

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

2021

**Un-Audited
Standalone & Consolidated
Condensed Interim Financial Information
For The Three Months Period Ended
September 30, 2021**

B.R.R. TOWER



B.R.R. Guardian Modaraba

(An Islamic Financial Institution)

Managed by:

B.R.R. Investment (Private) Limited

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

(An Islamic Financial Institution)

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

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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	AlBaraka Bank (Pakistan) Limited Habib Metropolitan Bank Limited National Bank of Pakistan
Website	www.firstdawood.com/brr
Registered Office & Head Office	1900-B, Saima Trade Tower, I.I. Chundrigar Road, Karachi-74000 Tel : 92-21-32270181-6 Fax : 92-21-3227-1912
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 (BRRI or 'the company'), manager of B.R.R. Guardian Modaraba (BRRGM or 'the Modaraba'), takes pleasure in presenting to the certificate holders the 1st Quarter Condensed Interim Financial Statements of the Modaraba for the period ended September 30, 2021.

OPERATIONS AND PERFORMANCE

Financial highlights	September 30, 2021	September 30, 2020
 Rupees.....	
Rental Income	65,472,817	56,352,152
Total Income	148,503,944	131,663,556
Total Expenses	39,106,317	45,449,123
Profit after Management fee, WWF and Tax	96,107,237	74,942,758
Earning per certificate	1.01	0.87

Your Modaraba has reported quarterly profit before Management fee, WWF & Sales Tax of Rs 109.398 million in the 1st Quarter as compared to profit in the same Quarter of the last year of Rs 86.214 million.

Operating expenses of the Modaraba have reduced from last year while revenue has increased by over 12.79%. Also certificate holder equity crossed Rs. 3,211 million for the first time a growth of over 59.20%.

CONCLUSION / FUTURE PROSPECT:

In view of the withdrawal of Tax exemption of modaraba, the management has decided to convert your modaraba into a company listed on PSX. We believe that the cost of regulatory compliance on modaraba is greater than the benefits.

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

October 29, 2021
Karachi

Ayaz Dawood
Chief Executive Officer

بی. آر. آر. گارجن مضاربہ ڈائریکٹر کی رپورٹ

معزز سرٹیکیٹ ہولڈرز

بی. آر. آر. اونیٹ (پرائیویٹ) لیمیٹڈ ("بی. آر. آر. آر. ایم")، بورڈ آف ڈائریکٹر کی طرف سے، بی. آر. آر. گارجن مضاربہ (بی. آر. آر. آر. ایم) کے مینجر کی حیثیت سے ہم ستمبر 30، 2021 کو ختم ہونے والی پہلی سماں کے عبوری مالیاتی گوشوارے پیش کرتے ہوئے بے حد سرسرت محسوس کر رہے ہیں۔

مالیاتی متابع

ستمبر 30, 2020	ستمبر 30, 2021	تفصیل
پاکستانی روپے میں		
56,352,152	65,472,817	کریپسے آمنی
131,663,556	148,503,944	کل آمنی
45,449,123	39,106,317	کل اخراجات
74,942,758	96,107,237	منافع بعد از تنامی کی فس ڈیلپروڈیلیوایف اور پیس
0.87	1.01	نفعی سرٹیکیٹ

مضاربہ نے گذشتہ سال کی اسی سماں میں 86,214 ملین روپے منافع کے مقابلہ پہلی سماں میں مینجر فس، ڈیلپروڈیلیوایف اور پیس سے قل 109.398 ملین روپے کا رکارڈ سماں میں منافع درج کرایا ہے۔

مضاربہ کے آپرینگ اخراجات گذشتہ سال سے کم ہوئے تجھاً امنی 12.79% سے زیادہ بڑھ گئی۔ سرٹیکیٹ ہولڈرز کی اکوئی پہلی بار 59.20% سے زائد کی نوکے ساتھ 3,211 ملین روپے سے تجاوز کر گئی۔

اختتامی کلمات اور اطمینان تکشیر

مضاربہ کے ٹکنکی سے استثنی کے پیش نظر انتظامیہ نے مضاربہ کو بطور اخذ کپن PSX میں است کرانے کا فیصلہ کیا ہے۔ انتظامیہ کے مطابق مضاربہ پر گولیزی اخراجات کی لائگت فوائد سے زیادہ ہے۔ ہم کاروباری حالات کو بغور دیکھ رہے ہیں اور مستقبل میں آنے والے موقع کے لئے اپنی رسمک مینجر کی خدمت عمليوں کو مضبوط بنارہے ہیں۔ ہمارا ہدف اپنے موجودہ کاروبار میں منافع بیشتر ترقی کے ساتھ پہنچانے سرٹیکیٹ ہولڈرز کی قدر میں اضافہ کرنا ہے۔

از طرف بورڈ آف ڈائریکٹر

بی. آر. آر. اونیٹ (پرائیویٹ) لیمیٹڈ

سید علی رضا

ڈائریکٹر

ایڈاؤڈ

چیف ایگزیکیٹو آئیس

اکتوبر 29, 2021

کراچی

Condensed Interim Balance Sheet
As at September 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	(Rupees)-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	91,601,085	93,366,207
Investment properties	6	931,925,568	942,279,180
Long-term investment	7	55,000,000	55,000,000
Long-term musharaka finances		62,935,125	67,308,227
Long-term loans, advances and deposits		8,271,760	6,191,123
TOTAL NON CURRENT ASSETS		1,149,733,538	1,164,144,737
CURRENT ASSETS			
Short-term investments	8	2,401,333,778	1,910,046,261
Current portion of musharaka finances		27,152,225	25,809,072
Ijarah / lease rental receivable		34,052	36,934
Loans, advances and prepayments		12,506,872	17,511,532
Accrued profit		500,424	455,240
Other receivables		33,565,272	89,819,830
Taxation - net		21,116,048	19,897,780
Cash and bank balances		40,451,460	39,381,695
TOTAL CURRENT ASSETS		2,536,660,131	2,102,958,344
TOTAL ASSETS		2,536,660,131	2,102,958,344
EQUITY AND LIABILITIES		3,686,393,669	3,267,103,081
CAPITAL AND RESERVES			
Authorised capital			
140,000,000 (2020: 140,000,000) Modaraba certificates of Rs. 10/- each		1,400,000,000	1,400,000,000
Issued, subscribed and paid-up certificate capital		949,984,890	949,984,890
Reserves	9	550,369,109	579,965,705
Surplus on revaluation of investments		1,710,872,270	1,341,185,560
		3,211,226,269	2,871,136,155
LIABILITIES			
NON CURRENT LIABILITIES			
Long-term loans		-	-
Long-term murabaha, musharaka and finance under mark-up arrangements		-	-
Long-term security deposits		66,413,475	66,182,475
TOTAL NON CURRENT LIABILITIES		66,413,475	66,182,475
CURRENT LIABILITIES			
Current portion of long-term loan		20,660,684	27,544,684
Current portion of long-term murabaha, musharaka and finance under mark-up arrangements		105,000,000	90,000,000
Current portion of security deposits		21,683,249	22,495,349
Creditors, accrued and other liabilities		103,347,260	157,649,885
Accrued profit on borrowings		673,283	83,978
Profit distribution payable		157,389,449	32,010,555
TOTAL CURRENT LIABILITIES		408,753,925	329,784,451
TOTAL EQUITY AND LIABILITIES		3,686,393,669	3,267,103,081

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Condensed Interim Profit And Loss Account
For The Three Months Period Ended September 30, 2021
(Un-Audited)

	Note	September 30, 2021	September 30, 2020
		Rupees	
INCOME			
Rental income		65,472,817	56,352,152
Income on musharaka finances		2,816,967	2,203,909
Ijarah rental income - net		184,944	384,870
Return on investments - net		(2,138,792)	27,580,669
Profit on bank balances		212,289	155,591
Reversal of provision for doubtful receivables Musharaka		6,946,711	1,499,616
Gain on disposal of ijarah assets		-	191,108
Other income		781,704	526,405
Liability no longer payable- SWWF		10,523,541	-
Unrealised gain on revaluation of FVTPL investment		63,703,763	42,769,236
		148,503,944	131,663,556
EXPENSES			
Administrative expenses		26,915,673	36,154,944
Depreciation on Investment properties		10,470,382	7,416,588
Financial charges		1,720,262	1,877,591
		39,106,317	45,449,123
Modaraba management company's fee		109,397,627	86,214,433
Sales Tax on Modaraba Management company's fee		10,939,763	8,621,443
Provision for Worker's Welfare Fund		1,422,169	1,120,788
Profit before taxation		-	1,529,444
Taxation	11	97,035,695	74,942,758
Profit for the period		928,458	-
		96,107,237	74,942,758
Earning per certificate basic and diluted		1.01	0.87

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For The Three Months Period Ended September 30, 2021
(Un-Audited)**

	September 30, 2021	September 30, 2020
	----- Rupees -----	
Profit for the period	96,107,237	74,942,758
Other comprehensive income for the period		
Unrealized surplus on revaluation of fair value through OCI investments - net	369,380,882	210,956,440
Total comprehensive income for the period	465,488,119	285,899,198

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Condensed Interim Statement of Cash Flows
For The Three Months Period Ended September 30, 2021
(Un-Audited)

	September 30, 2021	September 30, 2020
	Rupees	
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	9,035,695	74,942,758
Adjustment for non-cash and other items		
Depreciation on owned assets	13,848,146	10,133,712
Depreciation on ijarah assets	156,357	670,161
Provision against doubtful receivable - net	(6,946,711)	(1,499,616)
Gain on disposal of property and equipment - owned	(469,011)	(320,391)
Gain on disposal of property, plant and equipment - leased / ijarah	-	(191,108)
Ijarah rental income	(341,301)	(1,055,031)
Profit on musharaka, murabaha and finance under mark-up arrangements	(2,816,967)	(2,203,909)
Unrealised gain on revaluation of FVTPL investment	(63,703,763)	(42,769,236)
Liability no longer payable	(10,523,541)	-
Financial charges	1,720,262	1,877,591
Return on investments - net	1,612,497	(27,580,669)
	(67,464,032)	(62,938,496)
(Increase) / decrease in current assets		
Ijarah / lease rentals receivable	344,183	1,134,773
Loans, advances and prepayments	2,924,023	(5,889,731)
Accrued profit	2,771,783	21,413
Other receivables	56,254,558	(54,670,134)
	62,294,547	(59,403,679)
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	(30,864,486)	11,466,912
Rent received in advance	(12,914,598)	(8,241,970)
Customers' security deposit	(581,100)	(1,751,287)
Income tax paid	(2,146,729)	(89,128)
	(46,506,913)	1,384,527
Net cash generated from / (used) in operating activities	45,359,297	(46,014,890)
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property and equipment - owned	(3,094,031)	(8,042,200)
Addition to investment properties	(116,770)	320,391
Proceeds from the disposal of property and equipment - owned	981,945	2,622,831
Proceeds from disposal of investment properties	-	-
Proceeds from disposal of property, plant and equipment - leased / ijarah	812,100	-
Investments disposed / (purchased) - net	(61,201,275)	(13,493,598)
Income received on investments	1,385,907	876,717
Musharaka finances	9,976,660	13,678,164
Net cash used in investing activities	(51,255,464)	(4,037,695)
C CASH FLOW FROM FINANCING ACTIVITIES		
Profit paid to certificate holders	(19,111)	10,699
Finance under murabaha, musharaka and finance	15,000,000	31,000,000
Long-term loans	(6,884,000)	(1,884,000)
Financial charges paid	(1,130,957)	(146,355)
Net cash generated from financing activities	6,965,932	28,980,344
Net decrease in cash and cash equivalents	1,069,765	(21,072,241)
Cash and cash equivalents at the beginning of the period	39,381,695	32,487,352
Cash and cash equivalents at the end of the period	40,451,460	11,415,111

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Condensed Interim Statement of Changes In Equity
For The Three Months Period Ended September 30, 2021
(Un-Audited)

	Certificate capital	Capital Reserve			Revenue reserve		Surplus on revaluation	Total
		Profit prior to floatation	Merger reserve	Statutory reserve	Accumulated Loss			
		Rupees						
Balance as at July 01, 2020	863,622,630	10,532,683	44,902,567	830,269,870	(505,095,692)	486,928,899	1,731,160,957	
Profit for quarter ended September 30, 2020	-	-	-	-	74,942,758	-	74,942,758	
Other comprehensive income	-	-	-	-	-	210,956,440	210,956,440	
Transfer of loss on disposal of fair value through OCI investments	-	-	-	-	(9,704,826)	9,704,826	-	
	-	-	-	-	65,237,932	220,661,266	285,899,198	
Balance as at September 30, 2020	863,622,630	10,532,683	44,902,567	830,269,870	(439,857,760)	707,590,165	2,017,060,155	
Balance as at July 01, 2021	949,984,890	10,532,683	44,902,567	968,602,075	(444,071,620)	1,341,185,560	2,871,136,155	
Profit for quarter ended September 30, 2021	-	-	-	-	96,107,237	-	96,107,237	
Other comprehensive income	-	-	-	-	-	369,380,882	369,380,882	
Profit distribution for the year ended June 30, 2021 @ 1.32	-	-	-	-	(125,398,005)	-	(125,398,005)	
Transfer of loss on disposal of fair value through OCI investments	-	-	-	-	(305,828)	305,828	-	
	-	-	-	-	(29,596,596)	369,686,710	340,090,114	
Balance as at September 30, 2021	949,984,890	10,532,683	44,902,567	968,602,075	(473,668,216)	1,710,872,270	3,211,226,269	

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

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

Rafiq Dawood
 Chairman

Syed Ali Raza
 Director

Ayaz Dawood
 Chief Executive Officer

Syed Tariq Masood
 Chief Financial Officer

Notes To The Condensed Interim Financial Information For The Three Months Period Ended September 30, 2021 (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 Tower, 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 Board of Directors in their meeting held on September 30, 2021 has resolved and granted in principal approval for conversion of BRR Guardian Modaraba into a public limited company incorporated under the laws of Pakistan, by incorporating a new public limited company i.e. BRR Limited (Proposed) "BRRL" and amalgamating BRRGM with and into BRRL pursuant to a Scheme of Arrangement to be filed under a petition for sanction by the High Court of Sindh at Karachi in terms of section 279-283 of the Companies Act, 2017, read with SRO 840(I)/2017 dated August 17, 2017, "Scheme of Arrangement (Modaraba)" with the surviving entity being BRRL, which will be procured to be listed on PSX under a direct listing process in lieu of amalgamation of BRRGM with and into BRRL. The above proposed decision is subject to the approval of the Registrar of Modarabas, the Securities Exchange Commission of Pakistan, the Honorable High Court, the Certificate holders of BRRGM and other relevant authorities as per Modaraba Companies and Modaraba (Floatation and Control) Ordinance 1980, and the Companies Act, 2017 and other laws for the time being in force.

- 1.2** The Modaraba has incorporated a wholly owned subsidiary namely BRR Financial Services (Private) Limited (the Subsidiary) which was incorporated on November 30, 2015 under the Companies Ordinance 1984 now Companies Act 2017. The Subsidiary has not yet commenced its operations.

These represent the standalone financial statements of the Modaraba.

2 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

On March 11, 2020, the World Health Organisation declared COVID-19 a global pandemic. The COVID 19 outbreak developed rapidly thereafter with a significant number of COVID-19 cases reported globally. The pandemic has resulted in overall economic slowdown, disruptions to various business and significant volatility in the Pakistan Stock Exchange (PSX) after the announcement of lock-downs by the government authorities. The Modaraba is conducting business with some modifications to employee working while following all necessary Standard Operating Procedures (SOPs). The management based on its assessment considered that there would be no significant impact that will adversely affect its businesses, results of operations and financial condition in current period. Therefore the management has evaluated and concluded that there are no material implications of covid 19 that require specific disclosure in financial statements.

3 BASIS OF PREPARATION

These condensed interim financial information have been prepared under the historical cost conventions, 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.

4 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, 2021.

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
-----(Rupees)-----		

5 PROPERTY, PLANT AND EQUIPMENT

Property and equipment - owned	5.1	69,877,916	70,674,581
Property, plant and equipment - Ijarah / leased	5.2	21,723,169	22,691,626
		91,601,085	93,366,207

5.1 Property and equipment - Owned

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

	Addition/Transfer		Disposal	
	(Un-audited) September 30, 2021	(Audited) June 30, 2021	(Un-audited) September 30, 2021	(Audited) June 30, 2021
-----(Rupees)-----				

Building on leasehold land	-	38,000	-	-
Office Premises	-	-	-	-
Lockers	-	7,196,950	-	-
Furniture and fixtures	-	5,000	-	-
Vehicles	3,026,231	12,307,860	1,984,950	5,107,000
Office equipment and appliances	67,800	1,250,180	-	528,000
	3,094,031	20,797,990	1,984,950	5,635,000

5.2 Property, plant and equipment - Ijarah

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

	Addition/Transfer		Disposal	
	(Un-audited) September 30, 2021	(Audited) June 30, 2021	(Un-audited) September 30, 2021	(Audited) June 30, 2021
-----(Rupees)-----				

Vehicles	-	-	4,060,500	14,779,390
Office equipment and appliances	-	-	4,060,500	14,779,390

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
-----(Rupees)-----		

6 INVESTMENT PROPERTY

Investment property	6.1	922,836,568	933,190,180
Capital work-in-progress		9,089,000	9,089,000
		931,925,568	942,279,180

6.1 Investment Property

Following additions / transfer were made in investment property, at cost, during the period:

	Addition/Transfer		Disposal	
	(Un-audited) September 30, 2021	(Audited) June 30, 2021	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	(Rupees)		(Rupees)	
Building on leasehold land	-	1,372,000	-	-
Office premises	116,770	-	-	-
	116,770	1,372,000		
			(Unaudited) September 30, 2021	(Audited) June 30, 2021
			(Rupees)	

7 LONG TERM INVESTMENT

In unquoted wholly owned subsidiary companies - at cost

BRR Financial Services (Private) Limited	5,500,000	ordinary shares of Rs. 10 each	55,000,000	55,000,000
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7.1 The Modaraba, in accordance with the requirement of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 (the Act), the Modaraba has received Trading Right Entitlement Certificate (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 statements as at June 30, 2021 amounted to Rs. 67.31 million (June 30, 2020 : 69.97 million).

	(Unaudited) September 30, 2021	(Audited) June 30, 2021
	(Rupees)	

8 SHORT TERM INVESTMENTS

Fair value through profit or loss - FVTPL

Listed ordinary shares	570,325,101	446,907,106
Mutual fund units	24,730,515	24,035,256
Preference Shares	7,255,424	9,111,355
Listed debt securities	10,746,696	10,752,131
	613,057,736	490,805,848

Fair value through other comprehensive income - FVTOCI

Listed ordinary shares / modaraba certificates	1,699,994,936	1,331,196,074
Mutual fund units	8,421,865	8,185,098
Unlisted ordinary shares	94,835,436	94,835,436
Unlisted debt securities	1,245,953	1,245,953
	1,804,498,190	1,435,462,561
	2,417,555,926	1,926,268,409
Less: Provision for diminution in the value of investments	(16,222,148)	(16,222,148)
	2,401,333,778	1,910,046,261

	(Unaudited) September 30, 2021	(Audited) June 30, 2021
	-----(Rupees)-----	
9 RESERVES		
Capital reserve		
Profit prior to floatation	10,532,683	10,532,683
Statutory reserve	968,602,075	968,602,075
Merger reserve	44,902,567	44,902,567
Revenue reserve		
Accumulated loss	<u>(473,668,216)</u>	(444,071,620)
	<u>550,369,109</u>	579,965,705

10 CONTINGENCIES AND COMMITMENTS

10.1 There is no significant change in the status of contingencies as reported in note 27 to the annual audited financial statement of the modaraba for the year ended June 30, 2021.

11 TAXATION

The Finance Bill, 2021 has validated and given legislative effect to the Tax Law (Second Amendment) Ordinance 2021 enacted on March 22, 2021 with effect from July 01, 2021 whereby Clause 100 of the Part 1 of Second Schedule of the Income Tax Ordinance, 2001 relating to the income tax exemption available to Modarabas has been withdrawn. Accordingly, provision for income tax has been booked in these financial statements.

Further, the management has initiated the process of the determination of the tax bases (carrying values) of assets and liabilities admissible for taxation purposes as per requirements of International Accounting Standard 12, 'Income taxes', for the purpose of determination of the net balance of deferred tax, which it considers to be accurately finalised when the return of this financial year becomes due.

12 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 September 30, 2021 are as follows :

Relationship with the Modaraba	Nature of transactions	(Un-audited) September 30, 2021	(Un-audited) September 30, 2020		
		-----(Rupees)-----			
12.1 Transactions during the period					
Management Company					
BRR Investment (Private) Limited	Management fee accrued	10,939,763	8,621,443		
BRR Investment (Private) Limited	Management fee paid	31,942,494	-		
BRR Investment (Private) Limited	Rent received	30,000	30,000		
BRR Investment (Private) Limited	Advance received	-	4,000,000		
BRR Investment (Private) Limited	Advance repaid	-	4,000,000		
Subsidiary Company					
BRR Financial Services (Private) Limited	Loan received	-	5,000,000		

Relationship with the Modaraba	Nature of transactions	(Un-audited) September 30, 2021	(Un-audited) September 30, 2020
		----- (Rupees) -----	
Associated companies / other related parties			
Dawood Family Takaful Limited	Group takaful paid	201,040	160,792
Dawood Family Takaful Limited	Musharaka finance received	30,000,000	61,000,000
Dawood Family Takaful Limited	Musharaka finance repaid	35,000,000	30,000,000
Dawood Family Takaful Limited	Profit accrued on musharaka	228,017	299,251
Dawood Family Takaful Limited	Profit paid on musharaka	170,263	86,861
First Dawood Investment Bank Limited	Rent received against property	30,000	30,000
First Dawood Investment Bank Limited	Musharaka finance received	80,000,000	-
First Dawood Investment Bank Limited	Musharaka finance repaid	60,000,000	-
First Dawood Investment Bank Limited	Share of common expenses	51,094	41,539
First Dawood Investment Bank Limited	Profit accrued on musharaka	1,488,620	1,103,918
First Dawood Investment Bank Limited	Profit paid on musharaka	957,069	59,044
First Dawood Employees Provident Fund	Transfer to provident fund	892,522	748,308
Dawood Global Foundation	Charity paid	91,556	786
Relationship with the Modaraba	Nature of Balances	(Un-audited) September 30, 2021	(Audited) June 30, 2021
		----- (Rupees) -----	

12.2 Period end balances

Management Company

BRR Investment (Private) Limited	Management fee payable	10,939,763	31,942,495
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Associated companies / other related parties

First Dawood Investment Bank Limited	Musharaka finance payable	75,000,000	55,000,000
First Dawood Investment Bank Limited	Profit payable	531,551	-
Dawood Family Takaful Limited	Musharaka finance payable	30,000,000	35,000,000
Dawood Family Takaful Limited	Profit payable	141,732	83,978
Dawood Family Takaful Limited	Advance rental against investment property	-	3,355,332
Dawood Family Takaful Limited	Renatal receivable	1,200	-
Hydrochina Dawood Power (Private) Limited	Advance rental against investment property	2,782,813	3,707,170

13 DATE OF AUTHORISATION OF ISSUE

These condensed interim financial information was authorised for issue on October 29, 2021 by the Board of Directors of the B.R.R. Investment (Private) Limited.

14 GENERAL

Figures have been rounded off to the nearest Rupee.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Un-Audited
Consolidated Condensed Interim
Financial Information
For The Three Months Period Ended
September 30, 2021

DIRECTORS' REPORT TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Dear Certificate holders,

The Board of Directors of B.R.R. Investment (Private) Limited (BRRI or 'the company'), manager of B.R.R. Guardian Modaraba (BRRGM or 'the Modaraba'), takes pleasure in presenting to the certificate holders the 1st Quarter Consolidated Condensed Interim Financial Statements of the Modaraba for the period ended September 30, 2021.

OPERATIONS AND PERFORMANCE

Financial highlights	September 30, 2021	September 30, 2020
 Rupees.....	
Rental Income	65,472,817	56,352,152
Total Income	146,241,601	140,500,273
Total Expenses	39,135,902	44,985,969
Profit after Management fee, WWF and Tax	93,815,309	84,242,629
Earning per certificate	0.99	0.98

Your Modaraba has reported quarterly profit before Management fee, WWF & Sales Tax of Rs 107.106 million in the 1st Quarter as compared to profit in the same Quarter of the last year of Rs 95.514 million.

Operating expenses of the Modaraba have reduced from last year while revenue has increased by over 4.09%. Also certificate holder equity crossed Rs. 3,213 million for the first time a growth of over 57.43%

CONCLUSION / FUTURE PROSPECT:

In view of the withdrawal of Tax exemption of modaraba, the management has decided to convert your modaraba into a company listed on PSX. We believe that the cost of regulatory compliance on modaraba is greater than the benefits.

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

October 29, 2021
Karachi

Ayaz Dawood
Chief Executive Officer

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

معزز سرٹیفیکیٹ ہولڈرز

بی۔ آر۔ آر۔ انویسٹمنٹ (پرائیویٹ) لیمیٹڈ ("بی۔ آر۔ آر۔ آئی۔ یا۔ کمپنی")، بورڈ آف ڈائریکٹر کی طرف سے بی۔ آر۔ آر۔ گار جین مضاربہ (بی۔ آر۔ آر۔ جی۔ ایم) کے میجر کی حیثیت سے ہم ستمبر 30، 2021 کو ختم ہونے والی پہلی سماں کے مجموعی عبوری مالیاتی گوشوارے پیش کرتے ہوئے بے حد سرہست محسوس کر رہے ہیں۔

مالیاتی تابع

تفصیل	ستمبر 30، 2021	ستمبر 30، 2020
کرایہ سے آمدنی	پاکستانی روپے میں	
56,352,152	65,472,817	
کل آمدنی	140,500,273	146,241,601
کل اخراجات	44,985,969	39,135,902
منافع بعد از اتفاقی میں فسیں، ڈبلیو ڈبلیو ایف اور ٹکس	84,242,629	93,815,309
لفعی سرٹیفیکیٹ	0.98	0.99

مضاربہ نے گزشتہ سال کی اسی سماں میں 95.514 ملین روپے منافع کے مقابلہ پہلی سماں میں میختہ فسیں، ڈبلیو ڈبلیو ایف اور ٹکس سے قل 107.106 ملین روپے کا ریکارڈ سماں میں منافع درج کرایا ہے۔

مضاربہ کے آئینگ اخراجات گزشتہ سال سے کم ہوئے تجید آمدنی 4.09% سے زیادہ ہو گئی۔ سرٹیفیکیٹ ہولڈرز کی اکوئی پہلی بار 57.43% سے زائد کٹوکے ساتھ 3,213 ملین روپے سے تجاوز کر گئی۔

اختتامی کلمات اور اطمینان تکر

مضاربہ کے ٹکس سے استثنی کے پیش نظر انتظامیہ نے مضاربہ کو ایک پیش PSX میں است کرانے کا فیصلہ کیا ہے۔ انتظامیہ کے مطابق مضاربہ پر ڈبلیو ڈبلیو ایف اخراجات کی لاگت فوائد سے زیادہ ہے۔ ہم کاروباری حالات کو بغور دیکھ رہے ہیں اور مستقبل میں آنے والے موقع کے لئے اپنی رسک میختہ کی حکمت عملیوں کو مضبوط بنارہے ہیں۔ ہمارا ہدف اپنے موجودہ کاروبار میں منافع بیشتر ترقی کے ساتھ اپنے سرٹیفیکیٹ ہولڈرز کی قدر میں اضافہ کرنا ہے۔

از طرف بورڈ آف ڈائریکٹر

بی۔ آر۔ آر۔ انویسٹمنٹ (پرائیویٹ) لیمیٹڈ

سید علی رضا

ڈائریکٹر

اکتوبر 29، 2021

کراچی

ایاز داؤد

چیف ایگزیکیوٹو آئیس

**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2021**

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees)-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	91,601,085	93,366,207
Investment properties	7	931,925,568	942,279,180
Long-term musharaka finances		62,935,125	67,308,227
Long-term loans, advances and deposits		8,571,760	6,491,123
TOTAL NON CURRENT ASSETS		1,095,033,538	1,109,444,737
CURRENT ASSETS			
Short-term investments	8	2,457,430,752	1,975,990,073
Current portion of musharaka finances		27,152,225	25,809,072
Ijarah / lease rental receivable		34,052	36,934
Loans, advances and prepayments		12,506,872	17,511,532
Accrued profit		500,424	455,240
Other receivables		34,413,508	90,775,932
Taxation - net		20,879,676	19,548,103
Cash and bank balances		40,925,621	40,048,179
TOTAL CURRENT ASSETS		2,593,843,130	2,170,175,065
TOTAL ASSETS		2,593,843,130	2,170,175,065
EQUITY AND LIABILITIES		3,688,876,668	3,279,619,802
CAPITAL AND RESERVES			
Authorised capital			
140,000,000 (2020: 140,000,000) Modaraba certificates of Rs. 10/- each		1,400,000,000	1,400,000,000
Issued, subscribed and paid-up certificate capital		949,984,890	949,984,890
Reserves	9	548,193,873	580,082,397
Surplus on revaluation of investments		1,715,523,106	1,353,384,630
TOTAL NON CURRENT LIABILITIES		3,213,701,869	2,883,451,917
LIABILITIES			
NON CURRENT LIABILITIES			
Long-term loans		-	-
Long-term murabaha, musharaka and finance under mark-up arrangements		-	-
Long-term security deposits		66,413,475	66,182,475
TOTAL NON CURRENT LIABILITIES		66,413,475	66,182,475
CURRENT LIABILITIES			
Current portion of long-term loan		20,660,684	27,544,684
Current portion of long-term murabaha, musharaka and finance under mark-up arrangements		105,000,000	90,000,000
Current portion of security deposits		21,683,249	22,495,349
Creditors, accrued and other liabilities		103,354,659	157,850,844
Accrued profit on borrowings		673,283	83,978
Profit distribution payable		157,389,449	32,010,555
TOTAL CURRENT LIABILITIES		408,761,324	329,985,410
TOTAL EQUITY AND LIABILITIES		3,688,876,668	3,279,619,802

CONTINGENCIES AND COMMITMENTS

10

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

**Consolidated Condensed Interim Profit And Loss Account
For The Three Months Period Ended September 30, 2021
(Un-Audited)**

	September 30, 2021	September 30, 2020
Note	----- Rupees -----	
INCOME		
Rental income	65,472,817	56,352,152
Income on musharaka finances	2,816,967	2,203,909
Ijarah rental income - net	184,944	384,870
Return on investments - net	(2,107,792)	27,439,717
Profit on bank balances	217,549	196,066
Reversal of provision for doubtful receivables Musharaka	6,946,711	1,499,616
Gain on disposal of ijarah assets	-	191,108
Other income	781,704	526,405
Liability no longer payable- SWWF	10,523,541	-
Unrealised gain on revaluation of FVTPL investment	61,405,160	51,706,430
	146,241,601	140,500,273
EXPENSES		
Administrative expenses	26,944,958	36,165,762
Depreciation on Investment properties	10,470,382	7,416,588
Financial charges	1,720,562	1,403,619
	39,135,902	44,985,969
Modaraba management company's fee	107,105,699	95,514,304
Sales Tax on Modaraba Management company's fee	10,939,763	8,621,443
Provision for Worker's Welfare Fund	1,422,169	1,120,788
Profit before taxation	-	1,529,444
Taxation	94,743,767	84,242,629
Profit for the period	928,458	-
	93,815,309	84,242,629
Earning per certificate basic and diluted	0.99	0.98

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer



**Consolidated Condensed Interim Statement of Comprehensive Income
For The Three Months Period Ended September 30, 2021
(Un-Audited)**

	September 30, 2021	September 30, 2020
	----- Rupees -----	
Profit for the period	93,815,309	84,242,629
Other comprehensive income for the period		
Unrealized surplus on revaluation of fair value through OCI investments - net	361,832,648	210,956,440
Total comprehensive income for the period	455,647,957	295,199,069

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Consolidated Condensed Interim Statement of Cash Flows
For The Three Months Period Ended September 30, 2021
(Un-Audited)

	September 30, 2021	September 30, 2020
	----- Rupees -----	
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	94,743,767	84,242,629
Adjustment for non-cash and other items		
Depreciation on owned assets	13,848,146	10,133,712
Depreciation on ijarah assets	156,357	670,161
Provision against doubtful receivable - net	(6,946,711)	(1,499,616)
Gain on disposal of property and equipment - owned	(469,011)	(320,391)
Gain on disposal of property, plant and equipment - leased / ijarah	-	(191,108)
Ijarah rental income	(341,301)	(1,055,031)
Profit on musharaka, murabaha and finance under mark-up arrangements	(2,816,967)	(2,203,909)
Unrealised gain on revaluation of FVTPL investment	(61,405,160)	(51,706,430)
Liability no longer payable	(10,523,541)	-
Financial charges	1,720,562	1,403,619
Return on investments - net	1,581,497	(27,439,717)
	(65,196,129)	(72,208,710)
(Increase) / decrease in current assets		
Ijarah / lease rentals receivable	344,183	1,134,773
Loans, advances and prepayments	2,924,023	(5,889,731)
Accrued profit	2,771,783	21,413
Other receivables	56,362,424	(54,051,885)
	62,402,413	(58,785,430)
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	(31,058,046)	13,090,238
Rent received in advance	(12,914,598)	(8,241,970)
Customers' security deposit	(581,100)	(1,751,287)
Income tax paid	(2,260,032)	(1,250,957)
	(46,813,776)	1,846,024
Net cash generated from / (used) in operating activities	45,136,275	(44,905,487)
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property and equipment - owned	(3,094,031)	(8,042,200)
Addition to investment properties	(116,770)	320,391
Proceeds from the disposal of property and equipment - owned	981,945	2,622,831
Proceeds from disposal of investment properties	-	-
Proceeds from disposal of property, plant and equipment - leased / ijarah	812,100	-
Investments disposed / (purchased) - net	(61,201,275)	(18,625,077)
Income received on investments	1,416,906	876,717
Musharaka finances	9,976,660	13,678,164
Net cash used in investing activities	(51,224,465)	(9,169,174)
C CASH FLOW FROM FINANCING ACTIVITIES		
Profit paid to certificate holders	(19,111)	10,699
Finance under murabaha, musharaka and finance	15,000,000	31,000,000
Long-term loans	(6,884,000)	(6,884,000)
Financial charges paid	(1,131,257)	(146,355)
Net cash generated from financing activities	6,965,632	23,980,344
Net decrease in cash and cash equivalents	877,442	(30,094,317)
Cash and cash equivalents at the beginning of the period	40,048,179	41,530,052
Cash and cash equivalents at the end of the period	40,925,621	11,435,735

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Consolidated Condensed Interim Statement of Changes In Equity
For The Three Months Period Ended September 30, 2021
(Un-Audited)

	Certificate capital	Capital Reserve			Revenue reserve		Surplus on revaluation	Total
		Profit prior to floatation	Merger reserve	Statutory reserve	Accumulated Loss			
		Rupees						
Balance as at July 01, 2020	863,622,630	10,532,683	44,902,567	830,269,870	(490,125,467)	486,928,899	1,746,131,182	
Profit for quarter ended September 30, 2020	-	-	-	-	84,242,629	-	84,242,629	
Other comprehensive income	-	-	-	-	-	210,956,439	210,956,439	
Transfer of loss on disposal of fair value through OCI investments	-	-	-	-	(9,704,826)	9,704,826	-	
					74,537,803	220,661,265	295,199,068	
Balance as at September 30, 2020	863,622,630	10,532,683	44,902,567	830,269,870	(415,587,664)	707,590,164	2,041,330,250	
Balance as at July 01, 2021	949,984,890	10,532,683	44,902,567	968,602,075	(443,954,928)	1,353,384,630	2,883,451,917	
Profit for quarter ended September 30, 2021	-	-	-	-	93,815,309	-	93,815,309	
Other comprehensive income	-	-	-	-	-	361,832,648	361,832,648	
Profit distribution for the year ended June 30, 2021 @ 1.32	-	-	-	-	(125,398,005)	-	(125,398,005)	
Transfer of loss on disposal of fair value through OCI investments	-	-	-	-	(305,828)	305,828	-	
					(31,888,524)	362,138,476	330,249,952	
Balance as at September 30, 2021	949,984,890	10,532,683	44,902,567	968,602,075	(475,843,452)	1,715,523,106	3,213,701,869	

The annexed notes from 1 to 14 form an integral part of these consolidated condensed interim financial information.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

Notes To The Consolidated Condensed Interim Financial Information For The Three Months Period Ended September 30, 2021 (UN-AUDITED)

1 LEGAL STATUS AND NATURE OF THE BUSINESS

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 Tower, 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 Board of Directors in their meeting held on September 30, 2021 has resolved and granted in principal approval for conversion of BRR Guardian Modaraba into a public limited company incorporated under the laws of Pakistan, by incorporating a new public limited company i.e. BRR Limited (Proposed) "BRR" and amalgamating BRRGM with and into BRRL pursuant to a Scheme of Arrangement to be filed under a petition for sanction by the High Court of Sindh at Karachi in terms of section 279-283 of the Companies Act, 2017, read with SRO 840(I)/2017 dated August 17, 2017, "Scheme of Arrangement (Modaraba)" with the surviving entity being BRRL, which will be procured to be listed on PSX under a direct listing process in lieu of amalgamation of BRRGM with and into BRRL. The above proposed decision is subject to the approval of the Registrar of Modarabas, the Securities Exchange Commission of Pakistan, the Honorable High Court, the Certificate holders of BRRGM and other relevant authorities as per Modaraba Companies and Modaraba (Floatation and Control) Ordinance 1980, and the Companies Act, 2017 and other laws for the time being in force.

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 now Companies Act 2017. 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).

The Board of Directors of the Management Company in their meeting held on July 15, 2020, has approved the Scheme of Arrangement for merger by way of amalgamation of wholly owned subsidiary, BRR Financial Services (Private) Limited with and into the Modaraba. However, both the company and the modaraba are in the process of fulfilling their legal formalities in respect of merger to the respective authorities. Accordingly, one time right of TREC transfer will remain with the Modaraba.

2 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

On March 11, 2020, the World Health Organisation declared COVID-19 a global pandemic. The COVID 19 outbreak developed rapidly thereafter with a significant number of COVID-19 cases reported globally. The pandemic has resulted in overall economic slowdown, disruptions to various business and significant volatility in the Pakistan Stock Exchange (PSX) after the announcement of lock-downs by the government authorities. The Modaraba is conducting business with some modifications to employee working while following all necessary Standard Operating Procedures (SOPs). The management based on its assessment considered that there would be no significant impact that will adversely affect its businesses, results of operations and financial condition in current period. Therefore the management has evaluated and concluded that there are no material implications of covid 19 that require specific disclosure in financial statements.

3 BASIS OF PREPARATION

These condensed interim financial information have been prepared under the historical cost conventions, 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.

4 BASIS OF CONSOLIDATION

These consolidated condensed interim financial statements incorporate the condensed interim financial statements of the Modaraba and the condensed interim financial statements of subsidiary from the date that control of the subsidiary by the Group commences until the date that control ceases. The condensed interim financial statements of the subsidiary is incorporated on a line-by-line basis and the investment held by the Modaraba is eliminated against the corresponding share capital of subsidiary in the consolidated condensed interim financial statements.

The consolidated condensed interim financial statement of subsidiary is prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company.

Material intra-group balances and transactions are eliminated.

5 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, 2021.

	(Un-audited) September 30, 2021	(Audited) June 30, 2021	
	----- (Rupees)-----		
6 PROPERTY, PLANT AND EQUIPMENT			
Property and equipment - owned	6.1	69,877,916	70,674,581
Property, plant and equipment - Ijarah / leased	6.2	21,723,169	22,691,626
		91,601,085	93,366,207

6.1 Property and equipment - Owned

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

	Addition/Transfer (Un-audited) September 30, 2021	Disposal/Transfer (Audited) June 30, 2021	Addition/Transfer (Un-audited) September 30, 2021	Disposal/Transfer (Audited) June 30, 2021
	----- (Rupees)-----			
Building on leasehold land	-	38,000	-	-
Office Premises	-	-	-	-
Lockers	-	7,196,950	-	-
Furniture and fixtures	-	5,000	-	-
Vehicles	3,026,231	12,307,860	1,984,950	5,107,000
Office equipment and appliances	67,800	1,250,180	-	528,000
	3,094,031	20,797,990	1,984,950	5,635,000

6.2 Property, plant and equipment - Ijarah

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

	Additions		Disposal	
	(Un-audited) September 30, 2021	(Audited) June 30, 2021	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	(Rupees)		(Rupees)	
Vehicles	-	-	4,060,500	14,779,390
Office equipment and appliances	-	-	-	-
	<u>-</u>	<u>-</u>	<u>4,060,500</u>	<u>14,779,390</u>
			(Un-audited) September 30, 2021	(Audited) June 30, 2021
			(Rupees)	

7 INVESTMENT PROPERTY

Investment property	7.1	922,836,568	933,190,180
Capital work-in-progress		9,089,000	9,089,000
		<u>931,925,568</u>	<u>942,279,180</u>

7.1 Investment Property

Following additions / transfer were made in investment property, at cost, during the period:

	Additions / Transfer		Disposal	
	(Un-audited) September 30, 2021	(Audited) June 30, 2021	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	(Rupees)		(Rupees)	
Building on leasehold land	-	1,372,000	-	-
Office premises	<u>116,770</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>116,770</u>	<u>1,372,000</u>	<u>-</u>	<u>-</u>
			(Unaudited) September 30, 2021	(Audited) June 30, 2021
			(Rupees)	

8 SHORT TERM INVESTMENTS

Fair value through profit or loss - FVTPL

Listed ordinary shares	599,411,564	475,858,631
Mutual fund units	24,730,515	26,468,798
Preference Shares	7,255,424	9,111,355
Listed debt securities	10,746,696	10,752,131
	<u>642,144,199</u>	<u>522,190,915</u>

Fair value through other comprehensive income - FVTOCI

Listed ordinary shares / modaraba certificates	1,727,005,447	1,365,754,819
Mutual fund units	8,421,865	8,185,098
Unlisted ordinary shares	94,835,436	94,835,436
Unlisted debt securities	1,245,953	1,245,953
	<u>1,831,508,701</u>	<u>1,470,021,306</u>
	<u>2,473,652,900</u>	<u>1,992,212,221</u>
	<u>(16,222,148)</u>	<u>(16,222,148)</u>
	<u>2,457,430,752</u>	<u>1,975,990,073</u>

9 RESERVES

Capital reserve

Profit prior to floatation	10,532,683	10,532,683
Statutory reserve	968,602,075	968,602,075
Merger reserve	44,902,567	44,902,567

Revenue reserve

Accumulated loss	(475,843,452)	(443,954,928)
	<u>548,193,873</u>	<u>580,082,397</u>

10 CONTINGENCIES AND COMMITMENTS

10.1 There is no significant change in the status of contingencies as reported in note 27 to the annual audited financial statement of the modaraba for the year ended June 30, 2021.

11 TAXATION

The Finance Bill, 2021 has validated and given legislative effect to the Tax Law (Second Amendment) Ordinance 2021 enacted on March 22, 2021 with effect from July 01, 2021 whereby Clause 100 of the Part 1 of Second Schedule of the Income Tax Ordinance, 2001 relating to the income tax exemption available to Modarabas has been withdrawn. Accordingly, provision for income tax has been booked in these financial statements.

Further, the management has initiated the process of the determination of the tax bases (carrying values) of assets and liabilities admissible for taxation purposes as per requirements of International Accounting Standard 12, 'Income taxes', for the purpose of determination of the net balance of deferred tax, which it considers to be accurately finalised when the return of this financial year becomes due.

12 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 September 30, 2021 are as follows :

Relationship with the Modaraba	Nature of transactions	(Un-audited) September 30, 2021	(Un-audited) September 30, 2020
-----(Rupees)-----			
12.1 Transactions during the period			
Management Company			
BRRI Investment (Private) Limited	Management fee accrued	10,939,763	8,621,443
BRRI Investment (Private) Limited	Management fee paid	31,942,494	-
BRRI Investment (Private) Limited	Rent received	30,000	30,000
BRRI Investment (Private) Limited	Advance received	-	4,000,000
BRRI Investment (Private) Limited	Advance repaid	-	4,000,000
Associated companies / other related parties			
Dawood Family Takaful Limited	Group takaful paid	201,040	160,792
Dawood Family Takaful Limited	Musharaka finance received	30,000,000	61,000,000
Dawood Family Takaful Limited	Musharaka finance repaid	35,000,000	30,000,000
Dawood Family Takaful Limited	Profit accrued on musharaka	228,017	299,251
Dawood Family Takaful Limited	Profit paid on musharaka	170,263	86,861
First Dawood Investment Bank Limited	Rent received against property	30,000	30,000
First Dawood Investment Bank Limited	Musharaka finance received	80,000,000	-
First Dawood Investment Bank Limited	Musharaka finance repaid	60,000,000	-
First Dawood Investment Bank Limited	Share of common expenses	51,094	41,539
First Dawood Investment Bank Limited	Profit accrued on musharaka	1,488,620	1,103,918
First Dawood Investment Bank Limited	Profit paid on musharaka	957,069	59,044
First Dawood Employees Provident Fund	Transfer to provident fund	892,522	748,308
Dawood Global Foundation	Charity paid	91,556	786

Relationship with the Modaraba	Nature of Balances	(Un-audited) September 30, 2021	(Audited) June 30, 2021
-----(Rupees)-----			
12.2 Period end balances			
Management Company			
BRR Investment (Private) Limited	Management fee payable	10,939,763	31,942,495
Associated companies / other related parties			
First Dawood Investment Bank Limited	Musharaka finance payable	75,000,000	55,000,000
First Dawood Investment Bank Limited	Profit payable	531,551	-
Dawood Family Takaful Limited	Musharaka finance payable	30,000,000	35,000,000
Dawood Family Takaful Limited	Profit payable	141,732	83,978
Dawood Family Takaful Limited	Advance rental against investment property	-	3,355,332
Dawood Family Takaful Limited	Rental receivable	1,200	-
Hydrochina Dawood Power (Private) Limited	Advance rental against investment property	2,782,813	3,707,170

13 DATE OF AUTHORISATION OF ISSUE

These condensed interim financial information was authorised for issue on October 29, 2021 by the Board of Directors of the B.R.R. Investment (Private) Limited.

14 GENERAL

Figures have been rounded off to the nearest Rupee.

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

Rafiq Dawood
Chairman

Syed Ali Raza
Director

Ayaz Dawood
Chief Executive Officer

Syed Tariq Masood
Chief Financial Officer

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