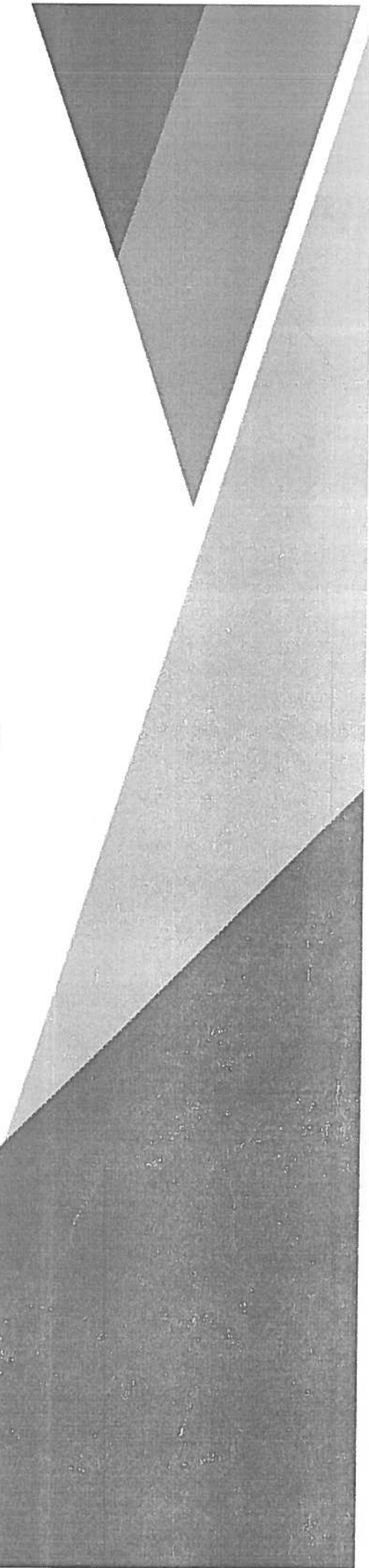


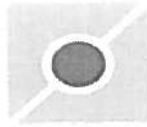


Security Leasing
Corporation Limited

ANNUAL REPORT 2024

SECURITY LEASING
CORPORATION LIMITED

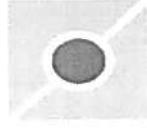




**Security Leasing
Corporation Limited**

Table of Contents

Contents	Page #
Mission & Vision	02
Business Strategy	03
Company Information	04
Notice of Annual General Meeting	06
Director's Review	08
Code of Conduct	12
Six year Financial Summary	14
Statement of value added	15
Statement of compliance with code of corporate governance	16
Pattern of share holding-Ordinary share capital	19
Pattern of share holding- Preference share capital	20
Review report to the members on statement of compliance	21
Auditor's Report to the member	23
Statement of Financial Position	27
Statement of Profit and Loss	28
Statement of Comprehensive Income	29



**Security Leasing
Corporation Limited**

Contents	Page #
Cash Flow Statement	30
Statement of Change in Equity	31
Condensed notes to the Financial Statement	32
Form of proxy- English	55
Form of proxy- Urdu	56
Notice of Annual general meeting- Urdu	57
Report of the Director - Urdu	61

Mission

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

SLCL intends to achieve its mission by:

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

Vision

SLCL has an infrastructure which can cater to substantial business as such SLCL is well poised to avail opportunities which will be available due to an upsurge in the economy.

The future of the leasing sector is linked to the macro-economic performance of the country's economy. New projects and Investment in Balancing, Modernization & Replacement (BMR) tender more opportunities to generate more business for the leasing sector.

Business Strategy

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

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

1. Enhancing value for its shareholders and lenders

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

2. Providing efficient and professional services to its customers

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

3. Developing an efficient and professionally trained human resource

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

Company Information

BOARD OF DIRECTORS

Mr. Zahid Hussain

Chairman

Mr. M.Yaqoob

Chief Executive Officer

Mr. Peer Bakhsh Soomro

Executive Director

Ms. Lubna Arshad

Mr. Nauman Hashmi

Mr. Mujtaba Abbasi

Note: Approval of the above Directors from SECP is awaited

COMPANY SECRETARY

Muhammad Farooq

EXTERNAL AUDITORS

UHY Hassan Naeem & Co.
Chartered Accountants

LEGAL ADVISORS

Abdul Karim Khan & Co.
Advocates, Legal & Corporate Consultants

TAX CONSULTANTS

UHY Hassan Naeem & Co.
Chartered Accountants

Company Information

REGISTERED & HEAD OFFICE

Block 'B', 5th Floor, Lakson Square No. 3, Sarwar Shaheed Road, Karachi 74200

Tel: 35672649-35660308

Web: www.seclease.com e-mail: slcl@seclease.com

BRANCH

Lahore - North Region

D-802, 8th Floor, City Towers,

6-K, Main Boulevard, Gulberg-II, Lahore-54600.

Phone: 042 - 35788660-62 Fax: 042 - 35788659

SHARE REGISTRAR

F. D. Registrar Services (SMC-Pvt) Ltd.

Office # 1705, 17th Floor, Saima Trade Tower-A,

I.I. Chundrigar Road, Karachi-74000.

Tel: 92-21-35478192-93 / 32271906

Fax: 92-21-32621233 E-mail: fdregistrar@yahoo.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of the members of Security Leasing Corporation Limited will be held on Thursday, 24th October, 2024 at 10:30 a.m. at the registered office of the Company situated at Block B, 5th Floor, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi 74200, to transact the following business:

Ordinary Business:

1. To confirm the minutes of the 30th Annual General Meeting of the Company held on October 27, 2023.
2. To receive, consider and adopt the audited accounts for the year ended June 30, 2024 and the reports of the Directors and the auditors thereon.
3. To appoint auditors and fix their remuneration for the year ending June 30, 2025.
4. To transact any other business with the permission of the Chair.

By order of the Board

Muhammad Farooq



Company Secretary

Karachi: October 01, 2024

Notes:

1. The Share Transfer Books of the Company shall remain closed from October 17, 2024 to October 24, 2024 (both days inclusive). Transfers received in order at the office of our Shares Registrar M/s F.D. Registrar Services (SMC-Pvt.) Ltd., Office # 1705, 17th Floor, Saima Trade Tower, I. I. Chundrigar Road, Karachi – 74000, by the close of the business on October 16, 2024 will be treated in time for the purpose of attending the meeting.
2. A Member entitled to be present and vote at the meeting may appoint another Member as proxy to attend, speak and vote instead of him.
3. The instrument appointing a proxy, duly stamped and signed, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the power of attorney or authority must be deposited Registered Office of the Company, B-

501, 5th Floor, Lakson Square # 3, Sarwar Shaheed Road, Karachi not later than 48 hours before the time of the meeting. A form of proxy is enclosed.

4. Shareholders are requested to notify any change of address immediately to the Share Registrars M/s F.D. Registrar Services (SMC-Pvt.) Ltd., Office # 1705, 17th Floor, Saima Trade Tower, I. I. Chundrigar Road, Karachi – 74000.

5. The CDC account holders will have to follow the under mentioned guidelines as laid down by the Securities & Exchange Commission of Pakistan:

A. For attending the meeting:

(i) In case of individuals, the account holders or sub-account holders and / or the persons whose shares are in group accounts and their registration details are uploaded as per CDC Regulations shall authenticate their identity by showing their original Computerized National Identity Cards (CNICs) or original passports at the time of attending the meeting.

(ii) In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For appointing proxies:

(i) In case of individuals, the account holders or sub-account holders and / or persons whose shares are in group accounts and their registration details are uploaded as per CDC Regulations, shall submit the proxy forms accordingly.

(ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

(iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy forms.

(iv) The proxy shall produce their original CNIC or original passport at the time of the meeting.

(v) In case of corporate entities, the Board of Directors resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

REPORT OF THE DIRECTORS

Your directors are pleased to present the Annual Report of the company including Financial Statement and the Audit Report for the year ended June 30, 2024.

OVERVIEW OF COUNTRY'S ECONOMY

In 2023-2024, Pakistan's economic condition remains challenging, marked by high inflation, a depreciating currency, and significant external debt. The country faces a balance of payments crisis, with foreign reserves at critical levels, leading to reliance on IMF programs. Political instability has further strained economic recovery. However, the government is attempting reforms to stabilize the economy, improve fiscal discipline, and boost exports. Growth remains slow, and inflation is a pressing concern for the population.

COMPANY'S OVERVIEW

The following is a summary of the company's attainments during the year under review in the matter of creditors', indebtedness, its equity and profitability etc.

	<u>30 June 2024</u> Rs.	<u>30 June 2023</u> Rs.
• Equity	45,891,833	29,920,927
• Profitability	15,970,906	(21,039,587)
• Company's indebtedness to Institutional creditors	366,742,123	383,178,998

The Board of Directors observed that during the year 2023-24 the country is facing serious challenges on account of numerous factors such as current political situation and inflation which negatively effects on businesses with regard to profitability, liquidity and the time that the business sector would require to recover from its multiple negative effects therefore the overall impact of the above factors on the Company's financial position and its financial performance cannot be predicted at this stage with reasonable certainty

The Board of Directors is working on different aspects to revive the company through fresh investment or merger and very hopeful that in coming year will reach some suitable arrangement in favour of the company.

The financial results of the Company are summarized below:

	2024 Rupees	2023 Rupees
Profit\ (Loss) after tax	<u>15,970,906</u>	<u>(21,039,587)</u>
Profit per share - Basic & diluted	0.44	(0.58)
Appropriations:		

Transfer to statutory reserves

-

-

SHARE CAPITAL & LICENSING

As indicated above against the minimum equity of Rs.50 million prescribed by the Securities & Exchange Commission of Pakistan (SECP) the company's equity as of 30th June 2024 stood at Rs.45.891 million.

CORPORATE SOCIAL RESPONSIBILITY

In the past, our company has proudly demonstrated its commitment to being a responsible corporate citizen by actively participating in various social causes, both directly and indirectly. Whether during earthquakes, floods, or other natural disasters, the company, along with the voluntary efforts of its staff, has provided support to those in need and the underprivileged through both financial assistance and donations of goods.

BUSINESS ETHICS

The Code of conduct of the Company provides a clear guiding framework for the Directors as well as the employees to operate in the environment of integrity, honesty and dedication towards the common goal of achieving positive results for the Company and its various stakeholders.

DIRECTORS' DECLARATION

The Directors have implemented the revised Code of Corporate Governance and are pleased to report as under:

- The financial statements of the company prepared by the management presents fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards as applicable in Pakistan have been followed in the preparation of financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- Key operating and financial data for the last six years in summarized form is given as annexure to this report.
- No trading in shares of the Company was carried out by the Directors, Executives and their spouses and minor children during the year.
- During the year eight meetings of the Board of Directors and four meetings of the Audit Committee were held. The detail of attendance of each member of the Board is given below:

Board of Directors' Meetings

Name of Directors	Meetings Attended	Name of Directors	Meetings Attended
Muhammad Riaz Khokhar	7	Mujtaba Abbasi	8
Ambreen Israr	3	M.Yaqoob	2
Peer Baksh Soomro	8	Noman Hashmi	2
Malik Zahid Hussain	8		

Audit Committee Meetings

Name of Directors	Meetings Attended	Name of Directors	Meetings Attended
Muhammad Riaz Khokhar	4	Mujtaba Abbasi	2
Ambreen Israr	2	Farah Azeem	4
Peer Baksh Soomro	3		
Malik Zahid Hussain	2		

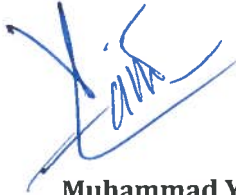
PATTERN OF SHAREHOLDING

The pattern of shareholding as at June 30, 2024 is attached as annexure to this report.

ACKNOWLEDGEMENT

The Board expresses its gratitude to the investors, lenders and the regulatory authorities for their understanding and continuous support to the company in these challenging times and for their assistance in enabling it to meet the regulatory requirements. The Board also places on record its deep appreciation of the efforts put in and dedication shown by all personnel of the company which enabled it to conduct its operations in a very difficult environment during the year.

For and on behalf of the Board of Directors



Muhammad Yaqoob
Chief Executive Officer

September 30, 2024

Code of Conduct

The Code of Conduct of Security Leasing Corporation Limited (SLC) reflects our standard for proper behavior and corporate values. It is a fundamental policy of the Company to conduct its business with honesty, integrity and in accordance with the highest professional, ethical and legal standards. This Code of Conduct applies to all the people relating to SLC including Directors, Officers and Employees.

The Code fosters the culture that each member of the Board and staff is responsible to reflect integrity and leadership with the provisions of the Mission, Vision, Company policies and all applicable statutory guidelines for the Company.

It encourages the employees to work proficiently with due diligence in following the internal policies of the Company for dealing with each other, customers and all third parties related directly or indirectly with the Company.

The Salient features of the Code are explained below:

1. Conflict of Interest

Each Director and employee should exercise its judgment in order to avoid association with any other activity, person or company that conflicts with or appear to conflict with the best interests of the Company. Any situation which may involve a conflict of interest or reasonably expected to involve such conflict should be disclosed promptly.

2. Protection of the Proprietary information

All the trade secrets, other proprietary information and business data of the Company are valuable assets. All the Directors and employees who are entrusted with such information are responsible to properly safeguard and do not disclose such information, data and knowledge to any person except such information which is made public in compliance with statutory requirement by the Company or is given proper authority in writing to disclose such information for any specific purpose.

3. Honesty, integrity and ethical standards

All Directors and employees must act honestly, fairly and exhibit highest level of integrity and ethical standards in dealing with all the stakeholders of the Company. Employees must deal ethically with all the customers, suppliers and other parties with fair consideration and without any personal favour. During the course of any business interaction, the employees should ensure that SLC name, integrity and reputation should not be damaged if such interaction becomes public in any manner.

4. Political contribution

No funds or assets of the Company may be contributed to any political party or organization or any person who holds an office of public importance.

5. Bribes

No amount may be paid or received in cash or in kind on account of bribes or for any such matter which helps in influencing any decision relating to the Company interests or compromise independent judgment to government staff or customer.

Code of Conduct

6. Compliance with laws and regulations

All Directors and employees must ensure to comply with all the laws, guidelines, regulations and directives as issued by Securities & Exchange Commission of Pakistan, Stock Exchanges and other bodies relating to the Company.

7. Charity and voluntary work

The Company encourages the culture of mutual help, assistance, charity and voluntary work in time of need of any person or community. All Directors and employees are encouraged to participate in such activities of national calamity like floods, earthquake or other social work.

8. Communication and disclosure

The Directors should take steps to ensure that employees are encouraged to communicate with their seniors or any other appropriate person in regard to ethical practices or when in doubt about a course of action in any particular situation. Employees must be encouraged to report violation of rules, regulations, laws or internal policies of the Company without any fear of retaliation or retribution.

9. Family connections and employment of relatives

Any dealing with any customer or third party or organization where the employee has a direct or indirect or family connection must be promptly disclosed to the Company.

10. General Discipline

No assets of the Company or belongings of the employees should be used without specific permission. All employees must adhere to the Services' Rules of the Company.

Six Years Financial Summary

	2024	2023	2022	2021	2020	2019
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
BALANCE SHEET						
Ordinary share capital outstanding	363,000	363,000	363,000	363,000	363,000	363,000
Preference share capital outstanding	75,028	75,028	75,028	75,028	75,028	75,028
Shareholders' Fund	438,028	438,028	438,028	438,028	438,028	438,028
Reserves	-413,134	-429,105	-408,066	-399,317	-385,933	-341,854
Unrealised loss on Investment					-	
Networth	24,893	8,922	29,962	38,711	52,094	96,174
Surplus on revaluation of Fixed Assets	20,998	20,998	20,998	20,998	20,998	20,998
Certificates of Investment						
Borrowings from Financial & Other Institutions	366,742	383,179	383,179	381,849	374,307	360,956
Lease/Musharika disbursements						
Net Investment in Leases	92,590	97,060	166,350	170,861	170,861	197,403
Long Term Finances						
Fixed Assets	51,166	53,789	56,413	59,038	61,661	64,296
Total Current Assets	155,538	162,879	229,229	233,042	232,002	257,653
Total Assets	541,605	551,485	620,459	626,896	628,490	656,775
Total Current Liabilities	495,713	521,564	569,498	567,186	537,389	483,892
Total Liabilities	495,713	521,564	569,498	567,186	555,397	539,603
Total Assets to Networth (times)	21.76	61.81	20.71	16.19	12.06	6.83
PROFIT & LOSS						
Total Income	18,000	15,561	10,037	7,848	7,922	9,535
Net Of Gain on De-recognition and unwinding of Financial Liabilities	14,793				-	-
Financial & Other Charges	3.89	4.37	1,010	1,119	1,222	1,298
Admin & Operating Expenses	14,323	16,565	11,096	11,780	11,101	15,009
Provisions & Other Charges	-	19,837	4,510	-	26,542	
Total Expenses	14,323	36,406	16,616	12,900	38,866	16,307
(Loss)/Profit Before Tax	19,242	-20,845	-7,895	-12,476	-44,079	-24,866
(Loss)/Profit After Tax	15,970	-21,040	-8,748	-13,383	-44,079	-27,613
Break-up Value (PKR)	1.05	0.68	1.16	1.67	1.67	2.67
KEY RATIOS						
Profit per share - PKR - less preferred dividend	0.42	(0.58)	(0.24)	(0.37)	(1.21)	(0.76)
Revenue per share - PKR -	0.41	0.36	0.23	0.18	0.18	0.22
Profit before Unwinding of Financial Liabilities, provisions and tax ratio	20.41%	-6.48%	-20.61%	-64.36%	-55.55%	-71.02%
Loss /Profit before Tax ratio	107%	-134%	-79%	-159%	-556%	-261%
Income/ Expense ratio (times)	1.26	0.43	0.60	0.61	0.20	0.58
Current ratio (times)	0.31	0.31	0.40	0.41	0.43	0.53
Long term Debt equity ratio (times)	0.00	0.00	0.00	0.00	0.35	0.58
Return on average equity	94.45%	-108.22%	-25.48%	-29.48%	-59.46%	-25.26%
Return on average assets	2.92%	-3.59%	-1.40%	-2.13%	-6.86%	-4.11%
Total assets turnover ratio (times)	30.09	35.44	61.82	79.88	79.33	68.88

Statement of Value Added

	2024	2023
Revenues from leasing operations	18,001,205	15,561,121
Other income	14,793,187	-
Gain on de-recognition of financial liabilities	-	-
Unwinding of financial liability	32,794,392	15,561,121
Direct cost of leases and others	-5,905,751	-5,806,535
Impairment on Investment	-	-
Value added	<u>26,888,641</u>	<u>9,754,586</u>
Distributed as follows		
To Employees As remuneration	5,790,718	8,134,865
To Government As income tax	-	194,191
To Provider of Finance Financial charges	3,899	4,337
To Depositors As profit on investments	-	-
To Shareholders Dividends	-	-
Retained in business As reserves and retained profits	-	-



**Security Leasing
Corporation Limited**

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2019
For the Year Ended June 30, 2024

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

1. The total number of directors are Six (7) as per the following:
Male: Four (6)
Female: Two (1)
2. The composition of the Board of Director is as follows:

Independent Directors /Non Executive	Mr. Malik Zahid Hussain Mr. Noman Hashmi Mr. Mujtaba Abbasi Ms. Lubna Arshad Mr. Riaz Khokhar
Executive Directors	Mr. Peer Baksh Soomro Mr..M.Yaqoob

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company, along with its supporting policies and procedures
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their dates of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised, and decisions on relevant matters have been taken by the Board / Shareholders, as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedure for remuneration of the directors in accordance with the Act and these Regulations;
9. The Board has not arranged Directors' Training Program.
10. The board has approved appointment of CFO, Company Secretary .The Company has designated one of its employees as a Secretary to Audit Committee to act as Coordinator between the firm providing internal audit services and the Audit Committee of the Board of Directors
11. Chief Financial Officer and Chief Executive Officer duly endorsed the Financial Statements before approval of the Board;
12. The board has formed following committee comprising of members given below.

Audit Committee	Mr Noman Hashmi Mr.Mujtaba Abbasi Ms..Lubna Arshad
-----------------	--

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committees were as follows:
 - a) Audit Committee – Once in a quarter
 - b) Human Resource, Once in a year
15. The board has set up an effective internal audit function/ or has outsourced the internal audit function to Bilal and Company (Chartered Accountants) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company
16. The Statutory Auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by 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 requirements of regulations 3, 6, 7, 8, 27, 32, 33, and 36 of the Regulations have been complied with.



M. Yaqoob
Chief Executive Officer



Malik Zahid Hussain
Chairman Board of Directors

**Security Leasing Corporation Limited -
Pattern of Share Holding of Ordinary Shares As On June 30, 2024**

Share Holding			Number of Share Holders	Total Shares Held
From	To			
86	1	-	100	1,233.00
88	101	-	500	33,676.00
46	501	-	1000	42,332.00
111	1001	-	5000	285,344.00
26	5001	-	10000	205,440.00
5	10001	-	15000	60,001.00
6	15001	-	20000	112,500.00
5	20001	-	25000	116,900.00
5	25001	-	30000	137,000.00
1	30001	-	35000	34,500.00
2	40001	-	45000	82,009.00
4	45001	-	50000	191,500.00
2	50001	-	55000	106,000.00
1	65001	-	70000	69,526.00
1	70001	-	75000	73,000.00
1	85001	-	90000	86,000.00
1	100001	-	105000	100,720.00
2	115001	-	120000	238,400.00
1	120001	-	125000	122,500.00
1	165001	-	170000	166,500.00
1	265001	-	270000	269,000.00
1	300001	-	305000	303,500.00
1	405001	-	410000	409,000.00
1	455001	-	460000	455,565.00
1	850001	-	855000	852,500.00
1	905001	-	910000	906,500.00
1	1620001	-	1625000	1,620,500.00
1	3170001	-	3175000	3,174,435.00
1	10280001	-	10285000	10,285,000.00
1	15755001	-	15760000	15,758,919.00
405				36,300,000.00

<u>Categories of Shareholders</u>	<u>Number</u>	<u>Shares Held</u>	<u>Percentage</u>
Individuals	384	22,037,701	60.71
Modaraba and Mutual Funds	2	71,314	0.20
Insurance Companies	1	455,565	1.26
Joint Stock Companies	11	3,407,386	9.39
Investment Companies	3	10,285,406	28.33
Financial Institutions	1	251	0.00
Others	3	42,377	0.12
	405	36,300,000	100.00

<u>Note 1 : Directors, CEO their Spouse and Minor Children</u>	<u>No of Shares</u>	<u>%</u>
M.R. Khan - Chairman	500	0.00
Ms. Asma Rasheed Rafiqui	350	0.00
Mr. Azim Azfar	500	0.00
Mr. Muhammad Ramzan Behrani	500	0.00
Mr. Muhammad Riaz Khokhar	500	0.00
Mr. Ghulam Raza	500	0.00
Mr. Muhammad Sharif Khawaja Mehta	500	0.00
Mr. Javed Haleem	500	0.00
	3,850	0.01

<u>Note 2 : Shareholders holding Ten percent or more voting interest in the Company</u>		
Syed Muhammad Walid Shafiqullah	15,758,919	43.41
Merrill, Lynch, Pierce, Fenner, Smith, Inc. Usa	10,285,000	28.33

Note 3 : Chief financial officer (CFO) & Company Secretary does not hold any shares.

Security Leasing Corporation Limited
Pattern of Share Holding of Preference Shares As On June 30, 2024

Share Holding		Number of Share Holders	Total Shares Held	Percentage of Issued Capital
From	To			
1	100	3	13	0.00
101	500	2	748	0.01
501	1,000	4	2,874	0.04
1,001	5,000	2	4,200	0.06
95,000	100,000	1	99,001	1.32
495,001	500,000	1	500,000	6.66
1,000,001	1,005,000	1	1,001,489	13.35
2,445,001	2,450,000	1	2,449,200	32.64
3,445,001	3,450,000	1	3,445,250	45.92
		16	7,502,775	100.00

<u>Categories of Shareholders</u>	<u>Number</u>	<u>Shares Held</u>	<u>Percentage</u>
Individuals	10	7,273	0.10
Mutual Funds	2	4,446,739	59.27
Joint Stock Companies	2	2,449,762	32.65
Financial Institutions	1	500,000	6.66
Provident Fund	1	99,001	1.32
	16	7,502,775	100.00

Note 1 : None of Directors, CEO their Spouse and Minor Children held any preference Shares.

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of M/s. Security Leasing Corporation Limited

Review report on the statement of compliance contained in the 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 (here-in-after referred to as 'the Regulations'), prepared by the Board of Directors of **Security Leasing Corporation Limited** (the Company) for the year ended 30 June 2024 in accordance with the requirements of the Regulation 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

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

As a part of our audit of 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. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024.

10	As per regulation #24 of Listed Companies (Code of corporate Governance) Regulation 2019, the same person shall not simultaneously hold the office of company secretary and Chief Financial Officer. However as noted in clause 10 of the statement of compliance, currently these position are held by the same person (i.e. Mr. Muhammad Musharaf).
15	As per regulation #31 of Listed Companies (Code of corporate Governance) Regulation 2019, there shall be internal audit function in every company. However company is non-compliant in this regard.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the statement of Compliance:

Reference#	Description
9	<p>As per 19(1) of code of corporate governance, It is encouraged that:</p> <p>by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it. However, company is non-compliant for other than majority of directors who are seasoned professional.</p>
	<p>As per regulation 10(1), subject to the requirements of section 183 and 204 of the Act, the Board is responsible for adoption of corporate governance practices by the company and monitoring effectiveness of such practices and the members of the Board shall ensure high ethical standards in performing their responsibilities.</p> <p>However, the company is in non-compliance with certain requirements of other than regulation 3,6, 7,8,27,32,33,36 of the Regulation and explanation is given.</p>

UHY Hassan Naeem & Co.

KARACHI

DATE: October 3, 2024

UDIN: CR20241031186fZrFN9e

INDEPENDENT AUDITOR'S REPORT

To the members of SECURITY LEASING CORPORATION LIMITED

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Security Leasing Corporation Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse opinion section, the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017, in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive Income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

- i. As disclosed in the note 13 to the financial statements, the company has recorded deferred tax asset amounting to Rs. 334 million (2022: Rs. 334 million) based on future plans which projects that future taxable profits would be available against which such deferred tax asset could be utilized. However, in our opinion there is no sufficient appropriate audit evidence that the managements plans are feasible and ultimate outcome will improve the company's situation as discussed in below paragraph of material uncertainty relating to going concern, therefore sufficient future profits will not be available against which deferred tax asset could be utilized. In our view deferred tax asset should be derecognized. Had the deferred tax asset been derecognized, deferred tax asset, equity would have been lower by Rs. 334 million whereas profit for the year would have been decreased by Rs. 334 million.

Further there is no movement in amount of deferred tax assets reported in financial statements of the company since 2018 and we could not be able to verify the amount of deferred tax debits from supporting documents.

- ii. As disclosed in the note of 16 to the financial statements, the company has defaulted in making repayment of long-term borrowings from various financial institutions. The lenders filed various litigations against the company for recovery of principal and markup/cost of fund. The company has also not recorded markup/cost of fund against these financial facilities. We were unable to quantify the amount of cost of fund that should have been recorded in financial statements for the year ended 30 June 2024.

- iii. The company has recorded short term loan receivable amounting to Rs. 54 million due from First Pakistan Security Limited. As per time-based criteria mentioned in Schedule X of the NBFC prudential regulation, the receivable required to be fully provided. Although the management has initiated a suit for the recovery of the said amount however we are unable to satisfy ourself on the recoverability of the said amount because of the absence of sufficient and appropriate audit evidence, hence on the adequacy of the provision is required. Had the provision been made, the short-term loan and equity have been decreased and profit for the year would have been increased by Rs. 54 million.
- iv. As described in Note 1.1 to the financial statements the company has prepared financial statements on going concern basis. However, the company's losses have been accumulated to Rs. 595.000 million as at June 30, 2024 (2023: 610.97 million). Further the operating cash flows of the company are also negative since 2012 and the company was unable to meet its financial obligations. These circumstances and cancellation of business license since 2018, of company indicate that material uncertainty relating to going concern exists that casts significant doubt on company's ability to continue as going concern and therefore company may be unable to realize its assets and discharge its liabilities in the normal course of business.

These conditions lead us to believe that the going concern assumption used in preparation of these financial statements is inappropriate, consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan ("the 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 adverse opinion.

Key Audit Matter

Except for the matters described in the basis for the adverse opinion section, we have determined that there are no other key matters to communicate in our report.

Other Information:

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

However, 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 requirement 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 operation, 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.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 entity'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 Entity'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 Entity 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 owner of the entity 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 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 statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- 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 **Arslan Ahmed**.

UHY Hassan Naeem & Co.

KARACHI


DATE: October 3, 2024

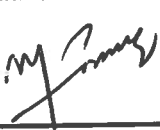
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SECURITY LEASING CORPORATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

ASSETS		2024	2023
Current assets	Note	-----Rupees-----	
Cash and bank balances	5	696,939	2,064,959
Short term investments	6	-	-
Short term loan	7	54,000,000	54,000,000
Prepayments and other receivables	8	899,795	878,975
Taxation-net		7,351,594	8,875,036
Current maturity of non-current assets	9	92,590,062	97,060,062
Total current assets		155,538,390	162,879,032
Non-current assets			
Net investment in finance leases	10	-	-
Long-term deposits		494,500	494,500
Property and equipment - Restated	11	84,953	-
Investment property	12	51,165,494	53,789,753
Deferred tax asset	13	334,321,869	334,321,869
Total non-current assets		386,066,816	388,606,122
Total assets		541,605,206	551,485,154
LIABILITIES			
Current liabilities			
Accrued and other liabilities	14	34,397,041	39,341,020
Unclaimed dividend		638,283	638,283
Current maturity of non-current liabilities	15	460,678,049	481,584,924
Total current liabilities		495,713,373	521,564,227
Non-current liabilities			
Long-term finances	16	-	-
Long-term deposits	17	-	-
Total non-current liabilities		-	-
Total liabilities		495,713,373	521,564,227
NET ASSETS		45,891,833	29,920,927
REPRESENTED BY SHAREHOLDERS' EQUITY			
Share capital and reserve			
Issued, subscribed and paid-up share capital	18	438,027,750	438,027,750
Reserves	19	(413,134,388)	(429,105,294)
		24,893,362	8,922,456
Surplus on revaluation of fixed assets	20	20,998,471	20,998,471
Total shareholders' equity		45,891,833	29,920,927
CONTINGENCIES AND COMMITMENTS	21	-	-

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


CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER


CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
-----Rupees-----			
Revenue from contracts with customers			
- Operating leases	22	14,789,084	13,116,066
- Recoveries and settlement gains against finance lease		775,000	-
		<u>15,564,084</u>	<u>13,116,066</u>
 Administrative and selling expenses	23	<u>(14,323,438)</u>	<u>(16,565,311)</u>
		1,240,646	(3,449,245)
 Provision & Write-offs		-	(19,836,909)
Operating Profit		<u>1,240,646</u>	<u>(23,286,154)</u>
			-
Other operating income	22.1	18,005,308	2,445,055
Finance costs	24	(3,899)	(4,337)
		<u>19,242,055</u>	<u>(20,845,436)</u>
Profit/(loss) before income tax, minimum tax differential and final tax			
Final taxes - levy		-	-
Minimum tax - levy		(3,271,149)	-
		<u>(3,271,149)</u>	
Profit/(loss) before income tax		<u>15,970,906</u>	<u>(20,845,436)</u>
Current tax expense	27		(194,151)
		-	(194,151)
Profit / (Loss) for the year		<u><u>15,970,906</u></u>	<u><u>(21,039,587)</u></u>
Profit / (Loss) per share	28	<u><u>0.44</u></u>	<u><u>(0.58)</u></u>

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


 CHIEF EXECUTIVE OFFICER


 CHIEF FINANCIAL OFFICER


 CHAIRMAN

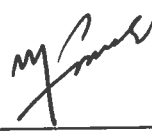
SECURITY LEASING CORPORATION LIMITED
 STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	-----Rupees-----	
Profit / (Loss) for the year	15,970,906	(21,039,587)
Other comprehensive income		
Other comprehensive income for the year	-	-
Total Comprehensive (loss) for the year	<u>15,970,906</u>	<u>(21,039,587)</u>

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



 CHIEF EXECUTIVE OFFICER



 CHIEF FINANCIAL OFFICER



 CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	19,242,055	(20,845,447)
Depreciation	2,626,969	2,623,922
Gain on disposal of property and equipment	(91,669)	(7,986)
Finance costs	3,899	4,337
Gain on de-recognition of financial liabilities	(14,793,187)	-
Provision for potential lease and other losses	-	19,836,909
	(12,253,988)	22,457,182
Operating (loss) before working capital changes	6,988,067	1,611,735
Working capital changes		
Increase in advances, prepayments and other receivables	(20,816)	29,188
Net Investment in Lease	-	49,453,481
Decrease in accrued and other liabilities	(4,943,979)	(47,933,936)
	(4,964,795)	1,548,733
Cash from operations after working capital changes	2,023,272	3,160,468
Financial charges paid	(3,899)	(4,337)
Taxes paid	(1,747,707)	(1,431,283)
	(1,751,606)	(1,435,620)
Net cash generated from / (used in) operating activities	271,666	1,724,848
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property and equipment(net)	92,000	7,997
Purchase of fixed asset	(88,000)	-
Net cash generated from investing activities	4,000	7,997
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term finances	(1,643,686)	-
Net cash (used in) financing activities	(1,643,686)	-
Net Increase / (decrease) in cash and cash equivalents	(1,368,020)	1,732,845
Cash and cash equivalents at beginning of the year	2,064,959	332,114
Cash and cash equivalents at end of the year	696,939	2,064,959



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED JUNE 30, 2024

	Share capital	Capital Statutory reserve	Unappropriated profit/ (loss)	surplus on revaluation of Fixed assets	Total
	----- Rupees -----				
Balance as at June 30, 2022	438,027,750	181,867,005	(589,932,712)	20,998,471	50,960,514
Loss for the year			(21,039,587)		(21,039,587)
Balance as at June 30, 2023	438,027,750	181,867,005	(610,972,299)	20,998,471	29,920,927
Profit for the year			15,970,906		15,970,906
Balance as at June 30, 2024	438,027,750	181,867,005	(595,001,393)	20,998,471	45,891,833



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Security Leasing Corporation Limited ("the Company") was incorporated in Pakistan on December 6, 1993 as a public limited company under the repealed Companies Ordinance 1984 (now the Companies Act, 2017) and commenced its operations on May 21, 1995. The company is listed on Pakistan Stock Exchange Limited and is licensed to carryout Investment Finance Services as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP).

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

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

The company's licence to carry out leasing business has been suspended and later cancelled since 2018. Despite the existence of the foregoing material uncertainties, these financial statements have been prepared using the going concern assumption.

1.2 Mitigating Factors

The main objective of requesting the lenders for full and final settlements of financial liabilities was to increase cash flows and equity of the Company. In addition to these measures, the Company is also taking drastic steps to reduce the administrative costs .

The Management is hopeful that settlement with lenders will assist in reducing losses and improving the equity of the Company. This will make the company attractive for equity participation/merger /acquisition to inject additional equity.

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

In order to streamline minimum capital requirement and other issues of NBFC Sector, SECP is reviewing a report submitted by NBF Reform Committee.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for certain property and equipment which have been stated at revalued amounts and financial assets and financial liabilities which have been stated at their fair values, cost or amortized cost. The financial statements have been prepared following the accrual basis of accounting except for the cash flow information.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and 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 result of which forms the basis of making judgments about 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. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in period of revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and areas where judgements were made by the management in the application of accounting policies are discussed below:

- Future financial projections and going concern assumptions;
- Classification of investments and impairment thereon;
- Residual values and useful lives of property, plant, equipment and investment properties;
- Revaluation of property, plant and equipment;
- Recognition and measurement of current and deferred taxes;
- Measurement the present value of defined benefit obligation and the fair value of plan assets;
- Allowance for potential lease, loan losses and other receivables; and
- Classification of investment in leases

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

The following standards, amendments to standards and interpretations are effective for the year ended June 30, 2024. However, except as disclosed otherwise, these standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	'Effective for period beginning on or after
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the disclosure of accounting policies.	01-Jan-23
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of accounting estimates.	01-Jan-23

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Amendments to IAS 12 'Income Taxes': Amendments regarding deferred tax on leases and decommissioning obligations and amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. 01-Jan-23

3.2 Amendments to standards and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards, as applicable in Pakistan, would be effective from the dates mentioned below and have not been adopted early by the Company:

	'Effective for period beginning on or after
Amendments to IFRS 7 'Financial Instruments: Disclosures' and IAS 7 'Statement of Cash Flows': Amendments regarding supplier finance	January 1, 2024
Amendments to IFRS 7 'Financial Instruments - Disclosures' and IFRS 9 'Financial Instruments': Amendments regarding the classification and measurement of financial instruments.	January 1, 2026
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture.	Effective from accounting period beginning on or after a date to be determined. Earlier
Amendments to IFRS 16 'Leases': Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions.	January 1, 2024
IFRS 17 - Insurance Contracts	January 1, 2026
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities and debts with covenants	January 1, 2024
Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.	
Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
IFRS 1 - First Time Adoption of International Financial Reporting Standards	
IFRS 18 Presentation and Disclosures in Financial Statements	
IFRS 19 Subsidiaries without Public Accountability: Disclosures	
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information	
IFRS S2 Climate-related Disclosures	

4 MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been applied consistently to all years presented.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

4.1 Cash and cash equivalent

Cash and cash equivalents comprise of cash balances and bank deposits. For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash in hand and balances with banks in current and saving accounts.

4.2 Financial Assets

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment. The Company classifies its financial assets into either of following three categories:

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding. Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as at fair value through other comprehensive income when either:

- a) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- b) It is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company at initial recognition.
- c) Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

Financial assets measured at fair value through Profit or loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at fair value through the statement of profit or loss (FVTPL). Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition. If such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in the statement of profit or loss.

4.2.1 Subsequent measurement

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

"Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in profit or loss

Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and is recognised in profit or loss.

Financial assets measured at fair value through Profit or loss (FVTPL)

These assets are subsequently measured at fair value. Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit or loss.

4.2.2 De-recognition

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

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

4.3 Leases

Net investment in finance lease

Leases where the Company transfers substantially all the risks and rewards incidental to ownership of an asset to the lessees are classified as finance leases. A receivable is recognized at an amount equal to the present value of the minimum lease payments, including any residual value, if any.

Operating lease

Leases where the Company does not transfer substantially all the risks and benefits of ownership of the assets are classified as operating lease. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of leased asset and recognized over the lease term on the same basis as rental income

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Leased assets repossessed upon termination of leases

The Company repossesses leased assets in settlement of non-performing lease finance provided to customers. These are stated at lower of the original cost of the related asset, exposure to the Company or net realizable value of the asset repossessed. Gains or losses on repossession of such assets are taken to the statement of profit or loss.

4.4 Provision against non-performing exposures

The allowance for potential lease, loan losses and other receivables is maintained at a level which, in the judgment of management, is adequate to provide for potential losses on lease and loan portfolio which can be reasonably anticipated. The adequacy of allowance is evaluated on the basis of Schedule-X and Schedule-XI of Regulation 25 of NBFC Regulations, 2008 .

4.5 Investment properties

Investment properties are accounted for under cost model and are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to profit or loss by applying the straight line method at the rate 2.5% per annum after taking into account residual value, if any. Depreciation on additions is charged from the date of addition till the date the investment properties are disposed off. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date.

Gains or losses on sale of investment properties are charged to profit or loss in the period in which they

4.6 Intangible assets

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is charged to profit or loss using the straight line method in accordance with the rates specified in the financial statements. Amortization is charged when an asset is made available for use until the date the asset is disposed off. The residual values, useful life and amortization methods are reviewed at each reporting date and adjusted, if deemed appropriate. Gain and losses on disposal of such assets, if any, are included in profit or loss.

4.7 Long term loans and finances

These are initially recognized at cost being the fair value of the consideration received together with the associated transaction cost. Subsequently, these are stated at amortized cost using the effective interest method.

4.8 Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than (a) those that the Company intends to sell immediately or in the near term, which shall be classified as held-for-trading, and those that the Company upon initial recognition designates as at fair value through profit or loss account; (b) those that the Company upon initial recognition designates as available-for-sale; or (c) those for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which shall be classified as available for sale.

Subsequent to initial measurement loans and receivables are measured at amortized cost using the effective interest method. Gains/Losses arising on remeasurement of loans and receivables are taken to the profit and loss account. Gain or loss is also recognized in profit and loss account when loans and receivables are derecognised or impaired, and through the amortization process.

4.9 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (if any). Depreciation is charged to profit or loss applying the straight line method in accordance with the rates specified in note 11 to the financial statements whereby the cost / revalued amount of an asset is written-off over its estimated useful life. Depreciation on additions is charged from the date an asset is available for use till the date the asset is disposed off.

Any revaluation increase arising on the revaluation of property is recognised in other comprehensive income and presented as a separate component of equity except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of property is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation relating to a previous revaluation of that asset. The surplus on revaluation to the extent of incremental depreciation charged is transferred to unappropriated profits. The surplus realized on disposal of revalued fixed assets is credited directly to unappropriated profits.

Subsequent costs are included in an asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other expenses are charged to profit or loss during the financial period in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in the profit and loss account in the year the asset is derecognized, except that the related surplus on revaluation of fixed assets (net of deferred tax) is transferred directly to unappropriated profits.

Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair value.

4.10 Financial liabilities

"Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

4.11 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position only when there is a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

4.12 Foreign currency translation

Transactions in foreign currencies are accounted for in rupees at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies as at the balance sheet date are expressed in rupees at rates of exchange prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transactions. Exchange gains and losses are included in income currently.

4.13 Related parties transactions

All transactions with related parties, if any, are recorded at an arm's length price except as defined in note 31

4.14 Provisions and contingencies

A Provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

4.15 Revenue recognition

Finance lease income

The Company follows the effective interest method in accounting for the recognition of lease income. Under this method, the unearned lease income i.e. the excess of aggregate lease rentals and the estimated residual value over the cost of the leased assets is deferred and taken to income over the term of the lease, so as to produce a systematic return on the net investment in lease. Unrealised lease income pertaining to non-performing leases is held in suspense account, where necessary, in accordance with the requirements of the NBFC Regulations.

Processing, front-end and commitment fee and commission are recognized as income when such services are provided. Gain on termination of lease contracts and late payment charges are recognized as income when realised.

Operating lease income

Rental income from assets given under operating leases is recognized on an accrual basis.

Other Income

Income on term loans

Income on term loans is recognized using effective yield on a time proportionate basis. However, income on non-performing loan receivables is recognized on receipt basis in accordance with the requirements of the NBFC Regulations, 2008.

Mark-up / return on investments

Mark-up income on debt securities is recognised on time proportion basis using the effective yield on instruments.

Dividend income

Dividend income from investments is recognised when the Company's right to receive dividend is established.

Interest income on bank deposits

Interest income on bank deposits is recognised on time proportion basis using the effective interest method.

4.16 Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in profit or loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case, it is recognised in equity or other comprehensive income.

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credits, rebates and tax losses, or minimum tax, whichever is higher. The charge for the current tax is calculated using tax rates enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, relating to prior years.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements for the period in which the dividend is approved by the shareholders.

4.17 Segmental reporting

A business segment is a distinguishable component of the Company that is engaged in providing an individual product or service or a group of related products or services and that is subject to risk and returns that are different from those of other business segments. As the risk and rate of return are predominantly affected by difference in these products or services, the primary format for reporting segment information is based on business segment.

4.18 Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative profit and loss account is restated as if the operation had been discontinued from the start of the comparative period.

Non-current (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		-----Rupees-----	
5 CASH AND BANK BALANCES			
Cash in hand		-	-
Balance with			
-State Bank of Pakistan - Local currency current account		29,569	29,569
Balances with other banks in:			
-Current accounts		650,886	2,018,906
-Saving accounts		16,484	16,484
		<u>696,939</u>	<u>2,064,959</u>

		2024	2023
		-----Rupees-----	
6 SHORT TERM INVESTMENTS			
At fair value through profit or loss			
Ordinary shares of an unlisted public company	6.1	20,000,000	20,000,000
Less: Provision for impairment	6.2	<u>(20,000,000)</u>	<u>(20,000,000)</u>
		-	-

6.1	2024	2023	Name of investee company	2024		2023	
				Cost	Market value	Cost	Market value
	2,000,000	2,000,000	First Pakistan Security Limited	20,000,000	-	20,000,000	-

6.2 The above provision for investments held are considered by the Company for the purpose of determination of provisioning requirements.

7 SHORT TERM LOAN

Loan to other than related party- considered doubtful	7.1	54,000,000	54,000,000
Less: Provision for non-performing loan		-	-
		<u>54,000,000</u>	<u>54,000,000</u>

7.1 These represent the balance receivable against short term loan facilities provided to First Pakistan Security Limited. Since such loans are non-performing, markup accrual thereon has been suspended in accordance with the requirements of Regulation 25 and Schedule XI of the NBFC Regulations, 2008.

8 PREPAYMENTS AND OTHER RECEIVABLES

Prepayments	408,645	437,829
Other receivables	491,150	441,150
	<u>899,795</u>	<u>878,979</u>

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 -----Rupees-----	2023
9 CURRENT MATURITY OF NON - CURRENT ASSETS			
Net investment in finance leases	10	92,590,062	97,060,062
		<u>92,590,062</u>	<u>97,060,062</u>
10 NET INVESTMENT IN FINANCE LEASES			
Minimum lease payment receivable		240,160,676	244,615,151
Add: Residual value of leased assets		93,979,557	98,449,557
Gross investment in finance leases		<u>334,140,233</u>	<u>343,064,708</u>
Less: Income suspended	10.1	(51,225,857)	(52,249,428)
Provision for potential lease and other losses	10.2	(190,324,314)	(193,755,218)
Net investment in leases		<u>92,590,062</u>	<u>97,060,062</u>
Less: Current maturity shown under current asset		<u>(92,590,062)</u>	<u>(97,060,062)</u>
		-	-
10.1 Income suspended			
Balance at beginning of the year		52,249,428	52,249,428
Income suspended during the year		-	-
Income reversed during the year		1,023,571	-
Balance at end of the year		<u>51,225,857</u>	<u>52,249,428</u>
10.2 Provision for potential lease and other losses			
Balance at beginning of the year		193,755,218	173,918,309
Provision for the year		(3,430,904)	19,836,909
Balance at end of the year		<u>190,324,314</u>	<u>193,755,218</u>

11 PROPERTY AND EQUIPMENT

Owned Assets	C O S T				DEPRECIATION				WDV		Rate
	As at July 1, 2023	Additions /Revaluation	(Deletions)	As at June 30, 2024	As at July 1, 2023	Charge during the year	Disposal	As at June 30, 2024	As at June 30, 2024		
Leasehold improvements	22,274,000	-	-	22,274,000	22,274,000	-	-	22,274,000	-	5%	
Furniture and fixtures	5,059,512	-	-	5,059,512	5,059,512	-	-	5,059,512	-	20%	
Office equipment	450,679	-	(211,556)	239,123	450,679	-	(211,556)	239,123	-	36%	
Computer equipment	1,351,031	-	(480,824)	870,207	1,351,031	-	(480,824)	870,207	-	36%	
Generator and airconditioners	2,349,636	88,000	(193,656)	2,243,980	2,349,636	3,047	(193,656)	2,159,027	84,953	20%	
June 30, 2024	<u>31,484,858</u>	<u>88,000</u>	<u>(886,036)</u>	<u>30,686,822</u>	<u>31,484,858</u>	<u>3,047</u>	<u>(886,036)</u>	<u>30,601,869</u>	<u>84,953</u>		
June 30, 2023	<u>31,580,560</u>		<u>(95,702)</u>	<u>31,484,858</u>	<u>31,580,223</u>		<u>(95,691)</u>	<u>31,484,858</u>			

12 INVESTMENT PROPERTIES

Owned Assets	C O S T				DEPRECIATION				WDV		Rate
	As at July 1, 2023	Additions /Revaluation	(Deletions)	As at June 30, 2024	As at July 1, 2023	Charge during the year	Disposal	As at June 30, 2024	As at June 30, 2024		
Leasehold Building	104,955,000	-	-	104,955,000	51,165,584	2,623,922	-	53,789,506	51,165,494	2.50%	
June 30, 2024	<u>104,955,000</u>	<u>-</u>	<u>-</u>	<u>104,955,000</u>	<u>51,165,584</u>	<u>2,623,922</u>	<u>-</u>	<u>53,789,506</u>	<u>51,165,494</u>		
June 30, 2023	<u>104,955,000</u>	<u>-</u>	<u>-</u>	<u>104,955,000</u>	<u>48,541,662</u>	<u>2,623,922</u>	<u>-</u>	<u>51,165,584</u>	<u>53,789,416</u>		

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	-----Rupees-----	
13 DEFERRED TAX ASSET		
Debit balance arising due to:		
Overdue rentals not due in future	83,722,987	83,722,987
Unabsorbed tax depreciation	293,429,881	293,429,881
Minimum turn over tax	882,836	882,836
	378,035,704	378,035,704
Credit balances arising due to:		
Accelerated tax depreciation	1,004,849	1,004,849
Net investment in finance lease office building	30,985,914	30,985,914
	11,723,072	11,723,072
	43,713,835	43,713,835
	334,321,869	334,321,869
13.1 This represents the probable benefits expected to be realized in future years determined on the projected financial statement under prevailing circumstances in next few years.		
	2024	2023
	-----Rupees-----	
14 ACCRUED AND OTHER LIABILITIES		
Accrued expenses	4,512,259	11,860,501
Advance against leases	15,334,406	15,459,406
Other liabilities	14,550,376	12,021,113
	34,397,041	39,341,020
15 CURRENT MATURITY OF NON- CURRENT LIABILITIES		
Long term finances	16 366,742,123	383,178,998
Long term deposits	17 93,935,926	98,405,926
	460,678,049	481,584,924
16 LONG-TERM FINANCES - secured		
Other than related party		
Privately Placed SUKUKs	16.2 231,054,635	231,054,635
Long-term loans	16.3 135,687,488	152,124,363
	366,742,123	383,178,998
	366,742,123	383,178,998
Less: Current maturity due but not paid		
Privately Placed SUKUK	231,054,635	231,054,635
Long-term loans	135,687,488	152,124,363
	366,742,123	383,178,998
Less: Current maturity shown under current liabilities		
Privately Placed SUKUK	-	-
Long-term loans	-	-
	-	-
Current maturity of long term finance	366,742,123	383,178,998
	-	-

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

16.1 In January 2012, in view of the difficult financial situation with no bright prospects of new funding in form of direct equity or financing, the Company requested the lenders to modify the terms of the long term finance by extending the repayment period from 4 years to 10 years with effect from February 2012. Since the company has defaulted again on its liabilities and whole amount has been classified as current liabilities. Therefore, the amortization has been stopped and loans are presented on the face value.

16.2 Privately Placed SUKUKs

Particulars	Security	Repayment period		Profit rate per annum	Amount outstanding (Rupees)	
		from	to		2024	2023
From financial institutions						
Privately placed SUKUK-2	Secured against specific lease rentals receivable and related lease assets	Mar-09	Jan-22	No interest is charged as matured and defaulted	231,054,635	231,054,635

16.3 Principal terms of Long -Term Loans

Particulars	Security	Repayment period		Profit rate per annum	Amount outstanding (Rupees)	
		from	to		2024	2023
The Bank of Khyber	Unsecured	Apr-10	Jan-22	No interest is charged	97,012,487	97,012,487
The Bank of Punjab	Secured against specific lease rentals receivable and related lease assets	Apr-10	Jan-22	No interest is charged as matured and defaulted	38,675,001	38,675,001
Soneri Bank Limited	Secured against specific lease rentals receivable and related lease assets	Apr-10	Jan-22	No interest is charged as matured and defaulted	-	16,436,875

17 LONG-TERM DEPOSITS

	Note	2024	2023
		-----Rupees-----	
Security deposits against leases		93,935,926	98,405,926
Less: Current maturity of security deposits	15	93,935,926	98,405,926
		-	-

17.1 These represent interest free security deposits received against lease contracts and are refundable/adjustable at the expiry/termination of the respective leases.

18 SHARE CAPITAL

	2024	2023
	-----Rupees-----	
Authorised capital		
75,000,000 (2023: 75,000,000) ordinary shares of Rs. 10 each	750,000,000	750,000,000
50,000,000 (2023: 50,000,000) preference shares of Rs. 10 each	500,000,000	500,000,000
	<u>1,250,000,000</u>	<u>1,250,000,000</u>
Issued, subscribed and paid-up share capital		
22,100,000 (2023: 22,100,000) ordinary shares of Rs. 10 each fully paid in cash	221,000,000	221,000,000
14,200,000 (2023: 14,200,000) ordinary shares of Rs. 10 each issued as fully paid bonus shares	142,000,000	142,000,000
	<u>363,000,000</u>	<u>363,000,000</u>

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Preference shares			
7,502,775 (2023: 7,502,775) preference shares-class A of Rs. 10 each fully paid in cash	18.2	75,027,750	75,027,750
		<u>438,027,750</u>	<u>438,027,750</u>

18.1 Movement in number of shares

Ordinary shares			
Number of the shares at beginning of the year		36,300,000	36,300,000
Issued during the year		-	-
Number of the shares at end of the year		<u>36,300,000</u>	<u>36,300,000</u>
Preference shares			
Number of the shares at beginning of the year		7,502,775	7,502,775
Redeemed during the year		-	-
Number of the shares at end of the year		<u>7,502,775</u>	<u>7,502,775</u>

18.2 The Company raised additional equity of Rs. 150 million through right issue of 15 million non-convertible and non-cumulative preference shares - class A of Rs. 10 each in September 2003. These preference shares carry preferred right to dividend computed @ 35% of profit after tax and statutory reserves subject to a maximum profit of Rs. 40 million. The Company has the option to redeem these shares after 12 months from the date of the issue. The preference shareholders have the right to exercise the put option in tranches by giving three months advance notice as per the following schedule:

Percentage of redemption	Period to exercise put option	
	From	To
3,750,000 shares (1st redemption)	June-07	November-07
3,750,000 shares (2nd redemption)	June-08	November-08
3,750,000 shares (3rd redemption)	June-09	November-09
3,750,000 shares (4th redemption)	June-10	November-10

18.3 Capital management policies and procedures

The Company's objective for managing capital is to safeguard its ability to continue as a going concern in order to continue providing returns to its shareholders. Further, the Company ensures to comply with all the regulatory requirements regarding capital and its management. Capital requirements applicable to the Company are set and regulated by the Securities and Exchange Commission of Pakistan (SECP). These requirements are put in place to ensure sufficient solvency margins. The Company manages its capital requirement by assessing its capital structure against the required capital level on a regular basis.

	Note	2024	2023
-----Rupees-----			
The Company's capital consist of:			
Issued, subscribed and paid-up share capital	18	<u>438,027,750</u>	<u>438,027,750</u>
Reserves	19	<u>(413,134,388)</u>	<u>(408,065,707)</u>
		<u>24,893,362</u>	<u>29,962,043</u>
		<u>24,893,362</u>	<u>29,962,043</u>

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

19 RESERVES	2024	2023
Capital reserve	-----Rupees-----	
Statutory reserves	19.1 181,867,005	181,867,005
Revenue reserve		
Accumulated loss	(595,001,393)	(610,972,299)
	<u>(413,134,388)</u>	<u>(429,105,294)</u>

19.1 Movement in statutory reserves

Balance at beginning of the year	181,867,005	181,867,005
Transferred during the year	-	-
Balance at end of the year	<u>181,867,005</u>	<u>181,867,005</u>

Statutory reserve represents profit set aside to comply with the NBFC Regulations, 2008.

20 SURPLUS ON REVALUATION OF FIXED ASSETS	2024	2023
	-----Rupees-----	
Surplus on revaluation of fixed assets	20.1 32,721,543	32,721,543
Deferred tax liability recognised	20.2 (11,723,072)	(11,723,072)
	<u>20,998,471</u>	<u>20,998,471</u>

20.1 Reconciliation of surplus on revaluation of fixed assets

At the beginning of the year	32,721,543	32,721,543
At the end of the year	<u>32,721,543</u>	<u>32,721,543</u>

20.2 Deferred tax liability

At the beginning of the year	11,723,072	11,723,072
Deferred tax liability arise/(adjusted) during the year	-	-
Deferred tax liability realized on account of incremental depreciation	-	-
At the end of the year	<u>11,723,072</u>	<u>11,723,072</u>

21 CONTINGENCIES AND COMMITMENTS

21.1 There is no contingencies and commitments as at June 30, 2024 (2023: Nil)

22 Revenue form Contracts with Customers	2024	2023
	-----Rupees-----	
Income from investment properety	22.1 14,789,084	13,116,066
	<u>14,789,084</u>	<u>13,116,066</u>

22.1 Other Operating Income

Fees, commissions and other charges	-	56,000
Gain/Loss on disposal of property and equipment	91,669	7,986
Settlement gain on de-recognition of financial liabilities	14,793,187	-
Reversal of accrued markup	3,120,452	2,381,069
	<u>18,005,308</u>	<u>2,445,055</u>

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		-----Rupees-----	
23 ADMINISTRATIVE AND SELLING EXPENSES			
Salaries, allowances and benefits		5,790,718	8,134,865
Directors' remuneration	23.1	400,000	250,000
Telephone and fax		89,960	86,366
Postage and courier		37,926	9,704
Electricity		-	26,768
Office maintenance		383,714	1,265,378
Software maintenance		386,077	317,911
Canteen		173,625	86,415
Traveling and conveyance		48,830	153,500
Advertisement		27,680	94,969
Printing and stationery		240,752	92,155
Fees and subscription		256,710	238,460
Legal and professional		2,906,646	2,066,616
Auditors' remunerations	23.2	645,860	720,263
Depreciation	12	2,626,969	2,623,911
Rent, rates and taxes		307,971	398,030
		<u>14,323,438</u>	<u>16,565,311</u>

23.1 This represents remuneration paid to the non-executive directors of the Company for attending meetings of the Board and Board's committees.

23.2 Auditors' remuneration

Annual audit	452,000	560,199
Half yearly review	119,780	119,780
Other certifications	51,480	-
Out-of-pocket expenses	22,600	40,284
	<u>645,860</u>	<u>720,263</u>

24 FINANCE COSTS

Short term finance		
Bank Charges	3,899	4,337
	<u>3,899</u>	<u>4,337</u>

25 MINIMUM TAX - LEVY

This represents portion of minimum tax paid under relevant sub sections of section 113 of Income Tax Ordinance, 2001 (ITO, 2011), representing levy in terms of requirements of IFRIC 21/IAS 37.

26 FINAL TAX - LEVY

This represents portion of final taxes paid under relevant sub sections of section 5 and section 37a of Income Tax Ordinance, 2001 (ITO, 2011), representing levy in terms of requirements of IFRIC 21/IAS 37.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

27 Income tax

Current

The tax charge for the current year represents minimum charge at 17 % of gross income under section 113C of the Income Tax Ordinance, 2001.

Assessments of the Company have been finalized upto the tax year 2023. Returns are deemed to be an assessment order passed by the Commissioner of Income Tax under section 120 of Income Tax Ordinance, 2001. The said returns have so far not been selected for audit by the tax department.

27.1 Effective tax rate reconciliation

Numerical reconciliation between the average tax rate and the applicable tax rate has not been presented as provision for current year income tax has been made under section 113C of the Income Tax Ordinance, 2001 related to minimum tax. The Company's tax computation gives rise to a tax loss due to unabsorbed tax depreciation.

28 Profit PER SHARE - basic and diluted

Profit for the year from continuing operations

Profit attributable to ordinary shareholders

2024 2023
 -----Rupees-----

15,970,906 (21,039,598)

15,970,906 (21,039,598)

-----Numbers-----

Number of ordinary shares issued and subscribed

36,300,000 36,300,000

-----Rupees-----

Prfofit per share from continuing operations

Earnings per share from discontinue operations

Profit per share

0.44 (0.58)

- -

0.44 (0.58)

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

Diluted earnings per share

There is no dilution effect on the basic earning per share of the Company as the Company has no convertible dilutive potential ordinary shares outstanding on June 30, 2024.

2024 2023
 -----Rupees-----

29 CASH AND CASH EQUIVALENTS

Cash and Bank balances

696,939 2,064,959

30 SEGMENT INFORMATION

The primary sources of revenue segments are Finance Lease ,Musharika business and Capital Market Operations based on the nature of business and related risk associated with each type of business segment. Other operations, which are not deemed by the management to be sufficiently significant to disclose as separate items are reported under Others.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Segment assets and liabilities included all assets and liabilities related to the segment and relevant proportion of the assets and liabilities allocated to the segment on reasonable basis.

Segment revenue and expenses included all revenue and expenses related to the segment and relevant proportion of the revenue and expenses allocated to the segment on reasonable basis.

The Company is primarily exposed to credit risk, liquidity risk and market risk. The Company has designed and

31 Credit risk

Credit risk is the risk that one party to financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly effected by changes in economics, political and other conditions. Concentration of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company manages its credit risk by monitoring credit exposure, limiting transaction with specific counter party and continually assessing the credit worthiness of counter parties. Management considers that all the financial assets that are neither past due nor impaired are of good credit quality. The maximum exposure of the Company to credit risk at reporting date without taking account any collateral held or other credit enhancements is as follows:

Classes of financial assets - carrying value		2024	2023
Cash and cash equivalent	Note	-----Rupees-----	
Cash and bank balances	5	696,939	2,064,959
Loans and receivables			
Short term loan	7	54,000,000	54,000,000
Long-term deposits		494,500	494,500
Net investment in finance leases	9	92,590,062	97,060,062
		<u>147,781,501</u>	<u>153,619,521</u>

31.1 The credit risk to cash and cash equivalent is negligible, since the counter parties are reputable banks with high quality external credit rating.

31.2 Loans and receivables of the Company are secured by collaterals that are disclosed in their relevant notes.

31.3 The Company manages concentration of credit risk exposure through diversification of activities to avoid undue concentrations of risks with individuals, groups of specific industry segment. An analysis by class of business of the Company's net investments in finance leases, hire purchase contracts, investment and other financial assets is given below:

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Sector	2024		2023	
	Rupees	%	Rupees	%
Textile	80,348,130	24.72	80,348,130	24.72
Construction	25,999,520	8.00	25,999,520	8.00
Transport and communication	91,331,677	28.10	91,331,677	28.10
Oil and gas	772,848	0.24	772,848	0.24
Food and beverages	15,050,210	4.63	15,050,210	4.63
Engineering	22,915,221	7.05	22,915,221	7.05
Consumer leases	5,108,238	1.57	5,108,238	1.57
Health care	10,002,197	3.08	10,002,197	3.08
Travel and tourism	2,808,087	0.86	2,808,087	0.86
Pharmaceutical	425,209	0.13	425,209	0.13
Advertisement	572,569	0.18	572,569	0.18
Auto and allied	3,308,314	1.02	3,308,314	1.02
Publications	9,988,159	3.07	9,988,159	3.07
Glass and ceramics	8,675,504	2.67	8,675,504	2.67
Others	47,665,910	14.67	47,665,910	14.67
Total	324,971,793	100	324,971,793	100

31.4 Analysis of financial assets that are past due:

	Total	Loans Receivable	Lease Receivables
Rupees.....		
Gross carrying amount			
Past due by more than 360	336,914,376	54,000,000	282,914,376
	336,914,376	54,000,000	282,914,376
Impairment loss on			
Past due by more than 360 days	190,324,314		190,324,314
Total impairment loss	190,324,314	-	190,324,314
Net carrying amount	146,590,062	54,000,000	92,590,062

31.5 Financial assets that are past due and impaired are disclosed in notes . Impairment is determined after considering the forced sale value of the collateral held.

31.6 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulties in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding impact of netting agreements:

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			
	Within 1 Year	One to five years	Over five years	Total
Rupees.....			
Financial Assets				
Cash and cash equivalent	696,939	-	-	696,939
Loans and receivables	54,000,000	-	-	54,000,000
Lease receivables	282,914,376	-	-	282,914,376
	<u>337,611,315</u>	<u>-</u>	<u>-</u>	<u>337,611,315</u>
Financial liabilities				
Accrued and other liabilities	34,397,041	-	-	34,397,041
Long -term finances	366,742,123	-	-	366,742,123
Long-term deposits	98,405,926	-	-	98,405,926
	<u>499,545,090</u>	<u>-</u>	<u>-</u>	<u>499,545,090</u>
	<u>(161,933,775)</u>	<u>-</u>	<u>-</u>	<u>(161,933,775)</u>

	2023			
	Within 1 Year	One to five years	Over five years	Total
Rupees.....			
Financial Assets				
Cash and cash equivalent	2,064,959	-	-	2,064,959
Loans and receivables	54,000,000	-	-	54,000,000
Lease receivables	290,815,280	-	-	290,815,280
	<u>346,880,239</u>	<u>-</u>	<u>-</u>	<u>346,880,239</u>
Financial liabilities				
Accrued and other liabilities	39,341,020	-	-	39,341,020
Long -term finances	383,178,998	-	-	383,178,998
Long-term deposits	98,405,926	-	-	98,405,926
	<u>520,925,944</u>	<u>-</u>	<u>-</u>	<u>520,925,944</u>
	<u>(174,045,705)</u>	<u>-</u>	<u>-</u>	<u>(174,045,705)</u>

31.7 Market risk

Market risk is the risk that the value of a financial instruments will fluctuate as a result of changes in interest rates or market prices due to a change in credit rating of the issuer of the instrument, change in market sentiments, speculative activities, activities, supply and demand of securities and liquidity in the market. The Company is not exposed to currency risk as it is not involved in foreign currency transactions. However, it is exposed to interest rate risk and market price risk.

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

31.8 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Due to restructuring of the long & short term borrowings the Company, the rate of markup is now zero percent for the next 12 months and therefore, the Company is exposed to changes in market interest rates only for net investment in lease.

Cash flow sensitivity analysis for variable rate instruments

Due to restructuring of the long & short term borrowings of the Company, the rate of markup is now zero percent for the next 12 months and therefore, the sensitivity analysis is not performed.

32 FAIR VALUE OF FINANCIAL ASSETS

The fair value of all other financial assets and financial liabilities is estimated to approximate their carrying value.

33 TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company include staff provident fund, staff gratuity fund, directors, key management personnel and companies in which directors are common or a director hold office. Transactions with directors and key management personnel are disclosed in their relevant notes. Transactions with other related parties and the balances outstanding at the year end are given below:

Related Party	Relationship	Description	2024	2023
Ms. Ambreen Israr	Director	Director Fee expense	75,000	100,000
Peer Buksh Soomro	Director	Director Fee expense	175,000	-
Mujtaba Abbasi	Director	Director Fee expense	75,000	-
Malik Zahid	Director	Director Fee expense	75,000	-
Muhammad Farrukh	Director	Director Fee expense	-	25,000
Faisal Haq	Director	Director Fee expense	-	50,000
Muhammad Hasan Ansari	Director	Director Fee expense	-	75,000
M. Riaz Khokhar	Director	Remuneration expense	2,566,664	1,344,443
Peer Buksh Soomro	Director	Salary payable to	150,000	-
Ms. Farah Azeem	C.E.O.	Salary expense	1,606,500	1,560,000
Mr. Yaqoob	C.E.O.	Salary expense	175,000	-
Mr. Yaqoob	C.E.O.	Loan Payable to	2,500,000	-
Mr. Yaqoob	C.E.O.	Loan Payable to	7,400,000	-
Muhammad Farooq	C.F.O	Ex-Gratia paid	1,600,000	-
Muhammad Farooq	C.F.O	Salary expense	1,120,000	450,000
S.M Waleed Shafiqullah	Sponsor Shareholder	Loan Payable to	-	7,500,000
Nadim Altaf	General Manager (SE)	Salary payable to	300,000	-

34 NUMBER OF EMPLOYEES

The number of employees as at year end are 7 (2023:4) and average number of employees during are 4(2023:4).

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

35 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison. However no significant reclassification has been made.

36 DATE OF AUTHORIZATION

These financial statements were authorized for issue on September 30, 2024 by the Board of Directors of the Company.



CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER



CHAIRMAN

FORM OF PROXY

I/We _____ of _____

being a member **Security Leasing Corporation Limited** do hereby appoint

_____ of _____ or failing him/her

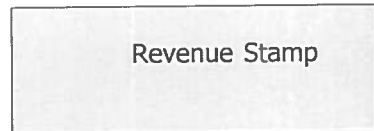
_____ of _____ or failing him/her

_____ of _____

to be proxy and to vote for me at the Annual General Meeting of the Company to be held on October 24, 2024, at 10:30 a.m. and at any adjournment thereof in the same manner as I / We would vote if personally present at such meeting.

Signed this _____ day of _____ 20 _____

Signature: _____



Address: _____

Total Shares Held: _____ Folio/CDC A/c No. _____

Holder of Share Nos. From: _____ To _____

Witness:

Witness:

Name: _____ Name: _____

CNIC: _____ CNIC: _____

Signature: _____ Signature: _____

Address: _____ Address: _____

NOTE:

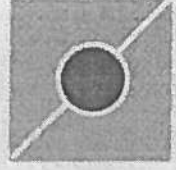
1. Signature should agree with specimen registered with the company.
2. Proxy to be valid must be deposited with the Company at its registered office not less than forty-eight hours before the meeting.
3. Proxy need not be a member.

For CDC Account Holders/ Corporate Entities:

In addition to the above the following have to be met:

- i) The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii) The proxy shall produce his/her original CNIC or passport at the time of the Meeting.
- iv) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature shall be submitted (unless it has provided earlier) along with proxy form of the Company.

سیکورٹی لیزنگ کارپوریشن لمیٹڈ



پراکسی فارم

میں مستی / مسما _____ ساکن _____
ضلع _____ بحیثیت ممبر سیکورٹی لیزنگ مسمی / مسما _____

سے کمپنی کے سالانہ اجلاس عام جو بتاریخ: 24 اکتوبر 2024ء بوقت 10:30 بجے صبح منعقد ہو رہا ہے میں اور اس کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

ڈاک ٹکٹ منسلک کریں

دستخط کی تاریخ _____

ممبر کے دستخط _____

فولیو نمبر _____

شیروں کی تعداد _____

گواہوں کے دستخط اور پتے _____

۱

۲

نوٹ:

۱۔ اجلاس عام میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کے لیے اپنا پراکسی مقرر کر سکتا ہے پراکسی کا کمپنی کا ممبر ہونا ضروری ہے۔

۲۔ یہ فارم ممبر یا اس کے اٹارنی کی جانب سے جسے تحریری طور پر اقتدار ائزڈ کیا گیا ہو کی جانب سے دستخط کیا جائے۔ اگر ممبر کارپوریشن ہے تو اس کی عام مہر موجود ہونی چاہئے۔

۳۔ پراکسی کی تقرری کے دستاویز پاور آف اٹارنی یا دیگر دستاویز جس کے تحت تقرری ہوئی یا پاور آف اٹارنی کی تصدیق شدہ کاپی اجلاس کے انعقاد سے کم از کم 48 گھنٹہ قبل جمع کرانی ہوگی۔

۴۔ سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو پراکسی فارم کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوگی۔ پراکسی کو اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔ کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر بورڈ آف ڈائریکٹرز کی منظور شدہ قرارداد پاور آف اٹارنی بمعہ نمونہ دستخط ہمراہ پراکسی فارم جمع کرانا ہوں گے۔

31 واں سالانہ اجلاس عام کے سلسلے میں ممبران کو نوٹس

بذریعہ ہذا مطلع کیا جاتا ہے کہ سیکورٹی لیزنگ کارپوریشن لمیٹڈ کے ممبران 31 واں سالانہ اجلاس عام بتاریخ 24 اکتوبر 2024 بروز جمعرات بوقت صبح 10:30 بجے سیکورٹی لیزنگ کارپوریشن لمیٹڈ کے رجسٹرڈ آفس واقع لیکن اسکوائر بلڈنگ نمبر 3 فلور نمبر 5 سرور شہید روڈ میں درج ذیل امور کی انجام دہی کے لیے منعقد ہوگا۔

عمومی امور:

1- سیکورٹی لیزنگ کارپوریشن لمیٹڈ کے 31 ویں سالانہ اجلاس عام منعقدہ 27 اکتوبر 2023ء کی کارروائی کی توثیق۔

2- 30 جون 2024 کو ختم ہونے والے مالی سال کی بابت کمپنی کے سالانہ آڈٹ شدہ حسابات (مجموعی و انفرادی) مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی ان پر غور و خوض اور منظوری۔

3- 30 جون 2025 کو ختم ہونے والے مالی سال کے لئے آڈیٹرز تقرری اور ان کے لیے مشاہرہ کا تعین

دیگر امور:

4- چیئرمین کی اجازت سے کسی دیگر امور پر کارروائی

تاریخ یکم اکتوبر 2024

بجگم بورڈ
محمد فاروق
کمپنی سیکریٹری

نوٹس:

1- سیکورٹی لیزنگ کارپوریشن لمیٹڈ کے حصص کی منتقلی کی کتاب 17 اکتوبر 2024ء سے 24 اکتوبر 2024ء تک دونوں دن شامل ہوں گے بند رہیں گی۔ حصص کی منتقلی کے لیے جو درخواستیں کمپنی کے شیئر رجسٹرار میسرز ایف ڈی رجسٹرار سرورس ایس ایم سی پرائیویٹ لمیٹڈ آفس نمبر 1705-17 واں فلور صائبر ٹریڈ ٹاور A آئی آئی چندری گروڈ کراچی کو 16 اکتوبر 2024ء کے دفتری اوقات ختم ہونے سے قبل موصول ہوں گی نقد منافع منقسمہ کے استحقاق کے تعین کے لیے بروقت بھیجی جائیں گی۔

2- ایک ممبر جو اجلاس میں شرکت کرنے اور ووٹ دینے کا حق رکھتا ہے وہ اپنی جگہ کسی دوسرے فرد کو اجلاس میں شرکت بولنے اور ووٹ دینے کے لیے تحریری طور پر اپنی پراکسی مقرر کر سکتا ہے۔

3- پراکسی مقرر کئے جانے سے متعلق دستاویز Instrument اور پاور آف اٹارنی یا دیگر کوئی یاد دہانہ یا اور اتھارٹی جس کے تحت اس پر دستخط کئے گئے ہیں یا اس پاور آف اٹارنی کی نوٹری سے تصدیق شدہ نقل کو موثر ہونے کے لیے سیکورٹی لیزنگ کارپوریشن لمیٹڈ کے رجسٹرڈ آفس میں اجلاس کے وقت سے کم از کم 48 گھنٹے قبل لازماً جمع کرا دیں۔

4- ممبران سے درخواست ہے کہ وہ اپنے رجسٹرڈ پتے میں تبدیلی سے اگر کوئی ہو کمپنی کے شیئر رجسٹرار میسرز ایف ڈی رجسٹرار سرورس پرائیویٹ لمیٹڈ آفس نمبر 1705 فلور نمبر 17، صائبر ٹریڈ ٹاور آئی آئی چندری گروڈ کراچی کو فوری طور پر مطلع کریں ایسی درخواستیں کتب کی بندش سے قبل پہنچ جانا چاہئیں تاکہ استحقاق اگر کوئی ہو تو درست پتہ پر روانہ کیا جاسکے۔

5- سی ڈی سی اکاؤنٹ ہولڈرز کو دیگر قواعد کے ساتھ ساتھ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مقرر کردہ ہدایات پر عمل کرنا ہوگا جو کہ درج ذیل ہے۔

(الف) اجلاس میں شرکت کے لیے:

1- انفرادی شیئر ہولڈر ہونے کی صورت میں اکاؤنٹ ہولڈر یا ضمنی اکاؤنٹ ہولڈر اور / یا ایسا فرد جس کی سیکورٹیز گروپ اکاؤنٹ کی صورت میں ہوں اور ان کی رجسٹریشن تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ کی گئی ہوں وہ اجلاس عام میں شرکت کے موقع پر اپنی شناخت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ دکھا کر کر سکتے ہیں۔

2- کارپوریٹ اینٹیلیٹی کی صورت میں اجلاس کے موقع پر بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ بمعہ نامزد کئے جانے والے فرد کے نمونے کے دستخط کے پیش کئے جانے چاہئیں۔ ماسوائے اس کے کہ وہ پہلے ہی فراہم نہیں کئے گئے۔

(ب) پراکسی کے تقرر کے لیے:

1- ایسا فرد اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور / یا ایسے شخص کو جس کی سیکورٹیز گروپ اکاؤنٹ کی شکل میں ہوں اور ان کی رجسٹریشن کی تفصیلات 'ضوابط کے مطابق جمع کروائی گئی ہوں' اجلاس میں شرکت کے لیے درج بالا تقاضوں کے مطابق پراکسی فارم جمع کرانا ہوگا۔

2- پراکسی فارم پر کم از کم دو کواہوں کے دستخط نام پتہ اور موثر کمپیوٹرائزڈ قومی شناختی کارڈ نمبر ثبت ہونا چاہئے۔

3- پراکسی فارم کے ساتھ اصل مختار اور پراکسی کے موثر کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقل بھی منسلک ہونا چاہئیں۔

4- اجلاس کے وقت پراکسی کو اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

5- کارپوریٹ ادارہ کی صورت میں کمپنی کے پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی اگر پہلے سے فراہم نہ کئے گئے ہوں تو جس کے ساتھ دستخط کے نمونے specimen بھی منسلک ہونا چاہئیں۔

آڈٹ کمیٹی میٹنگز:

میتنگز میں شرکت کی	ڈائریکٹر کا نام	میتنگز میں شرکت کی	ڈائریکٹر کا نام
03	فرح عظیم	03	محمد ریاض کھوکھر
02	مجتبیٰ عباسی	03	پیر بخش سومرو
		02	عنبرین اسرار
		02	ملک زاہد حسین

شیئر ہولڈنگ کارہجان:

اس رپورٹ کے ساتھ 30 جون 2024 کو شیئر ہولڈنگ کے رجحان بطور ضمیرہ منسلک ہے۔

اعتراف:

بورڈ اپنے سرمایہ کار، قرضہ دہندہ اور ریگولیٹری اتھارٹیز کے اس چیلنجنگ وقت میں کمپنی کے ساتھ مسلسل تعاون اور ادراک کے لیے ان کے ساتھ ممنونیت کا اظہار کرنا چاہتا ہے جس کی وجہ سے ضابطوں پر عملدرآمد کو ممکن بنا سکے۔ بورڈ اس بات کو بھی رکارڈ پر لانا چاہتا ہے کہ وہ اپنے تمام عملے کی کوششوں اور ان کی لگن کی وجہ سے کمپنی کے لیے سال کے دوران مشکل حالات میں آپریشن کو جاری رکھنا ممکن ہو سکا۔

برائے و منجانب بورڈ آف ڈائریکٹرز

محمد یعقوب

چیف ایگزیکٹو آفیسر



30 ستمبر 2024

ڈائریکٹر کا اعلان:

ڈائریکٹر ترمیم شدہ کوڈ آف کارپوریٹ گورننس کا نفاذ کر چکے ہیں جس کو درج ذیل پیش کرتے ہوئے خوشی محسوس کرتے ہیں

☆ مینجمنٹ کے تیار کردہ مالیاتی اسٹیٹمنٹس، معاملات، آپریشن کے نتائج، کیش فلو اور ایکویٹی میں رد و بدل کی درست تصویر پیش کرتے ہیں۔

☆ مناسب طور سے کھاتوں کی بکس رکھی گئی ہیں۔

☆ مالیاتی اسٹیٹمنٹس کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو استعمال کیا گیا ہے اور اکاؤنٹنگ تخمینوں کی بنیاد مناسب اور محفوظ اندازے ہیں۔

☆ مالیاتی اسٹیٹمنٹس کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز ہیں ان پر عملدرآمد کیا گیا اور ان پر عملدرآمد نہ ہونے کی صورت میں ان کو مناسب طور پر ظاہر کیا ہے۔

☆ اندرونی نگرانی نظام کا ڈیزائن مضبوط ہے اور اس کا موثر طور پر نفاذ کیا جا چکا ہے اور اس کی موثر نگرانی کی جاتی ہے۔

☆ گذشتہ چھ سالوں کا اہم آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ اس رپورٹ کے ساتھ بطور ضمیمہ منسلک ہے۔

☆ سال کے دوران بورڈ آف ڈائریکٹرز کی 8 اور آڈٹ کمیٹی کی 4 میٹنگز منعقد ہو چکی ہیں۔ میٹنگ میں ہر رکن کی حاضری کی تفصیلات درج ذیل ہیں۔

بورڈ آف ڈائریکٹرز کی میٹنگز:

میٹنگز میں شرکت کی	ڈائریکٹر کا نام	میٹنگز میں شرکت کی	ڈائریکٹر کا نام
03	عزیزین اسرار	07	محمد ریاض کھوکھر
08	مجتبیٰ عباسی	08	پیر بخش سومرو
02	محمد یعقوب	01	ملک زاہد حسین
		02	نعمان ہاشمی

کمپنی کے ڈائریکٹر اس تمام صورت حال کا ازسرنو جائزہ لینے کے بعد اس نتیجے پر پہنچے ہیں کہ سال 2024-25 کے دوران مالیاتی اداروں سے حاصل کئے گئے قرضوں کو قابل قدر حد تک کم کرنے میں کامیاب ہو جائینگے۔ کیونکہ اکثر قرض دہندہ کمپنی کو ایک قابل قدر ڈسکاؤنٹ دینے پر تیار ہو چکے ہیں۔

کمپنی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

سال	2024	2023
نفع/نقصان بعد از ٹیکس	روپے 15,970,906	روپے (21,039,587)
آمدنی فی حصص - بنیادی اور کمزور	0.44	(0.58)
دستوری ذخائر میں منتقلی	-	-

شیر کمپنیل:

جیسا کہ بتایا گیا ہے کہ 30 جون 2024 کو کمپنی کی ایکویٹی سیکورٹی ایچ بی سی کمیشن آف پاکستان (ایس ای سی پی) کی معین ایکویٹی جس کی کم سے کم حد 50 ملین ہے کے مقابلے میں 145 اعشاریہ 89 ملین رہی۔

کارپوریٹ سماجی ذمہ داری:

ماضی میں کمپنی نے بطور ایک ذمہ دار کارپوریٹ شہری کے، بلواسطہ یا بلاواسطہ، متعدد سماجی کاموں میں حصہ لیا۔ زلزلہ، سیلاب اور دیگر قدرتی آفات میں کبھی بلواسطہ اور کبھی رضا کارانہ طور، نقد رقم اور/یا جنس کی صورت میں، ان کی اور دیگر کم مراعات یافتہ لوگوں کی فلاح و بہبود کے لیے مدد کی۔

کاروباری اقدار:

کمپنی کا کوڈ آف کنڈکٹ ڈائریکٹرز کے ساتھ ساتھ ملازمین کے لیے ایک واضح رہنمائی کا ڈھانچہ فراہم کرتا ہے کہ وہ سالمیت، دیانتدار اور لگن کے ماحول میں کام کریں تاکہ وہ کمپنی اور اس کے شرکاء مفاد کے مشترکہ مقاصد کے مثبت نتائج حاصل کر سکیں۔

ڈائریکٹر کی رپورٹ:

آپ کے ڈائریکٹر 30 جون 2024ء کو اختتام پذیر سال کی کمپنی کی سالانہ رپورٹ بشمول مالیاتی دستاویزات اور آڈیٹڈ رپورٹ پیش کر کے خوشی محسوس کرتے ہیں۔

معیشت کا جائزہ:

سال 2023-24 کے دوران پاکستان معیشت افراط زر میں اضافے، روپے کی قدر میں کمی اور بیرونی قرضوں میں اضافے کے باعث دباؤ کا شکار رہی۔

ملک کو ادائیگیوں کے توازن کے بحران کا سامنا ہے۔ پاکستان کے زرمبادلہ کے ذخائر کی سطح خطرناک حد تک کم ہو چکی ہے اور IMF کے پروگرام پر انحصار ناگزیر ہو چکا ہے۔ سیاسی عدم استحکام نے معاشی بحالی کو مزید متاثر کیا ہے۔ تاہم حکومت معیشت کو مستحکم کرنے، مالی نظم و ضبط کو بہتر بنانے اور برآمدات کو بڑھانے کے لئے اصلاحات کرنے کی کوشش کر رہی ہے۔ ترقی کی رفتار سست ہے اور مہنگائی عوام کے لئے ایک مسئلہ بنی ہوئی ہے۔

کمپنی کا جائزہ:

درج ذیل گوشوارہ سال 2023-24 میں کمپنی انتظامیہ کی ان کاوشوں کو ظاہر کرتا ہے جو اس نے کمپنی کی ایکویٹی کو بڑھانے، قرضوں کی ادائیگی اور منافع کی سطح کو بڑھانے کے لیے کئے ہیں۔

30 جون 2023ء	30 جون 2024ء	
روپے	روپے	ایکوٹی
29,920,927	45,891,833	
(21,039,587)	15,970,906	نفع / نقصان
383,178,998	366,742,123	قرضہ جات (مالیاتی اداروں کے)

کمپنی کے ڈائریکٹر اس بات کو محسوس کرتے ہیں کہ 2023-24 کے دوران ملک میں سیاسی عدم استحکام، معاشی بد انتظامی اور بڑھتی مہنگائی سے معیشت اور کاروبار پر پڑنے والے منفی اثرات کا اندازہ لگانا مشکل ہے۔