenses of the Modaraba have remained within the budget.

Further, Modaraba has not availed any relaxation under Circular 10 of 2020 and SRO 278(I) of 2020 that allow companies relief from the requirements contained in IFRS9 requiring recording of fair value adjustment of FVTPL equity instruments in Statement of Profit or Loss. This reflects the strength of your Modaraba.

CONCLUSION & APPRECIATION:

We are closely watching the business scenario and our target is to continue profitable growth with the aim of creation of value for certificate holders.

On Behalf of the Board of Directors
B.R.R. Investment (Private) Limited

Syed Ali Raza
Director

April 27, 2020
Karachi

Ayaz Dawood
Chief Executive Officer

بی آر آر گارجن مضاربہ ڈائریکٹر زکی رپورٹ

مترم سرٹیفیکیٹ ہولدرز،

بی آر آر انویسٹمنٹ (پائیوٹ) لمبڈا ("بی آر آر آئی" یا کہنی)، بورڈ آف ڈائریکٹر زکی طرف سے، بی آر آر گارجن مضاربہ ("بی آر آر جی ایم") کے ناظم کی حیثیت سے ہم مارچ 31، 2020 کو ختم ہونے والی تیسری سالی کے عبوری مالیاتی گوشارے پیش کرتے ہوئے بے حد صریحت محسوس کر رہے ہیں۔
اپریشن اور کارکردگی

ماہیاتی جملکیاں	31 مارچ 2020	31 مارچ 2019	پاکستانی روپے مل
کراچی سے آمدی	158,606,892	139,934,046	
کل آمدی	212,383,672	149,843,199	
کل اخراجات	122,607,485	126,209,993	
منافع بعد از انتظامیہ کی فیس اور ڈبلیوڈبلیو ایف	78,038,848	20,543,400	
انفع فی سرٹیفیکیٹ	0.90	0.24	

اپ کے مضاربہ نے پہلے سال کی اسی نوبینی کی مدت کے 20.543 لیکن روپے اپریشن منافع کے مقابلے میں اس سال کے نوبینی میں 78.038 لیکن روپے کا پہلے سال کی منافع کمیا ہے۔
مزید یہ کہ مضاربہ کے سرٹیفیکیٹ ہولدرز کی میکوئی 9.98 فتحمداد اضافے کے ساتھ گزشتہ سال کی اسی مدت میں 1,370.600 لیکن روپے کے مقابلے میں 1,466.303 لیکن روپے ہو گئی ہے۔ بریک اپ ڈبلیوڈبلیو 16.98 دوپے فی سرٹیفیکیٹ ہے۔
مضاربہ کے اپریشن اخراجات بجٹ کے اندر رہے ہیں۔

مزید رآں، مضاربہ نے 2020 کے سرکلر 10 اور 2020 کے (I) SRO کے قوت کی طرح کی رعایت نہیں لی ہے جو کپنپیوں کو IFRS 9 میں موجود تقاضوں سے ریلیف کی اجازت دیتی ہے جس میں منافع یا نقصان کے بیان میں IFVTPL کو کوئی آلات کی منصغناں ڈبلیوڈبلیو ڈیجیٹسٹ شروعی ہوتی ہے۔ اس سے آپ کے مضاربہ کی طاقت ظاہر ہوتی ہے۔

اختتامی کلمات اور اظہار تشکر

ہم کاروباری حالات کو خود دیکھ رہے ہیں اور ہمارا بہاف اپنے موجودہ کاروبار میں منافع بیشتر ترقی کے ساتھ اپنے سرٹیفیکیٹ ہولدرز کی قدر میں اضافہ کرنا ہے۔

از طرف بورڈ آف ڈائریکٹر

بی آر آر انویسٹمنٹ (پائیوٹ) لمبڈا

ایازداوڑ
چیف ایگزیکیوٹیو افسر

سید علی رضا
ڈائریکٹر

اپریل 2020, 27

کراچی

**Condensed Interim Balance Sheet
As at March 31, 2020**

	Note	(Un-audited) March 31, 2020	(Audited) June 30, 2019
		----- (Rupees) -----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	87,841,871	144,248,875
Investment properties	5	970,959,701	943,576,499
Long-term investment	6	55,000,000	55,000,000
Long-term musharaka finances		16,301,998	18,882,742
Long-term loans, advances and deposits		5,759,397	6,138,991
		1,135,862,967	1,167,847,107
CURRENT ASSETS			
Short-term investments	7	595,230,545	541,862,200
Current portion of musharaka finances		18,553,911	40,473,298
Ijarah / lease rental receivable		981,871	906,290
Loans, advances and prepayments		23,159,224	17,080,767
Accrued profit		766,054	406,957
Other receivables		12,911,459	9,550,113
Taxation		24,685,992	18,159,480
Cash and bank balances		12,705,945	42,027,988
		688,995,001	670,467,093
TOTAL ASSETS		1,824,857,968	1,838,314,200
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital		1,400,000,000	1,400,000,000
140,000,000 (2019: 140,000,000) Modaraba certificates of Rs. 10/- each			
Issued, subscribed and paid-up certificate capital		863,622,630	863,622,630
Reserves	8	309,237,561	251,948,416
Surplus on revaluation of investments		293,442,573	258,174,771
		1,466,302,764	1,373,745,817
LIABILITIES			
NON CURRENT LIABILITIES			
Long-term loans		-	-
Long-term murabaha, musharaka and finance under mark-up arrangements		-	-
Long-term security deposits		84,087,226	78,317,753
		84,087,226	78,317,753
CURRENT LIABILITIES			
Current portion of long-term loan		86,964,684	132,516,684
Current portion of long-term murabaha, musharaka and finance under mark-up arrangements		50,000,000	79,677,418
Current portion of security deposits		2,872,150	5,315,800
Creditors, accrued and other liabilities		102,028,075	138,607,007
Accrued profit on borrowings		2,757,900	814,247
Profit distribution payable		29,845,169	29,319,474
		274,467,978	386,250,630
TOTAL EQUITY AND LIABILITIES		1,824,857,968	1,838,314,200
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer



**Condensed Interim Profit And Loss Account
For The Nine Months And Quarter Ended March 31, 2020
(Un-Audited)**

	Nine Months Ended		Quarter Ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	----- Rupees -----			
INCOME				
Rental income	158,606,892	139,934,046	55,128,141	48,442,457
Income on musharaka finances	11,279,304	4,657,365	7,871,345	1,707,097
Ijarah rental income - net	4,671,721	2,813,241	862,130	877,568
Return on investments - net	10,675,832	13,017,869	(2,200,170)	1,945,462
Profit on bank balances	706,466	463,265	199,787	156,760
Reversal of provision for doubtful receivables	23,414,592	25,897,428	22,468,395	9,600,298
Unrealised loss on revaluation of FVTPL investment	(455,700)	(45,762,471)	(35,595,283)	(3,086,263)
Gain on disposal of ijarah assets	975,427	1,217,500	496,810	103,293
Other income	2,509,138	7,604,956	300,506	284,037
	212,383,672	149,843,199	49,531,661	60,030,709
EXPENSES				
Administrative expenses	113,946,566	103,780,101	28,829,460	36,027,839
Financial charges	8,660,919	22,429,892	2,867,532	5,372,455
	122,607,485	126,209,993	31,696,992	41,400,294
Profit before management fee	89,776,187	23,633,206	17,834,669	18,630,415
Modaraba management company's fee	8,977,619	2,363,321	1,783,467	1,863,042
Sales tax on modaraba management company's fee	1,167,090	307,232	231,850	242,196
Provision for Sindh Worker's Welfare Fund	1,592,630	419,253	316,387	330,503
Profit before taxation	78,038,848	20,543,400	15,502,965	16,194,674
Taxation	-	-	-	-
Net Profit for the period	78,038,848	20,543,400	15,502,965	16,194,674
Earnings per certificate-basic and diluted	0.90	0.24	0.18	0.19

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For The Nine Months And Quarter Ended March 31, 2020
(Un-Audited)**

	Nine Months ended		Quarter Ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Rupees -----			
Profit for the period	78,038,848	20,543,400	15,502,965	16,194,674
Other comprehensive income / (loss) loss for the period				
Items that will be subsequently reclassified to profit or loss:				
Unrealised (loss) / gain on revaluation of available-for-sale investments	35,245,042	(9,388,604)	(51,843,769)	(2,796,681)
Unrealised gain on revaluation of FVTOCI investments transferred to the income statement on disposal	-	(3,090,204)	-	(1,658,405)
Total comprehensive income / (loss) for the period	113,283,890	8,064,592	(36,340,803)	11,739,588

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information

For B.R.R. Investment (Private) Limited
(Modaraba Management Company)

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer

**Condensed Interim Statement of Cash Flows
For The Nine Months Period Ended March 31, 2020
(Un-Audited)**

	March 31, 2020 Rupees	March 31, 2019 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	78,038,848	20,543,400
Adjustment for non-cash and other items		
Depreciation	32,956,063	32,409,151
Amortisation on ijarah assets	6,003,101	21,240,262
Provision for doubtful receivables - net	(23,414,592)	(25,897,428)
Gain on disposal of property, plant and equipment - leased / ijarah	(975,427)	(168,545)
Gain on disposal of property and equipment - owned	(533,586)	(1,217,500)
Ijarah Rental Income	(10,674,822)	(24,053,503)
Income on musharaka finances	(11,279,304)	4,657,365
Financial charges	8,660,919	22,429,892
Unrealized loss on revaluation of FVTPL investment	455,700	45,762,471
Return on investments - net	(10,675,832)	(13,017,869)
	(9,477,780)	62,144,296
(Increase) / decrease in current assets		
Ijarah / lease rentals receivable	10,259,859	22,125,282
Loans, advances and prepayments	(5,698,863)	12,246,492
Accrued profit	10,920,207	310,862
Other receivables	(3,361,345)	(3,812,206)
	12,119,858	30,870,430
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(31,517,594)	(4,657,028)
Rentals received in advance	(5,061,338)	(24,369,118)
Customers' security deposits	3,325,823	(5,113,549)
	(33,253,109)	(34,139,695)
Income tax paid	(6,526,515)	(2,231,914)
Net cash generated from operating activities	40,901,302	77,186,517
B CASH FLOW FROM INVESTING ACTIVITIES		
Investments (purchased) / disposed off - net	(11,487,658)	21,835,781
Income received on investments	3,584,488	7,044,656
Musharaka finances	48,254,105	30,320,284
Addition to property and equipment - owned	(11,325,570)	(3,631,000)
Addition to investment property	(5,551,712)	-
Proceeds from disposal of property, plant and equipment - leased / ijarah	7,173,595	10,418,079
Proceeds from disposal of property and equipment - owned	1,277,339	594,967
Net cash generated from investing activities	31,924,587	66,582,767
C CASH FLOW FROM FINANCING ACTIVITIES		
Financial charges paid	(6,717,266)	(4,613,492)
Finance under murabaha, musharaka and finance under markup arrangements	-	(66,211,551)
Finance under musharaka arrangements	(29,677,418)	(46,944,246)
Long term loan - net	(45,552,000)	(16,752,000)
Profit paid to certificate holders	(20,201,248)	(28,301,260)
Net cash used in financing activities	(102,147,932)	(162,822,549)
Net decrease in cash and cash equivalents	(29,322,043)	(19,053,265)
Cash and cash equivalents at the beginning of the period	42,027,988	20,221,135
Cash and cash equivalents at the end of the period	12,705,945	1,167,870

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer



B.R.R. Guardian Modaraba
(An Islamic Financial Institution)

**Condensed Interim Statement of Changes In Equity
For The Nine Months Period Ended March 31, 2020
(Un-Audited)**

Issued, subscribed and paid-up certificate capital	Capital reserves			Surplus on revaluation of investment	Accumulated loss	Total
	Profit prior to floatation	Merger reserve	Statutory reserve			
(Rupees)						
Balance as at July 01, 2018	863,622,630	10,532,683	44,902,567	734,198,759	293,330,362	(554,688,204)
Profit for the nine month ended March 31, 2019	-	-	-	-	20,543,400	20,543,400
Other comprehensive loss	-	-	-	-	-	(12,478,808)
Total comprehensive income for the period	-	-	-	-	(12,478,808)	8,064,593
Profit distribution for the year ended June 30, 2018 @ Re. 0.34 per certificate.	-	-	-	-	-	(29,363,169)
Balance as at March 31, 2019	863,622,630	10,532,683	44,902,567	734,198,759	280,851,554	(563,507,973)
Profit for the quarter ended June 30, 2019	-	-	-	-	25,822,380	25,822,380
Other comprehensive loss	-	-	-	-	-	(22,676,783)
Total comprehensive income for the period	-	-	-	-	(22,676,783)	3,145,597
Transfer to statutory reserve	-	-	-	21,813,411	(21,813,411)	-
Balance as at June 30, 2019	863,622,630	10,532,683	44,902,567	756,012,170	258,174,771	(559,499,004)
Profit for the nine months ended March 31, 2020	-	-	-	-	78,038,848	78,038,848
Other comprehensive income	-	-	-	-	-	35,245,042
Transfer of revaluation surplus on disposal of fair value through OCI investments	-	-	-	-	22,760	(22,760)
Total comprehensive loss for the period	-	-	-	-	35,267,802	78,016,088
Profit distribution for the year ended June 30, 2019 @ Re.0.24 per certificate	-	-	-	-	-	113,283,890
Balance as at March 31, 2020	863,622,630	10,532,683	44,902,567	756,012,170	293,442,573	(502,209,859)
						1,466,302,764

* Statutory reserve represents profit set aside to comply with the Prudential Regulation for Modarabas issued by Securities and Exchange Commission of Pakistan (SECP).

The annexed notes from 1 to 12 form an integral part of these condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer

Notes To The Condensed Interim Financial Information For The Nine Months Period Ended March 31, 2020 (Un-Audited)

1. LEGAL STATUS AND NATURE OF THE BUSINESS

1.1 B.R.R. Guardian Modaraba (the Modaraba) is a multipurpose, perpetual Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Modaraba Companies and Modaraba Rules, 1981 framed there under and is managed by B.R.R. Investment (Private) Limited, having its registered office at 1900-B, Saima Trade Towers, I.I. Chundrigar Road, Karachi.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba's principal activity is leasing (ijarah) of assets, deployment of funds in musharakas, murabahas and investment in properties, equity and debt securities. The Modaraba also provides custodial and management services in the name of B.R.R. Security Vault.

1.2 The Modaraba has incorporated a wholly owned subsidiary namely BRR Financial Services (Private) Limited (the Company) which was incorporated on November 30, 2015. The subsidiary has not yet commenced operations as at period end.

These represents the stand alone financial statements of the Modaraba.

2 BASIS OF PREPARATION

These condensed interim financial information have been prepared under the historical cost convention, except that certain financial instruments have been included at fair value in accordance with the recognition / measurement criteria mentioned in the relevant international standards applicable.

These condensed interim financial information are unaudited and are submitted to Certificate Holders and have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of these condensed interim financial information are the same as those applied in preparing the audited financial statements for the year ended June 30, 2019.

3.1 Standards and amendments to published approved accounting standards which are effective during the half year ended December 31, 2019.

Following is a new standard and amendment to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2019.

Standard or Interpretation

IASB effective date

IFRS 9 - Financial Instruments	July 1, 2018
IFRS 15 - Revenue from Contracts with Customers	July 1, 2018

However, the application of above standard does not have any significant impact on the Company's financial reporting and, therefore, have not been presented in these condensed interim unconsolidated financial statements.

Note	(Un-audited) March 31, 2020	(Audited) June 30, 2019
	----- (Rupees) -----	

4 PROPERTY, PLANT AND EQUIPMENT

Property and equipment - owned	4.1	55,268,888	99,474,623
Property, plant and equipment - leased / ijarah	4.2	32,572,983	44,774,252
		87,841,871	144,248,875



B.R.R. Guardian Modaraba

(An Islamic Financial Institution)

4.1 Property and equipment - Owned

Following additions and disposals in assets in own use, at cost, were made during the period:

Additions / Transfer		Disposals / Transfer	
(Un-audited)	(Audited)	(Un-audited)	(Audited)
March 31, 2020	June 30, 2019	March 31, 2020	June 30, 2019
----- (Rupees)-----			
34,833,154	-	-	68,688,108
3,343,698	-	491,580	-
616,000	967,500	-	-
5,323,910	3,706,900	5,185,916	2,997,260
2,041,962	879,515	1,361,621	76,040
46,158,724	5,553,915	75,727,225	3,073,300

4 Property, plant and equipment - Ijarah / leased

Following additions and disposals in assets leased out, at cost, were made during the period:

Additions		Disposals / Transfer	
(Un-audited) March 31, 2020	(Audited) June 30, 2019	(Un-audited) March 31, 2020	(Audited) June 30, 2019
----- (Rupees) -----			
-	-	-	40,000,000
-	-	39,035,930	48,859,442
-	-	1,514,000	677,000
-	-	40,549,930	89,536,442
 Note		(Un-audited) March 31, 2020	(Audited) June 30, 2019
----- (Rupees) -----			
5.1		961,870,701	934,487,499
5.2		9,089,000	9,089,000
		970,959,701	943,576,499

5 INVESTMENT PROPERTIES

Investment properties Capital work-in-progress

Note 2020

5.1 Following additions/disposals were made during the period:

Additions / Transfer		Disposals / Transfer	
(Un-audited)	(Audited)	(Un-audited)	(Audited)
March 31, 2020	June 30, 2019	March 31, 2020	June 30, 2019
----- (Rupees) -----			
5,551,712	-	34,833,154	-
68,688,108	-	-	-
1,319,621	-	-	-
491,580	-	-	-
76,051,021	-	34,833,154	-

Note	(Un-audited) March 31, 2020	(Audited) June 30, 2019
------	-----------------------------------	-------------------------------

(Rupees)

5.2 Capital work-in-progress

Advance for office premises - Jofa Tower, Karachi
Less: Provision against advance for office premises

66,420,000	66,420,000
(57,331,000)	(57,331,000)
9,089,000	9,089,000

6 LONG TERM INVESTMENT

In unquoted wholly owned subsidiary companies - at cost

BRR Financial Services (Private) Limited
5,500,000 ordinary shares (2019: 5,500,000) of Rs. 10 each

55,000,000	55,000,000
-------------------	-------------------

6.1 In prior year, in accordance with the requirement of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 (the Act), the Modaraba has received TREC against surrender of Stock Exchange Membership Card.

Pursuant to approval from SECP the Modaraba has incorporated a wholly owned subsidiary, namely, BRR Financial Services (Private) Limited (the Company) on November 30, 2015. In prior year, the Modaraba has subscribed 5,500,000 ordinary shares of Rs. 10 each in order to comply with minimum paid-up capital requirement under Securities Brokers (Licensing and Operations) Regulations 2016. In prior year, PSX vide letter dated June 25, 2019 transferred TREC from Modaraba to BRR Financial Services (Private) Limited and thereby granted a TREC to BRR Financial Services (Private) Limited.

The net assets of BRR Financial Services (Private) Limited based on latest audited financial statement as at June 30, 2019 amounted to Rs. 54.134 million (June 30, 2018 :Rs.54.663 million).

7 SHORT TERM INVESTMENTS

Fair value through profit or loss - FVTPL

Listed ordinary shares
Derivative financial instruments

154,383,691	140,730,861
5,132,684	530,001
159,516,375	141,260,862

Fair value through other comprehensive Income - FVTOCI

Listed ordinary shares / modaraba certificates
Unlisted ordinary shares
Unlisted debt securities

355,025,709	319,912,877
95,664,656	95,664,656
1,245,953	1,245,953
451,936,318	416,823,486
611,452,693	558,084,348
(16,222,148)	(16,222,148)
595,230,545	541,862,200

Less: Provision for diminution in the value of investments

8 RESERVES

Capital reserve

Profit prior to floatation
Statutory reserve
Merger reserve

10,532,683	10,532,683
756,012,170	756,012,170
44,902,567	44,902,567

Revenue reserve

Accumulated loss

(502,209,859)	(559,499,004)
309,237,561	251,948,416

9 CONTINGENCIES AND COMMITMENTS

- 9.1** A commercial bank has lodged a claim of Rs. 1,090 million on account of excess mark-up paid to the Modaraba during previous years which is not accepted by the Modaraba. The Modaraba has also lodged a claim before the banking tribunal against the said commercial bank for short payment of mark-up to the Modaraba to the extent of Rs. 2,498 million (2018: Rs. 2,498 million). The proceedings under both cases are pending to date. As a matter of abundant caution, full provision in respect of the said claim of commercial bank had been made by the Modaraba in 2015. During the prior year, bank balances have been written off against provision amounting to Rs. 1,090 million.
- 9.2** The Modaraba had received a legal notice from Innovative Investment Bank Limited (formerly: Crescent Standard Investment Bank Limited) which was addressed to previous Management Company (Financial Link Limited) of the Modaraba, wherein they had asked Modaraba to settle an outstanding balance of short-term borrowing amounting to Rs. 171.143 million (2018: Rs. 171.143 million) along with the mark-up thereon on or before February 10, 2007. The management and the legal advisor of the Modaraba is confident that the matter will be decided in the favour of the Modaraba and, accordingly, no liability in respect of the above has been recognised in the financial statements.

10 RELATED PARTY TRANSACTIONS

The Modaraba has related party relationship with its Management Company, associated undertakings, employee benefit plans, and its key management personnel.

The details of related party transactions and balances as at 31 March, 2020 are as follows:

Relationship with the Modaraba	Nature of transactions	(Un-audited) March 31, 2020 Rupees	(Un-audited) March 31, 2019 Rupees
Transactions during the period			
Management Company			
BRR Investment (Private) Limited	Management fee accrued	8,977,619	2,363,321
BRR Investment (Private) Limited	Management fee paid	5,158,795	-
BRR Investment (Private) Limited	Rent received	145,000	225,000
BRR Investment (Private) Limited	Advance received	-	38,500,000
BRR Investment (Private) Limited	Advance repaid	-	32,500,000
Subsidiary Company			
BRR Financial Services (Private) Limited	Loan received	6,000,000	3,900,000
BRR Financial Services (Private) Limited	Loan repaid	30,900,000	-
BRR Financial Services (Private) Limited	Profit repaid	2,018,846	1,417,260
Associated companies / other related parties			
Dawood Family Takaful Limited	Rental Received against Ijarah / property	4,106,196	2,442,099
Dawood Family Takaful Limited	Sale of sukuk	-	53,308,891
Dawood Family Takaful Limited	Principal paid against investment in sukuk	-	14,084,415
Dawood Family Takaful Limited	Profit paid against investment in sukuk	-	666,251
Dawood Family Takaful Limited	Musharaka finance received	50,000,000	-
Dawood Family Takaful Limited	Musharaka finance paid	100,000,000	-
Dawood Family Takaful Limited	Profit paid on Musharaka Finance	4,100,397	-
Dawood Family Takaful Limited	Group life insurance paid	322,762	155,972

		(Un-audited) March 31, 2020 Rupees	(Un-audited) March 31, 2019 Rupees
First Dawood Investment Bank Limited	Rent received against property	371,000	613,800
First Dawood Investment Bank Limited	Share of common expenses - net	234,351	161,234
First Dawood Investment Bank Limited	Principal paid against investment in sukuk	-	8,077,986
First Dawood Investment Bank Limited	Profit paid against investment in sukuk	-	378,925
First Dawood Investment Bank Limited	Musharaka finance received	62,722,000	-
First Dawood Investment Bank Limited	Musharaka finance paid	12,722,000	-
First Dawood Investment Bank Limited	Profit paid on Musharaka Finance	196,991	-
First Dawood Employees Provident Fund	Transfer to provident fund	2,384,287	2,050,639
First Dawood Employees Provident Fund	Principal paid against investment in sukuk	-	6,588,117
First Dawood Employees Provident Fund	Profit paid against investment in sukuk	-	311,645
Hamida Dawood	Principal paid against investment in sukuk	-	2,162,340
Hamida Dawood	Profit paid against investment in sukuk	-	102,288
Dawood Global Foundation	Charity paid	55,417	898,883
Relationship with the Modaraba			
Nature of balances			
Period end balances		(Un-audited) March 31, 2020 Rupees	(Audited) June 30, 2019 Rupees
Management Company			
BRR Investment (Private) Limited	Management fee payable	8,977,619	5,158,795
BRR Investment (Private) Limited	Rent Receivable	20,000	-
Subsidiary Company			
BRR Financial Services (Private) Limited	Loan payable	25,000,000	49,900,000
BRR Financial Services (Private) Limited	Profit payable	74,885	416,973



		(Un-audited) March 31, 2020 Rupees	(Audited) June 30, 2019 Rupees
Associated companies / other related parties			
First Dawood Investment Bank Limited	Musharaka finance	50,000,000	-
First Dawood Investment Bank Limited	Accrued profit on musharaka	2,683,015	-
First Dawood Investment Bank Limited	Rent Receivable	10,000	-
First Dawood Investment Bank Limited	Sharing of expenses-receivable	96,264	-
First Dawood Investment Bank Limited	Profit payable	2,683,015	-
Dawood Family Takaful Limited	Musharaka finance	-	50,000,000
Dawood Family Takaful Limited	Accrued profit on musharaka	-	397,274
Dawood Family Takaful Limited	Advance rental	44,640	48,240
Hydrochina Dawood Power (Private) Limited	Advance rental	943,251	65,945

11 DATE OF AUTHORISATION FOR ISSUE

These financial statements was authorised for issue on **April 27, 2020** by the Board of Directors of B.R.R. Investment (Private) Limited.

12 GENERAL

Amounts have been presented and rounded off to the nearest Rupee.

For B.R.R. Investment (Private) Limited
(Modaraba Management Company)

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer

Un-Audited
Consolidated Condensed Interim
Financial Information
For The Nine Months Period Ended
March 31, 2020



DIRECTORS' REPORT TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Dear Certificate holders,

The Board of Directors of B.R.R. Investment (Private) Limited, Manager of B.R.R. Guardian Modaraba (BRRGM), take pleasure in presenting the 3rd Quarter consolidated financial statement of the Modaraba for the nine months ended March 31, 2020.

OPERATIONS AND PERFORMANCE

Financial highlights	March 31, 2020	March 31, 2019
 Rupees.....	
Rental Income	158,606,892	139,934,046
Total Income	212,259,497	149,028,774
Total Expenses	121,177,087	124,434,158
Profit after Management fee, WWF	79,345,071	21,504,810
Earning per certificate	0.92	0.25

During the nine months period under review the Modaraba has earned an operating profit of Rs. 79.345 million, as compared with Rs. 21.505 million profit in the same period last year.

The Certificate Holders' Equity of Modaraba stands at Rs. 1,466.743 million as compared with Rs. 1,371.223 million in the same period last year with an increase of 6.97%. The breakup value share comes to Rs 16.98 per certificate.

Operating expenses of the Modaraba have remained within the budget.

Further, Modaraba has not availed any relaxation under Circular 10 of 2020 and SRO 278(I) of 2020 that allow companies relief from requirements contained in IFRS9 requiring recording of fair value adjustment of FVTPL equity instruments in Statement of Profit or Loss. This reflects the strength of your Modaraba.

CONCLUSION & APPRECIATION:

We are closely watching the business scenario and our target is to continue profitable growth with the aim of creation of value for certificate holders.

On Behalf of the Board of Directors
B.R.R. Investment (Private) Limited

Syed Ali Raza
Director

April 27, 2020
Karachi

Ayaz Dawood
Chief Executive Officer

بی۔ آر۔ آر۔ گار جین مضاربہ ڈائریکٹرز کی رپورٹ برائے مجموعی مالیاتی گوشوارے

محترم سر ٹیکنیکیت ہولڈرز،

بی۔ آر۔ آر۔ انویسٹمنٹ (پرائیوٹ) لیمیٹڈ ("بی۔ آر۔ آر۔ ای") یا (پی۔ آر۔ ای) بورڈ آف ڈائریکٹرز کی طرف سے، بی۔ آر۔ آر۔ گار جین مضاربہ (بی۔ آر۔ آر۔ ای) کے ناظم کی حیثیت سے ہم مارچ 31، 2020 کو ختم ہونے والی تیسری سالانہ کے مجموعی مالیاتی گوشوارے پیش کرتے ہوئے بے حد صورت محسوس کر رہے ہیں۔

کپی یعنی اور کار کرو گی

مالياتي جھلکياں	31 مارچ 2020	31 مارچ 2019
پاکستانی روپے میں		
کرایہ سے آمدنی	139,934,046	158,606,892
کل آمدنی	149,028,774	212,259,497
کل اخراجات	124,434,158	121,177,087
منافع بعد از انتظامیہ کی فیس اور ڈیلیوڈیو ایف	21,504,810	79,345,071
نفع فی سر ٹیکنیکیت	0.25	0.92

اپ کے مضاربہ نے پہلے سال کی اسی نوبتی کی مدت کے 21.505 ہزار روپے کا پہنچ منافع کے مقابلے میں اس سال کے نوبتیں 97.345 ہزار روپے کا پہنچ منافع فراہم کیا ہے۔ مزید یہ کہ مضاربہ کے سر ٹیکنیکیت ہولڈرز کی ایکوئی 6.97 ہے۔ فتحم اشافے کے ساتھ گزشتہ سال کی اسی مدت میں 1,371.223 ہزار روپے کے مقابلے میں 1,466.743 ہزار روپے ہو گئے ہے۔ بریک اپ ڈیلیوڈیو ایف 16.98 ہے۔ اس سے آپ کے مضاربہ کے مقابلے میں 1,466.743 ہزار روپے کے مقابلے میں 1,371.223 ہزار روپے کے مقابلے میں 16.98 ہے۔

مزید برآں مضاربہ نے 2020 کے سرکل 10 اور 2020 کے (I) 278 SRO کے تحت کسی طرح کی رعایت نہیں لی ہے جو کپنیوں کو IFRS 9 میں موجود تقاضوں سے ریلیف کی اجازت دیتی ہے جس میں منافع یا نقصان کے میان میں IFVTPL کو کوئی آلات کی مصافت و ڈیلیوڈیمینٹ ضروری ہوتی ہے۔ اس سے آپ کے مضاربہ کی طاقت ظاہر ہوتی ہے۔

اختتامی کلمات اور اظہار تشکر

ہم کاروباری حالات کو نجور دیکھ رہے ہیں اور ہمارا بہ� اپنے موجودہ کاروبار میں منافع بخش ترقی کے ساتھ اپنے سر ٹیکنیکیت ہولڈرز کی تدریمیں اضافہ کرنا ہے۔

از طرف بورڈ آف ڈائریکٹرز

بی۔ آر۔ آر۔ انویسٹمنٹ (پرائیوٹ) لیمیٹڈ

ایڈواؤد
چیف ایگزیکوٹیو آفیسر

سید علیرضا
ڈائریکٹر

پریل 27، 2020

کراچی

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2020

	Note	(Un-audited) March 31, 2020	(Audited) June 30, 2019		
		(Rupees)-----			
ASSETS					
NON CURRENT ASSETS					
Property, plant and equipment	4	87,841,871	144,248,875		
Investment properties	5	970,959,701	943,576,499		
Long-term musharaka finances		16,301,998	18,882,742		
Long-term loans, advances and deposits		6,059,397	6,138,991		
		1,081,162,967	1,112,847,107		
CURRENT ASSETS					
Short-term investments	6	620,652,636	545,210,694		
Current portion of musharaka finances		18,553,911	40,473,298		
Ijarah / lease rental receivable		981,871	906,290		
Loans, advances and prepayments		23,159,224	17,605,767		
Accrued profit		766,054	406,957		
Other receivables		12,911,459	9,550,113		
Taxation		24,726,614	17,467,159		
Cash and bank balances		12,878,453	42,702,758		
		714,630,222	674,323,036		
TOTAL ASSETS		1,795,793,189	1,787,170,143		
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Authorised capital		1,400,000,000	1,400,000,000		
140,000,000 (2019: 140,000,000) Modaraba certificates of Rs. 10/- each					
Issued, subscribed and paid-up certificate capital		863,622,630	863,622,630		
Reserves	7	309,677,889	251,082,521		
Surplus on revaluation of investments		293,442,573	258,174,771		
		1,466,743,092	1,372,879,922		
LIABILITIES					
NON CURRENT LIABILITIES					
Long-term loans		-	-		
Long-term murabaha, musharaka and finance under mark-up arrangements		-	-		
Long-term security deposits		84,087,226	78,317,753		
		84,087,226	78,317,753		
CURRENT LIABILITIES					
Current portion of long-term loan		61,889,799	82,616,684		
Current portion of long-term murabaha, musharaka and finance under mark-up arrangements		50,000,000	79,677,418		
Current portion of security deposits		2,872,150	5,315,800		
Creditors, accrued and other liabilities		97,597,853	138,645,818		
Accrued profit on borrowings		2,757,900	397,274		
Profit distribution payable		29,845,169	29,319,474		
		244,962,871	335,972,468		
TOTAL EQUITY AND LIABILITIES		1,795,793,189	1,787,170,143		

CONTINGENCIES AND COMMITMENTS

8

The annexed notes from 1 to 11 form an integral part of these consolidated condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer



**Consolidated Condensed Interim Profit And Loss Account
For The Nine Months And Quarter Ended March 31, 2020
(Un-Audited)**

	Nine Months Ended		Quarter Ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Rupees			
INCOME				
Rental income	158,606,892	139,934,046	55,128,141	48,442,457
Income on musharaka finances	11,279,304	4,657,365	7,871,345	1,707,097
Ijarah rental income - net	4,671,721	2,813,241	862,130	877,568
Return on investments - net	10,343,157	13,120,174	(2,433,030)	1,947,462
Profit on bank balances	753,038	492,081	227,406	158,838
Reversal of provision for doubtful receivables	23,414,592	25,897,428	22,468,395	9,600,298
Unrealised loss on revaluation of FVTPL investment	(293,772)	(46,708,017)	(36,428,439)	(3,067,573)
Gain on disposal of ijarah assets	975,427	1,217,500	496,810	103,293
Other income	2,509,138	7,604,956	300,506	284,037
	212,259,497	149,028,774	48,493,264	60,053,477
EXPENSES				
Administrative expenses	114,192,756	103,816,626	28,879,366	36,055,238
Financial charges	6,984,331	20,617,532	2,444,589	4,771,057
	121,177,087	124,434,158	31,323,955	40,826,295
Profit before management fee	91,082,410	24,594,616	17,169,309	19,227,182
Modaraba management company's fee	8,977,619	2,363,321	1,783,467	1,863,042
Sales tax on modaraba management company's fee	1,167,090	307,232	231,850	242,196
Provision for Sindh Worker's Welfare Fund	1,592,630	419,253	316,387	330,503
Profit before taxation	79,345,071	21,504,810	14,837,605	16,791,441
Taxation	-	-	-	-
Net Profit for the period	79,345,071	21,504,810	14,837,605	16,791,441
Earnings per certificate-basic and diluted	0.92	0.25	0.17	0.19

The annexed notes from 1 to 11 form an integral part of these consolidated condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer



Consolidated Condensed Interim Statement of Comprehensive Income For The Nine Months And Quarter Ended March 31, 2020 (Un-Audited)

	Nine Months ended		Quarter Ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Rupees			
Profit for the period	79,345,071	21,504,810	14,837,605	16,791,441
Other comprehensive income / (loss) loss for the period				
Items that will be subsequently reclassified to profit or loss:				
Unrealised (loss) / gain on revaluation of available-for-sale investments	35,245,042	(9,388,604)	(51,843,769)	(2,796,681)
Unrealised gain on revaluation of FVTOCI investments transferred to the income statement on disposal	-	(3,090,204)	-	1,658,405
Total comprehensive income / (loss) for the period	114,590,113	9,026,002	(37,006,164)	15,653,165

The annexed notes from 1 to 11 form an integral part of these consolidated condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer

Consolidated Condensed Interim Statement of Cash Flows
For The Nine Months Period Ended March 31, 2020
(Un-Audited)

	March 31, 2020 Rupees	March 31, 2019 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	79,345,071	21,504,810
Adjustment for non-cash and other items		
Depreciation	32,956,063	32,409,151
Amortisation on ijarah assets	6,003,101	21,240,262
Provision for doubtful receivables - net	(23,414,592)	(25,897,428)
Gain on disposal of property, plant and equipment - leased / ijarah	(975,427)	(168,545)
Gain on disposal of property and equipment - owned	(533,586)	(1,217,500)
Ijarah Rental Income	(10,674,822)	(24,053,503)
Income on musharaka finances	(11,279,304)	4,657,365
Financial charges	6,984,331	20,617,532
Unrealized loss / (gain) on revaluation of FVTPL investment	293,772	46,708,017
Return on investments - net	(10,343,157)	(13,120,174)
	(10,983,621)	61,175,177
(Increase) / decrease in current assets		
Ijarah / lease rentals receivable	10,259,859	22,125,282
Loans, advances and prepayments	(5,473,863)	12,246,492
Accrued profit	10,920,207	310,862
Other receivables	(3,361,346)	(3,812,206)
	12,344,857	30,870,430
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(35,986,627)	(4,792,556)
Rentals received in advance	(5,061,338)	(24,369,118)
Customers' security deposits	3,325,823	(5,113,549)
	(37,722,142)	(34,275,223)
Income tax paid	(7,259,456)	(2,248,226)
Net cash generated from operating activities	35,724,709	77,026,969
B CASH FLOW FROM INVESTING ACTIVITIES		
Investments (purchased) / disposed off - net	(33,755,146)	21,900,111
Income received on investments	3,607,631	7,142,231
Musharaka finances	48,254,105	30,320,284
Addition to property and equipment - owned	(11,325,570)	(3,631,000)
Addition to property, plant and equipment - ijarah	-	-
Advance against ijarah assets	-	-
Addition to investment property	(5,551,712)	(34,275,223)
Proceeds from disposal of property, plant and equipment - leased / ijarah	7,173,595	(2,248,226)
Proceeds from disposal of property and equipment - owned	1,277,339	594,967
Net cash (used) in / generated from investing activities	9,680,242	66,744,672
C CASH FLOW FROM FINANCING ACTIVITIES		
Financial charges paid	(4,623,705)	(3,196,571)
Finance under murabaha, musharaka and finance under markup arrangements	-	(66,211,551)
Finance under musharaka arrangements	(29,677,418)	(46,944,246)
Long term loan - net	(20,726,885)	(20,652,000)
Profit paid to certificate holders	(20,201,248)	(28,301,260)
Net cash used in financing activities	(75,229,256)	(165,305,628)
Net decrease in cash and cash equivalents	(29,824,305)	(21,533,987)
Cash and cash equivalents at the beginning of the period	42,702,758	22,854,663
Cash and cash equivalents at the end of the period	12,878,453	1,320,676

The annexed notes from 1 to 11 form an integral part of these consolidated condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer

**Consolidated Condensed Interim Statement of Changes In Equity
For The Nine Months Period Ended March 31, 2020
(Un-Audited)**

	Issued, subscribed and paid-up certificate	Capital reserves			Surplus on revaluation of investment	Accumulated loss	Total
		Profit prior to floatation	Merger reserve	Statutory reserve			
----- (Rupees) -----							
Balance as at July 01, 2018	863,622,630	10,532,683	44,902,567	734,198,759	293,330,362	(555,025,121)	1,391,561,880
Profit for the nine month ended March 31, 2019	-	-	-	-	-	21,504,810	21,504,810
Other comprehensive loss	-	-	-	-	(12,478,808)	-	(12,478,808)
Total comprehensive income for the period	-	-	-	-	(12,478,808)	21,504,810	9,026,002
Profit distribution for the year ended June 30, 2018 @ Re. 0.34 per certificate.	-	-	-	-	-	(29,363,169)	(29,363,169)
Balance as at March 31, 2019	863,622,630	10,532,683	44,902,567	734,198,759	280,851,554	(562,883,480)	1,371,224,713
Profit for the quarter ended June 30, 2019	-	-	-	-	-	24,331,992	24,331,992
Other comprehensive loss	-	-	-	-	(22,676,783)	-	(22,676,783)
Total comprehensive income for the period	-	-	-	-	(22,676,783)	24,331,992	1,655,209
Transfer to statutory reserve	-	-	-	-	21,813,411	(21,813,411)	-
Balance as at June 30, 2019	863,622,630	10,532,683	44,902,567	756,012,170	258,174,771	(560,364,899)	1,372,879,922
Profit for the nine months ended March 31, 2020	-	-	-	-	-	79,345,071	79,345,071
Other comprehensive income	-	-	-	-	-	-	35,245,042
Transfer of revaluation surplus on disposal of fair value through OCI investments	-	-	-	-	35,245,042	-	35,245,042
Total comprehensive loss for the period	-	-	-	-	22,760	(22,760)	-
Profit distribution for the year ended June 30, 2019 @ Re.0.24 per certificate	-	-	-	-	35,267,802	79,322,311	114,590,113
Balance as at March 31, 2020	863,622,630	10,532,683	44,902,567	756,012,170	293,442,573	(501,769,531)	1,466,743,092

* Statutory reserve represents profit set aside to comply with the Prudential Regulation for Modarabas issued by Securities and Exchange Commission of Pakistan (SECP).

The annexed notes from 1 to 11 form an integral part of these consolidated condensed interim financial information

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION For The Nine Months Period Ended March 31, 2020 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF THE BUSINESS

This consolidated condensed interim financial information consist of the following group companies:

1.1 Holding Company

B.R.R. Guardian Modaraba (the Modaraba) is a multipurpose, perpetual Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Modaraba Companies and Modaraba Rules, 1981 framed there under and is managed by B.R.R. Investment (Private) Limited, having its registered office at 1900-B, Saima Trade Towers, I.I. Chundrigar Road, Karachi.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba's principal activity is leasing (ijarah) of assets, deployment of funds in musharakas, murabahas and investment in properties, equity and debt securities. The Modaraba also provides custodial and management services in the name of B.R.R. Security Vault.

The Modaraba has incorporated a wholly owned subsidiary namely BRR Financial Services (Private) Limited (the Company) which was incorporated on November 30, 2015. The subsidiary has not yet commenced operations as at period end.

1.2 Subsidiary Company

The group comprises of the following subsidiary company.

BRR Financial Services (Private) Limited (the Company) was incorporated in Pakistan on November 30, 2015 as a private limited company under the repealed Companies Ordinance, 1984. The principal business activity of the Company is to render brokerage service in capital and money market and to render other consultancy services etc. The registered office of the Company is at 18th Floor, BRR Tower, Hassan Ali Street off I.I. Chundrigar Road, Karachi.

The Company is wholly owned subsidiary of B.R.R. Guardian Modaraba (Modaraba).

2. BASIS OF PREPARATION

These consolidated condensed interim financial information have been prepared under the historical cost convention, except that certain financial instruments have been included at fair value in accordance with the recognition / measurement criteria mentioned in the relevant international standards applicable.

These consolidated condensed interim financial information are unaudited and are submitted to Certificate Holders and have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and methods of computation followed in the preparation of these consolidated condensed interim financial information are the same as those applied in the preparation of consolidated audited annual financial statements for the year ended June 30, 2019.

3.1 Standards and amendments to published approved accounting standards which are effective during the half year ended December 31, 2019.

Following is a new standard and amendment to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2019.

Standard or Interpretation

IASB effective date

IFRS 9 - Financial Instruments

July 1, 2018

IFRS 15 - Revenue from Contracts with Customers

July 1, 2018

However, the application of above standard does not have any significant impact on the Company's financial reporting and, therefore, have not been presented in these condensed interim unconsolidated financial statements.



Note	(Un-audited) March 31, 2020	(Audited) June 30, 2019
------	-----------------------------------	-------------------------------

-----**(Rupees)**-----

4 PROPERTY, PLANT AND EQUIPMENT

Property and equipment - owned	4.1	55,268,888	99,474,623
Property, plant and equipment - leased / ijarah	4.2	32,572,983	44,774,252
		87,841,871	144,248,875

4.1 Property and equipment - Owned

Following additions and disposals in assets in own use, at cost, were made during the period:

	Additions / Transfer		Disposals / Transfer	
	(Un-audited) March 31, 2020	(Audited) June 30, 2019	(Un-audited) March 31, 2020	(Audited) June 30, 2019
----- (Rupees) -----				
Building on leasehold land	-	-	68,688,108	-
Office premises	34,833,154	-	-	-
Furniture and fixtures	3,343,698	-	491,580	-
Lockers	616,000	967,500	-	-
Vehicles	5,323,910	3,706,900	5,185,916	2,997,260
Office equipment and appliances	2,041,962	879,515	1,361,621	76,040
	46,158,724	5,553,915	75,727,225	3,073,300

4.2 Property, plant and equipment - Ijarah / leased

Following additions and disposals in assets leased out, at cost, were made during the period:

	Additions		Disposals / Transfer	
	(Un-audited) March 31, 2020	(Audited) June 30, 2019	(Un-audited) March 31, 2020	(Audited) June 30, 2019
----- (Rupees) -----				
Plant and machinery	-	-	-	40,000,000
Vehicles	-	-	39,035,930	48,859,442
Office equipment and appliances	-	-	1,514,000	677,000
	-	-	40,549,930	89,536,442

5 INVESTMENT PROPERTIES

	Note	(Un-audited) March 31, 2020		(Audited) June 30, 2019	
		----- (Rupees) -----			
Investment properties	5.1	961,870,701		934,487,499	
Capital work-in-progress	5.2	9,089,000		9,089,000	
		970,959,701		943,576,499	

5.1 Following additions/disposals were made during the period:

	Additions / Transfer		Disposals / Transfer	
	(Un-audited) March 31, 2020	(Audited) June 30, 2019	(Un-audited) March 31, 2020	(Audited) June 30, 2019
	----- (Rupees)-----			
Office premises	5,551,712	-	34,833,154	-
Building on leasehold land	68,688,108	-	-	-
Office equipment and appliances	1,319,621	-	-	-
Furniture and fixtures	491,580	-	-	-
	76,051,021	-	34,833,154	-

5.2 Capital work-in-progress

	(Un-audited) March 31, 2020	(Audited) June 30, 2019
Advance for office premises - Jofa Tower, Karachi	66,420,000	66,420,000
Less: Provision against advance for office premises	(57,331,000)	(57,331,000)

6 SHORT TERM INVESTMENTS

Fair value through profit or loss - FVTPL

Listed ordinary shares	179,805,782	143,801,105
Derivative financial instruments	5,132,684	808,251
	184,938,466	144,609,356

Fair value through other comprehensive income - FVTOCI

Listed ordinary shares / modaraba certificates	355,025,709	319,912,877
Unlisted ordinary shares	95,664,656	95,664,656
Unlisted debt securities	1,245,953	1,245,953
	451,936,318	416,823,486
Less: Provision for diminution in the value of investments	636,874,784	561,432,842
	(16,222,148)	(16,222,148)
	620,652,636	545,210,694

7 RESERVES

Capital reserve

Profit prior to floatation	10,532,683	10,532,683
Statutory reserve	756,012,170	756,012,170
Merger reserve	44,902,567	44,902,567

Revenue reserve

Accumulated loss	(501,769,531)	(560,364,899)
	309,677,889	251,082,521

8 CONTINGENCIES AND COMMITMENTS

- 8.1** A commercial bank has lodged a claim of Rs. 1,090 million on account of excess mark-up paid to the Modaraba during previous years which is not accepted by the Modaraba. The Modaraba has also lodged a claim before the banking tribunal against the said commercial bank for short payment of mark-up to the Modaraba to the extent of Rs. 2.498 million (2018: Rs. 2.498 million). The proceedings under both cases are pending to date. As a matter of abundant caution, full provision in respect of the said claim of commercial bank had been made by the Modaraba in 2015. During the prior year, bank balances have been written off against provision amounting to Rs. 1,090 million.
- 8.2** The Modaraba had received a legal notice from Innovative Investment Bank Limited (formerly: Crescent Standard Investment Bank Limited) which was addressed to previous Management Company (Financial Link Limited) of the Modaraba, wherein they had asked Modaraba to settle an outstanding balance of short-term borrowing amounting to Rs. 171.143 million (2018: Rs. 171.143 million) along with the mark-up thereon on or before February 10, 2007. The management and the legal advisor of the Modaraba is confident that the matter will be decided in the favour of the Modaraba and, accordingly, no liability in respect of the above has been recognised in the financial statements.

9 RELATED PARTY TRANSACTIONS

The Modaraba has related party relationship with its Management Company, associated undertakings, employee benefit plans, and its key management personnel.

The details of related party transactions and balances as at 31 March, 2020 are as follows:

Relationship with the Modaraba	Nature of transactions	(Un-audited) March 31, 2020 Rupees	(Un-audited) March 31, 2019 Rupees
Transactions during the period			
Management Company			
BRR Investment (Private) Limited	Management fee accrued	8,977,619	2,363,321
BRR Investment (Private) Limited	Management fee paid	5,158,795	-
BRR Investment (Private) Limited	Rent received	145,000	225,000
BRR Investment (Private) Limited	Advance received	-	38,500,000
BRR Investment (Private) Limited	Advance repaid	-	32,500,000
Associated companies / other related parties			
Dawood Family Takaful Limited	Rental Received against Ijarah / property	4,106,196	2,442,099
Dawood Family Takaful Limited	Sale of sukuk	-	53,308,891
Dawood Family Takaful Limited	Principal paid against investment in sukuk	-	14,084,415
Dawood Family Takaful Limited	Profit paid against investment in sukuk	-	666,251
Dawood Family Takaful Limited	Musharaka finance received	50,000,000	-
Dawood Family Takaful Limited	Musharaka finance paid	100,000,000	-
Dawood Family Takaful Limited	Profit paid on Musharaka Finance	4,100,397	-
Dawood Family Takaful Limited	Group life insurance paid	322,762	155,972
First Dawood Investment Bank Limited	Rent received against property	371,000	613,800
First Dawood Investment Bank Limited	Share of common expenses - net	234,351	161,234
First Dawood Investment Bank Limited	Principal paid against investment in sukuk	-	8,077,986
First Dawood Investment Bank Limited	Profit paid against investment in sukuk	-	378,925
First Dawood Investment Bank Limited	Musharaka finance received	62,722,000	-
First Dawood Investment Bank Limited	Musharaka finance paid	12,722,000	-
First Dawood Investment Bank Limited	Profit paid on Musharaka Finance	196,991	-
First Dawood Employees Provident Fund	Transfer to provident fund	2,384,287	2,050,639
First Dawood Employees Provident Fund	Principal paid against investment in sukuk	-	6,588,117
First Dawood Employees Provident Fund	Profit paid against investment in sukuk	-	311,645
Hamida Dawood	Principal paid against investment in sukuk	-	2,162,340
Hamida Dawood	Profit paid against investment in sukuk	-	102,288
Dawood Global Foundation	Charity paid	55,417	898,883



Relationship with the Modaraba	Nature of balances	(Un-audited) March 31, 2020 Rupees	(Audited) June 30, 2019 Rupees
Period end balances			
Management Company			
BRR Investment (Private) Limited	Management fee payable	8,977,619	5,158,795
BRR Investment (Private) Limited	Rent Receivable	20,000	-
Associated companies / other related parties			
First Dawood Investment Bank Limited	Musharaka finance	50,000,000	-
First Dawood Investment Bank Limited	Accrued profit on musharaka	2,683,015	-
First Dawood Investment Bank Limited	Rent Receivable	10,000	-
First Dawood Investment Bank Limited	Sharing of expenses-receivable	96,264	-
First Dawood Investment Bank Limited	Profit payable	2,683,015	-
Dawood Family Takaful Limited	Musharaka finance	-	50,000,000
Dawood Family Takaful Limited	Accrued profit on musharaka	-	397,274
Dawood Family Takaful Limited	Advance rental	44,640	48,240
Hydrochina Dawood Power (Private) Limited	Advance rental	943,251	65,945

10 DATE OF AUTHORISATION FOR ISSUE

These financial statements was authorised for issue on **April 27, 2020** by the Board of Directors of B.R.R. Investment (Private) Limited.

11 GENERAL

Amounts have been presented and rounded off to the nearest Rupee.

**For B.R.R. Investment (Private) Limited
(Modaraba Management Company)**

Rafique Dawood
Chairman

Ayaz Dawood
Chief Executive Officer

Syed Ali Raza
Director

Syed Tariq Masood
Chief Financial Officer

www.jamapunji.pk



سرمایہ کاری سمجھداری گساتھ



**Be aware, Be alert,
Be safe**

Learn about investing at
www.jamapunji.pk

Key features:

- ❑ Licensed Entities Verification
- ❑ Scam meter*
- ❑ JamaPunji games*
- ❑ Tax credit calculator*
- ❑ Company Verification
- ❑ Insurance & Investment Checklist
- ❑ FAQs Answered

- ❑ Stock trading simulator
(based on live feed from KSE)
- ❑ Knowledge center
- ❑ Risk profiler*
- ❑ Financial calculator
- ❑ Subscription to Alerts (event notifications, corporate and regulatory actions)
- ❑ JamaPunji application for mobile device
- ❑ Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

jamapunji.pk [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices

BOOK POST
Printed Matter

IN SERVICE SINCE 1989

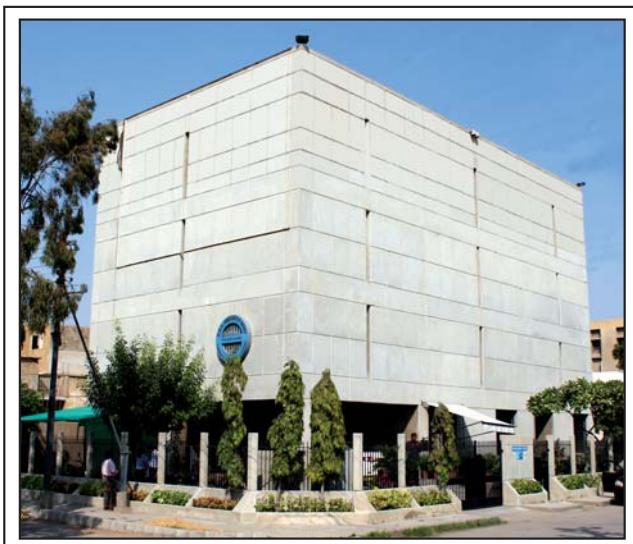
UNDER CERTIFICATE
OF POSTING



B.R.R. SECURITY VAULT

CUSTODIAL & REPOSITORY SERVICE

A DIVISION OF B.R.R. GUARDIAN MODARABA



Country's premier safe deposit locker service offers a unique and effective solution

- ◆ A purpose built structure designed on the "Fortress Formula"
- ◆ Computerised access procedures, secure yet quick
- ◆ Advanced security systems and closed-circuit TV monitors
- ◆ Full load standby generator with instant automatic switch-on
- ◆ Specially trained armed guards on duty round the clock
- ◆ All risks insurance cover, including unaccountable losses
- ◆ Wide variety of sizes in lockers and cabinets
- ◆ Convenient service hours.

Opens 365 days of the year

If undelivered, please return to:
B.R.R. Guardian Modaraba
18th Floor B.R.R. Tower,
Hassan Ali Street Off: I.I.
Chundrigar Road, Karachi- 74000