



Quarterly
Report
September
30, 2021



INVEST CAPITAL INVESTMENT BANK LIMITED

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Directors' Review

The Board of Directors of Invest Capital Investment Bank Limited (the "Company"), is pleased to present the un-audited financial statements for the first quarter ended September 30, 2021.

The Review

During the period under review, the Company posted a net profit of Rupees 55.96 million as compared to a net profit of Rupees 21.74 million for the quarter ended September 2020. The earnings per share worked out to Rupees 0.196 (September 2020 Rupees 0.076). The gross revenue including other income for the period amounted to Rupees 54.08 million as compared to Rupees 27.55 million for corresponding period of the last year. The financial charges decreased due to partial repayment of loans and stood at Rupees 1.34 million as against Rupees 4.41 million of the corresponding period of last year. The administrative and operating expenses however showed a slight decrease and amounted to Rupees 5.13 million from Rupees 5.52 million of the comparable period.

The total assets of the Company increased by Rupees 70.77 million due to increase in bank balance as a result of major recoveries and amounted to Rupees 1,013.18 million as at 30th September 2021 as compared to Rupees 942.41 million as at June 30, 2021. Similarly the total liabilities of the Company stood at Rupees 574.83 million as against Rupees 559.62 million of 30th June 2021.

A comparison of the current and previous period profit and loss figures is summarized hereunder:

	Rs. in million	
	September 30, 2021	September 30, 2020
Gross Revenue	53.04	26.59
Other Income	1.04	0.97
Administration & Operating expenses	(5.13)	(5.52)
Financial charges (net of reversals)	(1.34)	(2.53)
Profit / (loss) for the period before taxation	58.46	22.74
Taxation – net	(2.50)	(1.00)
Profit / (loss) for the period after taxation	55.96	21.74
Earnings per Share	0.196	0.076

The management continued focus on resolution of the outstanding issues. The following key areas remained in focus during the period under review:

- Settlement/rescheduling of loans with lenders
- Disposal of non-core assets (all disposed off)
- Disposal / transfer of brokerage related assets and liabilities (completed)
- Recovery of non-performing leases and loans portfolio
- Substantial reduction in administrative and other expenses
- Fresh leasing / financing business

The focus on the above mentioned areas has enabled the company to overcome the financial and operational problems and will further result in improvement of financial position of the Company. Considering management's plans and the results of the mitigating measures taken, the management is confident that the Company will continue as a going concern.

Acknowledgments

We are very thankful to the Securities and Exchange Commission of Pakistan for their guidance, the customers for their confidence, the lenders for their cooperation, and shareholders for their trust in the management of the Company. We are also thankful to all the staff members for their hard work and commitment for the betterment of the Company.

For and on behalf of the Board



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson

Lahore
October 25, 2021

ڈائریکٹرز کا جائزہ

ہم 30 ستمبر 2021 کو ختم ہونے والے تین ماہ کے غیر آڈٹ شدہ گوشوارے انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ممبران کو پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

جائزہ

زیر غور عرصہ میں کمپنی نے 55.96 ملین روپے کا منافع کمایا جبکہ اس کے مقابلے میں گزشتہ سال ستمبر 2020 کی سہ ماہی میں 21.74 ملین روپے کا منافع ہوا تھا۔ 30 ستمبر 2020 کو آمدنی 0.076 روپے فی حصص تھی جو اب بڑھ کر 0.196 روپے فی حصص ہو گئی ہے۔ مجموعی مالگڈاری (Revenues) بشمول دیگر آمدنی 54.08 ملین روپے رہی۔ جبکہ گزشتہ سال اسی مدت کے دوران یہ آمدنی 27.55 ملین روپے تھی۔ متضرروں کی ادائیگی کی وجہ سے مالی خسراحتات کم ہو کر 1.34 ملین روپے ہو گئے۔ جبکہ اس کے مقابلے میں گزشتہ سال اسی مدت کے دوران اسکی مالیت 4.41 ملین روپے تھی۔ انتظامی اور آپریٹنگ خسراحتات معمولی کمی کے بعد اب 5.13 ملین روپے ہو گئے جبکہ گزشتہ سال اسی مدت کے دوران یہ خسراحتات 5.52 ملین روپے تھے۔

کمپنی کے کل اثاثہ جات میں 70.71 ملین روپے کا اضافہ ہوا جسکی وجہ ریکوری کی وجہ سے بینک بیلنس میں اضافہ تھا۔ اس طرح اثاثہ جات 30 جون 2021 کے 942.41 ملین روپے کے مقابلے میں 30 ستمبر 2021 کو 1,013.18 ملین روپے رہے، جبکہ کل مالیاتی ذمہ داریوں کی مالیت 30 ستمبر 2021 کو 574.83 ملین روپے رہی جو کہ 30 جون 2021 کو 559.62 ملین روپے تھی۔

کمپنی کے موجودہ اور گزشتہ نفع اور نقصان کا تقابلی جائزہ درج ذیل ہے:

----- روپے ملین میں -----

30 ستمبر		
2020	2021	
26.59	53.04	کل مالگڈاری (Revenues)
0.97	1.04	دیگر آمدنی
(5.52)	(5.13)	انتظامی اور آپریٹنگ خسراحتات
(2.53)	(1.34)	مالی خسراحتات (خالص)
22.74	58.46	نفع (نقصان) قبل از محصول
(1.00)	(2.50)	محصول - خالص
21.74	55.96	نفع (نقصان) بعد از محصول
0.076	0.196	آمدنی فی حصص

انقظامیہ نے اپنی توجہ کمپنی کے غیر حل شدہ معاملات کے حل پر جاری رکھی ہوئی ہے۔ اس مدت کے دوران بھی مندرجہ ذیل اہم نکات پر توجہ مرکوز رہی۔

- متراض خواہوں کے ساتھ متراضوں کا تھفیفہ / ادائیگی کا نیا جدول (rescheduling)۔
- غیر اہم اثاثہ حبات کی منروخت (تمام منروخت ہو گئے)
- علیحدہ ہونے والے بروکریج ہاؤس سے متعلق اثاثہ حبات اور مالیاتی ذمہ داریوں کا تھفیفہ یا منتقلی (کمل ہو گیا)
- کارکردگی نا دکھانے والی لیزز اور متراضوں کے پورٹ فولیو کی وصولیابی
- نئی لیزنگ / مالیاتی کاروبار

ان مذکورہ بالا معاملات پر توجہ دینے کی وجہ سے کمپنی کو مالیاتی اور آپریشنل مسائل پر متاثر پانے میں مدد ملی اور اس کی وجہ سے کمپنی کی مالیاتی صورتحال میں مزید بہتری آئے گی انقظامیہ کے منصوبوں اور اقدامات کے نتائج کو دیکھتے ہوئے انقظامیہ کو یقین ہے کہ اس کا کاروبار جاری رہے گا۔

اظہار شکر

ہم سکیورٹی اینڈ انویسٹمنٹ کمیشن آف پاکستان کی رہنمائی، صارفین کے اعتماد، متراض خواہوں کے تعاون اور حصص یافتگان کے کمپنی کی انقظامیہ پر بھروسہ کرنے پر انتہائی شکر گزار ہیں۔ ہم تمام عملے کے ارکان کے کمپنی کی بہتری کے لیے کی جانے والی سخت محنت اور عزم کے بھی شکر گزار ہیں۔

مختار ویرائے بورڈ آف ڈائریکٹرز

عائشہ شہریار
چیئر پرسن

محمد آصف
چیف ایگزیکٹو آفیسر

لاہور

25 اکتوبر 2021

Condensed Interim Statement of Financial Position (Un-audited)

As at September 30, 2021

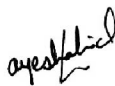
	Note	Un-audited September 2021	Audited June 2021
.....Rupees.....			
ASSETS			
Non-current assets			
Property and equipment			
Operating assets	3	65,153,038	65,798,617
Intangible assets		216,178	233,705
Investment accounted for using equity method		134,774,868	134,774,868
Financial assets at fair value through other comprehensive income		29,027,441	29,434,623
Net investment in finance lease	4	257,323,175	217,620,005
Long term musharakah finances	5	-	-
Long term loans	6	27,084,689	28,747,608
Long term security deposits	7	2,280,225	2,280,225
		515,859,614	478,889,651
Current assets			
Short term musharakah finances	8	42,853,443	42,853,443
Short term finances	9	11,455,000	14,650,000
Ijarah rentals receivables	10	1,301,386	1,301,386
Current portion of non-current assets	11	318,084,322	365,408,448
Advances, deposits, prepayments and other receivables		13,402,047	12,808,349
Financial assets at fair value through profit or loss		18,790,159	16,822,305
Bank balances		91,442,017	9,676,974
		497,328,374	463,520,905
TOTAL ASSETS		1,013,187,988	942,410,556

	Note	Un-audited September 2021	Audited June 2021
	Rupees.....	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
485,000,000 ordinary shares of Rs. 10 each		4,850,000,000	4,850,000,000
Issued, subscribed and paid-up capital		2,848,668,960	2,848,668,960
Loan from directors		126,000,000	126,000,000
Capital reserves			
Capital reserve on amalgamation		(2,022,075,992)	(2,022,075,992)
Statutory reserve		-	-
Revenue reserves			
General reserve		102,976,444	102,976,444
Accumulated loss		(638,459,581)	(694,424,922)
Fair value reserve		21,236,641	21,643,823
		438,346,472	382,788,313
Non-current liabilities			
Loan from sponsor		66,392,473	66,392,473
Security deposits from lessees		81,884,565	73,277,390
Redeemable capital		4,200,000	5,100,000
Liability related to outgoing group		21,870,000	22,680,000
		174,347,038	167,449,863
Current liabilities			
Current portion of non-current liabilities	12	37,504,159	38,374,709
Accrued and other liabilities		147,411,340	142,052,107
Profit / mark up payable		191,085,430	189,752,015
Unclaimed dividend		6,053,456	6,053,456
Provision for taxation - income tax		18,440,093	15,940,093
		400,494,478	392,172,380
TOTAL EQUITY AND LIABILITIES		1,013,187,988	942,410,556
CONTINGENCIES AND COMMITMENT		-	-

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Akmal Ali
Chief Financial officer

Condensed Interim Statement of Profit or Loss (Un-audited)

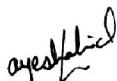
For the quarter ended September 30, 2021

	Un-audited September 2021	Un-audited September 2020
	Rupees.....	
Income		
Income from leasing operations	11,238,327	9,473,266
Operating lease rentals	10,000	163,909
Profit on musharakah investments	39,875,447	-
Income from finances	1,369,052	13,112,069
Income on deposits with banks	665,535	438,928
Income from joint ventures	-	2,000,000
Dividend income	-	-
Net (loss) / gain on sale of marketable securities	957,821	1,399,621
Unrealized (loss) on financial assets at fair value - net	(1,080,128)	-
	53,036,054	26,587,793
Expenses		
Administrative and operating expenses	(5,128,696)	(5,523,414)
Financial charges	(1,335,559)	(4,411,905)
Mark up waived off on settlement of loans	-	1,883,877
	(6,464,255)	(8,051,442)
	46,571,799	18,536,351
Other income	1,038,895	967,490
	47,610,694	19,503,841
Provision reversed / (charged) on non-performing loans and write-offs		
Reversal / (provision) against:		
Finance lease receivable and rentals - net	1,895,102	3,169,985
Long term / short term musharakah finances	8,756,664	75,000
Other receivables	202,881	-
Balances written off:		
Lease receivables	-	-
Other receivables	-	-
	10,854,647	3,244,985
Profit before taxation	58,465,341	22,748,826
Provision for taxation	(2,500,000)	(1,000,000)
Profit / (Loss) for the quarter	55,965,341	21,748,826
Earnings / (loss) per share - Basic and Diluted	0.196	0.076

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Akmal Ali
Chief Financial officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

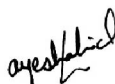
For the quarter ended September 30, 2021

	Un-audited September 2021Rupees.....	Un-audited September 2020
Profit / (Loss) for the quarter	55,965,341	21,748,826
Other comprehensive (loss)		
Items that may not be reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	(407,182)	-
Total comprehensive Income / (loss) for the quarter	<u>55,558,159</u>	<u>21,748,826</u>

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Akmal Ali
Chief Financial officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the quarter ended September 30, 2021

	Un-audited September 2021	Un-audited September 2020
Rupees.....	
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	58,465,341	22,748,826
Adjustments for non cash charges and other items:		
Depreciation of property, plant and equipment	645,581	690,379
Amortization of intangible assets	17,527	25,042
(Reversal) / provision against:		
Finance lease receivable and rentals - net	(1,895,102)	(3,169,985)
Long term / short term musharakah finances	(8,756,664)	(75,000)
Other receivables	(202,881)	-
Balances written off		
Lease receivables	-	-
Other receivables	-	-
(Gain) on disposal of operating assets	-	-
Unrealised loss on financial assets at fair value	1,080,128	-
Income from joint ventures	-	(2,000,000)
Financial charges	1,335,559	4,411,905
Mark up waived off on settlement of loans	-	(1,883,877)
	(7,775,852)	(2,001,536)
Cash flow from operating activities before working capital changes	50,689,489	20,747,290
Changes in working capital		
Decrease / (Increase) in current assets		
Short term finances	3,195,000	100,990,219
Ijarah rentals receivables	-	4,146
Advances, deposits, prepayments and other receivables	5,254,594	(11,652,397)
	8,449,594	89,341,968
Increase in current liabilities		
Accrued and other liabilities	5,359,233	(997,033)
Cash generated from operations	64,498,316	109,092,225
Financial charges paid	(2,144)	(1,331,276)
Income tax paid	(6,656,574)	(436,880)
Net cash generated from operations	57,839,598	107,324,069

b) CASH FLOWS FROM INVESTING ACTIVITIES

(Additions) / deletion in:		
Property and equipment	-	-
Net investment in finance lease	(32,277,050)	4,619,037
Long term musharakah finances	59,418,629	75,000
Long term loans	2,216,848	101,458
Long term security deposits	-	51,000
Financial assets at fair value through profit or loss	(3,047,982)	(5,235,488)
Proceeds from disposal of operating assets	-	-
Net cash (used in) investing activities	26,310,445	(388,993)

c) CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from / (Repayment of) :		
Redeemable capital	(1,575,000)	(11,345,000)
Liability related to outgoing group	(810,000)	(810,000)
Long term musharakah and murabaha borrowings	-	-
Net cash (used in) financing activities	(2,385,000)	(12,155,000)
Net (decrease) / Increase in cash and cash equivalents (a+b+c)	81,765,043	94,780,076
Cash and cash equivalents at the beginning of the year	9,676,974	10,949,517
Cash and cash equivalents at the end of the quarter	91,442,017	105,729,593

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Akmal Ali
Chief Financial officer

Condensed Interim Statement of Changes in Equity (Un-audited)

For the quarter ended September 30, 2021

Issued, subscribed and paid-up capital	Loan from directors	Capital Reserves			Revenue Reserve		Fair value reserve	Total
		Capital reserve on amalgamation	Statutory reserve	Sub total	General reserve	Accumulated loss		

Rupees

Balance as at July 01, 2020 2,848,668,960 126,000,000 (2,022,075,992) - (2,022,075,992) 102,976,444 (778,282,771) 14,163,433 291,450,074

Total comprehensive income for the year

Profit for the period

Other comprehensive income

Items that will not be reclassified subsequently to profit or loss

Changes in the fair value of equity investments at fair value through other comprehensive income

Equity portion of loan to directors

Total comprehensive income for the year Loan from directors

-	-	-	-	-	-	21,748,826	-	21,748,826
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	21,748,826	-	21,748,826

Balance as at September 30, 2020 2,848,668,960 126,000,000 (2,022,075,992) - (2,022,075,992) - (756,533,945) 14,163,433 313,198,900

Balance as at July 01, 2021 2,848,668,960 126,000,000 (2,022,075,992) - (2,022,075,992) 102,976,444 (694,424,922) 21,643,823 382,788,313

Total comprehensive income for the quarter

Profit for the period

Other comprehensive income

Items that may not be reclassified to profit or loss

Changes in the fair value of equity investments at fair value through other comprehensive income

Transferred from Statutory reserve to General reserve

-	-	-	-	-	-	55,965,341	-	55,965,341
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(407,182)	(407,182)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	55,965,341	(407,182)	55,558,159

Balance as at September 30, 2021 2,848,668,960 126,000,000 (2,022,075,992) - (2,022,075,992) 102,976,444 (638,459,581) 21,236,641 438,346,472

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

Muhammad Asif
Chief Executive Officer

Ayesha Shehryar
Chairperson

Akmal Ali
Chief Financial officer

Notes to the Condensed Interim Financial Statements (Un-audited)

For the quarter ended September 30, 2021

1. LEGAL STATUS AND OPERATIONS

- 1.1 Invest Capital Investment Bank Limited ('the Company') is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The Company is engaged in the business of leasing and investment finance activities as a Non-Banking Finance Company (NBFC) and is regulated by the Securities and Exchange Commission of Pakistan (SECP). The Company is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Flat No. 2, First Floor, Plot No. 38-C, 22nd Commercial Street, Phase II Ext., DHA, Karachi in the province of Sindh. The branches of the company are located at Lahore, Islamabad, Peshawar, Faisalabad and Gujranwala.
- 1.2 In 2009, the Company entered in a scheme of arrangement for the amalgamation by way of merger of Al-Zamin Leasing Corporation Limited (AZLCL) and Al-Zamin Leasing Modaraba (AZLM) with and into Invest Capital Investment Bank Limited. All the assets, liabilities and reserves of AZLCL and AZLM were vested with and assumed by the Company. The Honorable High Court of Sindh approved the amalgamation by way of merger through order dated December 08, 2009 effective from June 30, 2009 (close of business).
- 1.3 The Company suffered financial and operational difficulties from 2009 to 2011. These financial and operational difficulties resulted as under:
- the Company suffered huge operating loss till 2011 and as at the statement of financial position date, the accumulated loss is Rs.638.46 million (June 2021: Rs. 694.42 million).
 - the Company has been unable to comply with the terms of certain loan agreements as explained in detail in the relevant notes to the financial statements as at 30th June 2021.
 - the Company has been facing difficulty in recovery of its leases and loans portfolio.

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

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

(a) Substantial reduction in administrative and other expenses

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

(b) Leasing / financing business

The Company is mainly carrying out car leasing business at very attractive rates and reasonable deposit margin. During the first quarter leases and finances amounting to Rs. 78.25 million (June 2021 : Rs. 270.39 million) have been disbursed. Management is hopeful that leasing business will contribute in improving the operating results and equity position of the Company.

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

The Management has settled the outstanding loans with various banks / financial institutions through cash payment / transfer of the Company's lease / loan portfolios and immovable properties / shares / other assets with waiver of mark-up. During the period liabilities amounting to Rs. 0.00 million (June 2021: Rs. 14.07 million) have been settled / rescheduled, the percentage of liabilities settled to date is 99.76% (June 2021: 99.76%). Negotiations are in process for the settlement of the outstanding amount of Rs. 3.71 million against TFCs issued by the company.

(d) Disposal of non-core assets

The management was committed to dispose off non core assets, during the year 2019 the management had disposed off all non-core assets. Disposal of non core assets has resulted in improvement in the liquidity position of the Company.

(e) Improved recovery of leases and loans portfolio

The Company has been putting all its efforts for recovery from leases and loans portfolio.

Net recovery during the quarter is Rs. 148.71 million (June 2021: Rs. 294.74 million). This amount has been utilized in the new leasing business, as well as, in meeting the obligations towards the remaining lenders.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

2.4 Accounting estimates and judgments

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

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

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

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the financial statements are the same as disclosed in the published audited financial statements for the year ended 30th June 2021.

	Un-audited September 2021	Audited June 2021
Rupees.....	
3. PROPERTY, PLANT AND EQUIPMENT		
Operating assets	65,153,038	65,798,617
3.1 Operating assets		
Book value at beginning of the period / year	65,798,617	68,511,387
Additions during the period / year	-	50,000
Disposals during the period / year	-	-
Depreciation charged during the period / year	(645,579)	(2,762,770)
	65,153,038	65,798,617

	Un-audited September 2021	Audited June 2021
Note	Rupees.....	

4. NET INVESTMENT IN FINANCE LEASE

Contracts accounted for as finance lease under IFRS 16	4.1	496,418,982	452,824,044
Less : Current portion		(239,095,807)	(235,204,039)
		<u>257,323,175</u>	<u>217,620,005</u>

4.1 Net investment in finance lease

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

	Un-audited September 2021			Audited June 2021		
	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.....					
Minimum lease payments receivable	819,177,165	199,769,277	1,018,946,442	817,417,277	167,735,908	985,153,185
Residual value of leased assets	18,892,159	81,884,565	100,776,724	15,382,709	73,277,390	88,660,099
Lease contracts receivable	838,069,324	281,653,842	1,119,723,166	832,799,986	241,013,298	1,073,813,284
Unearned lease income (including suspended income)	(168,928,928)	(24,330,667)	(193,259,595)	(165,656,256)	(23,393,293)	(189,049,549)
Provision for potential lease losses	(430,044,589)	-	(430,044,589)	(431,939,691)	-	(431,939,691)
	(598,973,517)	(24,330,667)	(623,304,184)	(597,595,947)	(23,393,293)	(620,989,240)
	<u>239,095,807</u>	<u>257,323,175</u>	<u>496,418,982</u>	<u>235,204,039</u>	<u>217,620,005</u>	<u>452,824,044</u>

4.1.1 These finances carry profit rates ranging from 12.36% to 22.00 % per annum (June 2021 12.36% to 22.00% per annum). These agreements usually are for three to five years period and are generally secured against leased assets, personal / corporate guarantees and promissory notes given by the lessees and other collaterals.

4.1.2 The above net investment in finance lease includes non-performing lease portfolio of Rs. 502.53 million (June 2021: Rs. 532.90 million). Detail of non performing leases is as follows:

	Un-audited September 2021			Audited June 2021		
Category of classification	Principal outstanding	Provision required	Provision held	Principal outstanding	Provision required	Provision held
Rupees.....					
Loss	502,534,666	430,044,589	430,044,589	532,898,132	431,939,691	431,939,691
Total	<u>502,534,666</u>	<u>430,044,589</u>	<u>430,044,589</u>	<u>532,898,132</u>	<u>431,939,691</u>	<u>431,939,691</u>

	Un-audited September 2021	Audited June 2021
Rupees.....	

5. LONG TERM MUSHARAKAH FINANCES

Secured

Considered doubtful

Companies (non-financial institutions)	23,612,346	83,030,975
Individuals	43,223,923	43,223,923

66,836,269 126,254,898

Provision against doubtful balances

(16,037,141) (24,793,805)

50,799,128 101,461,093

Less: Current portion

(50,799,128) (101,461,093)

- -

- 5.1 These represent investments under musharakah basis for working capital and project financing. These are secured against mortgage of properties, demand promissory notes and personal guarantee of their sponsor directors. Profit rates ranges from 16.00% to 30.00% per annum (June 2021: 16.00% to 30.00% per annum). These were receivable in monthly / quarterly / semi-annual installments and in lump sum on maturity.

	Un-audited September 2021	Audited June 2021
NoteRupees.....	

6. LONG TERM LOANS

Secured

Considered good

Customers

6.1 42,626,973 44,823,819

Considered doubtful

Customers

6.1 15,927,720 15,947,722

Outgoing group

6.2 71,954,665 71,954,665

Ex-employee

528,523 528,523

88,410,908 88,430,910

Provision against doubtful balances

(75,763,805) (75,763,805)

12,647,103 12,667,105

55,274,076 57,490,924

Less: Current portion

(28,189,387) (28,743,316)

27,084,689 28,747,608

- 6.1 These carry mark-up at the rate ranging from 11.00% to 25.00% per annum (June 2021: from 11.00% to 25.00% per annum). These are secured against registered charge over different assets of customers, pledge / hypothecation of stocks and collateral in certain cases.

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

	Un-audited September 2021	Audited June 2021
NoteRupees.....	

7. LONG TERM SECURITY DEPOSITS

7.1 2,280,225 2,280,225

- 7.1 These represent deposits for utilities, office premises etc.

	Un-audited September 2021	Audited June 2021
	Rupees	

8. SHORT TERM MUSHARAKAH FINANCES

Secured		
Considered doubtful	99,660,848	99,660,848
Provision against doubtful balances	(56,807,405)	(56,807,405)
	<u>42,853,443</u>	<u>42,853,443</u>

- 8.1 These represent finances disbursed to different companies for working capital purposes for the periods ranging between 92 to 365 days and are secured against mortgaged properties, demand promissory notes and personal guarantee of their sponsor directors. These carry profit at the rates ranging from 10.00% to 34.69% per annum (June 2021 : 10.00% to 34.69% per annum).

	Un-audited September 2021	Audited June 2021
Note	Rupees	

9. SHORT TERM FINANCES

Secured		
Considered good	5,105,000	8,300,000
Considered doubtful	8,132,867	8,132,867
Provision against doubtful balances	(1,782,867)	(1,782,867)
	<u>6,350,000</u>	<u>6,350,000</u>
9.1	<u>11,455,000</u>	<u>14,650,000</u>

- 9.1 These are secured against registered charge over assets of the customers, pledge / hypothecation of stocks and collateral in certain cases. These carry mark-up at the rates ranging from 15.29% to 27.00% per annum (June 2020: 15.29% to 27.00% per annum).

	Un-audited September 2021	Audited June 2021
Note	Rupees	

10. IJARAH RENTALS RECEIVABLE

Ijarah rentals receivable - Due within one year	49,733,721	49,743,721
Less : Provision against Ijarah rentals receivable	(48,432,335)	(48,442,335)
	<u>1,301,386</u>	<u>1,301,386</u>

10.1 Provision against Ijarah rentals receivable

	Un-audited September 2021			Audited June 2021		
Category of classification	Rental receivable	Suspension required	Suspension held	Rental receivable	Suspension required	Suspension held
	Rupees					
Loss	48,432,335	48,432,335	48,432,335	48,442,335	48,442,335	48,442,335

		Un-audited September 2021	Audited June 2021
Note		Rupees	

11. CURRENT PORTION OF NON-CURRENT ASSETS

Net investment in finance lease	4	239,095,807	235,204,039
Long term musharakah finances	5	50,799,128	101,461,093
Long term loans	6	28,189,387	28,743,316
		<u>318,084,322</u>	<u>365,408,448</u>

12. CURRENT PORTION OF NON-CURRENT LIABILITIES

Security deposit from lessees	18,892,159	15,382,709
Liability related to outgoing group	3,240,000	3,240,000
Deferred liability	9,747,000	9,747,000
Redeemable capital	5,625,000	10,005,000
	<u>37,504,159</u>	<u>38,374,709</u>

13. RELATED PARTY TRANSACTIONS

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

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

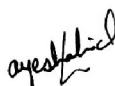
Name of the related party	Relationship and percentage shareholding	Transaction during the period and period end balances	Sep-21	Sep-20
			Rupees	Rupees
Mr. Muhammad Zahid	Major shareholder 18.96% (June 2021 : 18.96%)	Mark up / interest on long term loan from sponsor	1,333,415	3,274,040
		Mark up / interest on short term loan from sponsor	-	880,183
Key Management	Employees	Amount paid during the quarter	1,902,900	1,957,549
Invest Capital Investment Bank Limited Staff Provident Fund	Provident fund	Contribution made during the quarter	146,547	129,126

14. DATE OF AUTHORIZATION FOR ISSUE

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Akmal Ali
Chief Financial officer

Company Information

Board of Directors

Mrs. Ayesha Shehryar	-Chairperson
Mr. Muhammad Asif	-Chief Executive
Mr. Muhammad Gasim	-Executive Director
Mrs. Fiza Zahid	-Director
Mr. Shahab Ud Din Khan	-Director
Mr. Ashar Saeed	-Director
Mr. Zahir Qamar	-Director

Audit Committee

Mr. Ashar Saeed	-Chairman
Mrs. Fiza Zahid	-Member
Mr. Zahir Qamar	-Member

Human Resource Committee

Mr. Muhammad Gasim	-Chairman
Mr. Muhammad Asif	-Member
Mr. Zahir Qamar	-Member

Company Secretary

Mr. M. Naim Ashraf

Auditors

RSM Avasi Hyder Liaquat Nauman
Chartered Accountants

Legal Advisors

Ahmad & Qazi

Share Registrar

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

Bankers

Habib Metropolitan Bank Limited
Meezan Bank Limited
JS Bank Limited

Registered Office

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

Head Office

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

National Tax Number

0656427-5

Our Network

Registered Office - Karachi

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

Tel: 021-35894022

Website: www.icibl.com

Head Office - Lahore

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

Tel: 042-35777285 & 86

Islamabad

Office No. 02, Ground Floor,
Rahim Plaza,
Main Muree Road, Saddar,
Rawalpindi Cantt.

Tel: 0301-8651067

Peshawar

C/o Centre Gas (Pvt.) Limited,
Chughal Pura, G.T Road,
Peshawar.

Tel: 091-2262966 & 2262866

Faisalabad

20-Bilal Road, Civil Lines,
Faisalabad.

Tel: 041- 2409221

Gujranwala

50-H, Trust Plaza, G.T Road,
Gujranwala.

Tel: 055-3730308, 3730300








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