



**CALCORP Limited**

**29<sup>th</sup> Annual Report 2021**

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## **CORPORATE INFORMATION**

<b>Board of Directors:</b>	Mr. Saad Saeed Faruqui Mr. Haider Ali Hilaly Mr. Muhammad Danish Hussain Mr. Shahrukh Saeed Faruqui Mr. Brig (R) Yasub Ali Dogar Mr. Azam Adnan Khan Ms. Sana Shahzad Ms. Sadia Hamid	(Chairman) (Chief Executive Officer)
<b>Audit Committee:</b>	Ms. Sadia Hamid Mr. Shahrukh Saeed Faruqui Mr. Muhammad Danish Hussain	(Chairperson) (Member) (Member)
<b>HR &amp; Remuneration Committee:</b>	Mr. Yasub Ali Dogar Mr. Haider Ali Hilaly Mr. Shahrukh Saeed Faruqui	(Chairman) (Member) (Member)
<b>Chief Executive Officer:</b>	Mr. Haider Ali Hilaly	
<b>Chief Financial Officer:</b>	Mr. Syed Wajahat Alam	
<b>Company Secretary:</b>	Mr. Hammad Ullah Khan	
<b>Head of Internal Audit:</b>	Mr. Zafar Iqbal	
<b>Registrar &amp; Share Transfer Office:</b>	F. D. Registrar Services (Pvt.) Limited 17th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi. Tel: +92 (21) 32271905-6; Fax +92 (21) 32621233	
<b>Auditors:</b>	Baker Tilly Mehmood Idrees Qamar, Chartered Accountants	
<b>Legal Advisor:</b>	Mohsin Tayebaly & Co.	
<b>Bankers:</b>	JS Bank Limited	
<b>Registered Office:</b>	D-131/A, Block 4, Clifton, Karachi Tele: +92 (21) 38771130 E-mail: cosec@calcorp.com.pk Web: www.calcorp.com.pk	

## **VISION / MISSION STATEMENTS CALCORP LIMITED**

### **VISION STATEMENT**

To be the partner of choice for business owners and management teams that are determined to achieve their full potential, adhere to the highest standards of corporate governance, and maximize value for all stakeholders.

### **MISSION STATEMENT**

Our mission is to add value with active management to enable capital and human resource starved businesses to unlock their potential.



## NOTICE OF THE 29<sup>th</sup> ANNUAL GENERAL MEETING OF CALCORP LIMITED

Notice is hereby given that the 29th Annual General Meeting of CALCORP Limited (formerly Capital Assets Leasing Corporation Limited) (the "**Company**") will be held on Monday, October 25, 2021 at 2:30 pm through video link facility at C-18, Block 4, Clifton, Karachi to conduct the following business:

### Ordinary Business:

1. To confirm the minutes of the 11th Extra Ordinary General Meeting of the Company held on Friday, May 3, 2021.
2. To receive, consider and adopt the Audited Financial Statements together with the Director's Report and Auditor's Report and Director's Review Report of the Company for the year ended June 30, 2021.
3. To appoint the external auditors for the next financial year ending June 30, 2022 and to fix their remuneration. The present auditors, M/s Baker Tilly Mehmood Idrees Qamar, Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

### Special Business:

4. To ratify and approve the transactions conducted with Related Parties for the year ended June 30, 2021 by passing the following special resolution with or without modification:

**"Resolved that** the transactions conducted with the Related Parties as disclosed in Note 29 of the financial statements for the year ended June 30, 2021 and specified in the Statement of Material Information under Section 134 (3) of the Companies Act, 2017 be and are hereby ratified, approved and confirmed".

5. To authorize the Board of Directors of the Company to approve transactions with the Related parties for the financial year ending June 30, 2022 by passing the following resolutions with or without modification:

**"Resolved that** the Board of Directors of the Company be and hereby authorized to approve the transactions to be conducted with Related Parties on a case-to-case basis for the financial year ending June 30, 2022"

**"Resolved further** that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval."

By Order of the Board

Date: September 27, 2021

Place: Karachi

**Hammad Ullah Khan**

Company Secretary

### Notes:

1. The share transfer books of the Company will remain closed from October 18, 2021 to October 25, 2021 (both days inclusive). Transfers received by the Company's share registrar, M/s F.D. Registrar Services (Private) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi by the close of business on October 17, 2021 will be considered in time to attend and vote at the meeting.
2. To participate in the AGM through video-link arrangement, members are requested to send their name, CNIC number, folio/CDC account number, cell number and e-mail ID for identification purposes by e-mail to cosec@calcorp.com.pk.

3. A member eligible to attend, speak and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. CDC beneficial owners and Proxy Holders must email (colour scanned copy) their CNIC/passport to provide their identity. In case of Proxy, CDC beneficial owners and Proxy Holders must enclose an attested copy of their CNIC/passport with the proxy form. Proxies must be received at the registered office of the Company or through e-mail at cosec@calcorp.com.pk not less than 48 hours prior to the time of the meeting.
4. In the case of a corporate entity, a resolution of the Board of Directors / power of attorney with a specimen signature of the nominee should be attached with the proxy form or may be provided at the time of the meeting.
5. Members who have not yet submitted a photocopy of their CNIC / passport are requested to send the same to the share registrar of the company at the earliest.
6. Per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission. Shareholders having physical shareholding are encouraged to open a CDC sub - account with any of the brokers or an Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

#### **Statement of Material Facts Under Section 134 (3) of the Companies Act, 2017**

This statement sets out material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 25, 2021.

#### **Agenda Item No.4**

All transactions with related parties to be ratified have been disclosed in Note 29 to the financial statements for year ended June 30, 2021. Party-wise details of such related party transactions are given below:

Related Party	Nature of relationship	Nature of transaction	2021	2021
			----- Rupees -----	
Optimus Limited	Parent Company	Rental services rendered	52,413,006	74,493,984
		Management services received	1,855,000	2,897,500
		Vehicle maintenance service received	9,503,719	11,140,620
		Purchase of motor vehicles	-	3,496,500
		Sale of motor vehicles	57,923,000	53,008,500
		Expense paid on behalf of Company	9,675,303	8,730,746
Mustang Eye (Pvt) Limited	Associated Company	Tracker service	589,000	633,000
Staff Provident Fund	Associated Company	Contribution to staff provident fund	88,829	74,322

The Company carries out transactions per the approved policy with respect to transactions with related parties in the normal course of business. Transactions entered into with related parties require the approval of the Board Audit Committee, which recommends the transaction to the Board of Directors for approval.

The nature of relationship with these related parties has also been indicated in the financial statements for the year ended June 30, 2021. The Directors are interested in the related party transaction only to the extent of their shareholding and common directorship in such related parties.

## **CHAIRMAN'S REVIEW**

In December 2009, Optimus Limited acquired its 84% ownership interest in Capital Asset Leasing Corporation Limited, as the company was then known. At that time, CALCORP had not had a leasing license for several years. The intention was to revive the financing business by applying for a new NBFC license. However, in the months leading to the transfer of control, there were considerable changes to the rules for operating a Non-Banking Financial Corporation (NBFC), which resulted in the company no longer being eligible to act as a leasing company. The management decided to deploy the company's capital in the car rental business and wait for an opportune time to revive the leasing business. Under Optimus's stewardship the company has remained solidly profitable, and to the extent that opportunities were available, generated value for our shareholders.

During the past two years, it became apparent that the landscape had sufficiently altered from the time that the acquisition was made and that the pursuit of re-establishing a leasing business was no longer a viable goal. The company had also ended up on the defaulter counter of the PSX due to the uncertainty regarding the leasing license.

We therefore chose to evaluate the options to maximize shareholder value and concluded that the best course of action would be to abandon the pursuit of a leasing license and reconstitute the principal line of business. In anticipation of this, the first step was to begin harvesting our portfolio of vehicles plying for hire and streamlining the balance sheet to enter a new business line. In addition, we began the process to evaluate potential new management to redeploy capital and engaged with both Securities and Exchange Commission and the Pakistan Stock Exchange to find a solution.

We have chosen to change the principal line of the business to be an investment company to hold, among other securities, listed securities and have modified the Memorandum and Articles of Association of the company by following the due process. Further we have brought onboard a new management team under the able guidance of the new CEO Mr. Haider Ali Hilaly who brings with him 20 years of investing experience in the US, UK and Pakistan. We have also regularized the company, with the assistance and support of both the Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange. We would like to take this opportunity to thank both PSX and the SECP for their guidance and support to speedily resolve this matter.

Today, the Board comprises of Directors with diverse and extensive experience in their respective fields, which enables the Board to perform its duties effectively and provide the requisite support to enable management to drive the company's performance.

The objective of the Board is to provide strategic direction to the company and effective oversight over the responsibilities of the management team. The Board performed its duties as required under the Companies Act, 2017 and the Code of Corporate Governance Regulations, 2019 including approval of significant policies, related party transactions, establishing a system of internal controls and approving budgets and financial results.

The Board has carried out a self-assessment of its performance and deemed its performance to be satisfactory. The Board has received agendas and supporting written material, including follow up materials, in sufficient time prior to the Board and respective committee meetings and meets frequently enough to adequately discharge its responsibilities.

Finally, on behalf of the Board, I would like to express my sincerest gratitude to our shareholders for their continued support and confidence in the company's abilities.

**Date: September 23, 2021**  
**Place: Karachi**

  
**Saad Saeed Faruqui**  
**Chairman**

## DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the 29th annual report along with the audited accounts of CALCORP Limited (formerly Capital Assets Leasing Corporation Limited) for the year ended June 30, 2021.

During the outgoing fiscal year, the company has made a concerted effort to resolve its legacy issues with the Securities and Exchange Commission of Pakistan ("**SECP**") pertaining to the denial of the company's application for a leasing license. In this regard, after seeking all necessary corporate and shareholder approvals, the company has successfully altered its Memorandum of Association to reflect a change in its principal line of business from that of a leasing company to that of a general-purpose holding company. Consequently, the Pakistan Stock Exchange ("**PSX**") has also moved the company from the defaulter segment to the normal counter. We would like to place on record our appreciation for both the SECP and the PSX for their cooperation and assistance in this matter.

We are confident that with the resolution of the above matters, coupled with the new management team which has a demonstrated track record in capital allocation, investment analysis and strategic execution, the company is well positioned to enhance value for all stakeholders.

As a result of the restructuring of the company's operations, going forward, the company's operations will exist in two segments: 1) vehicles plying for hire; and 2) Investment income, which will include dividends, capital gains, and interest / fixed income returns. In addition, we will also deploy capital for the purchase of intellectual property, including brands and other royalty generating assets that we hope will generate profitable economic returns for our shareholders.

In order to assist our shareholders in their assessment of the intrinsic value of the company, we have separately provided details on our publicly traded securities with a view to assisting shareholders' efforts to evaluate the long-term potential returns of our portfolio. At the same time, we will share the results of our operating portfolio of vehicles, with an aim to demonstrate the value being generated by those assets.

In our efforts to maximize shareholder returns, our guiding investment philosophy is to focus on purchasing assets that we believe will, over the long run, provide high returns without taking on unnecessary risk. We believe the main avenue to achieving this involves purchasing inflation protected assets at a value that represents a discount to the underlying value of the asset, a strategy commonly referred to as Value Investing. Given the potential of our markets, and the barriers to entry faced by both local and foreign investors to access these securities, especially at the valuations that we see today, we believe that there is a substantial opportunity to generate high risk adjusted returns.

We recognize the importance of transparency and engagement with all our shareholders, and as such, we will aim to have regular calls with shareholders and investors where management will be happy to answer as many questions as may be practical, and we invite you to join these calls regularly. We look forward to these events and would encourage you to feel free to share any investment ideas or other proposals to enhance our company's performance.

Finally, it is also a matter of interest to our shareholders as to how we may return capital or provide income to our shareholders. As we are currently at a nascent stage of the restructured company, we do not expect to pay a dividend in the immediate future. However, as we grow and generate income from our securities and our operations, we intend to have a long-term sustainable policy of returning capital to our shareholders in a way that would reduce frictional costs, to the extent that this is possible, and by paying dividends when possible.

## **Operating Results**

The company's assets are substantially deployed in two segments:

### **i) Vehicles deployed for rental income**

The company owns a fleet of 57 vehicles composed mostly of Toyota Hiluxes and Honda Civics with a net book value of PKR 97.6mm. These vehicles are rented out to Optimus Limited on an arm's length basis and generate rental income. In most cases, at the end of the rental period, the vehicles are sold (usually at a price in excess of book value), thereby releasing the company's equity employed in the asset. The proceeds of such disposals are made available to the company's general pool of investable capital, which is redeployed as deemed appropriate by the management.

In FY2021, the company generated net rental income of PKR 19.7mm compared to PKR 31.9mm in FY20, reflecting a YoY decline of 38%. This decline was expected as a result of a strategic decision to redeploy funds out of vehicles and into other investable assets. The decline, therefore, was mainly attributable to a net reduction of 28 vehicles in the size of the fleet.

Further, because of the depreciation of the PKR against the US\$ over the past 3 years, the price of new vehicles in Pakistan has risen significantly across vehicle models. This has supported the secondary market for used vehicles and enabled the company to generate a gain on the disposal of vehicles of PKR 22.4m (total proceeds of approximately PKR 70.3mm). We expect the secondary market to remain buoyant given the further decline of the rupee, and for this trend to continue as the company rotates its fleet at the end of each vehicle's respective rental period.

Concurrently, the increase in the price of new vehicles has increased the company's capital requirement to rotate its fleet. This necessitates a higher rental amount to generate the desired return on investment. The company will seek to maintain its desired threshold for return on invested capital. If we are unable to achieve these returns, we will seek alternative investment avenues which, in the opinion of the management, offer equivalent (or higher) risk adjusted returns.

### **ii) Short-term Investments**

The company has deployed approximately PKR 117.1mm in short-term investments, consisting of high-quality equity securities listed on the PSX that offer a combination of a high dividend yield and capital appreciation opportunities as a result of the future growth prospects of the underlying companies. The management believes that, after a period of structural adjustments from FY18 to FY21, certain companies in specific sectors are trading at multi-year low valuations and have the potential to offer attractive returns over subsequent periods.

The management is aware of an acute shortage of active investors and fund managers in the universe of listed securities in Pakistan and will seek to utilize its own expertise of investing and working with management teams in global markets to help investee companies maximize value for all stakeholders. In doing so we aspire to generate value for our own investors.

**Financial Highlights**

	<b>Rupees</b>	
	<b>2021</b>	<b>2020</b>
<b>Income</b>		
Income from vehicle plying for hire	19,761,034	31,899,362
Return on investments	37,500	-
Other income	22,381,492	8,975,548
	<u>42,180,026</u>	<u>40,874,910</u>
Unrealised appreciation / (diminution) on re-measurement of investments classified measured at fair value through profit or loss - net	(2,550,222)	-
	<u>39,629,804</u>	<u>40,874,910</u>
<b>Expenses</b>		
Administrative and operating expenses	(19,561,830)	(17,310,865)
Financial charges	(6,291,336)	(11,364,742)
	<u>(25,853,166)</u>	<u>(28,675,607)</u>
<b>Profit before taxation</b>	<b>13,776,638</b>	<b>12,199,303</b>
Taxation	(2,100,173)	(3,532,016)
<b>Profit after taxation</b>	<b>11,676,465</b>	<b>8,667,287</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>11,676,465</b>	<b>8,667,287</b>
<b>Earnings per share</b>	<b>1.09</b>	<b>0.81</b>

Results for the year ended June 30, 2021 were almost exclusively generated by the company's vehicle rental business. Despite a net reduction in vehicles, the company has enhanced net profitability from PKR 8.7mm in FY20 (EPS of 0.81) to PKR 11.7mm (EPS of 1.09) in FY21, reflecting a YoY increase of approximately 34%. The primary driver of this improved profitability is higher realizations on the disposal of vehicles. This has contributed positively to the net book value of equity of the company which has increased from PKR 251.7mm (PKR 23.4 per share) to PKR 263.4mm (PKR 24.5 per share) over the period.

In the final few days of FY 2021, the company deployed PKR 117.1mm of capital in short-term investments. Therefore, the impact to the financial results from this segment is negligible for the reporting period. We encourage our shareholders to review our portfolio composition, which is detailed in the notes to the accounts, to better assess the quality of the investments and the potential future performance of this segment.

**Outlook**

The Board of Directors has hired a new Chief Executive Officer and management team to lead the restructured company.

The company is in the process of evaluating contract renewals with key customers in the fleet rental segment. Should the renewals materialize on revised economics that reflect the increase in vehicle prices and expectations on future interest rates, which impact the company's ability to finance the purchase of vehicles, management intends to continue deploying its capital in this segment. Alternatively, management will seek to harvest the existing fleet, thereby releasing its equity employed in fleet assets, and deploy it in segments that offer equivalent or superior returns on a risk-adjusted basis.

**Dividend**

Considering the capital deployment opportunities available to the Company, the Board of Directors has not recommended a dividend for the year.

**Subsequent Events**

There are no subsequent events that materially impact the performance, objectives or strategy of the Company. Moreover, there is no material change or commitment impacting the financial position of the Company.

**Change in Nature of Business**

During the outgoing fiscal year, the company has made a concerted effort to resolve its legacy issues with the Securities and Exchange Commission of Pakistan ("SECP") pertaining to the denial of the company's application for a leasing license. In this regard, after seeking all necessary corporate and shareholder approvals, the company has successfully altered its Memorandum of Association to reflect a change in its principal line of business from that of a leasing company to that of a general-purpose holding company.

**Corporate Governance**

The Board of Directors is committed to uphold the highest standards of corporate governance and transparency. The Company has implemented the provisions of the Code of Corporate Governance. A review report on compliance with the Code of Corporate Governance by the statutory auditors is annexed with the Annual Report.

**Directors' Declarations**

The Directors confirm that the Company is compliant with the Corporate and Financial Reporting Framework for the following:

- i) The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, comprehensive income, cash flows and changes in equity;
- ii) The Company has maintained proper books of accounts as required under the Companies Act, 2017;
- iii) The Company has followed consistent and appropriate accounting policies in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgement;
- iv) The International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed and explained;
- v) The system of internal controls is sound in design and has been effectively implemented and monitored;
- vi) There are no significant doubts about the Company's ability to continue as a going concern;
- vii) There has been no material departure from the best practices of Corporate Governance as detailed in the Code of Corporate Governance Regulations, 2019;
- viii) Key operating and other financial data for the last six years in summarized form is included in the Annual Report;
- ix) There are no statutory payments on account of taxes, duties, levies and charges which are outstanding except in the ordinary course of business as described in the financial statements.



**Board of Directors**

The Board of Directors met seven times during the financial year ended June 30, 2021. Details of attendance is as detailed below. Leave of absence was granted to those directors who were not able to attend.

<b>Name of Member</b>	<b>Meetings Attended</b>
Muhammad Danish Hussain (Chairman)	7
Irfan Ahmad	7
Brig (R) Yasub Ali Dogar	3
Saad Saeed Faruqui	5
Shahrukh Saeed Faruqui	7
Tahir Sohail	5
Azam Adnan Khan	7
Sana Shahzad	7

**Board Audit Committee**

The Board Audit Committee met four times during the financial year ended June 30, 2021. Details of attendance are as follows:

<b>Name of Member</b>	<b>Meetings Attended</b>
Brig (R) Yasub Ali Dogar (Chairman)	4
Shahrukh Saeed Faruqui	4
Tahir Sohail	4

**Board HR & Remuneration Committee**

The Board HR & Remuneration Committee met once during the financial year ended June 30, 2021. Details of attendance are as follows:

<b>Name of Member</b>	<b>Meetings Attended</b>
Brig (R) Yasub Ali Dogar (Chairman)	1
Irfan Ahmad	1
Azam Adnan Khan	1

**Directors' Remuneration**

The Board of Directors has approved a 'Director Remuneration Policy', the salient features of which are:

- No Director shall determine his / her own remuneration;
- A fee of PKR 20,000 /- per meeting, inclusive of all taxes, shall be paid to Independent Directors to attend Board meetings.



**Related Party Transactions**

During the year, all transactions with associated companies / related parties were duly recommended by the Board's Audit Committee and approved by the Board of Directors of the Company. All transactions with related parties were carried out on an arm's length basis.

**Holding Company**

Optimus limited, a privately held company, holds 83.95% of the shares of the Company.

**Auditors**

The current auditors of the Company, M/s Baker Tilly Mehmood Idress Qamar, Chartered Accountants, retire and being eligible, offer themselves for reappointment for the year ending June 30, 2022. On the recommendation of the Audit Committee, the Board of Directors has recommended and approved that the present auditors be appointed for the year ending June 30, 2022.

**Pattern of Shareholding**

The pattern of shareholding of the Company as on June 30, 2021 is annexed with this report.

**Acknowledgements**

We take this opportunity to place on record our appreciation for the Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange and other regulatory authorities for their continued support and professional guidance. We would also like to thank our shareholders for their continued support.

**For and on behalf of the Board of Directors of CALCORP Limited**

**Haider Ali Hilaly**  
Chief Executive Officer



**Muhammad Danish Hussain**  
Director

Date: September 23, 2021

Place: Karachi

## ہولڈنگ کمپنی

اوپٹیمس لمیٹڈ، ایک نجی کمپنی ہے جو کمپنی کے 83.95% شیئرز کی حامل ہے۔

## آڈیٹرز

کمپنی کے موجودہ آڈیٹرز میسرز بیکر ٹلی محمود ادریس قمر، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بنیاد پر انہوں نے 30 جون 2022 کو ختم ہونے والے مالی سال کیلئے خود کو دوبارہ تقرر کیلئے پیش کیا ہے۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے ان کی سفارش کی اور منظوری دی کہ موجودہ آڈیٹرز کو 30 جون 2022 کو ختم ہونے والے سال کیلئے مقرر کیا جاتا ہے۔

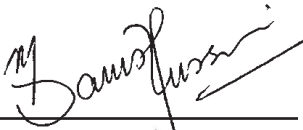
## شیئر ہولڈنگ کا طرز

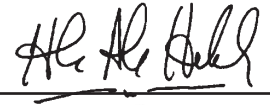
کمپنی کے شیئر ہولڈنگ کا طرز بمطابق 30 جون 2021 اس رپورٹ کے ساتھ منسلک ہے۔

## اعتراف

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج (PSX) اور دیگر ریگولیٹری اتھارٹیز کے مسلسل تعاون اور پیشہ ورانہ رہنمائی پر ان کے شکر گزار ہیں۔ ہم اپنے شیئر ہولڈرز کے مسلسل تعاون پر بھی ان کا شکریہ ادا کرتے ہیں۔

کالکورپ لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے اور ان کی جانب سے

  
محمد دانش حسین  
ڈائریکٹر

  
حیدر علی ہلالی  
چیف ایگزیکٹو آفیسر

تاریخ: 23 ستمبر 2021ء

بمقام: کراچی

بورڈ آڈٹ کمیٹی:

30 جون 2021 کو ختم ہونے والے مالیاتی سال کے دوران میں بورڈ آڈٹ کمیٹی کے چار اجلاس ہوئے۔ حاضری کی تفصیلات درج ذیل ہیں:-

ممبرز کے نام	اجلاسوں میں حاضری
برگیدیز (ر) یعسوب علی ڈوگر	4
شاہ رخ سعید فاروقی	4
طاہر سہیل	4

بورڈ ایچ آر اور مشاہرہ کمیٹی:

30 جون 2021 کو ختم ہونے والے مالیاتی سال کے دوران میں بورڈ ایچ آر اور مشاہرہ کمیٹی کا ایک اجلاس ہوا۔ حاضری کی تفصیلات درج ذیل ہیں:-

ممبرز کے نام	اجلاسوں میں حاضری
برگیدیز (ر) یعسوب علی ڈوگر	1
عرفان احمد	1
اعظم عدنان خان	1

ڈائریکٹرز کے مشاہرے

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے مشاہرہ کی پالیسی کی منظوری دیدی ہے، جس کی نمایاں خصوصیات یہ ہیں:

- کوئی ڈائریکٹر اپنے مشاہرے کا تعین نہیں کرے گا۔
- خود مختار ڈائریکٹرز کو بورڈ کے اجلاس میں شرکت کی فیس بشمول تمام ٹیکسز - 20,000 پاکستانی روپے (فی اجلاس) ادا کئی جائے گی۔

متعلقہ پارٹی کے ساتھ لین دین

سال کے دوران میں بورڈ کی آڈٹ کمیٹی نے ایسوسی ایٹڈ کمپنیز/متعلقہ پارٹیز کے ساتھ لین دین کی باقاعدہ سفارش کی اور کمپنی کے بورڈ آف ڈائریکٹرز نے اس کی منظوری دی۔ متعلقہ پارٹی کے ساتھ تمام لین دین an arm's length کی بنیاد پر کئے گئے۔

- v. اندرونی کنٹرول کے نظام کا طریقہ کار نہایت مضبوط ہے اور اس کے نفاذ اور نگرانی کا کام موثر طریقے سے کیا گیا ہے۔
- vi. کمپنی کے موجودہ صلاحیت کے ساتھ کام جاری رکھنے میں کسی قسم کے شک و شبہ کی گنجائش نہیں ہے۔
- vii. کارپوریٹ گورننس ریگولیشنز 2019 میں درج تفصیل کے مطابق کارپوریٹ گورننس کے بہترین طریقوں میں سے کوئی بات خارج نہیں کی گئی ہے۔
- viii. گزشتہ چھ سال کی بنیادی آپریٹنگ اور مالیاتی معلومات مختصر طور پر سالانہ رپورٹ کے ساتھ منسلک کی گئی ہیں۔
- ix. آپ کی کمپنی کے ذمہ ٹیکس، ڈیوٹیز، محصولات اور چارجز کی مد میں کوئی رقم واجب الادا نہیں ہے سوائے ان کے جو عام کاروباری طریقہ کار کے مطابق ادا کئے جاتے ہیں۔

### بورڈ آف ڈائریکٹرز

30 جون 2021 کو ختم ہونے والے مالیاتی سال کے دوران میں بورڈ آف ڈائریکٹرز کے سات اجلاس ہوئے۔ حاضری کی تفصیلات درج ذیل ہیں۔ جوڈائریکٹرز حضرات حاضر نہ ہو سکے، ان کی غیر حاضری کی چھٹی دی گئی۔

ممبرز کے نام	اجلاسوں میں حاضری
محمد دانش حسین (چیئرمین)	7
عرفان احمد	7
برگیدیئر (ر) یعسوب علی ڈوگر	3
سعد سعید فاروقی	5
شاہ رخ سعید فاروقی	7
طاہر سہیل	5
اعظم عدنان خان	7
ثناء شہزاد	7

## بعد کے اوقات

بعد کے کوئی اوقات پیش نہیں آئے جس سے کمپنی کی کارکردگی، مقاصد یا کمپنی کی حکمت عملی پر کوئی اثر پڑے۔ نیز کوئی مادی تبدیلی یا وعدے نہیں ہوئے جس سے کمپنی کی مالی حیثیت میں کوئی تبدیلی واقع ہو۔

## کاروبار کی نوعیت میں تبدیلی

گزشتہ سال کے دوران میں کمپنی نے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے ساتھ کمپنی کیلئے لیزنگ لائسنس کی درخواست کی نام منظوری سے متعلق اپنے دیرینہ مسائل کے حل کیلئے خصوصی کوششیں کیں۔ اس سلسلے تمام کارپوریٹ اور شیئر ہولڈرز کی لازمی منظوری حاصل کرنے کے بعد کمپنی نے کامیابی کے ساتھ میمورنڈم آف ایسوسی ایشن میں تبدیلی کر لی ہے جس سے اپنے کاروبار کی اصولی نوعیت یعنی لیزنگ کمپنی سے بدل کر عام مقصد کی ہولڈنگ کمپنی میں کی حیثیت اختیار کر لی ہے۔

## کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز کارپوریٹ گورننس اور شفافیت کے اعلیٰ ترین معیار کو قائم رکھنے کیلئے پرعزم ہے۔ کمپنی نے کوڈ آف کارپوریٹ گورننس کے نکات کا نفاذ کر دیا ہے۔ کوڈ آف کارپوریٹ گورننس پر عمل درآمد کے بارے میں قانونی آڈیٹرز کی جائزہ رپورٹ سالانہ رپورٹ کے ساتھ منسلک ہے۔

## ڈائریکٹرز کے اعلانات

ڈائریکٹرز نے تصدیق کی ہے کہ کمپنی کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کے درج ذیل امور پر کاربند ہے:

- i. کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی اسٹیٹمنٹ میں کمپنی کے معاملات، آپریشنز کے نتائج، نقد قومات کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفاف طور پر پیش کیا گیا ہے۔
- ii. کمپنیز ایکٹ 2017 کے تحت کمپنی کے اکاؤنٹس کی کتب کو مناسب طور پر مرتب کیا گیا ہے۔
- iii. مالیاتی اسٹیٹمنٹس کی تیاری میں ہر جگہ حسابات کی پالیسیز کو درست طور پر استعمال کیا گیا ہے اور حسابات کے تخمینے موزوں اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- iv. مالیاتی اسٹیٹمنٹ، پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی بنیاد پر تیار کئے گئے ہیں اور ضرورت کے تحت ان سے گریز کو اطمینان بخش طور پر ظاہر اور واضح کیا گیا ہے۔

30 جون 2021 کو ختم ہونے والے مالی سال کے نتائج کم و بیش وہی تھے جو خصوصی طور پر کمپنی کے گاڑیوں کے کاروبار سے حاصل ہوئے گاڑیوں کی کمی کے باوجود، مالی سال 2020 کی کمپنی کا خالص منافع 8.7 ملین روپے (فی شیئر آمدنی 0.81 روپے) سے بڑھ کر مالی سال 2021 میں 11.7 ملین روپے (فی شیئر آمدنی 1.09 روپے) ہو گیا جس سے سال بہ سال تقریباً 34% کا اضافہ ظاہر ہوتا ہے۔ اس بہتر منافع کا بنیادی محرک گاڑیوں کی فروخت پر زیادہ حصول ہے۔ اس سے کمپنی کی ایکویٹی کی خالص کتابی قیمت میں بھی مثبت کردار ادا کیا جو مذکورہ مدت میں 251.7 ملین روپے (فی شیئر 23.4 روپے) سے بڑھ کر 263.4 ملین روپے (فی شیئر 24.5 روپے) ہو گئی۔ مالی سال 2021 کے آخری چند دنوں میں کمپنی نے قلیل المدت سرمایہ کاری میں 117.1 ملین روپے کا سرمایہ لگایا۔ لہذا اس رپورٹنگ کی مدت کیلئے اس شعبہ کے مالیاتی نتائج کے اثرات نہ ہونے کے برابر ہیں۔ ہم اپنے شیئر ہولڈرز کو سرمایہ کاری کے معیار اور اس شعبہ کی مستقبل کی کارکردگی کی جانچ کیلئے ہمارے پورٹ فولیو کے امتزاج کا جائزہ لینے کی حوصلہ افزائی کرتے ہیں جو اکاؤنٹس کے نوٹس میں تفصیل سے درج ہیں۔

#### منظر نامہ

بورڈ آف ڈائریکٹرز نے ایک نئے چیف ایگزیکٹو آفیسر اور انتظامیہ ٹیم کی خدمات حاصل کی ہیں جو کمپنی کے نو تشکیل شدہ ڈھانچے کی قیادت کریں گے۔

کمپنی fleet rental کے شعبہ میں اہم صارفین کے ساتھ معاہدوں کی تجدید کی جانچ کرنے میں مصروف عمل ہے۔ اگر رینٹل معاہدے کی تجدید تبدیل شدہ معاشیات پر ہو جو گاڑیوں کی قیمتوں میں اضافے اور مستقبل کی شرح سود پر توقعات کی عکاسی کرتی ہے، جو کمپنی کی گاڑیوں کی خریداری کے لیے فنانس کرنے کی صلاحیت کو متاثر کرتی ہے، انتظامیہ اس شعبہ میں سرمایہ لگانا جاری رکھنا چاہتی ہے۔ اس کے متبادل کے طور پر انتظامیہ موجودہ فلیٹ سے فائدہ اٹھائے گی اور fleet کے اثاثہ میں لگائی ہوئی ایکویٹی ریلیز کرے گی اور اسے ان شعبہ جات میں لگائے گی جو خدشات کے ایڈجسٹمنٹ کی بنیاد پر اس کے مساوی یا اس سے زیادہ آمدنی دیں۔

#### ڈیویڈنڈ

کمپنی کیلئے سرمایہ لگانے کے دستیاب مواقع کے پیش نظر بورڈ آف ڈائریکٹرز نے سال کیلئے کسی ڈیویڈنڈ کی سفارش نہیں کی ہے۔

## مالیاتی جھلکیاں (پاکستانی روپے)

جون 2020 روپے	جون 2021 روپے	
		آمدنی
31,899,362	19,761,034	گاڑیوں کے کرائے سے آمدنی
-	37,500	سرمایہ کاری پر منافع
8,975,548	2,381,492	دیگر آمدنی
<u>40,874,910</u>	<u>42,180,026</u>	
		نفع یا نقصان۔ خالص کے ذریعے منصفانہ قدر پر درجہ بند اور پیمائش شدہ سرمایہ کاری پر
-	(2,550,222)	غیر مختص اضافہ / (کمی)
<u>40,874,910</u>	<u>39,629,804</u>	
		اخراجات Expenses
(17,310,865)	(19,561,830)	انتظامی اور آپریٹنگ اخراجات
(11,364,742)	(6,291,336)	مالیاتی اخراجات
<u>(28,675,607)</u>	<u>(25,853,166)</u>	
<u>12,199,303</u>	<u>13,776,638</u>	قبل از ٹیکس منافع
(3,532,016)	(2,100,173)	ٹیکس
8,667,287	11,676,465	بعد از ٹیکس منافع
-	-	دیگر جامع آمدنی
<u>8,667,287</u>	<u>11,676,465</u>	کل جامع آمدنی
<u>0.81</u>	<u>1.09</u>	فی شیئر آمدنی



مالی سال 2021 میں خالص کرائے کی آمدنی 19.7 ملین روپے ہوئی جب کہ مالی سال 2020 میں 31.9 ملین روپے ہوئی تھی جس سے سال بہ سال 38% کمی ظاہر ہوتی ہے۔ اس کمی کی پہلے سے توقع کی جا رہی تھی کیونکہ حکمت عملی کے فیصلے کے مطابق گاڑیوں سے حاصل ہونے والے فنڈ کو دیگر قابل سرمایہ کاری اثاثہ جات میں لگایا گیا تھا۔ لہذا کمی کی بڑی وجہ گاڑیوں کے حجم میں 28 گاڑیوں کی کمی تھی۔ اس کے علاوہ گزشتہ تین سالوں کے دوران میں امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی پاکستان میں گاڑیوں کے تمام ماڈلز کی قیمتوں میں نمایاں اضافہ ہوا۔

اس طرح استعمال شدہ گاڑیوں کی ثانوی مارکیٹ کو فروغ ہوا اور کمپنی نے گاڑیوں کی فروخت سے 22.4 ملین روپے کا فائدہ حاصل کیا (کل سودا 70.3 ملین کے قریب ہوا)۔ امید ہے کہ روپے کی قدر میں مزید کمی سے ثانوی مارکیٹ میں تیزی رہے گی اور یہ رجحان برقرار رہے گا اور کمپنی ہر گاڑی کی متعلقہ کرائے کی مدت ختم ہونے پر اپنے fleet میں اسی طرح کی رد و بدل کرتی رہے گی۔

نئی گاڑیوں کی قیمتوں میں اضافے کے ساتھ ساتھ کمپنی کو fleet میں رد و بدل کیلئے درکار سرمائے میں بھی اضافہ ہوا ہے۔ اس طرح سرمایہ کاری پر مطلوبہ منافع حاصل کرنے کیلئے کرائے کی رقم میں اضافہ بھی ضروری ہو گیا ہے۔ اگر ہم یہ ہدف حاصل نہ کر سکتے تو سرمایہ کاری کے متبادل ذرائع تلاش کرنے ہوں گے جو انتظامیہ کی سوچ کے مطابق مساوی (یا زیادہ) رسک ایڈجسٹمنٹ کے ساتھ نفع دے سکیں۔

## (ii) قلیل المدت سرمایہ کاری

کمپنی نے تقریباً 117.1 ملین روپے قلیل المدت سرمایہ کاری میں لگائے ہیں جو PSX پر درج اعلیٰ معیار کی ایکویٹی سیکورٹی پر مشتمل ہے اور زیادہ ڈیویڈنڈ کے ساتھ سرمائے میں اضافے کے مواقع پیش کرتا ہے جس کے نتیجے میں کمپنیز کے مستقبل میں نمو کے امکانات روشن ہوتے ہیں۔ انتظامیہ کو یقین ہے کہ مالی سال 2018 سے مالی سال 2021 تک بعض خصوصی شعبہ جات کی کمپنیز کثیر سالہ کم قدر کی تجارت کر رہی ہیں اور بعد کی مدتوں میں پرکشش منافع پیش کرنے کی صلاحیت رکھتی ہیں۔

انتظامیہ کو پاکستانی لسٹڈ سیکورٹی مارکیٹ میں فعال سرمایہ کاروں اور فنڈ مینجز کی شدید کمی کا علم ہے اور یہ سرمایہ کاری کی اپنی مہارت کے استعمال کرتے ہوئے عالمی مارکیٹ کی منظمہ ٹیموں کے ساتھ تمام اسٹیک ہولڈرز کی زیادہ سے زیادہ ویلیو کیلئے سرمایہ کاری کیلئے مدد کرے گی۔ اس طرح ہم چاہتے ہیں کہ اپنے سرمایہ کاروں کیلئے ویلیو حاصل کریں۔



ہم سمجھتے ہیں کہ اس مقصد کے حصول کیلئے بڑا ذریعہ افراط زر سے محفوظ اثاثہ جات کی ایسی قیمت پر خریداری ہے جو اثاثہ جات کی بنیادی قیمت پر ڈسکاؤنٹ کے ساتھ ہو؛ ایسی حکمت عملی کو عام طور پر "Value investing" کہا جاتا ہے۔ ہماری مارکیٹس کی صلاحیت کے پیش نظر اور ملکی اور غیر ملکی سرمایہ کاروں کیلئے ان سیکورٹیز تک رسائی کیلئے داخلے میں رکاوٹ، خصوصاً ان قیمتوں پر جو آج ہمارے سامنے ہیں، ہمیں یقین ہے کہ بڑے خطرات کو ایڈجسٹ کرتے ہوئے آمدنی حاصل کرنے کے وسیع مواقع موجود ہیں۔

ہم شفافیت اور اپنے شیئر ہولڈرز کے ساتھ منسلک رہنے کی اہمیت کو تسلیم کرتے ہیں اور اس سلسلے میں ہمارا مقصد، شیئر ہولڈرز اور سرمایہ کاروں کو باقاعدگی کے ساتھ کال کرتے رہیں گے جبکہ ہماری انتظامیہ جس حد تک ممکن ہو ان کے سوالات کے جواب دینے میں خوشی محسوس کرے گی اور آپ کو بھی ان کالز میں باقاعدگی کے ساتھ شرکت کی دعوت دیتے ہیں۔ ہم ایسی سرگرمیوں کے منتظر ہیں اور آپ کی جانب سے سرمایہ کاری کے آئیڈیاز یا کمپنی کی کارکردگی میں اضافے کی دیگر تجاویز بھیجنے کی حوصلہ افزائی کرتے ہیں۔

آخر میں ہمارے شیئر ہولڈرز کے لئے یہ بات بھی دلچسپ ہوگی کہ ہم کس طرح سرمایہ واپس کریں گے یا اپنے شیئر ہولڈرز کو آمدنی فراہم کریں گے۔ جیسا کہ ہم اس وقت دوبارہ تشکیل شدہ ڈھانچے کی کمپنی کے بالکل ابتدائی مرحلے میں ہیں، مستقبل قریب میں ہم ڈیویڈنڈ ادا کرنے کی توقع نہیں رکھتے۔ تاہم، جیسے جیسے ہم آگے بڑھتے جائیں گے اور سیکورٹیز اور اپنے آپریشنز سے آمدنی حاصل کریں گے، ہم اپنے شیئر ہولڈرز کو سرمائے کی واپسی کی ایک طویل مدت کی مستحکم پالیسی کا ارادہ رکھتے ہیں اس طرح کہ اس میں تقابلی قیمت کم ہو، اس حد تک کہ جب بھی ممکن ہو ہم ڈیویڈنڈ ضرور تقسیم کریں گے۔

## کاروباری عمل کے نتائج

کمپنی کے اثاثے نمایاں طور پر دو شعبہ جات میں تعین کئے گئے ہیں:

### (i) کرائے کی آمدنی کیلئے گاڑیوں کا تعین

کمپنی کے پاس 57 گاڑیوں کا fleet موجود ہے جن میں سے اکثر ٹویو ٹاہائی کس اور ہنڈا سوک ہیں جن کی خالص کتابی قیمت 97.6 ملین روپے ہے۔ یہ گاڑیاں Optimus Ltd کو an arm's length کی بنیاد پر دی گئی ہیں جن سے کرائے کی آمدنی ہوتی ہے۔ اکثر اوقات کرائے کی مدت ختم ہونے کے بعد گاڑیاں بیچ دی جاتی ہیں (عام طور پر کتابی قیمت سے زیادہ قیمت پر)، اس طرح کمپنی اپنا سرمایہ ان اثاثوں سے وصول کرتی ہے۔ اس طرح فروخت کے سودے کو کمپنی کے قابل سرمایہ کاری کیپٹل کے عام پول میں رکھا جاتا ہے اور انتظامیہ کی صوابدید کے مطابق ان فنڈز کا دوبارہ تعین کیا جاتا ہے۔

## ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم کالکورپ لمیٹڈ (سابقہ کیپٹل ایسیٹس لیزنگ کارپوریشن لمیٹڈ) کی 29 ویں سالانہ رپورٹ مع آڈٹ شدہ اکاؤنٹس برائے سال ختمہ 30 جون 2021 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

گزشتہ مالی سال کے دوران کمپنی نے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے ساتھ کمپنی کیلئے لیزنگ لائسنس کی درخواست کی نامظوری سے متعلق اپنے دیرینہ مسائل کے حل کیلئے خصوصی کوششیں کیں۔ اس سلسلے میں تمام ضروری کارپوریٹ اور شیئر ہولڈرز کی منظوری حاصل کرنے کے بعد کمپنی نے کامیابی کے ساتھ میمورنڈم آف ایسوسی ایشن میں تبدیلی کر لی ہے جس سے اپنے کاروبار کی اصولی نوعیت یعنی لیزنگ کمپنی سے بدل کر عام مقصد کی ہولڈنگ کمپنی میں کی حیثیت اختیار کر لی ہے۔ اس کے بعد پاکستان اسٹاک ایکسچینج ("PSX") نے بھی کمپنی کو نادر ہندہ کے درجے سے نکال کر عام کاؤنٹر میں شامل کر لیا ہے۔ ہم یہاں SECP اور PSX دونوں اداروں کے اس معاملے میں تعاون اور مدد کا شکریہ ادا کرتے ہیں۔

ہمیں بھروسہ ہے کہ درج بالا معاملات کے حل ہونے کے ساتھ ساتھ نئی منجھٹ ٹیم کی تقرری، جو سرمایہ کی تفویض، سرمایہ کاری کے تجزیے اور حکمت عملی پر عمل درآمد کے عملی ریکارڈ کی حامل ہے، کمپنی کے تمام اسٹیک ہولڈرز کیلئے قدر میں اضافہ کی عمدہ حیثیت رکھتی ہے۔ کمپنی کے آپریشنز کے اسٹرکچر کی تشکیل نو ہونے کے نتیجے میں آئندہ کمپنی کے آپریشنز کے دو شعبہ جات ہوں گے: (1) گاڑیوں کا کرایہ پر چلانا، اور (2) سرمایہ کاری کی آمدنی، جس میں ڈیویڈنڈ، Capital Gain کے فوائد، اور سود/فلسفہ رقم کی آمدنی۔ اس کے علاوہ ہم سرمائے کو Intellectual Property، بشمول برانڈز اور دیگر رائٹس فراہم کرنے والے اثاثہ جات کی خریداری میں لگائیں گے، جس سے امید ہے کہ ہم اپنے شیئر ہولڈرز کیلئے منافع بخش معاشی آمدنی حاصل کر سکیں گے۔

کمپنی کی اصل قدر کی تشخیص میں شیئر ہولڈرز کی مدد کیلئے، ہم نے تجارتی سیکورٹی کی تفصیلات فراہم کی ہیں تاکہ ہم شیئر ہولڈرز کو ہمارے پورٹ فولیو کی طویل المدت امکانی آمدنیوں کی جانچ کرنے میں مدد دے سکیں۔ اس کے ساتھ، ہم اپنے گاڑیوں کے آپریشنز پورٹ فولیو کے نتائج بھی شیئر کریں گے جس کا مقصد ان اثاثہ جات سے حاصل ہونے والی قدر کو واضح کرنا ہے۔

اپنے شیئر ہولڈرز کیلئے زیادہ سے زیادہ آمدنی فراہم کرنے کی کوششوں کے سلسلے میں، ہماری رہنما سرمایہ کاری کا فلسفہ ایسے اثاثہ جات خریدنے پر مرکوز ہے جن کیلئے ہمیں یقین ہو کہ طویل عرصے بعد ہم غیر ضروری رسک لئے بغیر خیر آمدنی فراہم کر سکتے ہیں۔

## CEO's Message

Dear Shareholders,

As we transition CALCORP from a vehicle rental company to a general holding company, one of the main changes will be the way in which we believe our shareholders can measure the underlying value of your company's net assets.

A corollary to this is the management must be aligned and evaluated with those same metrics. While accounting rules continually change and we cannot predict how those will affect our financial statements in the future, at present we feel that the snapshot that is provided by the book value per share (and the change of this value over time) is likely to be the most relevant metric in the short and medium term. This is due, in part, to our classification of our portfolio of shares as held for sale, which requires us to mark these holdings to the market price periodically in the financial statements that we share with you.

A note of caution, however, is appropriate: as a holding company, we are under no pressure to sell shares of the companies in which we invest. For our largest holdings, we hope to acquire outstanding companies, led by strong management teams at attractive prices. These businesses should compound value over time at a high rate. With such companies, the holding period may well be forever. As such, the gyrations of the share price due to market sentiment may have little relevance to the underlying value of these businesses. We encourage our shareholders to review our investments, which we will disclose regularly, and make their decisions accordingly.

With respect to our operating assets, such as the vehicles we own, these tend to be conservatively carried at a cost that is generally lower than what we expect to be able to realize in a sale. Part of this is a result of the devaluation of the local currency and the tendency of hard assets to be priced in a way that adjusts for these effects. However, as we refresh or liquidate our fleet, that gap between the underlying asset value and its reported value will reduce.

We estimate that we have a substantial unrealized gain in our vehicle portfolio that is likely to be released as some of our legacy contracts expire and we either replace or liquidate these vehicles.

### Vehicle Rentals:

The summary below represents the position of our vehicle portfolio on a forward-looking basis. As such, we have made certain adjustments to account for rates that have been agreed upon for 2021-2022.

Vehicles	Rental	Book Value	Vehicle Related Debt	Equity	Rental per Vehicle
57	3.4	97.6	29.3	68.4	59,881

*Note: (Rs. in millions, except per vehicle information) Includes certain adjustments and estimates to segregate secured debt on operating vehicles*

The current average age of this fleet is approximately five years. As such, we have repaid a significant amount of the debt associated with these vehicles. In addition, over this period, the Pakistani Rupee has moved from approximately Rs. 104 per US dollar to Rs. 165 per US Dollar. As such, we estimate that the market value of these vehicles will be materially higher than the book value. If we were able to mark up the book value of the vehicles, therefore, rental yields would appear to be lower, which would be a better indication of the real return that the company receives. In any case, however, shareholders do benefit from the inflation protected nature of the asset which we see in the gains on disposals.

### Selected Investments:

While the current management had identified the investment opportunities prior to the formal change in management at the end of the year, the consummation of the purchases of securities were executed within the last few days of the financial year. As such, there was no material change in the purchase price over the period.

There are two specific securities and one sector specific investment decision for which we will provide further detail with respect to the summary of our portfolio that is given below (note the details of each security we hold is given in the audited financial statements which we encourage our shareholders to review in detail):

Company Name	Rs. in Millions		Yield	% of Total
	Purchase Price	Income		
Abbott Laboratories Pakistan Limited	28.1	1.4	5.05%	24.03%
Habib Metropolitan Bank Limited	18.8	2.1	11.08%	16.10%
Infrastructure and Cement	42.1	0.4	0.96%	35.94%
All others	28.0	0.4	1.5%	23.94%
<b>Total</b>	<b>117.1</b>	<b>4.3</b>	<b>3.7%</b>	<b>100.0%</b>

#### **Abbott Laboratories (Pakistan) Limited:**

Abbott is a well-capitalized company with strong brands and excellent prospects in pharmaceuticals, nutraceuticals and medical devices. We believe that the valuation is attractive and that this investment has a low probability of permanently impairing our capital. In particular, we feel that the exposure to the nutraceutical portfolio is one that cannot be easily replicated in other entities, listed or otherwise, in Pakistan, and as this grows faster than the other segments, it has the potential to drive the valuation of Abbott in the future. As such, we feel confident in its long-term prospects and we will focus our attention on unlocking shareholder value. These reasons have given us the confidence to take what we consider to be a proportionately large position, bearing in mind that relative to Abbott's size, our position is still relatively small.

#### **Habib Metropolitan Bank Limited:**

HMB is a mid-sized bank with a strong trading portfolio, high coverage ratios and a 12% gross dividend yield. Over the past few years, it has demonstrated a track record to continually improve earnings, and grow its bottom line with fee income from its trading portfolio, which does not tie up the Bank's capital. As we are confident in the conservative management style of the team coupled with the high dividend coverage ratio and diverse income stream, we feel that we could take a larger relative position. Furthermore, the discount to book value creates a scenario where shareholders compound their returns at a rate in the range of 30%. Low risk and high returns make for good investments, however, given its size in our portfolio, we will be actively monitoring the position.

#### **Infrastructure and Cement:**

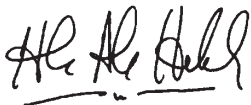
After a period of expansions in the infrastructure sector, particularly in cements, the industry consolidated. The natural demand growth, coupled with strong incentives by the government to attract capital into the construction sector has led to accelerated purchasing. This has improved utilization levels which has helped with fixed cost absorption, which in turn has led to improved profitability in the sector. In view of the accelerating demand, several players have announced further expansion in order to ensure timely delivery of additional capacity. However, we note that the majority of listed companies in the sector are still valued at a substantial discount to replacement cost and that in order for the new capacity to generate economic returns, it would require a substantial uplift in cash flow generation. As a result, either the prices will rise to meet these expectations, or the expansions will not happen, which would clearly result in a shortage of cement, which in turn would result in sufficient profitability for the companies in which we have invested to have a strong return for their shareholders. We are aware of the risks emanating from commodity price inflation, which should result in cost-push pressures to profitability. However, we believe that the increase in the marginal cost of production is still a relatively small component of the overall capital cost involved in the cement manufacturing business. As such, our view is that the industry will be able to navigate these headwinds over the medium term.

**Summary:**

As we move down the path to deploying shareholder capital, we are currently focusing on areas where we see good companies at attractive valuations. In the future, we will also evaluate a variety of other areas, if they appear to offer similar prospects, which may include fixed income securities or other financial investments of a similar nature. We look forward to sharing the results of our efforts with our shareholders, and as such, I am providing you with my personal email (ceo@calcorp.com.pk) should you wish you reach out.

In these pandemic days, we will be conducting our AGM this year electronically, and I look forward to e-meeting you soon. In the meanwhile, please do take care and avail of the vaccinations that our government is providing free of charge.

Sincerely,



**Haider Ali Hilaly**



**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES  
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019  
CALCORP LIMITED (FORMERLY: CAPITAL ASSET LEASING CORPORATION LIMITED)  
For the year ended June 30, 2021**

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

1. There are a total of eight (8) directors on the Board as follows:

Male	Six (6)
Female	Two (2)

2. The composition of Board is as follows:

Category	Names
Non-Executive Directors	Saad Saeed Faruqui - Chairman
	Shahrukh Saeed Faruqui
	Sana Shahzad
	Danish Hussain
Independent Directors	Sadia Hamid
	Yasub Ali Dogar (resigned effective July 1, 2021)
Executive Directors	Azam Adnan Khan
	Haider Ali Hilaly – Chief Executive Officer

Mr. Haider Ali Hilaly is the Chief Executive of the Company. As the Chief Executive of the Company, he is deemed to be a director. The Board of the Company comprises of seven elected directors, one-third which is 2.33. Presently, two (2) independent directors were elected by the shareholders in terms of Section 166 of the Companies Act, 2017, which have the requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently per the laws and regulations currently in place. Therefore, the appointment of a third independent director is not warranted.

The Independent Directors meet the criteria of independence as laid down under the Code and the Regulations.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with the dates on which these were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act 2017 ("the Act") and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his 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 of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations. However, during the year, no director has been paid any fees.

9. Out of the seven continuing directors, the following four directors have undergone a Director's Training Program

- a) Shahrukh Saeed Faruqi
- b) Azam Adnan Khan
- c) Sadia Hamid
- d) Haider Ali Hilaly

The remaining directors undertake to undergo the Director's Training Program within the stipulated time.

10. The Board has approved the appointment of the Chief Financial Officer (CFO), Company Secretary, and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
11. The CFO and CEO duly endorsed the financial statements before their approval by the Board.
12. The Board has formed committees comprised of the following members as given below:


- a) Audit Committee

Sadia Hamid	Chairman
Danish Hussain	Member
Shahrukh Saeed Faruqi	Member

- b) HR and Remuneration Committee

Yasub Ali Dogar	Chairman
Haider Ali Hilaly	Member
Shahrukh Saeed Faruqi	Member

13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committee for compliance.
14. Four Audit Committee meetings were held during the year, and one Human Resource and Remuneration Committee meeting was held during the year.
15. The Board has set up an effective internal audit function which is comprised of a professional who is 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 Audit Oversight Board of Pakistan, that they and all their partners are in 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 the 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 or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all mandatory requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with

  
 Chief Executive Officer

  
 Chairman



Baker Tilly Mehmood Idrees Qamar  
Chartered Accountants  
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**TO THE MEMBERS OF CALCORP LIMITED (FORMERLY: CAPITAL ASSETS LEASING CORPORATION LIMITED)  
REVIEW REPORT ON STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES  
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

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 **CALCORP Limited** (Formerly: Capital Assets Leasing Corporation Limited (the Company)), for the year ended **June 30, 2021** in accordance with the requirements of regulation 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.

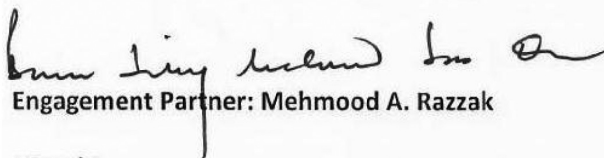
As part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approvals of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.





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, 2021.

  
Engagement Partner: Mehmoood A. Razzak  
Karachi.  
Date: 20 SEP 2021



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALCORP LIMITED (FORMERLY: CAPITAL ASSETS LEASING CORPORATION LIMITED)**

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### **Opinion**

We have audited the annexed financial statements of CALCORP LIMITED (Formerly: Capital Assets Leasing Corporation Limited) (the Company), which comprise of the statement of financial position as at June 30, 2021, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the cash flow statement 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, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the cash flow statement 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, 2021 and of the profit and total 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 the 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 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.

#### **Emphasis of Matter**

We draw attention to note 1.2 to the accompanying financial statements. As more fully explained in that note, the Company has changed its principal line of business and therefore, altered its Memorandum and Articles of Association.

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 are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	<b>Capitalization of Property, Plant and Equipment</b>	
	<p>Property, plant and equipment constitutes 27.85% (2020: 46.5%) of total assets.</p> <p>This significant level of capital expenditure requires consideration of the nature of costs incurred to ensure that capitalization of property, plant and equipment meets the specific recognition criteria in IAS 16, 'Property, Plant and Equipment' (IAS 16), the application of the directors' judgment in assigning appropriate useful economic lives and residual values. As a result, this was noted as a key audit matter, with the risk focused on areas where the risk of material misstatement was deemed higher as a result of the complexity of the specific application of recognition criteria.</p>	<p>We obtained an understanding of the design and implementation of management controls over capitalization and performed tests of control over authorization of capital expenditure.</p> <p>We tested controls in place over the fixed asset cycle, evaluated the appropriateness of capitalization policies and performed tests of details on assets capitalized. There were no exceptions noted from our testing.</p> <p>Our audit work included assessing the nature of property, plant and equipment capitalized by the Company to test the validity of amounts capitalized and evaluating whether assets capitalized meet the recognition criteria set out in IAS 16.</p> <p>We considered whether capitalization of assets ceased when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the Company and that a consistent approach was applied by the Company across all significant operations.</p> <p>We discussed the useful economic lives and residual value assigned with reference to the Company's historical experience, our understanding of the future utilization of assets by the Company and by reference to the depreciation policies applied by third parties operating similar assets.</p> <p>The capitalization of assets in the year, the residual value assigned, and the useful economic lives assigned were assessed to be appropriate based on the evidence obtained. We did not identify any assets capitalized in prior years where we considered the useful economic lives originally assigned needed revision in the year.</p>

S.No.	Key audit matters	How the matter was addressed in our audit
<b>2.</b>	<b>Change in primary line of business</b>	
	<p>As explained in note 1.2 to the accompanying financial statements, the Company changed its principal line of business by altering its Memorandum and Articles of Association resulting in significant fresh investment by the Company in quoted shares and reduction in rental business. The above changes in the financial statements are considered important and a key audit matter because of the volume and significance of the changes.</p>	<p>Our audit procedures related to investments included the following:</p> <ul style="list-style-type: none"> <li>- Assessing the design and testing the operating effectiveness of the relevant controls in place relating to change in Memorandum and Articles of Associations and underlying legal and regulatory requirements;</li> <li>- Checking the relevant legal and regulatory compliance pertaining to change in principal line of business;</li> <li>- Understanding the process of implementing changes in the financial statements including recognition, classification, valuation of significant investments; and</li> <li>- Evaluating the disclosure in the financial statements and ensuring that appropriate and adequate information has been disclosed in the financial statements.</li> </ul>
<b>2.</b>	<b>Transactions with a related party</b>	
	<p>Optimus Limited (holding 83.96% equity interest in the Company) is a single customer of the Company. During the year ended June 30, 2021, the revenue earned by the Company from its business with Optimus Limited amounts to Rs. 52.413 million which constitutes approximately 95.30% of the total revenue of the Company.</p> <p>Transactions with Optimus Limited also include disposals of vehicles to Optimus Limited amounted to Rs. 40.294 million during the year.</p> <p>While the above related party transactions are undertaken in the normal course of business, the pricing mechanism may potentially impact the operating results of the Company in a significant manner.</p> <p>Accordingly due to the significant impact and volume of transactions with Optimus Limited (a related party), we have considered it to be a key audit matter.</p> <p>The transactions with Optimus Limited and the other related balances with such party are disclosed in notes 6, 21 and 29 to the accompanying financial statements.</p>	<p>Our key audit procedures with respect to related party transactions with Optimus Limited included review of the agreements with Optimus Limited which sets out the terms and conditions of such transactions and also pricing mechanism to be followed for the same, obtaining confirmation from Optimus Limited for transactions and balance at the year end, approval of the said agreement and the pricing policies by the Board of Directors of the respective companies, and compliance with the relevant requirements of the Companies Act and Code of Corporate Governance Regulations with respect to such related party transactions.</p> <p>We also evaluated the appropriateness of the accounting and disclosures of such related party transactions in accordance with the requirements of the applicable financial reporting standards. In doing so, we considered the adequacy and the relevance of the information disclosed in the financial statements to comply with the requirements of 'IAS 24 -Related Party Disclosures'.</p>

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

Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, but does not include the financial statements of the company 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 are 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:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the cash flow statement 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;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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 **Mehmood A. Razzak**.

  
Baker Tilly Mehmoode Idrees Qamar  
Chartered Accountants

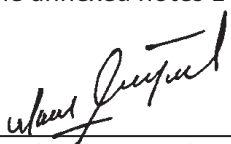
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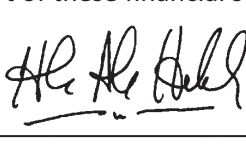
Date: 20 SEP 2021

## STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>ASSETS</b>			
<b>Non - Current Asset</b>			
Property, plant and equipment	6	97,857,760	160,799,456
Intangible assets	7	-	3
Long term advances, deposits and prepayments	8	2,813,100	13,731,826
		100,670,860	174,531,285
<b>Current Assets</b>			
Trade receivable	9	52,413,006	80,069,002
Short term Investments	10	114,530,186	-
Advances, deposits, prepayments and other receivables	11	45,335,342	73,091,174
Morabaha and short term finances	12	-	-
Taxation - net		10,805,352	17,708,040
Cash and bank balances	13	27,622,041	351,614
		250,705,927	171,219,830
<b>TOTAL ASSETS</b>		<b>351,376,787</b>	<b>345,751,115</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Authorised Share Capital</b>			
20,000,000 (2020: 20,000,000) Ordinary shares of Rs. 10/- each		<b>200,000,000</b>	<b>200,000,000</b>
Issued, subscribed and paid-up share capital	14	107,444,130	107,444,130
Reserves	15	155,910,269	144,233,804
		263,354,399	251,677,934
<b>Non - Current Liabilities</b>			
Diminishing musharakah financing	16	12,743,907	56,694,817
Deferred tax liability	17	12,693,306	17,764,224
		25,437,213	74,459,041
<b>Current Liabilities</b>			
Short term borrowing	18	28,091,437	-
Current portion of diminishing musharakah financing	16	25,708,813	10,546,294
Unclaimed dividend		625,215	625,215
Trade and other payables	19	8,159,710	8,442,631
		62,585,175	19,614,140
<b>Contingencies and Commitments</b>	20	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>351,376,787</b>	<b>345,751,115</b>

The annexed notes 1 to 35 form an integral part of these financial statements.

  
Chief Financial Officer

  
Chief Executive Officer

  
Director

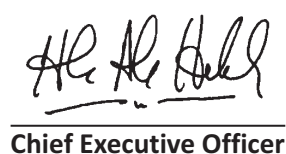
# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2021

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>Income</b>			
Income from vehicle plying for hire	21	19,761,034	31,899,362
Return on investments	22	37,500	-
Other income	23	22,381,492	8,975,548
		<u>42,180,026</u>	<u>40,874,910</u>
Unrealised appreciation / (diminution) on re-measurement of investments classified measured at fair value through profit or loss - net		<u>(2,550,222)</u>	<u>-</u>
		39,629,804	40,874,910
<b>Expenses</b>			
Administrative and operating expenses	24	(19,561,830)	(17,310,865)
Financial charges	25	(6,291,336)	(11,364,742)
		<u>(25,853,166)</u>	<u>(28,675,607)</u>
<b>Profit before taxation</b>		<b>13,776,638</b>	<b>12,199,303</b>
Taxation	26	(2,100,173)	(3,532,016)
<b>Profit after taxation</b>		<b>11,676,465</b>	<b>8,667,287</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>11,676,465</b>	<b>8,667,287</b>
Earnings per share	28	<u>1.09</u>	<u>0.81</u>

The annexed notes 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director



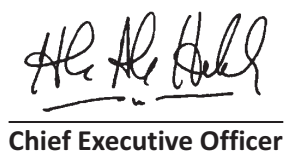
# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2021

	Issued, Subscribed and Paid-up Share Capital	Statutory Reserves	General Reserves	Unappropriated Profit	Total
	----- Rupees -----				
Balance as at July 01, 2019	107,444,130	46,806,883		88,759,634	243,010,647
Profit for the year	-	-		8,667,287	8,667,287
Transfer to reserve	-	1,733,457		(1,733,457)	-
Balance as at June 30, 2020	107,444,130	48,540,340	-	95,693,464	251,677,934
Profit for the year	-	-	-	11,676,465	11,676,465
Transfer to reserve	-	(48,540,340)	48,540,340	-	-
Balance as at June 30, 2021	107,444,130	-	48,540,340	107,369,929	263,354,399

The annexed notes 1 to 35 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer

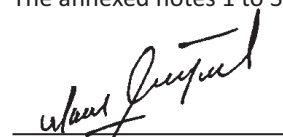


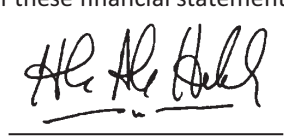
Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2021

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		13,776,638	12,199,303
<b>Adjustments for non cash items:</b>			
Depreciation		15,014,430	16,730,979
Amortization		3	-
Financial charges		6,291,336	11,364,742
Un-realized loss on marketable securities		2,550,222	-
Write off property, plant and equipment		618,750	-
Gain on disposal of property, plant and equipment		(22,328,318)	(8,918,709)
<b>Cash flow from operation before working capital changes</b>		<b>15,923,061</b>	<b>31,376,315</b>
<b>Decrease / (increase) in current assets</b>			
Investment in finance lease		-	9,291,481
Advances, deposits, prepayments and other receivables		33,707,358	(23,452,377)
Trade receivable		27,655,996	(14,243,984)
		61,363,354	(28,404,880)
<b>Decrease in current liabilities</b>			
Trade and other payables		(139,442)	(146,393)
Deposits		-	(9,291,481)
		(139,442)	(9,437,874)
<b>Cash inflow from / (used in) operations</b>		<b>77,146,973</b>	<b>(6,466,439)</b>
Financial charges paid		(6,434,815)	(11,064,614)
Taxes paid		(268,403)	(212,976)
Net investment in lease and hire purchase finances		-	9,291,481
Deposits		-	(9,311,420)
<b>Net cash inflow from / (used in) operating activities</b>		<b>70,443,755</b>	<b>(17,763,968)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in property, plant and equipment		(701,166)	(9,301,338)
Long term advances, deposits and prepayments		4,967,200	6,936,353
Short term Investment		(117,080,408)	-
Proceeds from sale of property, plant and equipment		70,338,000	58,405,000
<b>Net cash (used in) / inflow from investing activities</b>		<b>(42,476,374)</b>	<b>56,040,015</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Diminishing musharakah financing		(28,788,391)	(38,724,340)
<b>Net cash used in financing activities</b>		<b>(28,788,391)</b>	<b>(38,724,340)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(821,010)</b>	<b>(448,293)</b>
Cash and cash equivalents at the beginning of the year		351,614	799,907
<b>Cash and cash equivalents at the end of year</b>	27	<b>(469,396)</b>	<b>351,614</b>

The annexed notes 1 to 35 form an integral part of these financial statements.

  
Chief Financial Officer

  
Chief Executive Officer

  
Director

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021**

### **1. LEGAL STATUS AND OPERATIONS**

- 1.1** The Company, CALCORP Limited (formerly Capital Assets Leasing Corporation Limited), was incorporated on April 1, 1992 in Pakistan as a public limited company and its shares are quoted on the Pakistan Stock Exchange ("PSX"). The registered office of the company is situated at D-131/A, Block 4, Clifton, Karachi. The company is a subsidiary of M/s. Optimus Limited which holds 83.96% of the ordinary share capital of the Company.
- 1.2** Previously, the Company had been operating with equity which was less than the statutory requirement and, as a result, had ceased leasing operations since April 2008. The regulations were subsequently revised through SRO 1160 of 2015 such that equity requirement for non-depository leasing companies was revised to PKR 50.0 million. At that point, the management of the Company applied for a leasing license as a non-depository leasing company under the new NBFC Regulations.

'In 2018, the Securities and Exchange Commission of Pakistan ("SECP") had declined the Company's application for a leasing license as a non-depository leasing company due to non-compliance of fit and proper criteria specified in Non-Banking Companies Regulatory Framework resulting in the PSX issuing a notice dated November 14, 2018 to the Company to explain its position before taking any action under clauses 5.11.1 (j) / 5.11.2 (c) of the PSX regulations on account of suspension of business operations in its principal line of business. The PSX had also placed the Company on the defaulter counter. The Company had filed a petition against the SECP in the Honourable High Court of Sindh. In an order dated November 27, 2018, the Honourable High Court of Sindh i) directed the SECP to "maintain status-quo"; and ii) restrained the PSX "from acting any further pursuant to letter dated 14 November, 2018."

During the financial year ending June 30, 2021, after seeking all necessary regulatory and shareholder approvals, the Company altered its name from "Capital Assets Leasing Corporation Limited" to "CALCORP Limited". The Company also altered its Memorandum and Articles of Association to change its principal line of business from leasing to that of a general purpose holding company capable of investing in the business of any other firm or company both private and public, engaged in any business that it deemed to be potentially profitable for the Company, by acquiring the whole or part of its equity and to invest in the capital and funds of the Company in securities and investments and intellectual property of every kind and description including, but not limited to, vehicles plied for hire, shares, stocks, fixed income securities, modaraba certificates, musharaka certificates, units, certificates of investment, commercial paper, debentures, debenture stocks, trademarks, patents, brand names, bonds, obligations or securities issued or guaranteed in Pakistan or abroad by any company incorporated or registered in Pakistan by the Government or public body or authority, both for short term or long term gains and to realize such gains.

As the Company had not been writing leases since April 2008, the change in the principal object clause would not result in a change to the business operations of the Company, which consist primarily of investments in vehicles plied for hire and in debt and equity instruments.

The Company has also withdrawn its petition against the SECP in the Honourable High Court of Sindh. In light of the aforementioned changes, the Company is now fully compliant with PSX Regulations, same has been removed from the defaulter counter.

## **2. BASIS OF PREPARATION**

### **2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### **2.2 Critical Accounting estimates and judgments**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The matters involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant which have been disclosed in the respective notes to the financial statements include:

- Useful life, depreciation and residual value of property and equipment (Note 5.1)
- Taxation (Note 5.8)

### **2.3 New and amended standards and interpretations**

#### **2.3.1 Standards, amendments to approved accounting standards effective in current year**

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Company for accounting periods beginning on or after July 01, 2020. These are considered either to not be relevant or not to have any significant impact on the Company's financial statements.

#### **2.3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company**

There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

## **3. BASIS OF MEASUREMENT**

The financial statements are prepared under the historical cost convention except as disclosed in the accounting policies below.

## **4. FUNCTIONAL AND PRESENTATION CURRENCY**

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency.

## **5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **5.1 Property, Plant and Equipment**

#### **5.1.1 Owned**

##### ***Tangible***

These are stated at cost less accumulated depreciation. Depreciation is charged to income applying the straight line method. The rates of depreciation are given in note 6 with respect to Vehicles plying for hire, a residual value has been estimated equal to expected recoverable value at the end of its useful life while for other assets residual value is considered zero.

On additions, depreciation is charged from the month in which assets are put to use and on disposals up to the month immediately preceding the disposal. Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains or losses on disposal of assets are taken to the income statement.

##### ***Intangible***

Intangibles are stated at cost less accumulated amortization and impairment, if any. These costs are amortized over their estimated useful life of three years using the straight-line method.

#### **5.1.2 Leased**

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item, are capitalised at inception of the lease at fair value of the leased property or, if lower, at present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability so as to produce a constant rate of return on the remaining balance of lease liability. Finance charges on lease liability are reflected in statement of profit or loss.

Assets acquired under finance lease are depreciated over the useful life of the assets on the same basis as that of owned assets.

A sale and leaseback transaction is one where the Company sells an asset and immediately reacquires the use of that asset by entering into a lease with the buyer. The accounting treatment of the sale and leaseback depends upon the substance of the transaction and whether or not the sale was made at the asset's fair value.

For sale and finance leasebacks, any gain from the sale is deferred and amortised over the lease term. For sale and operating leasebacks, generally the assets are sold at fair value, and accordingly the profit or loss from the sale is recognised immediately in the Company's statement of profit or loss.

### **5.2 Diminishing Musharakah Financing**

Diminishing Musharakah Financing is recognized initially at cost less attributable transaction cost. Subsequent to initial recognition, this is stated at original cost less principal repayments.

### **5.3 Ijarah**

In Ijarah transaction significant portion of the risks and rewards of ownership are retained by the lesser. Islamic Financial Accounting Standard -2 (IFAS 2). 'Ijarah' requires the recognition of Ujah Payments (Lease Rental) against Ijarah Financing as an expense in the profit and loss account on a straight line basis over the Ijarah term.

**5.4 Trade and other receivables**

Trade and other receivables are recognized at fair value of consideration receivable. The Company applies the simplified approach to recognise lifetime expected credit losses for trade and other receivables.

**5.5 Trade, accrued and other payables**

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

**5.6 Staff retirement benefits**

The company operates an approved defined contribution plan covering all its permanent employees. Equal monthly contribution to the fund are made both by the company and by the employee at rate of 8.33% of basic pay.

**5.7 Revenue Recognition****5.7.1 Return on Investments**

Dividend income on equity securities is recognised in the profit or loss when the right to receive the dividend is established.

Realised capital gain / (losses) arising on sale of investments classified as financial assets 'at fair value through profit or loss' are recognised in the profit or loss on the date at which the transaction takes place.

Unrealised capital gains / (losses) arising on mark to market of investments classified as 'financial assets at fair value through profit or loss' are recognised in the profit or loss in the period in which they arise.

**5.7.2 Income from Vehicle Plying for Hire**

Income from hire of vehicles is recognised upon performance of service based on the terms of the rental contract.

**5.7.3 Income on bank deposits is recognized on accrual basis****5.8 Taxation****5.8.1 Current**

The charge for the current taxation is based on taxable income at the current rates of taxation after taking into account tax credits, rebates available, if any and adjustments for prior years.

**5.8.2 Deferred**

Deferred tax asset is provided using the balance sheet liability method for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

## **5.9 Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, with banks on current and savings accounts, term deposits with maturities of three months or less and short term running finance.

## **5.10 Impairment**

The carrying values of assets or cash-generating units are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount and the resulting impairment is charged to profit and loss account.

## **5.11 Financial Instruments**

### **Financial Assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available for sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

#### **a) Financial assets at amortised cost**

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows 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. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized directly in profit or loss.

#### **b) Fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by 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.

#### **c) 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 debt 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.



Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets / mutual funds are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. 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.

**Derecognition of Financial Assets**

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

**Financial Liabilities**

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

**Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, 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 and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

**Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach to recognise lifetime expected credit losses for trade and other receivables.

**Off-setting of financial assets and financial liabilities**

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**5.12 Transactions with Related Parties**

Transactions and contracts with the related parties are carried out at an arm's length price determined in accordance with permissible method of pricing.

**6. PROPERTY, PLANT AND EQUIPMENT**

	Office machines and equipment	Computers and allied equipment	Furniture and fixtures	Motor vehicle plying for hire	Tracker system	Motor vehicles held under musharakah	Total
	Rupees						
<b>As at June 30, 2019</b>							
Cost	319,191	594,936	-	57,085,353	2,211,371	194,341,886	254,552,737
Accumulated depreciation	(95,822)	(402,641)	-	(8,676,696)	(2,134,449)	(25,527,741)	(36,837,349)
<b>Net Book Value</b>	<b>223,369</b>	<b>192,295</b>	<b>-</b>	<b>48,408,657</b>	<b>76,922</b>	<b>168,814,145</b>	<b>217,715,388</b>
<b>Year ended June 30, 2020</b>							
Opening net book value	223,369	192,295	-	48,408,657	76,922	168,814,145	217,715,388
Additions (at cost)	-	95,000	-	5,709,838	-	3,496,500	9,301,338
<b>Disposals</b>							
Cost	-	-	-	(6,647,338)	-	(53,460,960)	(60,108,298)
Accumulated depreciation	-	-	-	-	-	10,622,007	10,622,007
Depreciation charge for the year	(47,879)	(132,714)	-	(5,681,686)	(76,713)	(10,791,987)	(16,730,979)
<b>Net Book Value</b>	<b>175,490</b>	<b>154,581</b>	<b>-</b>	<b>41,789,471</b>	<b>209</b>	<b>118,679,705</b>	<b>160,799,456</b>
<b>As at June 30, 2020</b>							
Cost	319,191	689,936	-	56,147,853	2,211,371	144,377,426	203,745,777
Accumulated depreciation	(143,701)	(535,355)	-	(14,358,382)	(2,211,162)	(25,697,721)	(42,946,321)
<b>Net Book Value</b>	<b>175,490</b>	<b>154,581</b>	<b>-</b>	<b>41,789,471</b>	<b>209</b>	<b>118,679,705</b>	<b>160,799,456</b>
<b>Year ended June 30, 2021</b>							
Opening net book value	175,490	154,581	-	41,789,471	209	118,679,705	160,799,456
Additions (at cost)	-	-	-	701,166	-	-	701,166
<b>Disposals</b>							
Cost	-	-	-	(8,276,239)	-	(53,405,916)	(61,682,155)
Accumulated depreciation	-	-	-	1,828,720	-	11,843,753	13,672,473
Write-off	-	-	-	(6,447,519)	-	(41,562,163)	(48,009,682)
<b>Write-off</b>							
Cost	-	-	-	(825,000)	-	-	(825,000)
Accumulated depreciation	-	-	-	206,250	-	-	206,250
Depreciation charge for the year	(47,879)	(63,600)	-	(5,138,454)	(209)	(9,764,288)	(15,014,430)
<b>Net Book Value</b>	<b>127,611</b>	<b>90,981</b>	<b>-</b>	<b>30,285,914</b>	<b>-</b>	<b>67,353,254</b>	<b>97,857,760</b>
<b>As at June 30, 2021</b>							
Cost	319,191	689,936	-	47,747,780	2,211,371	90,971,510	141,939,788
Accumulated depreciation	(191,580)	(598,955)	-	(17,461,866)	(2,211,371)	(23,618,256)	(44,082,028)
<b>Net Book Value</b>	<b>127,611</b>	<b>90,981</b>	<b>-</b>	<b>30,285,914</b>	<b>-</b>	<b>67,353,254</b>	<b>97,857,760</b>
<b>Rate of depreciation</b>	<b>15%</b>	<b>30%</b>	<b>10%</b>	<b>20-25%</b>	<b>25%</b>	<b>20-33%</b>	

**Note**  
**June 2021**  
**(Rupees)**  
**June 2020**  
**(Rupees)**

**6.1 Allocation of depreciation:**

Income from vehicle plying for hire	21	14,902,951	16,550,386
Administrative and operating expenses	24	111,479	180,593
		<b>15,014,430</b>	<b>16,730,979</b>

**6.2 Particulars of Disposal of Property, Plant and Equipment**

	Original Cost	Accumulated Depreciation	Written Down Value	Sales Proceeds	Profit / (Loss) on Disposal	Mode of Disposal	Particulars of Buyer	Relationship
	----- Rupees -----							
<b>Motor vehicle plying for hire</b>								
TOYOTA HILUX VIGO	2,340,741	585,191	1,755,550	3,420,000	1,664,450	Negotiation	Optimus Limited	Holding Company
TOYOTA HILUX VIGO	2,340,741	609,573	1,731,168	3,550,000	1,818,832	Negotiation	Optimus Limited	Holding Company
TOYOTA HILUX VIGO	2,340,741	633,956	1,706,785	3,550,000	1,843,215	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC VTI ORIEL	478,366	-	478,366	2,760,000	2,281,634	Negotiation	Optimus Limited	Holding Company
SUZUKI SWIFT DX M/T	122,100	-	122,100	1,100,000	977,900	Negotiation	Optimus Limited	Holding Company
SUZUKI BOLAN	70,500	-	70,500	450,000	379,500	Negotiation	Optimus Limited	Holding Company
SUZUKI SWIFT DLX M/T	130,200	-	130,200	1,250,000	1,119,800	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC VTEC PT NAVIGATOR	230,050	-	230,050	2,165,000	1,934,950	Negotiation	Optimus Limited	Holding Company
SUZUKI WAGON R	111,400	-	111,400	1,270,000	1,158,600	Negotiation	Optimus Limited	Holding Company
SUZUKI WAGON R	111,400	-	111,400	1,310,000	1,198,600	Negotiation	Optimus Limited	Holding Company
	<b>8,276,239</b>	<b>1,828,720</b>	<b>6,447,519</b>	<b>20,825,000</b>	<b>14,377,481</b>			
<b>Motor vehicles under Musharakah Financing</b>								
HONDA CIVIC ORIEL PT NAVIGATION	2,616,224	476,910	2,139,314	2,760,000	620,686	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT NAVIGATION	2,616,224	449,658	2,166,566	2,850,000	683,434	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	2,069,000	344,832	1,724,168	1,315,000	(409,168)	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI MT	1,817,500	350,242	1,467,258	2,210,000	742,742	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	173,250	519,750	580,000	60,250	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	173,250	519,750	540,000	20,250	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT NAVIGATION	2,616,224	463,284	2,152,940	2,980,000	827,060	Negotiation	Optimus Limited	Holding Company
MERCEDES BENZ E200	13,150,000	3,944,989	9,205,011	7,950,000	(1,255,011)	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT NAVIGATION	2,673,214	473,382	2,199,832	3,080,000	880,168	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC VTEC ORIEL	2,827,160	323,950	2,503,210	2,200,000	(303,210)	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN VXR EURO II	693,000	173,250	519,750	520,000	250	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	173,250	519,750	580,000	60,250	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT NAVIGATION	2,616,224	490,537	2,125,688	2,600,000	474,313	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT NAVIGATION	2,616,224	490,537	2,125,688	2,600,000	474,313	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	2,069,000	398,712	1,670,288	1,328,000	(342,288)	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN VXR EURO II	693,000	173,250	519,750	600,000	80,250	Negotiation	Optimus Limited	Holding Company
TOYOTA ALTIS GRANDE CVTI	2,357,320	589,330	1,767,990	2,405,000	637,010	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	1,872,500	468,125	1,404,375	2,375,000	970,625	Negotiation	Third Party	No Relationship
HONDA CIVIC ORIEL PT NAVIGATION	2,616,224	572,294	2,043,931	3,315,000	1,271,070	Negotiation	Third Party	No Relationship
HONDA CIVIC ORIEL PT NAVIGATION	2,703,938	563,320	2,140,618	3,325,000	1,184,382	Negotiation	Third Party	No Relationship
HONDA CIVIC ORIEL PT NAVIGATION	2,703,940	577,403	2,126,537	3,400,000	1,273,463	Negotiation	Third Party	No Relationship
	<b>53,405,916</b>	<b>11,843,753</b>	<b>41,562,163</b>	<b>49,513,000</b>	<b>7,950,837</b>			
<b>June 30, 2021</b>	<b>61,682,155</b>	<b>13,672,473</b>	<b>48,009,682</b>	<b>70,338,000</b>	<b>22,328,318</b>			

**6.3 Particulars of Disposal of Property, Plant and Equipment**

TOYOTA HILUX 4X4 DC MT US VIGO CHAMP	3,496,500	-	3,496,500	3,496,500	-	Negotiation	Popular Islamic Modaraba	Sale & Finance Back
SUZUKI CULTUS (VXL)	100,500	-	100,500	730,000	629,500	Negotiation	Optimus Limited	Holding Company
AUDI A4	530,000	-	530,000	3,200,000	2,670,000	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC VTI PT ORIEL	492,600	-	492,600	1,930,000	1,437,400	Negotiation	Optimus Limited	Holding Company
BMW 318i SERIES	1,685,488	-	1,685,488	2,141,000	455,512	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC I-VTEC PROSMATEC+NAVIGATION	230,850	-	230,850	2,250,000	2,019,150	Negotiation	Optimus Limited	Holding Company
SUZUKI WAGON R	111,400	-	111,400	1,150,000	1,038,600	Negotiation	Optimus Limited	Holding Company
	<b>6,647,338</b>	<b>-</b>	<b>6,647,338</b>	<b>14,897,500</b>	<b>8,250,162</b>			
<b>Motor vehicles under Musharakah Financing</b>								
TOYOTA ALTIS 1.8L M/T	2,335,320	583,830	1,751,490	1,900,000	148,510	Insurance Claim	Jubilee General Takaful	No Relationship
TOYOTA ALTIS 1.8L M/T	2,335,320	583,830	1,751,490	1,145,000	(606,490)	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN VXR EURO II	693,000	173,250	519,750	500,000	(19,750)	Negotiation	Optimus Limited	Holding Company
TOYOTA ALTIS M/T	2,227,320	556,830	1,670,490	1,083,000	(587,490)	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	2,069,000	258,624	1,810,376	1,657,000	(153,376)	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	2,069,000	258,624	1,810,376	1,667,500	(142,876)	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT	2,563,000	240,282	2,322,718	2,257,000	(65,718)	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC PT ORIEL NAVIGATION	2,540,500	608,672	1,931,828	1,765,000	(166,828)	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC PT ORIEL NAVIGATION	2,540,500	608,672	1,931,828	2,005,000	73,172	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	166,014	526,986	515,000	(11,986)	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	166,014	526,986	515,000	(11,986)	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	166,014	526,986	515,000	(11,986)	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	1,872,500	438,885	1,433,615	1,830,000	396,385	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	1,872,500	419,379	1,453,121	949,000	(504,121)	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	1,872,500	419,379	1,453,121	1,014,000	(439,121)	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA XU	1,672,500	195,132	1,477,368	1,660,000	182,632	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA XU	1,674,000	195,300	1,478,700	1,650,000	171,300	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI AT	2,069,000	258,624	1,810,376	1,535,000	(275,376)	Negotiation	Optimus Limited	Holding Company
SUZUKI MEHRAN EURO II VXR AC	693,000	169,623	523,377	510,000	(13,377)	Negotiation	Optimus Limited	Holding Company
SUZUKI SWIFT DX MT	1,271,000	317,750	953,250	1,000,000	46,750	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA ALTIS MT	2,102,500	525,625	1,576,875	1,600,000	23,125	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA ALTIS MT	2,102,500	525,625	1,576,875	1,600,000	23,125	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA ALTIS MT	2,102,500	525,625	1,576,875	1,600,000	23,125	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA ALTIS MT	2,102,500	525,625	1,576,875	1,600,000	23,125	Negotiation	Optimus Limited	Holding Company
HONDA CIVIC ORIEL PT	2,563,000	293,673	2,269,327	2,300,000	30,673	Negotiation	Optimus Limited	Holding Company
SUZUKI CULTUS EURO II VXR AC	1,059,000	264,750	794,250	900,000	105,750	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA XU	1,672,500	250,889	1,421,611	1,875,000	453,389	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI MT	1,817,500	340,776	1,476,724	2,225,000	748,276	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA GLI MT	1,817,500	340,776	1,476,724	2,260,000	783,276	Negotiation	Optimus Limited	Holding Company
TOYOTA COROLLA XU	1,672,500	243,915	1,428,585	1,875,000	446,415	Negotiation	Optimus Limited	Holding Company
	<b>53,460,960</b>	<b>10,622,007</b>	<b>42,838,953</b>	<b>43,507,500</b>	<b>668,547</b>			
<b>June 30, 2020</b>	<b>60,108,298</b>	<b>10,622,007</b>	<b>49,486,291</b>	<b>58,405,000</b>	<b>8,918,709</b>			

**7. INTANGIBLE ASSETS**

	<b>Computer Software</b>	<b>Total</b>
	----- Rupees -----	
<b>As at June 30, 2019</b>		
Cost	523,948	523,948
Accumulated amortization	(523,945)	(523,945)
<b>Net Book Value</b>	<b>3</b>	<b>3</b>
<b>Year ended June 30, 2020</b>		
Opening net book value	3	3
Additions (at cost)	-	-
Amortization charge for the year	-	-
<b>Net Book Value</b>	<b>3</b>	<b>3</b>
<b>Year ended June 30, 2021</b>		
Opening net book value	3	3
Additions (at cost)	-	-
Amortization charge for the year	(3)	(3)
<b>Net Book Value</b>	<b>-</b>	<b>-</b>
<b>As at June 30, 2021</b>		
Cost	523,948	523,948
Accumulated amortization	(523,948)	(523,948)
<b>Net Book Value</b>	<b>-</b>	<b>-</b>
<b>Rate of amortization</b>	<b>33%</b>	<b>33%</b>

**8. LONG TERM ADVANCES, DEPOSITS AND PREPAYMENTS**

	<b>Note</b>	<b>June 2021 (Rupees)</b>	<b>June 2020 (Rupees)</b>
Security deposits		10,232,390	15,199,590
<b>Less:</b> Provision		-	(309,290)
Write-off		(309,290)	-
		9,923,100	14,890,300
<b>Less:</b> Current portion	11	(7,110,000)	(1,323,350)
		2,813,100	13,566,950
Prepayments		1,583,757	2,773,848
<b>Less:</b> Current portion		(1,583,757)	(2,608,972)
		-	164,876
		<b>2,813,100</b>	<b>13,731,826</b>

**9. TRADE RECEIVABLE**

9.1 & 9.2	<b>52,413,006</b>	<b>80,069,002</b>
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**9.1 Age analysis of other receivables from related parties**

	Amount past due as at June 30, 2021					
	Past due 0-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91-365 days	Past due 365 days	Total gross amount due
	----- Rupees -----					
Optimus Limited	3,840,079	3,840,079	3,876,834	40,856,014	-	52,413,006
June 30, 2021	3,840,079	3,840,079	3,876,834	40,856,014	-	52,413,006

	Amount past due as at June 30, 2020					
	Past due 0-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91-365 days	Past due 365 days	Total gross amount due
	----- Rupees -----					
Optimus Limited	5,736,837	5,308,837	5,376,193	59,172,117	4,475,018	80,069,002
June 30, 2020	5,736,837	5,308,837	5,376,193	59,172,117	4,475,018	80,069,002

**9.2** This represents trade receivable from Optimus Limited (Parent Company).

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>10. SHORT TERM INVESTMENTS</b>			
Investments carried at fair value through profit or loss			
- Quoted shares	10.1	114,530,186	-
		<b>114,530,186</b>	<b>-</b>

**10.1 Quoted shares**

Name of investee company	Pledged (No. of Shares)		Number of Shares		Cost		Market Value	
	2021	2020	2021	2020	2021	2020	2021	2020
	----- Number of Shares -----				----- Rupees -----			
Pharmaceuticals								
- Abbott Laboratories (Pakistan) Limited	33,100	-	35,600	-	28,130,458	-	28,208,016	-
- Sanofi-Aventis Pakistan Limited	-	-	5,750	-	5,488,543	-	5,295,750	-
Commercial Banks								
- Habib Metropolitan Bank Limited	460,000	-	460,000	-	18,842,235	-	18,676,000	-
- JS Bank Limited	-	-	250,000	-	1,443,475	-	1,427,500	-
- Habib Bank Limited	500	-	500	-	65,040	-	61,185	-
Cement								
- Gharibwal Cement Limited	-	-	390,000	-	15,944,692	-	15,198,300	-
- Pioneer Cement Limited	35,000	-	35,000	-	4,722,797	-	4,587,450	-
- Kohat Cement Company Limited	12,000	-	12,000	-	2,579,865	-	2,477,880	-
Glass & Ceramics								
- Tariq Glass Limited	-	-	93,375	-	10,331,658	-	9,933,233	-
Automobile Parts & Accessories								
- Agriauto Industries Limited	32,800	-	32,800	-	9,050,252	-	8,999,992	-
Textile Composite								
- Kohinoor Textile Mills Limited	-	-	110,000	-	8,501,673	-	8,272,000	-
- Towellers Limited	-	-	20,000	-	2,621,872	-	2,480,000	-
Food & Personal Care Products								
- Shezan International Limited		-	10,000	-	3,700,903	-	3,313,600	-
- Murree Brewery Company Limited	4,600	-	4,600	-	2,489,963	-	2,676,280	-
- Nestle Pakistan Limited	20	-	20	-	115,115	-	116,000	-
Technology & Communication								
- Hum Network Limited	350,000	-	350,000	-	3,051,865	-	2,807,000	-
	928,020	-	1,809,645	-	117,080,406	-	114,530,186	-

**10.2** These shares have been pledged with JS Bank Limited as collateral against running finance facility obtained from the bank as per note # 18.

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>11. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
<b>Unsecured advances - considered good</b>			
Advances to employees		135,746	147,746
Provision against advances to employees		-	(132,006)
Write-off		(135,746)	-
		-	15,740
Advances for supplies and services		399,238	399,238
Provision against advances for supplies and services		-	(399,238)
Write-off		(399,238)	-
		-	-
<b>Deposits</b>			
Long term security deposits - current portion	8	7,110,000	1,323,350
<b>Prepayments</b>			
Prepaid insurance, road tax and registration		1,583,757	2,608,972
Provision		-	(150,804)
Write-off		(150,804)	-
		1,432,953	2,458,168
Other receivables - considered good	11.1 & 11.2	35,435,965	69,293,841
<b>Others</b>			
Others - considered good		1,356,424	-
Others - considered doubtful		3,823,102	3,823,101
Provisions against receivables		-	(3,823,026)
Write-off		(3,823,102)	-
		1,356,424	75
		<b>45,335,342</b>	<b>73,091,174</b>

**11.1** This represents receivable from Optimus Limited (Parent Company) amounting to Rs. 35,435,965 (June 2020: Rs. 69,293,841).

**11.2 Age analysis of other receivables from related parties**

	Amount past due as at June 30, 2021					Total gross amount due
	Past due 0-30 days	Past due 31- 60 days	Past due 61- 90 days	Past due 91- 365 days	Past due 365 days	
	----- Rupees -----					
Optimus Limited	-	-	7,050,000	28,385,965	-	35,435,965
June 30, 2021	-	-	7,050,000	28,385,965	-	35,435,965



	Amount past due as at June 30, 2020					Total gross amount due
	Past due 0-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91-365 days	Past due 365 days	
	----- Rupees -----					
Optimus Limited	12,535,000	-	2,300,000	38,173,500	16,285,341	69,293,841
<b>June 30, 2020</b>	<b>12,535,000</b>	<b>-</b>	<b>2,300,000</b>	<b>38,173,500</b>	<b>16,285,341</b>	<b>69,293,841</b>

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>12. MORABAHA AND SHORT TERM FINANCES</b>			
Morabaha finances		282,745	282,745
Short term finances		17,500	17,500
		300,245	300,245
Less: Provision for doubtful receivables		-	(300,245)
Write-off		(300,245)	-
		(300,245)	(300,245)
		-	-

**13. CASH AND BANK BALANCES**

Cash in hand		654	14,309
<b>Cash at banks:</b>			
- In PLS accounts	13.1	27,610,772	231,533
- In current accounts		-	92,326
- Balance with State Bank of Pakistan		10,615	13,446
		<b>27,622,041</b>	<b>351,614</b>

**13.1** Profit rates on deposit accounts ranges from 4% to 6% p.a ( June 2020: from 5.5% to 11.25% p.a).

**14. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**

Number of Shares			June 2021 (Rupees)	June 2020 (Rupees)
2021	2020			
10,744,413	10,744,413	Ordinary shares of Rs. 10/- each fully paid in cash.	<b>107,444,130</b>	<b>107,444,130</b>

**14.1** Ordinary shares of Rs. 10/- each fully paid in cash.

**14.2** As on June 30, 2021, Optimus Limited owns 9,020,473 shares (83.96%) of the Company.

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>15. RESERVES</b>			
<b>Statutory Reserve</b>			
Statutory reserve	15.1	48,540,340	46,806,883
Transfer to general reserve		(48,540,340)	-
Transfer from profit for the year		-	1,733,457
		-	48,540,340
<b>Revenue Reserve</b>			
General reserves		48,540,340	-
Unappropriated profit		107,369,929	95,693,464
		<b>155,910,269</b>	<b>144,233,804</b>

- 15.1** The Company is no longer a non-banking finance company. Therefore, no transfer is made from statement of comprehensive income to statutory reserve. Moreover, reserve created over years is converted to general reserve as there is no applicability of "Prudential Regulations for Non-Banking Finance Companies" on the company.

## 16. DIMINISHING MUSHARAKAH FINANCING

Financial Institution /Type of Loan	2021			2020			Mark up Arrangement / Repayment Period	Security
	Amount outstanding	Current Portion	Long term	Amount outstanding	Current portion	Long term		
	Rupees							
Diminishing Musharaka Popular Islamic Modaraba	10,218,311	2,507,549	7,710,762	13,114,113	780,580	12,333,533	One year KIBOR plus 2.75% per annum payable monthly.	Hypothecation in respect of the vehicles provided by the Modaraba.
Diminishing Musharaka Orix Modaraba	28,234,409	23,201,264	5,033,145	53,570,418	9,209,134	44,361,284	Six months KIBOR plus 3.85% per annum payable monthly.	Hypothecation in respect of the vehicles provided by the Modaraba.
Diminishing Musharaka First Prudential Modaraba	-	-	-	556,580	556,580	-	Six months KIBOR plus 3% per annum payable monthly.	Ownership of Vehicles in the name of Modaraba along With Corporate Guarantee of Optimus Limited (Parent Company).
	<b>38,452,720</b>	<b>25,708,813</b>	<b>12,743,907</b>	<b>67,241,111</b>	<b>10,546,294</b>	<b>56,694,817</b>		

The above liability represents assets acquired under diminishing Musharaka arrangements. The cost of operating and maintaining the leased assets is borne by the company. The company has an option to purchase the assets on the completion of lease period by adjusting the security deposit and has intention to exercise the option.

	<b>Note</b>	<b>2021 (Rupees)</b>	<b>2020 (Rupees)</b>
<b>17. DEFERRED TAX LIABILITY</b>			
<b>Credit balance arising in respect of:</b>			
Accelerated tax depreciation		13,012,084	19,745,092
<b>Debit balances arising in respect of:</b>			
Provision against advance deposits and prepayments		-	1,306,471
Un-realized gain on marketable securities		318,778	-
Minimum tax / ACT		-	674,397
		318,778	1,980,868
Provision for Current Taxation		<u><b>12,693,306</b></u>	<u><b>17,764,224</b></u>

**18. SHORT TERM BORROWING**

Running finance	18.1 & 10.2	28,091,437	-
		<u><b>28,091,437</b></u>	<u><b>-</b></u>

- 18.1** This represents running finance facility of Rs. 200 million (2020: NIL) under markup arrangements with JS bank limited (JSBL). The facility carries markup @ 1 month KIBOR + 2.5% (June 2020: NIL). This amount is secured by pledge of shares listed on PSX and held in central Depository Company (CDC) under JSBL's approved list of shares with requisite margin there against and corporate guarantees of the ultimate holding company Ithaca Capital (Private) Limited.

	<b>Note</b>	<b>2021 (Rupees)</b>	<b>2020 (Rupees)</b>
<b>19. TRADE AND OTHER PAYABLES</b>			
Accrued expenses	19.1	7,320,341	7,041,738
Mark up payable		156,649	300,128
Tax deducted at source		83,750	303,752
Payable to provident fund		61,514	43,164
Others		537,456	753,849
		<u><b>8,159,710</b></u>	<u><b>8,442,631</b></u>

- 19.1** This include amount payable to Mustang Eye (Pvt) Ltd. Rs. 3,956,336 (Associated Company) (2020: Rs. 4,174,800).

**20. CONTINGENCIES AND COMMITMENTS**
**20.1 Contingencies**

There are no contingencies as at June 30, 2021.

	Note	2021 (Rupees)	2020 (Rupees)
<b>20.2 Commitments</b>			
Ijarah lease rentals payable	21.1	-	<b>430,477</b>
<b>20.2 Commitments</b>			
Ijarah lease rentals payable	21.1	-	<b>430,477</b>
<b>21. INCOME FROM VEHICLE PLYING FOR HIRE</b>			
Rentals		52,413,006	74,493,984
<b>Less: Cost of Services</b>			
Road tax / registration and other charges		1,054,122	1,619,087
Vehicle service and maintenance-VPFH		9,503,719	11,140,620
Ijarah lease rental	21.1	207,223	3,262,062
Tracker monitoring cost		1,092,324	1,525,790
Insurance		4,036,842	5,599,177
Depreciation	6.1	14,902,742	16,550,386
Service charges to holding company	21.2	1,855,000	2,897,500
		32,651,972	42,594,622
		<b>19,761,034</b>	<b>31,899,362</b>

### 21.1 Ijarah Lease Rental

This includes rentals paid to BRR Guardian Modaraba and Popular Islamic Modaraba against vehicles acquired under Ijarah facilities. Future rental payable on these facilities are as under:

	June 30, 2021			June 30, 2020		
	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 -----					
Total future rentals payable	-	-	-	430,477	-	430,477
	-	-	-	<b>430,477</b>	-	<b>430,477</b>

**21.2** The company has entered into an understanding with the holding company whereby company's vehicles have been deployed on hire through the holding company. A sum of Rs. 2,500 per month per vehicle has been fixed as service charges payable to the holding company.

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>22. RETURN ON INVESTMENTS</b>			
Dividend income		37,500	-
		<b>37,500</b>	<b>-</b>
<b>23. OTHER INCOME</b>			
Gain on sale of property, plant and equipment	6.2	22,328,318	8,918,709
Other income		-	19,939
Return on bank deposit		53,174	36,900
		<b>22,381,492</b>	<b>8,975,548</b>
<b>24. ADMINISTRATIVE AND OPERATING EXPENSES</b>			
Salaries, allowances and benefits		11,258,318	9,924,957
Rent		3,225,500	2,850,000
Legal and professional charges		2,457,804	2,132,818
Printing and stationery		480,665	677,322
Auditors' remuneration	24.1	535,350	515,350
Travelling and conveyance charges		474,024	17,650
Director training program		288,000	272,028
Depreciation	6.1	111,688	180,593
Amortization		3	-
Telephone and postage expenses		75,905	94,183
Entertainment expenses		21,600	129,900
Insurance expenses		10,408	12,207
Vehicle running expenses		-	486,757
Sundry expenses		-	17,100
Write off advances, deposits, prepayments and other receivables		3,815	-
Write off property, plant and equipment	6	618,750	-
		<b>19,561,830</b>	<b>17,310,865</b>
<b>24.1 Auditors' Remuneration</b>			
Audit fee		290,000	270,000
Half yearly audit / review		180,000	180,000
Code of corporate governance		30,000	30,000
Out of pocket expenses		35,350	35,350
		<b>535,350</b>	<b>515,350</b>
<b>25. FINANCIAL CHARGES</b>			
Mark up on borrowings		6,202,534	11,344,555
Bank charges		88,802	20,187
		<b>6,291,336</b>	<b>11,364,742</b>

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>26. TAXATION</b>			
Current	26.1	7,171,091	-
Deferred		(5,070,918)	3,532,016
		<b>2,100,173</b>	<b>3,532,016</b>

**26.1** Income tax has been charged @ 29% on taxable income for the year net off applicable tax credits against Minimum Tax/Alternate Corporate Tax (ACT) paid during prior years as reflected in note 17 of these financial statements.

	Note	June 2021 (Rupees)	June 2020 (Rupees)
<b>27. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	13	27,622,041	351,614
Short term borrowing	18	(28,091,437)	-
		<b>(469,396)</b>	<b>351,614</b>

<b>28. EARNINGS PER SHARE</b>		<b>2021</b>	<b>2020</b>
Profit after taxation	Rupees	11,676,465	8,667,287
Weighted average number of ordinary shares	Numbers	10,744,413	10,744,413
Earnings per share - basic and diluted	Rupees	<b>1.09</b>	<b>0.81</b>

## 29. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, directors, key management and employees provident fund. The company has a policy whereby all transactions with related parties are entered into at arm's length prices using the permissible method of pricing. Balance with related parties are disclosed in respective notes of these financial statements. The transaction with related parties are as follows:

Related Party	Nature of relationship	Nature of transaction / balance	June 2021	June 2020
Optimus Limited	Parent Company	Rental services rendered	52,413,006	74,493,984
	Management services received		1,855,000	2,897,500
	Vehicle maintenance service received		9,503,719	11,140,620
	Purchase of motor vehicles		-	3,496,500
	Sale of motor vehicles		57,923,000	53,008,500
	Expense paid on behalf of Company		9,675,303	8,730,746
Mustang Eye (Pvt) Ltd	Associated Company	Tracker service	589,000	633,000
Staff provident fund		Contribution to staff provident fund	88,829	74,322

### 30. REMUNERATION OF EXECUTIVE

**30.1** The aggregate amount charged in the financial statements for the period in respect of remuneration and benefits to the Executives are as follows:

	Chief Executive		Executive	
	June - 2021	June - 2020	June - 2021	June - 2020
Managerial remuneration	7,983,873	7,520,636	1,813,179	1,210,110
<b>Total</b>	<b>7,983,873</b>	<b>7,520,636</b>	<b>1,813,179</b>	<b>1,210,110</b>
Number of person	1	1	1	1

**30.2** The Chairman and Director have neither charged any remuneration nor any other benefits from the company.

### 31. PROVIDENT FUND

The investments out of provident fund have been made in accordance with the provisions of Sections 218 of the Companies Act, 2017 and the rules formulated for this purpose.

### 32. FINANCIAL INSTRUMENTS RELATED DISCLOSURES

#### 32.1 Financial Risk Management Objectives

The company's activities expose to a variety of financial risks, including the effects of changes in foreign exchange rates, credit and liquidity risk associated with various financial assets and liabilities. The company finances its operations through equity and management of working capital with a view to maintain reasonable mix between various sources of finance to minimize risk. Taken as a whole, risk arising from the company's financial instruments is limited as there is no significant exposure to market risk in respect of such instruments.

#### 32.2 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulties in raising funds to meet commitments associated with Financial Instruments. The company is not exposed to any significant risk.



**MATURITIES OF ASSETS AND LIABILITIES**

<b>June 30, 2021</b>					
<b>Descriptions</b>	<b>Total</b>	<b>Up to 3 Months</b>	<b>Over 3 Months to 1 Year</b>	<b>Over 1 Year to 5 years</b>	<b>Over 5 years</b>
	<b>Rupees</b>				
<b>Financial Assets</b>					
Long term advances, deposits and prepayments	2,813,100	-	-	2,813,100	-
Cash and bank balances	27,622,041	27,622,041	-	-	-
Deposits and other receivables	43,902,389	36,792,389	7,110,000	-	-
Short term Investment	114,530,186	-	114,530,186	-	-
Trade receivables	52,413,006	10,900,094	41,512,912	-	-
	<b>241,280,722</b>	<b>75,314,524</b>	<b>163,153,098</b>	<b>2,813,100</b>	<b>-</b>
<b>Financial Liabilities</b>					
Trade and other payables	8,159,710	8,159,710	-	-	-
Short term borrowing	28,091,437	28,091,437	-	-	-
Unclaimed dividend	625,215	625,215	-	-	-
Diminishing musharakah financing	38,452,720	-	25,708,813	12,743,907	-
	<b>75,329,082</b>	<b>36,876,362</b>	<b>25,708,813</b>	<b>12,743,907</b>	<b>-</b>
<b>Financial Assets / (Liabilities)</b>	<b>165,951,640</b>	<b>38,438,162</b>	<b>137,444,284</b>	<b>(9,930,807)</b>	<b>-</b>
Share capital	107,444,130				
Reserve	155,910,269				
Non-financial assets / (liabilities)	(97,402,759)				
	<b>165,951,640</b>				

<b>June 30, 2020</b>					
<b>Descriptions</b>	<b>Total</b>	<b>Up to 3 Months</b>	<b>Over 3 Months to 1 Year</b>	<b>Over 1 Year to 5 years</b>	<b>Over 5 years</b>
	<b>Rupees</b>				
<b>Financial Assets</b>					
Long term deposits	13,566,950	-	-	13,566,950	-
Cash and bank balances	351,614	351,614	-	-	-
Deposits, and other receivables	70,633,006	69,309,656	1,323,350	-	-
Trade receivables	80,069,002	-	80,069,002	-	-
	<b>164,620,572</b>	<b>69,661,270</b>	<b>81,392,352</b>	<b>13,566,950</b>	<b>-</b>
<b>Financial Liabilities</b>					
Trade and other payables	8,442,631	8,442,631	-	-	-
Unclaimed dividend	625,215	625,215	-	-	-
Diminishing musharakah financing	67,241,111	102,234	10,444,060	56,694,817	-
	<b>76,308,957</b>	<b>9,170,080</b>	<b>10,444,060</b>	<b>56,694,817</b>	<b>-</b>
<b>Financial Assets / (Liabilities)</b>	<b>88,311,615</b>	<b>60,491,190</b>	<b>70,948,292</b>	<b>(43,127,867)</b>	<b>-</b>
Share capital	107,444,130				
Reserve	144,233,804				
Non-financial assets / (liabilities)	(163,366,319)				
	<b>88,311,615</b>				

### 32.3 Interest Rate Risk Management

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market mark-up/interest rates. Sensitivity to interest/mark up rate risk arises from mismatches of financial assets and financial liabilities that mature or repriced in a given period. The company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The company is exposed to mark -up / interest rate risk in respect of the following:

June 30, 2021										
Interest / Mark-up bearing				Non Interest bearing			Total			
Interest rates	Maturity up to one year	Maturity after one year	Subtotal	Maturity up to one year	Maturity after one year	Subtotal				
----- Rupees -----										
<b>FINANCIAL ASSETS</b>										
Trade receivable	-	-	-	52,413,006	-	52,413,006	52,413,006			
Deposits and other receivables	-	-	-	43,902,389	-	43,902,389	43,902,389			
Short term investment	-	-	-	114,530,186	-	114,530,186	114,530,186			
Cash and bank balances	4% to 6%	27,610,772	-	27,610,772	11,269	-	11,269	27,622,041		
				27,610,772	-	27,610,772	210,856,850	-	210,856,850	238,467,622
<b>FINANCIAL LIABILITIES</b>										
Trade and other payables	-	-	-	-	8,159,710	-	8,159,710	8,159,710		
Unclaimed dividend	-	-	-	-	625,215	-	625,215	625,215		
Short term borrowing	10.01% to 10.05%	28,091,437	-	28,091,437	-	-	-	28,091,437		
Diminishing musharakah financing	10.13% to 17.32%	25,708,813	12,743,907	38,452,720	-	-	-	38,452,720		
				53,800,250	12,743,907	66,544,157	8,784,925	-	8,784,925	75,329,082
<b>Net financial assets / (liabilities) June 30, 2021</b>				(26,189,478)	(12,743,907)	(38,933,385)	202,071,925	-	202,071,925	163,138,540

June 30, 2020								
Interest / Mark-up bearing				Non Interest bearing			Total	
Interest rates	Maturity up to one year	Maturity after one year	Subtotal	Maturity up to one year	Maturity after one year	Subtotal		
----- Rupees -----								
<b>FINANCIAL ASSETS</b>								
Trade receivable	-	-	-	-	80,069,002	-	80,069,002	80,069,002
Deposits and other receivables	-	-	-	-	69,293,841	-	69,293,841	69,293,841
Cash and bank balances	5.5% to 11.25%	231,533	-	231,533	120,081	-	120,081	351,614
		231,533	-	231,533	149,482,924	-	149,482,924	149,714,457
<b>FINANCIAL LIABILITIES</b>								
Trade and other payables	-	-	-	-	8,442,631	-	8,442,631	8,442,631
Unclaimed dividend	-	-	-	-	625,215	-	625,215	625,215
Diminishing musharakah financing	10.13% to 17.32%	10,546,294	56,694,817	67,241,111	-	-	-	67,241,111
		10,546,294	56,694,817	67,241,111	9,067,846	-	9,067,846	76,308,957
Net financial assets / (liabilities) June 30, 2020		(10,314,761)	(56,694,817)	(67,009,578)	140,415,078	-	140,415,078	73,405,500

Financial assets and liabilities are approximate to their fair values.

### 32.4 Financial assets and liabilities are approximate to their fair values.

	June 2021 (Rupees)	June 2020 (Rupees)
<b>32.5 Financial instruments by category</b>		
<b>Financial assets</b>		
<b>Measured at fair value through profit or loss</b>		
Investment in quoted equity shares	114,530,186	-
<b>Measured at amortized cost</b>		
Long term advances, deposits and prepayments	2,813,100	13,566,950
Cash and bank balances	27,622,041	351,614
Deposits and other receivables	43,902,389	70,633,006
Trade receivables	52,413,006	80,069,002
	<b>241,280,722</b>	<b>164,620,572</b>
<b>Financial liabilities</b>		
<b>Financial liabilities carried at amortized cost</b>		
Trade and other payables	8,159,710	8,442,631
Short term borrowing	28,091,437	-
Unclaimed dividend	625,215	625,215
Diminishing musharakah financing	38,452,720	67,241,111
	<b>75,329,082</b>	<b>76,308,957</b>

### 32.6 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently differences may arise between carrying values and the fair value estimates.

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.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs)

As at June 30, 2021, the Company held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
<b>Measured at fair value through profit or loss</b>				
Quoted shares	114,530,186	-	-	114,530,186

As at June 30, 2020, the Company held no financial instruments measured at fair value.

### 32.7 Credit Risk

The Company's credit risk exposure is not significantly different from that reflected in the financial statements. The management monitors and limits company's exposure to credit risk through monitoring of clients' credit exposure, review and conservative estimates of provisions for potential lease losses and doubtful receivables and by obtaining securities/collateral for large amounts of credits. The management is of the view that it is not exposed to significant concentration of credit risk as its financial assets are adequately diversified in different avenues.

33. NUMBERS OF EMPLOYEES	2021	2020
Total number of employees at the end of year	4	4
Average number of employees during the year	4	4

### 34. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 20<sup>th</sup> September 2021 by the Board of Directors of the Company.

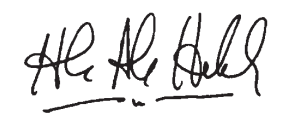
### 35. GENERAL

35.1 Figures have been rounded off to the nearest rupee.

35.2 Figures have been reclassified and re-arranged where necessary.



Chief Financial Officer



Chief Executive Officer



Director

## SIX YEARS AT A GLANCE

PARTICULARS	2021	2020	2019	2018	2017	2016
<b>FINANCIAL POSITION</b>						
Balance Sheet Size	351,376,787	345,751,115	381,433,837	407,372,413	353,887,513	265,754,873
Paid-up Capital	107,444,130	107,444,130	107,444,130	107,444,130	107,444,130	107,444,130
Statutory Reserves	-	48,540,340	46,806,884	42,777,408	36,018,673	31,811,422
General Reserves	48,540,340	-	-	-	-	-
Un-appropriated Profits	107,369,929	95,693,464	88,759,634	72,641,735	45,606,795	28,777,791
Fixed Assets (Net)	97,857,760	160,799,469	217,715,391	268,819,089	131,592,570	175,276,687
Net Investment in Lease & Hire Purchase Finance	-	-	9,291,481	9,291,481	9,291,481	9,291,481
Lease Obligations	-	-	-	-	-	7,333,780
Diminishing Musharaka Financing	38,452,720	67,241,111	105,965,451	160,431,536	140,214,579	62,381,223
Long Term Deposits	-	-	9,311,420	9,311,420	9,311,420	9,311,420
Current Assets	250,705,927	171,219,830	146,362,846	112,794,258	200,374,505	68,873,389
Current Liabilities	62,585,175	19,614,140	60,563,038	67,303,683	55,008,794	53,108,157
<b>INCOMES AND EXPENSES</b>						
Income from Operations	19,761,034	31,899,362	50,369,409	43,704,893	41,339,213	51,260,024
Other Income	22,418,992	8,975,548	8,277,265	20,755,440	11,168,073	1,380,751
Administrative & Operating Expenses	19,561,830	17,310,865	16,627,396	8,234,019	12,165,839	9,293,761
Financial Charges	6,291,336	11,364,742	14,639,994	15,465,963	8,521,964	10,378,620
Other Charges	-	-	-	-	-	659,368
Provision / (reversal) for losses	-	-	-	-	-	-
Profit/(Loss) before Tax	13,776,638	12,199,303	27,379,284	40,760,351	31,819,483	32,309,025
Taxation	(2,100,173)	(3,532,016)	(7,231,910)	(6,966,676)	(10,783,228)	(12,425,353)
Profit (Loss) after Tax	11,676,465	8,667,287	20,147,374	33,793,675	21,036,255	19,883,672

**PATTERN OF SHAREHOLDING  
HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2021**

No. of Shareholders	-----Shareholding-----			Total Shares Held
	From		To	
340	1	-	100	13,011
128	101	-	500	38,488
167	501	-	1000	109,784
89	1001	-	5000	182,553
6	5001	-	10000	35,864
2	10001	-	15000	23,550
3	15001	-	20000	50,879
2	25001	-	30000	55,346
1	30001	-	35000	32,000
1	45001	-	50000	50,000
1	50001	-	55000	52,000
1	95001	-	100000	100,000
1	180001	-	185000	181,000
1	205001	-	210000	207,465
1	590001	-	595000	592,000
1	9005001	-	9010000	9,020,473
<b>746</b>				<b>10,744,413</b>

## CATEGORIES OF SHAREHOLDERS AS AT 30TH JUNE 2021

S. No.	NAME	% AGE	HOLDING
<b><u>DIRECTORS, CEO THEIR SPOUSE AND MINOR CHILDREN</u></b>			
1	Mr. Saad Saeed Faruqi	0.00%	500
2	Mr. Shahrukh Saeed Faruqi	0.00%	500
3	Brig (R) Yasub Ali Dogar	0.00%	500
4	Mr. Muhammad Danish Hussain	0.00%	500
5	Mr. Azam Adnan Khan	0.00%	500
6	Ms. Sana Shahzad	0.00%	500
7	Ms. Sadia Hamid	0.00%	500
8	Mr. Haider Ali Hilaly	1.98%	213,000
		<u>2.02%</u>	<u>216,500</u>
<b><u>ASSOCIATED COMPANIES</u></b>			
1	OPTIMUS LIMITED	83.96%	9,020,473
<b><u>OTHER COMPANIES</u></b>			
1	State Life Insurance Corp. Of Pakistan	1.93%	207,456
2	Pyramid Investments (Pvt) Ltd.	0.17%	17,912
3	Beaming Invest & Securities(Pvt.) Ltd.	0.17%	17,900
4	Dr. Arslan Razaque Securities (Pvt.) Limited	0.15%	16,567
5	Escorts Investment Bank Limited	0.11%	11,800
6	NH Securities (Pvt) Limited.	0.03%	3,150
7	Al-Haq Securities (Pvt) Ltd.	0.02%	2,350
8	Gulfinsuracne Company Ltd	0.01%	1,175
9	Prudential Securities Limited	0.01%	750
10	Sarfaz Mehmoood (Private) Ltd	0.01%	617
11	S.H. Bukhari Securities (Pvt) Limited	0.01%	587
12	LSE Financial Services Limited	0.01%	587
13	Mam Securities (Pvt) Limited	0.00%	87
14	Azee Securities (Private) Limited	0.00%	55
15	Maple Leaf Capital Limited	0.00%	1
		<u>2.62%</u>	<u>280,994</u>
<b><u>SHARES HELD BY THE GENERAL PUBLIC</u></b>		<u>11.41%</u>	<u>1,226,446</u>
<b>TOTAL:</b>		<u><b>100.00%</b></u>	<u><b>10,744,413</b></u>



**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a Shareholder of CALCORP Limited and holding \_\_\_\_\_ Ordinary Shares as per Register Folio No. \_\_\_\_\_ or "CDC" Participant's I.D. No. \_\_\_\_\_ A/c No. \_\_\_\_\_ hereby appoint Mr. / Mrs. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her Mr. / Mrs. \_\_\_\_\_ of \_\_\_\_\_ as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company to be held on Monday October 25th, 2021 and at any adjournment thereof.

Affix Revenue Stamp(s) of Rupees five  
Executant's Signature on Revenue Stamp(s)  
(Signature should agree with the Specimen Signature registered with the Company).

Executant's Computerized National Identity Card Number (CNIC) or Passport Number

_____ First Witness Signature	_____ Second Witness Signature
_____ Name in Block letters and Address	_____ Name in Block letters and Address
_____ Computerized National Identity Card Number or Passport Number of Witness	_____ Computerized National Identity Card Number or Passport Number of Witness

\_\_\_\_\_  
Proxy's Signature

**Notes:**

1. A member entitled to attend and vote at the Meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf. A proxy must be a member of the Company; however, corporations may appoint a person who is not a member.
2. This form should be signed by the member or by his/her attorney duly authorized in writing. If the member is a corporation, its common seal should be affixed to the instrument. The proxy form must be witnessed by two persons.
3. The form of the proxy together with the power of attorney, if any, under which it is signed or a notarized certified copy thereof, must be deposited duly completed in all respects at the Company's registered office at least 48 hours before the scheduled time at which the Meetings will be held.
4. The member's signature must match the specimen registered with the Company.
5. The following requirements must be met by CDC Account holders/Corporate entities:
  - i. The proxy form must be witnessed by two persons whose names, addresses and Computerized National Identity Card (CNIC) numbers must be included on the form. In case a person does not have a CNIC, that person's Passport number may be used instead.
  - ii. Attested copies of the CNIC or Passport of the beneficial owner must be furnished with the proxy form.
  - iii. The proxy may be required to produce his/her original CNIC or Passport at the time of the meeting.

## The Company Secretary

CALCORP Limited

D-131/A, Block 4, Clifton,  
Karachi

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D-131/A, Block 4, Clifton, Karachi

Tele: +92 (21) 38771130 E-mail: [cosec@calcorp.com.pk](mailto:cosec@calcorp.com.pk)

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