



Escorts  
Investment  
Bank

# Annual Report 2025



Escorts Investment Bank Limited

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## FINANCIAL CALENDER

2024 2025

1st Quarter results issued on	October 28, 2024
2nd Quarter results issued on	February 24, 2025
3rd Quarter results issued on	April 30, 2025
Recommendation of Annual Results by the BOD	September 30, 2025
30th AGM scheduled for approval of Annual Results	October 28, 2025

# VISION AND MISSION STATEMENT



## VISION STATEMENT

Value addition for our stakeholders through enhanced business activity and emphasis on Better Risk Identification and Management as opposed to Risk Avoidance.

## MISSION STATEMENT

To build Escorts Investment Bank Limited into an elite institute comparable with, if not better than, any top quality local or foreign financial institution, in terms of a progressive corporate culture and an autonomous, committed and dedicated Executive Management with

An Eye On The Future.



# WHO WE ARE



- Escorts Investment Bank Limited (EIBL) is a Non-Banking Financial Institution with IFS license. It was registered and incorporated in Pakistan on 15th May 1995.
- EIBL is regulated and supervised by Securities and Exchange Commission of Pakistan and is listed on Pakistan Stock Exchange Limited.
- EIBL focuses primarily on lending business including House Finance, Corporate Finance, Gold Finance & Micro Finance.

## CORE VALUES



Integrity



Honesty

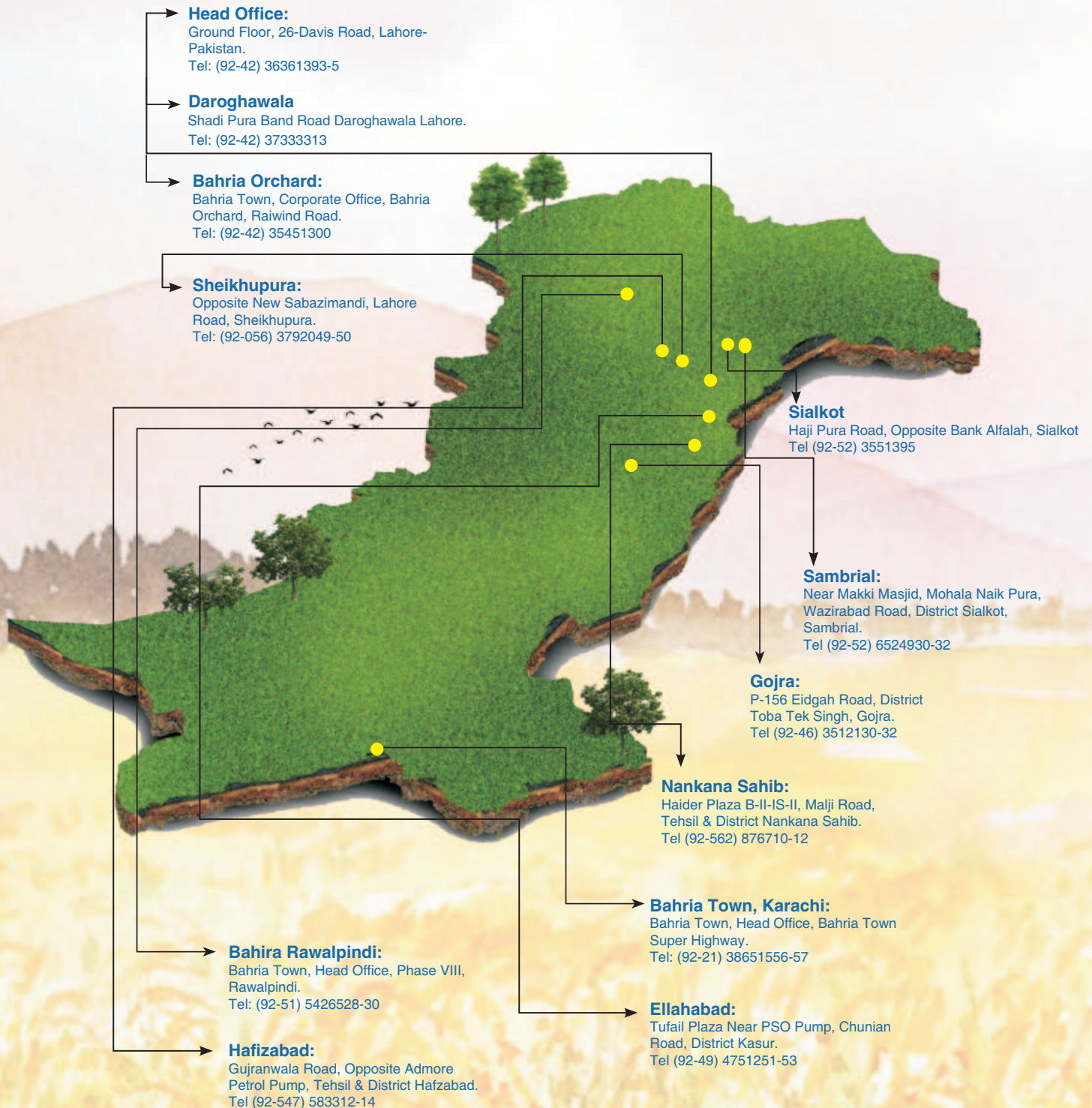


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# BRANCH NETWORK



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Syed Tahir Nawazish  
(Chairman)  
Mr. Basit Rehman Malik  
(Chief Executive Officer)  
Ms. Madiha Arooj  
Mr. Muhammad Rasheed Alam

Applications for the fit and proper criteria of three proposed directors have been submitted to the SECP.

## CHIEF FINANCIAL OFFICER

Ms. Najma Fazal

## COMPANY SECRETARY

Zohaib Younas

## EXTERNAL AUDITORS

Ilyas Saeed & Company  
Chartered Accountants

## TAX CONSULTANTS

Ilyas Saeed & Company

## LEGAL ADVISOR

Mandviwalla & Zafar  
Advocates

## SHARE REGISTRAR

Hameed Majeed Associates (Private) Limited

## BANKERS TO THE COMPANY

Bank Alfalah Limited  
MCB Bank Limited  
Sindh Bank Limited  
United Bank Limited  
National Bank of Pakistan Limited

## REGISTERED OFFICE

Ground Floor, 26-Davis Road, Lahore.  
Tel: (92-42) 36361393-5  
www.escortsbank.net  
info@escortsbank.net  
UAN: 042 111 003 425  
Toll Free: 0800 03425



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# NOTICE FOR CALLING ANNUAL GENERAL MEETING

Notice is hereby served to all the Members of the Company that the 30<sup>th</sup> Annual General Meeting of the Members of ESCORTS INVESTMENT BANK LIMITED (“Company”) will be held on Tuesday October 28, 2025 at 11:30 AM. at Bahria Grand Hotel & Resort situated at Canal Bank Road, Executive Lodges, Sector-B, Bahria Town, Lahore, to transact the following business:

## ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting held on October 28, 2024.
2. To receive, consider and adopt the Annual Audited Financial Statements for the year ended June 30, 2025 together with the Auditor’s Report, Directors’ Report and Chairman’s Review Report thereon;
3. To appoint External Auditors for the year ending June 30, 2026 and fix their remuneration. The Board of Directors on the recommendation of Audit Committee has recommended the appointment of retiring auditors, M/s Ilyas Saeed & Company Chartered Accountants who being eligible have offered themselves for reappointment.

## OTHER BUSINESS:

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



SCAN ME

Lahore  
October 07, 2025

BY ORDER OF THE BOARD



**ZOHAIB YOUNAS**  
COMPANY SECRETARY

# NOTICE FOR CALLING ANNUAL GENERAL MEETING

## Notes:

1. The Share Transfer Books of the Company will remain closed from October 21, 2025 to October 28, 2025 (both days inclusive). Transfers Physical / CDS received at the Share Registrar of the Company M/s Hameed Majeed Associates (Pvt.) Limited, HM House, 7 – Bank Square, Lahore, by close of business on Monday, October 21, 2025, will be considered in time for the purpose of attending and vote at the AGM.
2. In relevance to the compliance of SECP notification no. S.R.O.452(1)/2025, the Company affirms that no gifts will be distributed at the meeting.
3. All members are entitled to attend and vote at the Meeting. A member entitled to attend and vote may appoint another member as his / her proxy to attend and vote in his / her behalf. Proxies in order to be effective must be received by the Company at the registered office not less than forty eight (48) hours before the time of holding meeting.

CDC Account Holders Will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

### **A. For attending the meeting:**

- In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

### **B. For appointing proxies:**

- In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.



# NOTICE FOR CALLING ANNUAL GENERAL MEETING

- In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form to the Company.
- 4. Pursuant to the SECP's notification SRO 470(I) / 2016 dated 31st May, 2016 the Members of Escorts Investment Bank Limited during the Company's 24<sup>th</sup> Annual General Meeting held on October 28, 2019, had accorded their consent for transmission of Annual Reports including Audited Annual Financial Statements and other information contained therein of the Company through CD/DVD/USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary / Share registrar, the standard request form available on the Company's website [www.escortsbank.net](http://www.escortsbank.net) and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand.
- 5. Under provisions of section 223(6) of the Companies Act. 2017, the shareholders who intend to receive the Annual Report including the notice of meetings via email are requested to provide their written consent on a standard request form which is available at the Company's website i.e. [www.escortsbank.net](http://www.escortsbank.net).
- 6. In accordance with the Circular No.4 of 2021 of the SECP, the Company has also provided members the facility of attending the general meeting through video link.

The shareholders interested to participate through video link are requested to please provide below information at Email: [info@escortsbank.net](mailto:info@escortsbank.net) not later than 48 hours before the time for holding the meeting.

Name of the Shareholder	Company	Folio No./CDC Account No.	Folio Number	Cell Number	Email Address
	Escorts Investment Bank Limited				

Please note that video link and login credentials will be shared with only those members / designated proxies whose e-mail and other required information are received in required time as mentioned above.

- a) Video-link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.

# NOTICE FOR CALLING ANNUAL GENERAL MEETING

- b) Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the meeting proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.
  - c) Shareholders may send their comments and suggestions relating to the agenda items of the AGM at least two (2) working days before the meeting, at the given email address [info@escortsbank.net](mailto:info@escortsbank.net). Shareholders are requested to mention their full name, CNIC # and Folio/CDC Account # for this purpose.
7. In compliance with the requirements of Section 72 of the Companies Act, every existing listed company shall be required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, that is, May 30, 2017.

Members having physical share certificates are requested to convert their shares from physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at better rates.

8. The Company has placed the audited Financial Statements for the year ended June 30, 2025, along with the Auditor's and Directors' Reports thereon, Chairman's Review and notice of meeting on its website: [www.escortsbank.net](http://www.escortsbank.net)

## 9. Procedure for voting on Resolutions

- Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 21 October 2025.
- The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of M/s Hameed Majeed Associates (Pvt) Limited (being the e-voting service provider).

## NOTICE FOR CALLING ANNUAL GENERAL MEETING

- Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- E-Voting lines will start from 24-10-2025 and shall close on 27-10-2025 at 5:00 p.m. Members can cast their votes at any time during this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.



# اطلاع برائے سالانہ اجلاس عام

## ایسکارٹس انویسٹمنٹ بینک لمیٹڈ

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ ایسکارٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کا 30 واں سالانہ اجلاس عام مورخہ 28 اکتوبر 2025ء بروز منگل بوقت 11:30 بجے دن بھر یہ گریڈ ہوٹل اینڈ ریزورٹ واقع کینال بنک روڈ، ایگزیکٹو لاجز، سیکٹر B، بحریہ ٹاؤن لاہور میں مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا:

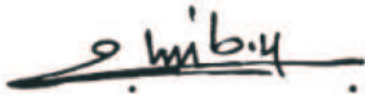
### عمومی امور

1. 28 اکتوبر 2024ء کو منعقدہ سابقہ سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔
2. 30 جون 2025ء کو اختتام پذیر سال کے لئے سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس بمعہ آڈیٹرز، ڈائریکٹرز اور چیئرمین کی جائزہ رپورٹ وصول کرنا، زیر غور لانا اور اپنانا؛
3. 30 جون 2026ء کو اختتام پذیر سال کے لئے بیرونی آڈیٹرز کی تقرری کرنا اور ان کا معاوضہ طے کرنا۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی تجاویز پر ریٹائر ہونے والے آڈیٹرز میسرز الیاس سعید اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی تقرری کی تجویز دی ہے جنہوں نے اہلیت کی بنا پر اپنی تقرری کی پیشکش کی ہے۔

### دیگر امور

4. چیئرمین کی اجازت سے دیگر امور کو زیر غور لانا۔

بحکم بورڈ



زوہیب یونس

کمپنی سیکرٹری

لاہور

07 اکتوبر، 2025ء

# اطلاع برائے سالانہ اجلاس عام

## مندرجات:

1. کمپنی کی شیئر ٹرانسفر Books مؤرخہ 21 اکتوبر 2025ء تا 28 اکتوبر 2025ء (بشمول دونوں ایام) بند رہیں گی۔ کمپنی کے شیئر رجسٹر اریسٹرز حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ HM ہاؤس، 7- بینک سکوائر، لاہور کو 21 اکتوبر 2025ء بروز پیر موصول فزیکل/ CDS ٹرانسفر کو AGM میں شرکت اور ووٹ کرنے کے لئے بروقت وصولی شمار کیا جائے گا۔
  2. SECP نوٹیفکیشن نمبر S.R.O, 452(1)/2025 کی تعمیل میں کمپنی واضح کرتی ہے کہ اجلاس کے موقع پر تحائف تقسیم نہیں کئے جائیں گے۔
  3. تمام اراکین اجلاس میں شرکت اور ووٹ کرنے کے اہل ہیں۔ شرکت اور ووٹ کرنے کا اہل رکن اپنی جگہ پر شرکت اور ووٹ کرنے کے لئے کسی دوسرے رکن کو اپنا پراکسی مقرر کر سکتا ہے۔ مؤثر کرنے کی غرض سے اجلاس کے انعقاد سے کم از کم تالیس (48) گھنٹے پہلے پراکسیز کمپنی کے رجسٹرڈ آفس میں پہنچ جانی چاہئیں۔
- CDC اکاؤنٹ ہولڈرز کو سیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی مندرجہ ذیل ہدایات پر بھی عمل کرنا ہوگا:

### A. اجلاس میں شرکت کے لئے

- فرد واحد کی صورت میں، اکاؤنٹ ہولڈرز یا ذیلی اکاؤنٹ ہولڈرز اور/یا ایسے افراد جن کی سیورٹیز گروپ اکاؤنٹ میں موجود ہوں اور ان کی رجسٹریشن تفصیلات ضوابط کے مطابق شائع کی گئی ہوں، کو اجلاس میں شرکت کے وقت اپنا اصلی شناختی کارڈ یا اصلی پاسپورٹ پیش کر کے اپنی اپنی شناخت ثابت کرنا ہوگی۔
- کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ مختار نامہ بمعہ نامزد فرد کے نمونہ کے دستخط اجلاس کے موقع پر پیش کرنا ہوگا (اگر پہلے فراہم نہ کیا گیا ہو)۔

### A. پراکسیز کی تقرری کے لئے

- فرد واحد کی صورت میں، اکاؤنٹ ہولڈرز اور/یا ذیلی اکاؤنٹ ہولڈرز جن کی سیورٹیز گروپ اکاؤنٹ میں موجود ہوں اور ان کی تفصیلات ضوابط کے تحت شائع کی گئی ہوں، کو مذکورہ بالا تقاضے کے مطابق پراکسی فارم جمع کرنا ہوگا۔
- پراکسی فارم کی گواہی افراد دیں گے جن کے نام، پتے اور شناختی کارڈ نمبر پراکسی فارم پر درج ہوں گے۔
- مستفید ہونے والے مالک اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ لف کی جائیں گی۔
- کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ مختار نامہ بمعہ نمونہ کے دستخط پراکسی فارم کے ہمراہ کمپنی کو جمع کرایا جائے (اگر پہلے جمع نہ کرایا گیا ہو)۔



## اطلاع برائے سالانہ اجلاس عام

4. SECP کے نوٹیفکیشن SRO 470(I)/2016 مؤرخہ 31 مئی 2016ء کی پیروی میں ایرکارٹ انویسٹمنٹ بینک لمیٹڈ نے 24 ویں سالانہ اجلاس عام منعقدہ 28 اکتوبر 2019ء میں کمپنی کی سالانہ رپورٹ بمعہ پڑتال شدہ مالیاتی اسٹیٹمنٹس اور دیگر معلومات کاغذی نقل کی بجائے USB / DVD / CD کے ذریعے بھیجنے کی منظوری دی۔ مذکورہ بالا دستاویزات کاغذی صورت میں وصول کرنے کے خواہشمند شیئر ہولڈرز کمپنی ویب سائٹ [www.escortsbank.net](http://www.escortsbank.net) پر موجود معیاری درخواست فارم کمپنی سیکریٹری/شیئر رجسٹرار کو بھیج سکتے ہیں جس کے نتیجے میں کمپنی مطالبہ پر شیئر ہولڈرز کو مذکورہ بالا دستاویزات درخواست موصول ہونے کے ایک ہفتہ کے اندر بالکل مفت فراہم کرے گی۔
5. کمپنیز ایکٹ 2017ء کے سیکشن 223(6) کے قواعد کے تحت بذریعہ ای میل سالانہ رپورٹ بمعہ نوٹس اجلاس وصول کرنے کے خواہشمند شیئر ہولڈرز سے التماس ہے کہ وہ کمپنی کی ویب سائٹ [www.escortsbank.net](http://www.escortsbank.net) پر دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی بھیجیں۔
6. سرکلر نمبر 4 بابت 2021ء SECP کے مطابق کمپنی اپنے اراکین کو بذریعہ وڈیولنک اجلاس عام میں شرکت کی سہولت بھی فراہم کرے گی۔
- بذریعہ وڈیولنک شرکت کرنے میں دلچسپی رکھنے والے شیئر ہولڈرز سے التماس ہے کہ وہ مندرجہ ذیل معلومات اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل ای میل: [info@escortsbank.net](mailto:info@escortsbank.net) پر بھیجیں۔

نام شیئر ہولڈر	کمپنی	شناختی کارڈ نمبر	فولیو نمبر	موبائل نمبر	ای میل ایڈریس
	ایرکارٹس انویسٹمنٹ بینک لمیٹڈ				

یاد رہے کہ وڈیولنک اور لاگ ان کی تفصیلات صرف ان اراکین/مقررہ پراسسز کو شیئر کی جائیں گے جن کے ای میل ایڈریس اور دیگر درکار معلومات مذکورہ بالا درکار وقت میں موصول ہو جائیں۔

(a) اجلاس کا وڈیولنک اراکین کے فراہم کردہ ای میل ایڈریس پر بھیجا جائے گا تاکہ وہ مقررہ تاریخ و وقت پر اجلاس میں شرکت کر سکیں۔

(b) اجلاس کے انعقاد سے تیس (30) منٹ قبل لاگ ان کی سہولت کھل جائے گی تاکہ شرکاء شناختی عمل سے گزرنے کے بعد اجلاس میں شامل ہو سکیں۔ شیئر ہولڈرز کی شناخت اور تصدیق کے لئے درکار تمام تقاضے پورے کرنے کے بعد شیئر ہولڈرز اجلاس کی کارروائی میں اپنے آلات کے ذریعے لاگ ان اور شرکت کر سکیں گے۔

(c) AGM کے ایجنڈا آئٹمز پر شیئر ہولڈرز اپنی آراء اور تجاویز اجلاس سے کم از کم دو (2) یوم قبل دیئے گئے ای میل ایڈریس [info@escortsbank.net](mailto:info@escortsbank.net) پر بھیج سکتے ہیں۔ شیئر ہولڈرز سے اپنا مکمل نام، شناختی کارڈ نمبر اور فولیو/CDC اکاؤنٹ نمبر بھیجنے کی التماس ہے۔



## اطلاع برائے سالانہ اجلاس عام

7. کمپنیز ایکٹ کے سیکشن 72 کے تقاضوں کی تعمیل میں ہر موجودہ لسڈ کمپنی کے لئے کمپنیز ایکٹ کی تاریخ اطلاق یعنی 30 مئی 2017ء سے عرصہ چار سال کے اندر SECP کی مقررہ تاریخ تک فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنا لازمی ہے۔
- فزیکل شیئرز ٹیفلیٹ رکھنے والے اراکین سے التماس ہے کہ وہ جتنی جلدی ممکن ہو سکے اپنے شیئرز کو فزیکل فارم سے بک انٹری فارم میں تبدیل کریں۔ اس طرح اراکین کو کئی سہولیات میسر آئیں گی جس میں حصص کا محفوظ قبضہ، حصص کی گمشدگی سے بچت، ڈپلیکیٹ حصص کے اجراء کے لئے درکار تقاضوں سے بچاؤ اور مناسب قیمت پر اوپن مارکیٹ میں خرید و فروخت کے لئے ہمہ وقت دستیابی شامل ہیں۔
8. کمپنی نے 30 جون 2025ء کو اختتام پذیر سال کے لئے اپنی پڑتال شدہ مالیاتی اسٹیٹمنٹس بمعہ آڈیٹرز اور ڈائریکٹرز رپورٹ، چیئر کی جائزہ رپورٹ اور اجلاس ہذا کا نوٹس اپنی ویب سائٹ [www.escortsbank.net](http://www.escortsbank.net) پر شائع کر دیا ہے۔
9. قراردادوں پر ووٹ کا طریقہ کار
- ووٹنگ سہولت کی تفصیلات کمپنی کے ان اراکین کے ساتھ بذریعہ ای میل شیئر کی جائیں گی جن کے کارآمد شناختی کارڈ نمبر، فون نمبر اور ای میل ایڈریس 21 اکتوبر 2025ء کو کاروبار بند ہونے تک کمپنی اراکین کے رجسٹر میں موجود ہوں گی۔
  - ویب ایڈریس، لاگ ان تفصیلات اور پاس ورڈ سے متعلق اراکین کو بذریعہ ای میل آگاہ کیا جائے گا۔ اراکین کو سیورٹی کوڈ میسرز حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ (بطور ای ووٹنگ سروس پرووائیڈر) کے ویب پورٹل سے بذریعہ ایس ایم ایس بھیجا جائے گا۔
  - ای ووٹنگ کے ذریعے حق رائے دہی استعمال کرنے والے اراکین کی شناخت الیکٹرونک دستخط اور لاگن توثیق سے کی جائے گی۔
  - ای ووٹنگ لائنیں 24 اکتوبر 2025ء سے شروع ہوں گی اور 27 اکتوبر 2025ء کو شام 5:00 بجے بند ہوں گی۔
- ممبران اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار کسی رکن کی طرف سے قرارداد پر ووٹ ڈالنے کے بعد، اسے بعد میں اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

# CHAIRMAN'S REVIEW REPORT

On behalf of the Board of Directors of Escorts Investment Bank Limited (EIBL), I am pleased to present the Chairman's Review for the year ended June 30, 2025.

The NBFC sector in Pakistan showed signs of recovery in the first half of FY25, with the Securities and Exchange Commission of Pakistan (SECP) and State Bank of Pakistan (SBP) taking initiatives to enhance market liquidity and support the debt securities market. These actions, combined with a supportive macroeconomic environment including aggressive monetary easing by the SBP and improvements in fiscal stability, are expected to boost the sector's performance. The SBP's recent Monetary Policy Report indicates continued challenges in export performance, which may impact the NBFC sector's operating environment. Aggressive monetary easing by the SBP, with the policy rate slashed from 21.5% to 11% in FY25, has improved market liquidity and provided a more favorable financial environment. The fiscal deficit narrowed significantly in FY25, and Pakistan's credit rating was upgraded by Fitch Ratings, signaling improved economic stability.

During FY25, Escorts Investment Bank Limited achieved revenue of Rs.108 million, reflecting stability in core operations. Despite ongoing inflationary pressures, the Company successfully implemented prudent cost-control measures, helping to limit net losses to Rs.66.9 million. While the challenge of meeting minimum equity requirements persists, key financial indicators such as capital adequacy, liquidity, and leverage ratios remain strong, reaffirming the Company's resilience and ability to meet its financial obligations.

Throughout the year, the Company maintained a strategic focus on strengthening its microfinance and investment finance operations, improving internal controls, and ensuring full compliance with regulatory frameworks. These efforts lay a solid foundation for future growth and long-term sustainability. Further, the Company aims to enhance its operational efficiency, diversify its product portfolio, and adopt technology to strengthen its competitive positioning and financial resilience.

I extend my sincere appreciation to the Securities and Exchange Commission of Pakistan (SECP) for its continued support, guidance, and regulatory oversight. I also take this opportunity to acknowledge and commend the management and employees of the Company for their dedication, hard work, and unwavering commitment throughout the year. Their efforts have been instrumental in navigating challenges and driving progress.

Additionally, I express my deep gratitude to the Board of Directors for their strategic oversight and to the Board Committees for their active engagement and contributions toward governance, compliance, and performance enhancement. Together, these collective efforts have played a vital role in supporting the Company's vision and ensuring sustainable growth.



**Syed Tahir Nawazish**  
Chairman

## چیرمین کی جائزہ رپورٹ

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ (ای آئی بی ایل) کے بورڈ آف ڈائریکٹرز کی جانب سے، میں سال 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے چیرمین کی جائزہ پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

پاکستان میں نان بینکنگ فنانشل کمپنیز (این بی ایف سی) کے شعبے نے مالی سال 2025 کی پہلی ششماہی میں بحالی کے آثار دکھائے۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) اور اسٹیٹ بینک آف پاکستان (ایس بی پی) نے مارکیٹ میں لیکویڈیٹی کو بہتر بنانے اور قرضہ جاتی سیکورٹیز کی مارکیٹ کی معاونت کے لیے مختلف اقدامات کیے۔ ان اقدامات کے ساتھ ساتھ ایک معاون میکرو اکنامک ماحول، بشمول اسٹیٹ بینک کی جارحانہ مالیاتی نرمی اور مالیاتی استحکام میں بہتری، سے توقع ہے کہ این بی ایف سی شعبے کی کارکردگی کو فروغ ملے گا۔

اسٹیٹ بینک آف پاکستان کی حالیہ مانیٹری پالیسی رپورٹ میں برآمدات کی کارکردگی میں جاری چیلنجز کی نشاندہی کی گئی ہے، جو این بی ایف سی شعبے کے آپریٹنگ ماحول کو متاثر کر سکتے ہیں۔ مالی سال 2025 میں پالیسی ریٹ کو 21.5% سے کم کر کے 11% کر دیا گیا، جس سے مارکیٹ میں لیکویڈیٹی میں اضافہ ہوا اور ایک زیادہ سازگار مالیاتی ماحول میسر آیا۔ مالی سال 2025 میں مالیاتی خسارے میں نمایاں کمی ہوئی، جبکہ ریٹیل پاکستان کی کریڈٹ ریٹنگ کو بہتر کر کے ملک کے معاشی استحکام میں بہتری کی تصدیق کی۔

مالی سال 2025 کے دوران، ایسکارٹس انویسٹمنٹ بینک لمیٹڈ نے 108 ملین روپے کی آمدنی حاصل کی، جو بنیادی آپریٹرز میں استحکام کی عکاسی کرتی ہے۔ مہنگائی کے جاری دباؤ کے باوجود، کمپنی نے محتاط لاگت کنٹرول کے اقدامات کا میانی سے نافذ کیے، جس کے نتیجے میں خالص نقصان 66.9 ملین روپے تک محدود رہا۔ اگرچہ کم از کم ایکویٹی کی ضروریات پوری کرنے کا چیلنج برقرار ہے، تاہم کمپنی کے کلیدی مالیاتی اشاریے، جیسے کہ کپیکل ایڈی کوئسی، لیکویڈیٹی اور لیوریج ریٹوز، مضبوط رہے، جو کمپنی کی مالی ذمہ داریاں پوری کرنے کی صلاحیت کا ثبوت ہیں۔

سال بھر کے دوران، کمپنی نے اپنی مانیٹرنگ فنانس اور انویسٹمنٹ فنانس آپریٹرز کو مضبوط بنانے، اندرونی کنٹرولز کو بہتر بنانے، اور ریگولیٹری فریم ورک کی مکمل پابندی کو یقینی بنانے پر اسٹریٹجک توجہ مرکوز رکھی۔ یہ اقدامات مستقبل میں ترقی اور طویل مدتی پائیداری کی ایک مضبوط بنیاد فراہم کرتے ہیں۔ مزید برآں، کمپنی اپنی آپریٹنگ کارکردگی کو بہتر بنانے، پروڈکٹ پورٹ فولیو کو متنوع بنانے اور جدید ٹیکنالوجی اپنانے کی خواہاں ہے تاکہ مسابقتی پوزیشننگ اور مالیاتی استحکام کو مزید تقویت دی جاسکے۔

میں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کا دل کی گہرائیوں سے شکریہ ادا کرتا ہوں جنہوں نے مسلسل معاونت، رہنمائی اور ریگولیٹری نگرانی فراہم کی۔ میں اس موقع پر کمپنی کے مینجمنٹ اور ملازمین کی انتھک محنت، لگن اور عزم کو بھی سراہتا ہوں، جن کی کوششیں چیلنجز سے نمٹنے اور ترقی کے سفر میں کلیدی حیثیت رکھتی ہیں۔

آخر میں، میں بورڈ آف ڈائریکٹرز کا خصوصی شکریہ ادا کرتا ہوں جنہوں نے حکمت عملی کی سطح پر مؤثر نگرانی فراہم کی، اور بورڈ کی کمیٹیوں کا بھی جنہوں نے گورننس، کمپلائنس اور کارکردگی کے فروغ میں فعال کردار ادا کیا۔ ان تمام اجتماعی کوششوں نے کمپنی کے وژن کو آگے بڑھانے اور پائیدار ترقی کو یقینی بنانے میں بنیادی کردار ادا کیا۔

شکریہ!  
  
سید طاہر نواز  
چیرمین



# DIRECTORS' REPORT

The Board of Directors of Escorts Investment Bank Limited (“**Company**”) is pleased to present the Annual Report together with the Audited Financial Statements of the Company for the year ended June 30, 2025 and independent auditor’s report thereon.

## ECONOMIC REVIEW:

Pakistan’s economy in FY25 demonstrated modest yet encouraging progress, with GDP increasing by 2.68% to \$411 billion, up from 2.51% in FY24. The services sector, which constitutes 58.4% of GDP, led growth with a 2.91% expansion, while the industrial sector rose by 4.77% and agriculture by 0.56%. Per capita income increased significantly by 9.75% to \$1,824. Inflation pressures eased, with CPI inflation dropping to 4.7% during July–April FY25 compared to 26.0% in the same period last year. The KIBOR rate declined to 11.3%, while the average exchange rate stood at Rs.278.75 per US dollar. Fiscal consolidation improved with the primary surplus reaching 3% of GDP. These macroeconomic improvements provide cautious optimism for sustainable growth.

Looking forward, the economic environment is expected to improve with medium-term GDP growth projected at 5.7%, declining inflation, and improved financial conditions. These factors present opportunities for growth in the investment and financial services sector. However, challenges remain, including regulatory complexities, taxation anomalies, financial inclusion gaps, and limited availability of long-term funding for NBFCs and Modarabas.

## FINANCIAL RESULTS:

The financial results are as under:

Description	Year ended	
	2025	2024
Revenue	108,377,570	136,492,676
Loss before provision & taxation	(55,908,521)	(21,732,249)
Provisions	(9,697,081)	(3,973,753)
Taxation	(2,798,000)	2,608,094
<b>Loss after taxation</b>	<b>(68,403,602)</b>	<b>(23,097,908)</b>
Earnings per share	<b>(0.50)</b>	<b>(0.17)</b>

The Company generated revenue of Rs.108.38 million, reflecting consistent business activity despite a challenging economic environment, compared to last year’s income of Rs.136.49 million. The higher loss of Rs.68.40 million, against Rs.23.10 million in FY24, was primarily driven by prudent provisioning of Rs.9.70 million (FY24: Rs.3.97 million) and taxation impact, which demonstrates the Company’s proactive risk management and compliance discipline. While these measures temporarily widened the loss and earnings per share stood at Rs.(0.50), they also strengthened the balance sheet and positioned the Company to benefit from improving macroeconomic conditions, cost optimization, and future growth opportunities. While FY25 reflects a difficult year, the proactive provisioning, continued revenue generation, and compliance discipline are positive steps that safeguard the Company’s long-term sustainability and prepare it for stronger performance when market conditions improve.

Compliance with the minimum equity requirement under Regulation # 04 of NBFC Regulations has been specifically elaborated under Note-1 to the financial statements. However, the Company’s other important indicators like Capital Adequacy Ratio, liquidity position and leverage ratios strongly reflect the Company’s ability to fulfill its obligations. Hence, the accounts are prepared on going concern basis.

# DIRECTORS' REPORT

## OVERALL PERFORMANCE REVIEW:

During FY25, the Company continued its focus on cost rationalization by exercising strict discipline over administrative and personnel expenses. Despite inflationary pressures and rising operational costs across the economy, management successfully contained expenses through process automation, resource optimization, and tighter monitoring of overheads. These measures reflect the Company's commitment to efficiency, enabling it to maintain service standards while minimizing cost escalation.

The branch network remained a strong contributor to the Company's performance, with several branches reporting profitability even in the face of increased provisioning requirements. This demonstrates the strength of the Company's operational model and its ability to generate sustainable revenues at the grassroots level. The profitability at branch level offset some of the adverse impact of provisions, reflecting resilience in core operations and providing a strong platform for future growth. The Company's IFS license is in renewal process, and it has been applied for renewal with the SECP.

## FUTURE OUTLOOK:

PACRA has subsequently downgraded the Company's long term credit rating to **"BBB-** and short-term credit rating to **"A3"** with stable outlook on Sep 19, 2025.

## INTENTION TO ACQUIRE MAJORITY SHAREHOLDING OF THE COMPANY:

On April 17, 2025, AKD Securities Limited, Manager to the Offer of the Public Announcement of Intention (PAI), has served notice of intention by Mr. Kamran Malik and Mr. Sheikh Ali Baakza (the "Acquirers"). To acquire entire 87.96% Bahria Town (Pvt) Limited shares and up to 6.02% of the issued paid-up share capital held by the public of EIBL which has been publicly disclosed by the Company previously.

## BOARD OF DIRECTORS:

The board of directors held four (04) meetings during the year. Attendance by each Director was as follows;

Director Name	Meetings Attended
Mr. Basit Rahman Malik	4
Syed Tahir Nawazish	4
Ms. Madiha Arooj	4
Mr. Muhammad Rasheed Alam	4

Casual vacancies were occurred on Board due to the resignations of Mr. Muhammad Mubashir Hussain and Khawaja Nadeem Abbas on July 15, 2023 and Mr. Rashid Aziz on August 28, 2023. To fill these casual vacancies, proposed directors' applications and related documents for the fit and proper criteria have been duly filed with SECP for seeking final approval.

The Audit Committee held four (4) meetings during the year. Attendance by each member was as follows:

Director Name	Meetings Attended
Mr. Basit Rahman Malik	4
Syed Tahir Nawazish	4
Ms. Madiha Arooj	4

# DIRECTORS' REPORT

## COMPOSITION OF BOARD:

Last year, two Independent Directors and one Nominee Director resigned from the Board and the Board has co-opted Mr. Shahid Hosain Kazi and Ms. Hifsa Saad Khan (Independent Directors) and Ms. Sadia Khan (Non-executive director) subject to the clearance of their Fit and Proper Criteria which has been applied with the SECP.

Further, the fact is also evident before the management of the Company that both independent directors and a nominee director have resigned from the board; therefore, Audit Committee, Human Resource and Remuneration Committee and Risk Management Committee need to be reconstituted, upon approval of new directors by SECP.

## DIRECTORS' REMUNERATION:

The Board of Directors has approved Directors Remuneration. However, in terms of the Code of Corporate Governance, it is ensured that no Director takes part in deciding his own remuneration. The Company shall not pay remuneration to its non-executive directors including independent directors. However, independent and non-executive directors are paid meeting fees for attending Board and committee meetings. For information on the remuneration of the Directors and CEO, please refer to note 39 to the Financial Statements.

## DIRECTORS DECLARATION:

In compliance with the provisions of the listing regulations of the Pakistan Stock Exchange, the Board members are pleased to confirm that:

- a) these financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity;
- b) proper books of accounts of the Company have been maintained;
- c) appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;
- e) the system of internal controls is sound in design and has been effectively implemented and efficiently monitored;
- f) there are no significant doubts upon the Company's ability to continue as going concern;
- g) there is no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- h) information about outstanding taxes and other government levies are given in related note(s) to the accounts.
- i) the statement of Code of Ethics and Business Practices has been developed and acknowledged by the directors and employees of the Company.
- j) The Key operating and financial data for the last six years is annexed to the annual report

## STATEMENT OF COMPLIANCE:

The Company strictly adheres to the principles of Corporate Governance mandated by the Securities and Exchange Commission of Pakistan and has implemented all the prescribed stipulations. The same have been summarized in statement of compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 duly reviewed by the auditors.

# DIRECTORS' REPORT

## RISK MANAGEMENT:

The Board of Directors is responsible for establishing the risk management framework, which includes company risk management policies, review, approvals and continued monitoring to ensure that an appropriate sound and effective internal control and compliance system is in place all the time. An independent outsourced internal audit team is assisting the Audit committee which is reportable to the Board of Directors.

Further, Board and the management have instituted a strong governance and legal framework to ensure compliance to not only applicable laws and regulations but also to stay at par with best international practices. Therefore, the management is expecting that it will not materially impact on the business model of the company.

## AUDITORS:

M/s Ilyas Saeed & Company Chartered Accountants retire and being eligible, offer themselves for re-appointment for the year ending June 30, 2026.

## PATTERN OF SHAREHOLDING:

A statement showing pattern of shareholdings of the Company and additional information as at June 30, 2025 is included in the report.

## ENVIRONMENTAL AND CORPORATE SOCIAL RESPONSIBILITY:

As an investment bank with a strong focus on microfinance products, EIBL is dedicated to creating a meaningful and lasting impact on the communities we serve. Our approach extends beyond traditional banking through a well-rounded Corporate Social Responsibility (CSR) program aimed at improving lives and fostering inclusive growth. We actively support initiatives that promote financial literacy, economic empowerment, and community development, ensuring our operations contribute to the broader social well-being of the regions we operate in. Our commitment also includes upholding ethical business practices, encouraging diversity and inclusion within our workforce, and strengthening community engagement.

In alignment with our values, a comprehensive ESG (Environmental, Social, and Governance) framework is currently being developed. This includes the establishment of a Sustainability Committee comprising board members, with female representation to ensure inclusivity in decision-making. These initiatives are set to be implemented in the near future as part of our vision to build a more sustainable, responsible, and equitable future for all.

## ACKNOWLEDGEMENT:

The Directors wish to thank The Securities and Exchange Commission of Pakistan for their valued support, assistance and guidance. The Board would like to take this opportunity to express their admiration to the employees and management of the Company for their commitment, hard work and cooperation throughout the year. The Company recognizes and records its gratitude for all their efforts.

For and on behalf of the Board,



**Mr. Basit Rahman Malik**  
Chief Executive /Director



**Syed Tahir Nawazish**  
Chairman



## ڈائریکٹرز کی رپورٹ

ایسکاٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز 30 جون 2025ء کو اختتام پذیر سال کے لئے کمپنی کی سالانہ رپورٹ، پڑتال شدہ مالیاتی اسٹیٹمنٹس بعد خود مختار آڈیٹرز کی رپورٹ ازراہ مسرت پیش کرتے ہیں۔

### معاشی جائزہ

مالیاتی سال 2025ء میں پاکستان کی معیشت میں معمولی لیکن خوش کن پیش رفت ہوئی جس میں مالیاتی سال 2024ء کے دوران 2.51% کے مقابلے میں جی ڈی پی 2.68% فی صد کی شرح سے 411 بلین ڈالر ہو گیا۔ خدمات کے شعبہ، جو GDP کا 58.4% ہے، کی نمو 2.91%، صنعتی شعبہ کی نمو 4.77% اور زرعی شعبے میں 0.56% اضافہ ہوا۔ فی کس آمدنی میں بھی 9.75% کے ساتھ 1,824 ڈالر نمایاں اضافہ ہوا۔ افراط زر کے دباؤ میں بھی آسانی پیدا ہوئی جس میں CPI افراط زر مالیاتی سال 2025ء کے جولائی تا اپریل دوران 4.7% تک کم ہوا جو کہ گزشتہ برس کی اسی مدت میں 26.0% تھا۔ KIBOR کی شرح میں بھی 11.3% تک کمی واقع ہوئی جب کہ اوسط شرح مبادلہ 278.75 فی ڈالر رہی۔ بنیادی سرچس کے ساتھ مالیاتی استحکام آیا جو GDP کے 3% فی صد تک پہنچ گیا۔ یہ کچھ اقتصادی پیش رفت پائیدار نمو کے لئے محتاط امید پیدا کرتی ہے۔

مستقبل میں، گرتی ہوئی مہنگائی اور بہتر مالیاتی حالات کے باعث معاشی ماحول میں وسط سے طویل مدتی شرح نمو میں 5.7% کے ساتھ بہتری آنے کی توقع ہے۔ یہ عوامل انویسٹمنٹ اور مالیاتی سروسز کے شعبے میں ترقی کے مواقع کی نشاندہی کرتے ہیں۔ البتہ ریگولیٹری پیچیدگیوں، ٹیکسیشن بے ضابطگیوں، مالیاتی دخول میں خلا اور NBFCs اور مضاربہ کے لئے طویل مدتی قرضوں کی عدم دستیابی جیسے مسائل جاری رہیں گے۔

### مالیاتی نتائج

مالیاتی نتائج حسب ذیل ہیں:

اختتام پذیر سال		تفصیل
2024	2025	
136,492,676	108,377,570	آمدنی
(21,732,249)	(55,908,521)	نقصان بعد مراعات اور ٹیکسیشن
(3,973,753)	(9,697,081)	مراعات
2,608,094	(2,798,000)	ٹیکسیشن
(23,097,908)	(68,403,602)	نقصان علاوہ ٹیکسیشن
(0.17)	(0.50)	فی حصص آمدنی (روپے)

کمپنی نے 108.308 ملین روپے آمدنی پیدا کی جو شکل ترین معاشی ماحول کے باعث کاروباری سرگرمیوں کے تسلسل کی عکاسی کرتی ہے جو کہ گزشتہ برس بھی آمدنی 136.49 ملین روپے تھی۔ مالیاتی سال 2024ء میں 23.10 ملین روپے کی نسبت 68.40 ملین روپے کا بلند خسارہ 9.70 ملین روپے (مالیاتی سال 2024: 3.97 ملین روپے) کے واجبات کی ادائیگی کے لئے مختص رقم اور ٹیکسیشن اثرات سے منسوب کی جاتی ہے جو کمپنی کی قبل از وقت رسک مینجمنٹ اور کمپلائنس نظم و ضبط کی عکاسی کرتی ہے۔ اگرچہ ان اقدامات نے عارضی طور پر خسارے میں اضافہ کیا اور فی حصص آمدنی (0.50) روپے تک پہنچی گئی ہے لیکن اس عمل نے بیلنس شیٹ کو بھی وسیع کیا ہے اور کمپنی کو بہتر کچھ اقتصادی حالات، لاگت میں ترتیب اور مستقبل میں نمو سے فائدہ اٹھانے کے قابل بنایا ہے۔ اگرچہ مالیاتی سال 2025ء ایک مشکل سال ہے لیکن قبل از وقت سرمایہ کے اصراف، آمدنی میں متواتر اضافہ اور کمپلائنس نظم و ضبط مثبت اقدامات ہیں جو کمپنی کی طویل مدتی پائیداری کا تحفظ کرتے ہیں اور مارکیٹ کے حالات، بہتر ہونے پر مستحکم کارکردگی کے لئے اسے تیار کر رہے ہیں۔

NBFC ضوابط کے قاعدہ 04 کے تحت کم از کم ایکویٹی تقاضے کی تعمیل کی مالیاتی اسٹیٹمنٹس کے نوٹ 1 میں خصوصی طور پر وضاحت کی گئی ہے۔ البتہ کمپنی کے دیگر اہم اشاریے جیسا کہ سرمایہ کی موزونیت کی شرح، لکویڈٹی پوزیشن اور لیوریج شرح فراغ کی انجام دہی کے لئے کمپنی کی استعداد کی عکاسی کرتے ہیں۔ لہذا، کھاتے جاری کاروبار کی بنیاد پر تیار کئے گئے ہیں۔

### مجموعی کارکردگی کا جائزہ

مالیاتی سال 2025ء کے دوران، کمپنی نے انتظامی و عملہ جاتی اخراجات پر سخت نظم و ضبط کے ذریعے لاگت پر کنٹرول جاری رکھا۔ افراط زر کے دباؤ اور معیشت میں آپریشنل لاگت میں اضافے کے باوجود انتظامیہ نے پروسیس اور وسائل کو ترتیب دے کر اور بقایا جات کی سخت نگرانی کے ذریعے اخراجات کو کامیابی سے کنٹرول کیا ہے۔ یہ اقدامات کارکردگی کے لئے کمپنی کے عزم کی عکاسی کرتے ہیں جس سے کمپنی لاگت میں کمی کے ساتھ سروس کے معیار کو بہتر بنانے میں کامیاب ہوئی ہے۔

برائچ میٹ ورک کمپنی کی کارکردگی میں مرکزی کردار ادا کر رہا ہے جس میں کئی شاخیں اضافی مراعات کی ضرورت کے باعث منافع دکھا رہی ہیں۔ یہ کمپنی کے آپریشن ماڈل کی مضبوطی اور چٹائی سطح پر پائیدار آمدنی حاصل کرنے میں اس کی استعداد کی عکاسی کرتے ہیں۔ برائچ کی سطح پر منافع مراعات کے برے اثرات کو مبہم کرتی ہیں جو بنیادی آپریشنز میں پلگ اور مستقبل میں ترقی کے لئے مضبوط پلیٹ فارم کے قیام کی عکاسی کرتی ہیں۔ کمپنی کا IFS انسٹنس تجدیدی عمل میں ہے اور اس کی تجدید کے لئے SECP کو درخواست دے دی گئی ہے۔

### مستقبل کا منظر نامہ

PACRA نے 19 ستمبر 2025ء کو مستحکم آؤٹ لک کے ساتھ کمپنی کی طویل مدتی کریڈٹ ریٹنگ میں "BBB" اور قلیل مدتی کریڈٹ ریٹنگ میں "A3" تک تیزی کی ہے۔

### کمپنی کی بڑی شیئر ہولڈنگ کے حصول کا ارادہ

17 اپریل 2025ء کو AKD سکیورٹیز لمیٹڈ، ارادے کی بابت عوامی پیشکش کے مینیجر، نے بحریہ ٹاؤن (پرائیویٹ) لمیٹڈ کی 87.96% شیئر ہولڈنگ اور EIBL کی پبلک کی ملکیت 6.02% جاری واداشدہ سرمایہ کو حاصل کرنے کے لئے جناب کامران ملک اور جناب شیخ علی باکڑہ ("حصول کنندہ") کے ذریعے ارادے کا نوٹس جاری کیا ہے۔ جسے کمپنی نے عوامی سطح پر شائع بھی کیا ہے۔

### بورڈ آف ڈائریکٹرز

رواں برس کے دوران بورڈ آف ڈائریکٹرز کے چار (04) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

نام ڈائریکٹر	اجلاس میں حاضری
جناب باسط رحمن ملک	4
سید طاہر نواز شش	4
مس مدیحہ عروج	4
جناب محمد رشید عالم	4

15 جولائی 2023ء کو جناب محمد بشیر حسین اور خواجہ ندیم عباس اور 28 اگست 2023ء کو جناب راشد عزیز کے استعفی کے باعث بورڈ میں عارضی نشستیں پیدا ہوئیں۔ ان عارضی نشستوں کو پر کرنے کے لئے جتنی منظوری حاصل کرنے کی غرض سے SECP کو ممکنہ ڈائریکٹرز کی درخواستیں اور متعلقہ دستاویزات جمع کرا دی گئی ہیں۔

رواں برس کے دوران آؤٹ کمیٹی کے چار (04) اجلاس منعقد ہوئے ہر رکن کی حاضری حسب ذیل ہے:

نام ڈائریکٹر	اجلاس میں حاضری
جناب باسط رحمن ملک	4
سید طاہر نواز شش	4
مس مدیحہ عروج	4



## بورڈ کی ترکیب

گذشتہ برس دو خود مختار ڈائریکٹر اور ایک نامزد ڈائریکٹر نے بورڈ سے استعفیٰ دیا اور فٹ اور پراپر معیار کی کلیرنس سے مشروط بورڈ نے جناب شاہد حسین کاظمی اور مس حصہ سعد خان (خود مختار ڈائریکٹر) اور مس سعد یہ خان (نان ایگزیکٹو ڈائریکٹر) کا انتخاب کیا ہے اور SECP کو درخواست دے دی گئی ہے۔ مزید برآں، کمپنی کی انتظامیہ کی جانب سے حقائق واضح ہیں کہ دونوں خود مختار ڈائریکٹر اور نامزد ڈائریکٹر نے بورڈ سے استعفیٰ دے دیا ہے لہذا SECP کی جانب سے نئے ڈائریکٹر کی منظوری کے بعد آڈٹ کمیٹی، ہیومن ریسورس اور ریسورس کمیٹی اور رسک مینجمنٹ کمیٹی کی تشکیل نو درکار ہے۔

## ڈائریکٹر کا معاوضہ

بورڈ آف ڈائریکٹر نے ڈائریکٹر کا معاوضہ منظور کیا ہے۔ البتہ، کوڈ آف کارپوریٹ گورننس کے مطابق یہ یقینی بنایا گیا ہے کہ کوئی بھی ڈائریکٹر اپنے معاوضہ کے تعین میں حصہ نہیں لے گا۔ کمپنی اپنے نان ایگزیکٹو ڈائریکٹر اور خود مختار ڈائریکٹر کو معاوضہ ادائیں کرے گی۔ البتہ خود مختار ڈائریکٹر اور نان ایگزیکٹو ڈائریکٹر کو بورڈ اور کمیٹی اجلاسوں میں شرکت کی فیس ادا کی جائے گی۔ ڈائریکٹر اور CEO کے معاوضہ پر معلومات کے لئے براہ کرم مالیاتی اسٹیٹمنٹس کا نوٹ 39 ملاحظہ کریں۔

## ڈائریکٹر کا اعلامیہ

- پاکستان اسٹاک ایکسچینج کے لسٹنگ ضوابط کی تعمیل میں بورڈ اراکین مندرجہ ذیل کی توثیق کرتے ہیں:
- کمپنی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹس کمپنی کے امور، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کا منصفانہ اظہار کرتی ہیں۔
  - کمپنی کے کھاتوں کی باقاعدہ کتابیں تیار کی گئی ہیں۔
  - مالیاتی اسٹیٹمنٹس کی تیاری میں معقول اکاؤنٹنگ پالیسیوں کا ہدف تیار کیا گیا ہے اور اکاؤنٹنگ تخمینے موزوں اور قابل فیصلوں کی بنیاد پر لگائے گئے ہیں۔
  - مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں رائج بین الاقوامی مالیاتی اصولوں کا اطلاق کیا گیا ہے۔
  - داخلی نظم و ضبط ایک مربوط نظام موجود ہے اور اس کا موثر اطلاق اور نگرانی کی جاتی ہے۔
  - کمپنی کی کاروبار جاری رکھنے کی صلاحیت میں کوئی ابہام موجود نہ ہے۔
  - لسٹنگ ضوابط کے مطابق کارپوریٹ گورننس کی بہتری عمل داری میں کوئی ابہام نہ ہے۔
  - واجب الادائیوں اور دیگر حکومتی لیویز کی تفصیلات کھاتوں کے متعلقہ نوٹس میں دی گئی ہیں۔
  - ضابطہ اخلاص اور کاروباری عمل داری پر بیان وضع کیا گیا ہے جسے کمپنی کے ڈائریکٹر و ملازمین نے تسلیم لے لیا ہے۔
  - گذشتہ چھ برس کے لئے اہم آپریشننگ اور مالیاتی اعداد و شمار سالانہ رپورٹ کے ساتھ لف ہیں۔

## تعمیل کا بیان

کمپنی سیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے وضع کردہ کارپوریٹ گورننس کے اصولوں کی سختی سے پابندی کی جاتی ہے اور اس بابت تمام نکات کا اطلاق کیا گیا ہے۔ لسٹنگ کمیز (کوڈ آف کارپوریٹ گورننس) ضوابط 2019، کے ساتھ آڈیٹرز کی باقاعدہ نظر شدہ کھاتوں کی تعمیل میں اس کا خلاصہ کیا گیا ہے۔

## رسک مینجمنٹ

بورڈ آف ڈائریکٹر رسک مینجمنٹ فریم ورک قائم کرنے کے لئے ذمہ دار ہے جس میں کمپنی کی رسک مینجمنٹ پالیسیاں، جائزہ منظوریاں اور مسلسل نگرانی شامل ہیں تاکہ یقینی بنایا جاسکے کہ ایک مناسب اور موثر داخلی نظم و ضبط اور تعمیل کا نظام ہمہ وقت قائم رہے۔ ایک خود مختار انٹرنل آڈٹ ٹیم آڈٹ کمیٹی کی معاونت کرتی ہے جو بورڈ آف ڈائریکٹر کو جواب دہ ہے۔

مزید برآں، بورڈ اور انتظامیہ نے نہ صرف مروجہ قوانین و ضوابط کی تعمیل کو یقینی بنانے کے لئے مضبوط گورننس اور ریگل فریم ورک تشکیل دیا ہے بلکہ بہترین بین الاقوامی اصولوں سے بھی آگے ہے۔ لہذا، انتظامیہ توقع رکھتی ہے کہ یہ کمپنی کے کاروبار پر مائل پراثر انداز نہیں ہوگی۔

## آؤیئر

میسرز ایلاس اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور اہلیت کی بنا پر 30 جون 2026 کو اختتام پذیر سال کے لئے اپنی دوبارہ ترقی کی پیشکش کرتے ہیں۔

## شیئر ہولڈنگ کا پیٹرن

30 جون 2025 تک کمپنی کے پیٹرن آف شیئر ہولڈنگ پر مبنی بیان اور اضافی معلومات کو رپورٹ ہذا میں شامل کیا گیا ہے۔

## ماحولیاتی و کاروباری سماجی ذمہ داری

مانیکرو فائننس پروڈکٹس پر مکمل توجہ کے ساتھ بطور انویسٹمنٹ بینک EIBL زیر خدمت کمیونٹیوں میں با معنی اور دور رس اثرات مرتب کرنے کے لئے کوشاں ہے۔ ہمارا طریق عمل کاروباری و سماجی ذمہ داری (CSR) پروگرام کے ذریعے روایتی بینکنگ سے ہٹ کر ہے جس کا مقصد زندگیوں کو بہتر بنانا اور ترقی کو پروان چڑھانا ہے۔ ہم ایسے اقدامات کی سپورٹ کرتے ہیں جو مالیاتی سوجھ بوجھ، معاشی خود مختاری اور کمیونٹی ڈیولپمنٹ کو فروغ دیں اور یقینی بنائیں کہ ہمارے آپریشنز ان خطوں میں سماجی فلاح و بہبود میں اضافہ کریں جہاں ہم آپریٹ کرتے ہیں۔ ہمارے عزم میں کام کی جگہ پر کاروباری اخلاقیات کو اپنانا اور تنوع اور شمولیت کو فروغ دینا اور کمیونٹی کی شمولیت کو مضبوط کرنا شامل ہیں۔

ہماری اقدار کے عین مطابق ایک جامع ESG (اینوائرنمنٹل، سوشل اور گورننس) فریم ورک وضع کیا جا رہا ہے۔ اس میں پائیداری کمیٹی کی تشکیل شامل ہے جو بورڈ اراکین بعد خواتین پر مشتمل ہے تاکہ فیصلہ سازی میں شمولیت کو یقینی بنایا جاسکے۔ ان اقدامات کو مستقبل قریب میں بطور کمپنی ویژن اطلاق کیا جائے گا تاکہ تمام افراد کے لئے مزید پائیدار، ذمہ دار اور مساوی مستقبل تعمیر کیا جاسکے۔

## اظہار تشکر

ڈائریکٹرز گرام قدر سپورٹ، معاونت اور رہنمائی کے سکیورٹیز اینڈ انکیسٹنگ کمیشن آف پاکستان کے شکر گزار ہیں۔ بورڈ اس موقع کا فائدہ اٹھاتے ہوئے پورے سال میں ان کے جذبہ، ان تھک محنت اور تعاون کمپنی کے ملازمین اور انتظامیہ کو خراج تحسین پیش کرنا چاہتا ہے۔ کمپنی ان کی تمام کاوشوں کا اعتراف کرتی اور ان کی شکر گزار ہے۔

منجانب / برائے بورڈ



سید طاہر نواز  
چیئر مین



جناب باسط رحمن ملک  
چیف ایگزیکٹو/ڈائریکٹر



# FINANCIAL HIGHLIGHTS

## Last Six Years of Escorts Bank At a Glance

(Rupees in '000')

	2025	2024	2023	2022	2021	2020
<b>FINANCIAL DATA</b>						
Share Capital	1,356,000	1,356,000	1,356,000	1,356,000	1,356,000	1,356,000
Reserves	(853,416)	(785,012)	(761,373)	(731,511)	(536,259)	(454,332)
Shareholders' Equity	502,584	570,987	594,627	624,489	819,740	901,668
Subordinated Loan	-	-	-	-	-	137,694
Deposits	-	-	-	-	41,250	51,250
Current Liabilities	130,992	119,770	117,509	136,171	151,360	343,828
Total Liabilities	158,214	155,069	171,826	196,635	217,087	456,681
Tangible Fixed Assets	126,726	144,410	152,906	180,251	211,745	203,228
Intangible Fixed Assets	5,423	5,406	4,503	16,909	17,808	16,799
Financing - Net of Provision	223,195	192,135	168,914	187,338	270,455	241,133
Net Investment in Finance Lease	2,166	2,166	2,166	2,166	2,166	2,166
Investments & Placements	38,129	33,206	144,988	81,860	149,810	227,213
Current Assets	314,948	384,363	378,852	379,965	464,560	709,710
Total Assets	660,798	726,056	766,453	839,891	1,056,582	1,376,345
<b>OPERATING RESULTS</b>						
Total Revenue	108,377	136,493	110,651	97,167	112,325	147,438
Markup Expense	-	-	-	-	-	16,766
Operating & Other Expenses	164,286	158,225	154,609	224,063	174,593	158,886
Provision against Non-Performing Loans	9,697	3,974	3,007	7,970	15,162	143
Profit/(loss) before Tax	(65,606)	(25,706)	(46,966)	(134,866)	(77,431)	(28,215)
Profit/(loss) after Tax	(68,404)	(23,098)	(48,629)	(196,422)	(81,482)	(29,910)
Dividend (%)				-		-
<b>FINANCIAL RATIOS</b>						
Loss per Share (Rs.)	(0.50)	(0.17)	(0.36)	(1.45)	(0.60)	(0.22)
Net Asset Value per Share (Rs.)	3.71	4.21	4.39	4.61	6.05	6.65
Market Value per Share (Rs.)	6.12	3.81	3.12	6.69	10.09	7.80
High	6.35	4.29	6.70	13.04	14.20	14.09
Low	6.02	3.51	2.90	5.99	7.55	6.17
Dividend per Share (Rs.)				-		-
Dividend Yield (%)				-		-
Dividend Payout Ratio(%)				-		-
Loss Before Tax Ratio (%)	(60.53)	(18.83)	(36.82)	(138.80)	(68.93)	(19.14)
Revenue to Expenses (Times)	0.62	0.84	0.81	0.42	0.64	0.84
Total Assets Turnover Ratio (Times)	0.16	0.19	0.17	0.12	0.11	0.11
Advances to Deposits (Times)	-	-	-	-	6.56	4.71
Total Liabilities to Equity (Times)	0.31	0.27	0.29	0.31	0.26	0.51
Current Ratio	2.40	3.21	3.22	2.79	3.07	2.06

# STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance)  
Regulations, 2019

Name of Company:	ESCORTS INVESTMENT BANK LIMITED
Year Ended:	June 30, 2025

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 in the following manner:

- The total number of directors are four (4)\* as per the following:

a.	Male:	3
b.	Female:	1

\* The Company have only four (4) directors during the year as three (3) directors resigned during the last year. The company is in the process of appointing the directors to fill in the casual vacancies.

- The composition of Board is as follows:

i)	Independent Directors**	-
ii)	Non-executive Directors	Syed Tahir Nawazish Ms. Madiha Arooj
iii)	Executive Director	Mr. Basit Rahman Malik Mr. Muhammad Rasheed Alam
iv)	Female Director	Ms. Madiha Arooj

\*\* There was no independent director during the year. The Company is in the process of appointing the independent directors to fill the casual vacancies.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
- 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;
- 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 date of approval or updating is maintained by the Company;
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;
- The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency\*\*, recording and circulating minutes of meeting of the Board.

\*\* The meeting of the Board was not held in first quarter of the year.

- The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- During the year, one director, Mr. Basit Rahman Malik, completed the Directors' Training Program. Mr. Syed Tahir Nawazish meets the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies and, hence is exempt from the Directors' training program. Other directors' have not obtained Directors' Training Program certification.
- The Board has approved appointment of Chief Financial Officer and Company Secretary including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

# STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance)  
Regulations, 2019

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

**a. Audit Committee\*\***

Mr. Basit Rahman Malik	Chairman
Syed Tahir Nawazish	Member
Ms. Madiha Arooj	Member

\*\* The chairman of audit committee was not an independent director because no independent director was appointed during the year. Hence, the audit committee will be reconstituted upon the appointment of new directors.

**b. Human Resource and Remuneration Committee\*\* ("HRRC")**

Mr. Basit Rahman Malik	Chairman
Syed Tahir Nawazish	Member

\*\* The HRRC do not have three (3) members and the chairman was not an independent director. The HRRC will be reconstituted upon the approval of new directors by SECP.

**c. Risk Management Committee**

Mr. Basit Rahman Malik	Chairman
Syed Tahir Nawazish	Member

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

14. The frequency of meetings of the committees was as follows:

- a. Audit Committee Quarter 1: Zero      Quarter 2: Two      Quarter 3: One      Quarter 4: One
- b. Human Resource and Remuneration Committee (No meeting in the financial year)
- c. Risk Management Committee (No meeting in the financial year)

15. The Board has outsourced the internal audit function to Muniff Ziauddin & Co. who is considered suitably qualified and experienced for the purpose and is well conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;

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



## STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance)  
Regulations, 2019

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

Mandatory Requirement	Reg. Ref.	Explanation
<b>Minimum number of directors</b> Listed Company shall have not less than seven directors.	154(1)(d) of the Companies Act, 2017	Three directors resigned during the year ended June 30, 2024. Application for appointment of proposed directors have been submitted with SECP. The Company is awaiting approval to fill these casual vacancies.
<b>Frequency of meeting of Board of Directors</b> The board of a public company shall meet at least once in each quarter of a year.	176(3) of the Companies Act, 2017	No meeting of the board of directors was held in the first quarter. The first quarter meeting was held with a delay, which resulted in two meetings being conducted in the second quarter instead.
<b>Independent directors</b> Listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors.	6(1)	Two independent directors resigned during the year ended June 30, 2024. Application for the appointment of new independent directors have been submitted with SECP. The Company is awaiting approval to fill these casual vacancies.
<b>Declarations by Independent Directors</b> An independent director shall submit a declaration to the Chairman of the Board confirming compliance with the independence criteria under the Act.	6(3)	Two independent directors resigned during the year ended June 30, 2024. Application for the appointment of new independent directors have been submitted with SECP. The Company is awaiting approval to fill these casual vacancies.
<b>Composition of Audit Committee</b> The audit committee shall comprise of at least three members comprising of non-executive directors and at least one independent director	27(1)(i)	Two independent directors resigned during the year ended June 30, 2024. Hence, the audit committee will be reconstituted upon the approval of new directors by SECP.
<b>Chairman of Audit Committee</b> The Chairman of the Audit Committee must be an independent director.	27(1)(ii)	Two independent directors resigned during the year ended June 30, 2024. Hence, the audit committee will be reconstituted upon the approval of new directors by SECP.
<b>Frequency of Audit Committee Meetings</b> The Audit Committee must meet at least once every quarter, with meetings held before Board approval of interim results and after completion of external audit.	27 (2) (i)	No meeting of the audit committee was held in the first quarter. The first quarter meeting was held with a delay, which resulted in two meetings being conducted in the second quarter instead.

# STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance)  
Regulations, 2019

19. Explanation for non-compliance with requirements, other than regulations 3, 7, 8, 32, 33 and 36 are below:

Non-Mandatory Requirement	Reg. Ref.	Explanation
<b>Role of the Board and its members to address Sustainability Risks and Opportunities</b> The Board is responsible for setting the company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a dedicated sustainability committee having at least one female director.	10A	The requirements relating to Environmental, Social and Governance (ESG) are being worked out and shall be complied with in due course of time.
<b>Directors' Training</b> It is encouraged that by June 30, 2022 all the directors on Boards shall 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.	19(1)	During the year, one director, Mr. Basit Rahman Malik, completed the Directors' Training Program. Further, the Company is waiting for the SECP approval of the proposed directors so that the director's training can be arranged accordingly.
<b>Composition of Human Resource and Remuneration Committee</b> The human resource and remuneration committee shall have at least three members comprising a majority of non-executive directors of whom at least one member shall be an independent director.	28(1)	Two independent directors resigned during the year ended June 30, 2024. There are only two members in HRRC. The audit committee will be reconstituted upon the approval of new directors by SECP.
<b>Chairman of Human Resource and Remuneration Committee</b> The chairman of the human resource and remuneration committee shall be an independent director.	28(2)	Two independent directors resigned during the year ended June 30, 2024. Hence, the audit committee will be reconstituted upon the approval of new directors by SECP.
<b>Frequency of Human Resource and Remuneration Committee meeting</b> The human resource and remuneration committee shall meet at least once in a financial year.	28(3)	No meeting of human resource and remuneration committee was held during the year because the unavailability of committee members.
<b>Evaluation of Board's performance</b> The human resource and remuneration committee shall undertake annually, a formal process of evaluation of performance of the Board as a whole and its committees.	28(6)(2)	The annual evaluation of performance of the Board and its committees was not done because the human resource and remuneration committee did not meet during the year.

## STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance)  
Regulations, 2019

<b>Nomination Committee</b> The Board may constitute a separate committee, designated as the nomination committee.	29 (1)	Currently, the Board has not constituted a separate Nomination Committee and the functions are being performed by the Human Resource & Remuneration Committee.
<b>Performance appraisal of internal auditor</b> The performance appraisal of internal audit shall be done jointly by the Chairman of the audit committee and the chief executive officer.	31(2)	The performance appraisal of the outsourced internal audit firm was not done as it is a Category A Chartered Accountancy firm providing internal audit services having vast experience of clients.
<b>Disclosure of significant policies on website</b> The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	35	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in the near future.



**Syed Tahir Nawazish**  
Chairman



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ESCORTS INVESTMENT BANK LIMITED  
REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED  
COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Escorts Investment Bank Limited ("the Company") for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any noncompliance 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 June 30, 2025.

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:

Sr. No.	Paragraph Reference	Description
1.	18	The Company have only four directors as at year end. It is non-compliance with minimum number of directors for a listed company that is seven directors.
2.	18	The meeting of Board of Directors was not held in first quarter of the year.
3.	18	The Company have not appointed two or one third members of the Board, whichever is higher, as independent directors.
4.	18	The declarations of independent directors have not been received due to their resignation.
5.	18	The audit committee does not have an independent director.
6.	18	The chairman of the audit committee is not an independent director.
7.	18	The audit committee meeting was not held in first quarter of the year.
8.	19	The Board has not set up a dedicated sustainability committee.
9.	19	The Board have not completed directors' training program certification expect one director.
10.	19	The human resource and remuneration committee does not have three members and an independent director.
11.	19	The chairman of human resource and remuneration committee is not an independent director.
12.	19	No meeting of human resource and remuneration committee was held during the year.
13.	19	The annual evaluation of performance of Board and its committees was not done during the year by the human resource and remuneration committee.
14.	19	The Board has not set up a nomination committee.
15.	19	The performance appraisal of the internal audit firm is not done by the chairman of audit committee and CEO.
16.	19	The Company have not disclosed significant policies on its website.

*Ilyas Saeed & Co*

Ilyas Saeed & Co.  
Chartered Accountants  
Lahore

Date: September 30, 2025

UDIN: CR202510278WPomriBgF

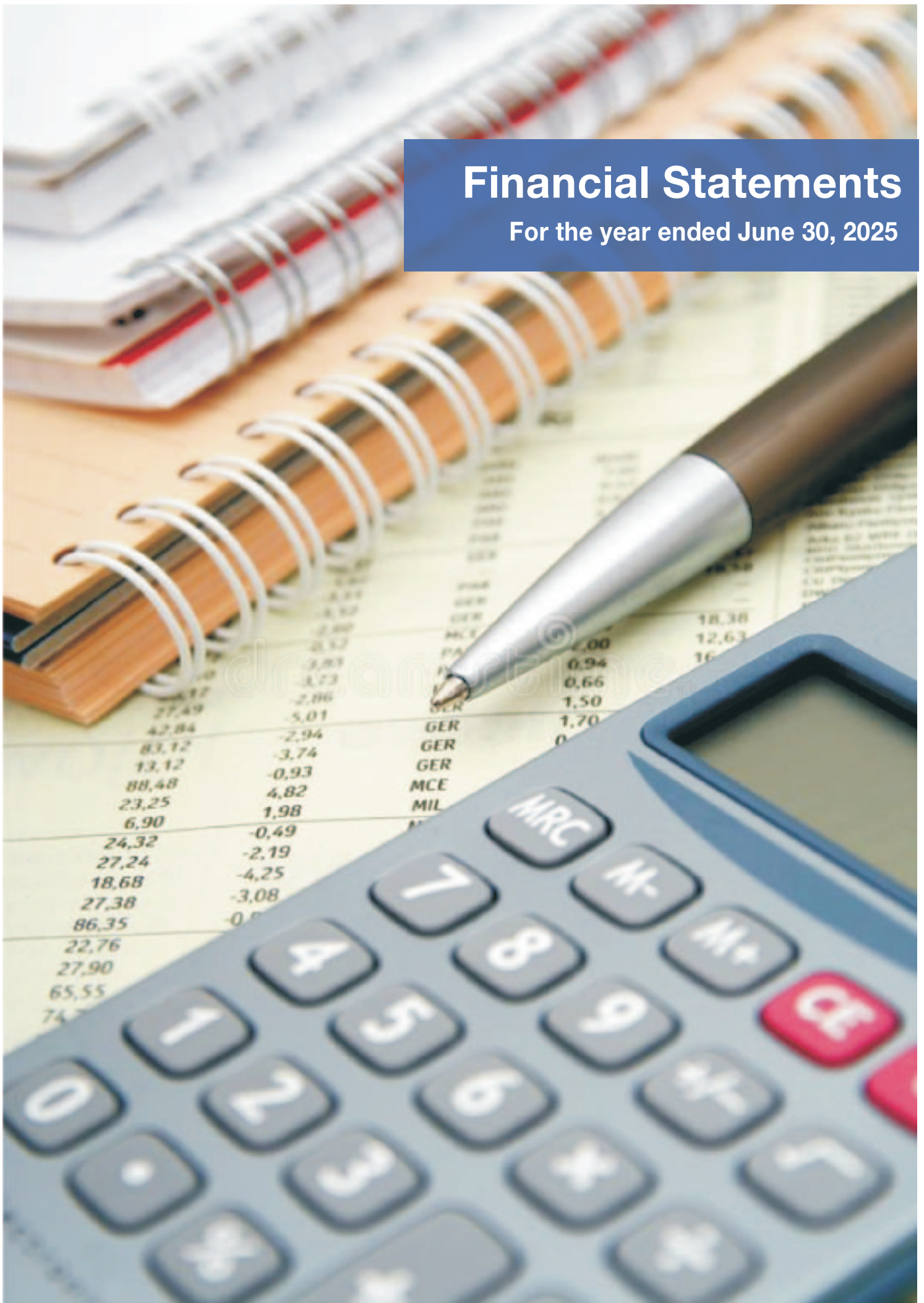
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# Financial Statements

For the year ended June 30, 2025



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ESCORTS INVESTMENT BANK LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Adverse Opinion**

We have audited the annexed financial statements of **Escorts Investment Bank Limited** (the Company), which comprise the statement of financial position as at June 30, 2025 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 of our report, 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, 2025 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

**Basis for Adverse Opinion**

**a) Going Concern**

The financial statements of the Company for the year ended June 30, 2025 reflect loss after taxation of Rs. 68.403 million (2024: Rs. 23.097 million) and as of that date it has accumulated losses of Rs. 1,027.55 million (2024: Rs. 959.99 million). The Company has incurred recurring operating losses and has been loss-making for the past many years. Furthermore, the Company does not have any future financing support arrangement from its holding company, to support its operations. Despite these continuous losses, the Company does not have any approved business feasibility plan or financial projections to support the appropriateness of the going concern assumption which indicates significant doubt in its ability to generate positive operating cash flows.

Furthermore, as at year end, the Company's board is incomplete with only four (04) directors, as two (02) independent directors and one (01) executive director resigned during previous years. Subsequent to year end, one (01) executive director also resigned, leaving composition of board with only three (03) directors. This has left the Company without adequate key management personnel to effectively oversee its operations.

These conditions indicate existence of material uncertainty that casts significant doubt on the Company's ability to continue as a going concern, and therefore that it may be unable to realize its assets and discharge its liabilities in the normal course of business. While the company has prepared and presented the annexed financial statements on going concern basis. We consider that keeping in view the above conditions/factors the company may not be able to discharge its liabilities and realize its assets in the normal course of business. Consequently, the use of going concern assumption in the preparation of annexed financial statements is not appropriate and adjustments may be required in these financial statements.

**b) Deferred Tax Asset**

As disclosed in Note 10 to the financial statements, the Company has recognized a deferred tax asset of Rs. 121.00 million (2024: Rs. 122.60 million) in respect of carried-forward business tax losses and unabsorbed tax depreciation. Management believes that sufficient taxable profits will be available in the foreseeable future to utilize these losses. However, based on the Company's historical performance and the assessment performed by its tax consultants, we did not obtain sufficient appropriate audit evidence to support the recognition of this deferred tax asset, as it is not probable that future taxable profits will be available against



which these losses can be utilized. Accordingly, in our opinion, the deferred tax asset is overstated by Rs. 121.00 million. Had this asset not been recognized, total assets and equity would have been reduced by the same amount, and the loss for the year would have increased by Rs. 121.00 million.

#### **c) Related Party Balance Confirmation**

As disclosed in Note 09 to the financial statements, we were unable to confirm the related party balance amounting to Rs. 7.63 million directly, representing security deposit to the holding company against leasehold branches being leased by the holding company. The Company did not provide us with adequate supporting documentation or alternative evidence to substantiate the existence and rights attached to this balance.

#### **d) Minimum Equity Requirement**

As per the applicable laws and regulations, the Company is required to maintain Minimum Equity Requirement of Rs. 750 million for maintaining deposit taking Investment Finance Services (IFS) license. Resultantly, the Company is in non-compliance with minimum equity requirements as specifically mentioned in Regulation 4 of NBFC Regulations 2008. Resultantly, the company is unable to obtain deposit taking license from Securities and Exchange of Pakistan.

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**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Adverse Opinion section, we have determined that there are no other key audit matters to communicate in our report.

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

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended June 30, 2025, but does not include the financial statements of the company and our auditor's report thereon.

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

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 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. Other information is misstated to the extent of matters raised in Basis for Adverse Opinion section.



## **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

Based on our audit except for the matters discussed in the Basis for Adverse Opinion section, we further report that:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) Because of the matters described in the Basis for Adverse Opinion section above, in our opinion, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017), however, 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 Bushra Sana.

*Ilyas Saeed & Co*

Ilyas Saeed & Co.  
Chartered Accountants  
Lahore.

Dated: September 30, 2025

UDIN: AR202510278KtAh7TEXH

# STATEMENT OF FINANCIAL POSITION

## AS AT JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	4	126,725,685	144,410,534
Intangible assets	5	5,423,167	5,406,270
Long term investments	6	24,546,125	24,546,125
Long term finances	7	59,645,990	36,256,539
Long term deposits	9	8,505,674	8,476,274
Deferred tax asset - net	10	121,004,001	122,597,618
		345,850,642	341,693,360
<b>CURRENT ASSETS</b>			
Current portion of non-current assets	11	63,490,068	39,012,851
Short term investments	12	13,583,423	8,660,157
Short term finances	13	100,059,308	116,866,350
Short term advances	14	2,646,080	2,547,539
Prepayments	15	3,901,440	2,673,314
Interest receivable	16	18,698,125	14,115,324
Other receivables	17	7,326,839	7,173,911
Tax refunds due from the government	18	81,402,514	68,344,410
Cash and bank balances	19	23,839,925	124,969,042
		314,947,722	384,362,898
<b>TOTAL ASSETS</b>		<b>660,798,364</b>	<b>726,056,258</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 300,000,000 (2024: 300,000,000) ordinary shares of Rs. 10 each		3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital	20	1,356,000,000	1,356,000,000
Capital reserves	21	158,042,871	158,042,871
Revenue reserve		(1,027,549,311)	(959,992,575)
Revaluation surplus on property and equipment	22	16,090,452	16,937,318
		502,584,012	570,987,614
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	23	27,222,097	35,298,792
		27,222,097	35,298,792
<b>CURRENT LIABILITIES</b>			
Current portion of non-current liabilities	24	10,365,145	9,338,951
Trade and other payables	25	117,037,073	107,003,743
Unclaimed dividend		2,385,654	2,385,654
Provision for taxation and tax levies	26	1,204,383	1,041,504
		130,992,255	119,769,852
<b>CONTINGENCIES AND COMMITMENTS</b>	27	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>660,798,364</b>	<b>726,056,258</b>

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

# STATEMENT OF PROFIT OR LOSS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>Income</b>			
Profit on financing	28	84,410,523	71,111,210
Return on investments	29	4,229,290	20,835,151
Income from fee and commission	30	8,580,592	8,378,955
Profit on bank deposits		7,714,158	18,593,500
Other income	31	3,443,007	17,573,860
		108,377,570	136,492,676
<b>Expenses</b>			
Administrative expenses	32	159,085,434	151,673,049
Finance cost	33	5,200,657	6,551,876
		164,286,091	158,224,925
Operating loss before provisions and taxation		(55,908,521)	(21,732,249)
Other operating expenses	34	(9,697,081)	(3,973,753)
<b>Loss before taxation and tax levies</b>		(65,605,602)	(25,706,002)
Taxation and tax levies - net	35	(2,798,000)	2,608,094
<b>Net loss for the Year</b>		(68,403,602)	(23,097,908)
Loss per share - basic and diluted	36	(0.50)	(0.17)

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman



# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>Net loss for the Year</b>		(68,403,602)	(23,097,908)
<b>Other comprehensive loss:</b>			
<i>Items that will not be reclassified to statement of profit or loss</i>		-	-
<i>Items that may be reclassified subsequently to statement of profit or loss</i>			
Loss on remeasurement of long term investments - net of tax		-	(541,375)
Other comprehensive loss for the period - net of tax		-	(541,375)
<b>Total Comprehensive loss for the Year</b>		(68,403,602)	(23,639,283)

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED JUNE 30, 2025

Particulars	Issued, Subscribed and Paid up Capital	Capital Reserves		Revenue Reserve	Revaluation Surplus on Property and Equipment	Total
		Statutory Reserve	(Deficit) / Gain on Revaluation of Investments			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as at June 30, 2023</b>	1,356,000,000	158,496,746	87,500	(937,786,103)	17,828,754	594,626,897
<b>Total comprehensive loss for the Year</b>						
Net loss for the period	-	-	-	(23,097,908)	-	(23,097,908)
Other comprehensive loss for the Year	-	-	(541,375)	-	-	(541,375)
Total comprehensive loss for the Year	-	-	(541,375)	(23,097,908)	-	(23,639,283)
Transfer from surplus on revaluation of property and equipment on account of :						
Incremental depreciation on revalued asset for the Year - net of tax	-	-	-	891,436	(891,436)	-
<b>Balance as at June 30, 2024</b>	1,356,000,000	158,496,746	(453,875)	(959,992,575)	16,937,318	570,987,614
<b>Total comprehensive loss for the Year</b>						
Net loss for the Year	-	-	-	(68,403,602)	-	(68,403,602)
Other comprehensive loss for the Year	-	-	-	-	-	-
Total comprehensive loss for the Year	-	-	-	(68,403,602)	-	(68,403,602)
Transfer from surplus on revaluation of property and equipment on account of;						
Incremental depreciation on revalued asset for the period - net of tax	-	-	-	846,866	(846,866)	-
<b>Balance as at June 30, 2025</b>	1,356,000,000	158,496,746	(453,875)	(1,027,549,311)	16,090,452	502,584,012

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>Cash Flow From Operating Activities</b>			
Loss before taxation and levies		(65,605,602)	(25,706,002)
Adjustment for non cash expenses and other items:			
- Depreciation on property and equipment	5.1	10,132,226	11,160,079
- Depreciation on right of use assets	5.2	8,479,133	8,632,369
- Amortization on intangible assets	6.1	266,601	399,881
- Lease adjustments		-	(6,426,511)
- Interest on lease liabilities against right of use assets		3,596,650	4,798,986
- Finance cost		1,604,007	1,752,890
- Loss on sale of fixed assets		(6,200)	(688,518)
- Gain on short term investments		-	(541,375)
- Bad debts written-off Microfinance		509,093	-
- Provision against doubtful finances			
- Long term finances - net	7.3	1,484,486	1,712,554
- Short term finances	13.1	7,703,502	2,255,282
		33,769,498	23,055,637
		(31,836,104)	(2,650,365)
<b>Decrease / (increase) in operating assets</b>			
- Finances - net		(40,756,707)	7,534,455
- Investments		-	541,375
- Loans and advances		(98,541)	2,474,221
- Interest receivable		(4,582,801)	(2,563,643)
- Other receivables		(152,928)	(722,460)
- Long term deposits		(29,400)	(254,000)
- Prepayments		(1,228,126)	(672,201)
<b>Increase / (decrease) in operating liabilities</b>			
- Trade and other payables		10,033,330	(2,954,002)
		(36,815,173)	3,383,745
<b>Net cash (used) / generated from operations</b>		(68,651,277)	733,380
Finance cost paid		(1,604,007)	(1,752,890)
Taxation and levies - net		(14,099,608)	(8,484,949)
<b>Net cash (used) / generated from operating activities</b>		(84,354,892)	(9,504,459)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property and equipment		(920,310)	(3,094,565)
Capital expenditure on intangible assets		(283,498)	(1,303,529)
Additions/(Disposal) of Right of Use Assets		-	(7,444,021)
Short term investments - net		(4,923,266)	111,240,707
<b>Net cash (Used) / generated from investing activities</b>		(6,127,074)	99,398,592
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities	12.1	(10,647,151)	(11,869,462)
<b>Net cash used in financing activities</b>		(10,647,151)	(11,869,462)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents During the Year</b>		(101,129,117)	78,024,671
Cash and cash equivalents at the beginning of the year		124,969,042	46,944,371
<b>Cash and Cash Equivalents at the End of the Year</b>		23,839,925	124,969,042

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 1 Legal Status and its Nature of Business

Escorts Investment Bank Limited ("the Company") is a public limited company incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on May 15, 1995. The Company started its commercial operations on October 16, 1996 and is listed on the Pakistan Stock Exchange (Guarantee) Limited. The Company is licensed to carry out investment finance services, as a Non-Banking Finance Company under Section 282-C of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The incorporation number of the company is L-07927.

The Company's IFS (Investment Finance Services) License is in process of Renewal with SECP.

The Pakistan Credit Rating Agency (PACRA) has subsequently revised long term Credit Rating of the Company at "BBB-" and short term Credit Rating of the Company at "A3" with stable outlook on September 19, 2025. The ratings denote an adequate capacity of timely payment of financial commitments.

Moreover, a Public Announcement of Intention by Mr. Kamran Malik & Mr. Sheikh Ali Baakza (the "Acquirer") to acquire up to 6.02% of the ordinary shares and control of Escorts Investment Bank Limited was served by AKD Securities Limited (Manager to the Offer).

The Company is a subsidiary of Bahria Town (Private) Limited (the parent company).

The registered office of the Company is situated at 26-Davis Road, Lahore. The branches are located as follows:

City	Branch Address
Lahore	Bahria Town, Corporate Office, Bahria Orchard, Raiwind Road.
Karachi	Bahria Town, Head Office, Bahria Town Super Highway.
Rawalpindi	Bahria Town, Head Office, Phase VIII, Rawalpindi.
Ellahabad	Tufail Plaza near PSO Pump, Chunian Road, District Kasur.
Hafizabad	Lahore Gujranwala Road, Opposite Admore Petrol Pump,
Nankana	Haider Plaza B-II-IS-II, Malji Road, Nankana Sahib.
Sambrial	Near Makki Masjid, Mohalla Naik Pura, Wazirabad Road, District Sialkot, Sambrial.
Gojra	P-156 Eidgah Road, District Toba Tek Singh, Gojra.
Sheikhupura	Opposite New Sabazimandi, Lahore Road, Sheikhupura.
Sialkot	Haji Pura Road, Opposite Bank Alfalah, Sialkot
Daroghawala	Shadi Pura Band Road Daroghawala Lahore

During the year, the Company has incurred a net loss of Rs. 68.4 million resulting in accumulated losses of Rs. 1,027.55 million and equity now stands at Rs. 502.58 million. As per the applicable laws and regulations, the Company is required to maintain Minimum Equity Requirement of Rs. 750 million for maintaining deposit taking Investment Finance Services (IFS) license. Resultantly, the Company is in non-compliance of minimum equity requirements as specifically mentioned in Regulation 4 of NBFC Regulations, 2008.

Certain important factors and determinants like Company's positive Capital Adequacy Ratio (CAR), liquidity position and leverage ratio represent its position to timely honor the commitments and liabilities without casting any uncertainty on its going concern. The management and Board further planned multiple actions that will help the Company to increase its capital base and reduce the further accumulation of losses. These include but not limited to stepping into Islamic Finance, product diversity, reducing non-earning assets, more spirited effort to recover the long outstanding balances and rationalizing the capital structure towards optimization.

### 2 Basis of Preparation

#### 2.1 Statement of compliance

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

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



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

- Provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations); and

Where the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, and the NBFC Regulations have been followed.

### 2.2 Standards, interpretations and amendments to published approved accounting standards

#### 2.2.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

The company has adopted the following revised standards, amendments in accounting standards and interpretations of IFRS which became effective for the current year:

Standard or Interpretation		Effective Date (Period beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	01 January 2024
IAS 7	Statement of Cash Flows (Amendments)	01 January 2024
IFRS 16	Leases (Amendments)	01 January 2024

#### 2.2.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting and reporting standards, as applicable in Pakistan and relevant to the Company, would be effective from the dates mentioned below against the respective standard:

Standard or Interpretation		Effective Date (Period beginning on or after)
IAS 21	The Effects of changes in Foreign Exchange rates (Amendments)	January 1, 2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments - Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 17	Insurance Contracts	January 1, 2027

Other than the aforesaid amendments, the 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
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements.
IFRS 19	Subsidiaries without Public Accountability: Disclosures

The Company will assess the impacts of these changes in the period of initial application once such changes become effective for the Company.

### 2.3 Functional and presentation currency

These financial statements are prepared and presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

### 2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

### 2.5 Use of estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property and equipment – Note 3.1 & 4
- Allowance for expected credit losses – Note 3.7, 7.3, 13.1 & 17.1.1
- Estimation of contingent liabilities - Note 3.21,27
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) - Note 3.14, 10, 26 & 35

However, assumptions and judgments made by the management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustments to the carrying amounts of assets and liabilities in the next year.

### 3 Material Accounting Policy Information

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except for the changes as indicated below in note 4.

#### 3.1 Property and equipment

Property and equipment other than office premises are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Office premises are measured at the revalued amount less accumulated depreciation and impairment loss. Capital work in progress is stated at cost less impairment loss, if any.

Depreciation is charged so as to write off the cost or revalued amount of assets (other than capital work in progress) over their estimated useful lives, using the reducing balance method at rates specified in note 5 to the financial statements. Depreciation on addition to property and equipment is charged from the month when asset is available for use and not charged for the the month of its de-recognition.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the statement of profit or loss. In case of the derecognition of a revalued property, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to the unappropriated profit.

Useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, the key assumptions used to determine the fair value of property and equipment are provided in Note 45.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Fully depreciated assets are being kept at a token value of Rupee 1 each.

#### 3.2 Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, at rates specified in note 5.2 to the financial statements.

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

#### 3.3 Intangible assets

##### -Computer Software

Intangible assets represent computer software and are stated at cost less accumulated amortization and any identified impairment loss. Costs associated with routine maintenance of intangible assets are recognized as an expense when incurred. However, costs that are directly attributable to identifiable intangible assets and which enhance or extend the performance of intangible assets beyond the original specification and useful life are recognized as capital improvement and added to the original cost of the software.

Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the reducing balance method at the rates specified in note 6 to the financial statements. Amortization on addition is charged from the month when asset is available for use up to the month of its de-recognition.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

The company assesses at each reporting date whether there is any indication that intangible assets may be impaired. If such indication exists, the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognized in income. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

### 3.4 Revaluation surplus

Any revaluation increase arising on the revaluation of office premises is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized 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 office premises is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property and equipment relating to a previous revaluation of that asset. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit / accumulated loss.

### 3.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non - financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of impairment loss for a cash generating unit is allocated to the assets of the unit, except for goodwill (if any), pro rata with the carrying amounts of those assets. The increase in the carrying amounts is treated as reversal of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset is treated as a revaluation increase.

### 3.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand and cash with banks in current and deposit accounts.

### 3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### a) Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

### Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

### Financial assets at FVOCI (debt instruments)

The Company measures debt instruments at FVOCI if the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

### Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

### Financial assets at FVTPL

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments, listed equity investments which the Company had not irrevocably elected to classify at FVOCI and investments in mutual funds. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established. Net gains and losses, including any interest / markup or dividend income, are recognized in profit or loss.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Impairment of financial assets

IFRS 9 replaces the incurred loss model with expected credit loss with distinct approach. The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at amortized cost (other than trade receivables and contract assets) and FVOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company's debt instruments at FVOCI are graded in light of guidelines by the Good Credit Rating Agency. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 210 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

In accordance with the Accounting Guidance "Application of IFRS 9 by Non-Banking Finance Companies", issued by Institute of Chartered Accountants of Pakistan. The Companies are required to apply NBFCs regulations' requirements on portfolios of specific credit facility in conjunction with requirements of IFRS 9. Therefore, the company recognised allowance as higher of provision calculated under NBFCs regulations & IFRS 9.

## b) Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, and financial liabilities at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

### Financial liabilities at amortized cost

This is the category most relevant to the Company. After initial recognition, these are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

### Derecognition

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

### c) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### d) Dividend income

Dividend income is recognized in profit or loss as other income when the Company's right to receive payment have been established; is probable that the economic benefits associated with the dividend will flow to the Company; and the amount of the dividend can be measured reliably.

## 3.8 Lease liabilities

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### a) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 3.9 Provisions

Provisions are recorded when the Company has a present 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.

### 3.10 Staff retirement benefits

#### a) Employees compensated absences

The liability in respect of compensated absences of employees is accounted for in the period in which the absences accrue. As the component of liability involved is not material, the Company did not carry out actuarial valuation for the said liability.

#### b) Provident fund

The Company operates approved contributory provident fund for all permanent employees. Equal monthly contribution is made both by employees and the Company to the fund at 10% of basic salary. The Company's contributions are recognized as employee benefit expense when they are due. The fund is administrated by the Trustees.

### 3.11 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 12 months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### 3.12 Revenue recognition

- a) Return on finances provided, placements and government securities are recognized on time proportionate basis.
- b) Brokerage commission and other advisory fee are recognized when such services are provided.
- c) Capital gains or losses arising on sale of investments are taken to income in the period in which they arise.
- d) Reversal of provision is recognized as per requirement of NBFC regulation.
- e) Dividend income is recognized when the right to receive payment is established.
- f) Income on bank deposits are recognized on accrual basis.
- g) Rental income on properties are recognized on accrual basis.
- h) Processing income is recognized when the right to receive payment is established.

### 3.13 Return on deposits and borrowings

Return on Certificates of Deposits (CODs) and borrowings are recognized on a time proportionate basis taking into account the relevant issue date and final maturity date.

### 3.14 Taxation

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

#### a) Current taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The tax charge also includes adjustments, where necessary, relating to prior years which arise from assessments finalized during the year.

#### b) Deferred tax

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

Deferred tax assets are recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences, unused tax losses and credits.

In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirement of Technical Release – 27 of Institute of Chartered Accountants of Pakistan.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

### c) Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available so that part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

### d) Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## 3.15 Operating segment

The Company has structured its key business areas in two segments in a manner that each segment becomes a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

### Business segments

The Company's activities are broadly categorized into financing activities and investment activities.

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

### Financing activities

Financing activities include providing long-term and short-term financing facilities to corporate and individual customers including lease financing.

### Investment activities

Investment activities include money market activities, investment in government securities, advisory services, capital market activities and the management of the Company's liquidity.

## 3.16 Related party

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party of the Company are at arm's length prices using the comparable uncontrolled price method except in circumstances where it is in the interest of the Company not to do so.

## 3.17 Dividend distributions and appropriations

Dividend distribution and appropriations other than statutory appropriations are recognized as a liability in the period in which the dividends are approved by the the Board of Directors.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 3.18 Borrowings cost

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which such costs are capitalized as part of the cost of that asset.

### 3.19 Foreign currency transactions and translations

Transactions in foreign currencies are accounted for in Pak rupees at the rates of exchange prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at rates of exchange prevailing at the reporting date. Gains or losses on are charged to income.

### 3.20 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

### 3.21 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.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>4 Property and equipment</b>			
Operating fixed assets - tangible	4.1	96,678,173	106,025,763
Right of use assets	4.2	29,551,850	37,889,109
Advances against purchase of assets	4.3	495,662	495,662
		126,725,685	144,410,534

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 4.1 The following is a statement of operating fixed assets (tangible):

Description	Office premises	Freehold improvements	Leasehold improvements	Office furniture and fixtures	Computer equipment	Office equipment	Owned vehicles	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>NET CARRYING VALUE BASIS</b>								
<b>Year Ended June 30, 2025</b>								
Opening net book value	68,439,295	3,761,433	12,122,284	6,878,432	4,405,233	8,085,922	2,333,164	106,025,763
Additions	-	-	-	-	640,586	194,251	-	834,837
Derecognitions:								
Cost	-	-	-	-	305,744	40,683	-	346,427
Accumulated depreciation	-	-	-	-	(278,999)	(17,227)	-	(296,226)
Depreciation charge for the year (Note no. 5.1.2)	(3,421,965)	(752,286)	(2,424,459)	(687,769)	(1,561,166)	(817,949)	(466,632)	(10,132,226)
Closing net book value	65,017,330	3,009,147	9,697,825	6,190,663	3,457,908	7,438,768	1,866,532	96,678,173
<b>Gross Carrying Value Basis</b>								
<b>Year Ended June 30, 2025</b>								
Cost / revalued amount	148,470,120	12,605,227	43,137,534	12,879,449	16,061,658	13,986,323	6,044,671	253,184,982
Accumulated depreciation	(83,452,790)	(9,596,080)	(33,439,709)	(6,688,786)	(12,603,750)	(6,547,555)	(4,178,139)	(156,506,809)
Net book value	65,017,330	3,009,147	9,697,825	6,190,663	3,457,908	7,438,768	1,866,532	96,678,173
<b>NET CARRYING VALUE BASIS</b>								
<b>Year Ended June 30, 2024</b>								
Opening net book value	72,041,363	4,701,791	12,495,671	7,548,388	5,388,366	8,310,726	2,916,454	113,402,759
Additions	-	-	2,871,870	156,550	898,789	635,925	-	4,563,134
Derecognitions:								
Cost	-	-	1,566,113	106,574	94,405	13,480	-	1,780,572
Accumulated depreciation	-	-	(880,086)	(33,380)	(81,729)	(5,326)	-	(1,000,521)
Depreciation charge for the year (Note no. 5.1.2)	(3,602,068)	(940,358)	(2,559,230)	(753,312)	(1,869,246)	(852,575)	(583,290)	(11,160,079)
Revaluation surplus for the year	-	-	-	-	-	-	-	-
Closing net book value	68,439,295	3,761,433	12,122,284	6,878,432	4,405,233	8,085,922	2,333,164	106,025,763
<b>Gross Carrying Value Basis</b>								
<b>Year Ended June 30, 2024</b>								
Cost / revalued amount	148,470,120	12,605,227	43,137,534	12,879,449	15,726,816	13,832,755	6,044,671	252,696,572
Accumulated depreciation	(80,030,825)	(8,843,794)	(31,015,250)	(6,001,017)	(11,321,583)	(5,746,833)	(3,711,507)	(146,670,809)
Net book value	68,439,295	3,761,433	12,122,284	6,878,432	4,405,233	8,085,922	2,333,164	106,025,763
Annual rates (%) of depreciation	5.00	20.00	20.00	10.00	33.33	10.00	20.00	

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 4.1.1 Disposal of property and equipment

The following operating fixed assets with a net book value exceeding Rs. 500,000 were disposed off during the year:

Particulars	Cost	Accumulated Depreciation	Net Book Value	Sale Proceed	Gain / (Loss)	Mode of Disposal	Particulars of purchaser
Aggregate of items of operating fixed assets with individual book values not exceeding Rs. 500,000	346,426	(296,226)	50,200	44,000	(6,200)	Negotiation	
Rupees 2025	346,426	(296,226)	50,200	44,000	(6,200)		
Rupees 2024	1,780,572	(1,000,521)	780,051	91,533	(688,518)		

4.1.2 Depreciation charge for the year has been allocated to administrative expenses (Note 32).

4.1.3 Particulars of the Company's immovable property (i.e. office premises) are as follows:

Location	Total area (square feet)
Davis Road, Lahore	3,315
Vogue Tower, Lahore	606

4.1.4 Had there been no revaluation, the carrying values of the office premises would have been as follows;

	Cost	Accumulated Depreciation	Net Book Value
	Rupees		
Office Premises 2025	89,692,600	60,814,472	28,878,128
Office Premises 2024	89,692,600	59,294,570	30,398,030

4.1.5 The forced sale value of office premises has been assessed at Rs. 65.5 million.

4.1.6 The fair value measurements of the Company's office premises were performed by M/s Minhas Associates for Davis Road building and Vogue Tower premises as at May 19, 2025 who are independent valuers not related to the Company. Previously, Valuation was carried out during the year 2021. There is no material difference between current valuation and carrying amount of revalued assets.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>4.2 Right-of-use assets</b>			
Opening balance		37,889,109	39,077,457
Additions		-	22,270,836
Depreciation	32	(8,479,133)	(8,632,369)
Adjustment relating to termination of lease		-	(14,826,815)
Adjustment relating to remeasurement of lease liability	23.1	141,874	-
		29,551,850	37,889,109
Depreciation rate		10% - 15%	10% - 15%

**4.2.1** Right-of-use assets comprise office space taken for office operations. There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the Company is committed. Leases have lease terms between 7 to 10 years.

**4.2.2** The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' or 'lease of low-value assets' recognition exemptions for these leases.

### 4.3 Advances against purchase of assets

This represent advances given to supplier for purchase of asset.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>5 Intangible Assets</b>			
Accounting software	5.1	533,279	799,882
Advance for ERP implementation		4,889,888	4,606,388
		5,423,167	5,406,270

#### 5.1 Accounting software

##### Net carrying value

Opening balance		799,880	1,199,761
Less: Amortization charge for the year	32	266,601	399,881
		533,279	799,880

##### Gross carrying value

Cost		10,735,744	10,735,744
Less: Accumulated Amortization		10,202,465	9,935,864
		533,279	799,880

Amortization rate per annum

33.33% 33.33%

Amortization charge for the year has been allocated to administrative expenses (Note 32).

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>6 Long Term Investments</b>			
<b>Fair value through other comprehensive income (FVTOCI) - Quoted</b>			
Term finance certificates:			
Cost	6.1	25,000,000	25,000,000
(Loss) / gain on revaluation of investments	21	(453,875)	(453,875)
		24,546,125	24,546,125

**6.1** This represents investment in Additional Tier - 1 TFCs of United Bank Limited bearing mark-up @ 3-months KIBOR (ask side) + 1.55% p.a. Fair values of these TFCs are determined by reference to published price quotations in an active market (fair value level 1).



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>7 Long Term Finances</b>			
Considered good	7.1	117,324,658	71,802,582
Considered doubtful	7.2	46,798,486	42,969,408
		164,123,144	114,771,990
Less: Allowance for expected credit losses	7.3	43,062,763	41,530,925
		121,060,381	73,241,065
Less: Current portion	11	61,324,083	36,846,866
Less: General provision for micro finance portfolio	7.4	90,308	137,660
		59,645,990	36,256,539
	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>7.1 Considered good</b>			
House finance - secured	7.1.1	34,886,354	45,709,122
Micro finance	7.1.2	82,438,304	26,093,460
Others - secured		-	-
		117,324,658	71,802,582
<b>7.1.1</b>	This represents amount disbursed to house finance customers at return rate ranging from 18.33% to 27.7% (2024: 22.13% to 31.27%) per annum for tenure of 2 to 20 years. These finances are secured to the extent disclosed in note 41.1 (a).		
<b>7.1.2</b>	This represents amount disbursed to micro finance customers at return rate ranging from 48.2% to 54.6% (2024: 48.2% to 54.6%) per annum for tenure of 1 to 2 years. These finances are secured to the extent disclosed in note 41.1 (a).		
	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>7.2 Considered doubtful</b>			
House finance - secured		-	-
Micro finance		21,210,412	17,381,334
Others - secured	7.2.1	25,588,074	25,588,074
		46,798,486	42,969,408
<b>7.2.1</b>	These finance facilities are secured by ranking charge on assets and pledge of stocks. The expected rate of return ranges from 14% to 17% (2024: 14% to 17%) per annum.		
	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>7.3 Allowance for expected credit losses</b>			
Opening balance		41,530,925	39,818,371
Charge for the year		1,531,838	1,712,554
Less: Reversal for the year		-	-
		43,062,763	41,530,925
		30-Jun-25 Rupees	30-Jun-24 Rupees
<b>7.4 Particulars of general provision for micro finance portfolio</b>			
Opening balance		137,660	110,196
(Reversal) / charge for the year		(47,352)	27,464
Closing balance	7.4.1	90,308	137,660
<b>7.4.1</b>	This represents provision accounted for in accordance with Regulation 25A 'Creation of General Provision against micro finance portfolio' of Non-Banking Finance Companies and Notified Entities Regulations, 2008 at 0.5% of outstanding micro finance portfolio.		

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>8 Net Investment in Lease Finances</b>			
Lease rental receivables	8.1	578,415	578,415
Add: Residual value		2,165,985	2,165,985
		2,744,400	2,744,400
Less: Unearned finance income		49,628	49,628
		2,694,772	2,694,772
Less: Allowance for expected credit losses		528,787	528,787
		2,165,985	2,165,985
Less: Current portion	11	2,165,985	2,165,985
		-	-

**8.1** Leases made by the Company were for a period of three to five years. Security deposits obtained at the time of disbursement of lease facility ranged from 11% to 16% (2024: 11% to 16%). The rate of return ranged from 15% to 17% per annum (2024: 15% to 17% per annum) and penalty is charged in case of delayed payment.

As per Non-Banking Finance Companies and Notified Entities Regulations, 2008, the aggregate net exposure in finance leases against which provision is required amounted to Rs. 0.529 million (2024: Rs. 0.529 million) at the end of current year.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>9 Long Term Deposits</b>			
<b>Considered good</b>			
Related party	9.1	7,627,674	7,627,674
Others		878,000	848,600
		8,505,674	8,476,274
<b>Considered doubtful</b>			
Others		330,350	330,350
Less: Allowance for expected credit losses	9.2	330,350	330,350
		-	-
		8,505,674	8,476,274

**9.1** This represents security deposit against leasehold branches located in Bahria Town all over Pakistan being leased by the holding company i.e. Bahria Town (Private) Limited. This security is adjustable against future rental expenditures.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>9.2 Allowance for expected credit losses</b>			
Opening balance		330,350	330,350
Charge for the year		-	-
Closing balance		330,350	330,350

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>10 Deferred Tax Asset - Net</b>			
Deferred taxation comprises the following:			
<b>Deferred tax liability on taxable temporary differences</b>			
Property and equipment		(9,081,387)	(9,727,275)
Revaluation surplus on property and equipment		(6,572,156)	(6,918,060)
Short term investment (unrealized gain on remeasurement)		(3,939,193)	(2,511,446)
Right of use assets		(8,570,037)	(10,987,842)
		(28,162,773)	(30,144,623)
<b>Deferred tax asset on deductible temporary differences</b>			
Intangible assets		(154,651)	(231,966)
Long term finances (Provision for murabaha financing and others)		5,067,660	4,623,427
Long term investments		131,624	131,624
Net investment in lease finance (Provision for doubtful leases)		153,348	153,348
Short term finances (Provision for doubtful finances)		6,372,074	4,138,058
Lease liabilities		10,272,165	12,316,810
Minimum tax		2,245,887	3,361,817
Unabsorbed depreciation		69,987,986	87,197,701
Unabsorbed business losses		85,038,151	70,291,747
		179,114,244	181,982,566
		150,951,471	151,837,943
Deferred tax asset not recognized during the year		(29,947,470)	(29,240,325)
		121,004,001	122,597,618

**10.1** The Company has an aggregate amount of deferred tax assets of Rs. 121.004 million (2024: Rs.122.598 represents management's best estimate of the probable benefits expected to be realized in future years in the form of reduced tax liability as the Company would be able to set off the profits earned in those years against taxable temporary differences relating to prior years. The management believes that it is probable that the Company will be able to achieve the profits and consequently, the deferred tax asset will be fully realized in future. Deferred tax asset is not recognized during the year related to business losses for the tax year 2020, 2021 & 2022; and minimum tax related to tax years 2024 & 2025.

	Accounting year to which the minimum tax carried forward relates	Amount of minimum tax carried forward  Rupees	Accounting year to which minimum tax carried forward
Minimum tax carried forward	2024	1,041,504	2026
Minimum tax carried forward	2025	1,204,383	2027
		<b>2,245,887</b>	
	Accounting year to which the unabsorbed business loss relates	Amount of unabsorbed business losses available  Rupees	Accounting year to which unabsorbed business loss
Unabsorbed Business Loss	2020	39,876,768	2026
Unabsorbed Business Loss	2021	40,949,925	2027
Unabsorbed Business Loss	2022	116,885,606	2028
Unabsorbed Business Loss	2023	38,007,791	2029
Unabsorbed Business Loss	2024	10,882,298	2030
Unabsorbed Business Loss	2025	46,632,614	2031
		<b>293,235,002</b>	

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>10.2 Movement in deferred tax asset - net</b>			
Opening balance		122,597,618	118,948,020
Recognized in statement of profit or loss	35	(1,593,617)	3,649,598
Recognized in other comprehensive income arising on revaluation surplus		-	-
		121,004,001	122,597,618
<b>11 Current Portion of Non-Current Assets</b>			
Long term finances	7	61,324,083	36,846,866
Net investment in lease finance	0	2,165,985	2,165,985
		63,490,068	39,012,851
<b>12 Short Term Investments</b>			
<b>Fair value through profit or loss (FVTPL)</b>			
Mutual funds - 502.7993 (2024: 494.7811) units of Rs. 14.7076 (2024: Rs. 10.4466) each		7,395	5,169
Shares - others	12.1	13,576,028	8,654,988
		13,583,423	8,660,157
<p><b>12.1</b> This represents investments in various listed companies' shares. Due to the changes in NBFC Regulations in 2008, the Company had to conclude its brokerage business under the Investment Finance Services License. The Company started the process of intimating its brokerage clients to close their accounts with the Company in compliance with these regulations. Most of the account holders have closed their accounts accordingly. Certain accounts could not be transferred/closed because of non receipt of response from the holders despite repeated reminders. The management has decided to record these in statement of financial position as an asset and a corresponding liability of the same amount. These shares are kept at fair value and the fair value gain or loss is parked in corresponding liabilities.</p>			
<b>13 Short Term Finances</b>			
<b>Other than related parties:</b>			
Micro Finance - Considered good		43,001,441	85,672,839
Micro Finance - Considered doubtful		41,524,036	29,713,549
Gold Finance		51,933,371	30,176,000
		136,458,848	145,562,388
Less: Allowance for expected credit losses	13.1	35,578,565	28,260,408
		100,880,283	117,301,980
Less: General provision for micro finance portfolio	13.2	820,975	435,630
		100,059,308	116,866,350
<b>13.1 Allowance for expected credit losses</b>			
Opening balance		28,260,408	26,005,126
Charge for the year		7,318,157	2,255,282
Closing balance		35,578,565	28,260,408
<b>13.2 Particulars of general provision for micro finance portfolio</b>			
Opening balance		435,630	457,177
Charge for the year		385,345	(21,547)
Closing balance	13.2.1	820,975	435,630
<p><b>13.2.1</b> This represents provision accounted for in accordance with Regulation 25A 'Creation of General Provision against micro finance portfolio' of Non Banking Finance Companies and Notified Entities Regulations, 2008 at 0.5% of outstanding micro finance portfolio.</p>			
<p><b>13.3</b> These finances are secured to the extent disclosed in note 41.1 (a).</p>			



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>14 Short Term Advances</b>			
Advances against salaries / expenses - considered good	14.1	732,747	714,206
Advances to consultants - considered good		1,913,333	1,833,333
		2,646,080	2,547,539
<b>14.1 Movement in short term advances</b>			
Opening balance		714,206	652,880
Adjusted during the year		18,541	61,326
Closing balance		732,747	714,206
<b>15 PREPAYMENTS</b>			
Prepayments		3,901,440	2,673,314
<b>16 Interest Receivable</b>			
Interest from financing		18,109,118	13,112,502
Interest from long term investments		589,007	1,002,822
		18,698,125	14,115,324
<b>17 Other Receivables</b>			
Receivable from clients	17.1	642,240	816,451
Sales tax - net		6,349,572	6,268,174
Others	17.2	335,027	89,286
		7,326,839	7,173,911
<b>17.1 Receivable from clients</b>			
Considered good		642,240	816,451
Considered doubtful		28,078,437	28,078,437
Less: Allowance for expected credit losses	17.1.1	28,078,437	28,078,437
		-	-
		642,240	816,451
<b>17.1.1 Allowance for expected credit losses</b>			
Opening balance		28,078,437	28,078,437
Adjusted during the period		-	-
Closing balance		28,078,437	28,078,437
<b>17.2 Others</b>			
Considered good		335,027	89,286
Considered doubtful		5,742,979	5,742,979
Less: Allowance for expected credit losses	17.2.1	5,742,979	5,742,979
		-	-
		335,027	89,286

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>17.2.1 Allowance for expected credit losses</b>			
Opening balance		5,742,979	5,742,979
Charge for the year		-	-
Closing balance		5,742,979	5,742,979

### 18 Tax Refunds due from the Government

Opening balance		68,344,410	61,207,475
Payments made during the year		14,099,608	8,484,949
Adjustment against provision for taxation	26	(1,041,504)	(1,348,014)
		81,402,514	68,344,410

### 19 Cash and Bank Balances

<b>Cash in hand</b>		24,059	1,538,409
<b>Cash with banks</b>			
Current accounts with			
- State Bank of Pakistan		95,529	96,383
- Others		10,087,077	476,283
		10,182,606	572,666
Saving and deposit accounts	19.1	13,633,260	122,857,967
		23,839,925	124,969,042

**19.1** Rate of return on saving accounts range from 10.5% to 19.5% (2024: 19.5% to 20.5%) per annum.

**19.2** The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows at the end of the financial year.

#### 19.3 Reconciliation of liabilities arising from financing activities

	As at June 30, 2024 Rupees	Non-cash changes Rupees	Cash flows Rupees	As at June 30, 2025 Rupees
Lease liabilities	42,471,758	3,596,650	(10,647,151)	35,421,257
	42,471,758	3,596,650	(10,647,151)	35,421,257

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>20 Issued, Subscribed and Paid-Up Share Capital</b>			
<b>Authorized Capital</b>			
Ordinary Shares of Rs. 10 each 3,000,000,000 (2024: 3,000,000,000)		3,000,000,000	3,000,000,000
<b>Issued, Subscribed and Paid-Up Share Capital</b>			
Ordinary shares of Rs. 10 each fully paid in cash 133,500,000 Shares, 2024(133,500,000 Shares)		1,335,000,000	1,335,000,000
Ordinary shares of Rs. 10 each allotted as bonus shares 2,100,000 Shares, 2024 (2,100,000 Shares)		21,000,000	21,000,000
		1,356,000,000	1,356,000,000

**20.1** All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>21 Capital Reserves</b>			
Statutory reserve	21.1	158,496,746	158,496,746
Gain on revaluation of investments	6	(453,875)	(453,875)
		158,042,871	158,042,871

**21.1** This represents special reserve created in compliance with Regulation 16 of NBFC 2008 for Non-Banking Finance Companies issued by the Securities and Exchange Commission of Pakistan (SECP).

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>22 Revaluation Surplus on Property and Equipment</b>			
Opening balance		23,855,376	25,110,922
Less: Incremental depreciation for the year		(1,192,769)	(1,255,546)
		22,662,607	23,855,376
Opening deferred tax liability		6,918,060	7,282,168
Less: Related deferred tax on incremental depreciation		(345,903)	(364,108)
		6,572,157	6,918,060
		16,090,452	16,937,316

The revaluation surplus represents net cumulative increase in the carrying amount as a result of revaluation of property and equipment carried at revalued amount.

The surplus on revaluation of property and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>23 Lease Liabilities</b>			
Lease liabilities	23.1	35,421,257	42,471,758
Less: Current portion	24	8,199,160	7,172,966
		27,222,097	35,298,792

**23.1** Set out below are the carrying amounts of lease liabilities and the movements during the year:

Opening balance		42,471,758	55,968,745
Additions		-	14,828,100
Interest on finance lease	33	3,596,650	4,798,986
Adjustment relating to termination of lease		-	(21,254,611)
Payments		(10,647,151)	(11,869,462)
Closing balance		35,421,257	42,471,758

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	2025		
	Lease payments	Finance cost	Present value of lease liability
	Rupees	Rupees	Rupees
Not later than one year	10,710,957	2,511,797	8,199,160
Later than one year and not later than five years	30,089,176	2,867,079	27,222,097
Later than five years and above	-	-	-
	40,800,133	5,378,876	35,421,257

	2024		
	Lease payments	Finance cost	Present value of lease liability
	Rupees	Rupees	Rupees
Not later than one year	11,305,181	4,132,214	7,172,967
Later than one year and not later than five years	41,987,286	6,688,495	35,298,791
Later than five years and above	-	-	-
	53,292,467	10,820,709	42,471,758

**23.1.1** These represent lease liabilities against the rental agreement of Company branches. As a result, the Company, as a lessee, has recognized right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments.

**23.2** Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

	Included in	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Carrying amount of ROU assets	Property and equipment	4.2	29,551,850	37,889,109
Expense relating to short-term leases	Administrative expenses	32	4,593,980	2,724,800
Depreciation charge	Administrative expenses	32	8,479,133	8,632,369
Interest expense	Finance cost	33	3,596,650	4,798,986

### 24 Current Portion of Non-Current Liabilities

Lease liabilities	23	8,199,160	7,172,966
Long term security deposits	24.1	2,165,985	2,165,985
		10,365,145	9,338,951

**24.1** These represent interest free security deposits received on lease contracts and are adjustable at the expiry of the lease contracts. These security deposits have been utilized for business purposes.

### 25 Trade and Other Payables

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Certificate of depositors - deceased, untraceable and others	25.1	67,423,403	67,423,403
Accrued expenses and other payables		49,613,670	39,280,886
Payable to employee's provident fund		-	299,454
		117,037,073	107,003,743

**25.1** These certificates of deposit remained unpaid due to non-submission of succession certificates (by legal heirs of depositors), lien created by Bahria Town (Private) Limited and other legal issues.

### 26 Provision for Taxation and levies

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Opening balance		1,041,504	1,348,014
Add: Current tax levies charge for the year	35	1,204,383	1,041,504
Less: Adjusted with advance tax	18	(1,041,504)	(1,348,014)
		1,204,383	1,041,504



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 27 Contingencies and Commitments

#### 27.1 Contingencies

- a) For tax year 2009, tax department finalized an order U/S 161/205 of the Income Tax Ordinance, 2001. The Company filed an appeal against the said order in CIR(A) who has directed the assessing officer to look into the matter again. The tax department filed appeal before Appellate Tribunal Inland Revenue on 16 March 2015. The Appellate Tribunal Inland Revenue vide order No 436/LB/2015 dated 17 November 2022 also remanded the instant case back to CIR (A). The case is pending for adjudication and the Company expects a favorable outcome in this regard, therefore, no provision has been made in these financial statements.
- b) For tax year 2015, tax department finalized an order U/S 161/205 of the Income Tax Ordinance, 2001. As a result thereof, order dated June 22, 2021 was issued by creating tax demand of Rs. 16.08 million. The Company being aggrieved by the order filed an appeal before CIR(A) on June 23, 2021. The tax department, however, has filed appeal before Appellate Tribunal Inland Revenue (ATIR) on 12 January 2023 which is pending for adjudication and the Company expects a favorable outcome in this regard, therefore, no provision has been made in these financial statements.
- c) Sindh Revenue board has initiated the proceedings by issuing notice u/s 52(1) of the Sindh Sales tax on Services Act, 2011 for the scrutiny of Sindh sales tax returns and records for tax years 2012, 2013 and 2014 on January 22, 2018 and February 12, 2018, which was duly complied by the Company on February 7, 2018 and March 9, 2018 and subsequently no further notice was received nor any order was passed in this regard. The Company expects favorable outcome in this regard, therefore, no provision has been made in these financial statements.
- d) For tax year 2015, income tax return has been amended by Assistant / Deputy Commissioner (A/DCIR) vide order dated January 31, 2019 u/s 122(5) by creating a tax demand of Rs. 2.78 million. The Company filed an appeal before Commissioner Inland Revenue (Appeals), who vide Order No. 53 dated June 26, 2019 quashed the demand but confirmed the additions of certain expenditures. The Company has filed an appeal before Appellate Tribunal Inland Revenue on August 29, 2019 against the aforesaid additions and same is pending for adjudication. The Company expects favorable outcome in this regard, therefore, no provision has been made in these financial statements.
- e) The Company filed a recovery suit on November 8, 1999 against M/s Faran Maize Industries (Private) Limited in the Honorable Banking Court No. VII, Lahore which was decreed in favor of the Company for a decree amount of Rs. 15.43 million. However, M/s Faran Maize Industries (Private) Limited has filed objections on auction schedule which is pending for arguments.
- f) Securities and Exchange Commission of Pakistan (SECP) curtailed the deposit taking permission to the Company to raise deposits from individuals, sole proprietors, provident/gratuity funds, trusts, charitable institutions and Section 42 companies. A Constitutional Writ Petition No. 12675/2020 is filed on February 19, 2020 by the Company before the Honorable Lahore High Court, Lahore against the order of SECP. The matter is pending before High Court for adjudication. The Company expects favorable outcome in this regard, therefore, no provision has been made in these financial statements.
- g) Notices u/s 170(4) of the income tax ordinance have been issued in respect of tax year 2020 and 2021 to verify the authenticity of refund claims amounting to Rs. 10.13 million and Rs. 3.16 million respectively. The company has made compliance of the same, however, no further proceeding has been initiated in this regard, therefore, no provision has been made in these financial statements.
- h) For the tax year 2019, proceeding u/s 122(9) of the Ordinance was initiated on 22 April 2025. The said proceedings were culminated vide online order No. 1000001016954765 dated 16 June 2025 issued u/s 122(5A) of the Ordinance by creating tax demand of Rupees 42.74 million. The Company being aggrieved by the order filed an appeal before the CIR(A) on 2 July 2025. The Honorable CIR(A) vide online order bearing No. 1000000251013150 dated 10 September 2025 modified the instant case back to Inland Revenue Officer (IRO) on certain conditions. However, adjudication is pending. Therefore, no provision has been made in these financial statements.
- i) For the tax year 2020 & 2021, notice dated 22 April 2025 & 23 April 2025 u/s 122(9) the taxpayer in view of the foregoing is hereby confronted to provide a detailed explanation with documentary evidence regarding the nature and source of amounts credited in the books of accounts. The Company has made compliance accordingly, however, no further proceeding has been initiated in this regard. Therefore, no provision has been made in these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

- j) For the tax year 2024, notice issued dated 25 March 2025 u/s 182(1)(17) imposing penalty of Rs. 534,000/-. Being aggrieved by the order, the Company filed an appeal u/s 127 of the Ordinance on May 27, 2025 before the Commissioner Inland Revenue (Appeals) which is pending for adjudication. Therefore, no provision has been made in these financial statements.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>27.2 Commitments</b>			
ERP implementation		4,356,111	3,739,611
<b>28 Profit on Financing</b>			
Long term		34,062,010	26,184,590
Short term		50,348,513	44,926,620
		84,410,523	71,111,210
<b>29 Return on Investments</b>			
<b>Amortized cost</b>			
- Treasury bills		-	14,959,207
<b>Fair value through profit or loss</b>			
- Mutual funds		2,226	2,102
<b>Fair value through other comprehensive income</b>			
- Term finance certificates		4,227,064	5,873,842
		4,229,290	20,835,151
<b>30 Income from Fee and Commission</b>			
<b>Documentation charges</b>			
House finance		-	154,005
Micro finance		8,580,592	8,224,950
		8,580,592	8,378,955
This represents processing income received from house finance and micro finance customers.			
	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>31 Other Income</b>			
<b>Income from financial assets</b>			
Late payment charges		231,509	1,095,176
Broken period income		1,227,307	308,000
Early payment / termination charges		1,906,887	2,623,560
Miscellaneous income		83,504	13,148,711
Balance carried forward		3,449,207	17,175,447
	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Balance brought forward			
<b>Income from non - financial assets</b>			
Rental income		-	833,250
Net (Loss) on sale of fixed assets		(6,200)	(688,518)
Remeasurement Of Lease Liability		-	253,681
		(6,200)	398,413
		3,443,007	17,573,860

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>32 Administrative Expenses</b>			
Salaries, allowance and other benefits	32.1	93,191,151	92,311,964
Directors' meeting fee and others		1,950,000	900,000
Staff training and welfare		1,474,990	8,624
Advertisement and business promotion		662,779	190,186
Rent, rates and taxes		5,156,726	3,062,920
Utilities		4,974,019	5,368,515
Communication charges		3,063,116	3,537,345
Travelling and vehicle maintenance		5,203,198	1,728,132
Repairs and maintenance		4,237,025	6,331,799
Entertainment		755,110	724,839
Fees and subscriptions		3,495,291	2,830,437
Legal and professional charges		9,185,253	8,237,734
Auditors' remuneration	32.2	1,925,538	1,852,900
Printing and stationery		1,275,818	1,178,564
Insurance	32.3	3,657,460	3,216,761
Depreciation on property and equipment	4.1.2	10,132,226	11,160,079
Depreciation on right of use assets	4.2	8,479,133	8,632,369
Amortization on intangible assets	5.1	266,601	399,881
		159,085,434	151,673,049

**32.1** This includes contribution to provident fund amounting to Rs. 1.602 million (2024: Rs. 1.764 million) made by the Company in the approved provident fund trust.

<b>32.2</b>	<b>Auditors' remuneration</b>	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
	Statutory audit fee		1,400,000	1,334,000
	Half year review		342,400	342,400
	Special purpose audit fee		-	-
	Certification fee		57,750	57,750
	Out of pocket expenses		125,388	118,750
			1,925,538	1,852,900

**32.3** This includes insurance expense amounting to Rs. 0.123 million (2024: Rs. 0.122 million) for covering any losses that may be incurred as a result of employee's fraud or gross negligence in accordance with rule - 9 "Insurance Coverage" of NBFC (Establishment and Regulation) Rules, 2003.

<b>33 Finance Cost</b>	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Interest on lease liability against right-of-use assets	23.1	3,596,650	4,798,986
Bank and other charges		1,604,007	1,752,890
		5,200,657	6,551,876

<b>34 Other Operating Expenses</b>			
General provision on microfinance portfolio	7.4 & 13.2	337,993	5,917
Allowance for expected credit losses	7.3 & 13.1	8,849,995	3,967,836
Balance written off		509,093	-
		9,697,081	3,973,753

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>35 Taxation and levies</b>			
<b>Levies</b>			
- Current	26	1,204,383	1,041,504
<b>Taxation</b>			
- Current tax		-	-
- Deferred tax	10.2	1,593,617	(3,649,598)
		2,798,000	(2,608,094)

Income tax return has been filed to the income tax authorities up to and including tax year 2023 under the provisions of the Income Tax Ordinance, 2001.

Provision for taxation and tax levies has been made in accordance with section 113 of the Income Tax Ordinance, 2001 ("the Ordinance"). There is no relation between aggregate tax expense and accounting profit. Accordingly, no numeric reconciliation has been presented.

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
<b>36 Profit / (Loss) per Share - Basic and Diluted</b>			
Net earning / (loss) for the year	Rupees	(68,403,602)	(23,097,908)
Weighted average number of ordinary shares	Number	135,600,000	135,600,000
Earnings / (loss) per share - basic and diluted	Rupees	(0.50)	(0.17)

Diluted earning / (loss) per share has not been presented separately as the Company did not have any convertible instruments in issue at June 30, 2025 and June 30, 2024 which would have had any effect on the loss per share, had the option to convert been exercised.

### 37 Segmental Analysis

The Company's activities are broadly categorized into two primary business segments namely financing activities and investment activities within Pakistan:

#### 37.1 Financing activities

##### House finance activities

House finance activities include providing long-term financing facilities to individuals (both salaried and self-employed) of house finance customers.

##### Micro finance activities

Micro finance activities include providing long-term and short-term financing facilities to poor individuals (both salaried and self-employed) and micro - enterprise customers.

##### Term and other finance activities

Term finance activities include providing long-term financing facilities to corporate entities and individuals. Other operations that do not fall into the above referred activities are reported under 'Term and other finance activities'.

#### 37.2 Investment activities

Investing activities include money market activities, investment in government securities, advisory services, capital market activities and the management of the Company's liquidity.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	For the year ended June 30, 2025				
	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
	Rupees	Rupees	Rupees	Rupees	Rupees
Profit on financing	10,842,882	73,567,641	-	-	84,410,523
Income from fee and commission	-	8,580,592	-	-	8,580,592
Return on investments	-	-	-	11,943,448	11,943,448
Other income	1,204,938	2,238,069	-	-	3,443,007
<b>Total income of segment</b>	<b>12,047,820</b>	<b>84,386,302</b>	<b>-</b>	<b>11,943,448</b>	<b>108,377,570</b>
Finance costs	-	3,596,650	-	1,604,007	5,200,657
Other expenses	-	9,187,988	-	509,093	9,697,081
Depreciation expense	915,975	2,729,436	-	8,471,059	12,116,470
Administrative expenses	4,229,378	44,952,999	-	97,786,587	146,968,964
<b>Segment result</b>	<b>6,902,467</b>	<b>23,919,229</b>	<b>-</b>	<b>(96,427,298)</b>	<b>(65,605,602)</b>
Other income - unallocated					-
Other expenses - unallocated					-
Loss before taxation					(65,605,602)
Capital expenditure	133,574	692,915	8,348	-	
<b>Segment assets</b>	<b>42,217,798</b>	<b>252,509,165</b>	<b>2,165,985</b>	<b>38,718,555</b>	<b>335,611,503</b>
Cash and bank balances					23,839,925
Unallocated assets					301,346,936
					660,798,364
<b>Segment liabilities</b>	<b>1,298,232</b>	<b>31,212,302</b>	<b>1,776,108</b>	<b>389,877</b>	<b>34,676,519</b>
					660,798,364

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

For the year ended June 30, 2024					
Financing activities			Investing activities	Total	
House finance activities	Micro finance activities	Term and other finance activities			
Rupees	Rupees	Rupees	Rupees	Rupees	
Profit on financing	13,251,000	57,860,210	-	-	71,111,210
Income from fee and commission	154,005	8,224,950	-	-	8,378,955
Return on investments	-	-	-	39,428,651	39,428,651
Other income	2,811,973	1,224,763	-	13,537,124	17,573,860
<b>Total income of segment</b>	16,216,978	67,309,923	-	52,965,775	136,492,676
Finance costs	-	4,798,986	-	1,752,890	6,551,876
Other expenses	-	3,973,753	-	-	3,973,753
Depreciation expense	1,045,173	10,276,216	-	8,471,059	19,792,448
Administrative expenses	4,682,410	37,288,451	-	89,909,740	131,880,601
<b>Segment result</b>	10,489,395	10,972,517	-	(47,167,914)	(25,706,002)
Other income - unallocated					-
Other expenses - unallocated					-
Loss before taxation					(25,706,002)
Capital expenditure	1,095,152	3,422,351	45,631	-	
<b>Segment assets</b>	57,084,836	199,256,486	2,165,985	34,209,104	292,716,411
Cash and bank balances					124,969,042
Unallocated assets					308,370,805
					726,056,258
<b>Segment liabilities</b>	14,904,428	33,466,705	1,212,952	953,033	50,537,118
Unallocated liabilities					104,531,526
Equity					570,987,614
					726,056,258

All non-current assets of the Company are located in Pakistan.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 38 Transactions with Related Parties

The related parties and associated undertakings comprise, associated companies / undertakings, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the term of employment are as follows:

#### Transactions during the year

Related party	Relationship	Nature of transaction	2025	2024
			Rupees	Rupees
Bahria Town (Private) Limited	Holding Company	Utilities and maintenance expense	-	511,644
Bahria Grand Hotel and Resort	Associated Company	Entertainment expense	74,251	-
Employees Provident Fund	Other related party	Contribution for the year	1,601,604	1,764,385

#### Outstanding balance as at the year end

Bahria Town (Private) Limited	Holding Company	Trade and other payables	363,331	363,331
		Other receivable	836,550	836,550
		Security deposit against branches	7,627,674	7,627,674
Bahria Grand Hotel and Resort	Associated Company	Entertainment expense	-	11,600
Employees Provident Fund	Other Related Party	Payable	-	299,459

#### Basis of relationship with the company

Following are the related parties with whom the company had entered into transactions or have arrangement / agreement in place.

Company name	Basis of association	Aggregate percentage (%) of shareholding in the Company
Bahria Town (Private) Limited	Holding company	87.96%
Escorts Capital Limited	Common control	N/A
Bahria Grand Hotel and Resort	Common control	N/A
The Safari Club	Common control	N/A

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 39 Remuneration of Chief Executive Officer, Directors and Executives

2025					
	Chief Executive Officer	Executive Director	Non - Executive Directors	Executives	Total
..... Rupees .....					
Managerial remuneration	16,498,044	1,620,232	-	2,475,055	20,593,331
House rent allowance	16,498,044	1,620,232	-	2,475,055	20,593,331
Medical allowance	3,666,232	360,054	-	550,015	4,576,301
Meeting fee	-	-	1,950,000	-	1,950,000
Fuel allowance	267,904	707,252	-	861,198	1,836,354
Inflation allowance	600,000	239,088	-	22,549	
Utilities	-	48,000	-	15,000	63,000
Travelling & Hotling	4,277,226	-	-	-	4,277,226
Retirement benefits	4,390	159,052	-	253,225	416,667
	41,811,840	4,753,910	1,950,000	6,652,097	54,306,210
Number of persons	1	1	2	2	6

2024					
	Chief Executive Officer	Executive Director	Non - Executive Directors	Executives	Total
..... Rupees .....					
Managerial remuneration	14,340,107	1,634,324	-	3,181,977	19,156,408
House rent allowance	14,340,107	1,634,313	-	3,181,977	19,156,397
Medical allowance	3,186,692	363,186	-	707,112	4,256,990
Meeting fee	-	-	900,000	-	900,000
Fuel allowance	466,016	948,761	-	1,620,768	3,035,545
Utilities	-	48,000	-	36,000	84,000
Retirement benefits	3,650	148,495		283,338	435,483
	32,336,572	4,777,079	900,000	9,011,172	47,024,823
Number of persons	1	1	2	3	7

**39.1** No remuneration was paid to any non-executive director. Further, CEO and certain executives of the Company are provided with Company maintained cars.

**39.2** An executive is defined as an employee, other than chief executive officer and directors, whose basic salary in a year exceeds Rs. 1.2 million.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 40 Maturities of Assets and Liabilities

Description	Up to one month	Within one year	More than one year and up to five year	Above five years	Non fixed maturities	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees

As at June 30, 2025

#### ASSETS

Property and equipment	-	-	18,527,074	108,198,611	-	126,725,685
Intangible assets	-	-	5,423,167	-	-	5,423,167
Deferred tax asset - net	-	-	121,004,001	-	-	121,004,001
Net investment in lease finances	-	2,165,985	-	-	-	2,165,985
Investments	-	13,583,423	24,546,125	-	-	38,129,548
Finances	16,533,688	144,849,703	32,055,685	27,590,305	-	221,029,381
Advances	732,747	1,913,333	-	-	-	2,646,080
Deposits and prepayments	-	3,901,440	8,505,674	-	-	12,407,114
Interest accrued	-	18,698,125	-	-	-	18,698,125
Other receivables	-	7,326,839	-	-	-	7,326,839
Tax refunds due from the government	-	81,402,514	-	-	-	81,402,514
Bank balances	23,839,925	-	-	-	-	23,839,925
	41,106,360	273,841,362	210,061,726	135,788,916	-	660,798,364

#### LIABILITIES

Lease liabilities	887,939	7,311,219	27,222,099	-	-	35,421,257
Long term security deposits	-	2,165,985	-	-	-	2,165,985
Trade and other payables	-	117,037,073	-	-	-	117,037,073
Unclaimed dividend	-	2,385,654	-	-	-	2,385,654
Provision for taxation and tax levies	-	1,204,383	-	-	-	1,204,383
	887,939	130,104,314	27,222,099	-	-	158,214,352

Net assets	40,218,421	143,737,048	182,839,627	135,788,916	-	502,584,012
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#### Represented by:

Share capital and reserves	486,493,560
Surplus on revaluation of property and equipment	16,090,452
	502,584,012

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

Description	Up to one month	Within one year	More than one year and up to five year	Above five years	Non fixed maturities	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees

As at June 30, 2024

### ASSETS

Property and equipment	-	-	23,117,776	121,292,758	-	144,410,534
Intangible assets	-	-	5,406,270	-	-	5,406,270
Deferred tax asset	-	-	122,597,618	-	-	122,597,618
Net investment in lease finance	-	2,165,985	-	-	-	2,165,985
Investments	-	8,660,157	24,546,125	-	-	33,206,282
Finances	14,797,332	118,657,587	8,213,389	48,301,447	-	189,969,755
Advances	714,206	1,833,333	-	-	-	2,547,539
Prepayments	-	2,673,314	8,476,274	-	-	11,149,588
Interest accrued	-	14,115,324	-	-	-	14,115,324
Other receivables	-	7,173,911	-	-	-	7,173,911
Tax refunds due from the government	-	68,344,410	-	-	-	68,344,410
Cash and bank balances	124,969,042	-	-	-	-	124,969,042
	140,480,580	223,624,021	192,357,452	169,594,205	-	726,056,258

### LIABILITIES

Lease liabilities	958,026	6,214,941	35,298,791	-	-	42,471,758
Long term security deposits	-	2,165,985	-	-	-	2,165,985
Trade and other payables	-	107,003,743	-	-	-	107,003,743
Unclaimed dividend	-	2,385,654	-	-	-	2,385,654
Provision for taxation	-	1,041,504	-	-	-	1,041,504
	958,026	118,811,827	35,298,791	-	-	155,068,644

Net assets	139,522,554	104,812,194	157,058,661	169,594,205	-	570,987,614
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### Represented by:

Share capital and reserves	554,050,296
Surplus on revaluation of property and equipment's	16,937,318
	570,987,614

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 41 Financial Risk Management

#### 41.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's finance department under policies approved by the senior management.

#### (a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The management attempts to control credit risk through monitoring credit exposures, limiting transactions with specific counterparties, and continuous assessing of the credit worthiness of counterparties.

The management monitors and limits bank's exposure to credit risk through monitoring of client's credit exposure, reviews and conservative estimates of allowance for expected credit losses on doubtful receivables, if any, and through the prudent use of collateral policy.

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Long term investments	6	24,546,125	24,546,125
Long term finances	7	120,970,073	73,103,405
Short term investments	12	13,583,423	8,660,157
Short term finances	13	100,059,308	116,866,350
Interest receivable	16	18,698,125	14,115,324
Other receivables	17	977,267	905,737
Bank balances	19	23,815,866	123,430,633
		302,650,187	361,627,731

#### Credit quality of financial assets

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical defaults rates and present ages.

#### Long term and short term finances

The Company's receivables comprise receivables from corporate and individual customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer such as repayment behavior, credit loss history and available securities etc. The management also considers other relevant factors that may influence the credit risk of its customer base, including the default risk associated with the customer. The Company manages its credit risk inter alia by setting out credit limit in relation to individual customers, by obtaining securities against certain borrowers in shape of hypothecation of their assets and/or by providing impairment allowance against receivable balances.

The management reviewed the risk management policies and is of view that the Company with its diversified segmentation is not exposed to concentration of credit risks.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### Segment information

#### Class of business

Financing activities		
2025		2024
Percentage		
Chemical and pharmaceuticals	0.02	1.98
Agribusiness	0.14	5.72
Education	-	1.45
Petroleum & oil fields	-	2.76
Health care	1.92	3.81
Trading	7.76	6.43
Apparel and clothing	13.73	5.36
Manufacturing	1.32	2.37
Services	14.30	11.14
Electronics and electrical appliances	0.23	0.50
Production and transmission of energy	0.02	-
Food	0.38	0.60
Individuals	21.93	24.99
Engineering and construction	-	5.07
Dairy product	26.79	23.86
Information technology	0.01	-
Financial institutions	0.03	-
Others	11.42	3.96
	100.00	100.00

### Geographical segment

The Company has established an allowance for expected credit losses that represent its estimate of expected losses in respect of financing and lease rental receivables. Aging of the financing and lease rental receivables of the Company outstanding as at year end is as follows:

	2025 Rupees	2024 Rupees
Not past due	217,793,857	228,084,318
Past due 0 - 90 days	5,198,014	4,892,239
Past due 91- 180 days	2,380,821	2,065,664
180 days to 1 year	5,392,325	4,128,837
More than 1 year	72,511,747	23,858,092
	303,276,764	263,029,150
Less: Allowance for expected credit losses	(80,081,398)	(70,893,410)
	223,195,366	192,135,740

The management believes that the unimpaired balances that are past dues are still collectable in full, based on historical payment behaviour. Further, certain receivables are secured by hypothecation / mortgage of assets which can be called upon if the counter party is in default under the terms of the agreement.

### Collaterals held against term financing

Description	2025				
	Gross	Collaterals			Net exposure
		Mortgage	Hypothecation	Liquid collaterals	
	Rupees		Rupees		Rupees
Long term finances (Note 8)	164,123,144	331,335,050	-	-	(167,211,906)
Short term finances	136,458,848		15,429,000	62,489,064	58,540,784

**41.1.1** It includes the properties valuing Rs. 331.335 million (2024: Rs. 260.708 million) that are on mortgage through transfer of property in name of 'Escorts Investment Bank Limited'.

Description	2024				
	Gross	Collaterals			Net exposure
		Mortgage	Hypothecation	Liquid collaterals	
	Rupees		Rupees		Rupees
Long term finances	114,771,990	260,706,478	-	-	(145,936,488)
Short term finances	145,562,388		15,429,000	42,060,845	88,072,543

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

The credit quality of balances with the banks can be assessed with reference to external credit ratings of the banks:

	Rating			2025	2024
	Short term	Long term	Agency	Rupees	
<b>Banks</b>					
United Bank Limited	A1+	AAA	VIS	2,815,257	14,014,548
Bank Alfalah Limited	A1+	AAA	PACRA	17,999,260	105,153,935
Sindh Bank Limited	A1+	AA-	VIS	2,449,919	3,547,369
MCB Bank Limited	A1+	AAA	PACRA	84,384	84,384
Bank Al-Habib Limited	A1+	AAA	PACRA	19	19
State Bank of Pakistan*				95,529	96,383
National Bank of Pakistan	A1+	AAA	PACRA	371,498	533,995
				23,815,866	123,430,633

\* Credit rating is not available.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of a company's performance to developments affecting a particular industry.

### (b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

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 management believes the liquidity risk to be low on account of positive liquidity ratios.

The table below analysis the Company's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equates to their carrying balances as the impact of discounting is not significant.

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years	Over 5 years
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>June 30, 2025</b>					
Trade and other payables	116,807,762	116,807,762	116,807,762	-	-
Lease liabilities	35,421,257	40,800,133	10,710,957	30,089,176	-
	152,229,019	157,607,895	127,518,719	30,089,176	-

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years	Over 5 years
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>June 30, 2024</b>					
Trade and other payables	105,719,664	105,719,664	105,719,664	-	-
Lease liabilities	42,471,758	53,292,467	11,305,181	41,987,286	-
	148,191,422	159,012,131	117,024,845	41,987,286	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up / profit rates effective as at the reporting date. The rates of mark up have been disclosed in respective notes to the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### (c) Market risk

The Company's activities expose it to a variety of market risks (in addition to liquidity and credit risks). Market risk with respect to the Company's activities include interest rate risk, currency risk and other price risk.

#### (i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest will affect the value of financial instruments. The Company is exposed to interest rate risk as a result of mismatches or gaps in the amounts of financial assets and liabilities that mature or reprice in a given period.

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	Note	2025 Rupees	2024 Rupees
<b>Financial assets</b>			
Fixed rate instruments:			
Micro finance	7.1 & 7.2 & 13	240,107,564	189,037,182
Bank balances	19	13,633,260	122,857,967
Short term investments	12	-	-
		253,740,824	311,895,149
<b>Financial liabilities</b>			
Fixed rate instruments:			
Lease liabilities	23	35,421,257	42,471,758
<b>Financial assets</b>			
Variable rate instruments:			
House finance	7.1 & 7.2	34,886,354	45,709,122
Long term investments	6	25,000,000	25,000,000
		59,886,354	70,709,122

#### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 10 percent in interest rates at the reporting date would have (decreased) / increased profit by amounts shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

	Profit	
	2025 Rupees	2024 Rupees
Increase of 10% Variable rate instruments	5,988,635	7,070,912
Decrease of 10% Variable rate instruments	(5,988,635)	(7,070,912)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and the outstanding liabilities of the Company at the year end.

#### (ii) Equity price risk

Equity price risk represents the risk that the fair value of equity investments will fluctuate because of changes in levels of indices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The company is currently not exposed to equity price risk.

#### (iii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to currency risk arising from currency exposure as it is not involved in foreign currency transactions.

#### (iv) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. Currently, the Company is not exposed to any price risk as it does not hold any significant investments exposed to price risk.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 41.2 Financial instruments by categories

#### Financial assets as at June 30, 2025

		At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
	Note	Rupees	Rupees	Rupees	Rupees
Long term investments	6	-	-	24,546,125	24,546,125
Long term finances	7	-	120,970,073	-	120,970,073
Long term deposit	9	-	8,505,674	-	8,505,674
Short term investments	12	13,583,423	-	-	13,583,423
Short term finances	13	-	100,059,308	-	100,059,308
Short term advances	14	-	732,747	-	732,747
Interest receivable	16	-	18,698,125	-	18,698,125
Other receivables	17	-	977,267	-	977,267
Bank balances	19	-	23,839,925	-	23,839,925
		13,583,423	273,783,119	24,546,125	311,912,667

#### Financial assets as at June 30, 2024

		At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		Rupees	Rupees	Rupees	Rupees
Long term investments	6	-	-	24,546,125	24,546,125
Long term finances	7	-	73,103,405	-	73,103,405
Long term deposit	10	-	8,476,274	-	8,476,274
Short term investments	12	8,660,157	-	-	8,660,157
Short term finances	13	-	116,866,350	-	116,866,350
Short term advances	14	-	714,206	-	714,206
Interest receivable	16	-	14,115,324	-	14,115,324
Other receivables	17	-	905,737	-	905,737
Bank balances	19	-	123,430,633	-	123,430,633
		8,660,157	337,611,929	24,546,125	370,818,211

#### Financial liabilities at amortized cost

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Lease liabilities	23	35,421,257	42,471,758
Trade and other payables	25	116,807,762	105,719,664
		152,229,019	148,191,422

### 42 Capital Risk Management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stake holders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

In line with the norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non current and excluding sponsors' loans) less cash and cash equivalents. Total capital is calculated as equity as shown in the statement of financial position plus net debt. As at the reporting date, the gearing ratio of the Company was worked out as under:

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
Debt		105,010,645	112,061,146
Cash and bank balances		23,839,925	124,969,042
Net debt		81,170,720	(12,907,896)
Total equity		486,493,560	554,050,296
Total capital employed		567,664,280	541,142,400
Gearing ratio (%)		16.68%	-2.33%

	Note	30-Jun-25 Rupees	30-Jun-24 Rupees
--	------	---------------------	---------------------

### 43 Provident Fund

The following information is based on the latest (un-audited) financial statements of the Trust:

Size of the fund - total assets		9,902,072	9,163,395
Amount deposited in saving account	43.1	9,616,615	8,863,941
Percentage of deposits made		97%	97%
Fair value of deposits		9,616,615	8,863,941

43.1 The break-up of fair value of deposits is:

	2025		2024	
	Rs.	Percentage	Rs.	Percentage
Deposits in saving account	9,616,615	100%	8,863,941	100%
	9,616,615	100%	8,863,941	100%

Amount contributed in Provident Fund by the company and its employees have been deposited in a separate PLS account opened in a Scheduled Bank in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose. Rate of return ranges from 10.50% to 19.50% (2024: 19.50% to 20.5%) per annum during the year.

### 44 Fair Value Measurements

Fair value is the price that would be received so sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirements to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

#### 44.1 Recognized Fair Value Measurements - Financial Assets

##### (i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

As at June 30, 2025	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
<b>Financial Assets</b>				
Long term investments	24,546,125	-	-	24,546,125
Short term investments	13,583,423	-	-	13,583,423
Total financial assets	38,129,548	-	-	38,129,548
As at June 30, 2024	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
<b>Financial Assets</b>				
Long term investments	24,546,125	-	-	24,546,125
Short term investments	8,660,157	-	-	8,660,157
Total financial assets	33,206,282	-	-	33,206,282

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

The fair values of the quoted instruments are based on price quotations at the reporting date. The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

There were no transfers amongst the levels during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

### 44.2 Recognized Fair Value Measurements - Non-Financial Assets

#### Fair value hierarchy

Judgments and estimates are made for non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

As at June 30, 2025	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Property and equipment:				
Office premises	-	68,619,398	-	68,619,398
As at June 30, 2024	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Property and equipment:				
Office premises	-	68,439,295	-	68,439,295

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

#### Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for the items of property and equipment carried at revalued amounts every five years. The management updates the assessment of the fair value of each item of property and equipment carried at revalued amount, taking into account the most recent independent valuations. The management determines the value of items of property and equipment carried at revalued amounts within a range of reasonable fair value estimates. The best evidence of fair value of freehold office premises is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same freehold office premises. The significant inputs included the existing use of building on an open market basis, comparisons between recent transactions in the real estate marketplace, current value of similar premises, size, location and frontage of the premises. A slight increase in the depreciation factor would result in a significant decrease in the fair values of buildings and leasehold improvements, and a slight increase in the estimated construction costs would result in a significant increase in the fair value of the buildings and vice versa. There has been no change to the valuation technique during the year.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's items of property and equipment carried at revalued amounts at the end of every five years.

Changes in fair values are analyzed by the chief financial officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

### 45 Information for All Shares Islamic Index Screening

Description	Note	30-Jun-25		30-Jun-24	
		Non - Shariah arrangements	Shariah arrangements	Non - Shariah arrangements	Shariah arrangements
FINANCIAL ASSETS					
Investments	6 & 12	38,129,548	-	33,206,282	-
Finances	7, 11 & 13	221,029,381	-	189,969,755	-
Interest receivable	16	18,698,125	-	14,115,324	-
Other receivables	17	977,267	-	905,737	-
Bank balances	19	23,468,427	371,498	123,862,381	1,106,661
		302,302,748	371,498	362,059,479	1,106,661

### FINANCIAL LIABILITIES

Lease liabilities	24 & 23	35,421,257	-	42,471,758	-
Trade and other payables	25	117,037,073	-	107,003,743	-
		152,458,330	-	149,475,501	-

		30-Jun-25		30-Jun-24	
Description	Note	Carried under		Carried under	
		Non - Shariah arrangements	Shariah arrangements	Non - Shariah arrangements	Shariah arrangements
Sources of income					
Profit on financing	28	84,410,523	-	71,111,210	-
Return on investments	29	4,229,290	-	20,835,151	-
Income from fee and	30	8,580,592	-	8,378,955	-
Profit on bank deposits		7,714,158	-	18,593,500	-
Other income	31	3,443,007	-	17,573,860	144,732
		108,377,570	-	136,492,676	144,732

### 45.1 Relationship with banks

Name	Relationship	
	Non Islamic window operations	With Islamic window operations
United Bank Limited	✓	-
Bank Alfalah Limited	✓	-
Sindh Bank Limited	✓	-
MCB Bank Limited	✓	-
Bank Al-Habib Limited	✓	-
State Bank of Pakistan	✓	-
National Bank of Pakistan	-	✓

### 46 Subsequent Events

There were no significant adjustable events subsequent to the reporting date except for those disclosed in note 1, which may require an adjustment to the financial statements or additional disclosure and have not already been disclosed in these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	2025 Number	2024 Number
<b>47 Number of Employees</b>		
Number of employees as at June 30, 2025	52	56
Average number of employees during the year	56	61

### 48 Date of Authorization for Issue

These financial statements were approved and authorized for issue on 30 September 2025 by the Board of Directors of the Company.

### 49 General

The corresponding figures have been rearranged, wherever considered necessary for the purpose of comparison and better presentation the effect of which is not material.

Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Chief Financial Officer



Chairman

# PATTERN OF SHAREHOLDING

AS ON 30 JUNE 2025

Number of ShareHolders	Shareholdings		Total Number of Shares Held	Percentage
	From	To		
172	1 -	100	3,899	0.00
113	101 -	500	47,303	0.03
116	501 -	1000	109,993	0.08
190	1001 -	5000	518,473	0.38
73	5001 -	10000	587,320	0.43
27	10001 -	15000	345,527	0.25
20	15001 -	20000	356,905	0.26
24	20001 -	25000	544,832	0.40
15	25001 -	30000	426,978	0.31
9	30001 -	35000	288,491	0.21
5	35001 -	40000	189,500	0.14
1	40001 -	45000	40,500	0.03
7	45001 -	50000	345,900	0.26
1	50001 -	55000	50,500	0.04
3	55001 -	60000	176,000	0.13
2	60001 -	65000	126,000	0.09
1	70001 -	75000	72,581	0.05
1	75001 -	80000	78,828	0.06
1	80001 -	85000	82,500	0.06
1	90001 -	95000	93,157	0.07
2	95001 -	100000	200,000	0.15
2	105001 -	110000	213,957	0.16
3	110001 -	115000	337,445	0.25
2	115001 -	120000	236,967	0.17
2	125001 -	130000	256,200	0.19
1	145001 -	150000	150,000	0.11
2	150001 -	155000	301,614	0.22
2	155001 -	160000	315,000	0.23
1	160001 -	165000	164,145	0.12
1	165001 -	170000	170,000	0.13
1	200001 -	205000	204,000	0.15
1	225001 -	230000	226,000	0.17
1	235001 -	240000	236,000	0.17
1	245001 -	250000	249,836	0.18
1	250001 -	255000	254,380	0.19
1	255001 -	260000	255,500	0.19
1	415001 -	420000	415,216	0.31
1	420001 -	425000	424,500	0.31
1	430001 -	435000	433,495	0.32
1	520001 -	525000	524,187	0.39
1	575001 -	580000	578,000	0.43
1	660001 -	665000	663,500	0.49
1	775001 -	780000	779,990	0.58
1	780001 -	785000	783,000	0.58
1	795001 -	800000	800,000	0.59
1	800001 -	805000	804,207	0.59
1	845001 -	850000	848,597	0.63
1	1005001 -	1010000	1,010,000	0.74
1	119275001 -	119280000	119,279,077	87.96
819			135,600,000	100.00

# CATEGORIES OF SHAREHOLDING

AS ON 30 JUNE 2025

## DETAILED CATEGORIES OF SHAREHOLDERS

CATEGORIES OF SHAREHOLDERS	Shares Held	Percentage
<b>Directors, Chief Executive Officer, and their spouse and minor children</b>		
1 SABA RASHEED	10	0.0000
2 MUHAMMAD RASHEED ALAM	10	0.0000
	20	0.0000
<b>Associated Companies, Undertakings and Related Parties</b>		
1 BAHRIA TOWN (PRIVATE) LIMITED.	119,279,077	87.9639
	119,279,077	87.9639
<b>Banks, Development Financial Institutions, Non Banking Financial Institutions</b>		
1 ESCORTS INVESTMENT BANK LIMITED	1,000	0.0007
2 SALIM SOZER SECURITIES (PRIVATE) LIMITED	783,000	0.5774
	784,000	0.5782
<b>Insurance Companies</b>		
1 PROGRESSIVE INSURANCE COMPANY LIMITED	3,000	0.0022
	3,000	0.0022
<b>General Public (Local)</b>		
	12,867,056	9.4890
<b>Others</b>		
1 KRONOSWISS (PRIVATE) LIMITED	30,748	0.0227
2 PAKISTAN INDUSTRIAL AND COMMERCIAL LEASING LTD.	200	0.0001
3 Crescent Standard Business Management (Pvt) Limite	1	0.0000
	30,949	0.0228
<b>Joint Stock Companies</b>		
1 MEGA SECURITIES (PVT) LTD	60	0.0000
2 RAO SYSTEMS (PVT.) LTD.	78,828	0.0581
3 MANAGEMENT AND EDUCATIONAL SERVICES (PRIVATE) LIM	578,000	0.4263
4 AZEE SECURITIES (PVT.) LTD	210	0.0002
5 UHF CONSULTING (PRIVATE) LIMITED	1,010,000	0.7448
6 NH SECURITIES (PVT) LIMITED.	5,000	0.0037
7 UHF CONSULTING (PRIVATE) LIMITED	800,000	0.5900
8 NCC - PRE SETTLEMENT DELIVERY ACCOUNT	5,300	0.0039
9 SHAFFI SECURITIES (PVT) LIMITED	3,000	0.0022
10 DARSON SECURITIES (PRIVATE) LIMITED	155,500	0.1147
	2,635,898	1.9439
<b>Grand Total:</b>	<b>135,600,000</b>	<b>100.0000</b>

## CATEGORIES OF SHAREHOLDING

### AS ON 30 JUNE 2025

Categories	No. of Shareholders	Shares Held	Percentage
1 Directors, Chief Executive Officer, and their spouse and minor children	2	20	0.0000
2 Associated Companies, Undertakings and Related Parties	1	119,279,077	87.9639
3 Banks, Development Financial Institutions, Non Banking Financial Institutions	2	784,000	0.5782
4 Insurance Companies	1	3,000	0.0022
5 General Public (Local)	800	12,867,056	9.4890
6 Others	3	30,949	0.0228
7 Joint Stock Companies	10	2,635,898	1.9439
<b>TOTAL:</b>	<b>819</b>	<b>135,600,000</b>	<b>100.0000</b>

## BALLOT PAPER FOR VOTING THROUGH POST

For voting through post for the Special Business at the Annual General Meeting of Escorts Investment Bank Limited to be held on (Tuesday) 28 October 2025 at 10:00 AM (PST) at Bahria Grand Hotel & Resort situated at Canal Bank Road, Executive Lodges, Sector-B, Bahria Town, Lahore

Designated email address of the Chairman at which the duly filled in ballot paper may be sent: [chairman@escortsbank.net](mailto:chairman@escortsbank.net)

Name of shareholder / joint shareholder(s) :	
Registered Address :	
Folio No./ CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC, NICOP/Passport No. (In case of foreigner) (Copy to be attached)	
<u>Additional Information and enclosures</u>	
(In case of representative of body corporates, corporations and Federal Government)	
Name of Authorized Signatory :	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - (Copy to be attached)	

I/we hereby exercise my /our vote in respect of the following special resolutions through postal ballot by giving my/our assent or dissent to the following resolutions by placing tick ✓ mark in the appropriate box below:

### Special Resolutions

#### Agenda Item 4

To approve the circulation of the Annual Report (including the Audited Financial Statements, Auditor's Report, Director's Report, and Chairman's Review Report) to the Members of the Company through QR-enable code and weblink, following Section 223(6) of the Companies Act 2017 read with S.R.O.389(1)/2023 dated March 21, 2023, by passing the following special resolution with or without modification :

"RESOLVED THAT the approval be and is hereby given to allow the Company to circulate the annual audited financial statement to its members/shareholders through Quick Response (QR) enabled code and weblink instead of through CD/DVD/USB, subject to the requirements of Notification No. S.R.O. 389(1)/2023 of Securities and Exchange Commission of Pakistan dated March 21, 2023".

I/we hereby exercise my/our vote in respect of above-mentioned special resolutions through postal ballot by conveying my/our assent or dissent to the said resolutions by placing tick ✓ mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	Special Resolution as per the Agenda Item No. 4 (as given above)		

Shareholder/ Proxy holder Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)

Place : \_\_\_\_\_ Date : \_\_\_\_\_



**NOTES :**

1. Duly filled postal ballots should be sent to the Chairman at Ground Floor, 26 – Davis Road, Lahore or through email at: [chairman@escortsbank.net](mailto:chairman@escortsbank.net)
2. Copy of CNIC, NICOP/Passport (In case of foreigner) should be enclosed with the postal ballot form.
3. Postal Ballot form should reach the Chairman of the Meeting on or before 27-10-2025 up to 5:00 p.m. Any Postal Ballot received after this time/date, will not be considered for voting.
4. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution/ Power of Attorney I Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Consul General of Pakistan having jurisdiction over the member.
5. Signature on postal ballot should match with signature on CNIC, NICOP/Passport (In case of foreigner).
6. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

## ڈاک کے ذریعے ووٹ ڈالنے کے لیے بیلٹ پیپر

بیلٹ پیپر برائے خصوصی امور، ایسکورٹس انویسٹمنٹ بینک لمیٹڈ کے اکتیسویں سالانہ اجلاس عام جو کہ بحریہ گریڈ بونکی اینڈ ریجسٹر، ایگزیکٹو لاجز، سیکرٹری، بحریہ ٹاؤن لاہور  
28 اکتوبر 2025 روز منگل، صبح 10:00 بجے منعقد ہو گا

مکمل شدہ بیلٹ پیپر جائیز مین کے نامزد ای میل ایڈریس [chairman@escortsbank.net](mailto:chairman@escortsbank.net) پر بھیجا جاسکتا ہے۔

نام حصص داران / مشترکہ حصص داران	
رجسٹرڈ پتہ	
فولیو نمبر، سی ڈی سی پارٹسپنٹ، سب اکاؤنٹ نمبر	
حصص کی تعداد	
کچھ ٹرانزیکشن خفیہ کارڈ / نمائی کاپ / پاسپورٹ نمبر (غیر ملکیوں کے لیے)	
املاقی معلومات اور معلومات	
(ہائی کارپوریشن، کارپوریشنز اور وفاقی حکومت کے نمائندے کی صورت میں)	
مجازہ سٹاک کٹنگ کا نام	
مجازہ سٹاک کٹنگ کا خفیہ کارڈ، نمائی کاپ، پاسپورٹ نمبر (غیر ملکیوں کے لیے)۔ کاپی منسلک کریں۔	

### خصوصی قرارداد

ایجنڈہ آئٹیم نمبر ۳

سالانہ رپورٹ (بشمول آڈٹ شدہ مالیاتی گوشوارے، آڈیٹر کی رپورٹ، ڈائریکٹر کی رپورٹ، اور چیئر مین کی جائزہ رپورٹ) کو کمپنی کے ممبران کو QR-enable کوڈ اور ویب لنک کے ذریعے، کمپنیز ایکٹ 2017 کے سیکشن (6) 223 بشمول ایس آر او (1) 389 مورخہ مارچ 21، 2023 کے تحت مندرجہ ذیل شیڈ کی بلایا ہوا ترمیم منظوری۔

”مے کیا گیا کہ کمپنی کو اجازت دی جاتی ہے کہ وہ اپنے سالانہ آڈٹ شدہ مالیاتی گوشوارے CD/DVD/USB کے بجائے کو بلیک رسپانس (QR) کیو آر کوڈ اور ویب لنک کے ذریعے اپنے اراکین / حصص یافتگان کو سیکورڈ ٹیز اینڈ ایچسٹج کمیشن آف پاکستان کے نوٹیفکیشن نمبر 2023، S.R.O/389(1) مورخہ 21 مارچ 2023 کے تحت ترسیل کرے“

میں / ہم مندرجہ بالا خصوصی قراردادوں کے سلسلے میں پائلٹ کے ذریعے اپنا ووٹ استعمال کرتا ہوں / کرتے ہیں اور مندرجہ بالا قراردادوں پر اپنی رضامندی یا اختلاف رائے ذیل میں مناسب پاس پر نشان لگا کر کرتا ہوں / کرتے ہیں:

نمبر شمار	قرارداد کی نوعیت اور تفصیل	میں اہم قرارداد کے حق میں	میں اہم قرارداد کے خلاف
۱	خصوصی قرارداد ایجنڈا آنلیم نمبر ۳ (مندرجہ بالا)		

دستخط مجاز (شعبہ بولڈر / پرائیویٹ بولڈر) \_\_\_\_\_

جگہ \_\_\_\_\_

تاریخ \_\_\_\_\_

## نوٹس:

۱۔ مناسب طریقے سے بھرے ہوئے پوسٹل بلیٹس چیئر مین کو گرانڈ فلور، 26- ایبوس روڈ، مالابور یا ای میل [chairman@escortsbank.net](mailto:chairman@escortsbank.net) پر بھیجے جائیں۔

۲۔ پوسٹل بلیٹ فارم کے ساتھ شناختی کارڈ / نائی کا پ / پاسپورٹ (غیر ملکی کی صورت میں) کی کاپی منسلک ہونی چاہیے۔

۳۔ پوسٹل بلیٹ فارم میٹنگ کے چیئر مین کے پاس 10-27 کو یا اس سے پہلے شام 5:00 بجے تک پہنچ جانا چاہیے۔ اس وقت / تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بلیٹ ووٹنگ کے لیے زیر غور نہیں آئے گا۔

۴۔ ہائی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندے کی صورت میں، بلیٹ ہیچ فارم کے ساتھ کسی مجاز شخص کے شناختی کارڈ کی کاپی، پورٹریٹ وکوشن / پاور آف اٹارنی کی اجازت نامہ وغیرہ کی تصدیق شدہ کاپی ہونا ضروری ہے۔ کمپنیز ایکٹ 2017 کے سیکشن (ایس) 138 یا 139 کے مطابق جیہا کہ قابل اطلاق ہے۔ غیر ملکی ہائی کارپوریٹ وغیرہ کے معاملے میں، تمام دستاویزات کو قرضہ جزل آف پاکستان جو ممبر پر دائرہ اختیار رکھتا ہو سے تصدیق شدہ ہونا ضروری ہے۔

۵۔ پوسٹل بلیٹ پر دستخط شناختی کارڈ / نائی کا پ / پاسپورٹ (غیر ملکی کی صورت میں) کے دستخط سے مماثل ہونا چاہیے۔

۶۔ نامکمل، غیر دستخط شدہ، غلط، مسخ شدہ، پھٹا ہوا، زیادہ لکھا ہوا بلیٹ ہیچ مسٹر ذکر دیا جائے گا۔

## STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of Member: \_\_\_\_\_
2. CNIC/Passport Number: \_\_\_\_\_
3. Participant ID/ Folio No/Sub NC: \_\_\_\_\_
4. Registered Address: \_\_\_\_\_  
\_\_\_\_\_

I/We hereby request you to provide me/us a hard copy of the Annual Report of ESCORTS INVESTMENT BANK LIMITED for the year ended June 30, 2025, at my above-mentioned registered address instead of CD/DVD/USB. I undertake to intimate any change in the above information through revised Standard Request Form.

### Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,

ESCORTS INVESTMENT BANK LIMITED  
Ground Floor, 26 – Davis Road, Lahore  
Email: kamran.chughtai@escortsbank.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED  
H.M. House, 7-Bank Square,  
The Mall, Lahore.

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.

## FORM FOR VIDEO CONFERENCE FACILITY

### The Company Secretary / Share Registrar,

I/we, \_\_\_\_\_, of \_\_\_\_\_, being the registered shareholder(s) of the company under Folio No(s). \_\_\_\_\_ I CDC Participant ID No. and \_\_\_\_\_ Sub Account No CDC Investor Account ID No., and holder of \_\_\_\_\_ Ordinary Shares, hereby request for video conference facility at \_\_\_\_\_ for the Annual General Meeting of the Company to be held on 28th October 2025.

Date: \_\_\_\_\_

Member's Signature

### Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,

ESCORTS INVESTMENT BANK LIMITED  
Ground Floor, 26 – Davis Road, Lahore  
Email: kamran.chughtai@escortsbank.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED  
H.M. House, 7-Bank Square,  
The Mall, Lahore



# CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED

H.M. House, 7-Bank Square, The Mall, Lahore

## **Subject: CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM**

Dear Sirs,

I/we, being the shareholder(s) of ESCORTS INVESTMENT BANK LIMITED ("Company"), do hereby consent and authorize the Company for electronic transmission of the Audited Annual Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

Name of Shareholder(s):	
Fathers / Husband Name:	
CNIC:	
NTN:	
Fathers/ Husband Name:	
E-mail address	
Telephone:	
Mailing Address:	

Date: \_\_\_\_\_

Signature: (In case of Corporate shareholders,  
the authorized signatory must sign)

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# FORM OF PROXY FOR (30<sup>th</sup> Annual General Meeting)

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member of Escorts Investment Bank Limited hereby appoint.

\_\_\_\_\_

of \_\_\_\_\_

or failing him/her \_\_\_\_\_

of \_\_\_\_\_

member(s) of the Company, as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on October 28, 2025 (Tuesday) at 11:30 AM. at Bahria Grand Hotel & Resort situated at Canal Bank Road, Executive Lodges, Sector-B, Bahria Town, Lahore

as witness may hand this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

Signed by the said member \_\_\_\_\_

in presence of \_\_\_\_\_

Please affix  
revenue stamp Rs. 50/-

Signature (s) of Member (s)

Signature of witness \_\_\_\_\_ Signature of witness \_\_\_\_\_

Name \_\_\_\_\_ Name \_\_\_\_\_

\_\_\_\_\_

CNIC# \_\_\_\_\_ CNIC# \_\_\_\_\_

Please quote:

Folio#	Shared held	CDCA/C No.

Important: This instrument appointing a proxy, duly completed, must be received at the Registered Office of the Company at Ground Floor, 26 – Davis Road, Lahore not later than 48 hours before the time of holding the general meeting.

Second Fold

Affix Revenue  
Stamp

**The Company Secretary,**

**ESCORTS INVESTMENT BANK LIMITED**

Ground Floor, 26-Davis Road Lahore.

First Fold

Third Fold and Tuck In

## تشکیل نیابت داری (پراکسی فارم) تیسواں سالانہ اجلاس عام

ممبرانم \_\_\_\_\_ ساکن \_\_\_\_\_ بحیثیت \_\_\_\_\_  
 اسکورس نوٹسٹ بینک لیمنڈرکن (ممبر) اور عامل ہیں \_\_\_\_\_ عام حصص کے مطابق درج شدہ فوئیو نمبر \_\_\_\_\_ اور پائی ڈی سی کے شراکتی آئی ڈی نمبر \_\_\_\_\_  
 اور اپنی کھاتہ نمبر \_\_\_\_\_ محترمہ / محترمہ \_\_\_\_\_ ساکن \_\_\_\_\_ پابستورت \_\_\_\_\_  
 دیگر محترمہ / محترمہ \_\_\_\_\_ ساکن \_\_\_\_\_ کو اپنی جگہ 28-2025 بروز کل دن 11:30 بجے صبح: غریب گریڈ ہوئی ایڈریس: ایڈریس: ایڈریس: B-ٹریڈ ٹاؤن لاہور میں منعقد ہو رہا ہے یا اس کے کسی بلتوی شدہ اجلاس میں رائے و ہتھکی کیلئے اپنا نمائندہ مقرر کرتا کرتی ہوں۔  
 ممبرانم \_\_\_\_\_ دن \_\_\_\_\_ 2025

گواہ

(1) دستخط \_\_\_\_\_

نام \_\_\_\_\_

پتہ \_\_\_\_\_

شعاعی کارڈ نمبر \_\_\_\_\_

(2) دستخط \_\_\_\_\_

نام \_\_\_\_\_

پتہ \_\_\_\_\_

شعاعی کارڈ نمبر \_\_\_\_\_

ریونیوٹنگلٹ چسپاں کریں  
50 روپے

(دستخط کافی میں پہلے سے موجودی  
صور کے مطابق اوتے چاہیے)

ملاحظات

نیابت داریوں پر کسی موٹر بنانے کے لیے اجلاس کے مقرر کردہ وقت کم از کم 48 گھنٹے پہلے کے رہنمافرا پتہ (گراؤنڈ ٹھکانہ 26، ایس روڈ، لاہور) میں جمع کروان ضروری ہے۔



Second Fold

Affix Revenue  
Stamp

**The Company Secretary,**

**ESCORTS INVESTMENT BANK LIMITED**

Ground Floor, 26-Davis Road Lahore.

First Fold

Third Fold and Tuck In



[www.escortsbank.net](http://www.escortsbank.net)  
[info@escortsbank.net](mailto:info@escortsbank.net)

Follow Escorts Investment Bank Limited



**Registered Office:**

Ground Floor, 26-Davis Road Lahore.  
Tel: (92-42) 36361393-5  
[www.escortsbank.net](http://www.escortsbank.net)  
[info@escortsbank.net](mailto:info@escortsbank.net)  
UAN: 042 111 003 425  
Toll Free: 0800 03425