



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

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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

Contents	Page
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

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Contents	Page
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	Crowe 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	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 (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.....	
Rental Income	65,051,551	65,472,817
Total Income	199,540,140	148,503,944
Total Expenses	45,531,169	39,106,317
Profit after Management fee, WWF and Tax	104,095,325	96,107,237
Earning per certificate	1.10	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 جی ایم) 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، ڈیلیوڈبلو ایف اور ٹیکس	104,095,325	96,107,237
تفیح فی 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، ڈیلیوڈبلو ایف 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 کیپٹل 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 لسٹڈ 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)-----	
ASSETS			
NON CURRENT ASSETS			
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
TOTAL NON CURRENT ASSETS		1,098,005,128	1,100,951,632
CURRENT ASSETS			
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
TOTAL CURRENT ASSETS		2,590,904,698	2,326,285,499
TOTAL ASSETS		3,688,909,826	3,427,237,131
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
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
		3,033,097,404	2,842,304,363
LIABILITIES			
NON CURRENT LIABILITIES			
Long-term musharaka		-	-
Long-term security deposits		68,802,106	67,991,106
Deferred tax liability		118,579,500	77,267,977
TOTAL NON CURRENT LIABILITIES		187,381,606	145,259,083
CURRENT LIABILITIES			
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
TOTAL CURRENT LIABILITIES		468,430,816	439,673,685
TOTAL EQUITY AND LIABILITIES		3,688,909,826	3,427,237,131

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 -----	-----
INCOME		
Rental income	65,051,551	65,472,817
Income on musharaka finances	3,878,795	2,816,967
Ijarah rental income - net	-	184,944
Return on investments - net	6,757,715	(2,138,792)
Profit on bank balances	575,071	212,289
Reversal of provision for doubtful receivables Musharaka	100,000	6,946,711
Other income	353,509	781,704
Liability no longer payable- SWWF	-	10,523,541
Unrealised gain on revaluation of FVTPL investment	122,823,499	63,703,763
	199,540,140	148,503,944
EXPENSES		
Administrative expenses	28,726,215	26,915,673
Depreciation on Investment properties	10,449,883	10,470,382
Financial charges	6,355,071	1,720,262
	45,531,169	39,106,317
	154,008,971	109,397,627
Modaraba management company's fee	15,400,897	10,939,763
Sales Tax on Modaraba Management company's fee	2,002,117	1,422,169
Provision for Worker's Welfare Fund	2,732,119	-
Profit before taxation	133,873,838	97,035,695
Taxation	11 29,778,513	928,458
Profit for the period	104,095,325	96,107,237
Earning per certificate basic and diluted	1.10	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	104,095,325	96,107,237
Other comprehensive income for the period		
Unrealized gain on revaluation of fair value through OCI investments - net	86,697,716	369,380,882
Total comprehensive income for the period	<u>190,793,041</u>	<u>465,488,119</u>

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

	Certificate capital	Capital Reserve		Statutory reserve	Revenue reserve	Surplus on revaluation	Total
		Profit prior to floatation	Merger reserve		Accumulated (Loss) / Profit		
-----Rupees-----							
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
Balance as at July 01, 2022	949,984,890	10,532,683	44,902,567	1,001,323,228	74,043,072	761,517,923	2,842,304,363
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
Balance as at September 30, 2022	949,984,890	10,532,683	44,902,567	1,001,323,228	178,138,397	848,215,639	3,033,097,404

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)-----			
5 PROPERTY, PLANT AND EQUIPMENT			
Property and equipment - owned	5.1	67,448,226	69,980,008
Property, plant and equipment - Ijarah / leased	5.2	11,000,343	20,346,419
		78,448,569	90,326,427

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	330,000	7,774,116	97,000	4,543,950
Office equipment and computers	520,000	1,419,700	-	545,882
	850,000	12,974,816	97,000	5,089,832

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	-	-	785,000	-
Plant and machinery	-	-	106,819,356	-
Motorboat	-	-	2,694,300	-
	-	-	110,298,656	-



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	881,013,380	891,463,263
Capital work-in-progress		9,089,000	9,089,000
		890,102,380	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, 2022	September 30, 2022	June 30, 2022	September 30, 2022	June 30, 2022
----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----

Office premises	-	116,770	-	-
	-	116,770	-	-

(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)-----	
8 SHORT TERM INVESTMENTS		
Fair value through profit or loss -FVTPL		
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>
Fair value through other comprehensive income - FVTOCI		
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>
9 RESERVES		
Capital reserve		
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
Revenue reserve		
Accumulated profit	178,138,397	74,043,072
	<u>1,234,896,875</u>	<u>1,130,801,550</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, 2022.		
	(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
	------(Rupees)-----	
11 TAXATION		
Current tax	874,487	928,458
Deferred tax	28,904,026	-
	<u>29,778,513</u>	<u>928,458</u>
12 RELATED PARTY TRANSACTIONS		
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)-----	
12.1 Transactions during the period			
Management Company			
BRR Investment (Private) Limited	Management fee accrued	15,400,897	10,939,763
BRR Investment (Private) Limited	Management fee paid	82,522,411	31,942,494
BRR Investment (Private) Limited	Rent received	30,000	30,000
Associated companies / other related parties			
Dawood Family Takaful Limited	Rental received against	4,799,907	-
Dawood Family Takaful Limited	Group takaful paid	207,089	201,040
Dawood Family Takaful Limited	Musharaka finance received	80,000,000	30,000,000
Dawood Family Takaful Limited	Musharaka finance repaid	-	35,000,000
Dawood Family Takaful Limited	Profit accrued on musharaka	613,863	228,017
Dawood Family Takaful Limited	Profit paid on musharaka	-	170,263
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	124,427	51,094
First Dawood Investment Bank Limited	Profit accrued on musharaka	5,716,966	1,488,620
First Dawood Investment Bank Limited	Profit paid on musharaka	5,716,966	957,069
First Dawood Employees Provident Fund	Transfer to provident fund	897,059	892,522
Dawood Global Foundation	Charity paid	106,347	91,556
Relationship with the Modaraba	Nature of Balances	(Un-audited) September 30, 2022	(Audited) June 30, 2022
		------(Rupees)-----	
12.2 Period end balances			
Management Company			
BRR Investment (Private) Limited	Management fee payable	15,400,897	82,522,411
Associated companies / other related parties			
First Dawood Investment Bank Limited	Musharaka finance payable	150,000,000	150,000,000
Dawood Family Takaful Limited	Musharaka finance payable	80,000,000	-
Dawood Family Takaful Limited	Profit payable	613,863	-
Dawood Family Takaful Limited	Rent receivable	-	2,889,375
Hydrochina Dawood Power (Private) Limited	Rent receivable	75,022	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

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



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

DIRECTORS' REPORT TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Dear Certificate holders,

The Board of Directors of B.R.R. Investment (Private) Limited (BRII 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.....	
Rental Income	65,051,551	65,472,817
Total Income	198,998,208	146,241,601
Total Expenses	45,556,269	39,135,902
Profit after Management fee, WWF and Tax	103,528,293	93,815,309
Earning per certificate	1.09	0.99

Your Modaraba has reported quarterly profit after Management fee, WWF & Sales Tax of Rs 103.528 million in the 1st Quarter as compared to profit in the same Quarter of the last year of Rs 93.815 million.

It is pertinent to mention that our successful business strategy has finally wiped out the accumulated loss balance, recorded accumulated profits of Rs.171.309 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۔ گارڈین مَضارَبہ

ڈائریکٹرز کی رپورٹ برائے مجموعی مالیاتی گوشوارے

معزز سرٹیفکیٹ ہولڈرز

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

مالیاتی نتائج

تفصیل	ستمبر 30، 2022	ستمبر 30، 2021
کراہیے سے آمدنی	65,051,551	65,472,817
کل آمدنی	198,998,208	146,241,601
کل اخراجات	45,556,269	39,135,902
منافع بعد از انتظامیہ کی فیس، ڈیلیویڈبلویف اور ٹیکس	103,528,293	93,815,309
نفعی سرٹیفکیٹ	1.09	0.99

مضارَبہ سائے گزشتہ سال کی اسی سہ ماہی میں 93.815 ملین روپے منافع کے مقابلے پہلی سہ ماہی میں بیٹھنٹ فیس، ڈیلیویڈبلویف اور ٹیکس سے قفل 103.528 ملین روپے کا ریکارڈ سہ ماہی منافع درج کرایا ہے۔

یہ بات قابل ذکر ہے کہ ہماری کامیاب کاروباری حکمت عملی نے بالآخر جمع شدہ خسارے کو ختم کر دیا، 30 ستمبر 2022 کو 171.309 ملین روپے کا جمع شدہ منافع درج کرایا اور اسٹیٹوٹری ریزرو اب 1,001.323 ملین روپے ہو گئے جو آپ کے مضارَبہ کے ادا شدہ سرٹیفکیٹ کیپٹل سے زائد ہے۔

اختتامی کلمات اور اظہار تشکر

14 اپریل 2022 کو عدالت عالیہ سندھ کی منظوری کے لیے BRR گارڈین مَضارَبہ 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 مضارَبہ ایک لیکڈ کمپنی بن جائے گی۔

ہم کاروباری حالات کو بخوبی دیکھ رہے ہیں اور ہمارا ہدف اپنے موجود 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 (پرائیویٹ) لمیٹڈ

ایاز داؤد

چیف ایگزیکٹو آفیسر

سید علی رضا

ڈائریکٹر

اکتوبر 31، 2022

کراچی



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

**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2022**

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
	Note	------(Rupees)-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	78,448,569	90,326,427
Investment properties	7	890,102,380	900,552,263
Long-term musharaka finances		68,812,938	49,314,510
Long-term loans, advances and deposits		5,941,241	6,058,432
TOTAL NON CURRENT ASSETS		1,043,305,128	1,046,251,632
CURRENT ASSETS			
Short-term investments	8	2,431,509,948	2,158,823,792
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	18,056,765
Taxation - net		59,884,388	46,845,710
Cash and bank balances		2,105,118	40,548,176
TOTAL CURRENT ASSETS		2,632,423,145	2,369,249,168
TOTAL ASSETS		3,675,728,273	3,415,500,799
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
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		1,228,068,345	1,124,540,052
Surplus on revaluation of investments	9	841,841,268	755,833,430
		3,019,894,503	2,830,358,372
LIABILITIES			
NON CURRENT LIABILITIES			
Long-term musharaka		-	-
Long-term security deposits		68,802,106	67,991,106
Deferred tax liability		118,579,500	77,267,977
TOTAL NON CURRENT LIABILITIES		187,381,606	145,259,083
CURRENT LIABILITIES			
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		191,215,083	233,906,116
Accrued profit on borrowings		613,864	-
Profit distribution payable		35,622,834	35,630,979
TOTAL CURRENT LIABILITIES		468,452,164	439,883,344
TOTAL EQUITY AND LIABILITIES		3,675,728,273	3,415,500,799

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)**

Director

Director

Chief Executive Officer

Chief Financial Officer



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

**Consolidated 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 -----
INCOME		
Rental income	65,051,551	65,472,817
Income on musharaka finances	3,878,795	2,816,967
Ijarah rental income - net	-	184,944
Return on investments - net	6,785,428	(2,107,792)
Profit on bank balances	592,049	217,549
Reversal of provision for doubtful receivables Musharaka	100,000	6,946,711
Other income	353,509	781,704
Liability no longer payable- SWWF	-	10,523,541
Unrealised gain on revaluation of FVTPL investment	122,236,876	61,405,160
	198,998,208	146,241,601
EXPENSES		
Administrative expenses	28,751,315	26,944,958
Depreciation on Investment properties	10,449,883	10,470,382
Financial charges	6,355,071	1,720,562
	45,556,269	39,135,902
Modaraba management company's fee	153,441,939	107,105,699
Sales Tax on Modaraba Management company's fee	15,400,897	10,939,763
Provision for Worker's Welfare Fund	2,002,117	1,422,169
Provision for Worker's Welfare Fund	2,732,119	-
Profit before taxation	133,306,806	94,743,767
Taxation	11 29,778,513	928,458
Profit for the period	103,528,293	93,815,309
Earning per certificate basic and diluted	1.09	0.99

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)**

Director

Director

Chief Executive Officer

Chief Financial Officer



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

**Consolidated 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	103,528,293	93,815,309
Other comprehensive income for the period		
Unrealized gain on revaluation of fair value through OCI investments - net	86,007,838	361,832,648
Total comprehensive income for the period	<u>189,536,131</u>	<u>455,647,957</u>

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)**

Director

Director

Chief Executive Officer

Chief Financial Officer



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

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

	September 30, 2022	September 30, 2021
	----- Rupees -----	
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	133,306,806	94,743,767
Adjustment for non-cash and other items		
Depreciation on owned assets	13,831,666	13,848,146
Depreciation on ijarah assets	-	156,357
Provision against doubtful receivable - net	(100,000)	(6,946,711)
Gain on disposal of property and equipment - owned	(9,698)	(469,011)
Ijarah rental income	-	(341,301)
Profit on musharaka, murabaha and finance under mark-up arrangements	(3,878,795)	(2,816,967)
Unrealised gain on revaluation of FVTPL investment	(122,236,876)	(61,405,160)
Liability no longer payable	-	(10,523,541)
Financial charges	6,355,071	1,720,562
Return on investments - net	(7,036,401)	1,581,497
	(113,075,033)	(65,196,129)
(Increase) / decrease in current assets		
Ijarah / lease rentals receivable	-	344,183
Loans, advances and prepayments	7,844,136	2,924,023
Accrued profit	(2,119,236)	2,771,783
Other receivables	(17,321,116)	56,362,424
	(11,596,216)	62,402,413
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	(64,402,531)	(31,058,046)
Rent received in advance	21,711,498	(12,914,598)
Customers' security deposit	811,204	(581,100)
Income tax paid	(1,505,665)	(2,260,032)
	(43,385,494)	(46,813,776)
Net cash (used in) / generated from operating activities	(34,749,937)	45,136,275
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property and equipment - owned	(850,000)	(3,094,031)
Addition to investment properties	-	(116,770)
Proceeds from the disposal of property and equipment - owned	9,700	981,945
Proceeds from disposal of property, plant and equipment - leased / ijarah	-	812,100
Investments purchased - net	(62,619,419)	(61,201,275)
Income received on investments	5,214,378	1,416,906
Musharaka finances	(19,698,428)	9,976,660
Net cash used in investing activities	(77,943,769)	(51,224,465)
C CASH FLOW FROM FINANCING ACTIVITIES		
Profit paid to certificate holders	(8,145)	(19,111)
Finance under murabaha, musharaka and finance	80,000,000	15,000,000
Long-term loans	-	(6,884,000)
Financial charges paid	(5,741,207)	(1,131,257)
Net cash generated from financing activities	74,250,648	6,965,632
Net (decrease) / increase in cash and cash equivalents	(38,443,058)	877,442
Cash and cash equivalents at the beginning of the period	40,548,176	40,048,179
Cash and cash equivalents at the end of the period	2,105,118	40,925,621

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)

Director

Director

Chief Executive Officer

Chief Financial Officer



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

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

	Certificate capital	Capital Reserve			Revenue reserve	Surplus on revaluation	Total
		Profit prior to floatation	Merger reserve	Statutory reserve	Accumulated (Loss) / Profit		
-----Rupees-----							
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
Balance as at July 01, 2022	949,984,890	10,532,683	44,902,567	1,001,323,228	67,781,574	755,833,430	2,830,358,372
Profit for quarter ended September 30, 2022	-	-	-	-	103,528,293	-	103,528,293
Other comprehensive income	-	-	-	-	-	86,007,838	86,007,838
	-	-	-	-	103,528,293	86,007,838	189,536,131
Balance as at September 30, 2022	949,984,890	10,532,683	44,902,567	1,001,323,228	171,309,867	841,841,268	3,019,894,503

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)**

Director

Director

Chief Executive Officer

Chief Financial Officer



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

Notes To The Consolidated Condensed Interim Financial Information For The Three Months Period Ended September 30, 2022 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF THE BUSINESS

These consolidated financial statements 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. 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 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 at 18th Floor, B.R.R Towers, 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. However, legal process in respect of merger is currently deferred until the merger of BRRGL with BRRGM is complete.

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 consolidated 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 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.

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 consolidated condensed interim financial information are the same as those applied in preparing the audited financial statements for the year ended June 30, 2022.

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
	Note	----- (Rupees) -----	
6 PROPERTY, PLANT AND EQUIPMENT			
Property and equipment - owned	6.1	67,448,226	69,980,008
Property, plant and equipment - Ijarah / leased	6.2	11,000,343	20,346,419
		78,448,569	90,326,427

6.1 Property and equipment - Owned

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



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

	-----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	330,000	7,774,116	97,000	4,543,950
Office equipment and computers	520,000	1,419,700	-	545,882
	850,000	12,974,816	97,000	5,089,832

6.2 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)-----		------(Rupees)-----	
Vehicles	-	-	785,000	-
Plant and machinery	-	-	106,819,356	-
Motorboat	-	-	2,694,300	-
	-	-	110,298,656	-

7 INVESTMENT PROPERTIES

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
		------(Rupees)-----	
Investment properties	7.1	881,013,380	891,463,263
Capital work-in-progress		9,089,000	9,089,000
		890,102,380	900,552,263

7.1 Investment Properties

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

	-----Additions / Transfer-----		-----Disposal-----	
	(Un-audited) September 30, 2022	(Audited) June 30, 2022	(Un-audited) September 30, 2022	(Audited) June 30, 2022
	------(Rupees)-----		------(Rupees)-----	
Office premises	-	116,770	-	-
	-	116,770	-	-

	(Unaudited) September 30, 2022	(Audited) June 30, 2022
------(Rupees)-----		
8 SHORT TERM INVESTMENTS		
Fair value through profit or loss - FVTPL		
Listed ordinary shares	1,391,372,112	1,249,366,880
Mutual fund units	29,768,735	26,844,408
Preference Shares	5,403,414	6,049,461
Listed debt securities	40,786,500	10,799,190
	<u>1,467,330,761</u>	<u>1,293,059,939</u>
Fair value through other comprehensive income - FVTOCI		
Listed ordinary shares / modaraba certificates	921,240,888	823,134,733
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>980,401,335</u>	<u>881,986,001</u>
	<u>2,447,732,096</u>	<u>2,175,045,940</u>
Less: Provision for diminution in the value of investments	<u>(16,222,148)</u>	<u>(16,222,148)</u>
	<u>2,431,509,948</u>	<u>2,158,823,792</u>

9 RESERVES

Capital reserve

Profit prior to floatation

10,532,683

Statutory reserve

1,001,323,228

Merger reserve

44,902,567

Revenue reserve

Accumulated profit

171,309,867

1,228,068,345

1,124,540,052

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, 2022.

	(Un-audited) September 30, 2022	(Un-audited) September 30, 2021
------(Rupees)-----		
11 TAXATION		
Current tax	874,487	928,458
Deferred tax	28,904,026	-
	<u>29,778,513</u>	<u>928,458</u>

12 RELATED PARTY TRANSACTIONS

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

13 DATE OF AUTHORISATION FOR ISSUE

These consolidated 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

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