



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

October 1, 2020

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

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 20th 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



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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.



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(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



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**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.

CERTIFIED TRUE COPY

COMPANY SECRETARY