



INVEST CAPITAL INVESTMENT BANK LIMITED

QUARTERLY REPORT

SEPTEMBER 30, 2022

Contents

Director's Report	02
Director's Report (Urdu)	03-04
Condensed Interim Statement of Financial Position (Un-Audited)	05-06
Condensed Interim Statement of Profit or Loss (Un-Audited)	07
Condensed Interim Statement of Comprehensive Income (Un-Audited)	08
Condensed Interim Statement of Cash Flows (Un-Audited)	09-10
Condensed Interim Statement of Changes in Equity (Un-Audited)	11
Selected Explanatory Notes to the Condensed Interim Financial Statements (Un-Audited)	12-16
Company Information	17

Directors' Report

The Board of Directors of Invest Capital Investment Bank Limited (the "Company"), is pleased to present the un-audited financial statements for the first quarter of the financial year 2022-23 ended September 30, 2022.

The Review

During the period under review, the Company posted a net profit of Rupees 14.38 million as compared to a net profit of Rupees 55.96 million for the quarter ended September 2021. The earnings per share worked out to Rupees 0.050 (September 2021 Rupees 0.196). The gross revenue including other income for the period amounted to Rupees 27.56 million as compared to Rupees 54.08 million for corresponding period of the last year. The reduction is basically due to reduction in recovery from NPLs during the quarter. The administrative and operating expenses amounted to Rupees 7.97 million as against Rupees 5.13 million of the comparable period. The financial charges increased by Rupees 3.19 million due to borrowing for lending purposes and stood at Rupees 4.53 million as against Rupees 1.34 million of the corresponding period of last year.

The total assets of the Company increased by Rupees 126.37 due to disbursements against financing business and totaled to Rupees 1,183.80 million as at 30th September 2022 as compared to Rupees 1,057.43 million as at June 30, 2022. Similarly the total liabilities of the Company stood at Rupees 698.12 million as against Rupees 584.43 million of 30th June 2022. The increase in liabilities is mainly due to borrowing for financing of new business.

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

	----- Rupees in million -----	
Financial Highlights	September 30, 2022	September 30, 2021
Gross Revenue	24.96	53.04
Other Income	2.60	1.04
Administration & Operating expenses	(7.97)	(5.13)
Financial charges (net of reversals)	(4.53)	(1.34)
Provision reversal / (Charge)	0.32	10.85
Profit / (loss) for the period before taxation	15.38	58.46
Taxation – net	(1.00)	(2.50)
Profit/ (loss) for the period after taxation	14.38	55.96
Earnings per Share	0.050	0.196

The management of your company remained focused to increase the revenue of the company and during the period under review the company disbursed Rs. 193.60 million in new financing business (leases and loans). The new financing business (leases and loans) undertaken by the company has negligible infection level due to effective risk management and prudent monitoring, the recovery is almost 100% of the billed amount.

The most critical area is the recovery from the non-performing portfolio of leases and loans. The management is determined to continue its efforts, energy, experience and skills in future to improve the recovery from this portfolio.

The prevailing political impasse, supply chain disruptions, increased inflation and global economic decline may affect the businesses, as a result non-performing loans may increase. However, the management of your company had taken risk mitigating measures to safe guard the interest of the company. The management of your company is confident that the bottom line of the company shall improve in the periods to come.

Acknowledgments

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

For and on behalf of the Board

Karachi
October 26, 2022


Muhammad Asif
Chief Executive Officer


Ayesha Shehryar
Chairperson

ڈائریکٹرز کا جائزہ

ہم 30 ستمبر 2022 کو حتم ہونے والے مالی سال 2022-23 کی پہلی سہ ماہی کے غیر آڈٹ شدہ گوشوارے انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ (کسپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ممبران کو پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

جائزہ

زیر غور عرصہ میں کسپنی نے 14.38 ملین روپے کا منافع کما یا جبکہ اس کے مقابلے میں گذشتہ سال ستمبر 2021 کی سہ ماہی میں 55.96 ملین روپے کا منافع ہوا تھا۔ 30 ستمبر 2022 کو فی حصص آمدنی 0.050 رہی۔ (ستمبر 2021 کو 0.196 روپے فی حصص تھی) مجموعی مالگڈاری (Revenues) بشمول دیگر آمدنی 27.56 ملین روپے رہی جبکہ گذشتہ سال اسی مدت کے دوران یہ آمدنی 54.08 ملین روپے تھی۔ اس کی بنیادی وجہ پچھلے ہونے متراضوں کی وصولیابی میں کمی ہے۔ انتظامی اور آپریٹنگ اخراجات 7.97 ملین روپے رہے جبکہ گذشتہ سال اسی مدت کے دوران یہ اخراجات 5.13 ملین روپے تھے۔ کاروبار میں اضافے کے لیے متراضات لینے کی وجہ سے مالی اخراجات میں 3.19 ملین روپے کا اضافہ ہوا اور یہ اخراجات 4.53 ملین روپے ہو گئے جبکہ گذشتہ سال کے اسی عرصہ میں یہ 1.34 ملین روپے تھے۔

کسپنی کے کل اثاثہ حبات میں نئے کاروبار میں سرمایہ کاری کی وجہ سے 126.37 ملین روپے کا اضافہ ہوا جبکہ 30 جون 2022 کو یہ 1,057.43 ملین روپے تھے۔ اس طرح 30 ستمبر 2022 کو یہ 1,183.80 ملین روپے ہو گئے۔ اسی طرح کل مالیاتی ذمہ داریوں کی مالیت 30 ستمبر 2022 کو 698.12 ملین روپے رہی جو کہ 30 جون 2022 کو 584.43 ملین روپے تھی۔ مالیاتی ذمہ داریوں میں اضافے کی وجہ سے کاروبار میں سرمایہ کاری کے لیے متراضات کا لینا ہے۔

کسپنی کے موجودہ اور گذشتہ نفع اور نقصان کا تقابلی جائزہ درج ذیل ہے:

----- روپے ملین میں -----

30 ستمبر		
2021	2022	
53.04	24.96	کل مالگڈاری (Revenues)
1.04	2.60	دیگر آمدنی
(5.13)	(7.97)	انتظامی اور آپریٹنگ اخراجات
(1.34)	(4.53)	مالی اخراجات (حصص)
10.85	0.32	پرویزن کی واپسی (حسب)
58.46	15.38	نفع/نقصان قبل از محصول
(2.50)	(1.00)	محصول - حصص
55.96	14.38	نفع/نقصان بعد از محصول
0.196	0.050	آمدنی فی حصص

آپ کی کمپنی کی انضمامیہ کمپنی کی آمدنی میں اضافہ کرنے پر سرگورہ ری اور زیر حبابزہ مدت کے دوران کمپنی نے 193.60 ملین روپے کی نئی فنڈنگ بزنس (لیز اور لون) میں سرمایہ کاری کی۔ کمپنی کے شروع کیے گئے فنڈنگ بزنس (لیز اور لون) میں مؤثر رسک مینجمنٹ اور محتاط نگرانی کی وجہ سے انفلکشن کی سطح نہ ہونے کے برابر ہے، ریکوری بل کی گئی رقم کا تقسیم 100% ہے۔

سب سے اہم شعبہ لیز اور مترواحوں کے نان پرفارمنگ پورٹ فولیو سے ریکوری ہے۔ انضمامیہ اس پورٹ فولیو سے ریکوری کو بہتر بنانے کے لیے مستقبل میں اپنی کوششیں، توانائی، تجربے اور مہارتوں کو جاری رکھنے کے لیے پر عزم ہے۔

موجودہ سیاسی تعطل، سپلائی چین میں متلاطم صورتحال، مہنگائی میں اضافہ اور عالمی اقتصادی گراؤ سے کاروبار متاثر ہو سکتے ہیں، نتیجتاً غیر فعال مترواحوں میں اضافہ ہو سکتا ہے۔ تاہم، آپ کی کمپنی کی انضمامیہ نے کمپنی کے مفاد کی حفاظت کے لیے خطرات میں کمی کے اقدامات کیے تھے۔ آپ کی کمپنی کی انضمامیہ کو یقین ہے کہ آنے والے ادوار میں کمپنی کے منافع میں بہتری آئے گی۔

اظہار تشکر

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

مخائبہ و برائے بورڈ آف ڈائریکٹرز

عائشہ شہریار
چیرپرسن

محمد آصف
چیف ایگزیکٹو آفیسر

کراچی

26 اکتوبر 2022

Condensed Interim Statement of Financial Position (Un-audited)

As at September 30, 2022

	Note	Un-audited September 2022 Rupees	Audited June 2022 Rupees
ASSETS			
Non-current assets			
Property and equipment			
Operating assets	3	79,606,345	80,852,746
Intangible assets		224,449	163,594
Investment accounted for using equity method		129,861,113	129,861,113
Financial assets at fair value through other comprehensive income		22,667,850	24,372,136
Net investment in finance lease	4	201,527,821	174,706,254
Long term musharakah finances	5	-	-
Long term loans	6	215,313,308	162,266,245
Long term security deposits	7	2,330,225	2,330,225
		651,531,111	574,552,313
Current assets			
Short term musharakah finances	8	25,691,443	29,651,443
Short term finances	9	6,381,248	6,561,370
Ijarah rentals receivables	10	1,265,639	1,265,639
Current portion of non-current assets	11	396,315,154	388,359,879
Advances, deposits, prepayments and other receivables		60,331,579	20,776,004
Financial assets at fair value through profit or loss		21,150,944	24,418,400
Bank balances		21,136,614	11,847,075
		532,272,621	482,879,810
TOTAL ASSETS		1,183,803,732	1,057,432,123

	Note	Un-audited September 2022 Rupees	Audited June 2022 Rupees
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 485,000,000 ordinary shares of Rs. 10 each		4,850,000,000	4,850,000,000
Issued, subscribed and paid-up capital		2,848,668,960	2,848,668,960
Loan from directors		126,000,000	126,000,000
Capital reserves			
Capital reserve on amalgamation		(2,022,075,992)	(2,022,075,992)
Revenue reserves			
General reserve		102,976,444	102,976,444
Accumulated loss		(584,767,340)	(599,151,411)
Fair value reserve		14,877,050	16,581,336
		485,679,122	472,999,337
Non-current liabilities			
Loan from sponsor		-	16,392,473
Long term loan from directors		131,000,000	65,000,000
Security deposits from clients		119,193,080	68,699,785
Redeemable capital		600,000	1,500,000
Liability related to outgoing group		18,630,000	19,440,000
		269,423,080	171,032,258
Current liabilities			
Current portion of non-current liabilities	12	45,680,615	45,680,615
Accrued and other liabilities		159,780,120	147,795,038
Profit / mark up payable		189,410,371	187,094,451
Unclaimed dividend		6,053,456	6,053,456
Provision for taxation - income tax		27,776,968	26,776,968
		428,701,530	413,400,528
TOTAL EQUITY AND LIABILITIES		1,183,803,732	1,057,432,123

CONTINGENCIES AND COMMITMENT

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

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

For the Quarter Ended September 30, 2022

	Un-audited September 2022 Rupees	Un-audited September 2021 Rupees
Income		
Income from leasing operations	9,144,097	11,238,327
Operating lease rentals	-	10,000
Profit on musharakah investments	1,299,868	39,875,447
Income from finances	13,491,479	1,369,052
Income on deposits with banks	957,357	665,535
Dividend income	258,000	-
Net (loss) / gain on sale of marketable securities	1,183,961	957,821
Unrealized (loss) on financial assets at fair value - net	(1,371,250)	(1,080,128)
	24,963,512	53,036,054
Expenses		
Administrative and operating expenses	(7,975,541)	(5,128,696)
Financial charges	(4,530,587)	(1,335,559)
	(12,506,128)	(6,464,255)
Other income	12,457,384	46,571,799
	2,604,763	1,038,895
	15,062,147	47,610,694
Provision reversed / (charged) on non-performing loans and write-offs		
Reversal / (provision) against:		
Finance lease receivable and rentals - net	30,007	1,895,102
Long term / short term musharakah finances	291,917	8,756,664
Other receivables	-	202,881
	321,924	10,854,647
Profit before taxation	15,384,071	58,465,341
Provision for taxation	(1,000,000)	(2,500,000)
Profit / (Loss) for the quarter	14,384,071	55,965,341
Earnings / (loss) per share - Basic and Diluted	0.050	0.196

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended September 30, 2022

	Un-audited September 2022 Rupees	Un-audited September 2021 Rupees
Profit / (Loss) for the quarter	14,384,071	55,965,341
Other comprehensive (loss)		
Items that may not be reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	(1,704,286)	(407,182)
Total comprehensive Income / (loss) for the quarter	<u>12,679,785</u>	<u>55,558,159</u>

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the Quarter Ended September 30, 2022

	Un-audited September 2022 Rupees	Un-audited September 2021 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	15,384,071	58,465,341
Adjustments for non cash charges and other items:		
Depreciation of property, plant and equipment	1,188,101	645,581
Amortization of intangible assets	14,145	17,527
(Reversal) / provision against:		
Finance lease receivable and rentals - net	(30,007)	(1,895,102)
Long term / short term musharakah finances	(291,917)	(8,756,664)
Other receivables	-	(202,881)
(Gain) on disposal of operating assets	(1,095,698)	-
Unrealised loss on financial assets at fair value	1,371,250	1,080,128
Dividend income	-	-
Financial charges	(258,000)	-
	4,530,587	1,335,559
Cash flow from operating activities before working capital changes	5,428,461	(7,775,852)
Changes in working capital	20,812,532	50,689,489
Decrease / (Increase) in current assets		
Short term musharakah finances	3,960,000	-
Short term finances	180,122	3,195,000
Advances, deposits, prepayments and other receivables	37,066,745	5,254,594
	41,206,867	8,449,594
Increase in current liabilities		
Accrued and other liabilities	11,985,082	5,359,233
Cash generated from operations	74,004,481	64,498,316
Financial charges paid	(2,214,667)	(2,144)
Income tax paid	(4,768,174)	(6,656,574)
Net cash generated from operations	67,021,640	57,839,598

	Un-audited September 2022 Rupees	Un-audited September 2021 Rupees
b) CASH FLOWS FROM INVESTING ACTIVITIES		
(Additions) / deletion in:		
Property and equipment	(207,000)	-
Net investment in finance lease	(33,506,148)	(32,277,050)
Long term musharakah finances	59,095	59,418,629
Long term loans	(68,654,869)	2,216,848
Long term security deposits	-	-
Financial assets at fair value through profit or loss	(4,638,706)	(3,047,982)
Proceeds from disposal of operating assets	1,200,000	-
Dividend income	258,000	-
Net cash (used in) investing activities	(105,489,628)	26,310,445
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from / (Repayment of) :		
Long term loan from sponsors	(16,392,473)	-
Redeemable capital	(1,040,000)	(1,575,000)
Long term loan from directors	66,000,000	-
Liability related to outgoing group	(810,000)	(810,000)
Net cash (used in) financing activities	47,757,527	(2,385,000)
Net (decrease) / Increase in cash and cash equivalents (a+b+c)	9,289,539	81,765,043
Cash and cash equivalents at the beginning of the year	11,847,075	9,676,974
Cash and cash equivalents at the end of the quarter	<u>21,136,614</u>	<u>91,442,017</u>

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

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

For the Quarter Ended September 30, 2022

	Issued, subscribed and paid-up capital	Loan from directors	Capital Reserves			Revenue Reserve		Fair value reserve	Total
			Capital reserve on amalgamation	Statutory reserve	Sub total	General reserve	Accumulated loss		
Periods									
Balance as at July 01, 2021	2,848,668,960	126,000,000	(2,022,075,992)	-	(2,022,075,992)	102,976,444	(694,424,922)	21,643,823	382,788,313
Total comprehensive income for the year									
Profit for the period	-	-	-	-	-	-	55,965,341	-	55,965,341
Other comprehensive income									
Items that will not be reclassified subsequently to profit or loss									
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	(407,182)	(407,182)
Equity portion of loan to directors									
Loan from directors	-	-	-	-	-	-	-	(407,182)	55,558,159
Balance as at September 30, 2021	<u>2,848,668,960</u>	<u>126,000,000</u>	<u>(2,022,075,992)</u>	<u>-</u>	<u>(2,022,075,992)</u>	<u>102,976,444</u>	<u>(638,459,581)</u>	<u>21,236,641</u>	<u>438,345,472</u>
Balance as at July 01, 2022	2,848,668,960	126,000,000	(2,022,075,992)	-	(2,022,075,992)	102,976,444	(599,151,411)	16,581,336	472,969,337
Total comprehensive income for the year									
Profit for the period	-	-	-	-	-	-	14,384,071	-	14,384,071
Other comprehensive income									
Items that may not be reclassified to profit or loss									
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	(1,704,286)	(1,704,286)
Transferred from Statutory reserve to General	-	-	-	-	-	-	-	-	-
Loan from directors	-	-	-	-	-	-	-	-	-
Balance as at September 30, 2022	<u>2,848,668,960</u>	<u>126,000,000</u>	<u>(2,022,075,992)</u>	<u>-</u>	<u>(2,022,075,992)</u>	<u>102,976,444</u>	<u>(584,767,340)</u>	<u>14,877,050</u>	<u>485,679,122</u>

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

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

For the Quarter Ended September 30, 2022

1. LEGAL STATUS AND OPERATIONS

- 1.1 Invest Capital Investment Bank Limited (the Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The Company is engaged in the business of leasing and investment finance activities as a Non-Banking Finance Company (NBFC) and is regulated by the Securities and Exchange Commission of Pakistan (SECP). The Company is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Flat No. 2, First Floor, Plot No. 38-C, 22nd Commercial Street, Phase II Ext., DHA, Karachi in the province of Sindh. The branches of the company are located at Lahore, Peshawar, and Gujranwala.
- 1.2 In 2009, the Company entered in a scheme of arrangement for the amalgamation by way of merger of Al-Zamin Leasing Corporation Limited (AZLCL) and Al-Zamin Leasing Modaraba (AZLM) with and into Invest Capital Investment Bank Limited. All the assets, liabilities and reserves of AZLCL and AZLM were vested with and assumed by the Company. The Honorable High Court of Sindh approved the amalgamation by way of merger through order dated December 08, 2009 effective from June 30, 2009 (close of business).
- 1.3 The Company suffered financial and operational difficulties from 2009 to 2011 which created material uncertainty related to events and conditions which had cast significant doubt about the Company's ability to continue as a going concern.

However, the management implemented its multi-facet plan which resulted in improvement in the financial and operational condition of the Company.

The said plans / efforts have helped to overcome the financial and operational problems of the Company. Considering management's plans and the positive results of the mitigating actions taken, the management is confident that the Company will continue as a going concern.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

2.4 Accounting estimates and judgments

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

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

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

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the financial statements are the same as disclosed in the published audited financial statements for the year ended 30th June 2022.

	Note	Un-audited September 2022 Rupees	Audited June 2022 Rupees
3. PROPERTY AND EQUIPMENT			
Operating assets		<u>79,606,345</u>	<u>80,852,746</u>
3.1 Operating assets			
Book value at beginning of the period / year		80,852,746	65,798,617
Additions during the period / year		17,555,000	132,000
Disposals during the period / year		(104,300)	-
Depreciation charged during the period / year		(1,188,101)	(2,586,871)
Advance for purchase of vehicle		(17,509,000)	17,509,000
		<u>79,606,345</u>	<u>80,852,746</u>
4. NET INVESTMENT IN FINANCE LEASE			
Contracts accounted for as finance lease under IFRS 16	4.1	438,890,424	419,721,388
Less : Current portion		<u>(236,130,073)</u>	<u>(245,015,134)</u>
		<u>202,760,351</u>	<u>174,706,254</u>

4.1 Net investment in finance lease

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

	Un-audited September 2022			Audited June 2022		
	Due within one year	Due after one year but within five years	Total	Due within one year	Due after one year but within five years	Total
	Rupees			Rupees		
Minimum lease payments receivable	794,518,753	131,892,758	926,511,512	801,608,617	119,536,598	921,145,216
Residual value of leased assets	26,781,145	81,889,810	118,450,955	25,528,615	68,699,785	94,228,400
Lease contracts receivable	<u>821,279,898</u>	<u>223,682,568</u>	<u>1,044,962,467</u>	<u>827,137,232</u>	<u>188,236,384</u>	<u>1,015,373,616</u>
Unearned lease income	(27,516,536)	(22,154,748)	(49,671,284)	(25,682,114)	(13,530,130)	(39,212,244)
Income suspended	(132,456,040)	-	(132,456,040)	(132,465,258)	-	(132,465,258)
Provision for potential lease losses	(423,944,719)	-	(423,944,719)	(423,974,725)	-	(423,974,725)
	<u>(583,917,295)</u>	<u>(22,154,748)</u>	<u>(606,072,043)</u>	<u>(582,122,089)</u>	<u>(13,530,130)</u>	<u>(595,652,228)</u>
	<u>237,362,603</u>	<u>201,527,821</u>	<u>438,890,424</u>	<u>245,015,134</u>	<u>174,706,254</u>	<u>419,721,388</u>

4.1.1 These finances carry profit rates ranging from 13.15% to 25.17 % per annum (June 2022 12.90% to 25.17% per annum). These agreements usually are for three to five years period and are generally secured against leased assets, personal / corporate guarantees and promissory notes given by the lessees and other collaterals.

4.1.2 The above net investment in finance lease includes non-performing lease portfolio of Rs. 523.96 million (June 2022: Rs. 524.01 million). Detail of non performing leases is as follows:

	Note	Un-audited September 2022 Rupees	Audited June 2022 Rupees
5. LONG TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful			
Companies (non-financial institutions)		22,446,652	22,505,747
Individuals		43,103,923	43,103,923
		<u>65,550,575</u>	<u>65,609,670</u>
Provision against doubtful balances		<u>(15,955,577)</u>	<u>(16,014,672)</u>
		<u>49,594,998</u>	<u>49,594,998</u>
Less: Current portion		<u>(49,594,998)</u>	<u>(49,594,998)</u>
		<u>-</u>	<u>-</u>

5.1 These represent investments under musharakah basis for working capital and project financing. These are secured against mortgage of properties, demand promissory notes and personal guarantee of their sponsor directors. Profit rates ranges from 16.00% to 30.00% per annum (June 2022: 16.00% to 30.00% per annum). These were receivable in monthly / quarterly / semi-annual installments and in lump sum on maturity.

6. LONG TERM LOANS

Secured

Considered good			
Customers	6.1	48,915,591	51,476,123
Vehicle Finance	6.2	265,718,027	193,840,461
Considered doubtful			
Customers	6.1	13,317,860	13,980,025
Outgoing group	6.3	71,954,665	71,954,665
Ex-employee		528,523	528,523
		<u>85,801,048</u>	<u>86,463,213</u>
Provision against doubtful balances		<u>(75,763,805)</u>	<u>(75,763,805)</u>
		<u>10,037,243</u>	<u>10,699,408</u>
		<u>324,670,861</u>	<u>256,015,992</u>
Less: Current portion		<u>109,357,553</u>	<u>(93,749,747)</u>
		<u>215,313,308</u>	<u>162,266,245</u>

6.1 These carry mark-up at the rate ranging from 11.18% to 30.00% per annum (June 2022: from 11.00% to 25.00% per annum). These are secured against registered charge over different assets of customers, pledge / hypothecation of stocks and collateral in certain cases.

6.2 These represent finance given under vehicle financing scheme. These finances are repayable within a period of three to four years and are secured against lien on vehicles financed, demand promissory notes and personal guarantees. Profit rates for the period ranges from 16.97% to 22.00% per annum (June 2022: from 16.97% to 20.88% per annum). These are receivable in monthly installments.

6.3 Rs. 24.58 million was receivable in 08 unequal quarterly installments commenced from December 31, 2016 and ended on September 30, 2018, and balance amount of Rs. 47.37 million was receivable in lump sum on December 31, 2018. The Company intends to revise loan agreement and extend repayment period till December 31, 2022. Mark-up amounting to Rs 36.04 million was also outstanding. It is subject to mark up at the rate of six month KIBOR plus 2% per annum. Effective mark up rate charged was 9.04% per annum till expiry of agreement.

7. LONG TERM SECURITY DEPOSITS		7.1	<u>2,330,225</u>	<u>2,330,225</u>
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7.1 These represent deposits for utilities, office premises etc.

	Note	Un-audited September 2022 Rupees	Audited June 2022 Rupees
8. SHORT TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful		76,721,186	80,914,008
Provision against doubtful balances		(51,029,743)	(51,262,565)
		25,691,443	29,651,443

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

9. SHORT TERM FINANCES

Secured			
Considered good		153,298	211,370
Considered doubtful		8,010,817	8,132,867
Provision against doubtful balances		(1,782,867)	(1,782,867)
		6,227,950	6,350,000
	9.1	6,381,248	6,561,370

9.1 These are secured against registered charge over assets of the customers, pledge / hypothecation of stocks and collateral in certain cases. These carry mark-up at the rates ranging from 15.29% to 35.00% per annum (June 2022: 15.29% to 27.00% per annum).

10. IJARAH RENTALS RECEIVABLE

Ijarah rentals receivable - Due within one year		47,240,594	47,240,594
Less : Provision against Ijarah rentals receivable	10.1	(45,974,955)	(45,974,955)
		1,265,639	1,265,639

10.1 Provision against Ijarah rentals receivable

Category of classification	Un-audited September 2022			Audited June 2022		
	Rental receivable	Suspension required	Suspension held	Rental receivable	Suspension required	Suspension held
Loss	45,974,955	45,974,955	45,974,955	45,974,955	45,974,955	45,974,955

	Note	Un-audited September 2022 Rupees	Audited June 2022 Rupees
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11. CURRENT PORTION OF NON-CURRENT ASSETS

Net investment in finance lease	4	237,362,603	245,015,134
Long term musharakah finances	5	49,594,998	49,594,998
Long term loans	6	109,357,553	93,749,747
		396,315,154	388,359,879

12. CURRENT PORTION OF NON-CURRENT LIABILITIES

Security deposit from lessees		25,528,615	25,528,615
Liability related to outgoing group		3,240,000	3,240,000
Deferred liability		9,747,000	9,747,000
Redeemable capital		7,165,000	7,165,000
		45,680,615	45,680,615

13. RELATED PARTY TRANSACTIONS

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

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

Name of the related party	Relationship and percentage shareholding	Transaction during the period and period end balances	Sep-22	Sep-21
			Rupees	Rupees
Mr. Muhammad Gasim	Director	Long term loan received	72,000,000	-
		Loan balance at period end	122,000,000	-
		Mark up / interest on long term loan from director	3,909,019	-
Mrs. Ayesha Shehryar	Director	Long term loan repaid	15,000,000	-
		Long term loan received	9,000,000	-
		Loan balance at period end	9,000,000	-
		Mark up / interest on long term loan from director	346,626	-
Key Management	Employees	Amount paid during the quarter	2,894,400	1,902,900
Invest Capital Investment Bank Ltd Staff P. Fund	Provident fund	Contribution made during the quarter	173,526	146,547

14. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 26, 2022 by the Board of Directors of the Company.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Company Information

Board of Directors

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

Audit Committee

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

Human Resource Committee

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

Company Secretary

Mr. M. Naim Ashraf

Auditors

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

Legal Advisors
Ahmad & Gazi

National Tax Number

0656427-5

Share Registrar

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Fax: 042-35170338
E-mail: mimran.csbm@gmail.com

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Meezan Bank Limited
JS Bank Limited

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22nd Commercial Street, Phase II Ext.
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Telephone: 021-35894022
Website: www.icibl.com

Head Office

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Lahore.
Tel: 042-35777285-86

Peshawar Office

C/o Centre Gas (Pvt.) Ltd.,
Chughal Pura, G.T Road,
Peshawar.
Tel: 091-2262966 & 2262866

Gujranwala Office








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