



INVESTMENTS

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786 INVESTMENTS LIMITED

FOR THE
QUARTER ENDED
MARCH 31, 2022
(UN-AUDITED)



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CORPORATE INFORMATION

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Board of Directors	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Ms. Charmaine Hidayatullah Syed Shabahat Hussain Mr. Naveed Ahmed Syed Musharaf Ali Mr. Iqbal Shafiq	Chairperson Chief Executive Officer Director Director Director Director Director
Chief Financial Officer & Company Secretary	Mr. Noman Shakir	
Audit Committee	Syed Shabahat Hussain Mr. Naveed Ahmed Syed Musharaf Ali	Chairman Member Member
Human Resource Committee	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Mr. Naveed Ahmed	Chairperson Member Member
Auditors	Grant Thornton Anjum Rahman Chartered Accountants	
Legal Advisor	Rauf & Ghaffar Law Associates (Advocates & Consultants) Suite # 65, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar – Karachi, Pakistan.	
Registrars	F.D. Registrar Services (SMC-Pvt.) Ltd. Office# 1705, 17th Floor Saima Trade Tower. A, I.I. Chundrigar Road, Karachi-74000, Pakistan.	
Banker:	Habib Metropolitan Bank Limited JS Bank Limited Al Baraka Bank (Pakistan) Limited	
Rating:	PACRA: AM3	



DIRECTORS' REPORT FOR THE QUARTER ENDED MARCH 31, 2022

It is a matter of honor for me to present on behalf of the Board of Directors (BODs) of 786 Investments Limited ("786" or the "Company") the reviewed financial statements of 786 along with the auditors reviewed report for the quarter ended March 31, 2022.

ECONOMY, MARKET & STOCK REVIEW

Economy Review & Outlook:

During the first quarter of the calendar year, Pakistan's economy maintained the growth momentum that had begun during FY21. Both the supply and demand sides contributed to this momentum. Higher economic activity contributed to improved tax revenues and a lower fiscal deficit. However, the substantial increase in global commodity prices contributed to a build-up in inflationary pressures and a widening current account deficit.

On the monetary side, the availability of affordable credit played a major role in propping up industrial activity, especially in the wake of rising input costs. Commercial banks' lending to private sector businesses rose by Rs.177.4 billion during first three months of FY22, compared to a net retirement of Rs.101.4 billion witnessed last year. Textiles, edible oil companies and oil refineries borrowed heavily for working capital, partly due to higher imported input costs. For export-oriented industries like textiles, the Export Finance Scheme and the Long-Term Financing Facility, along with continued disbursements under the Temporary Economic Refinance Facility, allowed them to borrow at concessional rates for working capital and fixed investment purposes respectively.

SBP External Relations Department report points out that this increased economic activity - coupled with rising imports, withdrawal of corporate income tax exemptions, increase in domestic prices, tax administration efforts and some budgetary measures - contributed to the sizable 38.3 percent growth in FBR taxes during first three months of FY22. The higher revenues allowed for a substantial rise in non-interest expenditures, stemming from an increase in development spending, purchase of Covid-19 vaccines, and power sector subsidies. As a result, the primary balance continued to remain in surplus. The fiscal position also materially benefited from the reduction in interest payments on both domestic and external debt. As a result, the fiscal deficit reduced to 0.8 percent of GDP from 1.0 percent last year.

Money Market Review & Outlook

Pakistan's central bank raised interest rates by 250 basis points following an emergency meeting, as escalating political chaos at home and higher global oil prices threaten to spill over into a full blown economic crisis.

The key rate now stands at 12.25%, as stated by State Bank of Pakistan. This makes the real rate "mildly positive" and will help preserve external and price stability. "Heightened domestic political uncertainty" contributed to a 5% depreciation in the rupee, triggered a surge in local bond yields as well as Pakistan's Eurobond yields and CDS spreads, the central bank said. Oil prices will probably stay high and the U.S. Federal Reserve is also likely to tighten quicker than previously anticipated.

The extra yield investors demand to hold Pakistan's sovereign debt, on average, over U.S. Treasuries widened by 8 basis points on Thursday to 10.73 percentage points, according to JPMorgan Chase & Co. data, just above the 10-percentage point threshold for distressed debt. The rupee dropped 1.1%, most in two years, to a record low of 188.18 a dollar by the start of April-2022. Apart from money from the IMF, Pakistan's political situation is also contributing to delays in a planned \$1 billion green bond sale. A refinancing from China is also awaited -- the repayment in recent weeks had triggered the biggest drop in Pakistan's foreign-exchange reserves in data going back to 2010.

Pakistan's central bank had warned in its meeting held in March-2022 that it may meet earlier than scheduled to contain any blowout. It raised its average inflation forecast to slightly above 11% for the fiscal year ending June from 9%-11%.

Stock Market Review & Outlook:

Amid looming uncertainty on the political front and rising oil prices in the international market, the bears regained control of the Pakistan stock market in the outgoing week, droving the index back into the negative territory. The benchmark KSE-100 index dropped 898 points or 2.02% to close at 43,653 points.



The market commenced the week on a negative note on wiping-off 1,284 points day-on-day as international oil prices touched a 14-year high (Brent rose to \$139 per barrel) since US and EU discussed banning Russian oil imports, raising concerns over the current account position. Moreover, the submission of a no-confidence motion against Prime Minister Imran Khan by the Opposition parties in the National Assembly added to the woes of the investors.

Later during the week, the international oil prices witnessed a hefty drop led by a statement from UAE's ambassador to the USA urging OPEC to increase production, which cushioned the overall dip (adding back 810 points day-on-day to the index). Other major developments during the week were: Engro Powergen Thar Limited (EPTL) said the recent explosion caused no major damage, 6-month KIBOR reached 11.93%, foreign exchange reserves decline \$207 million, UAE wants to acquire Guddu Power Plant, and Oil and Gas Regulatory Authority (OGRA) backs diversifying oil suppliers, inter oil marketing companies (OMCs) sales. Meanwhile, foreign selling was witnessed this week, clocking in at \$3.13 million against a net sell of \$0.97 million recorded last week. Selling was witnessed in banks (\$4.4 million), and textiles (\$0.4 million).

Company Performance Review:

The Company's gross earnings during the period stood at PKR 12.43 million as compared to PKR 10.65 million in the same period last year. Total expenses were PKR 19.72 million as compared to PKR 17.21 million in the same period last year. Share of associates shows a Profit of PKR 13.09 million as compared to PKR 5.076 million the same period last year. Net Profit for the period was PKR 4.03 million as opposed to a profit of PKR 3.94 million in the same period last year.

Future Plans:

786IL in anticipation of post COVID-19, is keen to strategically focus on ease of both operations and customer access to information and our team, maintaining post COVID-19 measures with an emphasis on virtual, safer communications and elimination of paper for reasons of health and safety, as well as to be a more sustainable, purpose-driven, eco-friendly role model among asset management companies.

Our objective for the year is to grow Asset under Managements (AUM) through an effective virtual, social media driven sales strategy.

Acknowledgement:

The Directors wish to express their gratitude to the Securities & Exchange Commission of Pakistan (SECP) and other regulatory bodies for their valuable support, assistance, and guidance. The Board also thanks the employees of the Asset Management Company, the Trustee for their dedication and hard work, and the unitholders for their confidence in the Management.

----SD----

Director

----SD----

Director



786 انویسٹمنٹ لمیٹڈ ڈائریکٹرز کی رپورٹ برائے 31 مارچ 2022ء مختصر نمائش

یہ میرے لیے بڑے اعزاز کی بات ہے کہ 786 انویسٹمنٹ لمیٹڈ ("786" یا "کمپنی") کے بورڈ آف ڈائریکٹرز (BODs) کی جانب سے، میں 786 گروپ کی 31 مارچ 2022 کو ختم ہونے والی سہ ماہی کے لئے آڈیٹرز کی جائزہ شدہ رپورٹ کے ہمراہ نظر ثانی شدہ مالیاتی گوشوارے پیش کر رہا ہوں۔

اقتصادی، مارکیٹ اور اسٹاک کا جائزہ

اقتصادی جائزہ اور مستقبل کا نقطہ نظر:

کیلنڈر سال کی پہلی سہ ماہی کے دوران، پاکستان کی معیشت نے ترقی کی اس رفتار کو برقرار رکھا جو مالی سال 21 کے دوران شروع ہوئی تھی۔ طلب اور رسد دونوں نے اس رفتار میں حصہ ڈالا۔ اعلیٰ اقتصادی سرگرمیوں نے ٹیکس محصولات میں بہتری لانے اور مالیاتی خسارے کو کم کرنے میں اہم کردار ادا کیا۔ تاہم، اجناس کی عالمی قیمتوں میں خاطر خواہ اضافے نے افراط زر کے دباؤ میں اضافے اور کرنٹ اکاؤنٹ خسارے کو بڑھانے میں اہم کردار ادا کیا۔

مالیاتی لحاظ سے، سستے کرڈٹ کی دستیابی نے صنعتی سرگرمیوں کو فروغ دینے میں، خاص طور پر بڑھتے ہوئے ان پٹ اخراجات کے تناظر میں اہم کردار ادا کیا۔ کمرشل بینکوں کی جانب سے مالی سال 22 کے پہلے تین مہینوں کے دوران نجی شعبے کے کاروباروں کو 177.4 بلین روپے کا قرضہ دیا گیا، جبکہ گزشتہ سال 101.4 بلین روپے کی خالص ریٹائرمنٹ دیکھی گئی تھی۔ ٹیکسٹائل، خوردنی تیل کی کمپنیوں اور آئل ریفائنریوں نے ورکنگ کپٹل کے لیے بہت زیادہ قرض لیا، جس کی ایک وجہ درآمدی لاگت کا بڑھ جانا ہے۔ ٹیکسٹائل جیسی برآمدی صنعتوں کے لیے، ایکسپورٹ فننس اسکیم اور طویل مدتی مالیاتی سہولت کے ساتھ ساتھ عارضی اقتصادی ری فننس سہولت کے تحت جاری ادائیگیوں نے انہیں بالترتیب ورکنگ کپٹل اور مقررہ سرمایہ کاری کے مقاصد کے لیے رہائی شروحوں پر قرض لینے کی اجازت دی۔

بینک دولت پاکستان کے شعبہ بیرونی تعلقات کی رپورٹ بتاتی ہے کہ مالی سال 22 کے پہلے تین ماہ کے دوران درآمدات میں اضافہ، کارپوریٹ انکم ٹیکس کی چھوٹ کی واپسی، مقامی قیمتوں میں اضافہ، ٹیکس انتظامیہ کی کوششوں اور بجٹ کے چند اقدامات کے ساتھ ساتھ اس بڑھی ہوئی معاشی سرگرمی نے ایف بی آر کے ٹیکسوں میں 38.3 فیصد کی نمایاں نمو میں حصہ لیا۔ زیادہ محصولات نے غیر سودی اخراجات، جو ترقیاتی اخراجات میں اضافہ، COVID-19 ویکسین کی خریداری، اور پاور سیکٹر کی سسٹمی سے پیدا ہونے میں خاطر خواہ اضافے کی اجازت دی ہے۔ نتیجے کے طور پر، بنیادی توازن سرپلس میں رہا ہے۔ ملکی اور بیرونی قرضوں پر سود کی ادائیگیوں میں کمی سے مالیاتی پوزیشن کو بھی مادی طور پر فائدہ ہوا۔ اس کے نتیجے میں، مالیاتی خسارہ گزشتہ سال کے 1.0 فیصد سے کم ہو کر جی ڈی پی کا 0.8 فیصد رہ گیا۔

مٹی مارکیٹ کا جائزہ اور مستقبل کا نقطہ نظر

سنٹرل بینک آف پاکستان نے اندرون ملک بڑھتی ہوئی سیاسی اور اقتصادی عالمی سطح پر تیل کی قیمتوں میں اضافے سے معاشی بحران کے مکمل طور پر پھیلنے کے خطرہ کے باعث ہنگامی اجلاس کے بعد شرح سود میں 250 بیس پوائنٹس کا اضافہ کر دیا ہے۔

اسٹیٹ بینک آف پاکستان کے مطابق، کلیدی شرح اب 12.25% پر ہے۔ یہ حقیقی شرح کو "معمولی مثبت" بناتی ہے اور بیرونی اور قیمت کے استحکام کو برقرار رکھنے میں مدد کرے گا۔ مرکزی بینک نے کہا کہ "زیادہ بڑھتی ہوئی مقامی سیاسی غیر یقینی صورتحال" نے روپے کی قدر میں 5 فیصد کمی کا باعث بنا، مقامی بانڈ کی پیداوار کے ساتھ ساتھ پاکستان کی یورو بانڈ کی پیداوار اور CDS سپریمیز میں اضافے کو متحرک کیا۔ تیل کی قیمتیں ممکنہ طور پر بلند رہیں گی اور یو ایس فیڈرل ریزرو کا بھی امکان ہے کہ وہ توقع سے زیادہ تیزی سے سخت ہو جائے۔

اضافی پیداوار والے سرمایہ کاروں کا مطالبہ ہے کہ پاکستان کے سو ریجن قرض کو او۔ سٹا۔ JPMorgan Chase & Co. کے اعداد و شمار کے مطابق، ڈسٹرلٹڈ قرض کے لیے 10 فیصد پوائنٹ کی حد سے بالکل اوپر جمعرات کو 8 بیس پوائنٹس بڑھا کر 10.73 فیصد پوائنٹس تک لے جایا جائے۔ اپریل-2022 کے آغاز تک روپیہ 1.1 فیصد گر کر، دوسرا سالوں میں سب سے زیادہ 188.18 ڈالر کی ریکارڈ کم ترین سطح پر آ گیا۔ آئی ایم ایف کی رقم کے علاوہ پاکستان کی سیاسی صورتحال بھی 1 بلین ڈالر کے گرین بانڈ کی فروخت میں تاخیر کا سبب بن رہی ہے۔ چین کی جانب سے ری فنانسنگ کا بھی انتظار ہے۔۔۔ حالیہ ہفتوں میں ادائیگی نے پاکستان کے غیر ملکی زرمبادلہ کے ذخائر میں سب سے بڑی کمی کو ختم دیا اور 2010 کے اعداد و شمار میں واپس پہنچا دیا تھا۔

پاکستان کے مرکزی بینک نے مارچ-2022 میں ہونے والے اپنے اجلاس میں خبردار کیا تھا کہ وہ کسی بھی دھچکے پر قابو پانے کے لیے مقررہ وقت سے پہلے اجلاس کر سکتے ہیں۔ اس نے جون میں ختم ہونے والے مالی سال کے لیے اپنی اوسط افراط زر کی پیش گوئی کو 9%-11% سے معمولی سا بڑھا کر 11% کر دیا۔

اسٹاک مارکیٹ کا جائزہ اور مستقبل کا نقطہ نظر:

سیاسی محاذ پر بڑھتی ہوئی غیر یقینی صورتحال اور بین الاقوامی مارکیٹ میں تیل کی بڑھتی ہوئی قیمتوں کے درمیان، سپریمیز نے گزشتہ ہفتے میں پاکستان اسٹاک مارکیٹ پر دوبارہ کنٹرول حاصل کر لیا، جس سے انڈیکس



دوبارہ منفی بیر یٹ میں چلا گیا۔ شیخ مارک KSE-100 انڈیکس 898 پوائنٹس یا 2.02 فیصد گر کر 43,653 پوائنٹس پر بند ہوا۔

مارکیٹ نے ہفتے کا آغاز یومیہ 1,284 پوائنٹس کی کمی سے منفی نوٹ پر کیا کیونکہ بین الاقوامی تیل کی قیمتیں 14 سال کی بلند ترین سطح (برینٹ بڑھ کر 139 ڈالر فی بیرل ہو گیا) پہنچ گئیں جب سے امریکہ اور یورپی یونین نے روسی تیل کی درآمدات پر پابندی عائد کرنے پر بات چیت کی، کرنٹ اکاؤنٹ پوزیشن پر خدشات بڑھ گئے ہیں۔ علاوہ ازیں قومی اسمبلی میں اپوزیشن جماعتوں کی جانب سے وزیراعظم عمران خان کے خلاف تحریک عدم اعتماد جمع کروانے سے سرمایہ کاروں کی پریشانیوں میں اضافہ ہو گیا ہے۔

بعد ازاں ہفتے کے دوران، تیل کی بین الاقوامی قیمتوں میں ہماری گراؤت دیکھی گئی جس کی قیادت یو اے ای کے سفیر برائے یو اے ای کے ایک بیان کے ذریعے کی گئی جس میں اوپیک پر زور دیا گیا کہ وہ پیداوار میں اضافہ کرے، جس سے مجموعی کمی (انڈیکس میں روزانہ واپس 810 پوائنٹس کا اضافہ) ہوئی۔ ہفتے کے دوران ہونے والی دیگر اہم پیشرفت یہ تھی: انٹرویو پاور جنٹر لمیٹڈ (ای پی ٹی ایل) نے کہا کہ حالیہ دھماکے سے کوئی بڑا نقصان نہیں ہوا، 6 ماہ کا کابھر 11.93 فیصد تک پہنچ گیا، زرمبادلہ کے ذخائر میں 207 ملین ڈالر کی کمی ہوئی، متحدہ عرب امارات گدو پاور پلانٹ حاصل کرنا چاہتا ہے، اور تیل اور گیس ریگولیٹری اتھارٹی (اؤگرا) تیل فراہم کرنے والی مختلف کمپنیوں، انٹر آئل مارکیٹنگ کمپنیوں (OMCs) کی فروخت کی حمایت کرتی ہے۔ دریں اثنا، اس ہفتے غیر ملکی فروخت دیکھی گئی، جو گزشتہ ہفتے ریکارڈ کی گئی 0.97 ملین ڈالر کی خالص فروخت کے مقابلے میں 3.13 ملین ڈالر تک پہنچ گئی۔ بیٹکوں میں (4.4 ملین ڈالر) اور ٹیکسٹائل میں (0.4 ملین ڈالر) فروخت کا مشاہدہ کیا گیا۔

کمپنی کی کارکردگی کا جائزہ

گزشتہ سال کی اسی مدت میں 10.65 ملین روپے کے مقابلے موجودہ مدت میں کمپنی کی مجموعی آمدنی 12.43 ملین روپے رہی۔ گزشتہ سال کی اسی مدت میں 17.21 ملین روپے کے مقابلے کل اخراجات 19.72 ملین روپے ہوئے۔ گزشتہ سال کی اسی مدت میں 5.076 ملین روپے نقصان کے مقابلے ایسوسی ایشن کے حصہ نے 13.09 ملین روپے کا منافع دکھایا ہے۔ گزشتہ سال اسی عرصہ میں 3.94 ملین روپے منافع کے خلاف موجودہ مدت کے لئے خالص منافع 4.03 ملین روپے ہوا۔

مستقبل کے منصوبے:

786IL کوویڈ-19 کے بعد کی توقع میں، حکمت عملی سے دونوں آپریشنز میں آسانی اور معلومات اور ہماری ٹیم تک صارفین کی رسائی، کوویڈ-19 کے بعد کے اقدامات کو برقرار رکھتے ہوئے ورچوئل، محفوظ مواصلات اور صحت کی بدولت کاغذ کے خاتمے پر زور دینے اور حفاظت، تیز اثاثہ جات کی انتظامی کمپنیوں کے درمیان ایک زیادہ پائیدار، بامقصد، ماحول دوست رول ماڈل ہونے پر توجہ مرکوز کرنے کی خواہاں ہے۔

سال کے لئے ہمارا مقصد بیلز حکمت عملی کی بدولت منوشرور چوکل، موٹل میڈیا کے ذریعہ ایسٹ انڈیٹری مینجمنٹ (اے یو ایم) کو بڑھانا ہے۔

اعتراف

ڈائریکٹرز سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور دیگر ریگولیٹری اداروں کے قابل قدر تعاون، مدد اور رہنمائی کے لیے ان کا شکریہ ادا کرتے ہیں۔ پورڈا ٹریڈ مینجمنٹ کمپنی کے ملازمین، ٹرسٹی کا ان کی لگن اور محنت کے لیے، اور یونٹ ہولڈرز کا مینجمنٹ پر ان کے اعتماد کے لیے بھی شکریہ ادا کرتے ہیں۔

-----SD-----
ڈائریکٹر

-----SD-----
ڈائریکٹر



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2022**

		(Un-Audited) March 31, 2022	(Audited) June 30, 2021
	Note	-----Rupees-----	
ASSETS			
Non-Current Assets			
Property and Equipment	6	936,847	2,052,245
Intangible Assets	7	865,687	969,570
Long-Term Investments	8	186,034,008	172,941,561
Long-Term Deposits		36,300	36,300
Total Non-Current Assets		187,872,842	175,999,676
Current Assets			
Short-Term Investments	9	40,624,377	42,305,175
Loans and Advances		330,000	-
Prepayments and Other Receivable	10	8,000,753	7,579,509
Receivable from Related Parties	11	3,568,498	1,938,496
Accrued Markup	12	238,625	2,431,517
Taxation-Net		6,974,588	6,664,825
Cash and Bank Balances	13	6,817,441	11,957,163
Total Current Assets		66,554,282	72,876,685
TOTAL ASSETS		254,427,124	248,876,361
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised Share Capital			
20,000,000 (June 2021: 20,000,000) Ordinary Shares of Rs. 10 Each		200,000,000	200,000,000
Issued, Subscribed and Paid Up Share Capital			
Ordinary Shares 14,973,750 (June 30, 2020: 14,973,750) of Rs. 10		149,737,500	149,737,500
General Reserves		33,630,264	33,630,264
Share of Other Comprehensive Income from Associate		182,232	182,232
Subordinated Loan From Director	14	22,000,000	22,000,000
Unappropriated Profit		28,617,004	24,580,088
Total Shareholders' Equity		234,167,000	230,130,084
Current Liabilities			
Accrued and Other Liabilities	15	19,261,382	17,747,535
Unclaimed Dividend		998,742	998,742
Total Current Liabilities		20,260,124	18,746,277
Total Liabilities		20,260,124	18,746,277
Contingencies and Commitments	16		
Total Equities and Liabilities		254,427,124	248,876,361

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For 786 Investments Limited
(Management Company)

----SD-----
Chief Executive Officer

----SD-----
Chief Financial Officer

----SD-----
Director



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2022**

		Nine Months Period Ended		Three Months Period Ended	
		2022	2021	2022	2021
Income	Note	----- Rupees -----			
Remuneration from Funds Under Management		10,098,013	6,543,462	3,559,313	2,003,902
Advisory Fee		833,334	833,334	277,778	277,778
Income on Term Finance Certificates		257,628	1,881,639	(924,842)	566,852
Income on Pakistan Investment Bonds		1,249,827	1,400,597	241,608	501,370
		12,438,802	10,659,032	3,153,857	3,349,902
Reclassification of Surplus on Investments		-	5,454,357	-	-
Net Unrealized Loss on Revaluation of Investments Classified As At Fair Value Through Profit Or Loss		(1,678,297)	(2,577,508)	(260,886)	(696,579)
		(1,678,297)	2,876,849	(260,886)	(696,579)
Expenses					
Administrative and Operating Expenses		(17,937,327)	(16,098,414)	(6,103,776)	(5,232,804)
Financial Charges		(1,786,400)	(1,114,510)	(698,097)	(503,726)
		(19,723,727)	(17,212,924)	(6,801,873)	(5,736,530)
Operating Loss		(8,963,222)	(3,677,043)	(3,908,902)	(3,083,207)
Other Operating Income		592,254	3,257,768	243,667	452,718
Share of Profit from Associate		13,092,447	5,076,453	4,551,214	1,706,937
Profit/(Loss) Before Taxation		4,721,479	4,657,178	885,979	(923,552)
Taxation	17	(684,563)	(715,487)	(23,965)	(86,189)
Net Profit/(Loss) for the Period		4,036,916	3,941,691	862,014	(1,009,741)
Earnings/(Loss) per Share for the Period - Basic and Diluted	18	0.27	0.26	0.06	(0.07)

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director



**STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2022**

	<u>Nine Months Period Ended</u>		<u>Three Months Period Ended</u>	
	2022	2021	2022	2021
	<u>----- Rupees -----</u>			
Net Profit/(Loss) for the Period	4,036,916	3,941,691	862,014	(1,009,741)
Other Comprehensive Income/(Loss)				
Reclassification of Surplus on Revaluation of Investments - At Fair Through Other Comprehensive Income	-	(5,454,357)	-	-
Share of Other Comprehensive Income From Associate	-	-	(50,373)	-
Other Comprehensive Income/(Loss)	-	(5,454,357)	(50,373)	-
Total Comprehensive Income/(Loss) for the Period	4,036,916	(1,512,666)	811,641	(1,009,741)

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

**For 786 Investments Limited
(Management Company)**

____SD____
Chief Executive Officer

____SD____
Chief Financial Officer

____SD____
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2022**

	Share capital	---Capital Reserve---		-----Revenue Reserve-----			
	Issued, subscribed and paid-up share capital	General reserve	Subordinated loan from director	Surplus on revaluation of Investments at other comprehensive income	Share of other comprehensive income from associate	Unappropriated profit	Total
	-----Rupees-----						
Balance as at July 1, 2020	149,737,500	33,630,264	-	5,454,357	236,114	21,311,258	210,369,493
Subordinated Loan from Director	-	-	22,000,000	-	-	-	22,000,000
Profit for the Period	-	-	-	-	-	3,941,691	3,941,691
Other Comprehensive Loss	-	-	-	(5,454,357)	-	-	(5,454,357)
Total Comprehensive Loss for the Period	-	-	-	(5,454,357)	-	3,941,691	(1,512,666)
Balance as at March 31, 2021	149,737,500	33,630,264	22,000,000	-	236,114	25,252,949	230,856,827
Balance as at July 1, 2021	149,737,500	33,630,264	22,000,000	-	182,232	24,580,088	230,130,084
Profit for the Period	-	-	-	-	-	4,036,916	4,036,916
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	-	-	4,036,916	4,036,916
Balance as at March 31, 2022	149,737,500	33,630,264	22,000,000	-	182,232	28,617,004	234,167,000

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2022**

	Nine Months Period Ended	
	March 31,	
	2022	2021
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Taxation	4,721,479	4,657,178
Adjustments for Non-Cash and Other Items:		
Depreciation on Property and Equipment	1,186,675	1,415,463
Amortization	103,883	103,883
Financial Charges	1,786,400	1,114,510
Mark Up Earned on Saving Account	(515,979)	(1,182,032)
Income on Pakistan Investment Bond	(1,249,827)	-
Income on Term Finance Certificates	(257,628)	-
Revaluation Gain on Investments - Fair Value Through Profit and Loss	1,678,297	-
Share of Profit From Associates'	(13,092,447)	(5,076,453)
	(10,360,626)	(3,624,629)
Working Capital Changes		
<i>Changes in Current Assets:</i>		
Loans and Advances	(330,000)	22,003
Receivable From Related Parties	(1,630,002)	1,167,688
Prepayments and Other Receivable	(421,244)	(715,785)
	(2,381,246)	473,906
<i>Changes in Current Liabilities:</i>		
Accrued and Other Liabilities	(263,592)	(216,080)
Cash (Used In)/Generated From Operations	(8,283,985)	1,290,375
Taxes Paid	(994,326)	(1,433,939)
Finance Cost Paid	(8,961)	(1,114,510)
Net Cash Used in Operating Activities	(9,287,272)	(1,258,074)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Made during the Period	-	(2,871,849)
Term Finance Certificate Redeemed	2,500	-
Long-Term Deposits and Prepayments	-	375,000
Receipt of Mark Up on Savings Account	1,050,561	3,140,158
Income Received on Term Finance Certificates	1,165,766	-
Income Received on Pakistan Investment Bond	2,000,000	-
Capital Expenditure Incurred	(71,277)	-
Net Cash Generated From/(Used In) Investing Activities	4,147,550	643,309
CASH FLOWS FROM FINANCING ACTIVITIES		
Subordinated Loan From Director	-	22,000,000
Net Cash Generated From Financing Activities	-	22,000,000
Net (Decrease)/Increase in Cash and Cash Equivalents	(5,139,722)	21,385,235
Cash and Cash Equivalents at Beginning of the Period	11,957,163	12,042,370
Cash and Cash Equivalents at End of the Period	6,817,441	33,427,605

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For 786 Investments Limited
(Management Company)

----SD-----
Chief Executive Officer

----SD-----
Chief Financial Officer

----SD-----
Director



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH AND QUARTER ENDED MARCH 31, 2022

1 STATUS AND NATURE OF BUSINESS

786 Investments Limited (the Company) was incorporated on September 18, 1990 as a public limited Company in Pakistan, under the repealed Companies Ordinance, 1984 with its registered office at G3, Ground Floor BRR Tower, Hassan Ali Street, Off I. I. Chundrigar Road, Karachi 74000. The Company is listed on the Pakistan Stock Exchange Limited. The Company has changed its name to 786 Investments Limited from Dawood Capital Management Limited with effect from 20 January, 2017 after completing regulatory formalities.

The Company is registered as a Non Banking Finance Company under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Company has obtained the licenses to carry out investment advisory services and asset management services under the NBFC Rules and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

The license to carry out "Asset Management Service" has been successfully renewed dated May 28, 2019 under Rule 5 of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 amended through S.R.O 1131(1) 2007, S.R.O 271(1) 2010, S.R.O 570(1)/2012 and S.R.O 1002(1)/2015 respectively.

The license to carry out "Investment Advisory Services" has been successfully renewed vide its letter No.SCD/AMCW/786IL/2020-109 dated November 12, 2020 with effect from May 26, 2019 and valid till May 25, 2022. Licence shall further be renewable by the Commission for next three years, subject to the compliance of the NBFC Rules and the NBFC Regulations.

In accordance with the requirement of Rule 9, of the Non-Banking Finance Companies (Establishment and regulation) Rules, 2003, the Company has obtained sufficient insurance coverage from Jubilee General insurance Company Limited against any loss that against financial losses that may be incurred as a result of employee's fraud or gross negligence. The insurance company has been assigned a credit rating of AA+ by the Pakistan Credit Rating Agency limited (PACRA).

The Pakistan Credit rating Agency (PACRA) has assigned the asset manager rating of AM3 to the company on December 24, 2021 (June 30, 2021: AM3).

The Company is currently acting as an Asset Management Company for 786 Smart Fund (Collective investment scheme).

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017.
- The Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (The NBFC Rules), and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations); and
- Directives issued by the SECP.

Where provisions of and directives issued under the Companies Act, 2017, The NBFC Rules, The NBFC Regulations and by the SECP differ with the requirements of IFRS the provisions of and directives issued under the Companies Act, 2017, The NBFC Rules, The NBFC Regulations and SECP have been followed.

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1)/2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and Section 237 of the repealed Companies Ordinance, 1984 are not applicable in case of investments made by companies in mutual funds established under Trust structure. Accordingly, the Company has not consolidated the financial position and result of operations of mutual funds managed by it in their condensed interim financial information.

This condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements at June 30, 2021.



The comparative condensed interim statement of financial position presented in these interim financial statements have been extracted from audited annual financial statements for the year ended June 30, 2021 whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited condensed interim financial statements for the period ended March 31, 2021.

These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain investments which are measured at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees, which is the functional currency of the Company.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the method of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2021.

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgement made by management in applying the Company's accounting policies and key sources of estimations and uncertainty were the same as those that applied to audited annual financial statements of the Company for the year ended June 30, 2021.

3.2 Standards, amendments and interpretations to published standards that may be relevant to the Company.

There are certain new and amended standards, interpretations and amendments that are mandatory for the company's accounting period beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore are not detailed in these condensed interim financial information.

3.3 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the company.

In addition certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.

3.4 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

4 SUMMARY OF SIGNIFICANT EVENTS OR TRANSACTIONS

There are no significant events or transactions during the period.

5 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual audited financial statements for the year ended June 30, 2021.



	(Un-Audited) March 31, 2022	(Audited) June 30, 2021
	-----Rupees-----	
6 PROPERTY AND EQUIPMENT		
Net book value		
Furniture and fixtures	290,678	330,056
Vehicles	367,189	1,206,194
Office equipment	51,073	195,579
Computers	227,907	320,416
	<u>936,847</u>	<u>2,052,245</u>
6.1 The following additions were made to property and equipment		
Computers	46,277	257,950
Office equipment	25,000	-
Computers	<u>71,277</u>	<u>257,950</u>
6.2 There is no disposal in property and equipments during the period.		
7 INTANGIBLE ASSETS		
Computer software	<u>865,687</u>	<u>969,570</u>
8 LONG-TERM INVESTMENTS		
Investments in associates		
786 Smart Fund	8.1 186,034,008	<u>172,941,561</u>
8.1 The abridged condensed interim financial information of 786 Smart Fund (the Fund) based on condensed interim financial statements as at March 31, 2022 is as follows:		
	(Un-Audited) March 31, 2022	(Audited) June 30, 2021
	-----Rupees-----	
Associate's statement of assets and liabilities		
Total assets	970,920,605	764,657,218
Total liabilities	<u>11,669,176</u>	<u>18,550,095</u>
Net assets	<u>959,251,429</u>	<u>746,107,123</u>
Number of units in issue	10,984,370	9,190,455
Net assets value per unit	87.33	81.18
	(Un-Audited) March 31, 2022	(Un-Audited) March 31, 2021
	-----Rupees-----	
Associate's income statement		
Total income	70,195,899	29,635,181
Net income	<u>63,772,392</u>	<u>19,822,191</u>
8.1.1 The Company exercises significant influence on 786 Smart Fund on the basis of percentage of shareholding in its units. This investment is accounted for using equity method in these interim financial statements as per IAS 28.		
8.1.2 For the purposes of applying the equity method of accounting, the financial statements of 786 Smart Fund for the nine months period ended March 31, 2022 have been used to reflect the profit/(loss) for the nine months period ended March 31, 2022.		



		(Un-Audited) March 31, 2022	(Audited) June 30, 2021
	Note	-----Rupees-----	
9 SHORT-TERM INVESTMENTS			
At fair value through -profit and loss			
Term finance certificates - unlisted	9.1	22,457,095	22,138,642
Pakistan investment bonds	9.2	18,167,282	20,166,533
		<u>40,624,377</u>	<u>42,305,175</u>

9.1 Term Finance Certificates - Unlisted

-Number of Certificates-		March 31, 2022		June 30, 2021	
March 31, 2022	June 30, 2021	Carrying value	Fair Value	Carrying value	Fair Value
		-----Rupees-----			
5,000	5,000	Silk Bank Limited	9.1.1	21,126,286	22,457,095
				21,128,786	22,138,642

9.1.1 Silk Bank Limited defaulted on its payment of principal and mark-up due on February 10, 2022. Consequently, the security was classified as non-performing by MUFAP on February 28, 2022 and accrual on the same was suspended. Term finance certificates carry profit equal to 6 months KIBOR plus 1.85% (June 30, 2021: 6 months KIBOR plus 1.85%) receivable half yearly in arrears and will mature in August 2025. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in last two (2) equal semi annual installments of 49.93%.

9.2 This Government securities - Pakistan investment bonds will mature latest by September 19, 2029 and carry interest at the rate of 12.14% (June 30, 2021: 12.14%).

		(Un-Audited) March 31, 2022	(Audited) June 30, 2021
		-----Rupees-----	
10 PREPAYMENTS AND OTHER RECEIVABLE			
Prepayments			
Insurance		111,338	124,834
Rent		499,447	116,121
Prepaid license renewal fee		125,000	500,000
Others		751,289	324,875
		<u>1,487,074</u>	<u>1,065,830</u>
Other receivable			
Federal excise duty		6,513,679	6,513,679
		<u>8,000,753</u>	<u>7,579,509</u>
11 RECEIVABLE FROM RELATED PARTIES			
Receivable against management fees		2,668,498	1,638,496
Receivable on account of advisory fees		900,000	300,000
		<u>3,568,498</u>	<u>1,938,496</u>
12 ACCRUED MARKUP			
Saving accounts		167,392	701,973
Term finance certificates		-	908,138
Pakistan investment bonds		71,233	821,406
		<u>238,625</u>	<u>2,431,517</u>



		(Un-Audited) March 31, 2022	(Audited) June 30, 2021
	Note	-----Rupees-----	
13 CASH AND BANK BALANCES			
Cash in hand		28,154	1,315
Cash at bank-saving accounts	13.1	6,789,287	11,955,848
		<u>6,817,441</u>	<u>11,957,163</u>

13.1 The balance in savings accounts carry profit at rates of 8.25% per annum (June 30, 2021: 5.5% per annum).

14 SUBORDINATED LOAN FROM DIRECTOR

This subordinated loan carries markup @ 3 Months KIBOR + 2 % (June 30, 2021: 3 Months KIBOR + 2%) and is repayable at the discretion of the Company. This loan has been classified as part of equity as per NBFC rules.

		(Un-Audited) March 31, 2022	(Audited) June 30, 2021
	Note	-----Rupees-----	
15 ACCRUED AND OTHER LIABILITIES			
Accrued expenses	15.1	8,839,834	9,422,153
Accrued mark-up on director loan		3,419,236	1,641,797
FED payable	15.2	6,513,677	6,513,677
Sales tax payable		454,162	165,570
Withholding tax payable		34,473	4,338
		<u>19,261,382</u>	<u>17,747,535</u>

15.1 This includes an amount of Rs. 7.866 million (June 30, 2021: Rs. 7.895 million) received from NCCPL being refund of tax amount with respect to funds under management. This amount will be disbursed to unit holders.

15.2 The legal status of applicability of Federal Excise Duty on the Company is same as disclosed in note 22.1.2 to the annual audited financial statements of the Company for the year ended June 30, 2021, and the appeal, filed by tax authorities against the order passed by Sindh High Court in the Honorable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

16 CONTINGENCIES AND COMMITMENTS

The current status of contingencies and commitments are same as disclosed in the annual audited financial statements as at June 30, 2021.

		(Un-Audited) March 31, 2022	(Un-Audited) March 31, 2021
	Note	-----Rupees-----	
17 TAXATION			
Current tax		684,563	715,487
Deferred tax	17.1	-	-
		<u>684,563</u>	<u>715,487</u>

17.1 Deferred tax asset amounting to Rs. 16.59 million (June 30, 2021: Rs. 17.29 million) has not been recognised in these financial statements as the Company is of the view that it is not probable that sufficient taxable profits will be available in the foreseeable future against which deductible temporary differences, unused tax losses and unused tax credits can be utilized. The accumulated tax losses, unabsorbed depreciation and amortization as at March 31, 2022 amounting to Rs. 57.56 million (June 30, 2021: Rs. 57.48 million).



		(Un-Audited)		(Un-Audited)	
		Nine Months Period Ended		Three Months Period Ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		----- Rupees -----		----- Rupees -----	
18 EARNINGS/(LOSS) PER SHARE					
Profit/(loss) for the period	Rupees	4,036,916	3,941,691	862,014	(1,009,741)
Weighted average number of ordinary shares outstanding during the period	Numbers:	14,973,750	14,973,750	14,973,750	14,973,750
Earning/(loss) per share	Rupees	0.27	0.26	0.06	(0.07)

18.1 Diluted earning/(loss) per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2022 and March 31, 2021 which would have any effect on the earning per share if the option to convert is exercised.

19 FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

19.1 Fair value hierarchy

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level - 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level - 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level - 3: fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of financial asset fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets that are recognised in the financial statements at fair value on a recurring basis, the Modaraba recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned below.

The table below shows the carrying amounts and fair values of a financial asset and financial liability including their fair value hierarchy for financial instruments measured at fair value.



March 31, 2022 (Un-audited)						
	Carrying amount		Fair Value hierarchy			
	Amortized cost	Total	Level 1	Level 2	Level 3	Total
-----Rupees-----						
Financial asset measured at fair value						
Term finance certificates (note 19.2.1)	21,126,286	-	-	22,457,095	-	22,457,095
Pakistan investment bonds (note 19.2.2)	20,166,533	20,166,533	-	18,167,282	-	18,167,282
	41,292,819	20,166,533	-	40,624,377	-	40,624,377

Financial asset not measured at fair value						
Long-term deposits (note 19.2.3)	36,300	36,300	-	-	-	-
Receivable from related parties (note 19.2.3)	3,568,498	3,568,498	-	-	-	-
Accrued markup (note 19.2.3)	238,625	238,625	-	-	-	-
Cash and bank balances (note 19.2.3)	6,817,441	6,817,441	-	-	-	-
	10,660,864	10,660,864	-	-	-	-

Financial Liabilities not measured at fair value						
Accrued and other liabilities (note 19.2.3)	12,259,070	12,259,070	-	-	-	-
	12,259,070	12,259,070	-	-	-	-

June 30, 2021 (Audited)						
	Carrying amount		Fair Value hierarchy			
	Amortized cost	Total	Level 1	Level 2	Level 3	Total
-----Rupees-----						
Financial asset measured at fair value						
Term finance certificates (note 19.2.1)	21,128,786	21,128,786	-	22,138,642	-	22,138,642
Pakistan investment bonds (note 19.2.2)	21,719,545	21,719,545	-	20,166,533	-	20,166,533
	42,848,331	42,848,331	-	42,305,175	-	42,305,175

Financial asset not measured at fair value						
Long-term deposits (note 19.2.3)	36,300	36,300	-	-	-	-
Receivable from related parties (note 19.2.3)	1,938,496	1,938,496	-	-	-	-
Accrued markup (note 19.2.3)	2,431,517	2,431,517	-	-	-	-
Cash and bank balances (note 19.2.3)	11,957,163	11,957,163	-	-	-	-
	16,363,476	16,363,476	-	-	-	-

Financial Liabilities not measured at fair value						
Accrued and other liabilities (note 19.2.3)	11,063,950	11,063,950	-	-	-	-
	11,063,950	11,063,950	-	-	-	-

19.2 Valuation techniques used in determination of fair values within level 2:

19.2.1 Investment in sukuk, issued by Silk Bank limited are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan (SECP).

19.2.2 The valuation of Pakistan Investment bonds has been done on the based on PKRV valuation technique taken by MUFAP.

19.2.3 The Company has not disclosed the fair values for these financial assets, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of fair value.

20 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of related group companies, directors, their close family members, senior executives, retirement benefit plans, major shareholders of the Company and funds under management. Transactions with the related parties during the year are as follows:

Transactions with connected persons are carried out in normal course of business at contracted rates and thus determined in accordance with the market terms.

Remuneration of the Management Company is determined in accordance with the provisions of the Regulations and the Trust Deed.



The Company has not entered into any transaction with director and senior executives other than those provided under the Company's policies and terms of employment.

Relationship with the Company	Nature of transactions during the period	(Un-Audited) March 31, 2022	(Un-Audited) March 31, 2021
-----Rupees-----			
Loan from director	Interest bearing subordinated loan	1,777,439	1,108,294
Mutual Funds managed by the Company (786 Smart fund - Associate)	Management Fee Charged - net of tax	10,098,013	6,543,462
	Sales tax on management Fee	1,312,742	850,650
	Accounting and operational charges	673,200	436,230
First Dawood Investment Bank Limited & Others Employees' Provident Fund	Provident fund contribution	533,867	468,576
Other paybales	Capital gain tax -repayment by NCCPL	2,562,547	2,562,547
B.R.R Guardian Modaraba	Rent charged during the period	1,115,015	1,053,833
Key Management Personnel	Remuneration	4,223,390	5,315,259
Dawood Family Takaful Limited	Insurance expense charged during the period	55,275	50,817
	Advisory fee	833,334	833,334
-----Rupees-----			
Relationship with the Company	Balances at period ended	(Un-Audited) March 31, 2022	(Audited) June 30 2021
-----Rupees-----			
Mutual Funds managed by the company (786 Smart fund - Associate)	786 Smart Fund 2,130,273 (June 30, 2021: 2,130,273) Units	186,034,008	172,941,561
	Receivable against management fees	2,668,498	1,638,496
Dawood Family Takaful Limited	Prepaid life insurance	14,333	12,135
	Advisory fee receivable	900,000	300,000
B.R.R Guardian Modaraba	Prepaid rent	499,447	116,121
ACCRUED AND OTHER LIABILITIES			
First Dawood Investment Bank Limited	Capital gain tax -repayment by NCCPL	2,562,547	2,562,547
BRR Investment (Private) Limited	Capital gain tax -repayment by NCCPL	1,072,778	1,081,901
Dawood Global Foundation	Capital gain tax -repayment by NCCPL	500,739	500,739
B.R.R. Guardian Modaraba	Capital gain tax -repayment by NCCPL	349,664	349,664

21. CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. Material corresponding figures which has been reclassified in these condensed interim financial statements during the period is presented below:

Reclassification:			(Audited) June 30, 2021 Rupees
At fair value through - profit or loss	From	To	
Pakistan Investment Bonds	Long term investments	Short-term investments	<u>20,166,533</u>



22. GENERAL

22.1 Figures have been rounded off to the nearest rupee.

23. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue in Board of Directors of the management company on _____ .

**For 786 Investments Limited
(Management Company)**

____SD____
Chief Executive Officer

____SD____
Chief Financial Officer

____SD____
Director



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