



B.R.R. GUARDIAN MODARABA

(An Islamic Financial Institution)

Managed by

B.R.R. Investments (Private) Limited

**Un-Audited
Financial Statements
For the Half Year Ended
December 31, 2010**



B.R.R. GUARDIAN MODARABA

(An Islamic Financial Institution)

**Managed by
B.R.R. Investments (Private) Limited**

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B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)
CORPORATE INFORMATION

Modaraba Company	B.R.R. Investments (Private) Limited
Chairman	Mr. Rafique Dawood
Chief Executive	Mr. Ayaz Dawood
Directors	Mr. Majid Dawood Mr Farouq Habib Rahimtoola
Audit Committee	Mr Farouq Habib Rahimtoola - Chairman Mr. Rafique Dawood - Member Mr. Majid Dawood - Member
Chief Operating Officer	Mr. Saeed Siddiqui
Chief Financial Officer	Syed Tariq Masood
Company Secretary	Mr Tahir Mahmood
Auditors	Ernst & Young Ford Rhode Sidat Hyder Chartered Accountant
Legal Advisor	Rauf Ghaffar Law Associate Malik & Maliks
Bankers	Dawood Islamic Bank Habib Metropolitan Bank Limited National Bank of Pakistan NIB Bank Limited Oman International Bank S.A.O.G.
Web-site	www.firstdawood.com/brr
Registered Office & Head Office	1500-A, Saima Trade Towers, I.I Chundrigar Road, Karachi-74000 UAN : 111-DAWOOD (111-329-663) Fax : 92-21-3227-1913
Registrars	F.D Registrar Services (SMC-Pvt.) Ltd 17th Floor, Saima Trade Tower-A I.I Chundrigar Road, Karachi Phone # 32271875
Branch Offices	Suit No. 210, 5th Floor, Siddiq Trade Centre, Main Boulevard, Gulberg - III, Lahore Office No. 20 & 21, 1st Floor, Beverly Centre, 56-G7, Jinnah Avenue, Islamabad-44000
Security Vault	187-G, Block-2, Shahrah-e-Quaideen, PECHS. Karachi-754000



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

DIRECTORS' REPORT

B.R.R Guardian Modaraba
Managed by B.R.R. Investments (Private) Limited

IN THE NAME OF ALLAH, THE MOST COMPASSIONATE, THE MOST MERCIFUL.

Dear Certificate holders,

The Board of Directors of B.R.R. Investments (Private) Limited, manager of B.R.R. Guardian Modaraba (BRRGM), take pleasure in presenting the 2nd Quarter Financial Statements of the Modaraba for the six months ended December 31, 2010.

Operations and performance

	December 31, 2010	December 31, 2009
 Rupees.....	
Total Income	339,027,490	289,013,516
Total Expenses	297,976,223	329,910,626
Operating Profit/ (Loss)	39,850,113	96,832,078
Modaraba Company Management Fee	3,985,011	-
Profit/(Loss) for the Period	35,865,102	(96,832,078)

Operating expenses remained under control and within the budget.

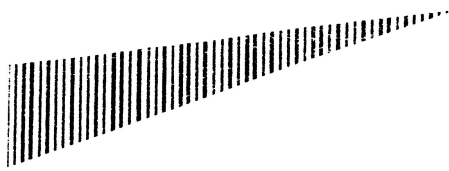
However, financial expense for the period amounted to Rs. 184 Million as compare to Rs. 161.29 Million in the same period of last year. This increase was a consequence of increase in mark-up rates.

Inshallah your Modaraba will continue to profitable so that the management is able to pay a dividend to its valued certificate holders.

For and on behalf the
Board of Directors of
B.R.R. Investments (Private) Limited

February 23, 2011
Karachi

Rafique Dawood
Chairman



ERNST & YOUNG

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530, Pakistan

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AUDITORS' REPORT TO THE CERTIFICATE HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of B.R.R. Guardian Modaraba (the Modaraba) as at 31 December 2010 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity, together with the notes forming part thereof (here-in-after referred to as "interim financial information") for the six-months' period then ended. B.R.R. Investment (Private) Limited is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Other Matter

The financial statements of the Modaraba for the six months ended 31 December 2009 and for the year ended 30 June 2010 were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 26 February 2010 and audit report dated 05 October 2010 expressed an unmodified conclusion and unmodified opinion on those statements respectively.

Chartered Accountants

Date: 23 February 2011

Karachi

A member firm of Ernst & Young Global Limited



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)
CONDENSED INTERIM BALANCE SHEET
AS AT 31 DECEMBER 2010

	Note	(Unaudited) 31, December 2010	(Audited) 30 June 2010
------(Rupees)-----			
ASSETS			
Current Assets			
Cash and Bank Balances	4	63,425,278	105,241,517
Musharaka and Murabaha finances	5	759,046,377	752,659,747
Short-term Investments	6	632,792,644	695,288,932
Lease Rental Receivable		25,234,616	10,451,951
Loan, Advances and Prepayments		7,356,365	3,383,175
Other Receivables	7	104,497,197	34,224,907
Accrued profit		132,559,483	146,674,931
Taxation Refundable		4,899,284	2,513,915
Total current assets		1,729,811,244	1,750,439,075
Non-current assets			
Long Term Deposits		2,937,000	2,937,000
Long Term Loans		6,667,517	10,017,018
Long Term Portion of Musharaka and Murabaha Finances	5	643,754,329	593,776,835
Investment Property	8	618,651,590	679,279,440
Property, Plant and Equipment - Owned	9	28,759,405	66,119,160
Capital work in progress	10	329,112,288	250,871,188
Property, Plant and Equipment - Ijarah/Leased	11	254,877,370	289,634,681
Total non-current assets		1,884,759,499	1,892,635,322
Total Assets		3,614,570,743	3,643,074,397
LIABILITIES			
Current liabilities			
Murabaha, Musharaka and Finance under Mark-up Arrangements	12	894,143,040	1,587,796,827
Diminishing Musharaka Based TFCs		80,000,000	80,000,000
Customer security Deposits		6,419,434	15,550,542
Creditors, Accrued and Other Liabilities		47,970,322	72,534,814
Accrued profit on borrowings		173,902,000	199,191,412
Profit Payable		21,444,952	21,454,898
Total current liabilities		1,223,879,748	1,976,528,493
Non-current liabilities			
Long Term Portion of Murabaha and Finance under Mark-up Arrangements	12	793,332,430	158,866,672
Diminishing Musharaka Based TFCs		720,000,000	720,000,000
Long Term Portion of Customer Security Deposits		144,902,603	146,563,846
Long Term Portion of Rentals Received in Advance		8,221,582	8,221,582
Total non-current liabilities		1,666,456,615	1,033,652,100
Total Liabilities		2,890,336,363	3,010,180,593
NET ASSETS		724,234,380	632,893,804
REPRESENTED BY			
Certificate Capital		780,462,550	780,462,550
Capital Reserve		488,522,189	488,522,189
Revenue Reserve		56,000,000	56,000,000
Accumulated Loss		(627,091,024)	(662,956,126)
Unrealised Gain/(Loss) on Available-for-Sale Investments - Net		26,340,665	(29,134,809)
COMMITMENTS	13	724,234,380	632,893,804

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For B.R.R Investments (Private) Limited
(Management Company)

Chief Executive Officer

Director

Director



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2010

	Note	Half year ended 31 December		Quarter ended 31 December	
		2010	2009	2010	2009
		-----Rupees-----		-----Rupees-----	
Income from Leasing Operations		64,981,040	92,284,352	13,995,117	25,578,104
Profit on :					
Musharaka and Murabaha Finances		122,017,504	95,794,002	65,611,924	57,167,551
Bank Deposits		4,468,039	5,647,903	1,278,955	4,436,184
Term Finance Certificates		19,137,476	11,189,177	10,594,360	4,995,270
Placements with Financial Institutions		481,194	-	464,379	-
Dividend Income		4,475,259	8,940,896	964,904	6,909,505
(Loss)/Gain on Sale of Investments		(11,369,298)	27,036,603	(13,552,874)	10,115,683
Share of loss of associates		-	(7,064,057)	-	(7,064,057)
Rental Income		45,179,675	41,229,748	25,006,705	24,931,255
Net Unrealized (Loss)/Gain on investments-at fair value through profit and loss		(773,894)	-	384,675	-
		<u>248,596,995</u>	<u>275,058,624</u>	<u>104,748,145</u>	<u>127,069,495</u>
Financial Charges		(184,016,531)	(161,290,405)	(93,022,016)	(89,129,891)
Impairment Loss		(29,172,452)	(34,063,472)	(29,172,452)	(34,063,473)
Amortisation on Leased Assets		(32,635,926)	(84,697,869)	(11,798,182)	(36,679,672)
		<u>2,772,086</u>	<u>(4,993,122)</u>	<u>(29,244,505)</u>	<u>(32,803,541)</u>
Operating Expenses		(52,151,314)	(49,858,880)	(27,690,511)	(26,237,717)
		<u>(49,379,228)</u>	<u>(54,852,002)</u>	<u>(56,935,016)</u>	<u>(59,041,258)</u>
Other Income	14	90,430,495	13,954,892	88,695,671	12,809,165
Provision for doubtful receivables - net		(1,201,154)	(55,934,968)	(1,201,154)	(55,934,968)
		<u>39,850,113</u>	<u>(96,832,078)</u>	<u>30,559,501</u>	<u>(102,167,061)</u>
Modaraba Company's Management Fee		(3,985,011)	-	(3,055,950)	533,498
Profit/(loss) before taxation		<u>35,865,102</u>	<u>(96,832,078)</u>	<u>27,503,551</u>	<u>(101,633,563)</u>
Taxation	15	-	-	-	-
Profit/(loss) after taxation		<u><u>35,865,102</u></u>	<u><u>(96,832,078)</u></u>	<u><u>27,503,551</u></u>	<u><u>(101,633,563)</u></u>
Basic/Diluted earnings per certificate		<u>0.46</u>	<u>(1.24)</u>	<u>0.35</u>	<u>(1.30)</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For B.R.R Investments (Private) Limited
(Management Company)

Chief Executive Officer

Director

Director



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2010

	<u>For the half year ended</u>		<u>For the quarter ended</u>	
	<u>31 December 2010</u>	<u>31 December 2009</u>	<u>31 December 2010</u>	<u>31 December 2009</u>
	-----Rupees-----			
Profit/(loss) after taxation	35,865,102	(96,832,078)	27,503,551	(101,633,563)
Other comprehensive income				
Other comprehensive income-unrealized gain on available-for-sale investments	26,340,665	(69,089,884)	(7,474,099)	(15,165,311)
Total comprehensive income/(loss) for the period	<u>62,205,767</u>	<u>(165,921,962)</u>	<u>20,029,452</u>	<u>(116,798,874)</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For B.R.R Investments (Private) Limited
(Management Company)

Chief Executive Officer

Director

Director



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2010

	31 December 2010	31 December 2009
	------(Rupees)-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) for the Period	35,865,102	(96,832,078)
Adjustment for Non-Cash charges and Other Items		
Depreciation	21,990,367	22,236,515
Amortisation	32,635,926	84,697,869
Impairment loss on	29,172,452	34,063,473
Share of loss from associate	-	7,064,057
Fixed Capital Expenditure on Assets Leased Out	-	(11,559,200)
Proceeds on Disposal of Assets Leased Out	-	60,729,580
Profit on Sale of Assets Leased Out	(8,798,941)	(11,500,000)
Profit on Sale of Assets in own used	(70,385,722)	(580,307)
Financial Charges	184,016,531	160,976,316
Gain on Sale of Investments	11,369,298	-
Profit on Term finance certificates	(19,137,476)	-
Profit on Musharaka and Murabaha Finances	(122,017,504)	-
Net Unrealized Gain on Investments-Held for trading	773,894	-
Reversal for doubtful receivables-net	1,225,531	55,934,968
Income on Investments	-	(47,166,676)
	<u>60,844,356</u>	<u>354,896,595</u>
	96,709,458	258,064,517
(Increase)/Decrease in Current Assets		
Lease Rentals Receivable	(14,782,665)	23,144,390
Loans, Advances and Prepayments	(623,689)	(4,920,292)
Accrued profit	-	(24,056,554)
Other Receivables	(70,272,290)	(26,753,578)
	<u>(85,678,644)</u>	<u>(32,586,034)</u>
Increase/(Decrease) in Current Liabilities		
Creditors, Accrued and Other Liabilities	(24,125,259)	22,470,332
Decrease in Customers Security Deposits	(10,792,354)	(12,191,679)
	<u>(34,917,613)</u>	<u>10,278,653</u>
Income tax paid	(2,385,369)	(553,107)
Net Cash (Outflow)/Inflow From Operating Activities	<u>(26,272,168)</u>	<u>235,204,029</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Decrease /(increase) Investments	69,811,085	(138,255,419)
Increase in Musharaka and Murabaha Finances	(59,125,327)	(648,685,992)
Fixed Capital Expenditure on Assets in Own Use	(79,594,429)	(1,580,000)
Fixed capital expenditure on capital work in progress - Own	-	(57,854,159)
Fixed Capital Expenditure on Investment Property	43,875,000	(60,800,000)
Proceeds on Disposal of Assets in Own Use	103,820,289	1,273,919
Fixed Capital Expenditure on leased/ijarah asset	19,342,031	-
Income received on investments	-	45,046,564
Income received on TFCs	16,618,354	-
Income received on musharaka	138,652,077	-
Net Cash Inflow/(Outflow) from Investing Activities	<u>253,399,080</u>	<u>(860,855,087)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(9,946)	(13,838)
Financing Activities		
Murabaha and finance under mark-up arrangements	(59,188,029)	824,423,923
Financial Charges Paid	(209,745,176)	(127,178,672)
Net Cash (Outflow)/Inflow from Financing Activities	<u>(268,933,205)</u>	<u>697,245,251</u>
Net Decrease in Cash and Cash Equivalents	<u>(41,816,239)</u>	<u>71,580,355</u>
Cash and Cash Equivalents at the Beginning of the Period	105,241,517	66,287,941
Cash and Cash Equivalents at the End of the Period	<u>63,425,278</u>	<u>137,868,296</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For B.R.R Investments (Private) Limited
(Management Company)

Chief Executive Officer

Director

Director



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Certificate capital	Capital Reserve		General reserve	Unrealized Gain/(Loss) on Investments	Accumulated loss	Total
		Profit Prior to Floatation	Statutory Reserve				
-----Rupees-----							
Balance as at July 01, 2009	780,462,550	10,532,683	477,989,506	56,000,000	(82,842,413)	(501,722,395)	740,419,931
Profit for the half yearly ended 31 December 2009	-	-	-	-	-	(96,832,077)	(96,832,077)
Other comprehensive income-unrealized gain on available-for-sale investment	-	-	-	-	13,752,529	-	13,752,529
Balance as at December 31, 2009	780,462,550	10,532,683	477,989,506	56,000,000	(69,089,884)	(598,554,472)	657,340,383
Profit for the half yearly ended 30 June 2010	-	-	-	-	-	(64,401,654)	(64,401,654)
Other comprehensive income-unrealized gain on available-for-sale investment	-	-	-	-	39,955,075	-	39,955,075
Balance as at June 30, 2010	780,462,550	10,532,683	477,989,506	56,000,000	(29,134,809)	(662,956,126)	632,893,804
Profit for the half yearly ended 31 December 2010	-	-	-	-	-	35,865,102	35,865,102
Other comprehensive income-unrealized gain on available-for-sale investment	-	-	-	-	55,475,474	-	55,475,474
Balance as at 31 December 2010	780,462,550	10,532,683	477,989,506	56,000,000	26,340,665	(627,091,024)	724,234,380

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

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

Chief Executive

Director

Director



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

1. LEGAL STATUS AND NATURE OF THE BUSINESS

B.R.R. Guardian Modaraba (BRRGM) is a multipurpose, perpetual Modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by B.R.R. Investments (Private) Limited, a company incorporated in Pakistan. The address of its registered office is 1500-A, Saima Trade Towers, I.I Chundrigar Road, Karachi. The Modaraba is listed on the Karachi Stock Exchange.

The Modaraba's principal activity is leasing of assets, deployment of funds in musharaka, murabaha and investment in properties and equity securities. The Modaraba also provides custodial and management services.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with International Accounting Standard- 34 "Interim Financial Reporting" as applicable in Pakistan.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Modaraba for the year ended 30 June 2010.

These condensed interim financial statements are unaudited but subject to limited scope review by the auditors except for the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2010 and 31 December 2009.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Modaraba's annual financial statements for the year ended 30 June 2010.

The company has adopted the following amended IFRS and related interpretations which

IAS 32 - Financial Instruments: Presentation - Classification of Rights Issues (Amendment)

IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments

In April 2009, International Accounting Standards Board issued amendments to various standards primarily with a view to removing inconsistencies and clarifying

IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operations

IFRS 8 - Operating Segments

IAS 1 - Presentation of Financial Statements

IAS 7 - Statement of Cash Flows

IAS 17 - Leases

IAS 36 - Impairment of Assets

IAS 39 Financial Instruments: Recognition and measurement

The adoption of the above standards, amendments / improvements and interpretations did not have any effect on these condensed interim financial statements.

4. CASH AND BANK BALANCES

	Note	(Un-Audited) 31 December 2010	(Audited) 30 June 2010
With State Bank of Pakistan		18,871	21,753
With Banks on:			
- PLS Saving Accounts	4.1	56,069,287	104,725,489
- Current Accounts		7,199,029	394,823
Cash in Hand		138,091	99,452
		<u>63,425,278</u>	<u>105,241,517</u>

4.1 These carry profit at rates ranging from 5.00% to 11.50% (30 June 2010: 3.00% to 11.00%).



B.R.R. GUARDIAN MODARABA
(An Islamic Financial Institution)

	Note	(Un-Audited) 31 December 2010	(Audited) 30 June 2010
------(Rupees)-----			
5. MUSHARAKA AND MURABAHA FINANCES			
Musharaka Finances	5.1	1,716,478,233	1,656,352,906
Murahaba Finances		<u>1,383,284</u>	<u>2,383,284</u>
		1,717,861,517	1,658,736,190
Less: Long Term Portion			
Musharaka Finances	5.1	643,754,329	593,776,835
Less : Provision		<u>315,060,811</u>	<u>312,299,608</u>
		<u>759,046,377</u>	<u>752,659,747</u>

5.1 The Modaraba has provided funds under musharaka arrangements for working capital requirements on profit and loss sharing basis. Expected rate of profit ranges from 13.00% to 21.50% (30 June 2010: 16.76% to 18.00%) per annum. All musharaka arrangements are secured against hypothecation of assets, personal guarantees and promissory notes. Financing has a maximum maturity upto 2017 (30 June 2010: 2017)

	Note	(Un-Audited) 31 December 2010	(Audited) 30 June 2010
------(Rupees)-----			
6. SHORT TERM INVESTMENTS			
At Fair Value through Profit and Loss			
Investment in Listed Companies and Mutual Funds	6.1	43,708,246	-
Available for Sale:			
Investment in Listed Companies and Mutual Funds	6.2	130,932,663	205,904,744
Investment in Unlisted Companies	6.3	225,029,476	225,029,476
Investment in Debt Securities	6.4	233,122,259	264,354,712
		<u>589,084,398</u>	<u>695,288,932</u>
		<u>632,792,644</u>	<u>695,288,932</u>

6.1 Held for trading: Investments in listed companies and mutual funds

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

(Un-Audited) 31 December 2010	(Audited) 30 June 2010		(Un-Audited) 31 December 2010	(Audited) 30 June 2010
No. of shares/units		Name of Investee	------(Rupees)-----	
		Equity Investment Instruments		
408,000	-	First Dawood Mutual Fund	816,000	-
		Financial Services		
55,000	-	Arif Habib Securiteis Limited	1,368,950	-
		Personal Goods		
10,000	-	Artistic Denim Mills Limited	235,000	-
50,000	-	Azgard Nine Limited Convertible	483,000	-
35,000	-	Amtex Limited	141,750	-
7,800	-	BATA Paksitan Limited	5,375,370	-
100,000	-	Zephyr Textile Limited	392,000	-
55,000	-	Ghani Gasses Limited	631,950	-
150,000	-	Lotte Pakistan PTA Limited	2,055,000	-
25,000	-	Nishat Chunian Limited	568,000	-
		Cement		
55,000	-	D.G. Khan Cement Company Limited	1,659,350	-
10,000	-	Lucky Cement Limited	757,900	-
		Electricity		
5,000	-	Japan Power Generator Limited	8,450	-
25,000	-	Nishat Power Limited	405,750	-
		Oil & Gas		
45,000	-	Attock Refinery Limited	5,610,600	-
12,500	-	National Refinery Limited	3,422,375	-
20,000	-	Pakistan Oilfields Limited	5,919,200	-
10,000	-	Pakistan Petroleum Limited	2,171,500	-
5,000	-	Pakistan Refinery Limited	538,600	-
7,500	-	Pakistan State Oil Company Limited	2,213,850	-
		Gas Water & Multiutilities		
36,293	-	Sui Northern Gas Pipelines Limited	970,475	-
		Automobile Assembler		
11,570	-	Al Ghazi Tractor Limited	2,626,390	-
2,500	-	Indus Motors Company	631,175	-
		Chemicals		
5,000	-	ICI Pakistan Limited	721,200	-
25,000	-	Sitara Peroxide Limited	331,251	-
10,000	-	Engro Chemical Pakistan Limited	1,938,100	-
		General Industrial		
11,000	-	Security Papers Limited	493,460	-
10,000	-	Tri-Pack Films Limited	1,221,600	-
			<u>43,708,246</u>	<u>-</u>



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6.2 Available for sale: Investments in listed companies and mutual funds

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

(Un-Audited) 31 December 2010	(Audited) 30 June 2010	Name of Investee	(Un-Audited) 31 December 2010	(Audited) 30 June 2010
No. of shares/units			------(Rupees)-----	
		Open-end Mutual Fund		
55,415	55,415	NIT Units	1,739,477	1,553,282
77,187	77,187	Pakistan Stock Market Fund (Par value Rs. 50)	4,556,349	4,580,277
		Equity Investment Instruments		
1,046,281	1,046,281	First Dawood Mutual Fund	2,092,562	1,694,975
75,000	5,400,000	Namco Balance Fund	309,750	18,792,000
37,500	37,500	Pakistan Strategic Allocation Fund	250,875	256,875
-	105,000	PICIC Growth Fund	-	972,300
-	389,000	First Equity Modaraba	-	486,250
-	120,000	First Habib Modaraba (Par value Rs. 5)	-	804,000
		Financial Services		
-	25,000	Arif Habib Limited		1,100,000
1,935,506	1,935,506	Dawood Capital Management Limited	3,754,882	3,851,657
2,499,000	2,499,000	Dawood Equities Limited	4,498,200	4,748,100
10,000	50,068	Jahangir Siddiqui Company Limited	109,000	632,860
50,000	50,000	Javed Omer Vohra and Company Limited	200,004	267,000
-	354	Trust Investment Bank Limited	-	956
		Personal Goods		
35,000	35,000	Artistic Denim Mills Limited	822,500	714,700
-	5,000	Azgard Nine (Non-Con Preference Shares)	-	55,800
-	1,031	Azgard Nine Limited Convertible	-	6,186
-	126,500	(Colony) Thal Textile Mills Limited	-	188,485
300	300	Ghazi Fabrics Industries Limited	1,215	600
10,000	10,000	Gul Ahmed Textile Mills Limited	292,400	185,300
3,234	8,859	Sapphire Fibres Limited	417,509	907,250
8,890	8,890	Sapphire Textiles Mills Limited	897,890	968,121
-	286,500	Zephyr Textile Limited	-	721,980
-	20,000	Dawood Lawrancepur Limited	-	918,000
-	25,000	Ghani Gasses Limited	-	242,000
-	75,000	Lotte Pakistan PTA Limited	-	604,500
20,000	20,000	Nishat Chunian Limited	454,400	315,600
33,000	38,000	Nishat Mills Limited	2,117,610	1,638,560
		Sugar & Allied Industries		
-	1,600,000	Shakarganj Mills Limited (Preference shares)	-	4,816,000
		Cement		
25,000	164,000	D.G. Khan Cement Company Limited	754,250	3,873,680
10,000	20,000	Lucky Cement Limited	757,900	1,242,800
90	42,090	Maple Leaf Cement Factory Limited	258	130,900
-	80,000	Pioneer Cement Limited	-	509,600
		Electricity		
80,100	95,100	The Hub Power Company Limited	2,996,541	3,039,396
		Oil & Gas		
7,646	72,646	Attock Refinery Limited	953,303	5,852,362
15,000	15,000	Mari Gas Company Limited	1,874,550	1,940,700
6,540	29,040	National Refinery Limited	1,790,587	5,309,964
-	5,008	Pakistan Oilfields Limited	-	1,081,227
-	8,500	Pakistan Petroleum Limited	-	1,565,020
41,500	41,500	Pakistan Refinery Limited	4,470,380	3,260,655
22,556	30,056	Pakistan State Oil Company Limited	6,658,080	7,820,571
15,000	15,000	Shell Pakistan Limited	3,123,300	3,444,150
24,000	24,000	Shell(Gas) LPG Pakistan Limited	811,920	891,360
		Gas Water & Multiutilities		
30,000	17,489	Sui Northern Gas Pipelines Limited	802,200	833,700
21,861	17,489	Sui Southern Gas Company Limited	468,263	278,250



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(Un-Audited) 31 December 2010	(Audited) 30 June 2010		(Un-Audited) 31 December 2010	(Audited) 30 June 2010
No. of shares/units				
		Engineering		
57,655	48,046	International Industries Limited	3,450,652	2,690,096
63,000	-	K.S.B Pumps Limited	3,786,930	-
		Automobile Assembler		
22,500	32,500	Al Ghazi Tractor Limited	5,107,500	6,574,425
-	65,000	Honda Atlas Cars Limited	-	846,950
-	10,500	Millat Tractors Limited	-	5,043,255
-	16,500	Pak Suzuki Motor Company Limited	-	1,307,955
		Industrial Transportation		
5,000	5,000	Pakistan National Shipping Corporation	189,750	199,450
5,000	5,000	Pakistan International Container Terminal Limited	363,750	375,000
		Fixed Line Telecommunication		
10,000	50,000	Pakistan Telecommunication Company Ltd.	194,200	890,000
-	100,000	Telecard Limited	-	266,000
		Pharmaceuticals		
53,500	63,000	Abbott Laboratories Pakistan Limited	5,871,090	5,836,950
25,000	25,000	GlaxoSmithKline Pakistan Limited	2,204,750	2,028,500
564	564	Highnoon Laboratories Limited	16,200	13,457
-	12,250	Searle Pakistan Limited	-	722,750
		Chemicals		
50,290	50,290	BOC Pakistan Limited	4,581,419	3,926,140
-	20,000	Clariant Pakistan Limited	-	2,987,200
-	9,350	Gatron (Industries) Limited	-	392,700
63,275	98,275	ICI Pakistan Limited	9,125,797	11,651,484
-	25,000	Sitara Peroxide Limited	-	222,000
40,000	-	Sitara Chemical Industries Limited	5,110,000	-
20,277	25,277	Dawood Hercules Limited	4,022,146	4,434,850
22,900	77,900	Engro Chemical Pakistan Limited	4,438,249	13,521,882
-	12,750	Engro Polymer & Chemicals Limited	-	128,010
19,700	19,700	Exide Pakistan Limited	3,866,125	3,317,283
50,831	173,331	Fauji Fertilizers Company Limited	6,397,590	17,865,226
		General Industrial		
-	35,000	Cherat Papersack Limited	-	1,074,500
-	40,000	Tri-Pack Films Limited	-	3,901,200
		Food & Personal Care-Products		
10,000	10,000	Treet Corporation Limited	600,500	414,600
5,400	5,400	Unilever Pakistan Limited (Par value Rs. 50)	23,544,918	20,979,000
		Household Goods		
6,050	6,050	Pak Electron Limited	84,942	70,483
		Software & Computer Services		
-	45,000	Netsol Technologies Limited	-	1,125,450
			130,932,663	205,904,744



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6.3 Available for sale: Investments in unlisted companies is as follows:

The holdings are in the fully paid ordinary shares of Rs. 10/- each.

(Un-Audited) 31 December 2010	(Audited) 30 June 2010	Name of Investee	(Un-Audited) 31 December 2010	(Audited) 30 June 2010
No. of shares			------(Rupees)-----	
637,449	637,449	Systems Limited	10,603,176	10,603,176
7,400,000	7,400,000	Dawood Family Takaful Limited	65,519,333	65,519,333
16,320,000	16,320,000	Dawood Islamic Bank	148,906,967	148,906,967
			<u>225,029,476</u>	<u>225,029,476</u>

6.4 Available For Sale: Investments in Debt Securities include the following:

Term Finance Certificates

(Un-Audited) 31 December 2010	(Audited) 30 June 2010	Name of Investee	(Un-Audited) 31 December 2010	(Audited) 30 June 2010
No. of certificates			------(Rupees)-----	
4,560	4,560	Avari Hotel Limited	22,034,744	24,830,870
12,000	12,000	Eden Housing Limited	25,001,250	45,000,000
500	500	Escort Investment Bank Limited.	1,239,084	1,651,245
6,000	6,000	Gharibwal Cement Company Limited	29,983,000	29,983,000
3,600	3,600	Grays Leasing Limited	4,000,000	6,500,000
7,333	7,333	Vision Developers (Pvt.) Limited	43,367,000	27,498,750
2,000	2,000	Razi Helth Care (Pvt) Limited	100,000,000	100,000,000
800	800	Optimus Limited	3,763,141	3,677,735
10,000	10,000	Flying Board and Paper Products Limited	50,000,000	50,000,000
			279,388,219	289,141,600
		Provision for impairment	(46,265,960)	(24,786,888)
			<u>233,122,259</u>	<u>264,354,712</u>

7. This includes Rs. 39 million (30 June 2010: Nil) and Rs. 37.632 (30 June 2010: Nil) million receivable from Equity International (Private) Limited and Dawood Islamic Bank Limited respectively against sale of properties.



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8. Investment property

Following additions and disposals in investment property, at cost, were made during the period:

	-----Additions-----		-----Disposals-----	
	(Unaudited) 31 December 2010	(Audited) 30 June 2010	(Unaudited) 31 December 2010	(Audited) 30 June 2010
Building on Leasehold Land	-	60,800,000	46,800,000	-

9. Property, Plant and Equipment-Owned

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

	-----Additions-----		-----Disposals-----	
	(Unaudited) 31 December 2010	(Audited) 30 June 2010	(Unaudited) 31 December 2010	(Audited) 30 June 2010
Building on leasehold land	-	-	48,180,441	-
Furniture and fixtures	-	396,000	-	-
Vehicles	988,950	5,780,503	3,561,862	5,099,600
Office equipment and appliances	323,379	602,262	539,400	35,000
	<u>1,312,329</u>	<u>6,778,765</u>	<u>52,281,703</u>	<u>5,134,600</u>

(Un-Audited) (Audited)
31 December June 30
2010 2010
------(Rupees)-----

10. Capital Work In Progress

Civil works - Dawood Islamic Tower	271,781,288	193,540,188
Advance for office premises - Jofa Tower	57,331,000	57,331,000
	<u>329,112,288</u>	<u>250,871,188</u>

11. Property, Plant and Equipment-Ijarah/Leased

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

	-----Additions-----		-----Disposals-----	
	(Unaudited) 31 December 2010	(Audited) 30 June 2010	(Unaudited) 31 December 2010	(Audited) 30 June 2010
Land and Building (Leasehold)	-	-	8,190,000	92,085,501
Plant and Machinery	-	3,515,200	64,930,198	190,183,840
Vehicles	41,000	14,381,185	62,087,891	62,952,179
Office Equipment and Appliances	-	-	1,087,555	15,365,014
	<u>41,000</u>	<u>17,896,385</u>	<u>136,295,644</u>	<u>360,586,534</u>

(Un-Audited) (Audited)
31 December June 30
2010 2010
------(Rupees)-----

12. MURABAHA, MUSKARAKA AND FINANCE UNDER MARK-UP ARRANGEMENTS

Murabaha arrangements	12.1	1,464,446,526	1,518,898,277
Musharaka arrangements	12.2	152,500,000	152,500,000
Mark-up arrangements	12.3	70,528,944	75,265,222
		1,687,475,470	1,746,663,499
Less: Long term portion		793,332,430	158,866,672
		<u>894,143,040</u>	<u>1,587,796,827</u>

12.1 Finance is subject to mark-up ranging from 14.97% to 15.22% (30 June 2010: 14.34% to 15.99%).

12.2 Finance is subject to mark-up ranging from 9.5% to 15.37% (30 June 2010: 10.51% to 15.99%).

12.3 Facility is subject to mark-up ranging from 14.59% to 14.67% (30 June 2010: 14.34% to 15.04%).



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13. COMMITMENTS

In respect of Dawood Islamic Tower Rs.128.219 million (30 June 2010: Rs.206.460 million).

	(Un-Audited) 31 December 2010	(Audited) 31 December 2009
	------(Rupees)-----	
14. OTHER INCOME		
Gain on disposal of property, plant and equipment-Ijarah/Leased	8,798,941	11,500,000
Gain on disposal of property and equipment-owned	70,385,722	592,566
Exchange gain	-	23,270
Others	11,245,832	1,839,056
	<u>90,430,495</u>	<u>13,954,892</u>

15. PROVISION FOR TAXATION

As per the Second Schedule to the Income Tax Ordinance, 2001, the income of a non-trading modaraba is exempt from income tax provided that it distributes 90% of its profits to its certificate holders for the year after making appropriation for statutory reserves. The modaraba intends to avail this exemption by distributing 90% of its profits to its certificate holders after making appropriation for statutory reserves. Accordingly, no provision in respect of current and deferred tax has been made in these condensed interim financial statements.

16. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include a subsidiary company, associated companies with or common directors, retirement benefit funds, directors and key management personnel.

The modaraba has related party relationship with its Management Company, Associated Undertakings, Employee Benefit Plans, and its Key Management Personnel.

A number of transactions are entered into with related parties in the normal course of business. These include financings, investments, borrowings, sharing of common expenses and rental income. These transactions are executed on the same terms as those prevailing at the time for comparable transactions with unrelated parties.

Relationship with the Company	Nature of Transactions	(Un-Audited) 31 December 2010	(Audited) 31 December 2009
		------(Rupees)-----	
Management Company	Management Fee Accrued	3,985,011	-
	Rent Received Accrued	1,912,716	1,738,896
Associated Undertakings	Profit Paid on Short Term Borrowing	-	1,294,521
	Rent Received	3,552,192	24,196,814
	Share of Common Expenses Received	5,915,880	10,899,774
	Investment made	632,400	-
	Recovery Against Investments	-	5,928,139
	Lease Rentals Received	1,400,000	9,211,620
	Deposits made	-	2,679,847,549
	Deposits withdrawn	-	2,612,340,542
	Net receivable on Settlement of Leased Assets	-	20,177,350
	Profit on Deposits	-	5,600,489
	Musharaka Facilities Received on Settlement of Receivable	120,463,387	-
	Sale of Investment Property	95,000,000	-
TFCs Received against settlement	7,849,942	-	
Transfer to Provident Fund	853,162	-	

17. DATE OF ISSUE

This condensed interim financial information was authorized for issue on 23 February, 2011 by the Board of Directors of B.R.R. Investments (Private) Limited.

18. GENERAL

18.1 Figures of interim condensed profit and loss account for the quarters ended December 31, 2010 and December 31, 2009 have not been subjected to limited scope review of the auditors.

18.2 Figures have been rounded off to nearest Rupee.

For B.R.R Investments (Private) Limited
(Management Company)

Chief Executive Officer

Director

Director

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