

**Un-Audited  
Standalone & Consolidated  
Condensed Interim Financial Information  
For The Three Months Period Ended  
September 30, 2022**

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

**B.R.R. TOWER**



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

**Managed by:**

**B.R.R. Investment (Private) Limited**

**2022**



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

(An Islamic Financial Institution)

**Managed by:**

**B.R.R. Investment (Private) Limited**

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



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

(An Islamic Financial Institution)

Managed by:

**B.R.R. Investment (Private) Limited**

<b>Contents</b>	<b>Page</b>
Directors' Report to the Consolidated Condensed Interim Financial Information	17
ڈائریکٹرز کی رپورٹ برائے مجموعی مالیاتی گوشوارے	18
Consolidated Condensed Interim Balance Sheet	19
Consolidated Condensed Interim Profit and Loss Account	20
Consolidated Condensed Interim Statement of Comprehensive Income	21
Consolidated Condensed Interim Statement of Cash Flows	22
Consolidated Condensed Interim Statement of Changes in Equity	23
Notes to the Consolidated Condensed Interim Financial Information	24



## **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	Syed Ali Raza (Acting Chairman)
Chief Executive	Mr. Ayaz Dawood
Directors	Mr. Ayaz Dawood Syed Ali Raza Mr. Waqas Anwar Qureshi Mr. Muhammad Shahid Murtaza
Audit Committee	Mr. Waqas Anwar Qureshi - Chairman Syed Ali Raza - Member Mr. Muhammad Shahid Murtaza - Member
HR and Remuneration Committee	Syed Ali Raza - Chairman Mr. Waqas Anwar Qureshi - Member Mr. Muhammad Shahid Murtaza - 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
Web-site	<a href="http://www.firstdawood.com/brr">www.firstdawood.com/brr</a>
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 (SMC-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 (BRRRI 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, 2022.

### Financial Results

### OPERATIONS AND PERFORMANCE

Financial highlights	September 30, 2022	September 30, 2021
	..... Rupees.....	
<b>Rental Income</b>	<b>65,051,551</b>	65,472,817
<b>Total Income</b>	<b>199,540,140</b>	148,503,944
<b>Total Expenses</b>	<b>45,531,169</b>	39,106,317
<b>Profit after Management fee, WWF and Tax</b>	<b>104,095,325</b>	96,107,237
<b>Earning per certificate</b>	<b>1.10</b>	1.01

Your Modaraba has reported quarterly profit after Management fee, WWF & Sales Tax of Rs 104.095 million in the 1st Quarter as compared to profit in the same Quarter of the last year of Rs 96.107 million.

It is pertinent to mention that our successful business strategy has finally wiped out the accumulated loss balance, recorded accumulated profits of Rs.178.138 million as at September 30, 2022 and statutory reserves now stand at Rs. 1,001.323 million which are in excess of the paid-up certificate capital of your modaraba.

### CONCLUSION / FUTURE PROSPECT:

On April 14, 2022 the petition for approval of Honorable Sindh High Court for the merger of BRR Guardian Modaraba with and into BRR Guardian Limited "the company" was submitted, which is currently pending in the Honorable Sindh High Court. On the approval of aforesaid merger petition, your Modaraba will become a listed company.

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

**Ayaz Dawood**  
Chief Executive Officer

October 31, 2022  
Karachi



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

بی آر آر گارجین مزاربہ

ڈائریکٹرز کی رپورٹ

معزز سرٹیفکیٹ ہولڈرز

بی آر آر انویسٹمنٹ (پرائیوٹ) لمیٹڈ ("بی آر آر آئی" یا کمپنی)، بورڈ آف ڈائریکٹرز کی طرف سے، بی آر آر گارجین مزاربہ (بی آر آر جیم) کے مینیجر کی حیثیت سے ہم ستمبر 30، 2022 کو ختم ہونے والی پہلی سہ ماہی کے عبوری مالیاتی گوشوارے پیش کرتے ہوئے بے حد مسرت محسوس کر رہے ہیں۔

مالیاتی نتائج

تفصیل	ستمبر 30، 2022	ستمبر 30، 2021
کرایہ سے آمدنی	65,051,551	65,472,817
کل آمدنی	199,540,140	148,503,944
کل اخراجات	45,531,169	39,106,317
منافع بعد از انتظامیہ کی فیس، ڈیلیوڈ پلوائف اور ٹیکس	104,095,325	96,107,237
تفصیلی سرٹیفکیٹ	1.10	1.01

مزاربہ نے گزشتہ سال کی اسی سہ ماہی میں 96.107 ملین روپے منافع کے مقابلے پہلی سہ ماہی میں بیجمنٹ فیس، ڈیلیوڈ پلوائف اور ٹیکس سے قبل 104.095 ملین روپے کا ریکارڈ سہ ماہی منافع درج کرایا ہے۔

یہ بات قابل ذکر ہے کہ ہماری کامیاب کاروباری حکمت عملی نے بالآخر خراج شدہ خسارے کو ختم کر دیا، 30 ستمبر 2022 کو 178.138 ملین روپے کا جمع شدہ منافع درج کرایا اور انٹیجیٹری ریزرو اب 1,001.323 ملین روپے ہو گئے جو آپ کے مزاربہ کے ادا شدہ سرٹیفکیٹ کیمپل سے زائد ہے۔

اختتامی کلمات اور اظہارِ تشکر

14 اپریل 2022 کو عدالت عالیہ سندھ کی منظوری کے لیے BRR گارڈین مزاربہ کے BRR گارڈین لمیٹڈ "کمپنی" کے ساتھ انضمام کی درخواست جمع کرائی گئی، جو فی الحال عدالت عالیہ میں زیر التواء ہے۔ مذکورہ انضمام کی درخواست منظور ہونے پر، آپ کا مزاربہ ایک لیکڈ کمپنی بن جائے گی۔

ہم کاروباری حالات کو بخوبی دیکھ رہے ہیں اور ہمارا ہدف اپنے موجودہ کاروبار میں منافع بخش ترقی کے ساتھ اپنے سرٹیفکیٹ ہولڈرز کی قدر میں اضافہ کرنا ہے۔

از طرف بورڈ آف ڈائریکٹرز

بی آر آر انویسٹمنٹ (پرائیوٹ) لمیٹڈ

ایاز داؤد

چیف ایگزیکٹو آفیسر

سید علی رضا

ڈائریکٹر

اکتوبر 31، 2022

کراچی



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

**Condensed Interim Balance Sheet**  
**As at September 30, 2022**

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
	Note	------(Rupees)-----	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	78,448,569	90,326,427
Investment properties	6	890,102,380	900,552,263
Long-term investment	7	55,000,000	55,000,000
Long-term musharaka finances		68,812,938	49,314,510
Long-term loans, advances and deposits		5,641,241	5,758,432
<b>TOTAL NON CURRENT ASSETS</b>		<b>1,098,005,128</b>	<b>1,100,951,632</b>
<b>CURRENT ASSETS</b>			
Short-term investments	8	2,390,229,240	2,118,121,046
Current portion of musharaka finances		35,042,669	30,863,874
Loans, advances and prepayments		65,666,660	73,393,605
Accrued profit		2,836,481	717,245
Other receivables		35,377,881	18,056,764
Taxation - net		59,699,961	46,667,319
Cash and bank balances		2,051,806	38,465,646
<b>TOTAL CURRENT ASSETS</b>		<b>2,590,904,698</b>	<b>2,326,285,499</b>
<b>TOTAL ASSETS</b>		<b>3,688,909,826</b>	<b>3,427,237,131</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorised capital			
140,000,000 (2022: 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	1,234,896,875	1,130,801,550
Surplus on revaluation of investments		848,215,639	761,517,923
		<b>3,033,097,404</b>	<b>2,842,304,363</b>
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Long-term musharaka		-	-
Long-term security deposits		68,802,106	67,991,106
Deferred tax liability		118,579,500	77,267,977
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>187,381,606</b>	<b>145,259,083</b>
<b>CURRENT LIABILITIES</b>			
Current portion of long-term musharaka		230,000,000	150,000,000
Current portion of security deposits		11,000,383	20,346,249
Creditors, accrued and other liabilities		191,193,735	233,696,457
Accrued profit on borrowings		613,864	-
Profit distribution payable		35,622,834	35,630,979
<b>TOTAL CURRENT LIABILITIES</b>		<b>468,430,816</b>	<b>439,673,685</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,688,909,826</b>	<b>3,427,237,131</b>

**CONTINGENCIES AND COMMITMENTS**

10

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)**

Director

Director

Chief Executive Officer

Chief Financial Officer



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

**Condensed Interim Profit And Loss Account**  
**For The Three Months Period Ended September 30, 2022**  
**(Un-Audited)**

	September 30, 2022	September 30, 2021
Note	----- Rupees -----	-----
<b>INCOME</b>		
Rental income	<b>65,051,551</b>	65,472,817
Income on musharaka finances	<b>3,878,795</b>	2,816,967
Ijarah rental income - net	-	184,944
Return on investments - net	<b>6,757,715</b>	(2,138,792)
Profit on bank balances	<b>575,071</b>	212,289
Reversal of provision for doubtful receivables Musharaka	<b>100,000</b>	6,946,711
Other income	<b>353,509</b>	781,704
Liability no longer payable- SWWF	-	10,523,541
Unrealised gain on revaluation of FVTPL investment	<b>122,823,499</b>	63,703,763
	<b>199,540,140</b>	148,503,944
<b>EXPENSES</b>		
Administrative expenses	<b>28,726,215</b>	26,915,673
Depreciation on Investment properties	<b>10,449,883</b>	10,470,382
Financial charges	<b>6,355,071</b>	1,720,262
	<b>45,531,169</b>	39,106,317
	<b>154,008,971</b>	109,397,627
Modaraba management company's fee	<b>15,400,897</b>	10,939,763
Sales Tax on Modaraba Management company's fee	<b>2,002,117</b>	1,422,169
Provision for Worker's Welfare Fund	<b>2,732,119</b>	-
Profit before taxation	<b>133,873,838</b>	97,035,695
Taxation	11 <b>29,778,513</b>	928,458
Profit for the period	<b>104,095,325</b>	96,107,237
Earning per certificate basic and diluted	<b>1.10</b>	1.01

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)**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**





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

**Condensed Interim Statement of Comprehensive Income  
For The Three Months Period Ended September 30, 2022  
(Un-Audited)**

	September 30, 2022	September 30, 2021
	----- Rupees -----	
Profit for the period	<b>104,095,325</b>	96,107,237
<b>Other comprehensive income for the period</b>		
Unrealized gain on revaluation of fair value through OCI investments - net	<b>86,697,716</b>	369,380,882
<b>Total comprehensive income for the period</b>	<b><u>190,793,041</u></b>	<b><u>465,488,119</u></b>

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)**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer



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

**Condensed Interim Statement of Cash Flows**  
**For The Three Months Period Ended September 30, 2022**  
**(Un-Audited)**

	September 30, 2022	September 30, 2021
	----- Rupees -----	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>133,873,838</b>	97,035,695
<b>Adjustment for non-cash and other items</b>		
Depreciation on owned assets	<b>13,831,666</b>	13,848,146
Depreciation on ijarah assets	-	156,357
Provision against doubtful receivable - net	<b>(100,000)</b>	(6,946,711)
Gain on disposal of property and equipment - owned	<b>(9,698)</b>	(469,011)
Ijarah rental income	-	(341,301)
Profit on musharaka, murabaha and finance under mark-up arrangements	<b>(3,878,795)</b>	(2,816,967)
Unrealised gain on revaluation of FVTPL investment	<b>(122,823,499)</b>	(63,703,763)
Liability no longer payable	-	(10,523,541)
Financial charges	<b>6,355,071</b>	1,720,262
Return on investments - net	<b>(7,008,688)</b>	1,612,497
	<b>(113,633,943)</b>	(67,464,032)
<b>(Increase) / decrease in current assets</b>		
Ijarah / lease rentals receivable	-	344,183
Loans, advances and prepayments	<b>7,844,136</b>	2,924,023
Accrued profit	<b>(2,119,236)</b>	2,771,783
Other receivables	<b>(17,321,117)</b>	56,254,558
	<b>(11,596,217)</b>	62,294,547
<b>Increase / (decrease) in current liabilities</b>		
Creditors, accrued and other liabilities	<b>(64,214,220)</b>	(30,864,486)
Rent received in advance	<b>21,711,498</b>	(12,914,598)
Customers' security deposit	<b>811,204</b>	(581,100)
Income tax paid	<b>(1,499,629)</b>	(2,146,729)
	<b>(43,191,147)</b>	(46,506,913)
<b>Net cash (used in) / generated from operating activities</b>	<b>(34,547,469)</b>	45,359,297
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to property and equipment - owned	<b>(850,000)</b>	(3,094,031)
Addition to investment properties	-	(116,770)
Proceeds from the disposal of property and equipment - owned	<b>9,700</b>	981,945
Proceeds from disposal of property, plant and equipment - leased / ijarah	-	812,100
Investments disposed / (purchased) - net	<b>(60,769,419)</b>	(61,201,275)
Income received on investments	<b>5,191,128</b>	1,385,907
Musharaka finances	<b>(19,698,428)</b>	9,976,660
<b>Net cash used in investing activities</b>	<b>(76,117,019)</b>	(51,255,464)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Profit paid to certificate holders	<b>(8,145)</b>	(19,111)
Finance under murabaha, musharaka and finance	<b>80,000,000</b>	15,000,000
Long-term loans	-	(6,884,000)
Financial charges paid	<b>(5,741,207)</b>	(1,130,957)
<b>Net cash generated from financing activities</b>	<b>74,250,648</b>	6,965,932
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(36,413,840)</b>	1,069,765
Cash and cash equivalents at the beginning of the period	<b>38,465,646</b>	39,381,695
<b>Cash and cash equivalents at the end of the period</b>	<b>2,051,806</b>	40,451,460

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)

Director

Director

Chief Executive Officer

Chief Financial Officer



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

**Condensed Interim Statement of Changes In Equity  
For The Three Months Period Ended September 30, 2022  
(Un-Audited)**

	Capital Reserve			Revenue reserve		Surplus on revaluation	Total
	Certificate capital	Profit prior to floatation	Merger reserve	Statutory reserve	Accumulated (Loss) / Profit		
	-----Rupees-----						
<b>Balance as at July 01, 2021</b>	<b>949,984,890</b>	<b>10,532,683</b>	<b>44,902,567</b>	<b>968,602,075</b>	<b>(444,071,620)</b>	<b>1,341,185,560</b>	<b>2,871,136,155</b>
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
<b>Balance as at September 30, 2021</b>	<b>949,984,890</b>	<b>10,532,683</b>	<b>44,902,567</b>	<b>968,602,075</b>	<b>(473,668,216)</b>	<b>1,710,872,270</b>	<b>3,211,226,269</b>
<b>Balance as at July 01, 2022</b>	<b>949,984,890</b>	<b>10,532,683</b>	<b>44,902,567</b>	<b>1,001,323,228</b>	<b>74,043,072</b>	<b>761,517,923</b>	<b>2,842,304,363</b>
Profit for quarter ended September 30, 2022	-	-	-	-	104,095,325	-	104,095,325
Other comprehensive income	-	-	-	-	-	86,697,716	86,697,716
	-	-	-	-	104,095,325	86,697,716	190,793,041
<b>Balance as at September 30, 2022</b>	<b>949,984,890</b>	<b>10,532,683</b>	<b>44,902,567</b>	<b>1,001,323,228</b>	<b>178,138,397</b>	<b>848,215,639</b>	<b>3,033,097,404</b>

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)**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer



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

## **Notes To The Condensed Interim Financial Information For The Three Months Period Ended September 30, 2022 (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. Investments (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.

Pursuant to Finance Act, 2021, tax exemption on Modarabas has been withdrawn, effective from 1 July 2021, due to which the Board of Directors in their meeting held on September 30, 2021 have discussed the plan to restructure the current legal structure of the Modaraba and transfer the existing business of the Modaraba, on a going concern basis, along with all its assets and liabilities, including all contingent liabilities, to separate legal entity.

The Board of Directors in their meeting 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 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 said transfers are expected to be at the carrying values of the assets and liabilities of the Modaraba as per the latest audited financial statements available at the time of conversion. The above proposed decision was 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.

The Registrar of modaraba has issued NOC on proposed merger vide its letter dated March 28, 2022 and on April 14, 2022 the Modaraba has submitted petition for approval of Sindh High Court for the aforesaid merger. Further, the certificate holders of the Modaraba in their meeting held on May 20, 2022 has approved unanimously the "Scheme of Arrangement (Modaraba)" for aforesaid merger involving swap ratio of 1:1 having effect from the close of business on June 30, 2022 i.e July 01, 2022 or such other date as may be stated by the court subject to approval of Registrar of Modarabas and such changes, modifications as may be required or advised by legal counsel and / or accounting consultants and / or by the High Court.

- 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 as at year end (refer note 7).

These represent the standalone financial statements of the Modaraba.

### **2 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS**

A novel strain of coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on 11 March 2020, impacting countries globally including Pakistan. Government of Pakistan has taken certain measures to reduce the spread of the COVID-19 including lockdown of businesses, suspension of flight operations, intercity movements, cancellation of major events etc. The Modaraba is conducting business with some modifications to employee working and cancellation of certain events, among other modifications while following all necessary Standard Operating Procedures (SOPs). The Modaraba will continue to actively monitor the situation and may take further actions that alter its business operations as may be required by federal, provincial or local authorities or that are in the best interests of our employees, customers, partners, suppliers and stockholders. However, 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 future period.

### 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, 2022.

	Notes	(Un-audited) September 30, 2022	(Audited) June 30, 2022
------(Rupees)-----			
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Property and equipment - owned	5.1	<b>67,448,226</b>	69,980,008
Property, plant and equipment - Ijarah / leased	5.2	<b>11,000,343</b>	20,346,419
		<b><u>78,448,569</u></b>	<u>90,326,427</u>

#### 5.1 Property and equipment - Owned

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

	----- Additions -----		----- Disposals -----	
	(Un-audited) September 30, 2022	(Audited) June 30, 2022	(Un-audited) September 30, 2022	(Audited) June 30, 2022
------(Rupees)-----				
Lockers	-	3,781,000	-	-
Vehicles	<b>330,000</b>	7,774,116	<b>97,000</b>	4,543,950
Office equipment and computers	<b>520,000</b>	1,419,700	-	545,882
	<b><u>850,000</u></b>	<u>12,974,816</u>	<b><u>97,000</u></b>	<u>5,089,832</u>

#### 5.2 Property, plant and equipment - Ijarah/leased

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

	-----Additions -----		-----Write Off -----	
	(Un-audited) September 30, 2022	(Audited) June 30, 2022	(Un-audited) September 30, 2022	(Audited) June 30, 2022
----- (Rupees) -----				
Vehicles	-	-	<b>785,000</b>	-
Plant and machinery	-	-	<b>106,819,356</b>	-
Motorboat	-	-	<b>2,694,300</b>	-
	-	-	<b><u>110,298,656</u></b>	-



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

(Un-audited)      (Audited)  
September 30,      June 30,  
2022                      2022  
----- (Rupees) -----

**6 INVESTMENT PROPERTIES**

Investment properties	6.1	<b>881,013,380</b>	891,463,263
Capital work-in-progress		<b>9,089,000</b>	9,089,000
		<b>890,102,380</b>	900,552,263

**6.1 Investment Properties**

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

----- Additions / Transfer -----	(Un-audited)	(Audited)	-----Disposal-----	(Audited)
September 30,	September 30,	June 30,	September 30,	June 30,
2022	2022	2022	2022	2022
----- (Rupees) -----			----- (Rupees) -----	

Office premises	-	116,770	-	-
	-	<b>116,770</b>	-	-

(Unaudited)      (Audited)  
September 30,      June 30,  
2022                      2022  
----- (Rupees) -----

**7 LONG TERM INVESTMENT**

Unquoted wholly owned subsidiary company - at cost  
BRR Financial Services (Private) Limited  
5,500,000 ordinary shares of Rs. 10 each

**55,000,000**      55,000,000

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

Pursuant to approval from SECP, the Modaraba incorporated a wholly owned subsidiary, namely, BRR Financial Services (Private) Limited (the Company) on November 30, 2015. In prior years, 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 and PSX vide letter dated June 25, 2019 transferred TREC from Modaraba to B.R.R Financial Services (Private) Limited and thereby granted a TREC to BRR Financial Services (Private) Limited.

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. Accordingly, one time right of TREC transfer will remain with the Modaraba. However, legal process in respect of merger is currently deferred until the merger of BRRGL with BRRGM is complete.

The net assets of BRR Financial Services (Private) Limited based on latest audited financial statement as at June 30, 2022 amounted to Rs. 43.054 million (June 30, 2021 : Rs.67.31 million).



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

	(Unaudited) September 30, 2022	(Audited) June 30, 2022
	------(Rupees)-----	
<b>8 SHORT TERM INVESTMENTS</b>		
<b>Fair value through profit or loss -FVTPL</b>		
Listed ordinary shares	1,370,751,286	1,227,997,459
Mutual fund units	25,094,157	24,186,265
Preference Shares	5,403,414	6,049,461
Listed debt securities	40,786,500	10,799,190
	<u>1,442,035,357</u>	<u>1,269,032,375</u>
<b>Fair value through other comprehensive income - FVTOCI</b>		
Listed ordinary shares / modaraba certificates	905,255,584	806,459,551
Mutual fund units	8,545,703	8,236,524
Unlisted ordinary shares	49,368,791	49,368,791
Unlisted debt securities	1,245,953	1,245,953
	<u>964,416,031</u>	<u>865,310,819</u>
	<u>2,406,451,388</u>	<u>2,134,343,194</u>
Less: Provision for diminution in the value of investments	<u>(16,222,148)</u>	<u>(16,222,148)</u>
	<u><u>2,390,229,240</u></u>	<u><u>2,118,121,046</u></u>
<b>9 RESERVES</b>		
<b>Capital reserve</b>		
Profit prior to floatation	10,532,683	10,532,683
Statutory reserve	1,001,323,228	1,001,323,228
Merger reserve	44,902,567	44,902,567
<b>Revenue reserve</b>		
Accumulated profit	178,138,397	74,043,072
	<u>1,234,896,875</u>	<u>1,130,801,550</u>
<b>10 CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1</b> 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, 2022.		
	(Un-audited) September 30, 2022	(Un-audited) September 30, 2022
	------(Rupees)-----	
<b>11 TAXATION</b>		
Current tax	874,487	928,458
Deferred tax	28,904,026	-
	<u>29,778,513</u>	<u>928,458</u>
<b>12 RELATED PARTY TRANSACTIONS</b>		
The Modaraba has related party relationship with its Management Company, associated undertakings, employee benefit plans, and its key management personnel.		



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

The details of related party transactions and balances as at September 30, 2022 are as follows :

Relationship with the Modaraba	Nature of transactions	(Un-audited)	(Un-audited)
		September 30, 2022	September 30, 2021
		------(Rupees)-----	
<b>12.1 Transactions during the period</b>			
<b>Management Company</b>			
BRR Investment (Private) Limited	Management fee accrued	<b>15,400,897</b>	10,939,763
BRR Investment (Private) Limited	Management fee paid	<b>82,522,411</b>	31,942,494
BRR Investment (Private) Limited	Rent received	<b>30,000</b>	30,000
<b>Associated companies / other related parties</b>			
Dawood Family Takaful Limited	Rental received against	<b>4,799,907</b>	-
Dawood Family Takaful Limited	Group takaful paid	<b>207,089</b>	201,040
Dawood Family Takaful Limited	Musharaka finance received	<b>80,000,000</b>	30,000,000
Dawood Family Takaful Limited	Musharaka finance repaid	-	35,000,000
Dawood Family Takaful Limited	Profit accrued on musharaka	<b>613,863</b>	228,017
Dawood Family Takaful Limited	Profit paid on musharaka	-	170,263
First Dawood Investment Bank Limited	Rent received against property	<b>30,000</b>	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	<b>124,427</b>	51,094
First Dawood Investment Bank Limited	Profit accrued on musharaka	<b>5,716,966</b>	1,488,620
First Dawood Investment Bank Limited	Profit paid on musharaka	<b>5,716,966</b>	957,069
First Dawood Employees Provident Fund	Transfer to provident fund	<b>897,059</b>	892,522
Dawood Global Foundation	Charity paid	<b>106,347</b>	91,556
Relationship with the Modaraba	Nature of Balances	(Un-audited) September 30, 2022	(Audited) June 30, 2022
		------(Rupees)-----	
<b>12.2 Period end balances</b>			
<b>Management Company</b>			
BRR Investment (Private) Limited	Management fee payable	<b>15,400,897</b>	82,522,411
<b>Associated companies / other related parties</b>			
First Dawood Investment Bank Limited	Musharaka finance payable	<b>150,000,000</b>	150,000,000
Dawood Family Takaful Limited	Musharaka finance payable	<b>80,000,000</b>	-
Dawood Family Takaful Limited	Profit payable	<b>613,863</b>	-
Dawood Family Takaful Limited	Rent receivable	-	2,889,375
Hydrochina Dawood Power (Private) Limited	Rent receivable	<b>75,022</b>	107,173

**13 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial information was authorised for issue on October 31, 2022 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)**

Director

Director

Chief Executive Officer

Chief Financial Officer