



**GRAYS LEASING LIMITED**  
Condensed Interim Financial Statements  
31 March 2024 (Un-Audited)

## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	Mr. Khawar Anwar Khawaja Mr. Muhammad Tahir Butt Mr. Khurram Anwar Khawaja Mr. Muhammad Ashraf Butt Mr. Omer Khawar Khawaja Mr. Muhammad Arshad Mrs. Nuzhat Khawar Khawaja	Chairman Chief Executive
<b>AUDIT COMMITTEE</b>	Mr. Muhammad Arshad Mr. Khurram Anwar Khawaja Mr. Omer Khawar Khawaja	
<b>AUDITORS</b>	Riaz Ahmad & Company Chartered Accountants 10-B Saint Mary Park Main Boulevard, Gulberg III, Lahore 54660, Pakistan Phones: 92 (042) 35718137-9 E-mail: racolhr@racopk.com	
<b>COMPANY SECRETARY</b>	Muhammad Adil Munir	
<b>CHIEF FINANCIAL OFFICER</b>	Muhammad Faisal Azam	
<b>HEAD OF INTERNAL AUDIT</b>	Saeed Ahmad Shaheen	
<b>HUMAN RESOURCE AND REMUNERATION COMMITTEE</b>	Mr. Omer Khawar Khawaja Mr. Muhammad Tahir Butt Mr. Khurram Anwar Khawaja	Chairman
<b>LEGAL ADVISOR</b>	Lexicon Law Firm	
<b>REGISTERED AND HEAD OFFICE</b>	701-A, 7th Floor, City Towers 6-K, Main Boulevard, Gulberg - II, Lahore Tel: (042) 35770381 - 2 Fax: (042) 35770389 E-mail: <a href="mailto:info@graysleasing.com">info@graysleasing.com</a> Website: <a href="http://www.graysleasing.com">www.graysleasing.com</a>	
<b>BANKERS</b>	Meezan Bank Limited The Bank of Punjab Askari Bank Limited National Bank of Pakistan Habib Bank Limited State Bank of Pakistan Bank Al-Habib Limited	
<b>SHARE REGISTRAR</b>	CorpTec Associates (Pvt) Ltd. 503-E, Johar Town, Lahore.	

**DIRECTORS' REPORT**

We are pleased to present the condensed interim financial information for the period ended 31 March 2024, together with report of the Board of Directors of the company.

During the period ended 31 March 2024, the company transacted business worth Rupees 59.207 million as compared to Rupees 25.114 million on 31 March 2023. During the period ended 31 March 2024, the company earned a profit before and after tax of Rupees 9.444 million and Rupees 5.869 million respectively as compared to profit before and after tax of Rupees 8.458 million and Rupees 6.946 million during the corresponding period of 2023. Net investment stands at Rupees 410.804 million as on 31 March 2024 as compared to Rupees 424.510 million as on June 30, 2023. During the period ended 31 March 2024, there is reversal in provision of Rupees 0.143 million against potential lease losses and written off against allowance for potential lease losses is Rupees 20.142 million, resultantly the equity of the company comes to Rupees 68.971 million.

In our country despite of high KIBOR rate and increase in value of vehicles still there is a huge demand of financing in SME sector which is still undiscovered, but the leasing sector is unable to cater the needs of the potential customers due to non-availability of the funds from commercial banks. However, the company has emphasized on the recoveries from the stuck-up clients and the proceeds from stuck ups to disburse new leases.

Since Grays Leasing Limited is a non-deposit taking NBFIs therefore its credit rating is not mandatory.

At the end, we would like to thank our clients who provided us the opportunity to serve them. We also extend lot of appreciation to the company employees at all levels for their efforts.

For and on behalf of the board



**Muhammad Tahir Butt**  
Chief Executive

Sialkot: 24 April 2024

## ڈائریکٹرز رپورٹ

ہم کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2024 کو اختتام پذیر ہونے والی عبوری مالی اسٹیٹمنٹ بمعہ ڈائریکٹرز رپورٹ مسرت سے پیش کرتے ہیں۔

مرکزی کام اور مالی اعداد و شمار

زیر جائزہ 31 مارچ 2024 کے دورانیے کے اختتام پر کمپنی نے 59.207 ملین روپے کا کاروبار کیا 31 مارچ 2023 کے 25.114 ملین روپے کے مقابل۔ 31 مارچ 2024 کے دورانیے کے اختتام پر کمپنی نے ٹیکس سے قبل اور بعد میں منافع 9.444 ملین اور 5.869 ملین کمایا جبکہ 2023 کے دورانیے میں ٹیکس سے قبل اور بعد میں منافع 8.458 ملین اور 6946 ملین رہا۔ حتمی سرمایہ کاری 31 مارچ 2024 کو 410.804 ملین روپے کی 30 جون 2023 کے 424.510 ملین کے مقابل۔ 31 مارچ 2024 کے دوران ممکنہ لیزز کے نقصانات کے برعکس وصولی 0.143 ملین ہے، اور 20.142 ملین ممکنہ لیز کے نقصانات کے برعکس معاف کیے گئے جس کے نتیجے میں کمپنی کی اکوئی 68.971 ملین ہو گئی ہے۔

عزیز شیئرز ہولڈرز ہمارے ملک میں KIBOR کی بلند شرح اور گاڑیوں کی قیمتوں میں اضافے کے باوجود ایس ایم ای شعبہ میں سرمایہ کاری کی بڑی مانگ ہے جو ابھی بھی ناقابل دریافت ہے۔ لیکن لیز بیگ شعبہ کمرشل بینکوں سے فنڈز کی عدم دستیابی کی وجہ سے ممکنہ گاہکوں کی ضروریات کو پورا کرنے کے قابل نہیں ہے۔ تاہم کمپنی نے پھینے ہوئے گاہکوں سے وصولی پر زور دیا ہے، اور اس سلسلے میں قابل ذکر کامیابی حاصل کی ہے اور اس آمدنی سے نئی لیزز کی ہیں۔

چونکہ گریز لیزنگ لمیٹڈ ایک نان ڈپازٹ والی نان بینکنگ فنانسنگ کمپنی (NBFC) ہے اس لیے کمپنی کی کریڈیٹ ریٹنگ نہیں کی گئی۔

اختتام میں ہم اُن کلائنٹس کے نہایت مشکور ہیں جنہوں نے ہمیں خدمت کا موقعہ دیا۔ اور ہم کمپنی کے ایمپلائیز کے بھی بہت قدردان ہیں جنہوں نے کمپنی کیلئے اس حد تک محنت کی۔

بجانب بورڈ



محمد طاہر ہارٹ

چیف ایگزیکٹو

سیالکوٹ، 24 اپریل 2024

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

		UN-AUDITED 31 MARCH 2024	AUDITED 30 JUNE 2023
	NOTE	Rupees	Rupees
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances		6,234,223	13,916,514
Advances and prepayments		1,165,414	1,042,154
Sales tax recoverable		493,406	422,310
Current maturity of non-current assets	4	120,334,207	172,539,576
		128,227,250	187,920,554
<b>Non-current assets</b>			
Net investment in lease finance		156,307,097	97,522,349
Long term security deposits and prepayments		2,500	2,500
Fixed assets	5	585,885	655,512
		156,895,482	98,180,361
<b>TOTAL ASSETS</b>		<b>285,122,732</b>	<b>286,100,915</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Loans from related parties	6	27,000,000	25,000,000
Accrued and other liabilities		4,651,803	5,265,649
Current maturity of non-current liabilities		101,815,840	126,482,186
Unclaimed dividend		777,785	777,785
Provision for taxation		4,206,585	2,508,742
		138,452,013	160,034,362
<b>Non-current liabilities</b>			
Deposits on lease contracts		75,435,821	59,395,220
Deferred income tax liability	7	222,113	1,854,916
Employees' retirement benefit		2,041,807	1,714,429
		77,699,741	62,964,565
<b>TOTAL LIABILITIES</b>		<b>216,151,754</b>	<b>222,998,927</b>
<b>NET ASSETS</b>		<b>68,970,978</b>	<b>63,101,988</b>
<b>REPRESENTED BY:</b>			
<b>Authorized share capital</b>			
35,000,000 (30 June 2023: 35,000,000) ordinary shares of Rupees 10 each		350,000,000	350,000,000
<b>Issued, subscribed and paid-up share capital</b>			
21,500,000 (30 June 2023: 21,500,000) ordinary shares of Rupees 10 each		215,000,000	215,000,000
<b>Statutory reserve</b>		59,256,615	59,256,615
<b>Accumulated loss</b>		(205,285,637)	(211,154,627)
<b>Shareholders' equity</b>		<b>68,970,978</b>	<b>63,101,988</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8	68,970,978	63,101,988

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

  
**MUHAMMAD TAHIR BUTT**  
 CHIEF EXECUTIVE OFFICER


  
**KHURRAM ANWAR KHAWAJA**  
 DIRECTOR

  
**MUHAMMAD FAISAL AZAM**  
 CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM PROFIT OR LOSS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

NOTE	PERIOD ENDED		QUARTER ENDED	
	31 MARCH 2024	31 MARCH 2023	31 MARCH 2024	31 MARCH 2023
	Rupees	Rupees	Rupees	Rupees
<b>REVENUE</b>				
Income from lease operations	19,005,566	17,134,723	6,193,346	6,046,043
Other income	3,840,450	2,185,756	2,291,242	816,244
	<u>22,846,016</u>	<u>19,320,479</u>	<u>8,484,588</u>	<u>6,862,287</u>
<b>EXPENDITURE</b>				
Administrative and other operating expenses	(13,523,707)	(13,678,164)	(4,314,051)	(4,976,041)
Financial and other charges	(21,290)	(169,203)	146,179	7,531
Allowance for potential lease losses - net	143,044	2,984,902	91,922	769,287
	<u>(13,401,953)</u>	<u>(10,862,465)</u>	<u>(4,075,950)</u>	<u>(4,199,223)</u>
<b>PROFIT BEFORE TAXATION</b>	<u>9,444,063</u>	<u>8,458,014</u>	<u>4,408,638</u>	<u>2,663,064</u>
Taxation	(3,575,073)	(1,511,743)	7,594,118	(628,497)
<b>PROFIT AFTER TAXATION</b>	<u>5,868,990</u>	<u>6,946,271</u>	<u>12,002,756</u>	<u>2,034,567</u>
Earnings / (loss) per share - basic and diluted	<u>0.273</u>	<u>0.323</u>	<u>0.558</u>	<u>0.095</u>

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**KHURRAM ANWAR KHAWAJA**  
DIRECTOR

  
**MUHAMMAD FAISAL AZAM**  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

	PERIOD ENDED		QUARTER ENDED	
	31 MARCH 2024	31 MARCH 2023	31 MARCH 2024	31 MARCH 2023
	Rupees	Rupees	Rupees	Rupees
PROFIT / (LOSS) AFTER TAXATION	5,868,990	6,946,271	12,002,756	2,034,567
OTHER COMPREHENSIVE INCOME :				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>5,868,990</b>	<b>6,946,271</b>	<b>12,002,756</b>	<b>2,034,567</b>

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**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

	Note	PERIOD ENDED	
		31 MARCH 2024	31 MARCH 2023
		Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	9	8,412,777	4,016,459
Finance cost paid		(21,290)	(169,203)
Income tax paid		(3,510,033)	(4,802,559)
Gratuity paid		-	(1,350,000)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>		<b>4,881,454</b>	<b>(2,305,303)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net Investment in lease finance		(6,436,335)	42,389,203
Fixed assets - acquired		(12,500)	(13,500)
Profit on bank deposits received		510,835	1,045,869
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(5,938,000)</b>	<b>43,421,572</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Deposits on lease contracts - net		(8,625,745)	(13,295,110)
Loan repaid		(13,000,000)	-
Loan obtained		15,000,000	(25,000,000)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>(6,625,745)</b>	<b>(38,295,110)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(7,682,291)</b>	<b>2,821,159</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>13,916,514</b>	<b>14,649,145</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>6,234,223</b>	<b>17,470,304</b>

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

  
**MUHAMMAD TAHIR BUTT**  
 CHIEF EXECUTIVE OFFICER

  
**KHURRAM ANWAR KHAWAJA**  
 DIRECTOR

  
**MUHAMMAD FAISAL AZAM**  
 CHIEF FINANCIAL OFFICER





**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

	Rupees		Rupees		Rupees	
	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	CAPITAL RESERVE STATUTORY RESERVE	ACCUMULATED LOSS	SHAREHOLDERS' EQUITY		
<b>Balance as at 30 June 2022 (Audited)</b>	215,000,000	59,256,615	(216,321,625)	57,934,990		
Profit for the period ended 31 March 2023	-	-	6,946,271	6,946,271		
Other comprehensive income for the period ended 31 March 2023	-	-	-	-		
Total comprehensive income for the period ended 31 March 2023	-	-	6,946,271	6,946,271		
<b>Balance as at 31 March 2023 (Un-Audited)</b>	215,000,000	59,256,615	(209,375,354)	64,881,261		
Loss for the quarter ended 30 June 2023	-	-	(1,025,102)	(1,025,102)		
Other comprehensive loss for the quarter ended 30 June 2023	-	-	(754,171)	(754,171)		
Total comprehensive loss for the quarter ended 30 June 2023	-	-	(1,779,273)	(1,779,273)		
<b>Balance as at 30 June 2023 (Audited)</b>	215,000,000	59,256,615	(211,154,627)	63,101,988		
Profit for the period ended 31 March 2024	-	-	5,868,990	5,868,990		
Other comprehensive income for the period ended 31 March 2024	-	-	-	-		
Total comprehensive income for the period ended 31 March 2024	-	-	5,868,990	5,868,990		
<b>Balance as at 31 March 2024 (Un-Audited)</b>	215,000,000	59,256,615	(205,285,637)	68,970,978		

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

  
**MUHAMMAD TAHIR BUTT**  
 CHIEF EXECUTIVE OFFICER

  
**KHURRAM ANWAR KHAWAJA**  
 DIRECTOR

  
**MUHAMMAD FAISAL AZAM**  
 CHIEF FINANCIAL OFFICER

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 MARCH 2024

### 1 LEGAL STATUS AND NATURE OF BUSINESS

Grays Leasing Limited (the Company) is a public limited Company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies, 2017). The Company's shares are listed on Pakistan Stock Exchange Limited. The Company is engaged in leasing business. It has been classified as a Non-Banking Finance Company (NBFC). Its registered office is situated at 701-A, 7th Floor, City Towers, 6-K, Main Boulevard, Gulberg-II, Lahore.

- 1.1 As on the reporting date, equity of the Company is Rupees 68,970,978. The Company as a non-deposit taking NBF1 meets the minimum equity requirement of Rupees 50,000 million. During the period, the Company has sanctioned new leases of Rupees 59,207,123 and recovered Rupees 64,530,422 against lease finance receivable. Further, during the period, the Company earned income of Rupees 19,005,566 from lease operations and has incurred profit before taxation of Rupees 9,444,063. Sponsors of the Company have sanctioned credit facilities of Rupees 50,000,000, out of which loans of Rupees 27,000,000 have been utilized by the Company for working capital requirements. The sponsors of the Company have explicitly provided a commitment to provide the necessary support to the Company, if the need arises, to address any liquidity and minimum equity requirement to enable the Company to continue its business.

### 2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations have been followed.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2023. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

### 3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

### 3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

	Un-Audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
<b>4 NET INVESTMENT IN LEASE FINANCE</b>		
Lease rentals receivable	312,575,963	310,681,184
Add: Guaranteed residual value of leased assets	177,251,661	185,877,406
Gross investment in lease finance	<u>489,827,624</u>	<u>496,558,590</u>
Less: Unearned finance income	(79,023,537)	(72,048,380)
	410,804,087	424,510,210
Less: Allowance for potential lease losses (Note 4.1)	(134,162,783)	(154,448,285)
Net investment in lease finance - net off provision	<u>276,641,304</u>	<u>270,061,925</u>
Less: Current maturity shown under current assets	(120,334,207)	(172,539,576)
	<u>156,307,097</u>	<u>97,522,349</u>
<b>4.1 Allowance for potential lease losses</b>		
Balance as at 01 July	154,448,285	157,432,438
Add: Allowance for potential lease losses made during the period	-	750
Less: Reversal of allowance for potential lease losses during the period	(143,044)	(2,984,903)
Allowance for potential lease losses - net	(143,044)	(2,984,153)
Less: Written off against allowance for potential lease losses	(20,142,458)	-
Balance as at 31 March	<u>134,162,783</u>	<u>154,448,285</u>
<b>5 FIXED ASSETS</b>		
Owned Assets (Note 5.1)	<u>585,885</u>	<u>655,512</u>
<b>5.1 Owned Assets</b>		
Opening book value	655,512	536,581
Add: Cost of additions during the period / year (Note 5.1.1)	12,500	237,380
	668,012	773,961
Less: Depreciation charged during the period / year	(82,127)	(118,449)
Closing book value	<u>585,885</u>	<u>655,512</u>
<b>5.1.1 Cost of additions</b>		
Office equipment	-	237,380
Computer equipment	12,500	-
	<u>12,500</u>	<u>237,380</u>

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

	Un-Audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
<b>6 LOAN FROM RELATED PARTY</b>		
Anwar Khawaja Industries (Private) Limited - holding company (Note 6.1)	27,000,000	25,000,000
<b>6.1</b> This unsecured loan is obtained from Anwar Khawaja Industries (Private) Limited - holding company for working capital requirements. This form part of total credit facilities of Rupees 50 million (30 June 2023: Rupees 50 million). This loan is interest free and is repayable till 30 June 2024.		
<b>6.1.1</b> As on the reporting date, un-utilized credit facilities from related parties comprise of Rupees 23 million (30 June 2023: Rupees 25 million).		
	Un-Audited 31 March 2024 Rupees	Audited 30 June 2023 Rupees
<b>7 DEFERRED INCOME TAX</b>		
The deferred income tax liability / (asset) originated due to timing differences relating to:		
<b>Taxable temporary differences on:</b>		
Accelerated tax depreciation	73,429,629	79,882,697
<b>Deductible temporary differences on:</b>		
Un-absorbed tax depreciation	(72,615,392)	(77,530,597)
Provision for gratuity	(592,124)	(497,184)
	<u>222,113</u>	<u>1,854,916</u>
<b>8 CONTINGENCIES AND COMMITMENTS</b>		
There are no reportable contingencies and commitments as at 31 March 2024 (30 June 2023: NIL).		
	PERIOD ENDED	
	31 MARCH 2024	31 MARCH 2023
	Rupees	Rupees
<b>9 CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	9,444,063	8,458,014
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation on fixed assets	82,127	83,628
Provision for gratuity	327,378	273,177
Finance cost	21,290	169,203
Allowance for potential lease losses - net	(143,044)	(2,984,902)
Profit on bank deposits	(510,835)	(1,045,869)
Working capital changes (Note 9.1)	(808,202)	(936,792)
	<u>8,412,777</u>	<u>4,016,459</u>
<b>9.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
Advances and prepayments	(123,260)	(479,214)
Sales tax recoverable	(71,096)	(59,576)
	(194,356)	(538,790)
<b>Decrease in current liabilities:</b>		
Accrued and other liabilities	(613,846)	(398,002)
	<u>(808,202)</u>	<u>(936,792)</u>

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED 31 MARCH 2024**

**10 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise of holding company, associated undertakings, other related group companies, directors of the Company, Chief Executive Officer of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties is as follows:

		Un-Audited			
		PERIOD ENDED		QUARTER ENDED	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
		Rupees	Rupees	Rupees	Rupees
i)	<b>Transactions</b>				
	<b>Holding company</b>				
	Rent expense of office building	225,000	225,000	75,000	75,000
	Loan repaid	13,000,000	25,000,000	-	-
	Loan received	15,000,000	-	-	-
	<b>Other Related Parties</b>				
	<b>Chief Financial Officer / Executive</b>				
	Deduction of advance against salary	45,000	210,000	30,000	70,000
	Lease rentals received	277,445	296,500	103,435	68,300
	Remuneration of chief financial officer	1,899,000	1,738,800	594,000	634,800
				<b>Un-Audited 31 March 2024 Rupees</b>	<b>Audited 30 June 2023 Rupees</b>
ii)	<b>Period end balances</b>				
	<b>Holding company</b>				
	Loan payable			27,000,000	50,000,000
	<b>Chief Financial Officer</b>				
	Loan receivable			505,000	-
	Net investment in lease finance			751,538	891,551
	Deposit against lease contract			360,000	360,000

**11 FINANCIAL RISK MANAGEMENT**

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

**12 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS**

**Fair value hierarchy**

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classify its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 31 MARCH 2024

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

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

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

### 13 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 24 April 2024.

### 14 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison. However, no significant rearrangements or reclassifications have been made.

### 15 GENERAL

Figures have been rounded off to nearest of Rupee.



MUHAMMAD TAHIR BUTT  
CHIEF EXECUTIVE OFFICER



KHURRAM ANWAR KHAWAJA  
DIRECTOR



MUHAMMAD FAISAL AZAM  
CHIEF FINANCIAL OFFICER

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