



ANNUAL REPORT 2020



INVEST CAPITAL INVESTMENT BANK LIMITED

Vision Statement

To build a world-class investment banking franchise through the creation of an organization based on trust, integrity and decision making process driven by client's best interest

Mission Statement

To provide our customers financial solutions while preserving wealth, ensuring quality service, efficient pricing and absolute transparency.

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Notice of 28th Annual General Meeting

Notice is hereby given that the 28th Annual General Meeting of the shareholders of INVEST CAPITAL INVESTMENT BANK LIMITED will be held at 11.45 a.m on Tuesday, 27th October, 2020 at ICMA Pakistan's Auditorium, Main Campus, Gulshan-e-Iqbal, Karachi to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting of the Shareholders held on 10th August 2020.
2. To receive, consider and adopt the audited financial statements together with the Directors' and Auditors' reports thereon for the year ended 30th June 2020. These audited financial statements will be placed on our website www.icibl.com.
3. To appoint auditors and fix their remuneration for the year ending 30th June, 2021. The present auditors M/s Deloitte Yousuf Adil, Chartered Accountants have completed their tenure of five years. The Board of Directors, on the recommendation of the Audit Committee, has proposed the appointment of M/s RSM Avais Hyder Liaquat Nauman, Chartered Accountants as external auditors of the Company for the year 2020-21.

OTHER BUSINESS

4. To consider any other business with the permission of the Chair.

By Order of the Board



Lahore
October 06, 2020

M. Naim Ashraf
Company Secretary

NOTES:

1. The Members' Register will remain closed from 20th October 2020 to 27th October 2020 (both days inclusive). Transfers received in order at the office of the Share Registrar of the Company by the close of business on 19th October 2020 will be treated in time.
2. A Member entitled to attend and vote at the General Meeting of Members is entitled to appoint a proxy to attend and vote on his/her behalf.
3. In the light of COVID-19 situation, the Company has made arrangements for the safety of the members attending the meeting physically. The relevant SOPs shall be followed strictly.

The members who are willing to attend and participate at the AGM through Video-link are required to register their particulars by sending an email at naim.ashraf@icibl.com Such Members are requested to register by providing their credentials as follows with subject "Registration for ICIBL's AGM":

Name of Shareholder	No. of shares held	Folio number / CDC Acct. No.	CNIC No. with scanned copy	Mobile No.	Email ID

Video-link and login details will be shared with only those members whose emails, containing all the required particulars are received at the given email at least 48 hours before the time of AGM.

4. The instrument appointing proxy and the power of attorney or other authority, under which it is signed or a notarially certified copy of the power of attorney must be deposited at the office of Share Registrar of the Company, M/S CorpTec Associates (Private) Limited, 503-E, Johar Town, LAHORE at least 48 hours before the meeting.
 5. The CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities & Exchange Commission of Pakistan:
- A- For attending the meeting:**
- (i) In case of individuals, the account holders or sub-account holders and/or the persons whose shares are in group accounts and their registration details are uploaded as per CDC Regulations shall authenticate their identity by showing their original Computerized National Identity Cards (CNICs) or original passports at the time of attending meeting.
 - (ii) In case of corporate entities, the Board of Directors resolution/ power of attorney with specimen signatures of the nominees shall be produced (unless it has been provided earlier) at the time of the meeting.
- B- For appointing proxies :**
- (i) In case of individuals, the account holders or sub-account holders and/or the persons whose shares are in group accounts and their registration details are uploaded as per CDC Regulations shall submit the proxy forms accordingly.
 - (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - (iii) Attested copy of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
 - (iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
 - (v) In case of corporate entities, the Board of Directors resolution/ power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
6. Members are requested to notify any change in their addresses immediately to the Share Registrar of the Company.

Chairman's Review

I feel greatly honored and privileged in taking this opportunity to report our valued shareholders on the affairs of Invest Capital Investment Bank Limited "ICIBL". The Financial Year under review has been another challenging year for ICIBL. The year was characterized by growth in new lease business and growth in recoveries from non-performing loans/leases. Our dedicated team tirelessly works for the operational efficiency with minimum resources to deliver quality services to our worthy customers. The Board has exercised its powers and has performed its duties as stated in the Companies Act 2017 (previously Companies Ordinance 1984) and the Code of the Corporate Governance issued by the Securities and Exchange Commission of Pakistan. I wish to record my appreciation to the Board Members.

The Board during the year ended June 2020 played an effective role in managing the affairs of the company and achieving its objectives in the following manner:

- The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as required under the Code of Corporate Governance.
- The Board has ensured that meetings of the Board and that of its committees were held with requisite quorum; the minutes of all the meetings (including committees) are appropriately recorded and maintained.
- The Board has ensured that the adequate system of internal control is in place.
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process.
- The Board actively participated in strategic planning process and policy development to cater the issues being faced by the company including utilization of available funds, recovery of non performing leases/loans, settlement of outstanding liabilities, investments in new lease business with minimum risk and operating cost reduction.

Through combined efforts, the Company is now afloat and will continue as a going concern.

I would like to thank to all members of the Board for their guidance, valuable inputs and giving their precious time for Board meetings. I also wish to commend our Chief Executive Officer, Senior Executives and all other staff members of ICIBL for their hard work, dedication and focused efforts. I would like to express my gratitude to the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, shareholders, lenders and all other stakeholders for their continued guidance and support.



Ayesha Shehryar
Chairperson

October 05, 2020

Directors' Report

The Directors of Invest Capital Investment Bank Limited (the 'Company') are pleased to present the twenty eighth annual report of the Company for the year ended June 30, 2020.

Financial Information

The financial results of the company are summarized below:

Financial Highlights	2020	2019
Gross revenue	91.47	62.54
Administrative expenses	23.07	35.55
Financial charges (Net)	(17.16)	9.42
Provisions / (reversals) and write offs	52.98	(9.28)
Other income	36.32	9.68
Profit / (loss) for the year before taxation	68.89	36.53
Taxation - net	22.77	152.90
Profit / (loss) for the year after taxation	46.12	(116.37)
Earnings / (loss) per share - basic	0.16	(0.41)
Appropriations:		
Transfer to statutory reserves	0	0

Economic Review

The outbreak of COVID-19 has inflected an unprecedented global crisis; taking a large toll on human lives, inducing a synchronized economic downturn and exerting socio-economic repercussions. Consumption and services output have dropped noticeably, mobility has remained depressed, labor markets have been severely hit, the global trade activity has contracted owing to weak consumer demand and collapse in cross border tourism and supply disruptions related to shutdowns has been witnessed.

While noticing larger than anticipated economic downturn, the International Monetary Fund (IMF) has further downgraded global economic growth projections for the current year to negative 4.9% compared to its earlier forecast of negative 3%, while Asian Development Bank (ADB) predicted Pakistan's Gross Domestic Product (GDP) to contract by 0.6% in 2020. Pakistan has followed suit with global measures of monetary easing by cutting its policy rate by 625 bps since March '20. The policy rate now stands at 7.00%. Monetary policy easing in line with analyst expectations has bolstered domestic equity market as KSE 100 Index rebounded from its 5-year low of 27,200 to close at 39,915 on August 9, 2020.

The recently announced FY21 budget broadly remained focused on cost rationalization and not growth as the government pushed for a stimulus package in April '20 maxing out its fiscal capacity to restore the economy and in the meantime allow financial relief to less fortunate population. The biggest challenge faced now remains on the fiscal side. Fitch Ratings has anticipated a fiscal deficit of 9.5% of GDP in the current fiscal year. Recent data shows that it may be 1% lower at 8.5%. On a positive note, Pakistan's trade deficit in the financial year 2019- 20, decreased by 27% to USD 23.2 billion as compared to a USD 31.8 billion recorded in 2018- 19. As per the IMF the current account deficit has shrunk by 74% and is now expected to decline to 2.4% of the GDP.

Under the Debt Service Suspension Initiative (DSSI) introduced by World Bank and IMF, Pakistan will now be able to reschedule USD 2.41 billion worth of debt repayments out of a total of USD 8.974 billion due in 2020. Pakistan has also signed a USD 1.5 billion loan agreement with three international financial institutions, to strengthen its response to Covid-19.

Offshore investments in Government of Pakistan securities saw an outflow of USD 3.1 billion out of the total USD 3.75 billion invested, putting pressure on foreign exchange buffers. PKR depreciated to its lowest value against the dollar i.e. 168.2 by the end of June '20. Regardless, the average headline inflation during FY20, clocked in at 10.74%, lower than the World Bank's forecast of 11.10%, primarily due to fall in aggregate demand in response to corona virus and dumping of global oil prices in March '20. IMF foresees inflation to converge next year to 5-7%.

With so much uncertainty caused by the pandemic and impending risks of floods and locust attacks, Pakistan's economy may face yet another testing fiscal year. There needs to be strong coordination among government and other financial stakeholders to keep the credit flowing in the economy.

Company Overview

The NBFI sector was badly hit in aftermath of financial meltdown which affected the entire financial sector in 2008. The result was sharp rise in discount rate coupled with liquidity shortage forced the companies to utilize the available cash flows from recoveries to repay borrowings leaving no room for new business and affected your company badly.

By the grace of Almighty Allah, Company's financial and operational position has been stable for quite some time. The non-availability of credit lines from financial institutions and other fund raising activities continued to prevail during the year as well which remained the reason for not increasing business volumes substantially. Since the company is managing its business dynamics through internal cash flows which is not enough to grow the business volumes with higher pace. The non performing loan portfolio of the company is down to its most chronic market defaulters. However, your management is confident that the trend for the year's profit shall improve in coming years, if no major negative deviation in the economic condition occurs.

Operational Review

The company has earned an after tax profit of Rs. 46.12 million as compared to an after tax loss of Rs. 116.37 million of the previous year. The main reason for profit is reversal of income suspension and provisions for leases and loans due to sizable recoveries. The Gross revenue (including other income) of the Company amounted to Rs. 127.79 million as compared to Rs. 72.22 million of the previous year. Proactive monitoring and dedicated recovery efforts led to provision reversal against non-performing loans (NPL's) and investments. The administrative expenses decreased by Rs. 12.48 million due to reduction in depreciation, fees and subscription and legal expenses. It is re-emphasized that in order to increase the operational profits adequate working capital is required which is not available to the company.

- Settlement of Liabilities:-**

The management is pleased to inform you that up-till end of June 30, 2020 around 99.00% of liabilities have been settled/restructured. The following table shows the comparative figures:

Description	Rs. in million
Total liabilities (Loans + Deposits) of Banks / FIs (As at June 30, 2011 prior to change of Management)	1,561.48
Amount settled / principally agreed for settlement / restructured as at June 30, 2020	1,543.71
Outstanding amount pending settlement	17.77

All out efforts are being made to settle the remaining outstanding liabilities at the earliest.

- Management of Non-Performing loans (NPLs)**

Managing the recoveries from NPLs was a difficult task to achieve due to overall depressing economic conditions. The outstanding portfolio is Rs. 1,244.20 million as at June 30, 2020 (June 2019 Rs. 1,286.65 million). The strong recovery efforts are reflected in reduction in the Company's non performing leases/loans. This year a sum of Rs. 155.37 million (June 2019 Rs. 127.41 million) was recovered. The management is determined to continue its best efforts, energy, experience and skills in future also to improve the performance.

- Reduction in Administrative Cost**

Reduction in the administrative cost without affecting the operational efficiency was a tough task. In the periods prior to July 2011, the operating cost was quite high as

compared to the other competitors. The management took this issue seriously and executed Human Resource and Branch Network restructuring. The result of these efforts is that administrative and operating expenses had been reduced drastically.

- **Disposal of Non-Core Assets**

The management focused on disposal of its non-core assets and was able to dispose of all the non-core assets having book value of Rs. 567.88 million by June 30, 2018 (Since the change of management) against settlement of liabilities as well as cash. The Company has earned a capital gain of Rs. 102.74 million on this account and also saved the impact of depreciation. This has resulted in reduction of its liabilities and improvement in the liquidity and equity position of the Company.

- **New Financing Business**

The new financing business (leases and loans) undertaken by the Company has negligible infection level and most of the assets leased are motor vehicle, therefore, recovery is almost 100% of the billed amount. This has provided the most valuable support in repayment of the liabilities on timely basis. During the year finances amounting to Rs. 309.80 million were disbursed as against Rs. 182.04 million in the year 2019. Fresh business may further increase during the coming years as major liabilities have been settled with the lenders.

Future Outlook

With the reduction in COVID 19 infections and reduced scale of lock down, economic activity is expected to slowly pick up momentum. While the significant reduction in interest rate will support revival of economic activities, the next couple of quarters are also important in terms of monitoring asset quality.

During the period under review, the major issue being faced by the company is the liquidity problem which will continue in coming days as well, thus the focus would be on the recoveries from NPLs, settlement of outstanding liabilities and investment in new lease business. However recoveries from the NPLs, may be disturbed due to the COVID 19 outbreak. The management of your company is confident that the bottom line of the company shall improve further in years to come.

Corporate and financial reporting framework

The Board of the Company is committed to the principles of good corporate governance practices with emphasis on transparency and disclosures. The Board and management are fully cognizant of their responsibilities and monitoring Company's operation and performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information. The following statements are a manifestation of its commitment towards compliance with best practices of Code of Corporate Governance:

- a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity;
- b) Proper books of accounts of the Company have been maintained as required by the Companies Act 2017;
- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and there is no departure there from;
- e) The system of internal control is sound and has been effectively implemented and monitored;
- f) There is material uncertainty related to events and conditions which may cast significant doubt about the Company's ability to continue as a going concern, however the management on the basis of factors discussed in note # 1.3 to the Financial

Statements, is confident that the Company has ability to continue as a going concern;

- g) There has been no material departure from the best practices of the Corporate Governance issued by the SECP, except the matters discussed by auditors in their attached review report.
- h) Information about outstanding taxes and other government levies are given in related note(s) to the accounts.
- i) During the year under review, four (4) meetings of the Board of Directors were held. The attendance by each Director is as follows:

Name	Meetings attended
Mr. Muhammad Asif (CEO)	4
Mr. Muhammad Qasim	4
Mrs. Ayesha Shehryar	4
Brig. (Retd.) Wali Muhammad	4
Mrs. Fiza Zahid	4
Mr. Shahab Ud Din Khan	4
Mr. Ashar Saeed	1

No trading in shares was done by the Directors/CEO of the company during the financial year 2019-20.

During the year under review, four (4) meetings of the Audit Committee were held. The attendance by each Director is as follows:

Name	Meetings attended
Brig. (Retd.) Wali Muhammad	4
Mr. Shahab Uddin Khan	4
Mrs. Fiza Zahid	4

Dividend

As discussed above the actions taken by the management have successfully resulted in a turnaround of the Company, however, the board of directors is committed to further strengthen its capital base, achieve further profitability and enhance the value of shareholders' investment. Therefore, no dividend has been declared for the year under review.

Auditors

The present auditors, M/s Deloitte Yousuf Adil, Chartered Accountants have completed their tenure of five years. On the recommendation of the Audit Committee, the Board of Directors has proposed the name of M/s RSM Avais Hyder Liaquat Nauman, Chartered Accounts as external auditors of the Company for the financial year 2020-21 at a total fee of Rs. 900,000/- for the year.

The auditor's report includes emphasis of matter paragraph on the going concern issue of the company. However, the management feels that the company is a going concern as set forth in detail in note 1.3 to the financial statements.

Pattern of Shareholding

The pattern of shareholding as of June 30, 2020 is enclosed herewith.

Acknowledgments

On behalf of the Board of Directors, we would like to thank our valued customers for selecting Invest Capital Investment Bank Limited for their financing needs, shareholders of the company for their trust, State Bank of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory bodies for their continued support and worthy employees for their dedicated services.

For and on behalf of the Board of Directors

Lahore
October 05, 2020


Muhammad Asif
Chief Executive Officer


Ayesha Shehryar
Chairperson

ڈائریکٹر کی رپورٹ

انویسٹ کپیٹل انویسٹمنٹ بینک لمبینڈ (کمپنی) کے ڈائریکٹر، سال 30 جون 2020 کو انتظام پذیر سال پر اپنی اٹھائی سویں (28th) سالانہ رپورٹ پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔

مالیاتی معلومات

کمپنی کے مالیاتی تاثر کا خلاصہ درج ذیل ہے:

----- روپے ملین میں -----

2019	2020	
62.54	91.47	کل مالیاتی (Revenues)
35.55	23.07	انتظاری اخراجات
9.42	(17.16)	مالی اخراجات (خاص)
(9.28)	52.98	قانونی استثنا (Provisions) / (وابی) اور منسوجی
9.68	36.32	دیگر آمدنی
36.53	68.89	سال کا نفع / (نقصان) قبل از محصول
152.90	22.77	محصول - خاص
(116.36)	46.12	نفع / (نقصان) بعد از محصول
(0.41)	0.16	آمدنی / (نقصان) نئی حصہ - بنیادی
		تخصیصات
0.00	0.00	دستوری ذخایر کو منتقلی

معاشی جائزہ

کو ووڈ - ۱۹ کے پھیلاؤ نے ایک ایسا عالمی بحران پیدا کیا ہے جس کی اس سے پہلے کوئی نظر نہیں ملتی جس میں انسانوں کی کثیر اموات معاشی تطمیہ کے جامع رجحان اور دیگر سماجی و معاشی و قومی پذیری شامل ہے۔ اس بحران میں مصارف اور خدمات کی رسید میں قابل ذکر کمی ہوئی، نقل پذیری میں کمی کار رجحان رہا، مزدور طبقہ بری طرح متاثر ہوا، صارفین کی گرفتاری ہوئی طلب کی وجہ سے عالمی تجارتی سرگرمیاں بھی سکڑ گئیں اور میں السرحدی (ملکوں کے مابین) سیاحت کی مکمل تباہی اور شش ڈاؤن کی وجہ رسید کی فراہمی میں خلل جیسے مظاہر دیکھے گئے۔

تو قع سے زیادہ برے معاشی بحران کو دیکھتے ہوئے میں الاقوامی مالیاتی فنڈ (آئی - ایم - ایف) عالمی معاشی ترقی کے تجھیں میں اپنی منفی 3 فیصد کی سابقہ پیش یعنی کو مزید کم کرتے ہوئے رواں سال کے لیے اس کی شرح کا تین 4.9 فیصد کی منفی معمور کیا ہے۔ جبکہ ایشائی ترقیاتی بینک (ADB) نے 2020 میں پاکستان کی گراس ڈو میٹک پروڈکٹ (GDP) کی شرح میں 0.6 فیصد تک اضافے کی تو قع ظاہر کی ہے۔ پاکستان نے عالمی اقدامات میں سہولتوں کی پیروی کرتے ہوئے مارچ 2020 سے اپنے پالیسی ریٹ میں 625 bps تک کمی کر دی ہے۔ اس وقت پالیسی ریٹ 7.00 فیصد ہے۔ مانیٹری پالیسی میں سہولتوں کی وجہ سے تجزیہ کاروں کی توقعات کو تقویت ملی ہے اور مقامی ایکو ٹی مارکیٹ یعنی KSE 100 انڈسکس اپنے پانچ سال کی کم ترین سطح 27,200 سے بڑھ کر 10 ستمبر 2020 کو 42,647 پر بند ہوا۔

حال ہی میں پیش کئے گئے مالی سال 2021 کے بچت میں حکومت نے ترقی پر نہیں بلکہ اپنی پوری توجہ خرچوں کو کم کرنے پر مرکوز رکھی ہے، جیسا کہ اپریل 2020 میں ایک ایسا متحرک معاشری پیکچر دینے پر زور دیا گیا کہ جس میں ملکی معیشت کو اپنی مالی حیثیت کی بحالی پر زیادہ سے زیادہ توجہ دی جائے اور اس کے ساتھ ساتھ کم آمدنی والے افراد کی مالی امداد بھی کی جائے۔ سب سے بڑے چیلنج کا سامنا مالیاتی شعبہ کی وجہ سے ہے۔ فچر رینگس (Fitch Ratings) نے رواں مالی سال کے دوران جی ڈی پی کے 9.5 فیصد مالیاتی خسارے کی توقع خالہ کی ہے حالیہ ڈیٹا کے مطابق یہ خسارہ 8.5 فیصد کی کے ساتھ آنکھ تک آنکھ تک ہے۔ ایک ثابت بات یہ ہے کہ مالی سال 2019-2020 میں پاکستان کا تجارتی خسارہ 19-2018 کے 131.8 ارب امریکی ڈالرز کے مقابلے میں 27 فیصد کم ہو کر 23.2 ارب امریکی ڈالرز رہ گیا۔ آئی ایم ایف کے مطابق کرنٹ اکاؤنٹ خسارے میں 74 فیصد کی آبجکشن ہے اور اس میں اب جی ڈی پی 2.4 فیصد تک کمی متوقع ہے۔

عالیٰ بینک اور آئی ایم ایف کی جانب سے متعارف کرائے گئے ڈیپٹ سروس سپنشن انیشنل (DSSI) کے تحت پاکستان 2020 میں واجب الادا پنے مجموعی قرضوں 8.974 ارب امریکی ڈالرز میں سے 2.41 ارب امریکی ڈالرز کے برابر دوبارہ قرض حاصل کرنے کے قابل ہو جائے گا۔ پاکستان نے کرونا وائرس سے منٹھن کی صلاحیت کو مستحکم بنانے کیلئے تین عالمی مالیاتی اداروں کے ساتھ 1.5 ارب امریکی ڈالرز کے قرضے کا معابدہ بھی کر لیا ہے۔

حکومت پاکستان کی سکوریٹیز میں 13.75 ارب امریکی ڈالرز کی غیر ملکی سرمایہ کاری میں سے 3.1 ارب امریکی ڈالرز نکالے جانے سے فارن ایکچنر ریزرو پر دباؤ نظر آ رہا ہے۔ جون 2020 کے اختتام تک پاکستانی روپے کی قدر میں سب سے زیادہ کی ہوئی جو کہ امریکی ڈالر کے مقابلے میں 168.2 روپے تک ریکارڈ کی گئی۔ مالی سال 2020 کے دوران عالمی بینک کی مہنگائی سے متعلق پیش گوئی کے مطابق مہنگائی کی متوقع شرح 11.10 فیصد سے کم ہو کر 10.74 فیصد ریکارڈ کی گئی ہے، جس کی بنیادی وجہات میں کرونا وائرس کے باعث اشیا کی طلب میں کمی کے علاوہ مارچ 2020 میں عالمی سطح پر تیل کی قیمتیں میں شدید گراوٹ شامل ہے۔ آئی ایم ایف نے آئندہ مالی سال کے دوران مہنگائی کی شرح میں 5-7 فیصد اضافے کا امکان ظاہر کیا ہے۔

دنیا میں عالمی وہا اور طوفانی بارشوں و سیلاب کے خطرات کے علاوہ منڈی کے حملوں کی وجہ سے انتہائی زیادہ غیر یقینی صور تحال کی وجہ سے ثابید پاکستان کو ایک اور مالی سال میں مشکلات کا سامنا کرنا پڑے۔ اس لیے معاشری سرگرمیوں کو منافع بخش بنانے کے لیے حکومت اور دیگر مالیاتی اسٹیک ہولڈرز کے درمیان مضبوط ہم آہنگی کی ضرورت ہے۔

کمپنی کا سرسری جائزہ

سال 2008 میں عالمی مالیاتی تباہی جس نے پورے مالیاتی سیکٹر کو متاثر کیا، اس کے نتیجے میں NBFI (نیکٹر بری طرح متاثر ہوا تھا۔ نتیجتاً تیزی سے شرح سود میں اضافے کے ساتھ سیلیت (liquidity) کی قلت نے کمپنیوں کو مجبور کر دیا کہ وصولیاں سے دستیاب رقوم سے قرضوں کی ادائیگیاں کریں جس کے بعد نئے کاروبار کے لیے کوئی گنجائش نہیں رہی تھی۔ اس نے ہماری کمپنی کو بری طرح متاثر کیا۔

اللہ تعالیٰ کی ہمراہی سے، کچھ عرصے سے کمپنی کے مالی اور آپریشن کی صورتحال میں استحکام آیا۔ سال کے دوران مالیاتی اداروں اور دیگر ذرائع سے قرضوں کی فراہمی کی عدم دستیابی کاروباری حجم میں معمول اضافہ حاصل نہ کرنے کی وجہ رہیں۔ کیونکہ کمپنی اپنے اندر وطنی ذرائع سے کاروبار کو متحرک کر رہی ہے اس لیے کمپنی اپنے کاروبار میں تیزی سے بڑھوتی نہیں کر سکی۔ کارکردگی نہ دکھانے والے قرضوں کے پورٹ فولیو میں منڈی کے نادہنگان کی صورتحال ابتر ہے۔ تاہم، آپ کی انتظامیہ کو اعتماد ہے کہ اگر معاشری صورتحال میں کوئی بڑا منفی انحراف نہ ہو تو آنے والے سالوں میں سال کے منافع کے رجحان میں بہتری آئے گی۔

آپریشن کا جائزہ

گذشتہ سال 116.37 ملین روپے کے نقصان کے مقابلے میں اس سال کمپنی کو 46.12 ملین روپے کا منافع ہوا۔ منافع کی بنیادی وجہ بہتر ریکوری کی وجہ سے معطل شدہ آمدن اور پرویزن کی واچی (Reversal) ہے۔ کمپنی کی مجموعی مالگزاری (بیشول دیگر آمدنی) گذشتہ سال کے 72.22 ملین روپے کے مقابلے میں 127.79 ملین روپے رہی۔ زیر تجربہ سال کے دوران فعال گھر ان اور وصولیابی کی مربوط کوششوں کی وجہ سے کارکردگی نہ دکھانے والے قرضہ جات اور لیزروں سے پرویزن کی واچی ہوئی۔ امسال انتظامی اخراجات میں 12.48 ملین روپے کی کمی ہوئی جسکی وجہ فرسودگی، فیض اور یگل اخراجات میں کمی ہے۔ اس بات پر دوبارہ زور دیا جاتا ہے کہ کمپنی کے کارکردگی منافع (Operating Profit) میں معقول اضافہ کے لئے سرمایہ درکار ہے جو کہ قوت کمپنی کو دستیاب نہیں ہے۔

• مالیاتی ذمہ داریوں کا تصفیہ

انتظامیہ یہ بتاتے ہوئے خوشی محسوس کرتی ہے کہ 30 جون 2020 کے اختتام تک تقریباً 99 فیصد مالیاتی ذمہ داریاں ادا کی جا چکی ہیں یا ادا نہیں کیے گئیں کے طریقہ کو منے طور سے مرتب کر دیا گیا ہے۔

درج ذیل جدول تقابلی اعداد و شمار کو ظاہر کرتا ہے!

تفصیلات	روپے ملین میں
بینک / مالیاتی اداروں کی کل مالی ذمہ داریاں (قرضہ جات + ڈپارٹس) (30 جون 2011 پر انتظامیہ کی تبدیلی سے قبل)	1,561.48
30 جون 2020 پر تصفیہ کی رقم / اصولی طور پر طے شدہ تصفیہ کی رقم / تصفیہ کی نئی ترتیب	1,543.71
زیر تصفیہ بقایار رقم	17.77

باقی مالیاتی ذمہ داریوں کے جلد از جلد تصفیے کی تمام مکملہ کوششیں جاری ہیں۔

• کارکردگی نہ دکھانے والے قرضہ جات (NPLs) کا نظام

دبا کی شکار معاشری صور تحال کی وجہ سے NPLs کی وصولیابیوں کا حصول ایک مشکل کام تھا۔ باقی قرضہ جات کا پورٹ فولیو 30 جون 2020 پر 1,244.20 ملین روپے ہے (2019 میں 1,286.65 ملین روپے تھا)۔ ہماری وصولیابی کی کوششوں کے اثرات کا تینیجہ کمپنی کے کارکردگی نہ دکھانے والی لیزروں / قرضہ جات میں کمی کی صورت میں نظر آتا ہے جس کی وجہ سے لیزروں کی مدد میں 155.37 ملین روپے کی رقم وصولی ہوئی جبکہ اس کے مقابلے میں گذشتہ سال اسی مدد میں 127.41 ملین روپے کی وصولی ہوئی تھی۔ انتظامیہ مستقبل میں اپنی کارکردگی کو بہتر بنانے کے لیے اپنی بہترین کوششیں، توانائی، تجربہ اور مہارتوں کو جاری رکھنے کے لیے پر عزم ہے۔

• انتظامی اخراجات میں کمی

آپریشن کی کارکردگی کی صلاحیت کو متاثر کے بغیر انتظامی اخراجات میں کمی ایک مشکل کام تھا۔ جولائی 2011 سے پہلے کی مدت میں آپریشن کے اخراجات مسابقت کاروں کے مقابلے میں بہت زیادہ تھے۔ کمپنی نے اس مسئلے کو سنجیدگی سے لیا اور انسانی و سماں اور برائج کے نیٹ و رک کی ترتیب نو کے ذریعے غیر ضروری اخراجات پر قابو پایا۔ ان کاوشوں کے نتیجے میں انتظامی اخراجات میں بہت زیادہ کمی آئی ہے۔

• غیر بنیادی اثاثہ جات کی فروخت (Disposal)

انتظامیہ کی توجہ (انتظامیہ کی تبدیلی کے بعد سے) غیر بنیادی اثاثہ جات سے دستبرداری پر رہی اور 30 جون 2018 تک اپنی تمام غیر بنیادی جائیدادوں جن کی کھاتوں میں درج ہیت 567.88 ملین روپے تھی، کومالی ذمہ داریوں کے عوض تصنیفی کی مدد کے ساتھ ساتھ نقدر قم کے عوض بھی فروخت کیا۔ کمپنی کو اس مدت میں 102.74 ملین روپے کا سرمایہ کاری نفع چوڑا، اور فرسودگی (depreciation) کے اثرات کی بھی بچت ہوئی۔ اس کے نتیجے میں مالی ذمہ داریوں میں کمی اور سیاہی (liquidity) اور ملکیتی سرمایہ (equity) کی صورت حال میں بہتری آئی۔

• لیز کے نئے کاروبار

کمپنی نے سرمایہ کاری (لیز اور قرضہ جات) کا جو کاروبار نئے سرے سے شروع کیا اس میں نادہندگی کی سطح معمولی ہے اور یہ زیادہ تر گاڑیاں ہیں اس لیے بل (bill) کیتے جانے والی رقم کی وصولیاً بی 100 فیصد ہے۔ اس عمل نے مالی ذمہ داریوں کی بروقت ادائیگیوں کے سلسلے میں بہت اہم معاونت کی ہے۔ انتظامیہ کی ترجیح اپنی مالیاتی ذمہ داریوں کو پورا کرتا ہے اور اضافی سرمایہ سے نئے لیز پورٹ فولیو میں سرمایہ کاری کی جاتی ہے۔ سال کے دوران فراہم کردہ سرمائی کی مالیت 80.80 ملین روپے رہی جبکہ سال 2019 میں اس کی مالیت 182.04 ملین روپے تھی۔ قرض خواہوں کی بڑی مالی ذمہ داریوں کی ادائیگیاں کرچکنے کے بعد آنے والے سالوں میں نئے کاروبار میں مزید اضافہ ہو گا۔

مستقبل پر نظر

کورونا وائرس کے مریضوں میں حالیہ کی اور لاک ڈاؤن میں نرمی کے ساتھ معاشی سرگرمیوں کا آہستہ آہستہ بحال ہونے کا امکان ہے۔ شرح سود میں بہت زیادہ کمی سے بھی معاشی سرگرمیوں کی بھالی میں مدد ملے گی۔ آئندہ چند سماں میں کمپنی کے دوران اثاثوں کے معیار کی نگرانی بہت ضروری ہے۔

زیر تجویز عرصہ میں، کمپنی کو در پیش بٹے معاملات میں سیاہیت کا مسئلہ ہے جو آنے والے دنوں میں بھی جاری رہے گا، اس لیے اصل توجہ NPL سے وصولیاً ہیں، باقی مالی ذمہ داریوں کے تصنیفی اور نئے لیز کے کاروبار میں سرمایہ کاری پر رہے گی تاہم کورونا وائرس کے پھیلاؤ کی وجہ سے وصول یا بیان متاثر ہو سکتی ہیں آپ کی کمپنی کی انتظامیہ پر اعتماد ہے کہ آنے والے سالوں میں کمپنی کے منافع کی سطح (bottom line) میں مزید بہتری آئے گی۔

اداراتی اور مالیاتی رپورٹنگ کاٹھانچ

کمپنی اور اس کے بورڈ آف ڈائریکٹرز بہتر اداراتی نظم و ضبط کے اصولوں اور طریقوں پر عملدرآمد کرنے اور خاص طور پر شفافیت اور مناسب معلومات کے اکشافات کرنے کے لیے پر عزم ہیں۔ بورڈ اور انتظامیہ کمپنی کے آپریشن اور کارکردگی کی نگرانی کے سلسلے میں اپنی ذمہ داریوں سے بخوبی آگاہ ہیں تاکہ مالیاتی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت میں اضافہ کیا جائے۔ مندرجہ ذیل بیانات اس بات کا مظہر ہیں کہ کمپنی اداراتی نظم و ضبط کے بہترین طریقوں پر عملدرآمد کے لیے پر عزم ہے۔

- a. کمپنی کی انتظامیہ کی تیار کردہ مالیاتی دستاویزات اس کے معاملات، آپریشن کے نتائج، کیش فلو اور ملکیتی سرمایہ (equity) میں روبدل اس کے معاملات کی بہتر تصویر پیش کرتے ہیں۔
- b. کمپنی کے لکھا توں کی کتابوں کو مناسب طور پر کمینیز ایکٹ 2017 کے تقاضوں کے مطابق رکھا گیا۔
- c. مالیاتی دستاویزات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو استعمال کیا گیا ہے۔ اکاؤنٹنگ تجھیںوں کی بنیاد مناسب اور محاط اندازے ہیں۔
- d. مالیاتی دستاویزات کی تیاری میں ہین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، جو پاکستان میں لا گو ہوتے ہیں، ان پر عملدرآمد کیا گیا اور اس سے انحراف نہیں کیا گیا ہے۔
- e. اندرومنی گھر ان کا نظام موجود ہے اور اس کا مونیشن طور پر نفاذ کیا جا چکا ہے۔
- f. بیہاں واقعات اور حالات سے متعلق کافی غیر یقینی موجود ہے جو کمپنی کے ایک جاری رہنے والے ادارے کے طور پر اس کی صلاحیت پر اہم شہادات ڈال سکتی ہے، تاہم مالیاتی دستاویزات کے نوٹ نمبر 1.3 میں بیان کردہ عوامل کی بنیاد پر کمپنی پر اعتماد ہے کہ اس کے پاس ایک جاری رہنے والے ادارے کے صلاحیت موجود ہے۔
- g. SECP کے جاری کئے گئے ادارتی لظیم و ضبط کے طریقوں اور تجویز کردہ طریقہ کارے اخراج نہیں کیا گیا ہے مساوئے ان کے جو مسئلہ آٹھ رپورٹ میں زیر بحث آئے ہیں۔
- h. ٹیکس اور حکومت کی دیگر لیویز کے تقیا بات، گوشواروں کے متعلقہ نوٹ (س) میں دے دی گئیں ہیں۔
- i. زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے۔

نام	اجلاس میں شرکت
جناب محمد آصف (CEO)	4
جناب محمد قاسم	4
محترمہ عائشہ شہریار	4
جناب ولی محمد (بریگڈیر رینٹائزڈ)	4
محترمہ فضاء زاہد	4
جناب شہاب الدین خان	4
جناب اشعر سعید	1

سال 2019-2020 کے دوران کمپنی کے ڈائریکٹرز /CEO نے حصہ کا کوئی لین دین نہیں کیا۔

زیر جائزہ سال کے دوران آٹھ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے۔

نام	اجلاس میں شرکت
جناب ولی محمد (بریگڈیر رینٹائزڈ)	4
جناب شہاب الدین خان	4
محترمہ فضاء زاہد	4

مقدمہ منافع (Dividend)

جیسا کہ اوپر بیان کیا گیا ہے کہ انتظامیہ کے کے گے اقدامات کے نتیجے میں کمپنی میں کامیابی سے ثابت تبدیلی آئی ہے، تاہم بورڈ آف ڈائریکٹرز سرمایہ کی بنیاد کو مستحکم کرنے، مزید منافع بنشی اور حصص یافتگان کے سرمایہ کی قدر میں اضافے کے لیے پرعزم ہیں۔ اس لیے زیر جائزہ سال میں کسی مقتسمہ منافع کا اعلان نہیں کیا گیا ہے۔

آڈیٹر

موجودہ آڈیٹر میسرزڈیلوٹ پوسٹ فیڈ عادل، چارٹرڈاکاؤنٹنس نے اپنی 5 سال کی مدت مکمل کر لی ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر آرائیں ایم اویس حیدر لیاقت نعمان چارٹرڈاکاؤنٹس کو مالی سال 21-2020 کے لیے 900,000 روپے سالانہ مشاہرہ پر بیر ونی آڈیٹر منتخب کرنے کا عنديہ دیا ہے۔ آڈیٹر کی رپورٹ میں کمپنی کے بطور جاری رہنے والے ادارے کے معاملے پر اہم امور کا پیر اگراف دیا گیا ہے۔ تاہم، کمپنی محسوس کرتی ہے کہ وہ ایک جاری رہنے والا ادارہ ہے جیسا کہ مالیاتی دستاویزات کے نوٹ 3.1 میں تفصیل سے بیان کیا گیا ہے۔

حصص رکھنے کا رجحان

30 جون 2020 پر حصص رکھنے کا رجحان منسلک ہے۔

اظہارِ تشكیر

ہم بورڈ آف ڈائریکٹرز کی جانب سے اپنے، قابل قدر صارفین کا شکریہ ادا کرتا چاہتے ہیں جنہوں نے اپنی مالیاتی ضرورتوں کے لیے انویسٹ کمپیشنل انویسٹمنٹ بینک لمبیڈ کا انتخاب کیا۔ ہم اپنے حصص یافتگان کا ان کے اعتقاد، بینک دولت پاکستان، سیکیوریٹی اینڈ ایکچنچ کمیشن آف پاکستان اور دیگر ضوابطی اداروں کا ان کے تعاون اور معزز ملازمین کی بے لوث خدمات پر اکنے مشکور ہیں۔

منجانب و برائے بورڈ آف ڈائریکٹرز

محمد آصف

چیف اگیز کیوں آفیسر

لاہور

105 اکتوبر 2020

عائشہ شہزاد

چیئرمیٹر

Pattern of Shareholding

As at June 30, 2020

No. of Shareholders	Shareholding		Total Shares held	No. of Shareholders	Shareholding		Total Shares held
	From	To			From	To	
1,189	1	100	44,462	9,434	Brought forward		52,368,017
3,530	101	500	800,362	2	285,001	290,000	576,500
593	501	1,000	452,264	1	295,001	300,000	300,000
2,788	1,001	5,000	5,909,171	1	315,001	320,000	319,000
475	5,001	10,000	3,534,897	2	320,001	325,000	645,000
195	10,001	15,000	2,472,797	1	335,001	340,000	337,000
126	15,001	20,000	2,302,462	2	340,001	345,000	685,000
90	20,001	25,000	2,097,581	1	355,001	360,000	356,500
58	25,001	30,000	1,624,064	2	370,001	375,000	748,500
47	30,001	35,000	1,574,727	1	395,001	400,000	400,000
44	35,001	40,000	1,706,511	1	440,001	445,000	443,000
20	40,001	45,000	855,130	1	445,001	450,000	450,000
49	45,001	50,000	2,399,852	1	455,001	460,000	460,000
14	50,001	55,000	735,085	1	480,001	485,000	481,260
15	55,001	60,000	883,010	1	495,001	500,000	500,000
16	60,001	65,000	1,011,036	1	500,001	505,000	502,000
11	65,001	70,000	760,568	1	545,001	550,000	547,500
9	70,001	75,000	656,000	1	555,001	560,000	557,500
14	75,001	80,000	1,103,536	1	580,001	585,000	583,080
3	80,001	85,000	250,000	3	595,001	600,000	1,799,500
5	85,001	90,000	442,700	1	650,001	655,000	652,147
10	90,001	95,000	935,236	1	660,001	665,000	664,776
32	95,001	100,000	3,179,872	1	685,001	690,000	688,500
10	100,001	105,000	1,021,059	1	735,001	740,000	738,500
4	105,001	110,000	439,045	1	770,001	775,000	775,000
5	110,001	115,000	562,498	1	780,001	785,000	782,500
2	115,001	120,000	238,500	1	790,001	795,000	795,000
8	120,001	125,000	987,592	1	815,001	820,000	819,784
5	125,001	130,000	642,100	2	855,001	860,000	1,718,000
2	130,001	135,000	266,556	1	1,045,001	1,050,000	1,050,000
4	135,001	140,000	552,000	1	1,085,001	1,090,000	1,085,500
1	140,001	145,000	144,500	1	1,115,001	1,120,000	1,117,876
6	145,001	150,000	895,000	1	1,145,001	1,150,000	1,147,500
4	150,001	155,000	614,000	1	1,195,001	1,200,000	1,200,000
6	155,001	160,000	949,105	1	1,215,001	1,220,000	1,216,500
1	160,001	165,000	161,000	1	1,220,001	1,225,000	1,223,500
3	165,001	170,000	505,322	1	1,295,001	1,300,000	1,299,000
4	170,001	175,000	699,500	1	1,380,001	1,385,000	1,381,500
3	180,001	185,000	554,500	1	1,675,001	1,680,000	1,676,000
1	185,001	190,000	188,500	1	1,850,001	1,855,000	1,852,721
10	195,001	200,000	1,994,690	1	2,110,001	2,115,000	2,114,500
1	200,001	205,000	200,500	1	2,345,001	2,350,000	2,350,000
3	205,001	210,000	622,246	1	2,420,001	2,425,000	2,424,076
1	210,001	215,000	212,000	1	2,740,001	2,745,000	2,740,500
3	215,001	220,000	660,000	1	3,110,001	3,115,000	3,114,892
1	225,001	230,000	229,348	1	3,195,001	3,200,000	3,200,000
2	230,001	235,000	461,222	1	3,830,001	3,835,000	3,834,059
1	235,001	240,000	236,500	1	4,245,001	4,250,000	4,246,917
1	240,001	245,000	242,340	1	7,840,001	7,845,000	7,840,349
2	245,001	250,000	497,000	1	9,605,001	9,610,000	9,609,692
1	250,001	255,000	250,260	1	40,220,001	40,225,000	40,224,125
4	260,001	265,000	1,053,011	1	53,995,001	54,000,000	54,000,000
1	275,001	280,000	276,000	1	64,220,001	64,225,000	64,224,125
1	280,001	285,000	280,800				
9,434	Carry forward		52,368,017 Total:	9,493	Grand Total		284,866,896

Pattern of Shareholding

As at June 30, 2020

Categories of Shareholder	Shares held	% age
Directors, Chief Executive Officer, their Spouses and Minor Children	104,451,750	36.67
Associated Companies, undertakings and related parties	-	-
NIT & ICP	9,609,692	3.37
Banks, Development Financial Institutions & Non Banking Financial Institutions	1,443,974	0.51
Insurance Companies	2,546,848	0.89
Modarabas and Mutual Funds	603,834	0.21
General Public a) Local b) Foreign	143,715,761	50.45
Other Companies a) Local b) Foreign	22,481,806 13,231	7.89 0.00
Total	284,866,896	100.00
Shareholders holding 10% and more		
Mrs. Fiza Zahid (Director)	64,224,125	22.55
Mrs. Ayesha Shehryar (Director)	40,224,125	14.12
Mr. Muhammad Zahid (Major Shareholder)	54,000,000	18.96
Total	158,448,250	55.62

Seven Years Key Financial and Operating Data

.....Rupees in thousand.....

<i>Balance Sheet</i>	2020	2019	2018	2017	2016	2015	2014
Ordinary share capital	2,848,669	2,848,669	2,848,669	2,848,669	2,848,669	2,848,669	2,848,669
Equity	291,450	256,275	267,217	255,076	243,542	183,229	181,976
Net Investment in Lease	369,239	364,251	331,616	277,825	275,842	319,693	417,762
Musharakah/Finances	319,958	230,628	256,180	289,183	287,421	300,273	301,074
Total Assets	968,390	950,098	1,059,843	1,106,054	1,118,100	1,212,833	1,352,653
<i>Profit & Loss Account</i>							
Total Income	127,783	72,218	71,418	47,631	117,292	80,182	172,846
Financial charges-Net	(17,155)	9,419	7,501	28,510	16,092	(8,768)	24,654
Admin & Operating Expense	23,071	35,546	31,521	33,192	30,998	57,633	51,782
Profit / (Loss) Before Tax	68,888	36,531	9,206	(9,205)	39,191	6,843	100,566
Profit / (Loss) After Tax	46,123	(116,366)	8,601	(9,400)	40,257	6,155	98,725
Break up Value of Share	1.02	0.90	0.94	0.90	0.85	0.64	0.64
Market Value per Share	0.80	0.82	1.88	2.11	1.09	1.45	2.00
<i>Financial Ratios:</i>							
Earning per share	0.162	(0.408)	0.027	(0.033)	0.141	0.022	0.350
Revenue Per Share	0.449	0.254	0.251	0.167	0.412	0.281	0.607

Review Report on the Statement of Compliance

Contained In Listed Companies (Code Of Corporate Governance) Regulations, 2019

Independent Auditor's Review Report to the members of Invest Capital Investment Bank Limited

We have reviewed the enclosed Statement of Compliance with the listed companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Invest Capital Investment Bank Limited (the Company) for the year ended June 30, 2020 in accordance with the requirements of regulations 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and control or to form an opinion on effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon the recommendations of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2020.

**DELOITTE YOUSUF ADIL
CHARTERED ACCOUNTANTS**

Place: Faisalabad.

Date: October 05, 2020

Statement of Compliance

With Listed Companies (Code of Corporate Governance) Regulations, 2019
For the Year Ended June 30, 2020

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is seven as per the following:

Gender	Number
Male	5
Female	2

2. The composition of Board is as follows:

Category	Names
Independent Directors	Brig. (Retd.) Wali Muhammad Mr. Ashar Saeed
Non-Executive Directors	Mrs. Ayesha Shehryar Mrs. Fiza Zahid Mr. Shahab Ud Din Khan
Executive Directors	Mr. Muhammad Asif Mr. Muhammad Qasim
Female Directors	Mrs. Ayesha Shehryar Mrs. Fiza Zahid

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Currently, one director is exempt from the directors training certification requirement by virtue of his experience as prescribed by listing regulations of Pakistan Stock Exchange. The company has planned to arrange DTP certification for the remaining directors over the next two years. By the end of June 2021 75% of the directors shall attain said certification.
10. The board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the board;

12. The board has formed Committees comprising of members given below:

a) Audit Committee

1) Brig. (Retd.) Wali Muhammad	Chairman
2) Mr. Shahab Ud Din Khan	Member
3) Mrs. Fiza Zahid	Member

b) HR and Remuneration Committee

1) Mr. Muhammed Qasim	Chairman
2) Mr. Shahab Ud din Khan	Member
3) Mr. Muhammad Asif	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings quarterly/half yearly/yearly) of the committee were as per following:

a) Audit Committee: Four quarterly meetings

b) HR and Remuneration Committee: One annual meeting

15. The Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan, that they or all of their partners are with compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and he partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with; and

19. We confirm that all the requirements, other than regulation 19 have been duly complied. During the year due to COVID 19 breakout no director could get the DTP certification. The company has planned to arrange DTP certification for the remaining directors over the next two years. By the end of June 2021 75% of the directors shall attain said certification.

The 1/3rd number of independent directors as per regulation 6 of the code of corporate governance 2019 works out to 2.33. As per the rounding norms any fraction more than .50 is rounded off to one and less than .50 is ignored. Accordingly, the company opted for 2 independent directors.

For and on behalf of the Board of Directors

Ayesha Shehryar
Chairperson

Muhammad Asif
Chief Executive Officer

Independent Auditor's Report

To the members of Invest Capital Investment Bank Limited

Opinion

We have audited the annexed financial statements of Invest Capital Investment Bank Limited (the Company), which comprise the statement of financial position as at June 30, 2020, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2020 and of the profit and comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan, The ICAP Code of Ethics for Chartered Accountants (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to Note 1.3 in the financial statements, which indicates that the Company has suffered operating losses in prior years, and as at the statement of financial position date, the accumulated loss of the company is Rs. 778.28 million. The events or conditions, along with other matters as set forth in Note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
1	Regulatory Provisions against Non-Performing assets Refer to Note # 9, 10, 12, 13, 14, and 16 to the Statement of financial position; management has made provisions for non-performing long term musharika finances, long term loans, short term musharika finances, short term receivables, advances and other receivables in accordance with NBFC and Notified Entities Regulations 2008 that require significant judgments including estimates of Forced Sale Value of assets held as collateral.	Our key audit procedures in respect of provision against non-performing assets, amongst others, include the following: We assessed whether all assets are classified appropriately among regular, sub-standard, doubtful and loss category based on period since which they are outstanding. For non-performing receivables eligible for Forced Sale Value benefit of mortgaged properties held as security, we evaluated whether valuation reports are available and valid. We examined that reversal of provision has been made as per specified condition in the NBFC and Notified Entities Regulations 2008. We inspected mortgage deeds to substantiate existence of leased assets held as collateral.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Hamid Masood

**Deloitte Yousuf Adil
Chartered Accountants**

Place: Faisalabad
Date: October 05, 2020

Statement of Financial Position

As at June 30, 2020

	Note	2020 Rupees	2019 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	4	68,511,387	71,629,065
Operating assets	5	333,865	476,950
Intangible assets	6	139,774,290	130,364,015
Investment accounted for using equity method	7	21,954,233	32,901,741
Financial assets at fair value through other comprehensive income	8	149,915,235	170,803,593
Net investment in finance lease	9	-	-
Long term musharakah finances	10	38,051,515	5,133,616
Long term loans	11	2,331,225	2,353,225
		420,871,750	413,662,205
Current assets			
Short term musharakah finances	12	43,019,683	59,919,683
Short term finances	13	111,790,216	6,679,875
Ijarah rentals receivables	14	1,314,988	1,430,339
Current portion of non-current assets	15	346,420,135	352,338,655
Advances, deposits, prepayments and other receivables	16	22,575,106	76,008,510
Financial assets at fair value through profit or loss	17	11,448,968	15,313,080
Bank balances	18	10,949,517	24,745,878
		547,518,613	536,436,020
TOTAL ASSETS		968,390,363	950,098,225

	Note	2020 Rupees	2019 Rupees
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
485,000,000 ordinary shares of Rs. 10 each		4,850,000,000	4,850,000,000
Issued, subscribed and paid-up capital	19	2,848,668,960	2,848,668,960
Loan from directors	20	126,000,000	126,000,000
Capital reserves			
Capital reserve on amalgamation	21	(2,022,075,992)	(2,022,075,992)
Statutory reserve		-	102,976,444
Revenue reserves			
General reserve	22	102,976,444	-
Accumulated loss		(778,282,771)	(824,405,592)
Fair value reserve		14,163,433	25,110,941
		291,450,074	256,274,761
Non-current liabilities			
Loan from sponsor	23	116,392,473	141,392,473
Security deposits from lessees	24	56,677,099	57,287,409
Redeemable capital	25	11,400,000	-
Liability related to outgoing group	26	25,920,000	-
Deferred liability		-	-
Mark up on long term musharakah	27	210,389,572	198,679,882
Current liabilities			
Current portion of non-current liabilities	28	63,747,430	72,860,910
Short term loan from sponsor	29	31,000,000	-
Accrued and other liabilities	30	141,994,165	192,912,877
Profit / mark up payable	31	200,968,195	220,419,504
Unclaimed dividend		6,053,456	6,053,598
Provision for taxation - income tax	37	22,787,471	2,896,693
		466,550,717	495,143,582
TOTAL EQUITY AND LIABILITIES		968,390,363	950,098,225
CONTINGENCIES AND COMMITMENT	32	-	-

The annexed notes 1 to 46 form an integral part of these financial statements.

Muhammad Asif
Chief Executive Officer

Ayesha Shehryar
Chairperson

Akmal Ali
Chief Financial officer

Statement of Profit or Loss

For the Year Ended June 30, 2020

	Note	2020 Rupees	2019 Rupees
Income			
Income from leasing operations		35,586,636	30,306,656
Operating lease rentals		5,909,195	1,152,206
Profit on musharakah investments		23,349,993	3,172,556
Income from finances		20,008,024	993,396
Income on deposits with banks		1,747,219	1,942,354
Income from joint ventures		9,410,275	26,796,681
Dividend income		2,136,365	1,350,801
Net (loss) / gain on sale of marketable securities		(54,965)	296,812
Unrealized (loss) on financial assets at fair value - net		(6,626,127)	(3,474,520)
		91,466,615	62,536,942
Expenses			
Administrative and operating expenses	33	(23,071,839)	(35,546,238)
Financial charges	34	(21,246,345)	(21,586,236)
Mark up waived off on settlement of loans	35	38,401,681	12,166,793
		(5,916,503)	(44,965,681)
		85,550,112	17,571,261
Other income	36	36,316,828	9,680,506
		121,866,940	27,251,767
Provision reversed / (charged) on non-performing loans and write-offs			
Reversal / (provision) against:			
Finance lease receivable and rentals - net		10,056,545	23,064,448
Long term / short term musharakah finances		150,000	-
Long term / short term loans		(43,051,181)	(15,286,313)
Other receivables		(13,345,142)	7,949,014
Balances written off:			
Lease receivables		(3,308,960)	(6,448,106)
Other receivables		(3,480,373)	-
		(52,979,111)	9,279,043
Profit before taxation		68,887,829	36,530,810
Provision for taxation	37	(22,765,008)	(152,896,693)
Profit / (Loss) for the year		46,122,821	(116,365,883)
Earnings / (loss) per share - Basic and Diluted	38	0.162	(0.408)

The annexed notes 1 to 46 form an integral part of these financial statements.

Muhammad Asif
Chief Executive Officer

Ayesha Shehryar
Chairperson

Akmal Ali
Chief Financial officer

Statement of Comprehensive Income

For the Year Ended June 30, 2020

	2020 Rupees	2019 Rupees
Profit / (Loss) for the year	46,122,821	(116,365,883)
Other comprehensive (loss)		
Items that may not be reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	(10,947,508)	(188,565)
Total comprehensive Income / (loss) for the year	<u>35,175,313</u>	<u>(116,554,448)</u>

The annexed notes 1 to 46 form an integral part of these financial statements.

Muhammad Asif
Chief Executive Officer

Ayesha Shehryar
Chairperson

Akmal Ali
Chief Financial officer

Statement of Cash Flows

For the Year Ended June 30, 2020

	2020 Rupees	2019 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	68,887,829	36,530,810
Adjustments for non cash charges and other items:		
Depreciation of property, plant and equipment	2,970,280	6,827,756
Amortization of intangible assets	143,085	204,407
(Reversal) / provision against:		
Finance lease receivable and rentals - net	(10,056,545)	(23,064,448)
Long term / short term musharakah finances	(150,000)	-
Long term / short term loans	43,051,181	15,286,313
Other receivables	13,345,142	(7,949,014)
Balances written off		
lease receivables	3,308,960	6,448,106
Other receivables	3,480,373	-
(Gain) on disposal of operating assets	(2,602)	(4,260,432)
Unrealised loss on financial assets at fair value	6,626,127	3,474,520
Income from joint ventures	(9,410,275)	(26,796,681)
Financial charges	21,246,345	21,586,236
Mark up waived off on settlement of loans	(38,401,681)	(12,166,793)
(Gain) on settlement of liabilities	(32,000,000)	-
Balances written back	(613,750)	(1,356,250)
	3,536,640	(21,766,280)
Cash flow from operating activities before working capital changes	72,424,469	14,764,530
Changes in working capital		
Decrease / (Increase) in current assets		
Short term musharakah finances	16,900,000	6,087,426
Short term finances	(105,110,341)	-
Ijarah rentals receivables	115,351	21,992
Advances, deposits, prepayments and other receivables	35,172,474	(47,117,847)
	(52,922,516)	(41,008,429)
Increase in current liabilities		
Accrued and other liabilities	6,595,038	61,490,232
Cash generated from operations	26,096,991	35,246,333
Financial charges paid	(2,295,973)	(11,504)
Income tax paid	(1,938,814)	(2,010,841)
Dividend paid	(142)	-
Net cash generated from operations	21,862,062	33,223,988

	2020 Rupees	2019 Rupees
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b) CASH FLOWS FROM INVESTING ACTIVITIES

(Additions) / deletion in:

Property, plant and equipment	-	(111,000)
Net investment in finance lease	12,526,253	(30,216,059)
Long term musharakah finances	150,000	-
Long term loans	(44,174,661)	3,662,762
Long term security deposits	22,000	(75,000)
Financial assets at fair value through profit or loss	(2,762,015)	(17,086,128)
Proceeds from disposal of operating assets	150,000	42,016,457
Net cash (used in) investing activities	(34,088,423)	(1,808,968)

c) CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from / (Repayment of) :		
Long term loan from sponsors	(25,000,000)	(4,000,000)
Short term loan from sponsors	31,000,000	-
Redeemable capital	(4,330,000)	(10,090,000)
Liability related to outgoing group	(3,240,000)	-
Long term musharakah and murabaha borrowings	-	(2,740,264)
Net cash (used in) financing activities	(1,570,000)	(16,830,264)
Net (decrease) / Increase in cash and cash equivalents (a+b+c)	(13,796,361)	14,584,756
Cash and cash equivalents at the beginning of the year	24,745,878	10,161,122
Cash and cash equivalents at the end of the year	10,949,517	24,745,878

The annexed notes 1 to 46 form an integral part of these financial statements.

Muhammad Asif
Chief Executive Officer

Ayesha Shehryar
Chairperson

Akmal Ali
Chief Financial officer

Statement of Changes in Equity

For the Year Ended June 30, 2020

Issued subscribed and paid-up capital	Loan from directors	Capital Reserves				Revenue Reserve		Fair value reserve	Total
		Capital reserve on amalgamation	Statutory reserve	Equity portion of Subordinated loan from directors	Sub total	General reserve	Accumulated loss		
Rupees									
Balance as at July 01, 2018		(2,022,075,992)	102,976,444	20,387,414	[1,898,712,134]		(708,039,709)	25,299,506	267,216,623
Total comprehensive income for the year									
(Loss) for the year							(116,365,883)		(116,365,883)
Other comprehensive income									
Items that will not be reclassified subsequently to profit or loss									
Changes in the fair value of equity investments at fair value through other comprehensive income								(188,565)	(188,565)
Equity portion of loan to directors		20,387,414			[20,387,414]	(20,387,414)			
Loan from directors		105,612,586							105,612,586
		126,000,000			[20,387,414]	(20,387,414)		(116,365,883)	(188,565)
Balance as at June 30, 2019		2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	-	(1,919,099,548)	-	(824,405,592)
								25,110,941	256,274,761
Total comprehensive income for the year									
Profit for the year							46,122,821		46,122,821
Other comprehensive income									
Items that may not be reclassified to profit or loss									
Changes in the fair value of equity investments at fair value through other comprehensive income								(10,947,508)	(10,947,508)
Transferred from Statutory reserve to General reserve				(102,976,444)		(102,976,444)	102,976,444		
								102,976,444	46,122,821
Balance as at June 30, 2020		2,848,668,960	126,000,000	(2,022,075,992)	-	-	(1,919,099,548)	102,976,444	(778,282,771)
									14,163,433
									281,450,074
									35,175,313

The annexed notes 1 to 46 form an integral part of these financial statements.

Muhammad Asif
Chief Executive Officer

Ayesha Shehryar
Chairperson

Akmal Ali
Chief Financial officer

Notes to the Financial Statements

For the Year Ended June 30, 2020

1. LEGAL STATUS AND OPERATIONS

- 1.1** Invest Capital Investment Bank Limited ('the Company') is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The Company is engaged in the business of leasing and investment finance activities as a Non-Banking Finance Company (NBFC) and is regulated by the Securities and Exchange Commission of Pakistan (SECP). The Company is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 501, 5th Floor, Al-Fatima Chambers, 149-AM, Shambhu Nath Street, Off Shahrah-e-Iraq, Saddar, Karachi in the province of Sindh. The branches of the company are located at Lahore, Islamabad, Peshawar, Faisalabad and Gujranwala.
- 1.2** In 2009, the Company entered in a scheme of arrangement for the amalgamation by way of merger of Al-Zamin Leasing Corporation Limited (AZLCL) and Al-Zamin Leasing Modaraba (AZLM) with and into Invest Capital Investment Bank Limited. All the assets, liabilities and reserves of AZLCL and AZLM were vested with and assumed by the Company. The Honorable High Court of Sindh approved the amalgamation by way of merger through order dated December 08, 2009 effective from June 30, 2009 (close of business).
- 1.3** The Company suffered financial and operational difficulties from 2009 to 2011. These financial and operational difficulties resulted as under:
- the Company suffered huge operating loss till 2011 and as at the statement of financial position date, the accumulated loss is Rs. 778.28 million (2019: Rs. 824.41 million).
 - the Company has been unable to comply with the terms of certain loan agreements as explained in detail in the relevant notes to the financial statements.
 - the Company has been facing difficulty in recovery of its leases and loans portfolio.

There has been material uncertainty related to events and conditions which may cast significant doubt about the Company's ability to continue as a going concern and, therefore the Company may not be able to realize its assets and discharge its liabilities in the normal course of business.

However, the management implemented its multi-facet plan which resulted in improvement in the financial and operational condition of the Company. The plan and efforts and their impact on the financial and operational conditions of the Company are discussed below:

(a) Substantial reduction in administrative and other expenses

The management of the Company has curtailed its administrative and other operating expenses to minimum possible level over the years, without affecting the operational efficiency of the Company.

(b) Leasing / financing business

The Company is mainly carrying out car leasing business at very attractive rates and reasonable deposit margin. During the year leases and finances amounting to Rs. 309.80 million (2019 : Rs. 182.04 million) have been disbursed. Management is hopeful that leasing business will contribute in improving the operating results and equity position of the Company.

(c) Settlement / rescheduling of loans / finances with lenders

The Management has settled the outstanding loans with various banks / financial institutions through cash payment / transfer of the Company's lease / loan portfolios and immovable properties / shares / other assets with waiver of mark-up. During the period liabilities amounting to Rs. 30.03 million (2019: Rs. 10.09 million) have been settled / rescheduled, the percentage of liabilities settled to date is 98.86% (2019: 96.94%). Negotiations are in process for the settlement of the outstanding amount of Rs. 17.77 million against TFCs issued by the company.

(d) Disposal of non-core assets

The management was committed to dispose off non core assets, during the last year the management had disposed off all non-core assets. Disposal of non core assets has resulted in improvement in the liquidity position of the Company.

(e) Improved recovery of leases and loans portfolio

The Company has been putting all its efforts for recovery from leases and loans portfolio. Net recovery during the year is Rs. 155.37 million (2019: Rs. 127.41 million). This amount has been utilized in the new leasing business, as well as, in meeting the obligations towards the remaining lenders.

The above mentioned plans / efforts have helped to overcome the financial and operational problems of the Company. Considering management's plans and the positive results of the mitigating actions as discussed in para (a) to (e) above, management is confident that the Company will continue as a going concern.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Companies Act, 2017, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Accounting / Financial Reporting Standards (IASs / IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017. Wherever the requirements of the Companies Act, 2017, the NBFC Rules, the NBFC Regulations or the directives issued by SECP differ with the requirements of IASs / IFRSs, requirements of the Companies Act, 2017, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail.

2.2 Basis of measurement

These financial statements have been prepared under the 'historical cost convention' except:

- Investments at fair value through statement of profit or loss and Investments stated at fair value through other comprehensive income.

2.3 Functional and presentation currency

These financial statements have been prepared in Pakistani Rupee which is the functional and presentation currency of the Company. Figures have been rounded off to the nearest Rupee.

2.4 Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the financial statements are as under:

- Property, plant and equipment (Note 4)
- Intangible assets (Note 5)
- Net investment in finance lease (Note 8)
- Ijarah rentals receivables (Note 14)
- Long term musharakah finances (Note 9)
- Long term loans (Note 10)
- Short term musharakah finances (Note 12)
- Short term finances (Note 13)

2.5 Application of new and revised International Financial Reporting Standards (IFRSs)

2.5.1 Standards, amendments to standards and interpretations becoming effective in current year

The following standards, amendments to standards and interpretations have been effective and are mandatory for financial statements of the Company for the periods beginning on or after July 01, 2019 and therefore, have been applied in preparing these financial statements.

IFRS 16 Leases:

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. The change in definition of lease mainly relates to the concept of control. The standard determines whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration.

IFRS 16 does not change substantially how a lessor accounts for leases. Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

However, IFRS 16 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

Under IFRS 16, an intermediate lessor accounts for the head lease and the sub-lease as two separate contracts. The intermediate lessor is required to classify the sub-lease as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

The application of amendments has no material impact on the financial statements of the company.

- Amendments to IFRS 9 Prepayment Features with Negative Compensation

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, financial assets with prepayment features with negative compensation do not automatically fail SPPI.

The application of amendments has no material impact on the financial statements of the company.

- IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires to:

- Determine whether uncertain tax positions are assessed separately or as a group; and
- Assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
- If yes, determine accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.
- If no, reflect the effect of uncertainty in determining accounting tax position using either the most likely amount or the expected value method.

The application of IFRIC has no material impact on the financial statements of the company.

Amendments to IAS 28: Investments in Associates and Joint Ventures.

The amendment clarifies that IFRS 9, including its impairment requirements, applies to other financial instruments in an associate or joint venture to which the equity method is not applied.

The amendment clarifies that IFRS 9, including its impairment requirements, applies to other financial instruments in an associate or joint venture to which the equity method is not applied.

These include long-term interests that in substance, form part of the entity's net investment in an associate or joint venture. The amendment is not expected to have any material impact on the financial statements of the company.

Annual improvements to IFRS – Standard 2015-2017 Cycle

The Annual Improvements include amendments to the following Standards:

IAS 12 Income Taxes

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits.

IFRS 11 Joint Arrangements

The amendments clarify that when a party that participates in, but does not have joint control of, a joint operation that is a business obtains joint control of such a joint operation, the entity does not measure its previously held interest in the joint operation.

The application of amendments has no material impact on the financial statements of the company.

2.5.2 Standards, amendments to standards and interpretations becoming effective in current year but not relevant.

There are certain amendments to standards that became effective during the year and are mandatory for accounting periods of the Company beginning on or after July 01, 2019 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these financial statements.

2.5.3 Standards, amendments to standards and interpretations becoming effective in future periods

There are certain standards, amendments to the IFRS and interpretations that are mandatory for companies having accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

Amendments to IAS 1 and IAS 8 - Definition of Material

The amendments are made to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.'

The concept of "observing" material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from "Could influence" to "Could reasonably be expected to influence".

The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

The amendments are effective for accounting period beginning on or after 1 January, 2020.

The application of amendments is not expected to have a significant impact on the company's financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Rate Benchmark Reform

The amendments include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

The amendments also introduce specific disclosure requirements for hedging relationships to which the reliefs are applied.

The amendments are effective for reporting periods starting on or after 01 January 2020.

The application of amendments is not expected to have any material impact on the company's financial statements.

The Amendments to References to the Conceptual Framework for Financial Reporting

The IASB issued the Conceptual Framework in March 2018. It sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards.

The Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

IASB has also issued amendments to References to the conceptual framework in IFRS,s. The amendments are intended to replace reference to a previous version of the IASB,s conceptual framework with a reference to the current version.

The amendments are effective for accounting periods beginning on or after 1 January 2020.

The application of amendments is not expected to have any material impact on the company's financial statements.

2.5.4 Standards, amendments to standards and interpretations becoming effective in future period but not relevant.

There are certain new standards, amendments to standards and interpretations that are effective from different future periods but are considered not to be relevant to the Company's operations, therefore, not disclosed in these financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting policies

3.1.1 Property, plant and equipment

Owned assets

Property, plant and equipment, except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Freehold land is carried at cost less impairment in value, if any.

Depreciation is charged to income applying the reducing balance method over the estimated useful life of related assets at the rates specified in Note 4 to the financial statements. Depreciation on additions during the year is charged from the month in which an asset is acquired or capitalised, while no depreciation is charged for the month in which an asset is disposed off. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Normal repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gains and losses on disposal of property, plant and equipment are included in current income.

Any revaluation increase arising on an item of property, plant and equipment is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of an item of property, plant and equipment improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation of property, plant and equipment improvements to the extent of incremental depreciation charged is transferred to unappropriated profit.

3.1.2 Intangible assets

Intangible assets are recognized as assets if it is probable that future economic benefits will

flow to the Company and the cost of such assets can be measured reliably. These are stated at cost less any accumulated amortization and accumulated impairment losses, if any.

The intangible assets of the Company comprise of computer softwares which are being amortized applying the reducing balance method over the estimated useful life of related assets at the rate specified in Note 5 to the financial statements. Amortization on additions during the year is charged from the month in which an asset is acquired or capitalised, while no amortization is charged for the month in which the asset is disposed off.

3.1.3 Impairment

Financial assets

A financial asset is assessed at each statement of financial position date to determine whether there is any objective evidence that it is impaired in accordance with the requirements of relevant accounting standards and guideline of NBFC Regulations. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows from the asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognised in the statement of profit or loss.

Where impairment loss subsequently reverses, impairment loss is reversed to the extent that the remaining impairment loss is in accordance with the requirements of relevant accounting standards and guideline of NBFC Regulations and the carrying value of the assets represent the estimated net future cash flows from the assets.

The policy for impairment of investments (note 7 and 17) is disclosed in 3.1.5.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indications exist, the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognised as expense in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Where impairment loss subsequently reverses, the carrying amounts of the assets are increased to the revised recoverable amounts but limited to the carrying amounts that would have been determined had no impairment loss been recognised for the assets in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant assets are carried at revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.1.4 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in statement of profit or loss in the period in which these are incurred.

3.1.5 Investments

The Company classifies its investments as disclosed in note 7 and 17 at fair value through other comprehensive income and fair value through profit or loss respectively on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is both collecting contractual cash flows and selling

financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

"Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.."

Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

The Company assesses on a forward looking basis the expected credit losses associated with these financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

- **Investments in joint ventures**

These investments are accounted for using equity method of accounting. Under the equity method, an interest in a jointly controlled entity is initially recorded at cost and adjusted thereafter for the post acquisition changes in equity of the joint venturer and dividend received during the year.

3.1.6 Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value less directly attributable transaction costs, if any, and subsequently measured at amortised cost using effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of original liability and recognition of a new liability and the difference in respective carrying amounts is recognised in the statement of profit or loss.

3.1.7 Net investment in finance lease , assets under Ijarah arrangements, musharakah finance, long term and short term loans / finances

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Ijarah agreements commenced on or before June 30, 2008 and after July 01, 2011 are accounted for as finance lease and are included in the financial statements as 'Net investment in Ijarah finance' at an amount equal to the present value of the lease payments, including estimated residual value (net of allowance for non-operating lease).

Ijarah agreements commenced between July 01, 2008 and June 30, 2011 are stated at cost less accumulated depreciation and impairment losses, if any in accordance with the Islamic Financial Accounting Standard 2 'Ijarah'. Depreciation is charged on these assets by using straight line method over the period of the lease. Gains and losses on disposals are determined by comparing amount of the corresponding assets.

Other lending arrangements comprising of musharakah finance, long term and short term loans / finances are stated net of impairment losses, if any.

Allowance against non-performing balance is made in accordance with Prudential Regulations for NBFC's issued by SECP and is charged to statement of profit or loss currently.

3.1.8 Assets acquired in satisfaction of finances

These are initially stated at lower of recoverable amount or the original claim of the Company. Difference between the above two is charged to statement of profit or loss. Subsequently, these are stated at carrying value less impairment loss, if any.

3.1.9 Receivable from terminated / matured contracts

These are stated net of impairment losses, if any. Impairment loss is recognised for doubtful receivables on the basis of Prudential Regulations for NBFCs issued by SECP or based on the judgment of management, whichever is higher. Bad debts are written off when identified.

3.1.10 Trade debts and other receivables

Trade debts are carried at original invoice amount less an estimate made for doubtful receivables based on the review of outstanding amounts at the year end. Balances considered bad are written off when identified. Other receivables are recognised at nominal amount which is fair value of the consideration to be received in future.

3.1.11 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at banks and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

3.1.12 Staff retirement benefits

Defined contribution plan

The Company operates a defined contribution plan i.e. recognized provident fund scheme for all its eligible employees in accordance with the trust deed and rules made there under. Equal monthly contributions are made by the Company and the employees to the fund at the rate of 10% of basic salary.

3.1.13 Gain on sale and lease back transaction

This is amortised over the period of the related lease obligation.

3.1.14 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed to the Company or not.

3.1.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.1.16 Provision for taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credits and rebates and charge / credit for prior years or minimum tax payable under the Income Tax Ordinance, 2001, whichever is higher.

Deferred

Deferred tax is recognised using the statement of financial position liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their tax base on the basis of expected manner of realization or settlement of carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the statement of financial position date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced, if it is no longer probable that the related tax benefit will be realized. The Company also recognises deferred tax asset / liability on deficit / surplus on revaluation of securities / fixed assets adjusted against the related deficit / surplus in accordance with requirements of International Accounting Standards (IAS-12) - Income Taxes.

Deferred income tax relating to items recognised directly in equity is recognised in equity and not in statement of profit or loss.

3.1.17 Foreign currency transactions

Foreign currency transactions are translated into Pakistani Rupee at exchange rates prevailing on the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupee at the exchange rates prevailing at the statement of financial position date. Exchange differences are taken to statement of profit or loss.

3.1.18 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company loses control of the contractual rights that comprises the financial assets. Financial liabilities are derecognised when these are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to the current income.

3.1.19 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also accordingly offset.

3.1.20 Revenue recognition

The company is following the financing method in accounting for recognition of finance lease contract .Under this method ,the unearned income i.e, the excess of aggregated lease rentals and the estimated residual value over the cost of the lease asset is deferred and amortised over the term of lease applying the annuity method, so as to produce a constant rate of return on net investment in the finance lease. Front end fee, documentation charge gain / loss on the termination of the lease contract, commitment fee and other commission ,if any are taken to income when earned .Revenue from finance lease is not accrued when rent is past due by ninety days or more.

- Mark up /interest on long term finances,Mortage finance ,long term loans, lease and murabaha finance are recognised on a time proportion basis except that mark up/ interest /return on classified, loan and investment are recognised on receipt basis.
- Reversal of provision is recognised as per requirement of NBFC regulations.
- Dividend income from the investment is recognised when the right to receive the dividend is established.
- Gain / loss on the sale of investment is taken to income in the period in which it arises
- Unrealized gain / loss arising on the remeasurement of the securities classified as financial asset at fair value through profit or loss are included in the statement of profit and loss in the period in which they arise.
- Income on bank deposit are recognised on accrual basis.

- Rental income on investment property is recognised on accrual basis.
- Consultancy, corporate advisory, trusteeship and custodian fee are recognised as and when services are provided.

3.1.21 Earning per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary share holders of the Company by weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.1.22 Segment reporting

An operating segment is a distinguishable component of the Company that is engaged in business activities in which it earns revenue and incurs expenses, whose operating results are regularly reviewed by the management in decision making and for which discrete financial information is available. The Company's primary format of reporting is based on following operating segments.

Investments / financing

It consists of capital market, money market investments and financing functions. The activities include profit on bank deposits, term deposit receipts, capital gains on equity and debt securities, mark-up income on term finance certificates and sukuk and dividend income.

Leasing

It includes all types of leases viz operating lease and finance lease are major source of revenue for the Company.

Other operations

It consists of advisory, consultancy function, musharakah, murabaha and all other functions not included in other segments.

Geographical segments

The Company operates in Pakistan only.

4. Property, plant and equipment

Operating assets							The Company Owned		Assets held for operating lease		Total
	Land (note 4.2)	Buildings	Office premises	Furniture and fixture	Office equipment	Vehicles	Sub total				
At July 01, 2018											
Cost	32,627,350	44,251,140	14,042,407	22,093,589	12,650,629	6,711,359	132,376,474	51,486,577	183,863,051		
Accumulated depreciation	-	(6,311,319)	(2,002,799)	(13,911,660)	(9,846,608)	(4,782,848)	(36,855,234)	(30,905,971)	(67,761,205)		
Written down value	32,627,350	37,939,821	12,039,608	8,181,929	2,804,021	1,928,511	95,521,240	20,580,606	116,101,846		
Reconciliation of written down value											
at June 30, 2019											
Written down value as at July 01, 2018	32,627,350	37,939,821	12,039,608	8,181,929	2,804,021	1,928,511	95,521,240	20,580,606	116,101,846		
Additions	-	-	-	-	111,000	-	111,000	-	111,000		
Less: Disposals											
Cost	13,250,000	-	-	19,961,891	59,328	2,250,684	35,521,903	51,486,577	87,008,480		
Accumulated depreciation	13,250,000	-	-	(13,340,573)	(33,326)	(1,995,637)	(15,369,536)	(33,882,919)	(49,252,455)		
Less: Depreciation	-	1,896,991	601,980	6,621,318	26,002	255,047	20,152,367	17,603,658	37,756,025		
Written down value as at June 30, 2019	19,377,350	36,042,830	11,437,628	876,696	2,601,593	1,292,968	71,629,065	-	71,629,065		
At June 30, 2019											
Cost	19,377,350	44,251,140	14,042,407	2,131,698	12,702,301	4,460,675	96,965,571	-	96,965,571		
Accumulated depreciation	-	(8,208,310)	(2,604,799)	(1,255,002)	(10,100,708)	(3,16,707)	(25,336,506)	-	(25,336,506)		
Written down value	19,377,350	36,042,830	11,437,628	876,696	2,601,593	1,292,968	71,629,065	-	71,629,065		
Reconciliation of written down value											
at June 30, 2020											
Written down value as at July 01, 2019	19,377,350	36,042,830	11,437,628	876,696	2,601,593	1,292,968	71,629,065	-	71,629,065		
Less: Disposals											
Cost	-	-	-	110,030	804,392	-	914,422	-	914,422		
Accumulated depreciation	-	-	-	(72,944)	(694,080)	-	(767,024)	-	(767,024)		
Less: Depreciation	-	1,802,142	571,881	37,086	110,312	-	147,398	-	147,398		
Written down value as at June 30, 2020	19,377,350	34,240,688	10,865,747	754,498	2,238,730	1,034,374	68,511,387	-	68,511,387		
At June 30, 2020											
Cost	19,377,350	44,251,140	14,042,407	2,021,668	11,897,909	4,460,675	96,051,149	-	96,051,149		
Accumulated depreciation	-	(10,010,452)	(3,176,660)	(1,267,170)	(9,659,179)	(3,426,301)	(27,539,762)	-	(27,539,762)		
Written down value	19,377,350	34,240,688	10,865,747	754,498	2,238,730	1,034,374	68,511,387	-	68,511,387		
Rate (%)		5	5	10	10	20	20		10		

- 4.1** Lands of the Company are located at Karachi with an area of 240 square yards and Haripur with an area of 3,025 square yards.

4.2 Disposal of operating assets

The following is a statement of assets disposed off during the year:

2020							
Particulars of asset	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(loss)	Particulars of buyers	Mode of disposal
Rupees							
Furniture and fixture	110,030	(72,944)	37,086	37,741	655	Mr. Muhammad Rizwan, Karachi	Through Negotiation
Office equipment	804,392	(694,080)	110,312	112,259	1,947	Mr. Muhammad Rizwan, Karachi	Through Negotiation
	914,422	(767,024)	147,398	150,000	2,602		

2019							
Particulars of asset	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(loss)	Particulars of buyers	Mode of disposal
Rupees							
Land	13,250,000	-	13,250,000	15,200,000	1,950,000	Muhammad Siddique Azad, Islamabad	Through Negotiation
Furniture and fixture	5,817,685	(4,395,263)	1,422,422	1,287,000	(135,422)	Mr. Muhammad Rizwan, Karachi	Through Negotiation
	14,144,206	(8,945,310)	5,198,896	-	(5,198,896)	-	Scrap
	19,961,891	(13,340,573)	6,621,318	1,287,000	(5,334,318)		
Office equipment	59,328	(33,326)	26,002	5,000	(21,002)	Zulfiqar Ali, Lahore	Through Negotiation
Vehicles	2,250,684	(1,995,637)	255,047	364,936	109,889	Mr. Munim Hakeem Umar, Gujranwala	Through Negotiation
Assets held for operating lease	1,313,635	(794,151)	519,484	524,457	4,973	Mr. Sajid Alam, Faisalabad	Through Negotiation
	50,172,942	(33,088,768)	17,084,174	24,635,064	7,550,890	Mr. Munim Hakeem Umar, Gujranwala	Through Negotiation
	51,486,577	(33,882,919)	17,603,658	25,159,521	7,555,863		
	87,008,480	(49,252,455)	37,756,025	42,016,457	4,260,432		

	Note	2020 Rupees	2019 Rupees						
5. INTANGIBLE ASSETS									
Computer Software									
At June 30,									
Cost		12,800,000	12,800,000						
Accumulated amortisation		(12,466,135)	(12,323,050)						
Written down value		333,865	476,950						
5.1 Reconciliation of written down value :									
Opening balance		476,950	681,357						
Amortisation		(143,085)	(204,407)						
Closing balance		333,865	476,950						
Rate (%)		30%	30%						
6. INVESTMENT ACCOUNTED FOR USING EQUITY METHOD									
Investment in joint venture	6.1	139,774,290	130,364,015						
6.1 Investment in joint venture									
This represents investment in a CNG filling station. The latest available audited financial statements of joint venture as on June 30, 2020 have been used for the purpose of application of equity method.									
	Note	2020 Rupees	2019 Rupees						
- Centre Gas (Private) Limited	6.1.1 & 6.1.2	139,774,290	130,364,015						
6.1.1 Centre Gas (Private) Limited									
The movement in the Company's share of net assets of Centre Gas (Private) Limited (CGL) is as under:									
Cost									
(2,500 Shares of Rs. 1,000/- each) Shareholding 50%		34,535,703	34,535,703						
Cumulative share of profit of joint venture		105,238,587	95,828,312						
		139,774,290	130,364,015						
CGL's paid-up share capital is Rs. 5 million comprising of 5,000 ordinary shares of Rs. 1,000 each. The equity as at June 30, 2020 is Rs 243.37 million (2019: Rs. 224.55 million). Profit or loss is shared equally.									
6.1.2 Summarized financial information of the joint venture is given below;									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">2020</td><td style="width: 50%;">2019</td></tr> <tr> <td>CGL</td><td>CGL</td></tr> <tr> <td colspan="2" style="text-align: center;">———Rupees————</td></tr> </table>				2020	2019	CGL	CGL	———Rupees————	
2020	2019								
CGL	CGL								
———Rupees————									
As at June 30,									
Current Liabilities		(13,626,919)	(17,462,202)						
Cash and cash equivalents		2,043,543	7,342,567						
Current assets		220,650,276	209,014,907						
Non current assets		36,344,401	32,994,504						
For the year ended June 30,									
Revenue		150,063,180	214,742,354						
Operating profit		18,820,550	53,593,362						
Depreciation		(950,103)	(1,008,921)						
Income tax expense		(7,687,267)	(4,769,417)						

		Note	2020 Rupees	2019 Rupees
7.	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME			
Investments in equity instruments		7.1	21,954,233	32,901,741
Investments in term finance certificate		7.2	-	-
			21,954,233	32,901,741
7.1	Investments in equity instruments			
	Number of shares		2020 Rupees	2019 Rupees
	2020	2019		
			Name of company	
			Listed	
112,000	112,000		English Leasing Limited	-
135,000	135,000		Zeal Pak Cement Factory Limited	-
419,775	419,775		Bank Al-Habib Limited	21,954,233
				32,901,741
			Un-Listed	
1,140	1,140		Innovative Investment Bank Limited	-
667,915	667,915			21,954,233
				32,901,741
			Cost	7,791,357
				7,791,357
7.2	Investments in term finance certificate			
	Number of certificates		2020 Rupees	2019 Rupees
	2020	2019		
			Name of company	
1,000	1,000		Saudi Pak Leasing Corporation Limited	7.2.1
				-
				-
				-
7.2.1	These investments are fully impaired.			
		Note	2020 Rupees	2019 Rupees
8.	NET INVESTMENT IN FINANCE LEASE			
Contracts accounted for as finance lease under IFRS 16		8.1	369,238,615	364,251,074
Less : Current portion		15	(219,323,380)	(193,447,481)
			149,915,235	170,803,593

8.1

Net investment in finance lease

Following is a statement of lease receivables accounted for under IFRS 16:

	2020			2019		
	Due within one year	Due after one year but within five years	Total	Due within one year	Due after one year but within five years	Total
	Rupees —————			Rupees —————		
Minimum lease payments receivable	800,528,872	112,736,297	913,265,169	797,964,031	139,293,780	937,257,811
Residual value of leased assets	26,690,430	56,677,099	83,367,529	15,313,910	57,040,009	72,353,919
Lease contracts receivable	827,219,302	169,413,396	996,632,698	813,277,941	196,333,789	1,009,611,730
Unearned lease income (including suspended income)	(159,778,253)	(17,385,862)	(177,164,115)	(162,189,981)	(22,884,162)	(185,074,143)
Provision for potential lease losses	(448,117,669)	(2,112,299)	(450,229,968)	(457,640,479)	(2,646,034)	(460,286,513)
	(607,895,922)	(19,498,161)	(627,394,083)	(619,830,460)	(25,530,196)	(645,360,656)
	219,323,380	149,915,235	369,238,615	193,447,481	170,803,593	364,251,074

Category of classification	2020			2019		
	Principal outstanding	Provision required	Provision held	Principal outstanding	Provision required	Provision held
	Rupees —————			Rupees —————		
Substandard	8,449,197	2,112,299	2,112,299	10,584,137	2,646,034	2,646,034
Loss	549,808,220	448,117,669	448,117,669	559,767,411	457,640,479	457,640,479
	558,257,417	450,229,968	450,229,968	570,351,548	460,286,513	460,286,513

	Note	2020 Rupees	2019 Rupees
9. LONG TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful			
Companies (non-financial institutions)		83,293,891	83,443,891
Individuals		43,263,928	43,263,928
		126,557,819	126,707,819
Provision against doubtful balances		(25,056,726)	(25,206,726)
		101,501,093	101,501,093
Less: Current portion	15	(101,501,093)	(101,501,093)
		-	-

- 9.1** These represent investments under musharakah basis for working capital and project financing. These are secured against mortgage of properties, demand promissory notes and personal guarantee of their sponsor directors. Profit rates ranges from 16.00% to 30.00% per annum (2019: 16.00% to 30.00% per annum). These were receivable in monthly / quarterly / semi-annual installments and in lump sum on maturity.

	Note	2020 Rupees	2019 Rupees
10. LONG TERM LOANS			
Secured			
Considered good			
Customers	10.1	51,099,856	6,622,231
Considered doubtful			
Customers	10.1	19,556,209	19,859,173
Outgoing group	10.2	71,954,665	71,954,665
Ex-employee		528,523	528,523
		92,039,397	92,342,361
Provision against doubtful balances		(79,492,076)	(36,440,895)
		12,547,321	55,901,466
		63,647,177	62,523,697
Less: Current portion	15	(25,595,662)	(57,390,081)
		38,051,515	5,133,616

- 10.1** These carry mark-up at the rate ranging from 11.00% to 25.00% per annum (2019: from 12.00% to 22.01% per annum). These are secured against registered charge over different assets of customers, pledge / hypothecation of stocks and collateral in certain cases.

- 10.2** Rs. 24.58 million was receivable in 08 unequal quarterly installments commenced from December 31, 2016 and ended on September 30, 2018, and balance amount of Rs. 47.37 million was receivable in lump sum on December 31, 2018. The Company intends to revise loan agreement and extend repayment period till December 31, 2020. Mark-up amounting to Rs 36.04 million was also outstanding. It is subject to mark up at the rate of six month KIBOR plus 2% per annum. Effective markup rate charged was 9.04% per annum last year.

	Note	2020 Rupees	2019 Rupees
11. LONG TERM SECURITY DEPOSITS			
11.1		2,331,225	2,353,225

- 11.1** These represent deposits for utilities, office premises etc.

	2020 Rupees	2019 Rupees
12. SHORT TERM MUSHARAKAH FINANCES		
Secured		
Considered doubtful	99,827,088	116,727,088
Provision against doubtful balances	(56,807,405)	(56,807,405)
	43,019,683	59,919,683

- 12.1** These represent finances disbursed to different companies for working capital purposes for the periods ranging between 92 to 365 days and are secured against mortgaged properties, demand promissory notes and personal guarantee of their sponsor directors. These carry profit at the rates ranging from 10.00% to 34.69% per annum (2019 : 10.00% to 34.69% per annum).

	2020 Rupees	2019 Rupees
Note		
13. SHORT TERM FINANCES		
Secured		
Considered good	5,675,000	-
Considered doubtful	7,898,083	8,462,742
Provision against doubtful balances	(1,782,867)	(1,782,867)
	6,115,216	6,679,875
13.1	11,790,216	6,679,875
Un secured		
Considered good		
OMC - Company	13.2	100,000,000
		-
	111,790,216	6,679,875

- 13.1** These are secured against registered charge over assets of the customers, pledge / hypothecation of stocks and collateral in certain cases. These carry mark-up at the rates ranging from 15.29% to 27.00% per annum (2019 : 15.29% to 22.00% per annum).

- 13.2** It is unsecured and subject to profit at the rate of 52% per annum.

	2020 Rupees	2019 Rupees
14. IJARAH RENTALS RECEIVABLE		
Ijarah rentals receivable - Due within one year	50,559,687	56,584,233
Less : Provision against Ijarah rentals receivable	(49,244,699)	(55,153,894)
	1,314,988	1,430,339

14.1 Provision against Ijarah rentals receivable

Category of classification	2020			2019		
	Rental receivable	Suspension required	Suspension held	Rental receivable	Suspension required	Suspension held
	Rupees			Rupees		
Loss	49,244,699	49,244,699	49,244,699	55,153,894	55,153,894	55,153,894

	Note	2020 Rupees	2019 Rupees
15. CURRENT PORTION OF NON-CURRENT ASSETS			
Net investment in finance lease	8	219,323,380	193,447,481
Long term musharakah finances	9	101,501,093	101,501,093
Long term loans	10	25,595,662	57,390,081
		<u>346,420,135</u>	<u>352,338,655</u>
16. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Unsecured			
Considered good			
Advances			
- against purchases and expenses		141,897	260,173
- Income tax		1,938,814	2,010,841
Prepayments		770,364	271,780
Other receivables	16.1	19,724,031	37,914,118
		<u>22,575,106</u>	<u>40,456,912</u>
Considered doubtful			
Advances			
- against purchases and expenses		350,000	3,695,757
- to ex-staff		-	134,616
Deposit with Privatization Commission	16.2	10,000,000	10,000,000
Other receivables	16.1	207,753,982	226,480,065
		<u>218,103,982</u>	<u>240,310,438</u>
Suspension against doubtful income		(35,759,626)	(35,759,626)
Provision against doubtful balances		(182,344,356)	(168,999,214)
		<u>22,575,106</u>	<u>76,008,510</u>
16.1 Other receivables			
Unsecured			
Considered good			
Accrued mark up / interest on			
Loans and advances		9,322	17,940
Income tax refund		9,440,219	10,303,607
Others		10,274,490	27,592,571
		<u>19,724,031</u>	<u>37,914,118</u>
Considered doubtful			
Accrued mark up / interest on			
Long term loan - outgoing group		35,759,626	35,759,626
Operating lease rentals receivable		7,174,104	7,174,104
Insurance claims receivable		12,987,760	12,987,760
Net receivable against terminated leases		78,750,571	95,603,438
Outgoing group	19.1	32,400,000	32,900,000
Others		40,681,921	42,055,137
		<u>207,753,982</u>	<u>226,480,065</u>
		<u>227,478,013</u>	<u>264,394,183</u>

16.2 This represents amount deposited with the Privatization Commission, Government of Pakistan, on behalf of a consortium for the acquisition of 51% shares of First Women Bank Limited. The Company has 9% share in the consortium. The above balance was provided for in the year 2003, in view of the fact that the arrangement with consortium did not materialize.

	Note	2020 Rupees	2019 Rupees
17. Financial assets at fair value through profit or loss			

Investments at fair value through profit or loss

Quoted securities	17.1	11,448,968	15,313,080
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17.1 Investments at fair value through profit or loss

2020 Number of shares	2019 Number of shares	Name of company	2020 Rupees	2019 Rupees
-	5,000	MCB Bank Limited	-	872,250
-	10,000	National Bank of Pakistan	-	336,600
408,000	408,000	Faysal Bank Limited	5,683,440	8,780,160
-	10,000	Bank Al-Falah Limited	-	435,900
-	135,500	JS Bank Limited	-	742,540
150,000	-	The Bank of Punjab	1,260,000	-
-	20,000	Engro Fertilizers Limited	-	1,273,800
-	60,000	Engro Polymer Limited	-	1,617,600
-	2,000	Habib Metropolitan Bank Limited	-	72,160
400,000	-	Bank Islami Pakistan Limited	3,024,000	-
72,000	-	Kot Addu Power Co. Limited	1,450,800	-
-	23,000	Fauji Cement Company Limited	-	361,790
4,841	4,841	Trust Investment Bank Limited	-	5,810
-	9,863	Sui Northern Gas Pipelines Limited	-	685,380
127	970	Askari Bank Limited	1,741	18,343
-	36	Akzo Nobel Pakistan Limited	-	3,601
-	8	Engro Fertilizer Limited	-	511
56	90	Engro Corporation Limited	16,404	23,904
-	73	ICI Pakistan Limited	-	38,871
145	272	Pakistan Petroleum Limited	12,583	39,285
2,763	2,763	Taj Textile Mills Limited	-	-
-	300	Lotte Chemical Pakistan Limited	-	4,575
1,037,932	692,716		11,448,968	15,313,080

	Note	2020 Rupees	2019 Rupees
18. BANK BALANCES			

Balance with banks in local currency:

In current accounts with:

- State Bank of Pakistan	44,694	44,694	
- In PLS accounts with Commercial banks	18.1	10,904,823	24,701,184
		10,949,517	24,745,878

18.1 PLS bank accounts carry profit at the rates ranging from 3.25% to 13.50% per annum (2019: 2.4% to 12.10% per annum).

		Note	2020 Rupees	2019 Rupees
19. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL				
	2019		2020	
	Number of shares			
86,742,370	86,742,370		Ordinary shares of Rs. 10 each fully paid in cash	867,423,700
198,124,526	198,124,526		Ordinary shares of Rs. 10 each issued as fully paid under scheme of arrangement for amalgamation	1,981,245,260
284,866,896	284,866,896			2,848,668,960
				2,848,668,960
20. LOAN FROM DIRECTORS		20.1	126,000,000	126,000,000
20.1 These loans are accounted for under Technical Release -32 "Accounting Directors Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016.				
These are interest free and subordinated. These will not be repaid before clearance of overdue deposits and creditors, upgradation of the Company's rating to investment grade and compliance of minimum equity requirements.				
			2020 Rupees	2019 Rupees
21. STATUTORY RESERVE				
Statutory Reserve		21.1	102,976,444	102,976,444
Transferred to general reserve			(102,976,444)	-
			-	102,976,444
21.1 It has been transferred to general reserve, The Company is no longer required to maintain statutory reserve as the Company has opted to continue business as Non Deposit taking NBFC under investment finance service license as per regulation No. 16 of Non Banking Finance Companies and Notified Entities Regulations, 2008.				
			2020 Rupees	2019 Rupees
22. GENERAL RESERVE				
Transferred from statutory reserve		22.1	102,976,444	-
22.1 It is available for distribution to shareholders.				
23. LOAN FROM SPONSOR				
Loan from sponsor		23.1	116,392,473	141,392,473
23.1 During the period the loan of Rs. 25 million has been paid and the remaining amount of Rs. 116.39 million is payable in full in November 2023. Effective markup rate charged during the year ranges from 11.16% to 13.90% (2019: 6.51% to 11.20%) per annum.				

	Note	2020 Rupees	2019 Rupees
24. SECURITY DEPOSITS FROM LESSEES			
Security deposits under lease contracts	24.1	83,367,529	72,601,319
Less: Current portion	28	(26,690,430)	(15,313,910)
		56,677,099	57,287,409

24.1 These represent security deposits received against finance lease and Ijarah contracts and are repayable / adjustable on the expiry of lease periods.

	Note	2020 Rupees	2019 Rupees
25. REDEEMABLE CAPITAL			
Secured			
Term finance certificates	25.1 & 25.2	17,770,000	47,800,000
Less: Current portion	28	17,770,000	(47,800,000)
		-	-
Restructured			
Term finance certificates	25.3	17,700,000	-
Less: Current portion	28	(6,300,000)	-
		11,400,000	-

25.1 Term finance certificates (TFCs) were issued by the Company on September 05, 2002. These were subject to markup at 5 year PIB plus 275 bps. Markup was payable semi-annually. These were matured in September 05, 2013.

25.2 As a result of Company's request to the TFC holders for restructuring / settlement of principal and markup during the year, four agreements have been executed with TFC holders. As per terms of the agreement, principal of Rs. 8.00 million (2019: Nil) along with mark up of Rs. 38.40 million (2019: 12.16) has been waived off. Company's request to the remaining TFC holders for restructuring / settlement of principal and markup is under their consideration.

25.3 This represents the amount repayable in installments as a result of settlement.

Balance	Number of Installments		Payment Rests	Commencement Date	Ending Date
	Total	Balance			
TFC I	12,300,000	50	41	Monthly	10-Oct-19
TFC II	5,400,000	41	24	Monthly	31-Mar-19

	Note	2020 Rupees	2019 Rupees
26. LIABILITY RELATED TO OUTGOING GROUP			

Liability related to outgoing group	26.1	29,160,000	-
Less: Current portion	28	(3,240,000)	-
		25,920,000	

26.1 This represents the liability payable to Bank Islami on behalf of outgoing group. This amount was previously classified in accrued and other liabilities. It has now been transferred to Non current assets due to settlement with Bank Islami.

Balance	Number of Installments		Payment Rests	Commencement Date	Ending Date
	Total	Balance			
29,160,000	40	36	Quarterly	27-Sep-19	27-Jun-29

	Note	2020 Rupees	2019 Rupees
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27. DEFERRED LIABILITY

Mark up on long term musharakah	27.1	9,747,000	9,747,000
Less: Current portion	28	(9,747,000)	(9,747,000)
		-	-

27.1 Principal amount has been paid as per terms of agreement. Outstanding markup as at October 07, 2013 amounting to Rs. 9.75 million has been deferred and will be repaid in 08 equal quarterly installments commencing from September 30, 2017 and ending on June 30, 2019. The Company is in a process of negotiation for the waiver of mark up with the lender.

	Note	2020 Rupees	2019 Rupees
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28. CURRENT PORTION OF NON-CURRENT LIABILITIES

Security deposit from lessees	24	26,690,430	15,313,910
Liability related to outgoing group	26	3,240,000	-
Deferred liability	27	9,747,000	9,747,000
Redeemable capital	25 & 28.1	24,070,000	47,800,000
		63,747,430	72,860,910

28.1 These certificates alongwith related mark up of Rs. 24.71 million (2019 : Rs. 58.91 million) are outstanding (Refer Note 25.1).

	Note	2020 Rupees	2019 Rupees
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29. SHORT TERM LOAN FROM SPONSOR

31,000,000

29.1 This is un secured and repayable on demand. It is subject to markup at the rate of six month kibor plus 3%. Effective markup rate charged during the year ranges from 13.21% to 15.34% per annum. It is obtained for the purpose of short term investment placement.

	Note	2020 Rupees	2019 Rupees
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30. ACCRUED AND OTHER LIABILITIES

Accrued expenses		194,870	997,397
Payable to provident fund		-	122,926
Auditors' remuneration payable		1,233,500	1,233,750
Liability related to outgoing group	19.2 & 19.3	-	56,900,000
Due to joint venture		101,737,824	91,032,824
Other liabilities		38,827,971	42,625,980
		141,994,165	192,912,877

	Note	2020 Rupees	2019 Rupees
31. PROFIT / MARK UP PAYABLE			
Profit / mark-up payable on:			
- Redeemable capital		24,705,889	58,907,934
- Loan from sponsor		176,262,306	161,511,570
		200,968,195	220,419,504

32. CONTINGENCIES AND COMMITMENT

32.1 Contingencies

Income Tax

32.1.1 The company filed a petition in the High Court of Sindh, Karachi, on February 19, 2015, claiming exemption from charge of alternative corporate tax. The honorable High Court of Sindh issued stay order on this petition on 14th April 2015. Currently the liability is not acknowledged in view of petition filed by the Company.

	Note	2020 Rupees	2019 Rupees
32.2 Commitment			
Under lease financing contracts committed but not executed		10,143,000	5,371,000
	Note	2020 Rupees	2019 Rupees

33. ADMINISTRATIVE AND OPERATING EXPENSES

Directors' remuneration		5,208,150	5,158,875
Staff salaries, allowances and other benefits	33.1	7,675,540	8,311,772
Traveling, conveyance and vehicle running expenses		164,523	415,370
Rates and taxes		745,366	603,774
Utility charges		98,842	106,295
Postage, telephone and telegram		248,497	258,136
Repairs and maintenance		479,770	747,019
Insurance		122,366	96,333
Depreciation	4	2,970,280	6,827,756
Amortization	5	143,085	204,407
Fees and subscriptions		1,560,380	6,330,076
Entertainment		194,741	207,696
Newspapers and periodicals		5,947	6,777
Printing and stationery		278,092	305,322
Legal and professional charges		1,836,647	3,888,914
Auditors' remuneration	33.2	1,233,500	1,233,750
Advertisement		16,500	45,200
Brokerage and commission		-	643,936
Other		89,613	154,830
		23,071,839	35,546,238

33.1 This includes retirement benefits of Rs. 0.51 million (2019: Rs. 0.55 million) in respect of contribution to the employees' provident fund.

	Note	2020 Rupees	2019 Rupees
33.2 Auditors' remuneration			
Annual audit fee		945,000	945,000
Review of half yearly financial information		173,000	173,250
Review of Code of Corporate Governance		52,500	52,500
Other certifications		63,000	63,000
		1,233,500	1,233,750

34. FINANCIAL CHARGES

Profit / mark up on :			
- Redeemable capital		4,199,636	8,849,718
- Long term loan from sponsor		14,750,736	12,725,014
- Short term loan from sponsor		2,289,626	-
		21,239,998	21,574,732
Bank charges		6,347	11,504
		21,246,345	21,586,236

35. Mark up waived off on settlement of loans:

Redeemable capital	25.2	38,401,681	12,166,793
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	Note	2020 Rupees	2019 Rupees
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36. OTHER INCOME

From non financial assets :			
Gain on disposal of operating assets		2,602	4,260,432
Commission and fee		-	60,000
Gain on settlement of liabilities	36.1	32,000,000	-
Balances written back		613,750	1,356,250
Rental Income		3,691,897	2,485,462
Others		8,579	1,518,362
		36,316,828	9,680,506

36.1 Gain on settlement of liabilities:

Redeemable capital		8,000,000	-
Liability related to outgoing group		24,000,000	-
		32,000,000	-

37. PROVISION FOR TAXATION

Current			
For the year		21,645,970	2,896,693
For prior year		1,119,038	-
Deferred		-	
Reversal of deferred tax asset			150,000,000
		22,765,008	152,896,693

37.1 Relationship between tax expense and accounting profit

Relationship between tax expense and accounting profit has not been presented in these financial statements as the income of the Company is either subject to minimum tax, special rate of tax or final tax under various provisions of the Income Tax Ordinance, 2001.

37.2 Deferred Tax

As at June 30, 2020 net deferred tax asset works out to Rs.537.82 million (2019: Rs. 546.08 million) not recognized due to uncertain future results.

	2020	2019
38. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit / (Loss) after taxation for the year	Rupees 46,122,821	(116,365,883)
Weighted average number of ordinary shares	Number 284,866,896	284,866,896
Earnings / (loss) per share - Basic and Diluted	Rupees 0.162	(0.408)

38.1 There is no dilutive effect on the basic earning per share of the Company.

39. REMUNERATION TO CHIEF EXECUTIVE AND DIRECTOR

	2020			2019		
	Chief Executive Officer	Director	Total	Chief Executive Officer	Director	Total
	Rupees					
Managerial remuneration	2,700,000	1,800,000	4,500,000	2,700,000	1,800,000	4,500,000
Contribution to provident fund	180,000	-	180,000	180,000	-	180,000
Bonus	112,500	-	112,500	112,500	-	112,500
Retirement benefits	7,800	-	7,800	7,800	-	7,800
Reimbursable expenses	407,850	-	407,850	358,575	-	358,575
	3,408,150	1,800,000	5,208,150	3,358,875	1,800,000	5,158,875
Number of persons	1	1	2	1	1	2

39.1 The Chief Executive Officer is entitled to free use of Company maintained car and other perquisites. The monetary value of these benefits approximates Rs. 414,265/- (2019: Rs. 421,908-). Directors have waived off their meeting fee.

40. RELATED PARTY TRANSACTIONS

Related parties comprise of major shareholders, associated undertakings, provident fund, directors, other key management personnel and their close family members. Contributions to the provident fund, loans to employees and remuneration of key management personnel are made / paid in accordance with the terms of their employment. Other transactions with related parties are entered into at agreed rates.

The balances due from and due to related parties have been disclosed in the relevant notes to the financial statements. Detail of transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Name of the related party	Relationship and percentage shareholding	Transaction during the year and year end balances	2020	2019
			Rupees	Rupees
Mr. Muhammad Zahid	Major shareholder 18.96% (2019 : 18.96%)	Long term loan from sponsor repaid	25,000,000	4,000,000
		Mark up / interest on long term loan from sponsor	14,750,736	12,725,014
		Short term loan received from sponsor	31,000,000	-
		Mark up / interest on short term loan from sponsor	2,289,626	-
Centre Gas (Private) Limited	Joint venture	Amount received during the year	10,705,000	22,720,000
Al-Zamin Leasing Modaraba Staff Provident Fund	Provident fund	Contribution made during the year	516,836	554,691

	2020	2019
41. NUMBER OF EMPLOYEES		
Total number of employees as at June 30,	12	15
Average number of employees during the year	13	15
42. DISCLOSURE WITH REGARD TO PROVIDENT FUND		
The following information is based on unaudited financial statements of the fund as at June 30, 2020.		
	2020	2019
Size of the fund	(Rupees)	6,914,290
Cost of investments made	(Rupees)	2,400,000
Percentage of investments made	(% age)	35%
Fair value of investments	(Rupees)	2,433,387
42.1 Breakup of investments		
	2020	2019
	Amount Rupees	%age
Certificate of Investments	2,433,387	100.00%
	4,960,025	100.00%
42.2	Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.	
43. FINANCIAL RISK MANAGEMENT		
43.1 Financial risk factors		
The Company's activities expose it to a variety of financial risks, including:		
- Credit risk		
- Liquidity risk		
- Market risk		
The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.		
43.2 Credit risk		
Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligation, as arises principally from the Company's receivables from customers and investments. The Company has established procedures to manage credit exposure including credit approvals, credit limits, collateral and guarantee requirements. These procedures incorporate both internal guidelines and requirements of NBFC Rules and Regulations. The Company also manages risk through an independent credit department which evaluates customers' credit worthiness and obtains adequate securities where applicable.		
All investing transactions are settled / paid upon delivery. The Company's policy is to enter into financial instrument contract by following internal guidelines such as approving counterparties and approving credits. The credit quality of the Company's bank balances and investments portfolio are assessed with reference to external credit ratings.		
Concentration of credit risk arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligation to be similarly affected by the changes in economic, political and other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. The maximum exposure to credit risk at the reporting date was:		

	2020 Rupees	2019 Rupees
Net investment in finance lease	285,871,086	291,649,755
Long term musharakah finances	101,501,093	101,501,093
Long term loans	63,647,177	62,523,697
Deposits	2,331,225	2,353,225
Short term musharakah finances	43,019,683	59,919,683
Short term finances - secured	111,790,216	6,679,875
Ijarah rentals receivable	1,314,988	1,430,339
Advances and other receivables	19,865,928	73,725,889
Bank balances	10,949,517	24,745,878
	640,290,913	624,529,434

43.2.1 Past due balances and impairment losses

The age analysis of financial assets except bank balances and impairment loss recognized thereon were as follows:

	2020		2019	
	Gross	Impairment loss recognised	Gross	Impairment loss recognised
————— Rupees ————				
Past due 91 days - 180 days	58,006,933	152,437	47,818,907	-
Past due 181 days to one year	9,606,946	3,270,048	11,933,097	3,994,990
More than two years	1,249,093,402	1,014,949,929	1,254,492,168	975,461,051
	1,316,707,281	1,018,372,414	1,314,244,172	979,456,041
Not past due	590,260,727	-	518,458,201	-
Total	1,906,968,008	1,018,372,414	1,832,702,373	979,456,041

Impairment is recognized by the Company on the basis of provision requirements of Prudential regulations for NBFCs issued by SECP which includes the subjective evaluation of the portfolio carried by the Company on an ongoing basis. Based on the past experience, consideration of financial position, past track records and recoveries, the Company believes that additional provision against past due balances is not required.

Below are the differences between the balances as per balance sheet and maximum exposure. These differences are due to the fact that these are not exposed to credit risk.

	2020 Rupees	2019 Rupees
Investment accounted for using equity method	139,774,290	130,364,015
Financial assets at fair value through other comprehensive income	21,954,233	32,901,741
Net investments in finance lease	83,367,529	72,601,319
Financial assets at fair value through profit or loss	11,448,968	15,313,080
Advances and other receivables	(10,638,074)	9,689,535
	245,906,946	260,869,690

43.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when due. The Company's approach to manage the liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. To guard against the risk, the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents and readily marketable securities. The maturity profile is monitored to ensure adequate liquidity is maintained.

The table below summarises the maturity profile of the Company's financial liabilities. The contractual maturities of financial liabilities at the year end have been determined on the basis of the remaining period at the statement of financial position date to the contractual maturity date. Contractual interest payments are required to be paid on respective contractual maturity at the rates disclosed in respective liabilities notes and are included in this maturity profile (in contractual cash flows).

	2020				
	Carrying amount	Contractual cash flows	Up to three months	Over three months to one year	Over one year
Rupees					
Loan from directors	126,000,000	126,000,000	-	-	126,000,000
Redeemable capital	35,470,000	60,175,889	44,050,889	4,725,000	11,400,000
Liability related to outgoing group	29,160,000	29,160,000	810,000	2,430,000	25,920,000
Deferred mark up on					
long term musharakah	9,747,000	9,747,000	9,747,000	-	-
Loan from sponsor	116,392,473	292,654,779	-	-	292,654,779
Short term loan from sponsor	31,000,000	31,000,000	-	-	-
Accrued and other liabilities	141,994,165	141,820,665	1,254,870	140,565,795	-
Profit / mark up payable	200,968,195	200,968,195	24,705,889	-	176,262,306
	690,731,833	891,526,528	80,568,648	147,720,795	632,237,085
2019					
	Carrying amount	Contractual cash flows	Up to three months	Over three months to one year	Over one year
Rupees					
Loan from directors	126,000,000	126,000,000	-	-	126,000,000
Redeemable capital	47,800,000	106,707,934	106,707,934	-	-
Deferred mark up on					
long term musharakah	9,747,000	9,747,000	9,747,000	-	-
Loan from sponsor	141,392,473	163,866,516	3,991,529	11,844,428	148,030,559
Accrued and other liabilities	192,912,877	192,912,877	192,912,877	-	-
Profit / mark up payable	220,419,504	220,419,504	220,419,504	-	-
	738,271,854	819,653,831	533,778,844	11,844,428	274,030,559

43.4 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company is exposed to interest rate risk and equity price risk only.

43.4.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments and the periods in which these will mature are as follows:

2020					
Profit / mark-up bearing			Non-profit/ mark-up bearing		
Upto three months	Three months to one year	More than one year	Sub-total	Upto three months	Three months to one year
Rupees					
Financial assets					
Investment accounted for using equity method	-	-	-	-	139,774,290
Financial assets at fair value through other comprehensive income	119,677,732	60,306,965	189,253,918	369,238,615	21,954,233
Net investment in finance lease	101,501,093	-	-	-	-
Long term musharakah finances	-	14,872,749	48,774,428	63,647,177	-
Long term loans	-	-	-	-	2,331,225
Deposits	-	-	-	-	2,331,225
Financial assets at fair value through profit or loss	-	-	-	11,448,968	11,448,968
Short term musharakah finances	43,019,683	-	43,019,683	-	-
Short term finances	111,790,216	-	111,790,216	-	-
Ijarah rentals receivables	1,314,988	-	1,314,988	-	-
Advances, deposits, prepayments and other receivables	-	-	-	10,283,812	10,283,812
Bank balances	10,904,823	-	10,904,823	44,694	44,694
	388,208,535	75,179,714	238,028,346	701,416,595	21,777,474
				-	164,059,748
					185,837,222
					887,253,817
Financial liabilities					
Loan from directors	-	-	-	-	126,000,000
Loan from sponsor	-	116,392,473	116,392,473	-	-
Security deposits from lessees	-	-	-	54,813,899	83,367,529
Redeemable capital	17,770,000	-	17,770,000	4,725,000	11,400,000
Deferred mark up on long term musharakah	-	-	-	-	17,700,000
Accrued and other liabilities	-	-	-	1,254,870	140,565,795
Profit / mark up payable	17,770,000	-	116,392,473	24,705,889	176,262,306
				-	200,968,195
					200,968,195
On balance sheet gap 2020	370,438,535	75,179,714	121,635,873	567,254,122	(17,474,610) (171,875,100) (204,416,457) (393,939,667) 173,314,455

2019					
			Non-profit/mark-up bearing		
Upto three months	Three months to one year	More than one year	Sub-total	Upto three months to one year	More than one year
Rupees					Total
Financial assets					
Investment accounted for using equity method	-	-	-	-	130,364,015
Financial assets at fair value through other comprehensive income	132,422,695	61,024,786	170,803,593	364,251,074	32,901,741
Net investment in finance lease	101,501,093	-	-	101,501,093	-
Long term musharakah finances	56,459,510	930,571	5,133,616	62,523,697	-
Long term loans	-	-	-	-	101,501,093
Deposits	-	-	-	-	62,523,697
Financial assets at fair value through profit or loss	-	-	-	15,313,080	15,313,080
Short term musharakah finances	59,919,683	-	-	59,919,683	59,919,683
Short term finances	6,679,875	-	-	6,679,875	6,679,875
Ijarah rentals receivables	1,430,339	-	-	1,430,339	-
Advances, deposits, prepayments and other receivables	-	-	-	63,162,109	63,162,109
Bank balances	24,701,184	-	24,701,184	44,694	44,694
	383,114,379	61,955,357	175,937,209	621,006,945	78,519,883
				-	165,618,981
				244,138,864	865,145,809
Financial liabilities					
Loan from directors	-	-	-	-	126,000,000
Loan from sponsor	-	141,392,473	141,392,473	-	-
Security deposits from lessees	-	-	5,460,400	9,853,510	57,287,409
Redeemable capital	47,800,000	-	47,800,000	-	-
Deferred mark up on long term musharakah	-	-	9,747,000	-	9,747,000
Accrued and other liabilities	-	-	192,912,877	-	192,912,877
Profit / mark up payable	-	-	220,419,504	-	220,419,504
	47,800,000	-	141,392,473	189,192,473	9,853,510
				428,539,781	183,287,409
				621,680,700	810,873,173
On balance sheet gap 2019	335,314,379	61,955,357	34,544,736	431,814,472	(350,019,898) (9,853,510) (17,668,428) (377,541,836) 54,272,636

Fair value sensitivity analysis for fixed rate financial assets instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at reporting date would not affect profit and loss account. At June 30, 2020, financial assets of Rs. 629.46 million (2019: Rs. 549.05 million) and financial liabilities of Rs NIL (2019: Rs NIL) carried fixed interest.

Cash flow sensitivity analysis for variable rate financial liabilities instruments

An estimated change of 100 basis points in interest rates at the reporting date would have resulted in the increase / decrease of profit for the year and decrease / increase in equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as performed for 2019.

Effect on profit / (loss) before tax	Carrying value
----- Rupees -----	

As at 30 June 2020

Cash flow sensitivity-variable rate financial liabilities	(1,341,625)	(134,162,473)
Cash flow sensitivity-variable rate financial assets	719,547	71,954,665

As at 30 June 2019

Cash flow sensitivity-variable rate financial liabilities	(1,891,925)	(189,192,473)
Cash flow sensitivity-variable rate financial assets	719,547	71,954,665

43.4.2 Equity price risk

Equity price risk is the risk of unfavorable changes in the fair value of the equity securities as a result of changes in the levels of Stock Exchange indexes and the value of individual shares (including the units of mutual funds). The equity price risk exposure arises from the Company's investments in equity securities for which prices in the future are uncertain. The Company's policies to manage price risk through diversification and selection of securities within specified limits set by the internal risk management guidelines and NBFC regulations.

As at June 30, 2020, the fair value of equity securities exposed to price risk was Rs. 33.40 million (2019: Rs. 48.21 million).

An increase or decrease of 10% in the fair values of the Company's equity securities, with all other variables held constant, would result in decrease / increase of Profit for the year by Rs. 1.14 (2019: Rs. 1.53 million) and equity by Rs. 2.2 million (2019: Rs. 3.3 million). This level of change is considered to be reasonably possible based on observation of current market conditions.

43.5 Fair value of financial instruments

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, regardless of whether that price is directly observable or estimated using another valuation technique. Consequently, differences may arise between the carrying values and fair values. The carrying values of financial assets and financial liabilities approximate their fair values.

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.

43.6 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, appropriation of amounts to capital reserves or / and issue of new shares.

44. SEGMENT INFORMATION

	2020			2019				
	Investment / financing activities	Leasing activities	Other operations	Total	Investment / financing activities	Leasing activities	Other operations	Total
	Rupees —————			Rupees —————			Rupees —————	
Information about reportable segment profit or loss, assets and liabilities								
Revenue from external customers	38,813,290	41,495,831	11,157,494	91,466,615	2,339,045	31,458,862	28,739,035	62,536,942
Interest [reversal] / expense - net	(10,268,330)	(10,978,015)	-	(21,246,345)	(651,890)	(8,767,553)	-	(9,419,443)
Depreciation and amortization	1,504,685	1,608,680	-	3,113,365	486,674	6,545,489	-	7,032,163
Provision reversed / [charged] /								
Impairment of assets	(56,246,323)	6,747,585	(3,480,373)	(52,979,111)	(7,337,299)	16,616,342	-	9,279,043
Reportable segment profit	(26,196,678)	38,874,081	7,677,121	20,354,524	(5,163,470)	45,853,140	28,739,035	69,428,705
Reportable segment assets	597,836,760	370,553,603	-	968,390,363	584,416,812	365,681,413	-	950,098,225
Reportable segment liabilities	(593,572,760)	(83,367,529)	-	(676,940,289)	(621,222,145)	(72,601,319)	-	(693,823,464)
							2020 Rupees	2019 Rupees
Reconciliation of (loss) / profit								
Total profit from reportable segments					12,677,403	40,689,670		
Profit from other operations					7,677,121	28,739,035		
Unallocated amounts:					20,354,524	69,428,705		
Other administrative and operating expenses								
Other income					(26,185,204)	(42,578,401)		
Profit before tax					36,316,828	9,680,506		
					30,486,148	36,530,810		
Reconciliation of assets and liabilities								
Assets								
Total assets of reportable segments					968,390,363	950,098,225		
Liabilities					(676,940,289)	(693,823,464)		

45. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 05, 2020 by the Board of Directors of the Company.

46. GENERAL

46.1 COVID-19

The pandemic of COVID-19 that has spread all over the world has adversely impacted the global economy. On March 23, 2020, the Government of Pakistan announced a temporary lock down as a measure to reduce the spread of the COVID-19. The management has evaluated and concluded that there are no material implications of COVID-19 that require specific disclosure in the financial statements.

46.2 Figures have been rounded off to the nearest Rupee.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Akmal Ali
Chief Financial officer

Company Information

Board of Directors

Mrs. Ayesha Shehryar	-Chairperson
Mr. Muhammad Asif	-Chief Executive
Mr. Muhammad Qasim	-Executive Director
Brig. (Retd.) Wali Muhammad	-Director
Mrs. Fiza Zahid	-Director
Mr. Shahab Ud Din Khan	-Director
Mr. Ashar Saeed	-Director

Audit Committee

Mr. Ashar Saeed	-Chairman
Brig. (Retd.) Wali Muhammad	-Member
Mrs. Fiza Zahid	-Member

Human Resource Committee

Mr. Muhammad Qasim	-Chairman
Brig. (Retd.) Wali Muhammad	-Member
Mr. Muhammad Asif	-Member

Company Secretary

Mr. M. Naim Ashraf

Auditors

Deloitte Yousuf Adil
Chartered Accountants

Legal Advisors

Ahmad & Qazi

Share Registrar

Coptec Associates (Private) Limited
503-E, Johar Town, Lahore.
Tel: 042-35170336-7
Fax: 042-35170338
E-mail: mimran.csbm@gmail.com

Bankers

Habib Metropolitan Bank Limited
Meezan Bank Limited
JS Bank Limited

Registered Office

Flat No. 2, First Floor, Plot No. 38-C,
22nd Commercial Street, Phase II Ext.
DHA, Karachi.
021-35894022
Website: www.icibl.com

Head Office

2-H, Jail Road, Gulberg II,
Lahore.
Tel: 042-35777285-86

National Tax Number

0656427-5

Our Network

Registered Office - Karachi

Flat No. 2, 1st Floor, Plot No. 38-C,
Phase II Ext., DHA,
Karachi.

Tel: 021-35894022

Website: www.icibl.com

Head Office - Lahore

2-H, Jail Road, Gulberg II,
Lahore.

Tel: 042-35777285 & 86

Islamabad

Office No. 02, Ground Floor,
Rahim Plaza,
Main Muree Road, Saddar,
Rawalpindi Cantt.
Tel: 0301-8651067

Peshawar

C/o Centre Gas (Pvt.) Limited,
Chughal Pura, G.T Road,
Peshawar.
Tel: 091-2262966 & 2262866

Faisalabad

20-Bilal Road, Civil Lines,
Faisalabad.
Tel: 041- 2409221

Gujranwala

50-H, Trust Plaza, G.T Road,
Gujranwala.
Tel: 055-3730308, 3730300
Fax: 055-3731108

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Proxy Form

I, _____ S/o, W/o, D/o _____

a member of Invest Capital Investment Bank Limited and holder of _____ shares as per Registered Folio No._____ and / or CDC participant I.D. No. _____ and Sub Account

No._____ do hereby appoint_____

of_____ (full address) or failing

him/her_____

of_____

(full address) as my/our proxy to attend, act and vote for me/us and on my/our behalf at the Annual General Meeting of the Shareholders to be held at 11.45 a.m. on Tuesday, October 27, 2020 and at any adjournment thereof.

Signed this _____ day of _____ 2020.

Signature and or Seal of Member_____

Please affix
Rs.5/-
Revenue
Stamp

In the presence of

Signature : _____

Signature: _____

Name : _____

Name: _____

Address: _____

Address: _____

CNIC No: _____

CNIC No: _____

Notes:

1. A member entitled to attend and vote at the above meeting may appoint any other person as his/her proxy. The instrument appointing a proxy should be signed by the member or his/her attorney duly authorized in writing. If a member is a corporation, either its common seal be affixed to the proxy form or the Board of Director's resolution /power of attorney along with specimen signature of the nominee shall be submitted with the proxy form. The proxy shall have a right to attend, speak and vote in place of the member.
2. Proxies in order to be effective must be received at the office of Share Registrar of the Company, M/s CorpTec Associates (Private) Limited, 503-E, Johar Town, LAHORE at least 48 hours before the meeting and must be duly stamped, signed and witnessed.
3. A proxy need not be a Member of the Company.
4. Beneficial owner of the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Card (CNIC) or original passport, Account, Sub-Account number and Participant's number in Central Depository System for identification purpose at the time of attending the meeting. The form of proxy must be submitted with the company with in stipulated time, duly witnessed by two persons whose name, address and NIC number must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy.
5. In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature of the nominee shall be submitted along with proxy form to the company.



پر اکسی فارم

انویٹ کمپنیل انویستمنٹ بینک لمبینڈ

فلیٹ نمبر 2، فرسٹ فلور، پلات نمبر C-38، 22 کمرشل اسٹریٹ، فیرا ایکسٹینشن، ذی ایچ اے، کراچی

مسکی _____ ولد / بنت / زوجہ _____
 بینک لمبینڈ کا / کی ممبر ہوں اور _____ شیئر کا مالک ہوں بھاطباق رجسٹر فولیو نمبر _____ اور / یا سی ڈی سی پارٹسپنٹ نمبر _____
 (شرکت داری شناختی نمبر) _____ اور سب اکاؤنٹ نمبر _____
 میں جناب / جنابہ _____ ساکن (کمل پتہ) _____
 یا مقابل طور پر جناب / جنابہ _____ ساکن (کمل پتہ)
 کو بطور پر اکسی مقرر کرتا / کرتی ہوں جو کہ میری / ہماری جگہ 27 اکتوبر 2020 بروز منگل 11:45 بجے یا بصورت التوانی مقرر کردہ تاریخ پر حصہ یافتگان کے
 غیر معمولی جزء اجلاس میں شرکت کرے، حصہ لے اور ووٹ کا ساتھ کرے۔
 دستخط کرنے گئے مورخ _____ 2020 _____

برائے مہر ہانی 5 روپے
والی نکٹ لگائیں

ممبر کے دستخط اور مہر

گواہ

گواہ

دستخط	دستخط
نام	نام
پتہ	پتہ
شناختی کارڈ	شناختی کارڈ

نوٹ:

1- ایک ممبر جو کہ مذکورہ اجلاس میں شرکت کرنے اور ووٹ ڈالنے کا اہل ہے وہ کسی بھی دوسرے شخص کو اپنا / اپنی پر اکسی مقرر کر سکتا / سکتی ہے۔ - پر اکسی مقرر کرنے کی دستاویز ممبر یا اسکے وکیل کی طرف سے دونوں اطراف سے دستخط شدہ تحریری اجازت ہو۔ اگر کن کار پوری شیش ہے، تو وہ اپنی عام مہر پر اکسی فارم پر لگائے یا نامزد افراد کے نامہ دستخطوں کے ہمراہ بورڈ آف ڈائریکٹر کی قرارداد یا مختار عام پر اکسی فارم کے ساتھ پیش کرے۔ - پر اکسی کو (اجلاس میں) شرکت کرنے، تقریر کرنے اور کن کی جگہ ووٹ ڈالنے کا حق حاصل ہو گا۔

2- پر اکسیاں تا آنکہ موثر ہو سکیں کمپنی کے شیئر رجسٹر کے دفتر میسر ز کارپ ٹیک میوسی ایم (پر ایوٹ) لمبینڈ 1503 ای جوہر ٹاؤن لاہور میں اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل لازم وصول ہو جانی چاہیں اور یہ گواہان کی موجودگی میں دو طرفہ مہربت، دستخط شدہ ہوں۔

3- پر اکسی کے لئے ضروری نہیں کہ کمپنی کا ممبر ہو۔

4- سٹرل ڈیپاٹری کمپنی آف پاکستان لمبینڈ (سی ڈی سی) کے رجسٹر شیر دز کے سینیٹشل اونر اور اگلی پر اکسیوں کیلئے ضروری ہے کہ وہ اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹر ایضاً شناختی کارڈ یا اصل پاسپورٹ، اکاؤنٹ، ذیلی اکاؤنٹ نمبر اور شناختی مقصود کیلئے سٹرل ڈیپاٹری سٹم کا پارٹسپنٹ نمبر مبیا کریں۔ - پر اکسی فارم کمپنی میں مقرر وقت میں جمع کرنا ضروری ہے، دو افراد کی گواہی کیسا تھے جن کے نام، ایڈر میں اور شناختی کارڈ نمبر فارم میں ضروری لکھئے ہوئے ہوں، ہمراہ سینیٹشل اونر اور پر اکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول کے۔

5- کمپنی کی صورت میں بورڈ آف ڈائریکٹر ز کاربینز و لوشن یا پاور آف اٹارنی بیچ نامزد فرود کے دستخط کے پر اکسی فارم کے ساتھ منسلک کریں۔





INVEST CAPITAL INVESTMENT BANK LIMITED

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