



B.R.R. Investment (Pvt.) Ltd.

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

February 22, 2019

Sub: Financial Results of B.R.R. Guardian Modaraba For the 2<sup>nd</sup> Quarter ended December 31, 2018

Dear Sir,

We have to inform you that the Board of Directors of B.R.R. Investment (Private) Limited Manager of B.R.R. Guardian Modaraba (BRRGM) in their meeting held on Friday February 22, 2019 at 4:45 p.m. at 18<sup>th</sup> Floor, B.R.R. Tower, Hassan Ali Street Off: I.I. Chundrigar Road, Karachi, recommended the following:

- (i) CASH DIVIDEND --NIL-- AND/OR
- (ii) BONUS ISSUE -NIL- AND/OR
- (iii) RIGHT SHARES -NIL- AND/OR
- (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION -NIL- AND/OR
- (v) ANY OTHER PRICE-SENSITIVE INFORMATION -NIL- AND/OR

The Standalone & Consolidated Financial Results of BRRGM are enclosed.

The Quarterly Report of the Company for the period ended December 31, 2018 will be transmitted through PUCARS separately, within the specified time and we will send you 3 copies of Printed Accounts for distribution amongst the TRE Certificate Holders of the exchange.

Yours truly,

**Syed Tariq Masood**  
Chief Financial Officer

**B.R.R. GUARDIAN MODARABA**  
**CONDENSED UNCONSOLIDATED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018**

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note	(Rupees)			
		(Restated)		(Restated)
<b>INCOME</b>				
Rental income	91,491,589	85,199,941	47,458,113	44,721,239
Income on musharaka finances	2,950,268	2,327,553	1,519,728	1,308,035
Ijarah rental income	16,998,042	27,331,719	7,408,696	12,387,612
Return on investments - net	19 11,072,407	16,354,227	6,690,898	13,594,991
Profit on bank balances	306,505	1,348,430	125,622	204,670
Reversal of provision for doubtful receivables	20 16,297,130	16,214,946	8,878,799	8,051,612
Unrealised loss on revaluation of held-for-trading investment	(42,676,208)	(61,974,469)	(23,202,581)	(26,755,209)
Gain/(loss) on disposal of ijarah assets	1,114,207	(331,986)	603,594	(30,759)
Other income	21 7,320,919	17,358,259	6,889,089	16,621,856
	104,874,859	103,828,620	56,371,958	70,104,047
<b>EXPENSES</b>				
Amortisation on ijarah assets	15,062,369	21,276,269	6,574,680	10,256,114
Provision against doubtful receivables	-	50,815	-	50,815
Administrative expenses	67,752,262	74,788,707	39,363,505	50,394,251
Financial charges	17,057,437	5,515,935	7,582,705	3,552,872
	99,872,068	101,631,726	53,520,890	64,254,052
	5,002,791	2,196,894	2,851,068	5,849,995
Modaraba management company's fee	500,279	219,689	285,107	585,000
Sales tax on modaraba management company's fee	65,036	28,560	37,064	76,050
Provision for Sindh Workers' Welfare Fund	88,750	38,973	50,578	103,779
Profit before taxation	4,348,726	1,909,672	2,478,319	5,085,166
Taxation	23 -	-	-	-
Net profit for the period	4,348,726	1,909,672	2,478,319	5,085,166
Earnings per certificate - basic and diluted	0.05	0.02	0.03	0.06

The annexed notes from 1 to 26 form an integral part of this condensed interim financial information.

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



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**B.R.R. GUARDIAN MODARABA**  
**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018**

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note	(Rupees)			
		(Restated)		(Restated)
<b>INCOME</b>				
Rental income	91,491,589	85,199,941	47,458,113	44,721,239
Income on musharaka finances	2,950,268	2,327,553	1,519,728	1,308,035
Ijarah rental income	16,998,042	27,331,719	7,408,696	12,387,612
Return on investments - net	18 11,172,712	16,494,421	6,784,348	13,735,185
Profit on bank balances	333,243	1,803,978	128,875	660,218
Reversal of provision for doubtful receivables	19 16,297,130	16,214,946	8,878,799	8,051,612
Unrealised loss on revaluation of held-for-trading investment	(43,640,444)	(62,396,736)	(23,792,237)	(27,177,476)
Gain/(loss) on disposal of ijarah assets	1,114,207	(331,986)	603,594	(30,759)
Other income	20 7,320,919	17,358,259	6,889,089	16,621,856
	<u>104,037,666</u>	<u>104,002,095</u>	<u>55,879,005</u>	<u>70,277,522</u>
<b>EXPENSES</b>				
Amortisation on ijarah assets	15,062,369	21,276,269	6,574,680	10,256,114
Provision against doubtful receivables	-	50,815	-	50,815
Administrative expenses	67,761,388	74,989,216	39,372,481	50,405,055
Financial charges	15,846,475	5,302,575	6,971,473	3,339,512
Impairment of assets	-	-	-	-
	<u>98,670,232</u>	<u>101,618,875</u>	<u>52,918,634</u>	<u>64,051,496</u>
Modaraba management company's fee	5,367,434	2,383,220	2,960,371	6,226,026
Sales tax on Modaraba management company's fee	500,279	219,689	285,107	585,000
Provision for Sindh Workers' Welfare Fund	65,036	28,560	37,064	76,050
Provision for Sindh Workers' Welfare Fund	88,750	38,973	50,578	103,779
Profit before taxation	<u>4,713,369</u>	<u>2,095,998</u>	<u>2,587,622</u>	<u>5,461,197</u>
Taxation	22 -	-	-	-
Profit for the period	<u>4,713,369</u>	<u>2,095,998</u>	<u>2,587,622</u>	<u>5,461,197</u>
Earnings per certificate - basic and diluted	<u>0.05</u>	<u>0.02</u>	<u>0.03</u>	<u>0.06</u>

The annexed notes from 1 to 25 form an integral part of this consolidated condensed interim financial information.

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

  
**CHAIRMAN**

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

## AUDITORS' EMPHASIS

The auditors have expressed their unmodified opinion on the condensed interim financial information except for certain emphasis of matter paragraphs with explanations below:

- I. Refer to note 6.1 to the condensed interim financial information which states that the Modaraba had swapped certain assets with an office premises valuing Rs. 70 million from an associated undertaking, the title of which has not been transferred in the name of Modaraba as a commercial bank has obtained a stay order against the same. However, the original title documents and possession of the property rest with Modaraba.
  
- II. Refer to note 1.3 to the condensed interim financial information which provide details regarding the scheme of arrangement for merger by way of amalgamation sanctioned by the High Court of Sindh on September 04, 2018 of Crescent Standard Modaraba (CSM) with and into B.R.R. Guardian Modaraba (BRRGM) with effect from July 1, 2017, where by the entire undertaking and business inclusive of all assets, properties, rights, liabilities and dues of CSM were transferred to and assumed by BRRGM and CSM upon amalgamation cease to exist.