



**B.R.R. Investments (Pvt.) Ltd.**

The General Manager  
Pakistan Stock Exchange Ltd.  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

October 1, 2020

Sub: **Financial Results of B.R.R. Guardian Modaraba For the Year Ended June 30, 2020**

Dear Sir,

We have to inform you that the Board of Directors of B.R.R. Investment (Pvt) Limited Manager of B.R.R. Guardian Modaraba (BRRGM) in their meeting held on Thursday October 1, 2020 at 2:30 p.m. at 20<sup>th</sup> Floor, B.R.R. Tower, Hassan Ali Street Off: I.I. Chundrigar Road Karachi recommended the following:

(i) **CASH DIVIDEND**

It has been approved by the Board of Directors to issue cash dividend of Re. 0.78 per Modaraba Certificate i.e. 7.8%

(ii) **RIGHT SHARES**

It has been approved by the Board of Directors to issue Right Certificates amounting to Rs. 86,362,260/- divided into 8,636,226/- Certificate of Rs. 10 each at par i.e. 10% of existing paid-up Fund of Rs. 863,622,630/- subject to approval of Registrar Modaraba. The Material Information is attached and separate book closure of right certificate after approval from Registrar of Modaraba will be announced later, and right certificates will not be entitled for the cash dividend declared for the year ended June 30, 2020

(iii) **BONUS ISSUE** -NIL-

**AND/OR**

(iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION**

In continuation of our Material Information dated September 29, 2020 the SECP has not acceded approval for Reduction of Paid –up Fund, the Board of Directors have decided to withdraw the Reduction of Paid –up Fund of BRRGM.

In continuation of our letter dated July 16, 2020 the effective date of the Merger of wholly owned subsidiary BRR Financial Services (Private) Limited with and into BRRGM has been changed to July 1, 2020 in place of July 1, 2019

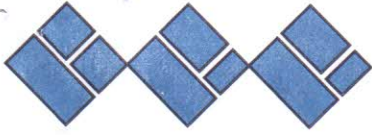
**AND/OR**

(v) **ANY OTHER PRICE-SENSITIVE INFORMATION** - NIL -

The Standalone & Consolidated Financial Results of BRRGM are enclosed.

The Annual Review Meeting of BRR Guardian Modaraba will be held on Wednesday October 28, 2020 at 5:00 p.m. through / via zoom Karachi,

The Certificate Transfer Books of the Modaraba will be closed from October 22, 2020 to October 28, 2020 (both days inclusive) the Transfers received at the Registrar Office, F.D. Registrar Services (Private) Ltd at 1705, 17<sup>th</sup> Floor, Saima Trade Towers A, I.I. Chundrigar Road, Karachi (Registrar Office) before the close of business hours on October 21, 2020 will be treated in time for the purpose of above entitlement.



**B.R.R. Investments (Pvt.) Ltd.**

Annual Report of the Modaraba will be transmitted through PUCARS at least 21 days before holding of Annual Review Meeting and we will send you 3 copies of Printed accounts for distribution amongst the TRE Certificate Holders of the exchange.

Yours Sincerely,

**Syed Tariq Masood**  
Chief Financial Officer

Cc,

The Commissioner  
Securities Market Division  
Securities & Exchange Commission of Pakistan  
Islamabad

The Registrar Modaraba  
Securities & Exchange Commission of Pakistan  
Specialized Companies Division  
Policy, Regulation and Development Department  
(Modaraba Wing)  
Islamabad

**B.R.R. GUARDIAN MODARABA  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2020**

	Note	June 30, 2020	June 30, 2019
		----- Rupees -----	
<b>INCOME</b>			
Rental income	28	211,608,670	192,095,570
Income on musharaka finances		13,232,502	6,142,983
Ijarah rental income - net	29	5,149,929	16,765,007
Return on investments - net	30	34,345,439	17,552,447
Profit on bank balances		824,331	563,566
Reversal of provision for doubtful receivables	31	23,283,745	51,896,319
Gain on disposal of ijarah assets		839,797	1,217,510
Other income	32	2,907,474	8,598,258
Reversal of impairment on property	33	22,619,675	11,864,726
Unrealised gain/(loss) on revaluation of FVTPL investment		28,131,073	(79,601,071)
		<b>342,942,635</b>	<b>227,095,315</b>
<b>EXPENSES</b>			
Administrative expenses	34	126,989,083	116,454,292
Depreciation on Investment Properties	7.1	33,950,413	32,632,059
Financial charges	35	10,473,550	26,421,013
		<b>171,413,046</b>	<b>175,507,364</b>
		<b>171,529,589</b>	<b>51,587,951</b>
Modaraba management company's fee	36	17,152,959	5,158,795
Sales tax on modaraba management company's fee		2,229,885	670,643
Provision for Sindh Workers' Welfare Fund	37	3,042,935	915,170
Profit before taxation		<b>149,103,810</b>	<b>44,843,343</b>
Taxation	38	-	-
Net profit for the year		<b>149,103,810</b>	<b>44,843,343</b>
Earnings per certificate - basic and diluted	39	<b>1.73</b>	<b>0.52</b>

The annexed notes from 1 to 51 form an integral part of these financial statements.

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

  
CHAIRMAN

  
DIRECTOR

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

**B.R.R. GUARDIAN MODARABA  
CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2020**

		June 30, 2020	June 30, 2019
	<b>Note</b>		
<b>INCOME</b>			
Rental income	27	211,608,670	192,095,570
Income on musharaka finances		13,232,502	6,142,983
Ijarah rental income - net	28	5,149,929	16,765,007
Return on investments - net	29	38,184,664	17,701,954
Profit on bank balances		887,210	596,956
Reversal of provision for doubtful receivables	30	23,283,745	51,896,319
Gain on disposal of ijarah assets		839,797	1,217,510
Other income	31	2,907,474	8,610,758
Reversal of impairment on property	32	22,619,675	11,864,726
Unrealised gain/(loss) on revaluation of FVTPL investment		39,723,527	(81,958,116)
		<b>358,437,193</b>	<b>224,933,667</b>
<b>EXPENSES</b>			
Administrative expenses	33	128,731,644	117,256,023
Depreciation on Investment Properties	7.1	33,950,413	32,632,059
Financial charges	34	8,389,427	23,986,612
		<b>171,071,484</b>	<b>173,874,694</b>
		<b>187,365,709</b>	<b>51,058,973</b>
Modaraba management company's fee	35	17,152,959	5,158,795
Sales tax on modaraba management company's fee	35	2,229,885	670,643
Provision for Sindh Workers' Welfare Fund	36	3,042,935	915,170
Profit before taxation		<b>164,939,930</b>	<b>44,314,365</b>
Taxation	37	-	-
Net profit for the year		<b>164,939,930</b>	<b>44,314,365</b>
Earnings per certificate - basic and diluted	38	<b>1.91</b>	<b>0.51</b>

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

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

*Radan*  
\_\_\_\_\_  
CHAIRMAN

*[Signature]*  
\_\_\_\_\_  
DIRECTOR

*Kyaz Dineed*  
\_\_\_\_\_  
CHIEF EXECUTIVE

*[Signature]*  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER



**B.R.R. Investments (Pvt.) Ltd.**

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

October 1, 2020

**MATERIAL INFORMATION-BRR GUARDIAN MODARABA (BRRGM)**

Dear Sir,

In accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of PSX Regulations, we hereby convey the following information:

The Board Resolutions pertaining with Material Information of Right Issue of Certificates of BRRGM, withdrawal of Reduction of Paid-up Fund of BRRGM and the effective date of the Merger of wholly owned subsidiary BRR Financial Services (Private) Limited with and into BRRGM are attached

Kindly acknowledge the receipt and oblige.

Yours sincerely

**Tahir Mahmood**  
Company Secretary

Cc,

The Registrar Modarabas  
Specialized Companies Division  
(Modaraba Wing)  
Securities & Exchange Commission of Pakistan  
NIC Building, Jinnah Avenue, Blue Area  
Islamabad

The Director  
Securities Market Division  
Securities & Exchange Commission of Pakistan  
Islamabad



**B.R.R. Investments (Pvt.) Ltd.**

The General Manager  
Pakistan Stock Exchange Ltd.  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

October 1, 2020

Sub: **Declaration of Right Certificates of B.R.R. Guardian Modaraba**

Dear Sir,

We have to inform you that the Board of Directors of B.R.R. Investment (Pvt) Limited Manager of B.R.R. Guardian Modaraba (BRRGM) in their meeting held on **Thursday, October 1, 2020 at 2:30 p.m.** at 20<sup>th</sup> Floor, B.R.R. Tower, Hassan Ali Street Off: I.I. Chundrigar Road Karachi have decided to issue further **8,636,226/-** certificates at par value (i.e Rs.10 each) by issue of Right Certificates to be offered to the certificate holders in proportion of **1** Right Certificate for every **10** certificates held.

The Closure of Certificate Transfer Books of the Modaraba will be announced later, after approval from Registrar of Modaraba, to determine the entitlement of Right Certificates.

**Following details are attached**

1. Statement with respect to details of right issue including the quantum, size, price, purpose, benefits, utilization and risk factor associated with the same.
2. Certified True Copy of Extract of Board Resolution passed by the Board of Directors dated October 1, 2020

Further, Notice of Right Certificates and Book Closure will be dispatched to your good office prior to its publication in newspapers, after approval from Registrar of Modaraba Companies and Modaraba.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

**Tahir Mehmood**  
Company Secretary

Cc,

The Commissioner  
Securities Market Division  
Securities & Exchange Commission of Pakistan  
Islamabad

The Registrar Modaraba  
Securities & Exchange Commission of Pakistan  
Specialized Companies Division  
Policy, Regulation and Development Department  
(Modaraba Wing)  
Islamabad



**B.R.R. Investments (Pvt.) Ltd.**

**a) Quantum of the Issue i.e. as percentage of existing paid up capital;**

10 % of existing paid-up fund of Rs. 863,622,630/-

**(b) Issue Size;**

Rs. 86,362,260/- i.e 8,636,226 certificates of Rs. 10 each.

**(c) Issue Price;**

Face value of Rs.10 per certificate.

**(d) Purpose of the Issue;**

The purpose of the Right Issue is to use the proceeds of Issue for enhancing our Ijara/Diminishing Musharka business as well as repaying loans. The plans are to invest around Rs. 86,362,260 in new Ijara/Diminishing Musharka business as well as repaying loans to ensure that modaraba also serves this particular niche of customers and catches on the opportunity, where it sees potential for investment and growth. Therefore, we need to raise Rs. 86,362,260 through right issue to grow this Modaraba.

**(e) Utilization of Proceeds of the Issue;**

The proceeds of the issue will be utilized for issuing fresh Ijara /Diminishing Musharka business as well as repaying loans.

**(f) Benefits of the Issue to the Company and its Certificateholders;**

BRR Guardian Modaraba is the oldest Modaraba in Pakistan and in year ending June, 30, 2020 it was third most profitable Modaraba.

The management of Modaraba has always foreseen profitable opportunities to the benefit of its certificate holders. The reduction in policy interest rates by the central bank in the last few months with the objective of triggering economic growth in the country will in turn make it cheaper for the general public to borrow and invest. The overall triggering of the economic cycle will also increase the need for Islamic financing products. As a result, modaraba can benefit by capturing the particular segment of market and ultimately the certificate holders will reap the earnings of increase Ijara/Diminishing Musharka.



B.R.R. Investments (Pvt.) Ltd.

**(g) Risks, if any, associated with the issue to which the company and/or its members are exposed to;**

The investments by the Modaraba/certificate holders is always dependent and linked with the market conditions, demand and supply economics and the overall macroeconomic indicators of the country.

**(h) Justification for Issue of Shares at, Premium or at Discount to face value (if applicable);**

N/A

**Ayaz Dawood**  
Chief Executive Officer

**Rafique Dawood**  
Chairman

**Waqas Anwer Qureshi**  
Director

**Syed Ali Raza**  
Director



B.R.R. Investments (Pvt.) Ltd.

**EXTRACT OF THE MINUTES OF BOARD OF DIRECTORS MEETING  
HELD ON OCTOBER 1, 2020  
AT THE REGISTERED OFFICE OF THE COMPANY**

**RESOLVED** that BRR Guardian Modaraba (BRRGM) be and is hereby approved to issue the Right Certificates of Rs. 86,362,260/- divided into 8,636,226/- of Rs. 10/- each to the existing certificateholders in proportionate to their holding (1 Right Certificate for every 10 certificates held). in the Modaraba subject to approval of Registrar Modaraba Companies and Modaraba

**FURTHER RESOLVED** that Fractional Rights if any shall not be offered and all Fraction's shall be consolidated and disposed off by the Modaraba and proceeds given to charity.

**FURTHER RESOLVED** that the Right Certificates of BRRGM shall not be entitled for Cash Dividend announced for the year ended June 30, 2020.

**FURTHER RESOLVED** that the Company Secretary be and is hereby authorized on behalf of Board of Directors of the company severally to sign the documents and to do all the acts, deeds and things necessary to implement this Resolution and also empowered to make amendments/modifications to the Resolution and documentation as may be required and such amendments/modifications shall also be deemed as having been approved by the Board of Directors.

**RESOLVED** that the Reduction of Paid Up fund of BRRGM be and is hereby withdrawn, as per SECP letter vide No.SC/M/RS/BRRGM/2020/RS-5/38 dated September 25, 2020.

**RESOLVED** that the effective date of the Merger of wholly owned subsidiary BRR Financial Services (Private) Limited with and into BRRGM has been changed to July 1, 2020 in place of July 1, 2019, accordingly the Scheme of Arrangement be amended

**CERTIFIED TRUE COPY**  
  
**COMPANY SECRETARY**