



INVEST CAPITAL INVESTMENT BANK LIMITED

**QUARTERLY
REPORT
SEPTEMBER** | **2023**

Contents

Director's Report	01
Director's Report - Urdu	02-03
Condensed Interim Statement of Financial Position	04 - 05
Condensed Interim Statement of Profit or Loss	06
Condensed Interim Statement of Comprehensive Income	07
Condensed Interim Statement of Cash Flows	08 - 09
Condensed Interim Statement of Changes in Equity	10
Notes to the Condensed Interim Financial Statements	11 - 15
Company Information	16

Directors' Report

The Board of Directors of Invest Capital Investment Bank Limited (the "Company"), is pleased to present the un-audited financial statements for the first quarter of the financial year 2023-24 ended September 30, 2023.

The Review

During the period under review, the Company earned a net profit of Rupees 25.11 million as compared to a net profit of Rupees 14.38 million for the quarter ended September 2022. The earnings per share worked out to Rupees 0.088 (September 2022 Rupees 0.050). The gross revenue including other income for the period amounted to Rupees 34.72 million as compared to Rupees 27.56 million for corresponding period of the last year. The increase is basically due to increase in dividend income and unrealized gain on investments during the quarter. The administrative and operating expenses amounted to Rupees 8.98 million as against Rupees 7.97 million of the comparable period. The financial charges reduced to just bank charges only as no borrowings were outstanding during the quarter.

The total assets of the Company increased by Rupees 36.88 million due to disbursements against financing business and investment in profitable securities. The total amount stood at Rupees 1,125.17 million as at 30th September 2023 as compared to Rupees 1,088.89 million as at June 30, 2023. Similarly the total liabilities of the Company figured at Rupees 542.77 million as against Rupees 531.76 million of 30th June 2023.

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

	----- Rupees in million -----	
	September 30, 2023	September 30, 2022
Gross Revenue	33.54	24.96
Other Income	1.19	2.60
Administration & Operating expenses	(8.98)	(7.97)
Financial charges (net of reversals)	(0.00)	(4.53)
Provision reversal / (Charge)	0.86	0.32
Profit / (loss) for the period before taxation	26.61	15.38
Taxation – net	(1.50)	(1.00)
Profit/ (loss) for the period after taxation	25.11	14.38
Earnings per Share	0.088	0.050

The management of your company remained focused to increase the revenue of the company and during the period under review the company disbursed Rs. 40.32 million in new financing business (leases and loans) whereas an amount of Rs. 50.84 million was invested in Treasury Bills. The new financing business (leases and loans) undertaken by the company has negligible infection level due to effective risk management and prudent monitoring, the recovery is almost 100% of the billed amount. The investment in Treasury Bills is safe and gives a good return of about 22% per annum.

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

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

Acknowledgments

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

For and on behalf of the Board



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson

Lahore
October 25, 2023

ڈائریکٹرز کا حبانہ

ہم 30 ستمبر 2023 کو ختم ہونے والے مالی سال 2023-24 کی پوسلٹی سہ ماہی کے غیر آڈٹ شدہ گوشوارے انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ (کسپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ممبران کو پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

حبانہ

زیر حبانہ مدت کے دوران، کسپنی نے ستمبر 2022 کو ختم ہونے والی سہ ماہی کے لیے 14.38 ملین روپے کے حنا ص منافع کے متابلے میں 25.11 ملین روپے کا حنا ص منافع کمایا۔ فی حصص آمدنی 0.088 روپے (ستمبر 2022 روپے 0.050) تاکہ پہنچ گئی۔ مجموعی آمدنی بشمول دیگر آمدنی گزشتہ سال کی اسی مدت کے 27.56 ملین روپے کے متابلے میں 34.72 ملین روپے رہی۔ اضافہ بنیادی طور پر سہ ماہی کے دوران ڈیویڈنڈ آمدنی میں اضافے اور سرمایہ کاری پر غیر حاصل شدہ آمدنی کی وجہ سے ہوا ہے۔ تقابلی مدت کے 7.97 ملین روپے کے متابلے میں انتظامی اور آپریٹنگ اخراجات 8.98 ملین روپے رہے۔ مالیاتی اخراجات صرف بینک چارجز تک محدود رہے کیونکہ سہ ماہی کے دوران کوئی فٹنڈ نہ نہیں تھ۔

کسپنی کے کل اثاثوں میں 36.88 ملین روپے کا اضافہ ہوا ہے جس کی وجہ سے کاروبار اور منافع بخش سیکورٹیز میں سرمایہ کاری ہے۔ 30 ستمبر 2023 تک کل رستم 1,125.17 ملین روپے رہی جو کہ 30 جون 2023 کو 1,088.89 ملین روپے تھی۔ اسی طرح کسپنی کے کل واجبات 542.77 ملین روپے رہے جبکہ 30 جون 2023 کو یہ رستم 531.76 ملین روپے تھی۔

کسپنی کے موجودہ اور گزشتہ نفع اور نقصان کا تقابلی حبانہ درج ذیل ہے:

----- روپے ملین میں -----

30 ستمبر		
2022	2023	
24.96	33.54	کل مالگداری (Revenues)
2.60	1.19	دیگر آمدنی
(7.97)	(8.98)	انتظامی اور آپریٹنگ اخراجات
(4.53)	(0.00)	مالی اخراجات (حنا ص)
0.32	0.86	پرویزن کی واپسی (خسرچہ)
15.38	26.61	نفع/نقصان قبیل از محمول
(1.00)	(1.50)	محصول - حنا ص
14.38	25.11	نفع/نقصان بعد از محصول
0.050	0.088	آمدنی فی حصص

آپ کی کمپنی کی انتظامیہ کمپنی کی آمدنی میں اضافہ کرنے پر مسرکوز رہی اور زیر حبانہ مدت کے دوران کمپنی نے نئے فنڈنگ بزنس (لیز اور لون) میں 40.32 ملین روپے کی اور ٹریڈری بلز میں 50.84 ملین روپے کی سرمایہ کاری کی۔ کمپنی کی طرف سے شروع کیے گئے نئے فنڈنگ بزنس (لیز اور لون) میں مؤثر رسک مینجمنٹ اور محتاط نگرانی کی وجہ سے انٹیکشن کی سطح نہ ہونے کے برابر ہے، ریکوری بل کی گئی رقم کا تقریباً 100% ہے۔ ٹریڈری بلز میں سرمایہ کاری محفوظ ہے اور تقریباً 22% سالانہ کی اچھی آمدن دیتی ہے۔

سب سے اہم شعبہ لیز اور قرضوں کے نان پرفارمنگ پورٹ فولیو سے ریکوری ہے۔ انتظامیہ اس پورٹ فولیو سے ریکوری کو بہتر بنانے کے لیے مستقبل میں بھی اپنی کوششیں، توانائی، تجربے اور مہارتوں کو جاری رکھنے کے لیے پرعزم ہے۔

موجودہ سیاسی تعطل، سہانے چین میں حائل، مہنگائی میں اضافہ اور عالمی اقتصادی گراؤ سے کاروبار متاثر ہو سکتے ہیں، نتیجتاً غیر فعال قرضوں میں اضافہ ہو سکتا ہے۔ تاہم، آپ کی کمپنی کی انتظامیہ نے کمپنی کے مفاد کی حفاظت کے لیے مناسب اقدامات کیے ہیں۔ آپ کی کمپنی کی انتظامیہ کو یقین ہے کہ آنے والے ادوار میں کمپنی کی آمدن میں بہتری آئے گی۔

اظہارِ شکر

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

مخائب ورائے بورڈ آف ڈائریکٹرز

عائشہ شہریار
چیئر پرسن

محمد آصف
چیئف ایگزیکٹو آفیسر

لاہور

25 اکتوبر 2023

Condensed Interim Statement of Financial Position (Un-audited)

As at September 30, 2023

	Note	Un-audited September 2023 Rupees	Audited June 2023 Rupees
ASSETS			
Non-current assets			
Property and equipment	3	73,891,852	75,171,895
Intangible assets		730,551	806,266
Investment accounted for using equity method		132,604,237	132,604,237
Financial assets at fair value through other comprehensive income		18,902,468	18,142,675
Net investment in finance lease	4	84,218,829	104,593,404
Long term musharakah finances	5	-	-
Long term loans	6	209,840,983	217,034,229
Long term security deposits	7	2,330,225	2,330,225
		522,519,145	550,682,931
Current assets			
Short term musharakah finances	8	28,027,984	28,027,984
Short term finances	9	67,371	50,944
Ijarah rentals receivables	10	1,241,277	1,241,277
Current portion of non-current assets	11	418,835,977	405,938,753
Advances, deposits, prepayments and other receivables		30,412,068	25,719,776
Investment in Treasury Bills		94,519,425	48,292,187
Financial assets at fair value through profit or loss		13,152,496	14,982,056
Bank balances		16,394,302	13,359,351
		602,650,900	537,612,328
TOTAL ASSETS		1,125,170,045	1,088,295,259

	Note	Un-audited September 2023 Rupees	Audited June 2023 Rupees
EQUITY EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 485,000,000 ordinary shares of Rs. 10 each		<u>4,850,000,000</u>	<u>4,850,000,000</u>
Issued, subscribed and paid-up capital		<u>2,848,668,960</u>	2,848,668,960
Loan from directors		<u>126,000,000</u>	126,000,000
Capital reserves			
Capital reserve on amalgamation		<u>(2,022,075,992)</u>	(2,022,075,992)
Revenue reserves			
General reserve		<u>102,976,444</u>	102,976,444
Accumulated loss		<u>(484,280,631)</u>	(509,391,449)
Fair value reserve		<u>11,111,668</u>	10,351,875
		<u>582,400,449</u>	556,529,838
Non-current liabilities			
Security deposits from lessees		<u>133,511,571</u>	123,618,406
Liability related to outgoing group		<u>15,390,000</u>	16,200,000
		<u>148,901,571</u>	139,818,406
Current liabilities			
Accrued and other liabilities		<u>138,733,112</u>	135,718,288
Profit / mark up payable		<u>187,364,347</u>	187,364,347
Unclaimed dividend		<u>6,053,456</u>	6,053,456
Current portion of non-current liabilities	12	<u>43,913,145</u>	46,506,960
Provision for taxation - income tax		<u>17,803,964</u>	16,303,964
		<u>393,868,024</u>	391,947,015
TOTAL EQUITY AND LIABILITIES		<u>1,125,170,045</u>	<u>1,088,295,259</u>
CONTINGENCIES AND COMMITMENT			
		-	-



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

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

For the Quarter Ended September 30, 2023

	Un-audited September 2023 Rupees	Un-audited September 2022 Rupees
Income		
Income from leasing operations	7,142,402	9,144,097
Profit on musharakah investments	11,218	1,299,868
Markup on vehicle finance	15,181,272	10,628,755
Income from finances	1,027,755	2,862,724
Income on deposits with banks	646,451	957,357
Income from investment in treasury bills	4,097,612	-
Dividend income	2,278,100	258,000
Net gain on sale of marketable securities	1,267,931	1,183,961
Unrealized gain / (loss) on financial assets at fair value - net	1,884,670	(1,371,250)
	33,537,411	24,963,512
Expenses		
Administrative and operating expenses	(8,975,076)	(7,975,541)
Financial charges	(1,160)	(4,530,587)
	(8,976,236)	(12,506,128)
Other income	24,561,175	12,457,384
	1,185,519	2,604,763
	25,746,694	15,062,147
Provision reversed / (charged) on non-performing loans and write-offs		
Reversal / (provision) against:		
Finance lease receivable and rentals - net	864,124	30,007
Long term / short term musharakah finances	-	291,917
	864,124	321,924
Profit before taxation	26,610,818	15,384,071
Provision for taxation	(1,500,000)	(1,000,000)
Profit for the quarter	25,110,818	14,384,071
Earnings per share - Basic and Diluted	0.088	0.050

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended September 30, 2023

	Un-audited September 2023 Rupees	Un-audited September 2022 Rupees
Profit / (Loss) for the quarter	25,110,818	14,384,071
Other comprehensive (loss)		
Items that may not be reclassified to profit or loss		
Changes in the fair value of equity investments at fair value through other comprehensive income	759,793	(1,704,286)
Total comprehensive Income / (loss) for the quarter	<u>25,870,611</u>	<u>12,679,785</u>

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the Quarter Ended September 30, 2023

	Un-audited September 2023 Rupees	Un-audited September 2022 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,610,818	15,384,071
Adjustments for non cash charges and other items:		
Depreciation of property, plant and equipment	1,280,044	1,188,100
Amortization of intangible assets	75,714	14,145
(Reversal) / provision against:		
Finance lease receivable and rentals - net	(864,124)	(30,007)
Long term / short term musharakah finances	-	(291,917)
(Gain) on disposal of operating assets	-	(1,095,698)
Unrealised loss on financial assets at fair value	(1,884,670)	1,371,250
Dividend Income	(2,278,100)	(258,000)
Financial charges	1,160	4,530,587
	(3,669,976)	5,428,460
Cash flow from operating activities before working capital changes	22,940,842	20,812,531
Changes in working capital		
Decrease / (Increase) in current assets		
Short term musharakah finances	-	3,960,000
Short term finances	(16,427)	180,122
Advances, deposits, prepayments and other receivables	(245,197)	37,066,745
	(261,624)	41,206,867
Increase in current liabilities		
Accrued and other liabilities	1,514,823	11,985,082
Cash generated from operations	24,194,041	74,004,480
Financial charges paid	(1,160)	(2,214,667)
Income tax paid	(2,947,095)	(4,768,174)
Net cash generated from operations	21,245,786	67,021,639

	Un-audited September 2023 Rupees	Un-audited September 2022 Rupees
b) CASH FLOWS FROM INVESTING ACTIVITIES		
(Additions) / deletion in:		
Property and equipment	-	(207,000)
Recovery of / (investment in) :		
Net investment in finance lease	20,465,332	(33,506,148)
Long term musharakah finances	1,488,778	59,095
Long term loans	1,779,961	(68,654,869)
Financial assets at fair value through profit or loss	3,714,230	(4,638,706)
Proceeds from disposal of operating assets	-	1,200,000
Investment in treasury bills	(46,227,237)	-
Dividend Received	2,278,100	258,000
Net cash (used in) investing activities	(16,500,836)	(105,489,628)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from / (Repayment of) :		
Long term loan from sponsors	-	(16,392,473)
Redeemable capital	(900,000)	(1,040,000)
Long Term Loan from Directors	-	66,000,000
Liability related to outgoing group	(810,000)	(810,000)
Net cash (used in) financing activities	(1,710,000)	47,757,527
Net (decrease) / Increase in cash and cash equivalents (a+b+c)	3,034,950	9,289,538
Cash and cash equivalents at the beginning of the year	13,359,351	11,847,075
Cash and cash equivalents at the end of the quarter	<u>16,394,302</u>	<u>21,136,614</u>

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

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

For the Quarter Ended September 30, 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		
Fluoss							
Balance as at July 01, 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 period	-	-	-	-	14,384,071	-	14,384,071
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	(1,704,286)	(1,704,286)
	-	-	-	-	14,384,071	(1,704,286)	12,679,785
Balance as at September 30, 2022	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(584,767,340)	14,877,050	485,679,122
Balance as at July 01, 2023	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(509,391,449)	10,351,875	556,529,838
Total comprehensive income for the year							
Profit for the period	-	-	-	-	25,110,818	-	25,110,818
Other comprehensive income							
Items that may not be reclassified to profit or loss							
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	759,793	759,793
	-	-	-	-	25,110,818	759,793	25,870,611
Balance as at September 30, 2023	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(484,280,631)	11,111,668	582,400,449

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



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

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

For the Quarter Ended September 30, 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, First Floor, Plot No. 38-C, 22nd Commercial Street, Phase II Ext., DHA, Karachi in the province of Sindh. The branches of the company are located at Lahore, Peshawar and Gujranwala.

1.2 In 2009, the Company entered in a scheme of arrangement for the amalgamation by way of merger of Al-Zamin Leasing Corporation Limited (AZLCL) and Al-Zamin Leasing Modaraba (AZLM) with and into Invest Capital Investment Bank Limited. All the assets, liabilities and reserves of AZLCL and AZLM were vested with and assumed by the Company. The Honorable High Court of Sindh approved the amalgamation by way of merger through order dated December 08, 2009 effective from June 30, 2009 (close of business).

1.3 The Company suffered financial and operational difficulties from 2009 to 2011 which created material uncertainty related to events and conditions which had cast significant doubt about the Company's ability to continue as a going concern.

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

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

2.4 Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as

applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

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

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

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the financial statements are the same as disclosed in the published audited financial statements for the year ended 30th June 2023.

	Un-audited Note September, 2023 Rupees	Audited June 2023 Rupees
3. PROPERTY AND EQUIPMENT		
Operating assets	73,891,852	75,171,895
3.1 Operating assets		
Book value at beginning of the period / year	75,171,895	63,343,746
Additions during the period / year	-	17,555,000
Disposals during the period / year	-	(104,302)
Depreciation charged during the period / year	(1,280,044)	(5,622,549)
	73,891,852	75,171,895
4. NET INVESTMENT IN FINANCE LEASE		
Contracts accounted for as finance lease under IFRS 16 4.1	274,577,137	298,883,995
Less : Current portion	(190,358,308)	(194,290,591)
	84,218,829	104,593,404

4.1 Net investment in finance lease

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

	Un-audited September 2023			Audited June 2023		
	Due within one year	Due after one year but within five years	Total	Due within one year	Due after one year but within five years	Total
	Rupees			Rupees		
Minimum lease payments receivable	711,472,571	43,027,774	754,500,345	722,228,647	51,004,532	773,233,179
Residual value of leased assets	35,908,735	47,888,250	83,796,985	28,454,930	80,047,875	88,502,805
Lease contracts receivable	747,381,306	90,916,024	838,297,330	750,683,607	111,052,207	861,735,814
Unearned lease income	(15,935,473)	(6,697,195)	(22,632,668)	(14,352,955)	(6,458,803)	(20,811,758)
Income suspended	(129,399,857)	-	(129,399,857)	(129,488,269)	-	(129,488,269)
Provision for potential lease losses	(411,687,668)	-	(411,687,668)	(412,551,792)	-	(412,551,792)
	(557,022,998)	(6,697,195)	(563,720,193)	(556,393,016)	(6,458,803)	(562,851,819)
	190,358,308	84,218,829	274,577,137	194,290,591	104,593,404	298,883,995

4.1.1 These finances carry profit rates ranging from 13.38% to 26.55 % per annum (June 2023: 13.38% to 25.06% per annum). These agreements usually are for three to five years period and are generally secured against leased assets, personal / corporate guarantees and promissory notes given by the lessees and other collaterals.

4.1.2 The above net investment in finance lease includes non-performing lease portfolio of Rs. 464.71 million (June 2023: Rs. 488.18 million). Detail of non performing leases is as follows:

Category of classification	Un-Audited September 2023			Audited June 2023		
	Principal outstanding	Provision required	Provision held	Principal outstanding	Provision required	Provision held
	Rupees			Rupees		
QAEM	1,063,739	-	-	-	-	-
Doubtful	4,765,277	-	-	-	-	-
Loss	458,873,871	411,687,688	411,687,688	488,180,731	412,551,792	412,551,792
	<u>464,702,887</u>	<u>411,687,688</u>	<u>411,687,688</u>	<u>488,180,731</u>	<u>412,551,792</u>	<u>412,551,792</u>

	Note	Un-audited September, 2023 Rupees	Audited June 2023 Rupees
5. LONG TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful		18,949,098	20,557,876
Companies (non-financial institutions)		43,223,923	43,103,923
Individuals		62,173,021	63,661,799
		<u>(11,976,021)</u>	<u>(11,976,021)</u>
Provision against doubtful balances		50,197,000	51,685,778
Less: Current portion		<u>(50,197,000)</u>	<u>(51,685,778)</u>
		-	-

- 5.1 These represent investments under musharakah basis for working capital and project financing. These are secured against mortgage of properties, demand promissory notes and personal guarantee of their sponsor directors. Profit rates ranges from 16.00% to 30.00% per annum (June 2023: 16.00% to 30.00% per annum). These were receivable in monthly / quarterly / semi-annual instalments and in lump sum on maturity.

	Note	Un-audited September, 2023 Rupees	Audited June 2023 Rupees
6. LONG TERM LOANS			
Secured			
Considered good			
Customers	6.1	7,391,775	8,339,836
Vehicle Finance		342,764,269	328,747,702
Considered doubtful			
Customers	6.1	41,398,860	43,342,327
Outgoing group	6.2	71,954,665	71,954,665
Ex-employee		528,523	528,523
		<u>113,882,048</u>	<u>115,825,515</u>
Provision against doubtful balances		<u>(75,916,440)</u>	<u>(75,916,440)</u>
		<u>37,965,608</u>	<u>39,909,075</u>
Less: Current portion		<u>388,121,652</u>	<u>376,996,613</u>
		<u>(178,280,669)</u>	<u>(159,962,384)</u>
		<u>209,840,983</u>	<u>256,943,304</u>

- 6.1 These carry mark-up at the rate ranging from 11.18% to 30.00% per annum (June 2023: 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.

- 6.2 Rs. 24.58 million was receivable in 08 unequal quarterly instalments 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.

7. LONG TERM SECURITY DEPOSITS	7.1	<u>2,330,225</u>	<u>2,330,225</u>
---------------------------------------	-----	------------------	------------------

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

	Note	Un-audited September, 2023 Rupees	Audited June 2023 Rupees
8. SHORT TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful		76,721,186	76,721,186
Provision against doubtful balances		(48,693,202)	(48,693,202)
		<u>28,027,984</u>	<u>28,027,984</u>

- 8.1** These represent finances disbursed to different companies for working capital purposes for the periods ranging between 92 to 365 days and are secured against mortgaged properties, demand promissory notes and personal guarantee of their sponsor directors. These carry profit at the rates ranging from 10.00% to 34.69% per annum (June 2023 : 10.00% to 34.69% per annum).

	Note	Un-audited September, 2023 Rupees	Audited June 2023 Rupees
9. SHORT TERM FINANCES			
Secured			
Considered good		67,371	50,944
Considered doubtful		8,132,867	8,132,867
Provision against doubtful balances		(8,132,867)	(8,132,867)
		<u>67,371</u>	<u>50,944</u>
	9.1	<u>67,371</u>	<u>50,944</u>

- 9.1** These are secured against registered charge over assets of the customers, pledge / hypothecation of stocks and collateral in certain cases. These carry mark-up at the rates ranging from 15.29% to 35.00% per annum (June 2023 : 15.29% to 35.00% per annum).

10. IJARAH RENTALS RECEIVABLE

Ijarah rentals receivable - Due within one year		46,952,426	46,952,426
Less : Provision against Ijarah rentals receivable		(45,711,149)	(45,711,149)
		<u>1,241,277</u>	<u>1,241,277</u>

10.1 Provision against Ijarah rentals receivable

Category of classification	Un-audited September 2023			Audited June 2023		
	Rental receivable	Suspension required	Suspension held	Rental receivable	Suspension required	Suspension held
Loss	45,711,149	45,711,149	45,711,149	45,711,149	45,711,149	45,711,149

	Note	Un-audited September, 2023 Rupees	Audited June 2023 Rupees
11. CURRENT PORTION OF NON-CURRENT ASSETS			
Net investment in finance lease	4	190,358,308	194,290,591
Long term musharakah finances	5	50,197,000	51,685,778
Long term loans	6	178,280,669	159,962,384
		<u>418,835,977</u>	<u>405,938,753</u>

12. CURRENT PORTION OF NON-CURRENT LIABILITIES

Security deposit from lessees		26,761,145	28,454,960
Liability related to outgoing group		3,240,000	3,240,000
Deferred liability		9,747,000	9,747,000
Redeemable capital		4,165,000	5,065,000
		<u>43,913,145</u>	<u>46,506,960</u>

13. RELATED PARTY TRANSACTIONS

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

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

Name of the related party	Relationship and percentage shareholding	Transaction during the period and period end balances	Sep-23	Sep-22
			Rupees	Rupees
Key Management	Employees	Amount paid during the quarter	3,625,444	2,894,400
Invest Capital Investment Bank Ltd Staff P. Fund	Provident fund	Contribution made during the quarter	226,959	173,526

14. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 25, 2023 by the Board of Directors of the Company.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Company Information

Board of Directors

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

Audit Committee

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

Human Resource Committee

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

Company Secretary

Mr. M. Naim Ashraf

Auditors

RSM Avais Hyder Liaquat Nauman
Chartered Accountants

Legal Advisors

Ahmad & Gazi

National Tax Number

0656427-5

Share Registrar

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

Bankers

Habib Metropolitan Bank Limited
Meezan Bank Limited
JS Bank Limited

Registered Office

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

Head Office

131-A, Zahidjee House,
Scotch Corner, Upper Mall,
Lahore.
Tel: 042-3577285-86

Peshawar Office

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

Gujranwala Office








Al-Karam Center, Link Road,
WAPDA Town, Gujranwala.
Tel: 055-3730300










Be aware, Be alert, Be safe

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device
-  Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices



INVEST CAPITAL INVESTMENT BANK LIMITED

Registered Office:

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

Head Office:

131-A, Zahidjee House,
Scotch Corner, Upper Mall,
Lahore.
Tel: 042-3577285-86