



INVEST CAPITAL INVESTMENT BANK LIMITED

ANNUAL REPORT | 2023

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Company Information

Board of Directors

Mrs. Ayesha Shehryar	-Chairperson
Mr. Muhammad Asif	-Chief Executive
Mr. Muhammad Qasim	-Executive Director
Mrs. Fiza Zahid	-Director
Mr. Shahab Ud Din Khan	-Director
Mr. Zahir Qamar	-Director
Mr. Abdul Shakoor	-Director

Audit Committee

Mr. Zahir Qamar	-Chairman
Mrs. Fiza Zahid	-Member
Mr. Abdul Shakoor	-Member

Human Resource Committee

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

Company Secretary

Mr. M. Naim Ashraf

Auditors

RSM Avas Hyder Liaquat Nauman
Chartered Accountants

Legal Advisors

Ahmad & Qazi

Share Registrar

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

Bankers

Habib Metropolitan Bank Limited
Meezan Bank Limited
JS Bank Limited

Registered Office

Flat No. 2, First Floor, Plot No. 38-C,
22nd Commercial Street, Phase II Ext.
DHA, Karachi.
Telephone: 021-358940022
Website: www.icibl.com

Head Office

131-A, Zahidjee House,
Scotch Corner, Upper Mall,
Lahore.
Tel: 042-35777285-86

National Tax Number

0656427-5

Notice of 31st Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting of the shareholders of INVEST CAPITAL INVESTMENT BANK LIMITED will be held at 02.30 p.m on Friday, 27th October, 2023 at ICMA Pakistan's Auditorium, Main Campus, Gulshan-e-Iqbal, Karachi to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting of the Shareholders held on 31st July 2023.
2. To receive, consider and adopt the audited financial statements together with the Directors' and Auditors' reports thereon for the year ended 30th June 2023. These audited financial statements will be placed on our website www.icibl.com.
3. To appoint auditors and fix their remuneration for the year ending 30th June, 2024. The present auditors M/s RSM Avais Hyder Liaquat Nauman, Chartered Accountants, have retired and being eligible for reappointment have given their consent to act as external auditors of the Company for the year 2023-24

OTHER BUSINESS

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

By Order of the Board



M. Naim Ashraf
Company Secretary

Karachi
October 06, 2023

NOTES:

1. The Members' Register will remain closed from 20th October 2023 to 27th October 2023 (both days inclusive). Transfers received in order at the office of the Share Registrar of the Company by the close of business on 19th October 2023 will be treated in time.
2. A Member entitled to attend and vote at the General Meeting of Members is entitled to appoint a proxy to attend and vote on his/her behalf.
3. The members who are willing to attend and participate at the AGM through Video-link are required to register their particulars by sending an email at naim.ashraf@icibl.com Such Members are requested to register by providing their credentials as follows with subject "Registration for ICIBL's AGM":

Name of Shareholder	No. of shares held	Folio number / CDC Acct. No.	CNIC No. with scanned copy	Mobile No.	Email ID

Video-link and login details will be shared with only those members whose emails, containing all the required particulars are received at the given email at least 48 hours before the time of AGM.

4. **Video Conferencing Facility**

In accordance with the provisions of the Companies Act, 2017, if the Company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city other than Karachi, to participate in the meeting through video conference at 14 days prior to the date of the AGM, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, a formal request must be submitted at the registered address of the Company or through email at naim.ashraf@icibl.com.

5. **Proxy**

The instrument appointing proxy and the power of attorney or other authority, under which it is signed or a notarially certified copy of the power of attorney must be deposited at the office of Share Registrar of the Company, **M/S CorpTec Associates (Private) Limited, 503-E, Johar Town, LAHORE** at least 48 hours before the meeting.

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

A- For attending the meeting:

- (i) In case of individuals, the account holders or sub-account holders and/or the persons whose shares are in group accounts and their registration details are uploaded as per CDC Regulations shall authenticate their identity by showing their original Computerized National Identity Cards (CNICs) or original passports at the time of attending meeting.
- (ii) In case of corporate entities, the Board of Directors resolution/ power of attorney with specimen signatures of the nominees shall be produced (unless it has been provided earlier) at the time of the meeting.

B- For appointing proxies :

- (i) In case of individuals, the account holders or sub-account holders and/or the persons whose shares are in group accounts and their registration details are uploaded as per CDC Regulations shall submit the proxy forms accordingly.
- (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (iii) Attested copy of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
- (iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- (v) In case of corporate entities, the Board of Directors resolution/ power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

7. **Conversion of Physical Shares**

As per Section 72 of the Companies Act, 2017, every existing company is required to replace its physical shares with book-entry form within a period not exceeding four years from the commencement of the Act. In this regard, SECP through its letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2023 has advised all the listed companies to pursue their shareholders who still hold shares in physical form, requiring them to convert their shares in book-entry form. Holding shares in book-entry form has numerous benefits including secure custody of shares, instantaneous transfer of ownership and no risk of damage, loss or forged or duplicate certificates. Therefore, shareholders having physical shares are requested to convert their shares into book-entry form by opening CDC sub account with any of the brokers or an Investor account directly with CDC. In this regard such shareholders may contact our Share Registrar also.

8. Members are requested to notify any change in their addresses immediately to the Share Registrar of the Company.

Chairman's Review

On behalf of the Board of Directors, I am pleased to present the Annual Report of Invest Capital Investment Bank Limited (ICIBL/ the Company) for the year ended June 30, 2023.

The Global economy, and disproportionately more so developing countries, were severely affected in FY 2022-23 due to the Russia-Ukraine war. Already battling with the repercussions of extended Covid lockdowns the world over, developing economies faced extensive challenges by way of large-scale disruptions in global supply chains, soaring energy and commodity prices- being priced out by the larger nations, and consequently ever-increasing global inflation. Pakistan was no exception. Imbued by ever increasing political unrest the country and the business environment suffered large setbacks.

Pakistan's economy which performed exceptionally well during the pandemic also suffered badly owing to above reasons and as a result the rupee plummeted by almost 40% against US \$ and in order to keep economy away from brinks of collapse the State Bank of Pakistan raised the interest to 22%.

The prevailing political impasse has also increased the level of uncertainty and it has significantly eroded the confidence of local and foreign investors. However , it is expected that economy will gain stability after the end of current political uncertainties.

Our dedicated team tirelessly works for the operational efficiency with minimum resources to deliver quality services to our worthy customers.

The Board has exercised its powers and has performed its duties as stated in the Companies Act 2017 (previously Companies Ordinance 1984) and the Code of the Corporate Governance issued by the Securities and Exchange Commission of Pakistan. I wish to record my appreciation to the Board Members.

The Board during the year ended June 2023 played an effective role in managing the affairs of the company and achieving its objectives in the following manner:

- The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as required under the Code of Corporate Governance.
- The Board has ensured that meetings of the Board and that of its committees were held with requisite quorum; the minutes of all the meetings (including committees) are appropriately recorded and maintained.
- The Board has ensured that the adequate system of internal control is in place.
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process.
- The Board actively participated in strategic planning process and policy development to cater the issues being faced by the company including utilization of available funds, recovery of non performing leases/loans, settlement of outstanding liabilities, investments in new lease business with minimum risk and operating cost reduction.

I would like to thank all members of the Board for their guidance, valuable inputs and giving their precious time for Board meetings. I would like to pay my gratitude to Invest Bank's management for their hard work, dedication and focused efforts. I would like to express my gratitude to the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, shareholders, lenders and all other stakeholders for their continued guidance and support during this difficult period.



Ayesha Shehryar
Chairperson

October 05, 2023

Directors' Report

We are pleased to present the thirty first (31st) annual report of the Company for the year ended June 30, 2023 to the members of Invest Capital Investment Bank Limited.

Financial Information

The operating results of the company are summarized below

	----- Rupess in million -----	
Financial Highlights	2023	2022
Gross revenue	123.15	110.22
Administrative expenses	(34.95)	(27.28)
Financial charges (Net of reversals)	(12.04)	0.79
Provisions / reversals and write offs	15.43	32.69
Other income	7.64	5.12
Profit / (loss) for the year before taxation	99.23	121.54
Taxation – net	(9.47)	(26.27)
Profit / (loss) for the year after taxation	89.76	95.27
Earnings / (loss) per share – basic	0.32	0.33

Economic Review

Global Economic activity remained sluggish due to post pandemic effects, continued Russia-Ukraine conflict, higher inflation and resultant monetary tightening measures adopted by most of the central banks. Higher borrowing cost due to contractionary monetary policies have also curtailed demand for credit and slowed down the economic activity.

Pakistan's economy being also affected, has continued to counter prevailing challenges. Lingering effects of floods, volatility in commodity prices, and tightening of the external and domestic financing conditions have adversely impacted the economic growth. Consequently, IMF has recently revisited its estimate of the domestic GDP growth for 2023 at negative 0.5% as compared to its previous estimate of positive 0.5% in April 2023. However, signing a nine-month Stand-By Arrangement(SBA) with IMF, amounting to US\$ 3 billion has played a vital role in boosting the foreign exchange reserves position of the country immediately after the disbursement of first tranche of US\$ 1.2 billion.

Large Scale Manufacturing (LSM) showed negative growth due to supply chain disruptions, inflationary pressures and ongoing strict policy stance at domestic level to stabilize macro-economic imbalances. In FY23, a major decline of 37.4% has been witnessed in the production of automobile sector and total sales dropped by 37.8%.

Current Account (CA) showed improvement in FY23 and posted deficit of US\$ 2.6 billion in FY23 as compared to a deficit of US\$ 17.5 billion in last fiscal year. Containment of imports through administrative measures played a main role in contraction in CA deficit.

Imports of goods and services declined by 29% to stand at US\$ 60,013 million for the FY23 as compared to US\$ 84,485 million during FY22. On YoY basis, a decline of 55% is recorded in imports to stand at US\$ 3,847 million during June 2023 as compared to US\$ 8,533 million during June 2022. Petroleum products, Petroleum crude, Liquefied natural gas, Palm oil, Plastic materials, Iron & steel and Medicinal products remained major contributors in imports.

During FY23, exports of goods and services stood at US\$ 35,210 million as compared to US\$ 39,595 million during FY22, resulting in a decline of 11%. On YoY basis, a decline of 29% has been observed with exports of US\$ 2,698 million during June 2023 as compared to US\$ 3,794 million during June 2022. The major contributors in exports during FY23 include Rawcotton, Fish & fish preparation, Football, Foot wear, Surgical goods & Medical instruments and Pharmaceutical products.

Decline in exports remained lower than reduction in imports which resulted in contraction in trade deficit. Consequently, trade deficit stood at US\$ 24,803 million during FY23 as compared to deficit of US\$ 44,890 million last year.

Workers' remittances were recorded at US\$ 27,024 million during FY23 as compared to US\$ 31,279 million during FY22, which is less than last year by 14%.

Net Foreign Direct Investment was recorded at US\$ 1,456 million during FY23 as compared to US\$ 1,936 million in FY22, a negative growth of 25%. Total Foreign Investment during FY23 recorded an outflow of US\$ 430 million as against US\$ 1,858 million in last fiscal year.

Net provisional Tax collection, grew by 16.6% to stand at Rs. 7,169.1 billion during Jul-Jun FY23 against Rs. 6,148.5 billion last year. Domestic tax collection was recorded at Rs. 6,234 billion demonstrating an increase of 21% during FY23 owing to higher collection from direct taxes, whereas contraction is noted on custom duty on imports by 7.5%.

The performance of Stock Market remained bearish, KSE 100 index closed at 41,453 points at the end of June 2023 and Market capitalization of PSX matured at Rs. 6,369 billion as on June 30, 2023.

US\$-PKR parity has depreciated significantly by 26% since December 2022 to stand at Rs. 285.99 as on June 30, 2023. In June 2023, on year-on-year basis, Consumer Price Index (CPI) declined to 29.4% from 38% in June 2023, however, it remained elevated compared to 21.3% in June 2022. Accordingly, State Bank of Pakistan continued with strict monetary policy stance to pacify demand, ensure external account stability and check the inflation and has raised policy rate by 600 basis points since November 2022 to stand at 22% in June 2023.

Company Overview

During this challenging operating environment due to global economic slow-down, macro-economic imbalances, rising inflationary pressures and tightening monetary policy, the NBFIs sector's performance remained consistent.

Your Company remained fully aware of the high down side risk to the economic and operating environment and pursued its strategy to maintain entity's growth.

Your company continued to focus on recovery from non-performing loans and development of new business and by the Grace of Almighty Allah, Company's financial and operational position has been stable for last couple of years. The company is managing its business dynamics through internal cash flows which are not enough to grow the business volumes with higher pace. However, your management is confident that the trend for the year's profit shall improve in coming years, if no major negative deviation in the economic condition occurs.

Operational Review

The company has earned an after tax profit of Rs. 89.76 million as compared to an after tax profit of Rs. 95.27 million of the previous year showing a slight reduction in earnings per share i.e from Rs. 0.33 to Rs. 0.32. The Gross revenue (including other income) of the Company amounted to Rs. 130.79 million as compared to Rs. 115.34 million of the previous year. Proactive monitoring and dedicated recovery efforts led to provision reversal against non-performing loans (NPL's) and investments.

In line with the increase in interest rates in the Country, the Company's finance cost has increased by 143.72% to Rs.12.04 million for the period under review (June 2022: Rs. 4.94 million). The Company's borrowings also increased during this period to support the increase in lease/ loan portfolio and higher investment in government securities. This also contributed to higher finance cost. Administrative and general expenses at Rs.34.95 million (June 2022: Rs.27.28 million) were 28.12% higher than the corresponding period mainly due to increase in staff cost and inflationary impact on other overhead expenses.

Effective risk management and prudent monitoring enabled your company to further reduce the gross non-performing leases/loans portfolio by Rs. 36.26 million during the year. The outstanding portfolio stands at Rs. 997.95 million as at June 30, 2023 (June 2022: Rs.1,034.21 million).The management is determined to continue its best efforts, energy, experience and skills in future also to improve the performance.

The management of your company remained focused on controlling cost without affecting the efficiencies, disposal of non-core assets, quality new business and to provide the best services to its clients, which have been managed as per business plan.

The new financing business (leases and loans) undertaken by the Company has negligible infection level due to effective risk management and prudent monitoring recovery is almost 100% of the billed amount. This has provided the most valuable support in repayment of the liabilities on timely basis. During the year financial disbursements and investment in Government securities amounted to Rs. 410.75 million as against Rs. 441.34 million in the year 2022. Fresh business may further increase during the coming years as all the liabilities have been settled with the lenders.

Future Outlook

The future economic outlook of the Country is challenging. High inflation coupled with significantly high interest rates are expected to affect domestic demand and dampen economic activity. Continuation of IMF program will provide some respite to business sentiment, however, further reforms are required for long term stability. Currently, the Country is in dire need of political stability which will provide much needed economic stability.

The management of the company is closely monitoring the overall economic conditions with particular emphasis on sectors where it has outstanding exposures. The objective is to effectively manage the existing portfolio and follow a cautious approach in writing new business

At the domestic level, SBP projected real GDP growth in the range of 2.0% to 3.0% for FY24 as compared to 0.3% in FY23, owing to the rebound in rice and cotton output and improved outlook for manufacturing, construction and allied services.

During the period under review, the major issue being faced by the company was the liquidity problem which will continue in coming days as well, thus the focus would be on the recoveries from NPLs and investment in new lease business. The management of your company is confident that the bottom line of the company shall improve further in years to come.

Corporate and financial reporting framework

The Board of the Company is committed to the principles of good corporate governance practices with emphasis on transparency and disclosures. The Board and management are fully cognizant of their responsibilities and monitoring Company's operation and performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information. The following statements are a manifestation of its commitment towards compliance with best practices of Code of Corporate Governance:

- a) The 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 as required by the Companies Act 2017;
- 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 and there is no departure therefrom;

- e) The system of internal control is sound and has been effectively implemented and monitored;
- f) There is material uncertainty related to events and conditions which may cast significant doubt about the Company's ability to continue as a going concern, however the management on the basis of factors discussed in note # 1.3 to the Financial Statements, is confident that the Company has ability to continue as a going concern;
- g) There has been no material departure from the best practices of the Corporate Governance issued by the SECP, except the matters discussed by auditors in their attached review report.
- h) Information about outstanding taxes and other government levies are given in related note(s) to the accounts.
- i) During the year under review, four (4) meetings of the Board of Directors were held. The attendance by each Director is as follows:

Name	Meetings attended
Mr. Muhammad Asif (CEO)	4
Mr. Muhammad Qasim	4
Mrs. Ayesha Shehryar	4
Mrs. Fiza Zahid	4
Mr. Shahab Ud Din Khan	4
Mr. Ashar Saeed	3
Mr. Zahir Qamar	4

No trading in shares was done by the Directors/CEO of the company during the financial year 2022-23.

During the year under review, four (4) meetings of the Audit Committee were held. The attendance by each Director is as follows:

Name	Meetings attended
Mr. Ashar Saeed	3
Mrs. Fiza Zahid	4
Mr. Zahir Qamar	4

Remuneration of Directors

The Directors fee for attending Board meetings has been approved by the shareholders of the Company as per Articles of Association of the Company. However, the directors have waived off the fee, hence no fee has been paid during the period. The remuneration of the Executive Directors is recommended by the Human Resource Committee and approved by the Board. The remuneration of the CEO and Executive Director of the Company for the year ended June 30, 2023 is given in note 39 to the Financial Statements.

Internal Financial Control

The Company has employed an effective system of internal controls to carry on the business of the Company in an orderly manner, safeguard its assets and secure the accuracy and reliability of its records. The Management supervision and reviews are an essential element of the system of internal controls. The management has delegated the detailed examination and special reviews to the internal audit function.

Corporate Social Responsibility

Company's business objective revolves around making a social impact by creating sustainable business model, creating maximum value for all the stakeholders, fostering individual talent and financial inclusion of all segments of the society. ICIBL has presence in four major cities of Pakistan and endeavors to support local businesses, especially those who have no access to the financial sector of the Country.

Environment Protection

Our Company is basically a service industry; therefore, its business has no direct impact on the environment. However, we are aware of the benefits of having a good environment. It is, therefore, our responsibility to discourage those customers whose businesses are not environment friendly. Further, in our own offices we have promoted a paperless environment.

Dividend

As discussed above the actions taken by the management have successfully resulted in a turnaround of the Company, however, the board of directors is committed to further strengthen its capital base, achieve further profitability and enhance the value of shareholders' investment. Therefore, no dividend has been declared for the year under review.

Auditors

The present auditors, M/s RSM Avais Hyder Liaquat Nauman, Chartered Accountants have retired and being eligible for re-appointment have given their consent to act as Auditors of the Company for the year 2024. The Board has recommended the appointment of M/s RSM Avais Hyder Liaquat Nauman, Chartered Accountants to act as auditors of the Company for the financial year 2023-24 at a total fee of Rs. 1,000,000/= for the year.

The auditor's report includes emphasis of matter paragraph on the going concern issue of the company. However, the management feels that the company is a going concern as set forth in detail in note 1.3 to the financial statements.

Pattern of Shareholding

The pattern of shareholding as of June 30, 2023 is enclosed herewith.

Acknowledgments

On behalf of the Board of Directors and the management, we would like to place on record our gratitude; to esteemed shareholders and valued customers for placing their trust in Invest Capital Investment Bank Limited; State Bank of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory authorities for their consistent direction and oversight.

We would also like to extend appreciation to our colleagues for their diligent work towards meeting customer expectations and their dedication towards achieving the Company's goals and objectives.

For and on behalf of the Board of Directors

Lahore
October 5, 2023


Muhammad Asif
Chief Executive Officer


Ayesha Shehryar
Chairperson

ڈائریکٹرز کی رپورٹ

انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ (کسپنی) کے ڈائریکٹرز، 30 جون 2023 کو اختتام پذیر سال پر اپنی آئینوں (31st) سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی معلومات

کسپنی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

----- روپے ملین میں -----

2022	2023	
110.22	123.15	کل مالگداری (Revenues)
(27.28)	(34.95)	انتظامی اخراجات
0.79	(12.04)	مالی اخراجات (خالص)
32.69	15.43	متاثراتی استثنیات (Provisions) / (واپسی) اور منسوخی
5.12	7.64	دیگر آمدنی
121.54	99.23	سال کا نفع / (نقصان) قبل از محصول
(26.27)	(9.47)	محصول - خالص
95.27	89.76	نفع / (نقصان) بعد از محصول
0.33	0.32	آمدنی / (نقصان) فی حصص - بنیادی

معاشی جائزہ

عالمی اقتصادی سرگرمیاں وبائی امراض کے بعد کے اثرات، روس اور یوکرین کے تنازعات، زیادہ امنراطر اور اس کے نتیجے میں زیادہ تر مرکزی بینکوں کی طرف سے اپنائے گئے مالیاتی سختی کے اقدامات کی وجہ سے سست رہیں۔ سخت مانیٹری پالیسیوں کی وجہ سے مقررہ لینے کی لاگت نے بھی مقررہ کی ممانگ کو کم کیا ہے اور معاشی سرگرمی کو سست کر دیا ہے۔

پاکستان کی معیشت کے بھی متاثر ہونے کی وجہ سے، موجودہ چیلنجز کا مقابلہ کرنے کا سلسلہ جاری ہے۔ سیلاب کے دیرپا اثرات، اجناس کی قیمتوں میں اتار چڑھاؤ، اور بیرونی اور گھریلو مالیاتی حالات کی سختی نے معاشی نمو کو بری طرح متاثر کیا ہے۔ نتیجتاً، IMF نے حال ہی میں 2023 کے لیے ملکی جی ڈی پی کی نمو کے تخمینے پر نظر ثانی کی ہے جو کہ اپریل 2023 میں اس کے مثبت % 0.5 کے پچھلے تخمینے کے مقابلے میں % 0.5 ہے۔ 3 بلین امریکی ڈالر کی رقم کی منہا ہی کے 9 ماہ کے عارضی انتظام پر دستخط کے بعد 1.2 بلین امریکی ڈالر کی پھسل قسط کی وصولی نے فوری طور پر ملک کے زرمبادلہ کے ذخائر کی پوزیشن کو بڑھانے میں اہم کردار ادا کیا ہے۔

بڑے پیمانے پر مینوفیکچرنگ (LSM) نے سپلائی چین میں رکاوٹوں، امنراطر کے دباؤ اور ملکی سطح پر جاری سخت پالیسی موقف کی وجہ سے میکرو اکنامک عدم توازن مستحکم ہوا۔ مالی سال 23 میں، آنوموبائل سیکٹر کی پیداوار میں 37.4 فیصد کی بڑی کمی دیکھی گئی اور کل منروخت میں 37.8 فیصد کی کمی واقع ہوئی۔

جاری کھاتے نے مالی سال 2023 میں نمو دیکھائی اور یہ خسارہ پچھلے سال 17.5 بلین امریکی ڈالر کے مقابلے میں 2.6 بلین امریکی ڈالر رہا۔ انتظامی اقدامات کے ذریعے درآمدات کی کمی نے جاری کھاتے کا خسارہ کم کرنے میں اہم کردار ادا کیا۔

سامان اور خدمات کی درآمدات مالی سال 22 کے دوران 84,485 ملین امریکی ڈالر کے مقابلے میں مالی سال 23 کے لیے 29 فیصد کم ہو کر 60,013 ملین امریکی ڈالر رہیں۔ سالانہ بنیادوں پر، جون 2022 کے دوران 8,533 ملین امریکی ڈالر کے مقابلے میں جون 2023 کے دوران درآمدات میں 55 فیصد کمی ریکارڈ کی گئی جو کہ 3,847 ملین امریکی ڈالر تک آگئی ہے۔ پیٹرولیم مصنوعات، پیٹرولیم حنام، مائع متدرتی گیس، پام آئل، پلاسٹک مواد، آئرن اینڈ اسٹیل اور ادویاتی مصنوعات درآمدات میں اہم اجزاء ہیں۔

مالی سال 23 کے دوران ایشیا اور خدمات کی درآمدات 35,210 ملین امریکی ڈالر رہیں جبکہ مالی سال 22 کے دوران 39,595 ملین امریکی ڈالر کے مقابلے میں 11 فیصد کمی درج کی گئی۔ سالانہ بنیادوں پر، جون 2022 کے دوران 3,794 ملین امریکی ڈالر کے مقابلے میں جون 2023 کے دوران 2,698 ملین امریکی ڈالر کی درآمدات کے ساتھ 29 فیصد کمی دیکھی گئی۔ مالی سال 2023 کے دوران درآمدات کی بنیادی اشیاء میں حنام روٹی، مچھلی اور مچھلی سے بنی اشیاء، فٹ بال، جوتے، طبی آلات اور دوا سازی کی مصنوعات شامل ہیں۔

برآمدات میں کمی درآمدات میں کمی سے کم رہی جس کے نتیجے میں تجارتی خسارہ کم ہوا۔ نتیجتاً، مالی سال 23ء کے دوران تجارتی خسارہ 24,803 ملین امریکی ڈالر ہاؤگزشتہ سال 44,890 ملین امریکی ڈالر تھا۔

مالی سال 22 کے دوران 31,279 ملین امریکی ڈالر کے مقابلے میں مالی سال 23 کے دوران کارکنوں کی ترسیلات زر 27,024 ملین امریکی ڈالر ریکارڈ کی گئیں، جو کہ گزشتہ سال کے مقابلے میں 14 فیصد کم ہے۔

مالی سال 23 کے دوران حنام غنیر ملکی سرمایہ کاری 1,456 ملین امریکی ڈالر ریکارڈ کی گئی جو کہ مالی سال 22 کے 1,936 ملین امریکی ڈالر کے مقابلے میں 25 فیصد کی منفی نمو ہے۔ مالی سال 23 کے دوران کل غنیر ملکی سرمایہ کاری میں 430 ملین امریکی ڈالر کا احراج ریکارڈ کیا گیا جو کہ گزشتہ مالی سال میں 1,858 ملین امریکی ڈالر تھا۔

حنام عارضی ٹیکس کی وصولی 16.6 فیصد بڑھ کر جولائی تا جون FY23 کے دوران 7,169.1 بلین روپے رہی جبکہ پچھلے سال یہ وصولی 6,148.5 بلین روپے تھی۔ مالی سال 2023 میں ٹیکس کی وصولی 6,234 ارب روپے ریکارڈ کی گئی جو کہ 21 فیصد کے اضافے کو ظاہر کرتا ہے، جبکہ درآمدات پر کسٹم ڈیوٹی میں 7.5 فیصد کمی نوٹ کی گئی ہے۔

اسٹاک مارکیٹ کی کارکردگی مندی کا شکار رہی، KSE 100 انڈیکس جون 2023 کے اختتام پر 41,453 پوائنٹس پر بند ہوا اور PSX کی مارکیٹ کیپٹلائزیشن 30 جون 2023 تک 6,369 بلین روپے رہی۔

دسمبر 2022 سے US\$-PKR برابری میں نمایاں طور پر 26% کمی کے ساتھ 30 جون 2023 کو 285.99 روپے رہی۔ جون 2023 میں، سال ب سال کی بنیاد پر، کنزیومر پرائس انڈیکس (سی پی آئی) جون 2023 میں 38 فیصد سے گھٹ کر 29.4 فیصد رہ گیا، تاہم، یہ جون 2022 میں 21.3 فیصد کے مقابلے میں بلند رہا۔ اسی مناسبت سے، اسٹیٹ بینک آف پاکستان نے مانگ کو کم کرنے، سیروٹی کھاتوں کے استحکام کو یقینی بنانے اور اضطرار کو روکنے کے لیے سخت مانیٹری پالیسی کے موقف کو جاری رکھا اور نومبر 2022 سے پالیسی ریٹ میں 600 بیس پوائنٹس کا اضافہ کر دیا ہے جو جون 2023 میں 22% تک پہنچ گیا ہے۔

کمپنی کا سرسری جائزہ

عالمی معاشی سست روی، کلاں معاشی عدم توازن، بڑھتے ہوئے اضطرار کے دباؤ اور کڑے مالیاتی پالیسی بیانیے سے ابھرتے ہوئے مستقبل اور مشکل کاروباری ماحول کے باوجود ملک کے (NBFIs) شعبہ کی کارکردگی میں تسلسل برقرار ہے۔

آپ کی کمپنی نے معیشت اور کاروباری ماحول میں اس تیز ترین تنزلی کے خدشات کا مکمل ادراک رکھتے ہوئے اپنی پائیدار اور مسلسل نمو کی حکمت عملی کو جاری رکھا۔

آپ کی کمپنی نے کارکردگی نہ دکھانے والے متعرضہ حبات (NPLs) کی وصولیائیوں اور نئے بزنس پرفورمنس رکھا۔ اور اللہ تعالیٰ کی مہربانی سے پچھلے کچھ سالوں سے کمپنی کے مالی اور آپریشن کی صورتحال میں استحکام آیا۔ کمپنی اپنے اندرونی ذرائع سے کاروبار کو متحرک کر رہی ہے جو کہ کاروبار میں تیز بڑھوتی کے لیے ناکافی ہے۔ تاہم، آپ کی انتظامیہ کو اعتماد ہے کہ اگر معاشی صورتحال میں کوئی بڑا منفی انحراف نہ ہو تو آنے والے سالوں میں سال کے منافع کے رجحان میں بہتری آئے گی۔

آپریشن کا جائزہ

گذشتہ سال کے بعد از ٹیکس منافع کے معیار بلکہ میں اس سال کمپنی کو 89.76 ملین روپے کا بعد از ٹیکس منافع ہوا جو کہ آمدنی فی شیئر میں معمولی کمی کو ظاہر کرتا ہے یعنی 0.33 روپے سے کم ہو کر 0.32 روپے۔ کمپنی کی مجموعی آمدنی (بشمول دیگر آمدنی) 130.79 ملین روپے رہی جبکہ پچھلے سال یہ رقم 115.34 ملین روپے تھی۔ فعال نگرانی اور ریکوری کی بھرپور کوششوں کے نتیجے میں غیر فعال مترضوں (NPLs) اور سرمایہ کاری کے خلاف پروویژن میں ریورسل ہوا۔

ملک میں شرح سود میں اضافے کی مناسبت سے، کمپنی کی مالیاتی لاگت زیر نظر مدت میں 143.72 فیصد بڑھ کر 12.04 ملین روپے تک جا پہنچی ہے (جون 2022: 4.94 ملین روپے)۔ لیز / لون پورٹ فولیو میں اضافے اور سرکاری سیکورٹیز میں سرمایہ کاری کی وجہ سے مالیاتی لاگت میں بھی اضافہ ہوا۔ انتظامی اور عمومی اخراجات 34.95 ملین روپے رہے (جون 2022: 27.28 ملین روپے) جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 28.12 فیصد زیادہ تھے جس کی بنیادی وجہ عملے کی تنخواہوں میں اضافہ اور دیگر اور ہیڈ اخراجات پر اضطرار کے اثرات ہیں۔

موثر رسک مینجمنٹ اور مربوط نگرانی نے آپ کی کمپنی کو مجموعی نان پرفارمنگ لیز / لونز پورٹ فولیو کو سال کے دوران مزید 36.26 ملین روپے تک کم کرنے کے قابل بنایا۔ بقایا پورٹ فولیو 30 جون 2023 کو 997.95 ملین روپے رہا (جون 2022: روپے 1,034.21 ملین روپے)۔ انتظامیہ کارکردگی کو بہتر بنانے کے لیے مستقبل میں بھی اپنی بہترین کوششیں، توانائی، تجربہ اور مہارت جاری رکھنے کے لیے پرعزم ہے۔

آپ کی کمپنی کی انتظامیہ کارکردگی کو متاثر کیے بغیر اخراجات کو کنٹرول کرنے، غیر بنیادی اثاثوں کو فروخت کرنے، معیاری نئے کاروبار اور اپنے کلائنٹس کو بہترین خدمات فراہم کرنے پر مرکوز رہی، جن کا انتظام کاروباری منصوبے کے مطابق کیا گیا ہے۔

کمپنی کی طرف سے شروع کیے گئے نئے فنڈنگ کاروبار (لیز اور لون) میں موثر رسک مینجمنٹ اور محتاط نگرانی کی وجہ سے انٹیکشن کی سطح نہ ہونے کے برابر ہے جو بل کی گئی رقم کا تقریباً 100% ہے۔ اس نے واجبات کی بروقت ادائیگی میں بے حد مدد فراہم کی ہے۔ سال کے دوران مترضوں کا اجراء اور سرکاری سیکورٹیز میں سرمایہ کاری کی رقم 410.75 ملین روپے تھی۔ جبکہ سال 2022 میں یہ رقم 441.34 ملین روپے تھی۔ آنے والے سالوں کے دوران نئے کاروبار میں مزید اضافہ ہو سکتا ہے کیونکہ مترض دہندگان کے ساتھ تمام واجبات طے پاچکے ہیں۔

مستقبل پر نظر

ملک کے مستقبل کا معاشی نقطہ نظر چیلنجنگ ہے۔ بڑھتا ہوا اضطرار اور نمایاں طور پر بلند شرح سود ملکی طلب کو متاثر اور معاشی سرگرمیوں کو کم کر سکتی ہے۔ آئی ایم ایف پروگرام کے جاری رہنے سے کاروباری حالات کو کچھ سہارا ملے گا تاہم طویل مدتی استحکام کے لیے مزید اصلاحات کی ضرورت ہے۔ اس وقت ملک کو سیاسی استحکام کی اشد ضرورت ہے جو بہت ضروری معاشی استحکام فراہم کرے گا۔

کمپنی کی منتظمیہ مجموعی اقتصادی حالات کی باریک بینی سے نگرانی کر رہی ہے خاص طور پر ان شعبوں کی جہاں اس کی سرمایہ کاری ہے۔ مقصد موجودہ پورٹ فولیو کو مؤثر طریقے سے منظم کرنا اور نئے کاروبار کو لکھنے میں محتاط انداز اختیار کرنا ہے۔

چپاول اور کپاس کی پیداوار میں بہتری اور مینوفیکچرنگ، تعمیرات اور متعلقہ خدمات کے بہتر آؤٹ لک کی وجہ سے، ملکی سطح پر، SBP نے مالی سال 23 میں 0.3 فیصد کے مقابلے مالی سال 24 کے لیے حقیقی جی ڈی پی کی شرح نمو 2.0% سے 3.0% رہنے کی توقع ظاہر کی ہے۔

زیر حبانہ مدت کے دوران، کمپنی کو درپیش اہم مسئلہ لیکویڈٹی کا ہوتا ہے جو آنے والے دنوں میں بھی جاری رہے گا، اس طرح این پی ایل سے وصولیوں اور نئے لینز کے کاروبار میں سرمایہ کاری پر توجہ دی جائے گی۔ آپ کی کمپنی کی منتظمیہ کو یقین ہے کہ آنے والے سالوں میں کمپنی کا منافع مزید بہتر ہوگا۔

اداراتی اور مالیاتی رپورٹنگ کا ڈھانچہ

کمپنی اور اس کے بورڈ آف ڈائریکٹرز بہتر اداراتی نظم و ضبط کے اصولوں اور طریقوں پر عملدرآمد کرنے اور خاص طور پر شفافیت اور مناسب معلومات کے احراء کے لیے پر عزم ہیں۔ بورڈ اور منتظمیہ کمپنی کے آپریشن اور کارکردگی کی نگرانی کے سلسلے میں اپنی ذمہ داریوں سے بخوبی آگاہ ہیں تاکہ مالیاتی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت میں اضافہ کیا جائے۔ مندرجہ ذیل بیانات اس بات کا مظہر ہیں کہ کمپنی اداراتی نظم و ضبط کے بہترین طریقوں پر عملدرآمد کے لیے پُر عزم ہے۔

- a. کمپنی کی منتظمیہ کی تیار کردہ مالیاتی دستاویزات اس کے معاملات، آپریشن کے نتائج، کمیشن منلو اور ملکیتی سرمایہ (equity) میں ردوبدل اس کے معاملات کی بہتر تصویر پیش کرتے ہیں۔
- b. کمپنی کے کھاتوں کی کتابوں کو مناسب طور پر کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق رکھا گیا۔
- c. مالیاتی دستاویزات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو استعمال کیا گیا ہے۔ اکاؤنٹنگ تخمینوں کی بنیاد مناسب اور محتاط اندازے ہیں۔
- d. مالیاتی دستاویزات کی تیاری میں بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، جو پاکستان میں لاگو ہوتے ہیں، ان پر عملدرآمد کیا گیا اور اس سے انحراف نہیں کیا گیا ہے۔
- e. اندرونی نگرانی کا نظام موجود ہے اور اس کا ڈیزائن مضبوط ہے اور اس کا مؤثر طور پر نفاذ کیا جا چکا ہے۔
- f. یہاں واقعات اور حالات سے متعلق کافی غیر یقینی موجود ہے جو کمپنی کے ایک جاری رہنے والے ادارے کے طور پر اس کی صلاحیت پر اہم شبہات ڈال سکتی ہے، تاہم مالیاتی دستاویزات کے نوٹ نمبر 1.3 میں بیان کردہ عوامل کی بنیاد پر کمپنی پر اعتماد ہے کہ اس کے پاس ایک جاری رہنے والے ادارے کے صلاحیت موجود ہے۔
- g. SECP کے جاری کئے گئے اداراتی نظم و ضبط کے طریقوں اور تجویز کردہ طریقہ کار سے انحراف نہیں کیا گیا ہے ماسوائے ان کے جو منسلک آؤٹ رپورٹ میں زیر بحث آئے ہیں۔
- h. ٹیکس اور حکومت کی دیگر لیویز کے بقایا احبات، گوشواروں کے متعلقہ نوٹ (س) میں دے دی گئیں ہیں۔
- i. زیر حبانہ سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے۔

نام	اجلاس میں شرکت
جناب محمد آصف (CEO)	4
جناب محمد قاسم	4
محترمہ عائشہ شہریار	4
محترمہ فضاء زاہد	4
جناب شہاب الدین حنان	4
جناب اشعر سعید	3
جناب ظہیر قمر	4

سال 2022-2023 کے دوران کمپنی کے ڈائریکٹرز/CEO نے حصص کا کوئی لین دین نہیں کیا۔

زیرجائزہ سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری کی تفصیل درج ذیل ہے۔

نام	اجلاس میں شرکت
جناب اشعر سعید	3
محترمہ فضاء زاہد	4
جناب ظہیر قمر	4

ڈائریکٹرز کا معاوضہ

بورڈ کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کی فیس کمپنی کے حصص یافتگان نے کمپنی کی آرٹیکلز آف ایسوسی ایشن کے مطابق منظور کی ہے۔ تاہم، ڈائریکٹرز نے فیس معاف کر دی ہے، اس لیے اس مدت کے دوران کوئی فیس ادا نہیں کی گئی۔ ایگزیکٹو ڈائریکٹرز کے معاوضے کی سفارش ہو من ریورس کمیٹی کرتی ہے اور بورڈ نے اسے منظور کیا ہے۔ 30 جون 2023 کو ختم ہونے والے سال کے لیے کمپنی کے سی ای او اور ایگزیکٹو ڈائریکٹرز کا معاوضہ مالیاتی بیانات کے نوٹ 39 میں دیا گیا ہے۔

اندرونی مالیاتی کنٹرول

کمپنی نے اپنے کاروبار کو منظم طریقے سے آگے بڑھانے، اس کے اثاثوں کی حفاظت اور اس کے ریکارڈ کی درستگی اور معیار کو محفوظ بنانے کے لیے اندرونی کنٹرول کا ایک موثر نظام استعمال کیا ہے۔ انتظامی نگرانی اور جائزے اندرونی کنٹرول کے نظام کا ایک لازمی عنصر ہیں۔ انتظامیہ نے تفصیلی جانچ پڑتال اور خصوصی جائزے اندرونی آڈٹ فنکشن کو سونپے ہیں۔

کارپوریٹ سماجی ذمہ داری

کمپنی کا کاروباری مقصد پائیدار کاروباری ماڈل بنانا، تمام اسٹیک ہولڈرز کے لیے زیادہ سے زیادہ فائدہ پیدا کرنے، انفرادی ٹیلنٹ کو فروغ دینے اور معاشرے کے تمام طبقات کی مالی شمولیت کے ذریعے سماجی اثرات مرتب کرنے کے گرد گھومتا ہے۔ ICIBL پاکستان کے چار بڑے شہروں میں موجودگی ہے اور وہ مقامی کاروباروں کو سپورٹ کرنے کی کوشش کرتا ہے، خاص طور پر ان لوگوں کی جن کی ملک کے مالیاتی شعبے تک رسائی نہیں ہے۔

ماحولیاتی حفاظت

ہماری کمپنی بنیادی طور پر ایک سروس انڈسٹری ہے۔ لہذا، اس کے کاروبار کا ماحول پر کوئی براہ راست اثر نہیں پڑتا ہے۔ تاہم، ہم اچھے ماحول کے فوائد سے واقف ہیں۔ اس لیے ہماری ذمہ داری ہے کہ ہم ان صارفین کی حوصلہ شکنی کریں جن کے کاروبار ماحول دوست نہیں ہیں۔ مزید یہ کہ ہم نے اپنے دفاتر میں کاغذ کے بغیر ماحول کو فروغ دیا ہے۔

منقسمہ منافع (Dividend)

جیسا کہ اوپر بیان کیا گیا ہے کہ انتظامیہ کے کیے گئے اقدامات کے نتیجے میں کمپنی میں کامیابی سے مثبت تبدیلی آئی ہے، تاہم بورڈ آف ڈائریکٹرز سرمایہ کی بنیاد کو مستحکم کرنے، مزید منافع بخشی اور حصص یافتگان کے سرمایہ کی قدر میں اضافے کے لیے پرعزم ہیں۔ اس لیے زیر حنا سال میں کسی منقسمہ منافع کا اعلان نہیں کیا گیا ہے۔

اڈیشنرز

موجودہ اڈیشنرز میسرز آر ایس ایم اویس حیدر لیاقت نعتان ریٹائر ہو چکے ہیں اور دوبارہ انتخاب کے اہل ہونے کی وجہ سے انہوں نے سال 2023-24 کے لیے 1,000,000 روپے کی کل فیس کے عوض کمپنی کو اپنی خدمات پیش کرنے پر آمادگی ظاہر کی ہے۔

حصص رکھنے کا رجحان

30 جون 2023 پر حصص رکھنے کا رجحان منسلک ہے۔

اظہارِ شکر

ہم بورڈ آف ڈائریکٹرز کی جانب سے اپنے معزز حصص یافتگان اور قابل قدر صارفین کے مشکور ہیں جنہوں نے انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ پر اعتماد کیا۔ بینک دولت پاکستان، سیکوریٹی اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ضوابطی اداروں کے بھی اکی مسلسل رہنمائی اور نگرانی کے شکر گزار ہیں۔

ہم صارفین کی توقعات پورا کرنے اور کمپنی کے اہداف اور مقاصد کے حصول کے لیے اکی لگن کے لیے اپنے ساتھیوں کی بھی تعریف کرنا چاہیں گے۔

مخائب و برائے بورڈ آف ڈائریکٹرز

عائشہ شہریار

چیرپرسن

محمد آصف

چیف ایگزیکٹو آفیسر

لاہور

05 اکتوبر 2023

Pattern of Shareholding

As at June 30, 2023

No. of Shareholders	Shareholding		Total Shares held	No. of Shareholders	Shareholding		Total Shares held
	From	To			From	To	
1,221	1	100	45,155	9,874	Brought forward	61,188,236	
3,551	101	500	819,792	1	280,001	285,000	280,800
645	501	1,000	510,549	1	285,001	290,000	290,000
2,892	1,001	5,000	6,276,348	3	295,001	300,000	900,000
564	5,001	10,000	4,265,954	1	300,001	305,000	305,000
208	10,001	15,000	2,622,279	1	305,001	310,000	310,000
159	15,001	20,000	2,920,675	1	315,001	320,000	320,000
96	20,001	25,000	2,238,245	1	320,001	325,000	325,000
80	25,001	30,000	2,265,806	1	330,001	335,000	335,000
49	30,001	35,000	1,631,338	2	340,001	345,000	689,000
45	35,001	40,000	1,724,686	1	350,001	355,000	350,500
23	40,001	45,000	989,130	1	370,001	375,000	371,000
72	45,001	50,000	3,554,543	1	375,001	380,000	375,260
23	50,001	55,000	1,221,103	1	380,001	385,000	383,500
19	55,001	60,000	1,121,385	1	395,001	400,000	400,000
15	60,001	65,000	946,901	1	410,001	415,000	413,000
16	65,001	70,000	1,099,258	1	415,001	420,000	417,000
6	70,001	75,000	437,500	1	430,001	435,000	433,500
9	75,001	80,000	689,536	1	440,001	445,000	443,000
11	80,001	85,000	918,000	1	470,001	475,000	473,500
8	85,001	90,000	713,700	1	480,001	485,000	481,260
7	90,001	95,000	649,236	2	495,001	500,000	1,000,000
39	95,001	100,000	3,859,656	1	500,001	505,000	505,000
10	100,001	105,000	1,022,160	1	520,001	525,000	522,000
7	105,001	110,000	758,545	2	550,001	555,000	1,104,000
4	110,001	115,000	456,500	1	575,001	580,000	580,000
5	115,001	120,000	588,500	1	580,001	585,000	583,080
5	120,001	125,000	616,092	1	630,001	635,000	633,500
4	125,001	130,000	511,500	1	650,001	655,000	652,147
5	130,001	135,000	670,556	1	660,001	665,000	664,776
7	135,001	140,000	968,000	1	665,001	670,000	665,500
3	140,001	145,000	424,000	1	695,001	700,000	700,000
7	145,001	150,000	1,034,500	1	720,001	725,000	724,000
4	155,001	160,000	631,500	1	975,001	980,000	980,000
4	160,001	165,000	655,500	1	1,025,001	1,030,000	1,029,284
2	165,001	170,000	336,322	1	1,085,001	1,090,000	1,085,500
1	175,001	180,000	178,500	1	1,115,001	1,120,000	1,117,876
3	180,001	185,000	552,000	1	1,195,001	1,200,000	1,200,000
2	185,001	190,000	378,000	2	1,295,001	1,300,000	2,599,000
3	190,001	195,000	581,000	1	1,425,001	1,430,000	1,427,000
8	195,001	200,000	1,589,875	1	1,435,001	1,440,000	1,438,000
3	205,001	210,000	626,000	1	1,475,001	1,480,000	1,477,000
2	215,001	220,000	440,000	1	1,850,001	1,855,000	1,852,721
4	220,001	225,000	894,000	1	1,995,001	2,000,000	2,000,000
3	225,001	230,000	682,348	1	2,005,001	2,010,000	2,007,500
2	230,001	235,000	461,222	1	2,420,001	2,425,000	2,424,076
1	235,001	240,000	238,000	1	2,680,001	2,685,000	2,680,672
3	240,001	245,000	728,340	1	3,580,001	3,585,000	3,584,500
3	245,001	250,000	743,000	1	4,245,001	4,250,000	4,246,917
4	250,001	255,000	1,004,501	1	7,840,001	7,845,000	7,840,349
1	255,001	260,000	260,000	1	9,605,001	9,610,000	9,609,692
1	260,001	265,000	262,500	1	26,995,001	27,000,000	27,000,000
1	265,001	270,000	267,000	1	64,220,001	64,225,000	64,224,125
2	270,001	275,000	550,000	1	67,220,001	67,225,000	67,224,125
2	275,001	280,000	557,500				
9,874	Carry forward		61,188,236	Total:	9,933	Grand Total	284,866,896

Pattern of Shareholding

As at June 30, 2023

Categories of Shareholder	Physical	CDC	Shares held	% age
Directors, Chief Executive Officer, their Spouses and Minor Childern	-	131,451,250	131,451,250	46.14
Associated Companies, undertakings and related parties	-	-	-	-
NIT & ICP	-	9,609,692	9,609,692	3.37
Banks, DFIs & NBFCs	188,815	1,255,079	1,443,894	0.51
Insurance Companies	100,672	2,446,176	2,546,848	0.89
Modarabas and Mutual Funds	603,834	-	603,834	0.21
General Public a) Local	9,509,874	112,429,063	121,938,937	42.81
b) Foreign	-	2,000	2,000	0.00
Other Companies a) Local	533,678	16,723,906	17,257,584	6.06
b) Foreign	12,857	-	12,857	0.00
Total	10,949,730	273,917,166	284,866,896	100.00

Shareholders holding 10% and more

Mrs. Fiza Zahid (Director)	-	64,224,125	64,224,125	22.55
Mrs. Ayesha Shehryar (Director)	-	67,224,125	67,224,125	23.60

Total	-	131,448,250	131,448,250	46.15
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Seven Years Key Financial and Operating Data

.....Rupees in thousand.....

Statement of Financial Position	2023	2022	2021	2020	2019	2018	2017
Ordinary share capital	2,848,669	2,848,669	2,848,669	2,848,669	2,848,669	2,848,669	2,848,669
Equity	537,612	475,322	382,788	291,450	256,275	267,217	255,076
Liabilities	531,765	582,110	559,623	676,940	693,824		831,203
Net Investment in Lease	298,884	419,721	452,824	369,239	364,251	331,616	277,825
Musharakah/Finances	456,763	341,824	216,462	319,958	230,628	256,180	289,183
Total Assets	1,088,295	1,057,432	942,411	968,390	950,098	1,059,843	1,106,054
Statement of Profit or Loss							
Total Income	130,796	115,335	69,573	127,783	72,218	71,418	47,631
Financial charges-Net	12,041	(795)	(8,814)	(17,155)	9,419	7,501	28,510
Admin & Operating Expense	34,951	27,282	23,877	23,071	35,546	31,521	33,192
Profit / (Loss) Before Tax	99,233	121,543	91,080	68,888	36,531	9,206	(9,205)
Profit / (Loss) After Tax	89,760	95,273	83,858	46,123	(116,366)	8,601	(9,400)
Break up Value of Share	1.89	1.67	1.34	1.02	0.90	0.94	0.90
Market Value per Share	0.99	1.47	2.83	0.80	0.82	1.88	2.11
Financial Ratios:							
Earning per share	0.315	0.334	0.294	0.162	(0.408)	0.027	(0.033)
Revenue Per Share	0.459	0.405	0.244	0.449	0.254	0.251	0.167

Independent Auditor's Review Report

to the members of Invest Capital 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 Invest Capital Investment Bank Limited (the Company) for the year ended June 30, 2023 in accordance with the requirements of regulations 36 of the Regulations.

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

As a part of our audit of 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 control or to form an opinion on 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 the recommendations 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, 2023.

Further, we highlight below instance of non-compliance with the requirement of Regulations, as reflected in the paragraph referred below, it is stated in the statement of compliance:

Reference : Description

19 Section 19 of Regulations state that it is encouraged that by June 30, 2022 All of the directors on the Board 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 it.

However, during the course of review, we have observed that 2 directors have not completed the training program within due time period.



RSM AVAIS HYDER LIAQUAT NAUMAN
CHARTERED ACCOUNTANTS

Place: Lahore.

Date: 05 October 2023

UDIN: CR2023101931hupn8XtN

Statement of Compliance

with Listed Companies (Code of Corporate Governance) Regulations, 2019
For the year ended June 30, 2023

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

1. The total number of directors is seven as per the following:

Gender	Number
Male	5
Female	2

2. The composition of Board is as follows:

Category	Names
Independent Directors	Mr. Ashar Saeed Mr. Zahir Qamar
Non-Executive Directors	Mrs. Ayesha Shehryar Mrs. Fiza Zahid Mr. Shahab Ud Din Khan
Executive Directors	Mr. Muhammad Asif Mr. Muhammad Qasim
Female Directors	Mrs. Ayesha Shehryar Mrs. Fiza Zahid

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Currently, one director is exempt from the directors training certification requirement by virtue of his experience as prescribed by listing regulations of Pakistan Stock Exchange whereas one female director and three male directors have completed the directors training program during the year. The Company has planned to arrange DTP for the remaining two directors during the next year.
10. The board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
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

1) Mr. Ashar Saeed	Chairman
2) Mrs. Fiza Zahid	Member
3) Mr. Zahir Qamar	Member

b) HR and Remuneration Committee

1) Mr. Muhammed Qasim	Chairman
2) Mr. Muhammad Asif	Member
3) Mr. Zahir Qamar	Member

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

14. The frequency of meetings [quarterly/half yearly/yearly] of the committee were as per following:

- a) Audit Committee: Four quarterly meetings
- b) HR and Remuneration Committee: One annual meeting

15. The Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan, that they or all of their partners are with 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 and the auditors have confirmed that they have observed IFAC guidelines in this regard;

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

19. We confirm that all the requirements, other than regulation 19 have been duly complied. During the year one female director and three male directors have completed the DTP. The company will arrange DTP certification for the remaining 2 directors during the next year.

The 1/3rd number of independent directors as per regulation 6 of the code of corporate governance 2019 works out to 2.33. As per the rounding norms any fraction more than 0.50 is rounded off to one and less than 0.50 is ignored. Accordingly, the company opted for 2 independent directors.

For and on behalf of the Board of Directors



Ayesha Shehryar
Chairperson



Muhammad Asif
Chief Executive Officer

Independent Auditor's Report

To The Members Of Invest Capital Investment Bank Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Invest Capital Investment Bank Limited (the Company), which comprise the statement of financial position as at June 30, 2023, 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 significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, 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 forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the profit, comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with 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 ICAP Code of Ethics for Chartered Accountants (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to Note 1.3 in the financial statements, which indicates that the Company has suffered operating losses in prior years, and as at the statement of financial position date, the accumulated loss of the company is Rs.509.39 million. The events or conditions, along with other matters as set forth in Note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Regulatory Provisions against Non-Performing assets</p> <p>Refer to Note # 8, 9, 10, 12, 13, 14, and 16 to the Statement of financial position; management has made provisions for non-performing net investment in finance lease, long term musharika finances, long term loans, short term musharika finances, short term advances, Ijarah rental receivables, advances and other receivables in accordance with NBFC and Notified Entities Regulations 2008 that require significant judgments including estimates of Forced Sale Value of assets held as collateral.</p>	<p>Our key audit procedures in respect of provision against non-performing assets, amongst others, include the following:</p> <p>We assessed whether all assets are classified appropriately among regular, sub-standard, doubtful and loss category based on period since which they are outstanding.</p> <p>For non-performing receivables eligible for Forced Sale Value benefit of mortgaged properties held as security, we evaluated whether valuation reports are available and valid.</p> <p>We examined that reversal of provision has been made as per specified conditions in the NBFC and Notified Entities Regulations 2008.</p> <p>We inspected mortgage deeds to substantiate existence of leased assets held as collateral.</p>

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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


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

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Syed Ali Adnan Tirmizey.



RSM AVAIS HYDER LIAQUAT NAUMAN
CHARTERED ACCOUNTANTS

Place: Lahore

Date: October 05, 2023

UDIN: AR202310193V2qKrLBex

Statement of Financial Position

As at June 30, 2023

	Note	2023 Rupees	2022 Rupees
ASSETS			
Non-current assets			
Property and equipment	4	75,171,895	80,852,746
Intangible assets	5	806,266	163,594
Investment accounted for using equity method	6	132,604,237	129,861,113
Financial assets at fair value through other comprehensive income	7	18,142,675	24,372,136
Net investment in finance lease	8	104,593,404	174,706,254
Long term musharakah finances	9	-	-
Long term loans	10	217,034,229	162,266,245
Long term security deposits	11	2,330,225	2,330,225
		550,682,931	574,552,313
Current assets			
Short term musharakah finances	12	28,027,984	29,651,443
Short term finances	13	50,944	6,561,370
Ijarah rentals receivables	14	1,241,277	1,265,639
Current portion of non-current assets	15	405,938,753	388,359,879
Advances, deposits, prepayments and other receivables	16	25,719,776	20,776,004
Investment in Treasury Bills	17	48,292,187	-
Financial assets at fair value through profit or loss	18	14,982,056	24,418,400
Bank balances	19	13,359,351	11,847,075
		537,612,328	482,879,810
TOTAL ASSETS		1,088,295,259	1,057,432,123
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	20	2,848,668,960	2,848,668,960
Loan from directors	21	126,000,000	126,000,000
Capital reserves			
Capital reserve on amalgamation		(2,022,075,992)	(2,022,075,992)
Revenue reserves			
General reserve	22	102,976,444	102,976,444
Accumulated loss		(509,391,449)	(599,151,411)
Fair value reserve		10,351,875	16,581,336
		556,529,838	472,999,337
Non-current liabilities			
Loan from sponsor	23	-	16,392,473
Long term loan from directors	24	-	65,000,000
Security deposits from lessees	25	123,618,406	68,699,785
Redeemable capital	26	-	1,500,000
Liability related to outgoing group	27	16,200,000	19,440,000
		139,818,406	171,032,258
Current liabilities			
Current portion of non-current liabilities	29	46,506,960	45,680,615
Accrued and other liabilities	30	135,718,288	147,795,038
Profit / mark up payable	31	187,364,347	187,094,451
Unclaimed dividend		6,053,456	6,053,456
Provision for taxation - income tax	37	16,303,964	26,776,968
		391,947,015	413,400,528
TOTAL EQUITY AND LIABILITIES		1,088,295,259	1,057,432,123
CONTINGENCIES AND COMMITMENT	32	-	-

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Statement of Profit or Loss

For the Year Ended June 30, 2023

	Note	2023 Rupees	2022 Rupees
Income			
Income from leasing operations		52,322,404	47,902,663
Operating lease rentals		263,806	2,467,380
Profit on musharakah investments		1,619,472	42,122,909
Income from finances		61,119,552	20,867,391
Income on deposits with banks		3,200,071	2,621,785
Income from investment in treasury bills		334,187	-
Profit / (loss) from joint venture		2,743,124	(4,913,755)
Dividend income		4,966,115	4,212,833
Net (loss) / gain on sale of marketable securities		(541,522)	1,458,745
Unrealized (loss) on financial assets at fair value-net		(2,874,428)	(6,522,980)
		123,152,781	110,216,971
Expenses			
Administrative and operating expenses	33	(34,951,160)	(27,281,528)
Financial charges	34	(12,041,208)	(4,939,020)
Mark up waived off on settlement of loans	35	-	5,734,636
		(46,992,368)	(26,485,912)
		76,160,413	83,731,059
Other income	36	7,643,087	5,118,135
		83,803,500	88,849,194
Provision reversed / (charged) on non-performing loans and write-offs			
Reversal / (provision) against:			
Finance lease receivable and rentals - net		11,422,934	7,964,965
Long term / short term musharakah finances		6,608,014	14,323,973
Long term / short term loans		(6,502,635)	-
Other receivables		8,122,570	11,400,778
Balances (written off):			
Lease receivables		(4,221,340)	(39,320)
Musharaka finance receivable		-	(238,865)
Other receivables		-	(718,000)
		15,429,543	32,693,531
Profit before taxation		99,233,043	121,542,725
Provision for taxation	37	(9,473,081)	(26,269,214)
Profit for the year		89,759,962	95,273,511
Earnings per share - Basic and Diluted	38	0.315	0.334

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Statement of Comprehensive Income

For the Year Ended June 30, 2023

	2023 Rupees	2022 Rupees
Profit for the year	89,759,962	95,273,511
Other comprehensive Income / (loss)		
Items that will not be subsequently reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	(6,229,461)	(5,062,487)
Total comprehensive Income for the year	<u>83,530,501</u>	<u>90,211,024</u>

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Statement of Cash Flows

For the Year Ended June 30, 2023

	2023 Rupees	2022 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	99,233,043	121,542,725
Adjustments for non cash charges and other items:		
Depreciation of property and equipment	5,622,549	2,586,871
Amortization of intangible assets	252,328	70,111
(Reversal) / provision against:		
Finance lease receivable and rentals - net	(11,422,934)	(7,964,965)
Long term / short term musharakah finances	(6,608,014)	(14,323,973)
Long term / short term loans	6,502,635	-
Other receivables	(8,122,570)	(11,400,778)
Balances written off		
lease receivables	4,221,340	39,320
Musharakah receivables	-	238,865
Other receivables	-	718,000
(Gain) on disposal of operating assets	(1,095,698)	-
Unrealised loss on financial assets at fair value	2,874,428	6,522,980
Gain / (Loss) from joint ventures	(2,743,124)	4,913,755
Dividend income	(4,966,115)	(4,212,833)
Financial charges	12,041,208	4,939,020
Mark up waived off on settlement of loans	-	(5,734,636)
Balances written back	-	(767,000)
	(3,443,967)	(24,375,263)
Cash flow from operating activities before working capital changes	95,789,076	97,167,462
Changes in working capital		
Decrease in current assets		
Short term musharakah finances	4,192,822	18,746,840
Short term finances	160,426	8,088,630
Ijarah rentals receivables	24,362	35,747
Advances, deposits, prepayments and other receivables	7,764,061	5,887,328
	12,141,671	32,758,545
Increase in current liabilities		
Accrued and other liabilities	(12,076,750)	5,742,931
Cash generated from operations	95,853,997	135,668,938
Financial charges paid	(11,771,312)	(1,861,948)
Income tax paid	(24,531,347)	(17,940,484)
Net cash generated from operations	59,551,338	115,866,506

	2023 Rupees	2022 Rupees
b) CASH FLOWS FROM INVESTING ACTIVITIES		
(Additions) in:		
Property and equipment	(46,000)	(17,641,000)
Intangible assets	(895,000)	-
Recovery of / (investment in) :		
Net investment in finance lease	122,313,222	46,616,982
Long term musharakah finances	1,947,871	60,645,228
Long term loans	(57,562,526)	(198,525,068)
Long term security deposits	-	(50,000)
Financial assets at fair value through profit or loss	6,561,916	(14,119,074)
Proceeds from disposal of operating assets	1,200,000	-
Investment in treasury bills	(48,292,187)	-
Dividend received	4,966,115	4,056,527
Net cash generated from / (used) in investing activities	30,193,411	(119,016,405)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment of) / Receipts from:		
Long term loan from sponsors	(16,392,473)	(50,000,000)
Redeemable capital	(3,600,000)	(6,440,000)
Long term loan from directors	(65,000,000)	65,000,000
Liability related to outgoing group	(3,240,000)	(3,240,000)
Net cash (used in) / generated from financing activities	(88,232,473)	5,320,000
Net increase / (decrease) in cash and cash equivalents (a+b+c)	1,512,276	2,170,101
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 year	13,359,351	11,847,075

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Statement of Changes in Equity

For the Year Ended June 30, 2023

	Issued, subscribed and paid-up capital	Loan from directors	Capital Reserves	Revenue Reserve		Fair value reserve	Total
			Capital reserve on amalgamation	General reserve	Accumulated loss		
Rupees							
Balance as at July 01, 2021	2,848,668,960	126,000,000	(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 year	-	-	-	-	95,273,511	-	95,273,511
Other comprehensive income							
Items that will not be subsequently reclassified to profit or loss							
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	(5,062,487)	(5,062,487)
Balance as at June 30, 2022	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(599,151,411)	16,581,336	472,999,337
Total comprehensive income for the year							
Profit for the year	-	-	-	-	89,759,962	-	89,759,962
Other comprehensive income							
Items that will not be subsequently reclassified to profit or loss							
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	(6,229,461)	(6,229,461)
Balance as at June 30, 2023	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(509,391,449)	10,351,875	556,529,838

The annexed notes 1 to 46 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Notes to the Financial Statements

For the Year Ended June 30, 2023

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, 1st 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. These financial and operational difficulties resulted as under:

- the Company suffered huge operating loss till 2011 and as at the statement of financial position date, the accumulated loss is Rs.509.39 million (2022: Rs.599.15 million).
- the Company has been unable to comply with the terms of certain loan agreements as explained in detail in the relevant notes to the financial statements.
- the Company has been facing difficulty in recovery of its leases and loans portfolio.

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

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

(a) Substantial reduction in administrative and other expenses

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

(b) Leasing and financing business

The Company is mainly carrying out car leasing and financing business at very attractive rates and reasonable deposit margin. During the year leases and finances amounting to Rs. 362.79 million (2022 : Rs. 441.34 million) have been disbursed. Management is hopeful that leasing business will contribute in improving the operating results and equity position of the Company.

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

The Management has settled the outstanding loans with various banks / financial institutions through cash payment / transfer of the Company's lease / loan portfolios and immovable properties / shares / other assets with waiver of mark-up.

(d) Disposal of non-core assets

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

(e) Improved recovery of leases and loans portfolio

The Company has been putting all its efforts for recovery from leases and loans portfolio. Net recovery during the year is Rs. 353.39 million (2022: Rs. 434.01 million). This amount has been utilized in the new leasing business, as well as, in meeting the other obligations.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

- Investments at fair value through statement of profit or loss and Investments stated at fair value through other comprehensive income.
- Investment in joint venture at equity method.

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 as under:

- Property and equipment (Note 4)
- Intangible assets (Note 5)
- Net investment in finance lease (Note 8)
- Ijarah rentals receivables (Note 14)
- Long term musharakah finances (Note 9)
- Long term loans (Note 10)
- Short term musharakah finances (Note 12)
- Short term finances (Note 13)

2.5 Application of new and revised International Financial Reporting Standards (IFRSs)

2.5.1 Standards, amendments to standards and interpretations becoming effective in current year

The following standards, amendments to standards and interpretations have been effective and are mandatory for financial statements of the Company for the periods beginning on or after July 01, 2022 and therefore, have been applied in preparing these financial statements.

Amendments to IAS 16 - Property, Plant and Equipment

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendments have no material impact on company's financial statements.

Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments.

The amendments have no material impact on company's financial statements.

Annual improvements to IFRS – 2018 – 2020

- IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

- IFRS 9 Financial Instruments

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

- IAS 41 Agriculture

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

The amendments have no material impact on the company's financial statements.

2.5.2 Standards, amendments to standards and interpretations becoming effective in current year but not relevant

There are certain amendments to standards that became effective during the year and are mandatory for accounting periods of the Company beginning on or after July 01, 2022 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these financial statements.

2.5.3 Standards, amendments to standards and interpretations becoming effective in future periods

There are certain standards, amendments to the IFRS and interpretations that are mandatory for companies having accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts is a new accounting standard for insurance contracts. The standard covers recognition, measurement, presentation and disclosure of insurance contracts. Once effective, the standard will replace IFRS 4 Insurance Contracts.

The standard applies to all types of insurance contracts. Overall objective of the standard is to provide an accounting model for insurance contracts covering all relevant accounting aspects.

The standard is effective for reporting periods starting on or after January 01, 2023,

The application of the standard is not expected to have any material impact on the company's financial statements.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments deal with situation where there is a sale or contribution of assets between investor and its associate or joint venture.

The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

The effective date of the amendments have yet to be set by the Board, however earlier application of the amendments is permitted. The amendments are not expected to have any material impact on the company's financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non current

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are effective for the annual periods beginning on or after January 01, 2023.

The amendments are not expected to have any material impact on the company's financial statements.

Amendments to IAS 1 - Disclosure of Accounting Policies

In February 2021, the Board issued amendments to IAS 1 the amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments are effective for the annual periods beginning on or after January 01, 2023.

The amendments are not expected to have any material impact on the company's financial statements.

Amendments to IAS 8 - Definition of Accounting Estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for the annual periods beginning on or after January 01, 2023.

The amendments are not expected to have any material impact on the company's financial statements.

Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgment (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgment is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The amendments are effective for the annual periods beginning on or after January 01, 2023.

The amendments are not expected to have any material impact on the company's financial statements.

Standards, amendments to standards and interpretations becoming effective in future period but not relevant

There are certain new standards, amendments to standards and interpretations that are effective from different future periods but are considered not to be relevant to the Company's operations, therefore, not disclosed in these financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting policies

3.1.1 Property and equipment

Property and equipment, except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Freehold land is carried at cost less impairment in value, if any.

Depreciation is charged to income applying the reducing balance method over the estimated useful life of related assets at the rates specified in Note 4 to the financial statements.

Depreciation on additions during the year is charged from the month in which an asset is acquired or capitalised, while no depreciation is charged for the month in which an asset is disposed off. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Normal repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized.

Gains and losses on disposal of property and equipment are included in current income.

Any revaluation increase arising on an item of property and equipment is recognised 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 recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of an item of property and equipment improvements 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 revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation of property and equipment improvements to the extent of incremental depreciation charged is transferred to unappropriated profit.

3.1.2 Intangible assets

Intangible assets are recognized as assets if it is probable that future economic benefits will flow to the Company and the cost of such assets can be measured reliably. These are stated at cost less any accumulated amortization and accumulated impairment losses, if any.

The intangible assets of the Company comprise of computer softwares which are being amortized applying the reducing balance method over the estimated useful life of related assets at the rate specified in Note 5 to the financial statements. Amortization on additions during the year is charged from the month in which an asset is acquired or capitalised, while no amortization is charged for the month in which the asset is disposed off.

3.1.3 Impairment

Financial assets

A financial asset is assessed at each statement of financial position date to determine whether there is any objective evidence that it is impaired in accordance with the requirements of relevant accounting standards and guideline of NBFC Regulations. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows from the asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognised in the statement of profit or loss.

Where impairment loss subsequently reverses, impairment loss is reversed to the extent that the remaining impairment loss is in accordance with the requirements of relevant accounting standards and guideline of NBFC Regulations and the carrying value of the assets represent the estimated net future cash flows from the assets.

The policy for impairment of investments (note 7 and 17) is disclosed in 3.1.5.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indications exist, the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognised as expense in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Where impairment loss subsequently reverses, the carrying amounts of the assets are increased to the revised recoverable amounts but limited to the carrying amounts that would have been determined had no impairment loss been recognised for the assets in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant assets are carried at revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.1.4 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in statement of profit or loss in the period in which these are incurred.

3.1.5 Investments

The Company classifies its investments as disclosed in note 7 and 18 at fair value through other comprehensive income and fair value through profit or loss respectively on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

The Company assesses on a forward looking basis the expected credit losses associated with these financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

- Investments in joint ventures

These investments are accounted for using equity method of accounting. Under the equity method, an interest in a jointly controlled entity is initially recorded at cost and adjusted thereafter for the post acquisition changes in equity of the joint venturer and dividend received during the year.

3.1.6 Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the

contractual provisions of the instrument. All financial liabilities are recognised initially at fair value less directly attributable transactions costs, if any, and subsequently measured at amortised cost using effective interest method.

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

3.1.7 Net investment in finance lease , assets under Ijarah arrangements, vehicle finance, musharakah finance, long term and short term loans / finances

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Ijarah agreements commenced on or before June 30, 2008 and after July 01, 2011 are accounted for as finance lease and are included in the financial statements as 'Net investment in Ijarah finance' at an amount equal to the present value of the lease payments, including estimated residual value (net of allowance for non-operating lease).

Ijarah agreements commenced between July 01, 2008 and June 30, 2011 are stated at cost less accumulated depreciation and impairment losses, if any in accordance with the Islamic Financial Accounting Standard 2 'Ijarah'. Depreciation is charged on these assets by using straight line method over the period of the lease. Gains and losses on disposals are determined by comparing amount of the corresponding assets.

Other lending arrangements comprising of vehicle finance, musharakah finance, long term and short term loans / finances are stated net of impairment losses, if any.

Allowance against non-performing balance is made in accordance with Prudential Regulations for NBFC's issued by SECP and is charged to statement of profit or loss currently.

3.1.8 Assets acquired in satisfaction of finances

These are initially stated at lower of recoverable amount or the original claim of the Company. Difference between the above two is charged to statement of profit or loss. Subsequently, these are stated at carrying value less impairment loss, if any.

3.1.9 Receivable from terminated / matured contracts

These are stated net of impairment losses, if any. Impairment loss is recognised for doubtful receivables on the basis of Prudential Regulations for NBFCs issued by SECP or based on the judgment of management, whichever is higher. Bad debts are written off when identified.

3.1.10 Trade debts and other receivables

Trade debts are carried at original invoice amount less an estimate made for doubtful receivables based on the review of outstanding amounts at the year end. Balances considered bad are written off when identified. Other receivables are recognised at nominal amount which is fair value of the consideration to be received in future.

3.1.11 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at banks and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

3.1.12 Staff retirement benefits

Defined contribution plan

The Company operates a defined contribution plan i.e. recognized provident fund scheme for all its eligible employees in accordance with the trust deed and rules made there under. Equal monthly contributions are made by the Company and the employees to the fund at the rate of 10% of basic salary.

3.1.13 Gain on sale and lease back transaction

This is amortised over the period of the related lease obligation.

3.1.14 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed to the Company or not.

3.1.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.1.16 Provision for taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account available tax credits and rebates and charge / credit for prior years or minimum tax payable under the Income Tax Ordinance, 2001, whichever is higher.

Deferred

Deferred tax is recognised using the statement of financial position liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their tax base on the basis of expected manner of realization or settlement of carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the statement of financial position date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced, if it is no longer probable that the related tax benefit will be realized. The Company also recognises deferred tax asset / liability on deficit / surplus on revaluation of securities / fixed assets adjusted against the related deficit / surplus in accordance with requirements of International Accounting Standards (IAS-12) - Income Taxes.

Deferred income tax relating to items recognised directly in equity is recognised in equity and not in statement of profit or loss.

3.1.17 Foreign currency transactions

Foreign currency transactions are translated into Pakistani Rupee at exchange rates prevailing on the dates of transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupee at the exchange rates prevailing at the statement of financial position date. Exchange differences are taken to statement of profit or loss.

3.1.18 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company loses control of the contractual rights that comprises the financial assets. Financial liabilities are derecognised when these are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to the current income.

3.1.19 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also accordingly offset.

3.1.20 Revenue recognition

The company is following the financing method in accounting for recognition of finance lease contract. Under this method, the unearned income i.e, the excess of aggregated lease rentals and the estimated residual value over the cost of the lease asset is deferred and amortised over the term of lease applying the annuity method, so as to produce a constant rate of return on net investment in the finance lease. Front end fee, documentation charge gain / loss on the termination of the lease contract, commitment fee and other commission, if any are taken to income when earned. Revenue from finance lease is not accrued when rent is past due by ninety days or more.

- Mark up /interest on long term finances, Mortgage finance, long term loans, lease and murabaha finance are recognised on a time proportion basis except that mark up/ interest /return on classified, loan and investment are recognised on receipt basis.
- Reversal of provision is recognised as per requirement of NBFC regulations.
- Dividend income from the investment is recognised when the right to receive the dividend is established.
- Gain / loss on the sale of investment is taken to income in the period in which it arises
- Unrealized gain / loss arising on the remeasurement of the securities classified as financial asset at fair value through profit or loss are included in the statement of profit and loss in the period in which they arise.
- Income on bank deposit are recognised on accrual basis.
- Rental income on investment property is recognised on accrual basis.
- Consultancy, corporate advisory, trusteeship and custodian fee are recognised as and when services are provided.

3.1.21 Earning per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary share holders of the Company by weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding for the effects of all dilutive

potential ordinary shares.

3.1.22 Segment reporting

An operating segment is a distinguishable component of the Company that is engaged in business activities in which it earns revenue and incurs expenses, whose operating results are regularly reviewed by the management in decision making and for which discrete financial information is available. The Company's primary format of reporting is based on following operating segments.

Investments / financing

It consists of capital market, money market investments and financing functions. The activities include profit on bank deposits, term deposit receipts, capital gains on equity and debt securities, mark-up income on term finance certificates and sukuks and dividend income.

Leasing

It include all types of leases viz operating lease and finance lease are major source of revenue for the Company.

Other operations

It consists of advisory, consultancy function, musharakah, murabaha and all other functions not included in other segments.

Geographical segments

The Company operates in Pakistan only.

	Note	2023 Rupees	2022 Rupees
4. Property and equipment			
Operating assets	4.1	75,171,895	63,343,746
Advance for purchase of vehicle		-	17,509,000
		<u>75,171,895</u>	<u>80,852,746</u>

4.1 Operating assets

	Land (note 4.2)	Buildings	Office premises	Furniture and fixture	Office equipment	Vehicles	Total
Rupees							
At July 01, 2021							
Cost	19,377,350	44,251,140	14,042,407	2,021,668	11,947,909	4,460,675	96,101,149
Accumulated depreciation	-	(11,722,487)	(3,719,947)	(1,342,620)	(9,884,302)	(3,633,176)	(30,302,532)
Written down value	19,377,350	32,528,653	10,322,460	679,048	2,063,607	827,499	65,798,617
Reconciliation of written down value at June 30, 2022							
Written down value as at July 01, 2021	19,377,350	32,528,653	10,322,460	679,048	2,063,607	827,499	65,798,617
Additions	-	-	-	18,000	114,000	-	132,000
Less: Depreciation	-	1,626,433	516,123	68,655	210,160	165,500	2,586,871
Written down value as at June 30, 2022	19,377,350	30,902,220	9,806,337	628,393	1,967,447	661,999	63,343,746
At June 30, 2022							
Cost	19,377,350	44,251,140	14,042,407	2,039,668	12,061,909	4,460,675	96,233,149
Accumulated depreciation	-	(13,348,920)	(4,236,070)	(1,411,275)	(10,094,462)	(3,798,676)	(32,889,403)
Written down value	19,377,350	30,902,220	9,806,337	628,393	1,967,447	661,999	63,343,746
Reconciliation of written down value at June 30, 2023							
Written down value as at July 01, 2022	19,377,350	30,902,220	9,806,337	628,393	1,967,447	661,999	63,343,746
Additions	-	-	-	-	46,000	17,509,000	17,555,000
Less: Disposals	-	-	-	-	-	-	-
Cost	-	-	-	-	-	1,636,745	1,636,745
Accumulated depreciation	-	-	-	-	-	(1,532,443)	(1,532,443)
Less: Depreciation	-	1,545,111	490,317	62,839	201,345	3,322,937	5,622,549
Written down value as at June 30, 2023	19,377,350	29,357,109	9,316,020	565,554	1,812,102	14,743,760	75,171,896
At June 30, 2023							
Cost	19,377,350	44,251,140	14,042,407	2,039,668	12,107,909	20,332,930	112,151,404
Accumulated depreciation	-	(14,894,031)	(4,726,387)	(1,474,114)	(10,295,807)	(5,589,170)	(36,979,509)
Written down value	19,377,350	29,357,109	9,316,020	565,554	1,812,102	14,743,760	75,171,896
Rate (%)		5	5	10	10	20	

4.2 Lands of the Company are located at Karachi with an area of 240 square yards and Haripur with an area of 3,025 square yards.

4.3 Disposal of operating assets

The following is a statement of assets disposed off during the year:

Particulars of asset	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(loss)	Particulars of buyers	Mode of disposal
- Rupees -							
Vehicle	1,636,745	1,532,443	104,302	1,200,000	1,095,698	Mr. Muhammad Asif	Negotiation

4.4 No asset was disposed off during the year ended June 30, 2022.

Note	2023 Rupees	2022 Rupees
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5. INTANGIBLE ASSETS

Computer Software

At June 30,

Cost	12,800,000	12,800,000
Addition	895,000	-
Accumulated amortization	<u>(12,888,735)</u>	<u>(12,636,406)</u>
Written down value	<u>806,265</u>	<u>163,594</u>

5.1 Reconciliation of written down value :

Opening balance	163,594	233,705
Additions	895,000	-
Amortisation	<u>(252,328)</u>	<u>(70,111)</u>
Closing balance	<u>806,266</u>	<u>163,594</u>
Rate (%)	30%	30%

6. INVESTMENT ACCOUNTED FOR USING EQUITY METHOD

Investment in joint venture 6.1 132,604,237 129,861,113

6.1 Investment in joint venture

This represents investment in a CNG filling station. Registered office of the Company is situated at G.T Road, Chughalpura, Peshawar. The latest available audited financial statements of joint venture as on June 30, 2023 have been used for the purpose of application of equity method.

Note	2023 Rupees	2022 Rupees
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- Centre Gas (Private) Limited 6.1.1 & 6.1.2 132,604,237 129,861,113

6.1.1 Centre Gas (Private) Limited

The movement in the Company's share of net assets of Centre Gas (Private) Limited (CGL) is as under:

Cost		
(2,500 Shares of Rs. 1,000/- each)		
Shareholding 50%	34,535,703	34,535,703
Cumulative share of profit of joint venture	<u>98,068,534</u>	<u>95,325,410</u>
	<u>132,604,237</u>	<u>129,861,113</u>

CGL's paid-up share capital is Rs. 5 million comprising of 5,000 ordinary shares of Rs. 1,000 each. The equity as at June 30, 2023 is Rs 229.02 million (2022: Rs. 223.54 million) . Profit or loss is shared equally.

6.1.2 Summarized financial information of the joint venture is given below;

	2023	2022
	CGL	CGL
	Rupees	
As at June 30,		
Current Liabilities	(8,014,767)	(11,277,730)
Cash and cash equivalents	13,319,257	4,039,555
Current assets	201,291,976	198,276,083
Non current assets	35,750,443	36,543,051
For the year ended June 30,		
Revenue	161,924,443	94,577,970
Profit / (Loss) for the year	5,486,248	(9,827,510)
Depreciation	792,608	841,625
Income tax expense	(6,067,219)	(2,893,538)

	Note	2023 Rupees	2022 Rupees
7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME			
Investments in equity instruments	7.1	18,142,675	24,372,136
Investments in term finance certificate	7.2	-	-
		<u>18,142,675</u>	<u>24,372,136</u>

7.1 Investments in equity instruments

No of Shares		Name of Company	2023 Rupees	2022 Rupees
2023	2022			
Listed				
112,000	112,000	English Leasing Limited	-	-
135,000	135,000	Zeal Pak Cement Factory Limited	-	-
419,775	419,775	Bank Al-Habib Limited	18,142,675	24,372,136
Un-Listed				
1,140	1,140	Innovative Investment Bank Limited	-	-
<u>667,915</u>	<u>667,915</u>		<u>18,142,675</u>	<u>24,372,136</u>
Cost			<u>7,791,357</u>	<u>7,791,357</u>

7.1.1 These investments are valued on the basis of quoted prices in active market for identical instruments (Level 1 hierarchy).

7.2 Investments in term finance certificate

Number of certificates		Name of Company	Note	2023 Rupees	2022 Rupees
2023	2022				
<u>1,000</u>	<u>1,000</u>	Saudi Pak Leasing Corporation Limited	7.2.1	-	-

7.2.1 These investments are fully impaired.

8. NET INVESTMENT IN FINANCE LEASE

Contracts accounted for as finance lease under IFRS 16	8.1	298,883,995	419,721,388
Less : Current portion	15	(194,290,591)	(245,015,134)
		<u>104,593,404</u>	<u>174,706,254</u>

8.1 Net investment in finance lease

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

	2023			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
Minimum lease payments receivable	722,228,647	51,004,532	773,233,179	801,608,617	119,536,599	921,145,216
Residual value of leased assets	28,454,960	60,047,675	88,502,635	25,528,615	68,699,785	94,228,400
Lease contracts receivable	750,683,607	111,052,207	861,735,814	827,137,232	188,236,384	1,015,373,616
Unearned lease income	(14,352,955)	(6,458,803)	(20,811,758)	(25,682,114)	(13,530,130)	(39,212,244)
Income suspended	(129,488,269)	-	(129,488,269)	(132,465,258)	-	(132,465,258)
Provision for potential lease losses	(412,551,792)	-	(412,551,792)	(423,974,726)	-	(423,974,726)
	(556,393,016)	(6,458,803)	(562,851,819)	(582,122,098)	(13,530,130)	(595,652,228)
	194,290,591	104,593,404	298,883,995	245,015,134	174,706,254	419,721,388

8.1.1 These finances carry profit rates ranging from 13.38% to 25.06 % per annum (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.

8.1.2 The above net investment in finance lease includes non-performing lease portfolio of Rs. 488.18 million (2022: Rs. 524.01 million). Detail of non performing leases is as follows:

Category of classification	2023		2022	
	Principal outstanding	Provision required	Principal outstanding	Provision held
Loss	488,180,731	412,551,792	524,005,926	423,974,726
		412,551,792		423,974,726

	Note	2023 Rupees	2022 Rupees
9. LONG TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful			
Companies (non-financial institutions)		20,557,876	22,505,747
Individuals		43,103,923	43,103,923
		<u>63,661,799</u>	<u>65,609,670</u>
Provision against doubtful balances		(11,976,021)	(16,014,672)
		<u>51,685,778</u>	<u>49,594,998</u>
Less: Current portion	15	<u>(51,685,778)</u>	<u>(49,594,998)</u>
		<u>-</u>	<u>-</u>

9.1 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 (2022: 16.00% to 30.00% per annum). These were receivable in monthly / quarterly / semi-annual installments and in lump sum on maturity.

	Note	2023 Rupees	2022 Rupees
10. LONG TERM LOANS			
Secured			
Considered good			
Customers	10.1	8,339,836	51,476,123
Vehicle Finance	10.2	328,747,702	193,840,461
Considered doubtful			
Customers	10.1	43,342,327	13,980,025
Outgoing group	10.3	71,954,665	71,954,665
Ex-employee		528,523	528,523
		<u>115,825,515</u>	<u>86,463,213</u>
Provision against doubtful balances		(75,916,440)	(75,763,805)
		<u>39,909,075</u>	<u>10,699,408</u>
		<u>376,996,613</u>	<u>256,015,992</u>
Less: Current portion	15	<u>(159,962,384)</u>	<u>(93,749,747)</u>
		<u>217,034,229</u>	<u>162,266,245</u>

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

10.2 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 year ranges from 17.50% to 29.06% per annum (2022: from 16.97% to 20.88% per annum). These are receivable in monthly installments.

10.3 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. Mark-up amounting to Rs 36.04 million is also outstanding. It was subject to mark up at the rate of six month KIBOR plus 2% per annum. Effective markup rate charged was 9.04% per annum till maturity December 31, 2018.

	Note	2023 Rupees	2022 Rupees
11. LONG TERM SECURITY DEPOSITS			
	11.1	<u>2,330,225</u>	<u>2,330,225</u>

11.1 These represent deposits for utilities, office premises etc.

	2023 Rupees	2022 Rupees
12. SHORT TERM MUSHARAKAH FINANCES		
Secured		
Considered doubtful	76,721,186	80,914,008
Provision against doubtful balances	<u>(48,693,202)</u>	<u>(51,262,565)</u>
	<u>28,027,984</u>	<u>29,651,443</u>

12.1 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 (2022 : 10.00% to 34.69% per annum).

	2023 Rupees	2022 Rupees
13. SHORT TERM FINANCES		
Secured		
Considered good	50,944	211,370
Considered doubtful	<u>8,132,867</u>	<u>8,132,867</u>
Provision against doubtful balances	<u>(8,132,867)</u>	<u>(1,782,867)</u>
	<u>50,944</u>	<u>6,561,370</u>

13.1 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 (2022 : 15.29% to 35.00% per annum).

	Note	2023 Rupees	2022 Rupees
14. IJARAH RENTALS RECEIVABLE			
Ijarah rentals receivable - Due within one year		46,952,426	47,240,594
Less : Suspension against Ijarah rentals receivable	14.1	<u>(45,711,149)</u>	<u>(45,974,955)</u>
		<u>1,241,277</u>	<u>1,265,639</u>

14.1 Suspension against Ijarah rentals receivable

Category of classification	2023			2022		
	Rental receivable	Suspension required	Suspension held	Rental receivable	Suspension required	Suspension held
	Rupees			Rupees		
Loss	45,711,149	45,711,149	45,711,149	45,974,955	45,974,955	45,974,955

	Note	2023 Rupees	2022 Rupees
15. CURRENT PORTION OF NON-CURRENT ASSETS			
Net investment in finance lease	8	194,290,591	245,015,134
Long term musharakah finances	9	51,685,778	49,594,998
Long term loans	10	<u>159,962,384</u>	<u>93,749,747</u>
		<u>405,938,753</u>	<u>388,359,879</u>

	Note	2023 Rupees	2022 Rupees
16. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Unsecured			
Considered good			
Advances			
- against purchases and expenses		1,776,771	1,810,831
- Income tax		13,917,565	9,332,303
Prepayments		28,933	342,061
Other receivables	16.1	9,996,507	9,290,809
		<u>25,719,776</u>	<u>20,776,004</u>
Considered doubtful			
Advances			
- against purchases and expenses		350,000	350,000
Deposit with Privatization Commission	16.2	10,000,000	10,000,000
Other receivables	16.1	169,906,697	178,029,267
		<u>180,256,697</u>	<u>188,379,267</u>
Suspension against doubtful income		(35,759,626)	(35,759,626)
Provision against doubtful balances		(144,497,071)	(152,619,641)
		<u>25,719,776</u>	<u>20,776,004</u>

16.1 Other receivables

Unsecured			
Considered good			
Accrued mark up / interest on saving bank accounts		29,303	37,274
Others		9,967,204	9,253,535
		<u>9,996,507</u>	<u>9,290,809</u>
Considered doubtful			
Accrued mark up / interest on Long term loan - outgoing group		35,759,626	35,759,626
Insurance claims receivable		12,987,760	12,987,760
Net receivable against terminated leases		52,835,072	59,709,072
Outgoing group		32,400,000	32,400,000
Others		35,924,239	37,172,809
		<u>169,906,697</u>	<u>178,029,267</u>
		<u>179,903,204</u>	<u>187,320,076</u>

16.2 This represents amount deposited with the Privatization Commission, Government of Pakistan, on behalf of a consortium for the acquisition of 51% shares of First Women Bank Limited. The Company has 9% share in the consortium. The above balance was provided for in the year 2003, in view of the fact that the arrangement with consortium did not materialize.

	Note	2023 Rupees	2022 Rupees
17. Investment in Treasury Bills			
Investment in treasury bills	17.1	48,292,187	-

17.1 These carry mark-up at the rates ranging from 21.90% to 21.94% per annum, and are due to mature in September, 2023.

	Note	2023 Rupees	2022 Rupees
18. Financial assets at fair value through profit or loss			
Investments at fair value through profit or loss			
Quoted securities	18.1	14,982,056	24,418,400

18.1 Investments at fair value through profit or loss

2023 Number of Shares	2022 Number of Shares	Name of Company	2023 Rupees	2022 Rupees
25,000	25,000	Hub Power Company Limited	1,739,500	1,704,250
-	15,000	D.G Khan Cement Factory Limited	-	937,500
29,000	29,000	MCB Bank Limited	3,319,630	3,566,420
618,750	562,500	The Bank of Punjab	2,147,062	3,048,750
-	30,000	TRG Pakistan Limited	-	2,319,900
20,000	20,000	Bank Al-Habib Limited	864,400	1,161,200
-	5,000	Honda Atlas Cars Pakistan Limited	-	973,650
48,000	48,000	Habib Bank Limited	3,515,040	4,384,320
-	200,000	Pakistan Reinsurance Limited	-	1,750,000
-	20,000	Kot Addo Power Company Limited	-	550,600
202,546	176,127	Askari Bank Limited	2,624,996	3,069,894
10,000	5,000	Netsol Technologies Limited	748,300	498,700
-	27,000	Pakistan Electron Limited	-	429,030
56	56	Engro Corporation Limited	14,553	14,397
145	145	Pakistan Petroleum Limited	8,575	9,789
2,763	2,763	Taj Textile Mills Limited	-	-
956,260	1,165,591		14,982,056	24,418,400

18.2 These investments are valued on the basis of quoted prices in active market for identical instruments (Level 1 hierarchy).

Note	2023 Rupees	2022 Rupees
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19. BANK BALANCES

Balance with banks in local currency:

In current accounts with:

- State Bank of Pakistan	19.1	44,694	44,694
- In PLS accounts with Commercial banks		13,314,657	11,802,381
		13,359,351	11,847,075

19.1 PLS bank accounts carry profit at the rates ranging from 6.50% to 19.93% per annum (2022: 2.80% to 12.25% per annum).

	2023 Rupees	2022 Rupees
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20. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2023 Number of Shares	2022 Number of Shares		2023 Rupees	2022 Rupees
86,742,370	86,742,370	Ordinary shares of Rs. 10 each fully paid in cash	867,423,700	867,423,700
198,124,526	198,124,526	Ordinary shares of Rs. 10 each issued as fully paid under scheme of arrangement for amalgamation	1,981,245,260	1,981,245,260
284,866,896	284,866,896		2,848,668,960	2,848,668,960

	Note	2023 Rupees	2022 Rupees
21. LOAN FROM DIRECTORS	21.1	<u>126,000,000</u>	<u>126,000,000</u>

21.1 These loans are accounted for under Technical Release -32 "Accounting Directors Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016.

These are interest free, subordinated and are repayable at the discretion of the company. These will not be repaid before clearance of overdue deposits and creditors, upgradation of the Company's rating to investment grade and compliance of minimum equity requirements.

	Note	2023 Rupees	2022 Rupees
22. GENERAL RESERVE			
Transferred from statutory reserve	22.1	<u>102,976,444</u>	<u>102,976,444</u>

22.1 It is available for distribution to shareholders.

23. LOAN FROM SPONSOR

Loan from sponsor	23.1	<u>-</u>	<u>16,392,473</u>
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23.1 During the period the balance amount of loan amounting to Rs. 16.39 million has been prepaid which was payable in full in November 2023. Effective markup rate charged during the year is 12.52% (2022: 7.88% to 12.52%) per annum.

	Note	2023 Rupees	2022 Rupees
24. LONG TERM LOAN FROM DIRECTORS			
Unsecured			
Long term loan from directors	24.1	<u>-</u>	<u>65,000,000</u>

24.1 Long term loans from directors were repaid prematurely due to availability of funds with the Company. These were subject to markup at the rate of three month kibar to be reset quarterly. Effective markup rate charged during the year ranges from 15.77% to 22.08% per annum (2022: from 11.98% to 12.63% per annum). These were obtained for the purpose of financing leases / loans / investment / placement.

	Note	2023 Rupees	2022 Rupees
25. SECURITY DEPOSITS FROM LESSEES			
Security deposits under lease contracts	25.1	<u>152,073,366</u>	94,228,400
Less: Current portion	29	<u>(28,454,960)</u>	(25,528,615)
		<u>123,618,406</u>	<u>68,699,785</u>

25.1 These represent security deposits received against finance lease and vehicle finance contracts and are repayable / adjustable on the expiry of lease periods.

	Note	2023 Rupees	2022 Rupees
26. REDEEMABLE CAPITAL			
Secured			
Term finance certificates	25.1 & 25.2	3,565,000	3,565,000
Less: Current portion	28	(3,565,000)	(3,565,000)
		<u>-</u>	<u>-</u>
Restructured			
Term finance certificates	25.3	1,500,000	5,100,000
Less: Current portion	28	(1,500,000)	(3,600,000)
		<u>-</u>	<u>1,500,000</u>

26.1 Term finance certificates (TFCs) were issued by the Company on September 05, 2002. These were subject to markup at 5 year PIB plus 275 bps. Markup was payable semi-annually. These were matured in September 05, 2013. The outstanding amount has not been claimed by the TFC holders despite various reminders.

26.2 As a result of Company's request to the TFC holders for restructuring / settlement of markup during the year, four agreements have been executed with TFC holders. As per terms of the agreement, mark up of Rs. Nil (2022: Rs. 5.73 million) has been waived off.

26.3 This represents the amount repayable in installments as a result of settlement.

	Balance	Number of Installments		Payment Rests	Commencement Date	Ending Date
		Total	Balance			
TFC I	1,500,000	50	5	Monthly	10-Oct-19	10-Nov-23

27. LIABILITY RELATED TO OUTGOING GROUP

Liability related to outgoing group	27.1	19,440,000	22,680,000
Less: Current portion	29	(3,240,000)	(3,240,000)
		<u>16,200,000</u>	<u>19,440,000</u>

27.1 This represents the liability payable to Bank Islami on behalf of outgoing group.

Balance	Number of Installments		Payment Rests	Commencement Date	Ending Date
	Total	Balance			
19,440,000	40	24	Quarterly	27-Sep-19	27-Jun-29

	Note	2023 Rupees	2022 Rupees
28. DEFERRED LIABILITY			
Mark up on long term musharakah		9,747,000	9,747,000
Less: Current portion		(9,747,000)	(9,747,000)
		<u>-</u>	<u>-</u>

28.1 Principal amount has been paid as per terms of agreement. Outstanding markup as at October 07, 2013 amounting to Rs. 9.75 million was deferred and was payable in 08 equal quarterly installments commenced from September 30, 2017 and ended on June 30, 2019. The Company is in a process of negotiation for the waiver of mark up with the lender.

	Note	2023 Rupees	2022 Rupees
29. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Security deposit from lessees	25	28,454,960	25,528,615
Liability related to outgoing group	27	3,240,000	3,240,000
Deferred liability	28	9,747,000	9,747,000
Redeemable capital	26	5,065,000	7,165,000
		<u>46,506,960</u>	<u>45,680,615</u>
30. ACCRUED AND OTHER LIABILITIES			
Accrued expenses		102,646	1,709,848
Auditors' remuneration		1,233,500	1,233,500
Due to joint venture		101,737,824	101,737,824
Other liabilities		32,644,318	43,113,866
		<u>135,718,288</u>	<u>147,795,038</u>
31. PROFIT / MARK UP PAYABLE			
Profit / mark-up payable on:			
- Loan from sponsor		187,364,347	187,094,451
		<u>187,364,347</u>	<u>187,094,451</u>
32. CONTINGENCIES AND COMMITMENT			
32.1 Contingencies			
There are no material contingencies existing as at reporting date.			
32.2 Commitment			
Under financing contracts committed but not executed		21,600,000	49,333,160
33. ADMINISTRATIVE AND OPERATING EXPENSES			
Directors' remuneration		6,523,800	5,679,604
Staff salaries, allowances and other benefits	33.1	11,893,165	8,991,995
Traveling, conveyance and vehicle running expenses		315,744	200,581
Rent ,Rates and taxes		1,434,880	976,151
Utility charges		86,317	50,824
Postage, telephone and telegram		362,704	341,212
Repairs and maintenance		764,135	485,909
Insurance		476,940	138,235
Depreciation	4.1	5,622,549	2,586,871
Amortization	5	252,328	70,111
Fees and subscriptions		2,029,261	1,786,878
Entertainment		240,544	215,367
Printing and stationery		430,319	412,575
Legal and professional charges		2,961,763	3,767,800
Auditors' remuneration	33.2	1,233,500	1,233,500
Advertisement		16,690	47,000
Brokerage and commission		60,000	-
Other		246,521	296,915
		<u>34,951,160</u>	<u>27,281,528</u>

33.1 This includes retirement benefits of Rs.0.72 million (2022: Rs. 0.59 million) in respect of contribution to the employees' provident fund.

	Note	2023 Rupees	2022 Rupees
33.2 Auditors' remuneration			
Annual audit fee		945,000	945,000
Review of half yearly financial information		173,000	173,000
Review of Code of Corporate Governance		52,500	52,500
Other certifications		63,000	63,000
		<u>1,233,500</u>	<u>1,233,500</u>
34. FINANCIAL CHARGES			
Profit / mark up on :			
- Long term loan from sponsor		269,896	3,077,072
- Long term loan from directors		11,762,728	1,852,602
		<u>12,032,624</u>	<u>4,929,674</u>
Bank charges		8,584	9,346
		<u>12,041,208</u>	<u>4,939,020</u>
35. MARK UP WAIVED OFF ON SETTLEMENT OF LOANS:			
Redeemable capital	26.2	-	5,734,636
36. OTHER INCOME			
From non financial assets :			
Gain on disposal of operating assets		1,095,698	-
Balances written back		78,500	767,000
Rental Income		4,534,590	4,233,097
Others		1,934,299	118,038
		<u>7,643,087</u>	<u>5,118,135</u>
37. PROVISION FOR TAXATION			
Current			
For the year		16,303,964	26,776,968
For prior year		(6,830,883)	(507,754)
		<u>9,473,081</u>	<u>26,269,214</u>

37.1 Relationship between tax expense and accounting profit

Provision for current taxation has been made on the basis of alternative corporate tax under section 113C of the Income Tax Ordinance, 2001 therefore reconciliation of tax expense with accounting profit has not been reported.

37.2 Deferred Tax

As at June 30, 2023 net deferred tax asset works out to Rs.574.89 million (2022: Rs. 548.01 million) not recognized due to uncertain future results.

2023

2022

38. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation for the year	Rupees	<u>89,759,962</u>	<u>95,273,511</u>
Weighted average number of ordinary shares	Number	<u>284,866,896</u>	<u>284,866,896</u>
Earnings per share - Basic and Diluted	Rupees	<u>0.315</u>	<u>0.334</u>

38.1 There is no dilutive effect on the basic earning per share of the Company.

39. REMUNERATION TO CHIEF EXECUTIVE AND DIRECTOR

	2023			2022		
	Chief Executive Officer	Director	Total	Chief Executive Officer	Director	Total
	Rupees					
Managerial remuneration	3,600,000	1,800,000	5,400,000	3,000,000	1,800,000	4,800,000
Contribution to provident fund	240,000	-	240,000	200,004	-	200,004
Bonus	125,000	-	125,000	175,000	-	175,000
EOBI	2,650	-	2,650	8,100	-	8,100
Reimbursable expenses	756,150	-	756,150	496,500	-	496,500
	<u>4,723,800</u>	<u>1,800,000</u>	<u>6,523,800</u>	<u>3,879,604</u>	<u>1,800,000</u>	<u>5,679,604</u>
Number of persons	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>2</u>

39.1 The Chief Executive Officer is entitled to free use of Company maintained car and other perquisites. The monetary value of these benefits approximates Rs. 262,697/- (2022: Rs. 190,606/-). Directors have waived off their meeting fee.

40. 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 year and year end balances	2023	2022
			Rupees	Rupees
Mr. Muhammad Zahid	Ex-Major Shareholder 0% (2022 : 18.96%)	Long term loan from sponsor repaid	-	50,000,000
		Mark up / interest on long term loan from sponsor	-	3,077,072
Mr. Muhammad Gasim	Director	Long term loan received	72,000,000	50,000,000
		Mark up / interest on long term loan from director	9,811,949	1,384,110
Mrs. Ayesha Shehryar	Director	Long term loan received	11,000,000	15,000,000
		Mark up / interest on long term loan from director	741,757	468,492
ICIBL Staff P. Fund	Provident fund	Contribution made during the year	724,104	590,185

	2023	2022
41. NUMBER OF EMPLOYEES		
Total number of employees as at June 30,	14	13
Average number of employees during the year	14	13

42. DISCLOSURE WITH REGARD TO PROVIDENT FUND

The following information is based on audited financial statements of the fund as at June 30, 2023.

Size of the fund	(Rupees)	8,551,722	8,389,087
Cost of investments made	(Rupees)	-	5,000,000
Percentage of investments made	(% age)	0%	60%
Fair value of investments	(Rupees)	-	5,034,247

42.1 Breakup of investments

	2023		2022	
	Amount Rupees	% Age	Amount Rupees	% Age
Certificate of Investments	-	0.00%	5,000,000	60.00%

42.2 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder. Before the year-end the investment matured and the proceeds were lying in saving account with the same profit rate as for investment.

43. FINANCIAL RISK MANAGEMENT

43.1 Financial risk factors

The Company's activities expose it to a variety of financial risks, including:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

43.2 Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligation, as arises principally from the Company's receivables from customers and investments. The Company has established procedures to manage credit exposure including credit approvals, credit limits, collateral and guarantee requirements. These procedures incorporate both internal guidelines and requirements of NBFC Rules and Regulations. The Company also manages risk through an independent credit department which evaluates customers' credit worthiness and obtains adequate securities where applicable.

All investing transactions are settled / paid upon delivery. The Company's policy is to enter into financial instrument contract by following internal guidelines such as approving counterparties and approving credits. The credit quality of the Company's bank balances and investments portfolio are assessed with reference to external credit ratings.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligation to be similarly affected by the changes in economic, political and other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. The maximum exposure to credit risk at the reporting date was:

	2023 Rupees	2022 Rupees
Net investment in finance lease	146,810,629	325,492,988
Long term musharakah finances	51,685,778	49,594,998
Long term loans	376,996,613	256,015,992
Deposits	2,330,225	2,330,225
Short term musharakah finances	28,027,984	29,651,443
Short term finances - secured	50,944	6,561,370
Ijarah rentals receivable	1,241,277	1,265,639
Advances and other receivables	9,996,507	9,290,809
Investment in Treasury Bills	48,292,187	-
Bank balances	13,359,351	11,847,075
	678,791,495	692,050,539

43.2.1 Past due balances and impairment losses

The age analysis of financial assets except bank balances and impairment loss recognized thereon were as follows:

	2023		2022	
	Gross	Impairment loss recognised	Gross	Impairment loss recognised
	Rupees			
Past due 91 days - 180 days	-	-	-	-
Past due 181 days to one year	5,070,812	-	5,570,812	-
More than two years	1,176,119,799	914,490,640	1,161,020,760	941,162,955
	1,181,190,611	914,490,640	1,166,591,572	941,162,955
Not past due	552,600,666	-	588,952,528	-
Total	1,733,791,277	914,490,640	1,755,544,100	941,162,955

Impairment is recognized by the Company on the basis of provision requirements of Prudential regulations for NBFCs issued by SECP which includes the subjective evaluation of the portfolio carried by the Company on an ongoing basis. Based on the past experience, consideration of financial position, past track records and recoveries, the Company believes that additional provision against past due balances is not required.

Below are the differences between the balances as per balance sheet and maximum exposure. These differences are due to the fact that these are not exposed to credit risk.

	2023 Rupees	2022 Rupees
Investment accounted for using equity method	132,604,237	129,861,113
Financial assets at fair value through other comprehensive income	18,142,675	24,372,136
Net investments in finance lease	152,073,366	94,228,400
Financial assets at fair value through profit or loss	14,982,056	24,418,400
Advances and other receivables	(2,357,466)	(17,102,604)
	315,444,868	255,777,445

43.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when due. The Company's approach to manage the liquidity risk 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. To guard against the risk, the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents and readily marketable securities. The maturity profile is monitored to ensure adequate liquidity is maintained.

The table below summarises the maturity profile of the Company's financial liabilities. The contractual maturities of financial liabilities at the year end have been determined on the basis of the remaining period at the statement of financial position date to the contractual maturity date. Contractual interest payments are required to be paid on respective contractual maturity at the rates disclosed in respective liabilities notes and are included in this maturity profile (in contractual cash flows).

	2023				
	Carrying amount	Contractual cash flows	Up to three months	Over three months to one year	Over one year
Rupees					
Loan from directors	126,000,000	126,000,000	-	-	126,000,000
Long term loan from directors	-	11,762,728	11,762,728	-	-
Redeemable capital	5,065,000	21,265,000	5,140,000	4,725,000	11,400,000
Liability related to outgoing group	19,440,000	19,440,000	810,000	2,430,000	16,200,000
Deferred mark up on					
long term musharakah	9,747,000	9,747,000	9,747,000	-	-
Loan from sponsor	-	187,364,347	-	-	187,364,347
Accrued and other liabilities	135,718,288	135,718,288	10,513,775	125,204,513	-
Profit / mark up payable	187,364,347	187,364,347	-	-	187,364,347
	483,334,635	698,661,710	37,973,503	132,359,513	528,328,694
2022					
	Carrying amount	Contractual cash flows	Up to three months	Over three months to one year	Over one year
Rupees					
Loan from directors	126,000,000	126,000,000	-	-	126,000,000
Long term loan from directors	65,000,000	66,852,602	66,852,602	-	-
Redeemable capital	8,665,000	21,265,000	5,140,000	4,725,000	11,400,000
Liability related to outgoing group	22,680,000	22,680,000	810,000	2,430,000	19,440,000
Deferred mark up on					
long term musharakah	9,747,000	9,747,000	9,747,000	-	-
Loan from sponsor	16,392,473	203,486,924	-	-	203,486,924
Accrued and other liabilities	147,795,038	147,795,038	9,367,308	138,427,730	-
Profit / mark up payable	187,094,451	187,094,451	-	-	187,094,451
	583,373,962	784,921,015	91,916,910	145,582,730	547,421,375

43.4 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return. The Company is exposed to interest rate risk and equity price risk only.

43.4.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments and the periods in which these will mature are as follows:

2023					
Profit / mark-up bearing			Non- profit/mark-up bearing		
Upto three months	Three months to one year	More than one year	Sub-total	Upto three months	Three months to one year
				More than one year	Subtotal
Total					

Rupees

Financial assets									
Investment accounted for using equity method	-	-	-	-	-	-	-	132,604,237	132,604,237
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	18,142,675	18,142,675
Net investment in finance lease	97,337,546	96,698,920	104,847,529	298,883,995	-	-	-	-	298,883,995
Long term musharakah finances	51,685,778	-	-	51,685,778	-	-	-	-	51,685,778
Long term loans	-	97,617,515	280,163,895	377,781,410	-	-	-	-	376,996,613
Deposits	-	-	-	-	-	-	-	2,330,225	2,330,225
Financial assets at fair value through profit or loss	-	-	-	-	-	-	14,982,056	-	14,982,056
Short term musharakah finances	28,027,984	-	-	28,027,984	-	-	-	-	28,027,984
Short term finances	50,944	-	-	50,944	-	-	-	-	50,944
Ijarah rentals receivables	1,241,277	-	-	1,241,277	-	-	-	-	1,241,277
Treasury Bills	48,292,187	-	-	48,292,187	-	-	-	-	48,292,187
Advances, deposits, prepayments and other receivables	-	-	-	-	-	-	3,675,697	5,070,812	8,746,509
Bank balances	13,314,657	-	-	13,314,657	44,694	-	-	-	13,359,351
	239,950,373	194,316,435	385,011,424	819,278,232	18,702,447	5,070,812	153,077,137	176,850,396	985,343,831

Financial liabilities

Loan from directors	-	-	-	-	-	-	-	126,000,000	126,000,000
Long term loan from directors	-	-	-	-	-	-	-	-	-
Loan from sponsor	-	-	-	-	-	-	-	-	-
Security deposits from lessees	-	-	-	-	5,185,025	10,959,284	72,515,790	88,660,099	152,073,366
Redeemable capital	3,565,000	-	-	3,565,000	900,000	600,000	-	1,500,000	5,065,000
Deferred mark up on long term musharakah	-	-	-	-	9,747,000	-	-	9,747,000	9,747,000
Accrued and other liabilities	-	-	-	-	10,513,775	125,204,513	-	135,718,288	135,718,288
Profit / mark up payable	-	-	-	-	-	-	-	187,364,347	187,364,347
	3,565,000	-	-	3,565,000	26,345,800	136,763,797	385,880,137	548,989,734	615,968,001
On balance sheet gap 2023	236,385,373	194,316,435	385,011,424	815,713,232	(7,643,353)	(1,31,692,985)	(2,32,803,000)	(372,139,338)	379,375,830

	2022								
	Profit / mark-up bearing			Non-profit/mark-up bearing					
	Upto three months	Three months to one year	More than one year	Sub-total	Upto three months	Three months to one year	More than one year	Subtotal	Total
	Rupees								
Financial assets									
Investment accounted for using equity method	-	-	-	-	-	-	129,861,113	129,861,113	129,861,113
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	24,372,136	24,372,136	24,372,136
Net investment in finance lease	116,005,130	128,755,784	174,960,474	419,721,388	-	-	-	-	419,721,388
Long term musharakah finances	49,594,998	-	-	49,594,998	-	-	-	-	49,594,998
Long term loans	-	68,407,848	187,608,144	256,015,992	-	-	-	-	256,015,992
Deposits	-	-	-	-	-	-	2,330,225	2,330,225	2,330,225
Financial assets at fair value through profit or loss	-	-	-	-	24,418,400	-	-	24,418,400	24,418,400
Short term musharakah finances	29,651,443	-	-	29,651,443	-	-	-	-	29,651,443
Short term finances	6,561,370	-	-	6,561,370	-	-	-	-	6,561,370
Ijarah rentals receivables	1,265,639	-	-	1,265,639	-	-	-	-	1,265,639
Advances, deposits, prepayments and other receivables	-	-	-	-	2,208,652	5,570,812	-	7,779,464	7,779,464
Bank balances	11,802,381	-	-	11,802,381	44,694	-	-	44,694	11,847,075
	214,880,961	197,163,632	362,568,618	774,613,211	26,671,746	5,570,812	156,563,474	188,806,032	963,419,242
Financial liabilities									
Loan from directors	-	-	-	-	-	-	126,000,000	126,000,000	126,000,000
Long term loan from directors	-	-	65,000,000	65,000,000	-	-	-	-	65,000,000
Security deposits from lessees	-	-	-	-	5,510,671	11,647,582	77,070,147	94,228,400	94,228,400
Loan from sponsor	-	-	16,392,473	16,392,473	-	-	-	-	16,392,473
Redeemable capital	3,565,000	-	-	3,565,000	1,575,000	4,725,000	11,400,000	17,700,000	21,265,000
Deferred mark up on long term musharakah	-	-	-	-	9,747,000	-	-	9,747,000	9,747,000
Accrued and other liabilities	-	-	-	-	9,367,308	138,427,730	-	147,795,038	147,795,038
Profit / mark up payable	-	-	-	-	-	-	187,094,451	187,094,451	187,094,451
	3,565,000	-	81,392,473	84,957,473	26,199,979	154,800,312	401,564,598	582,564,899	667,522,362
On balance sheet gap 2022	211,315,961	197,163,632	281,176,145	689,655,738	471,767	(149,229,500)	(245,001,124)	(393,758,857)	295,896,881

Fair value sensitivity analysis for fixed rate financial assets instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at reporting date would not affect profit and loss account. At June 30, 2023, financial assets of Rs. 529.97 million (2022: Rs. 595.27 million) .No financial liabilities carried at fixed rate.

Cash flow sensitivity analysis for variable rate financial liabilities instruments

An estimated change of 100 basis points in interest rates at the reporting date would have resulted in the increase / decrease of profit for the year and decrease / increase in equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as performed for 2021.

	Effect on profit / (loss) before tax	Carrying value
	----- Rupees -----	
As at 30 June 2023		
Cash flow sensitivity-variable rate financial liabilities	<u>(35,650)</u>	<u>(3,565,000)</u>
Cash flow sensitivity-variable rate financial assets	<u>719,547</u>	<u>71,954,665</u>
As at 30 June 2022		
Cash flow sensitivity-variable rate financial liabilities	<u>(849,575)</u>	<u>(84,957,473)</u>
Cash flow sensitivity-variable rate financial assets	<u>719,547</u>	<u>71,954,665</u>

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

43.4.2 Equity price risk

Equity price risk is the risk of unfavorable changes in the fair value of the equity securities as a result of changes in the levels of Stock Exchange indexes and the value of individual shares (including the units of mutual funds). The equity price risk exposure arises from the Company's investments in equity securities for which prices in the future are uncertain. The Company's policies to manage price risk through diversification and selection of securities within specified limits set by the internal risk management guidelines and NBFC regulations.

As at June 30, 2023, the fair value of equity securities exposed to price risk was Rs.33.12 million (2022: Rs. 48.79 million).

An increase or decrease of 10% in the fair values of the Company's equity securities, with all other variables held constant, would result in decrease / increase of profit for the year by Rs.1.50 million (2022: Rs. 2.44 million) and equity by Rs.1.81 million (2022: Rs. 2.44 million). This level of change is considered to be reasonably possible based on observation of current market conditions.

43.5 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Consequently, differences may arise between the carrying values and fair values. The carrying values of financial assets and financial liabilities approximate their fair values.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

43.6 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

44. SEGMENT INFORMATION

	2023				2022			
	Investment / financing activities	Leasing activities	Other operations	Total	Investment / financing activities	Leasing activities	Other operations	Total
	Rupees				Rupees			
Information about reportable segment profit or loss, assets and liabilities								
Revenue from external customers	64,623,376	52,586,210	5,943,195	123,152,781	62,138,898	50,370,043	(2,291,970)	110,216,971
Interest (reversal) / expense - net	(6,638,907)	(5,402,301)	-	(12,041,208)	(2,727,830)	(2,211,190)	-	(4,939,020)
Depreciation and amortization	3,239,107	2,635,770	-	5,874,877	1,467,456	1,189,526	-	2,656,982
Provision reversed / (charged) / Impairment of assets	8,227,949	7,201,594	-	15,429,543	25,485,886	7,925,645	(718,000)	32,693,531
Reportable segment profit	69,451,525	57,021,273	5,943,195	132,415,993	86,364,410	57,274,024	(3,009,970)	140,628,464
Reportable segment assets	788,169,987	300,125,272	-	1,088,295,259	636,445,096	420,987,027	-	1,057,432,123
Reportable segment liabilities	(379,692,055)	(152,073,366)	-	(531,765,421)	(490,204,386)	(94,228,400)	-	(584,432,786)
Reconciliation of profit								
Total profit from reportable segments								
(Loss) / profit from other operations								
Unallocated amounts:								
Other administrative and operating expenses								
Mark up waived off on settlement of loans								
Other income								
Profit before tax								
Reconciliation of assets and liabilities								
Assets								
Total assets of reportable segments								
Liabilities								
Total liabilities of reportable segments								

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, appropriation of amounts to capital reserves or / and issue of new shares.

45. DATE OF AUTHORIZATION FOR ISSUE


These financial statements were authorized for issue on 5th October 2023 by the Board of Directors of the Company.

46. GENERAL

46.1 Figures have been rounded off to the nearest Rupee.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Our Network

Registered Office - Karachi

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Karachi.
Tel: 021-35894022
Website: www.icibl.com

Head Office - Lahore

131-A, Zahidjee House, Scotch Corner,
Upper Mall,
Lahore.
Tel: 042-35777285 & 86

Peshawar

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

Gujranwala

Al-Karam Center, Near Muhammad Asad Contractors,
Link Road, Wapda Town,
Gujranwala.
Tel: 055-3730300 & 0301-8651056

Proxy Form

I, _____ S/o, W/o, D/o

a member of **Invest Capital Investment Bank Limited** and holder of _____ shares as per Registered Folio

No. _____ and / or CDC participant I.D. No. _____ and Sub Account

No. _____ do hereby appoint _____

of _____ (full address) or failing

him/her _____

of _____

(full address) as my/our proxy to attend, act and vote for me/us and on my/our behalf at the Annual General Meeting of the Shareholders to be held at 02.30 p.m. on Friday, October 27, 2023 and at any adjournment thereof.

Signed this _____ day of _____ 2023.

Signature and or Seal of Member _____

Please affix
Rs.5/-
Revenue
Stamp

In the presence of

Signature : _____

Signature : _____

Name : _____

Name : _____

Address : _____

Address : _____

CNIC No: _____

CNIC No: _____

Notes:

1. A member entitled to attend and vote at the above meeting may appoint any other person as his/her proxy. The instrument appointing a proxy should be signed by the member or his/her attorney dully authorized in writing. If a member is a corporation, either its common seal be affixed to the proxy form or the Board of Director's resolution /power of attorney along with specimen signature of the nominee shall be submitted with the proxy form. The proxy shall have a right to attend, speak and vote in place of the member.
2. Proxies in order to be effective must be received at the office of Share Registrar of the Company, M/s CorpTec Associates (Private) Limited, 503-E, Johar Town, LAHORE at least 48 hours before the meeting and must be dully stamped, signed and witnessed.
3. A proxy need not be a Member of the Company.
4. Beneficial owner of the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Card (CNIC) or original passport, Account, Sub-Account number and Participant's number in Central Depository System for identification purpose at the time of attending the meeting. The form of proxy must be submitted with the company with in stipulated time, duly witnessed by two persons whose name, address and NIC number must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy.
5. In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature of the nominee shall be submitted along with proxy form to the company.



پراکسی فارم

انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ

فلیم نمبر 2، منرسٹ فلور، پلاٹ نمبر C-38، 22 کمرشل اسٹریٹ، فیزا ۱۱ ایکسٹینشن، ڈی ایچ اے، کراچی

مسی ولد/بنت / زوجہ _____ انویسٹ کیپیٹل انویسٹمنٹ

بینک لمیٹڈ کا/کی ممبر ہوں اور _____ شیئر کا/کی مالک ہوں بمطابق رجسٹرڈ فولیو نمبر _____ اور / یا سی ڈی سی

پارٹیسپنٹ نمبر (شراکت داری شناختی نمبر) _____ اور سب اکاؤنٹ نمبر _____

میں جناب / جناب _____ ساکن (مکمل پتہ) _____

متبادل طور پر جناب / جناب _____ ساکن (مکمل پتہ) _____

کو بطور پراکسی مقرر کرتا / کرتی ہوں جو کہ میری / ہماری جگہ 27 اکتوبر 2023 بروز جمعہ 02:30 بجے دوپہر یا بصورت التوائی مقرر کردہ

تاریخ پر حصص یافتگان کے سالانہ جنرل اجلاس میں شرکت کرے، حصے اور ووٹ کا سٹ کرے۔

دستخط کئے گئے مورخہ _____ 2023

برائے مہربانی 5 روپے
والی ٹکٹ لگائیں

ممبر کے دستخط اور مہر

گواہ

گواہ

دستخط _____

دستخط _____

نام _____

نام _____

پتہ _____

پتہ _____

شناختی کارڈ _____

شناختی کارڈ _____

نوٹ:

1- ایک ممبر جو کہ مذکورہ اجلاس میں شرکت کرنے اور ووٹ ڈالنے کا اہل ہے وہ کسی بھی دوسرے شخص کو اپنا / اپنی پراکسی مقرر کر سکتا / سکتی ہے۔ پراکسی مقرر کرنے کی دستاویز ممبر یا اسکے وکیل کی طرف سے دونوں اطراف سے دستخط شدہ تحریری اجازت ہو۔ اگر رکن کارپوریشن ہے، تو وہ اپنی عام مہر پراکسی فارم پر لگائے یا نامزد مفرد کے نمونہ دستخطوں کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد یا مختار عام پراکسی فارم کے ساتھ پیش کرے۔ پراکسی کو (اجلاس میں) شرکت کرنے، تقریر کرنے اور رکن کی جگہ ووٹ ڈالنے کا حق حاصل ہوگا۔

2- پراکسیاں تا آنکہ موثر ہو سکیں کمپنی کے شیئر رجسٹرار کے دفتر میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ 503 ای جوہر ٹاؤن لاہور میں اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل لازم وصول ہو جانی چاہئیں اور یہ گواہان کی موجودگی میں دو طرفہ مہر ثبت، دستخط شدہ ہوں۔

3- پراکسی کے لئے ضروری نہیں کہ وہ کمپنی کا ممبر ہو۔

4- سنٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ (سی ڈی سی) کے رجسٹرڈ شیئرز کے بینیفٹل اونر اور انکی پراکسیوں کیلئے ضروری ہے کہ وہ اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ شناختی کارڈ یا اصل پاسپورٹ، اکاؤنٹ، ذیلی اکاؤنٹ نمبر اور شناختی مقصد کیلئے سنٹرل ڈیپازٹری سسٹم کا پارٹیسپنٹ نمبر مہیا کریں۔ پراکسی فارم کمپنی میں مقرر وقت میں جمع کرانا ضروری ہے، دو مفرد کی گواہی کیساتھ جن کے نام، ایڈریس اور شناختی کارڈ نمبر فارم میں ضروری لکھے ہوئے ہوں، ہمراہ بینیفٹل اونر اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول کے۔

5- کمپنی کی صورت میں بورڈ آف ڈائریکٹرز کارپوریشن یا پاور آف اٹارنی بمع نامزد مفرد کے دستخط کے پراکسی فارم کے ساتھ منسلک کریں۔

Vision Statement

To build a world-class investment banking franchise through the creation of an organization based on trust, integrity and decision making process driven by client's best interest

Mission Statement

To provide our customers financial solutions while preserving wealth, ensuring quality service, efficient pricing and absolute transparency.

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