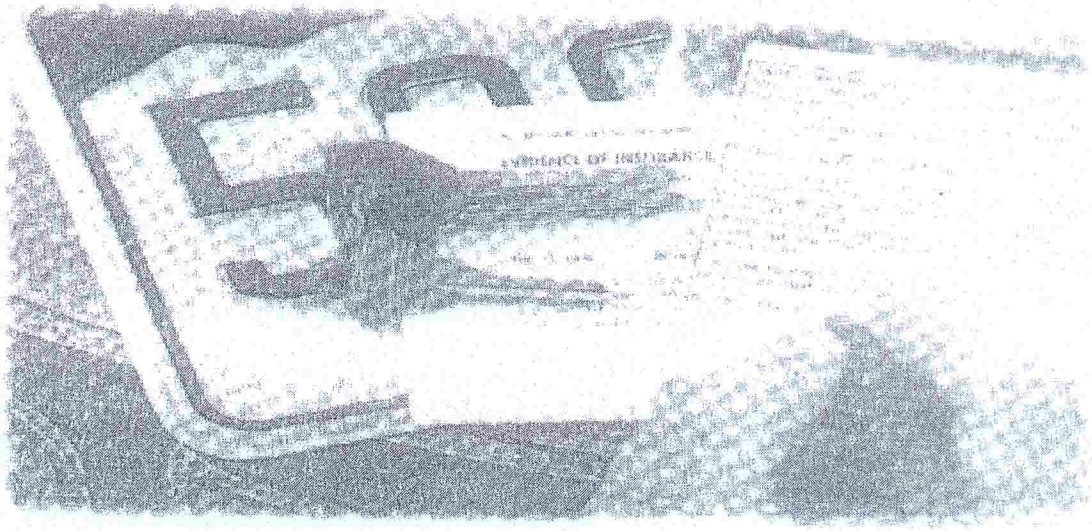
SECURITY LEASING CORPORATION LIMITED



HALF YEARLY
DECEMBER 2020

Security Leasing
Corporation Limited

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Mission

SLCL is committed to make a positive contribution towards the country's economy by achieving a leading position in the leasing industry.

SLCL intends to achieve its mission by:

- Enhancing value for its shareholders and lenders.
- Providing efficient and professional services to its customers based on the latest technology.
- Developing an efficient and professionally trained human resource.
- Following good and ethical business practices.

Vision

- SLCL has an infrastructure which can cater to substantial business as such SLCL is well poised to avail opportunities which will be available due to an upsurge in the economy.
- The future of the leasing sector is linked to the macro-economic performance of the country's economy. New projects and Investment in Balancing, Modernization & Replacement (BMR) tender more opportunities to generate more business for the leasing sector.

Business Strategy

The objective of the Company is to contribute towards the economic development of the country, while maintaining the progressive growth rate of the Company, by providing lease financing to small and medium sized business enterprises and individuals in the most efficient and effective manner.

The business strategy of the Company is based on the following:

1. **Enhancing value for its shareholders and lenders**

By investing into a diversified lease portfolio, the Company substantially reduces the risk of potential losses, which in turn promises to shield the shareholders equity and further increase the value of the stakeholders' interests. The Company's Earning Per Share reflects that the Company has not only safeguarded the stakeholders' interests efficiently but has also been successfully able to increase the value of their interests.

2. **Providing efficient and professional services to its customers**

SLCL is known for its quality service. The main objective of the organization is providing high quality services at economical prices. It has been the company's policy to give a wide variety of options to its customers, in order to facilitate their individual requirements.

3. **Developing an efficient and professionally trained human resource**

The management philosophy of the Company is to develop and maintain a professional organization with a blend of local culture and management style. The professional staff has been hired on the basis of merit from various business organizations.

4. **Following Shariah injunctions for financing activities**

The Company is committed towards continued improvement and diversification in its lease portfolio. By adopting an Islamic approach to leasing, the company will be able to improve its image as well as provide innovative ways in leasing to its customers.

Company Information

BOARD OF DIRECTORS

Mr. Muhammad Riaz Khokhar	Chairman
Ms. Farah Azeem	Chief Executive Officer
Mr. Muhammad Ramzan Behrani	Member
Mr. Azim Azfar	Member
Mr. Javed Haleem	Member
Mr. Muhammad Sharif Khawaja	Member
Mr. Ghulam Raza Dheraj	Member

AUDIT COMMITTEE

Mr. Ghulam Raza Dheraj	Chairman
Mr. Azim Azfar	Member
Mr. Muhammad sharif Khawaja	Member

EXECUTIVE COMMITTEE

Mr. Muhammad Riaz Khokhar	Chairman
Ms. Farah Azeem	Chief Executive Officer
Mr. Azim Azfar	Member
Mr. Javed Haleem	Member
Mr. Ghulam Raza Dheraj	Member
Mr. Muhammad Ramzan Behrani	Member

HR & COMPENSATION COMMITTEE

Mr. Ghulam Raza Dheraj	Member
Ms. Farah Azeem	Chief Executive Officer
Mr.Javed Haleem	Member
Mr. Muhammad Ramzan Behrani	Member

COMPANY SECRETARY Muhammad Farooq

EXTERNAL AUDITORS Crowe Hussain Chaudhury & CO
Chartered Accountants

INTERNAL AUDITORS UHY Hassan Naeem & Co.
Chartered Accountants

LEGAL ADVISORS	M/S Abdul Karim Khan & Company Advocates, Solicitors & Legal Advisor
TAX CONSULTANTS	UHY Hassan Naeem & Co. Chartered Accountants

REGISTERED & HEAD OFFICE

Block 'B', 5th Floor, Lakson Square No. 3,
Sarwar Shaheed Road, Karachi 74200
Tel: 35660307-08, 35660312-13 Fax: 021 - 3568 9854
Web: www.seclease.com e-mail: slcl@seclease.com

BRANCH

Lahore - North Region
D-802, 8th Floor, City Towers,
6-K, Main Boulevard, Gulberg-II, Lahore-54600.
Phone: 042 - 35788660-62 Fax: 042 - 35788659

SHARE REGISTRAR

F. D. Registrar Services (SMC-Pvt) Ltd.
Office # 1705, 17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road, Karachi-74000.
Tel: 92-21-35478192-93 / 32271906 Fax: 92-21-32621233
E-mail: fdregistrar@yahoo.com

DIRECTORS' REVIEW

The directors are pleased to present their report on the un-audited financial statements of the company for the half year ended 31 December, 2020. The total assets of the company as of 31 December 2020 were Rs.627.75 million compared to Rs.628.49 million as of 30th June 2020. During the half year under review the total revenue of the Company were amounted to Rs.4.40million compared to Rs.4.96 million during the half year ended 31 December 2019.The Company suffered after tax loss of 7.04 million in a period under review as compared to after tax loss of Rs.8.45 million during the half year ended 31 December 2019. The loss per share as of 31 December, 2020 is Rs.0.19 as compared to the loss per share Rs.0.23 as of 31 December 2019 .

The Board of Directors after reviewing the situation afresh has concluded that during the year 2020-21 it will be possible for the company to reduce its institutional indebtedness by making payments to the creditors on the basis of substantial discount in respect of which bulk of the creditors have already agreed in principle for settlement with the company on the basis of substantial discount.
your directors are hopeful that with anticipated settlement with the creditors in the coming future the company would show positive trend in the coming periods.

Your directors recognize and appreciate the support of the regulatory authorities and the lending institutions as also the dedicated services rendered by the management and the staff of the Company.

For and on behalf of the Board of Directors

Farah Azeem
Chief Executive Officer
Karachi: February 25, 2021

ڈائریکٹرز کی رپورٹ

آپ کے ڈائریکٹر 31 دسمبر 2020 کو ختم ہونے والی ششماہی کی ان اوڈیٹڈ (Un-audited) مالی دستاویزات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ 31 دسمبر 2020ء کو کمپنی کے اثاثوں کی مجموعی مالیت 627.75 ملین روپے تھی جب کہ 30 جون 2020 کو یہ مالیت 628.49 ملین روپے تھی۔ زیر جائزہ مدت کے دوران کمپنی کی آمدنی کی سطح 4.4 ملین رہی جب کہ گزشتہ سال اس مدت میں یہ سطح 4.96 ملین تھی۔ زیر غور مدت میں کمپنی کا بعد از ٹیکس خسارہ 7.04 ملین روپے رہا جب کہ گزشتہ سال اس مدت میں بعد از ٹیکس خسارہ 8.45 ملین تھا۔ 31 دسمبر 2020ء کو کمپنی کا فی حصص خسارہ 0.19 روپے رہا جب کہ گزشتہ سال اس مدت میں فی حصص خسارہ 0.23 روپے تھا۔

کمپنی کے ڈائریکٹر اس تمام صورت حال کا از سر نو جائزہ لینے کے بعد اس نتیجے پر پہنچے ہیں کہ سال 2020-21 کے دوران مالیاتی اداروں سے حاصل کئے گئے قرضوں کو قابل قدر حد تک کم کرنے میں کامیاب ہو جائیں گے کیونکہ اکثر دیندار کمپنی کو ڈسکاؤنٹ دینے پر تیار ہو چکے ہیں ان تمام عوامل کو مدنظر رکھتے ہوئے اس بات کی قوی امید ہے کہ مستقبل قریب کے نتائج آمدنی کی بہتر سطح ایکوٹی میں اضافہ فی حصص آمدنی میں اضافہ جیسے مثبت رجحان کی نشاندہی کریں گے۔

بورڈ اپنے سرمایہ کار قرض دہندہ اور ریگولیٹری اتھارٹیز کے اس مشکل وقت میں مسلسل تعاون پر نہایت شکر گزار ہیں۔ ساتھ ساتھ اپنے تمام عملے کی کوششوں اور ان کی لگن جس کی وجہ سے کمپنی کے آپریشن کو ان مشکل حالات میں جاری رکھنا ممکن ہو سکا نہایت ممنون ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے اور ان کے لیے۔

فرح عظیم

چیف ایگزیکٹیو آفیسر

25 فروری 2021

Crowe

Crowe Hussain Chaudhury & Co.
Chartered Accountants
Member Crowe Global

F-4/2, Mustafa Avenue,
Behind The Forum
Block 9, Clifton, Karachi, Pakistan.
+92 21 35877806-10
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Other Offices in Lahore & Islamabad

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Security Leasing Corporation Limited

Report on review of interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Security Leasing Corporation Limited (the Company), as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes to the financial statements for the half yearly period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Conclusion

a) As described in Note 1.2 to the financial statements, the financial statements have been prepared on going concern basis. As at the balance sheet date, accumulated loss of the company was Rs. 574.023 million (June 30, 2020: Rs. 566.454 million) as against the issued, subscribed and paid-up capital of Rs. 438.027 million (June 30, 2020: Rs. 438.027 million) and current liabilities of the company exceed its current assets by Rs. 328.825 million (June 30, 2020: Rs. 305.387 million). The company is facing operational and financial problems. There is no sufficient appropriate audit evidence that the management's plans are feasible and ultimate outcome will improve the Company's current situation. In our opinion, the going concern assumption used in the preparation of these financial statements is inappropriate and the company may not be able to realize its assets and discharge its liabilities in the normal course of business.

gk

Crowe

b) The Company has recorded deferred tax asset of Rs. 334.321 million (June 30, 2020: Rs. 334.321 million) based on its future plans which projects that future taxable profit would be available against which such deferred tax assets could be utilized. However, in our view, there is no sufficient appropriate audit evidence that the management's plans are feasible and ultimate outcome will improve the company's current situation as discussed in (a) above, therefore, sufficient future taxable profits will not be available against which deferred tax asset could be utilized. In our view, deferred tax asset should be derecognized. Had the deferred asset been de-recognized, deferred tax asset, equity would have been lower by Rs. 334.321 million whereas profit for the period would have been lower by Rs. 334.321 million.

c) Property and Equipment includes office premises amounting to Rs.60.349 million, out of which Rs.38.101 million are rented out to different tenants. Aa per IAS 40, these properties should have been classified as Investment Property rather than owned assets.

d) The Company has recorded short term finance amounting Rs. 54 million due from another company, the recovery of which is contingent as the Company has filed a suit for the recovery of said amount. In the absence of any sufficient and appropriate audit evidence, we are unable to conclude on the recovery of said amount.

e) The Company has not carried out revaluation of office premises which are carried under revaluation model for many past periods which is required under IAS 16. In the absence of any alternate procedure, we are unable to determine the impacts of change in the value of office premises, if any.

Other Matters

The condensed interim financial information of the company for the six months ended 31 December 2019 and the annual financial statements for the year ended June 30, 2020 were reviewed and audited by another firm of chartered accountants, whose review report dated 25th February 2020 and audit report dated 29th September 2020 expressed adverse opinion thereon.

Crowe

The figures of the condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the six months period ended December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2020.

The engagement partner on the audit resulting in this independent auditor's report is Imran Shaikh.

Crowe Hussain Chaudhury & Co.
Chartered Accountant

Karachi
Date: 31 MAR 2021

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	Note	Un-audited 31 December 2020	Audited 30 June 2020
		----------Rupees----------	
ASSETS			
Current assets			
Cash and bank balances	5	**426,477**	594,229
Short term finances		**54,000,000**	54,000,000
Advances, prepayments and other receivables		**951,998**	966,531
Current maturity of non-current assets	6	**170,860,980**	170,860,980
Taxation-net		**6,347,068**	5,580,804
Total current assets		**232,586,523**	232,002,544
Non-current assets			
Long-term deposits		**494,500**	504,500
Property and equipment	7	**60,349,561**	61,661,517
Deferred tax asset	8	**334,321,869**	334,321,869
Total non-current assets		**395,165,930**	396,487,886
Total assets		**627,752,453**	628,490,430
LIABILITIES			
Current liabilities			
Accrued and other liabilities		**85,432,662**	82,685,266
Current maturity of non-current liabilities	9	**475,978,946**	454,704,277
Total current liabilities		**561,411,608**	537,389,543
Non-current liabilities			
Long -term finances	9.1	**1,282,178**	18,008,154
Total non-current liabilities		**1,282,178**	18,008,154
Total liabilities		**562,693,786**	555,397,697
NET ASSETS		**65,058,667**	73,092,733
REPRESENTED BY SHAREHOLDERS' EQUITY			
Share capital and reserve			
Issued, subscribed and paid-up share capital	10	**438,027,750**	438,027,750
Reserves	11	**(392,156,380)**	(384,586,860)
		45,871,370	53,440,890
Surplus on revaluation of fixed assets		**19,187,297**	19,651,843
Total shareholders' equity		**65,058,667**	73,092,733
CONTINGENCIES AND COMMITMENTS	12		

The annexed notes from 1 to 15 form an integral part of these financial statements.

FARAH AZEEM	**MUHAMMAD FAROOQ**	**MUHAMMAD RIAZ KHOKAR**
CHIEF EXECUTIVE OFFICER	**CHIEF FINANCIAL OFFICER**	**CHAIRMAN**

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

	Note	Half Year Ended		Quarter ended	
		December 31, 2020	December 31, 2019	**December 31, 2020**	December 31, 2019
		----------Rupees----------		----------Rupees----------	
REVENUE					
Income from:					
Finance leases-Contracts		-	-	-	-
Other operating income		**4,401,196**	4,965,462	**2,754,276**	2,482,731
		4,401,196	4,965,462	**2,754,276**	2,482,731
Unwinding of financial liability		**(4,477,487)**	(7,232,203)	**(2,054,155)**	(3,455,813)
		(76,291)	(2,266,741)	**700,121**	(973,082)
EXPENSES					
Administrative and selling		**6,474,610**	5,564,337	**4,265,624**	2,664,626
Finance costs		**576,446**	620,245	**285,297**	558,970
		(7,051,056)	(6,184,582)	**(4,550,921)**	(3,223,596)
Operating Loss before Income tax		**(7,127,347)**	(8,451,323)	**(3,850,800)**	(4,196,678)
Income tax expense					
- current		**(906,758)**	-	**(906,758)**	-
Loss for the period		**(8,034,105)**	(8,451,323)	**(4,757,558)**	(4,196,678)
Loss per share	13	**(0.22)**	(0.23)	**(0.13)**	(0.12)

The annexed notes from 1 to 15 form an integral part of these financial statements.

FARAH AZEEM	**MUHAMMAD FAROOQ**	**MUHAMMAD RIAZ KHOKAR**
CHIEF EXECUTIVE OFFICER	**CHIEF FINANCIAL OFFICER**	**CHAIRMAN**

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

	Half Year Ended		Quarter ended	
	December 31, 2020	December 31, 2019	**December 31, 2020**	December 31, 2019
	----------Rupees----------		----------Rupees----------	
Loss for the period	**(8,034,105)**	(8,451,323)	**(4,757,558)**	(5,174,776)
Other comprehensive income				
Surplus on revaluation of property	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total Comprehensive loss for the period	**(8,034,105)**	(8,451,323)	**(4,757,558)**	(5,174,776)

The annexed notes from 1 to 15 form an integral part of these financial statements.

FARAH AZEEM
CHIEF EXECUTIVE OFFICER

MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER

MUHAMMAD RIAZ KHOKAR
CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

		Reserves		
		Capital	Revenue	
	Share capital	Statutory reserve	Unappropriated profit	Total
	Rupees			
Balance as at June 30,2019	**438,027,750**	**181,867,005**	**(523,721,115)**	**96,173,640**
Change in equity for the year ended December 31, 2019				
Transferred from surplus on revaluation of fixed assets - incremental depreciation (net of tax)	-	-	464,587	464,587
Net income recognised directly in equity			464,587	464,587
Loss for the year	-	-	(8,451,323)	(8,451,323)
Total recognised expense for the period	-	-	(7,986,736)	(7,986,736)
Balance as at December 31,2019	438,027,750	181,867,005	(531,707,853)	88,186,902
Balance as at June 30,2020	**438,027,750**	**181,867,005**	**(566,453,864)**	**53,440,891**
Change in equity for the year ended December 31, 2020				
Transferred from surplus on revaluation of fixed assets - incremental depreciation (net of tax)	-	-	**464,587**	464,587
Net income recognised directly in equity			464,587	464,587
Loss for the period	-	-	(8,034,105)	(8,034,105)
Total recognised expense for the period	-	-	(7,569,519)	(7,569,519)
Balance as at December 31,2020	**438,027,750**	**181,867,005**	**(574,023,385)**	**45,871,370**

FARAH AZEEM
CHIEF EXECUTIVE OFFICER

MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER

MUHAMMAD RIAZ KHOKAR
CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2020 (UN-AUDITED)

	Note	Un-Audited December 31, 2020	Audited December 31, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		----------Rupees----------	
Loss before income tax including discontinued operation		**(7,127,347)**	(8,451,323)
Depreciation		**1,311,995**	1,322,445
Finance costs		**576,446**	620,245
Unwinding of financial liability/issue cost of sukuk		**4,548,693**	7,346,982
		6,437,134	9,289,672
Operating (loss)/Profit before working capital changes		**(690,213)**	838,349
Working capital changes			
Decrease in net investment in finance leases		**-**	-
Increase in advances, prepayments and other receivables		**24,533**	(183,553)
Decrease in accrued return on investments		**-**	-
Decrease in deposits from leases		**-**	-
Increase in accrued and other liabilities		**2,747,396**	383,910
		2,771,929	200,357
Cash generated from operations after working capital changes		**2,081,716**	1,038,706
Financial charges paid		**(576,446)**	(620,245)
Taxes paid		**(1,673,022)**	(416,363)
		(2,249,468)	(1,036,608)
Net cash (used) in / generated from operating activities		**(167,753)**	2,098
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
Net cash from investing activities		**-**	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash used in financing activities		**-**	-
Net (decrease) / increase in cash and cash equivalents		**(167,752)**	2,098
Cash and cash equivalents at beginning of the period		**594,229**	313,653
Cash and cash equivalents at end of the period	14	**426,477**	315,751

FARAH AZEEM
CHIEF EXECUTIVE OFFICER

MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER

MUHAMMAD RIAZ KHOKAR
CHARIMAN

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Security Leasing Corporation Limited ("the Company") was incorporated in Pakistan on December 6, 1993 and commenced its operations on May 21, 1995. The Company is a Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and engaged in the business of leasing.

The registered office of the Company is situated at Block B, 5th Floor, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi, Pakistan. The Company is listed on Pakistan Stock Exchanges.

1.2 The Company is licensed to operate as leasing Company by Securities and Exchange Commission of Pakistan (SECP) and its forbearance of the license was extended up to July 2011. The renewal request is submitted with the Commission which is pending.

Since the start of the financial and economic crisis in Pakistan in October 2008, the financing facilities of the Company were abruptly withdrawn by the banks which resulted in reduction of portfolio of leasing and other finances. The private sector especially NBFCs could not attract any funding in form of either equity or financing facility due to crowding out by high fiscal borrowings of government in the preceding years. The Company was feeling extraordinary pressure on its repayment capacity due to constant reduction of portfolio and absence of sizeable fresh business. Therefore , the Company negotiated on different occasion with its lenders of long and short term funding for the reprofiling of its financial liabilities and now the Company has requested all its lenders to make full and final settlement by offering Specific leased assets under charge, additional lease assets from the portfolio and all the properties owned by the Company.

Mitigating Factors

The main objective of requesting the lenders for full and final settlements of financial liabilities was to increase cash flows and equity of the Company. In addition to these measure, the Company also taking drastic steps to reduce the administrative costs by laying of its staff from all cadres as well as revising certain staff benefits. These measures will help operationally for the Company as a going concern entity.
The Management is hopeful that settlement with lenders will assist in reducing losses and improving the equity of the Company. This will make the company attractive for equity participation/merger /acquisition to inject additional equity.

The Company is making efforts to improve equity level through bringing fresh equity . In this regard some positive progress has been made.

The company is constantly looking for options to increase the equity levels by soliciting investor for cash and in kind equity investment. The Board and its management are hopeful that these measures would bring stability to the Company and results would start to improve in the coming periods.

2 BASIS OF MEASUREMENT

These financial statements have been prepared under historical cost convention except for certain property and equipment which have been stated at revalued amounts and financial assets and financial liabilities which have been stated at their fair values, cost or amortized cost.

The financial statements have been prepared following the accrual basis of accounting except for the cash flow information.

3 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards, as applicable in Pakistan and the requirements of the Companies Act, 2017, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) and the Non- Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). Approved accounting standards comprise such International Financial Reporting Standard (IFRS) issued by International Accounting Standard Board (IASB) as are notified under the provisions of the Companies Act, 2017, provisions of and directives issued under the Companies Ordinance, 1984. Wherever, the requirements of the Ordinance, the Rules and the Regulations differ with the requirements of IFRS, the requirements of the Act, the Rules or the Regulations shall prevail.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these half yearly accounts are the same as those applied in the preparation of the preceding annual published accounts of the company for the year ended June 30,2020.

	Note	Un-audited December 31, 2020 Rupees	Audited June 30, 2020 Rupees
5 CASH AND BANK BALANCES			
Cash in hand		**780**	-
Balance with State Bank of Pakistan in current account		**29,569**	29,569
Balances with other banks in:			
-Current accounts		**379,644**	548,176
-Saving accounts		**16,484**	16,484
		426,477	594,229

6 CURRENT MATURITY OF NON - CURRENT ASSETS			
Net investments in leases	6.1	**170,860,980**	197,403,183
		170,860,980	197,403,183

6.1 NET INVESTMENT IN FINANCE LEASE

Net investment in finance leases	**170,860,980**	170,860,980
Less: current portion of net investment in finance leases	**(170,860,980)**	(170,860,980)
	-	-

	Dec,2020			June,2020		
	Not Later than one year	**Later than one year**	**Total**	Not Later than one year	Later than one year	Total
Lease rentals receivable	**294,068,632**	**-**	**294,068,632**	294,068,632	-	294,068,632
Add: Residual value of leased assets	**98,449,557**	**-**	**98,449,557**	98,449,557	-	98,449,557
Gross investment in finance leases	**392,518,189**	**-**	**392,518,189**	392,518,189	-	392,518,189
Less:						
Unearned lease income	**-**	**-**	**-**	-	-	-
Income suspended	**52,249,428**	**-**	**52,249,428**	52,249,428	-	52,249,428
	340,268,761	**-**	**340,268,761**	340,268,761	-	340,268,761
Provision for potential lease losses	**169,407,781**		**169,407,781**	169,407,781	-	169,407,781
Net investment in leases	**170,860,980**	**-**	**170,860,980**	170,860,980	-	170,860,980
	170,860,980	**-**	**170,860,980**	**170,860,980**	**-**	**170,860,980**

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	Note	Un-audited December 31, 2020 Rupees	Audited June 30, 2020 Rupees
7 PROPERTY AND EQUIPMENT			
Property and equipment			
-owned		**60,349,561**	61,661,535
-leased		-	-
		60,349,561	61,661,535
Opening WDV of property and equipment		**61,661,535**	64,295,878
Additions to property and equipment		-	-
		61,661,535	64,295,878
Depreciation charge		**1,311,974**	2,634,343
Disposals/ transfers made at WDV		-	-
Closing WDV of property and equipment		**60,349,561**	61,661,535
8 DEFERRED TAX ASSET		**334,321,869**	334,321,869

Amount shown in deffered taxation represents balances as at June 30, 2018. No further deffered tax has been recognized during the period and shall be recorded in annual financial statements, if applicable.

9 CURRENT MATURITY OF NON- CURRENT LIABILITIES			
Long term finances		**377,573,020**	356,298,351
Long term deposits		**98,405,926**	98,405,926
		475,978,946	454,704,277

9.1 LONG-TERM FINANCES - secured	Note	Un-audited December 31, 2020 Rupees	Audited June 30, 2020 Rupees
Other than related party			
Privately Placed Term finance certificates		-	
Privately Placed SUKUKs		**228,333,629**	225,498,618
Long-term loans		**150,521,569**	148,807,887
Term Finance Certificates		-	-
		378,855,198	374,306,505
Transfer to liabilities directly associated with the assets held for sale		-	-
		378,855,198	374,306,505
Less: Current maturity due but not paid			
Privately Placed Term finance certificates		-	-
Privately Placed SUKUKs		**198,046,875**	182,812,500
Long-term loans		**132,724,609**	122,432,102
Term Finance Certificates		-	-
		330,771,484	305,244,602
Less: Current maturity shown under current liabilities			
Privately Placed Term finance certificates			-
Privately Placed SUKUKs		**27,840,458**	30,468,750
Long-term loans		**18,961,078**	20,584,999
Term Finance Certificates		-	-
		46,801,536	51,053,749
		377,573,020	356,298,351
	9.1	**1,282,178**	18,008,154

10 SHARE CAPITAL

Authorised capital		
75,000,000 (30 June 2020: 75,000,000) ordinary shares of Rs. 10 each	**750,000,000**	750,000,000
50,000,000 (30 June 2020: 50,000,000) preference shares of Rs. 10 each	**500,000,000**	500,000,000
	1,250,000,000	1,250,000,000
Issued, subscribed and paid-up share capital		
22,100,000 (30 June 2020: 22,100,000) ordinary shares of Rs. 10 each fully paid in cash	**221,000,000**	221,000,000
14,200,000 (30 June 2020: 14,200,000) ordinary shares of Rs. 10 each issued as fully paid bonus shares	**142,000,000**	142,000,000
	363,000,000	363,000,000
Preference shares		
7,502,775 (30 June 2020: 7,502,775) preference shares-class A of Rs. 10 each fully	**75,027,750**	75,027,750
	438,027,750	438,027,750

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	Un-audited December 31, 2020 Rupees	Un-audited December 31, 2019 Rupees
11 RESERVES		
Capital reserve		
Statutory reserves	**181,867,005**	181,867,005
Revenue reserve		
Accumulated loss	**(574,023,385)**	(566,453,865)
	(392,156,380)	(384,586,860)

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31 2020. (June 30 2020 : Nil)

	Half year ended		Quarter ended	
	December 31, 2020 Rupees	December 31, 2019 Rupees	December 31, 2020 Rupees	December 31, 2019 Rupees
13 (LOSS)/EARNINGS PER SHARE - Basic and diluted				
Loss attributable to ordinary Shareholders	**(8,034,105)**	(8,451,323)	**(4,757,558)**	(5,811,641)
Number of ordinary shares issued and subscribed	**36,300,000**	36,300,000	**36,300,000**	36,300,000
Loss per share-Rupees	**(0.22)**	(0.23)	**(0.13)**	(0.16)

(Loss)/Earnings per share has been calculated by dividing (loss)/profit for the year attributable to the ordinary shareholders outstanding at the period end by the weighted average number of shares outstanding during the period.

	Un-audited December 31, 2020 Rupees	Un-audited December 31, 2019 Rupees
14 CASH AND CASH EQUIVALENTS		
Balances with banks	**426,477**	315,751
	426,477	315,751

15 DATE OF AUTHORIZATION

These financial statements were authorized for issue on 25th February 2021 by the Board of Directors of the Company.

FARAH AZEEM	**MUHAMMAD FAROOQ**	**MUHAMMAD RIAZ KHOKAR**
CHIEF EXECUTIVE OFFICER	**CHIEF FINANCIAL OFFICER**	**CHAIRMAN**