

Quarterly Report
September 30, 2012



INVEST CAPITAL INVESTMENT BANK LIMITED

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Company Information

Board of Directors

Mr. Ahmed Kamran - Chairman
Mr. Naveed Amin - Chief Executive
Mr. Basheer A. Chowdry- Director
Mr. Shaukat Ali - Director
Mr. Muhammad Qasim - Director
Mr. Muhammad Asif - Director
Ms. Ayesha Zahid - Director
Ms. Fiza Zahid - Director

Audit Committee

Mr. Shaukat Ali - Chairman
Mr. Ahmed Kamran - Member
Ms. Fiza Zahid - Member

Human Resource Committee

Mr. Shaukat Ali - Chairman
Mr. Naveed Amin - Member
Mr. Muhammad Asif - Member
Miss Ayesha Zahid - Member
Miss Fiza Zahid - Member

Chief Financial Officer

Mr. M. Naim Ashraf

Company Secretary

Mr. Syed Shahid Owais

Auditors

Avais Hyder Liaquat Nauman
Chartered Accountants

Legal Advisors

Ahmed & Qazi

Share Registrar

CorpTec Associates (Private) Limited,
7/3-G, Mushtaq Ahmed Gurmani Road,
Gulberg - II, Lahore.
Tel: 042-35788097-98 / 042-35755216 (Direct)
Fax: 042-35755215
Email: mimran.csbm@gmail.com

Bankers

Allied Bank Limited
Askari Bank Limited
Summit Bank Limited
Bank Alfalah Limited
Bury Bank Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
State Bank of Pakistan
Standard Chartered Bank (Pakistan) Ltd
United Bank Limited

Registered Office

801-802, 8th Floor, Lakson Square Building
No. 3, Sarwar Shaheed Road, Karachi.
Tel: (92-21) 35205110 / 35661938, 48,58
Fax: (92-21) 35658409 / 35661988
Website: www.icibl.com

Head Office

701-A, City Tower, 6-K Main Boulevard,
Gulberg II, Lahore.
Tel: (92-42) 35770383-86
Fax: (92-42) 35788710

National Tax Number

0656427-5

Directors' Report

The Board of Directors of Invest Capital Investment Bank Limited (the 'Bank') is pleased to present before members of the bank the un-audited financial statements for the quarter ended September 30, 2012.

The bank has earned a profit of Rs.7.97 million for the quarter ended on September 30, 2012 after the close of financial year ended on June 30, 2012 at profit of Rs. 9.30 million. During this period the management continued emphasis on recovery, reduction in operating and financial expenses, settlement/ rescheduling of borrowings/deposits and disposal of non-core assets.

The Securities and Exchange Commission of Pakistan had amended NBFIs Regulations, 2008 i.e. Schedule XI of Regulation No. 25 dealing with the provisioning of non-performing assets, applicable with effect from 1st July 2012. The total provisioning for the period under review has been calculated at Rs.102.88 million on the basis of the new regulations whereas the provisioning if calculated as per old regulations would have amounted to Rs. 30 million.

The comparative operational result for the quarter with that of the same quarter last year is given hereunder:

Financial Highlights

-----Rupees in million-----

	Sep. 2012	Sep. 2011
Gross revenue	25.21	35.38
Operating expenses	31.55	48.13
Financial charges	6.45	58.63
Provisions and write off	102.88	8.16
Other income	123.74	2.08
Profit / (loss) for the year before taxation	8.08	(77.46)
Taxation – net	(0.11)	(0.35)
Profit / (loss) for the year after taxation	7.97	(77.82)
Earnings / (loss) per share – basic	0.03	(0.27)

It is evident from the above figures that reduction in the Operating expenses and financial charges is far more in proportion to the reduction in Gross revenue, the gross revenue had declined due to maturity of the lease assets. The major component of the other income is due to gain on settlements with banks and financial institutions. This all is the result of the concerted efforts of the management and staff and a consistent focus on the goal to keep the bank afloat and progressive.

Directors' Report

Acknowledgements

The Board directors of the bank places on record its appreciation for the support of its shareholders, regulatory authorities and financial institutions which helped the bank to achieve these results. The Board would also like to express its appreciation for the services, loyalty and efforts of the executives and all staff members and hope that they will continue with these efforts in the future as well.

For and on behalf of the Board of Directors



Naveed Amin
Chief Executive Officer

Karachi
November 30, 2012

Financial Statements

For the quarter ended September 30, 2012

Condensed Interim Balance Sheet (Un-audited)

As at September 30, 2012

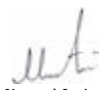
	Note	Un-audited September 30, 2012	Audited June 30, 2012
--- Rupees in thousands ---			
ASSETS			
Non-current assets			
Property, plant and equipment	5	195,997	199,006
Intangible assets		3,522	3,945
Long term investments	6	81,624	84,906
Net investment in Ijarah finance / assets under Ijarah	7	141,611	166,730
Long term musharakah finances		3,484	36,716
Long term loans		9,503	15,087
Long term security deposits		9,987	10,091
		445,728	516,481
Current assets			
Short term investments	8	18,123	4,514
Short term musharakah finances		80,344	85,547
Short term finances		8,035	8,134
Ijarah rentals receivables	7	2,473	4,755
Current maturity of non-current assets	9	476,090	559,209
Advances, deposits, prepayments and other receivables		141,469	157,878
Stock in trade		364	439
Cash and bank balances	10	27,880	62,199
Assets classified as held for sale	11	787,955	787,955
		1,542,733	1,670,629
TOTAL ASSETS		1,988,461	2,187,110

Condensed Interim Balance Sheet (Un-audited)

As at September 30, 2012

	Note	Un-audited September 30, 2012	Audited June 30, 2012
--- Rupees in thousands ---			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
485,000,000 (June 30, 2012 : 485,000,000) ordinary shares of Rs. 10 each		4,850,000	4,850,000
Issued, subscribed and paid-up capital			
		2,848,669	2,848,669
Capital reserve on amalgamation			
		(2,022,076)	(2,022,076)
Gain / (loss) on remeasurement of available for sale investments			
		(922)	(582)
Accumulated loss			
		(1,108,348)	(1,116,316)
		(282,677)	(290,305)
Surplus on revaluation of assets			
		9,258	9,258
Non-current liabilities			
Subordinated loan from directors			
	12	126,000	126,000
Security deposits from lessees			
		53,570	77,442
Long term certificates of musharakah / deposits			
		24,944	67,878
Long term certificates of investments and deposits			
		9,139	11,824
Long term musharakah and murabaha borrowings			
	13	7,251	8,870
Musharakah Term Finance Certificates			
	14	6,044	53,953
Redeemable capital - Term Finance Certificates			
	15	-	128,380
Long term loans			
	16	-	2,195
		226,948	476,542
Current liabilities			
Current portion of long term liabilities			
	17	692,873	652,963
Short term certificates of musharakah / deposits			
		106,905	118,430
Short term certificates of investments and deposits			
		74,182	75,782
Short term musharakah borrowings			
		1,350	1,350
Loan from sponsor			
		197,542	197,542
Creditors, accrued and other liabilities			
		104,894	93,056
Mark up and profit payable			
		237,559	232,867
Liabilities directly associated with the assets classified as held for sale			
	11	619,626	619,626
		2,034,932	1,991,616
TOTAL EQUITY AND LIABILITIES			
		1,988,461	2,187,110
CONTINGENCIES AND COMMITMENTS			
	18		

The annexed notes 1 to 21 form an integral part of this condensed interim financial report.



Naveed Amin
Chief Executive Officer



Bashir A. Chowdry
Director

Condensed Interim Profit and Loss Account (Un-audited)

For the quarter ended September 30, 2012

Note	September 30, 2012	September 30, 2011
--- Rupees in thousand ---		
Income		
	10,298	8,097
Income from leasing operations		
	6,707	12,832
Operating lease rentals		
	2,254	2,440
Profit on musharakah investments		
	101	144
Income from investment and placement		
	3,050	4,630
Income from finances		
	643	2,351
Income on deposits with banks		
	1,423	3,595
Income from joint ventures		
	427	-
Dividend income		
	609	1,294
Net gain / (loss) on sale of marketable securities		
	(297)	-
Unrealized gain / (loss) on investment in marketable securities - net		
	25,214	35,383
Expenses		
	(31,549)	(48,134)
Administrative and operating expenses		
	(6,445)	(58,630)
Financial charges		
	(37,994)	(106,764)
	(12,780)	(71,381)
Other income		
	123,737	2,078
	110,957	(69,303)
Provision (Charged)/Reversed on Non-performing loans and Write-offs		
	(70,217)	(3,612)
Provision against doubtful finance lease receivable and lease rentals - net		
	(18,996)	(4,566)
Provision against long term / short term musharakah finances		
	(13,664)	16
Provision against long term / short term loans		
	(102,877)	(8,162)
Profit/(Loss) before taxation		
	8,080	(77,465)
Provision for taxation		
	(112)	(354)
Profit/(Loss) after taxation		
	7,968	(77,819)
Profit/(Loss) per share		
- Basic	19	(0.27)

The annexed notes 1 to 21 form an integral part of this condensed interim financial report.



Naveed Amin
Chief Executive Officer



Bashir A. Chowdry
Director

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the quarter ended September 30, 2012

	September 30, 2012	September 30, 2011
	--- Rupees in thousand ---	
Profit/(Loss) for the period	7,968	(77,819)
Other comprehensive income / (loss)		
Transfer of Gain/ (Loss) to profit & loss on sale of AFS shares	104	-
Unrealized gain / (loss) on remeasurement of available for sale investments	(444)	342
Total comprehensive Income/(loss) for the period	7,628	(77,477)

The annexed notes 1 to 21 form an integral part of this condensed interim financial report.



Naveed Amin
Chief Executive Officer



Bashir A. Chowdry
Director

Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended September 30, 2012

	September 30, 2012	September 30, 2011
	--- Rupees in thousand ---	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Taxation	8,080	(77,465)
Adjustments for non cash charges and other items:		
Depreciation of property, plant and equipment	2,149	3,958
Amortization of intangible assets	423	423
Depreciation on assets leased out	11,483	16,896
Provision against doubtful finance lease receivable and lease rentals - net	70,217	3,612
Provision against long term/short term musharaka finances	18,998	4,566
(Reversal) / provision against long term loan/short term loan	13,665	(16)
Financial charges - net	6,445	58,630
Gain on settlement of liability	(122,589)	-
(Gain) / loss on disposal of operating assets	(1,148)	-
Unrealised (gain) /loss on investments in marketable securities	297	-
	(62)	88,069
Cash flow from operating activities before working capital changes	8,019	10,604
(Increase)/decrease in current assets		
Short term investments	(13,906)	19,447
Short term musharaka finances	290	4,800
Short term finances	211	15,126
Ijarah rentals receivable	2,282	92
Stock in trade	75	-
Advances, deposits, prepayments and other receivables	16,297	(27,069)
	5,250	12,396
Increase/(decrease) in current liabilities		
Short term certificates of musharaka/deposits	(11,525)	(118,696)
Short term certificates of investments and deposits	(1,600)	12,900
Creditors, accrued and other liabilities	11,838	19,328
	(1,286)	(86,468)
Cash flow from operating activities after working capital changes	11,982	(63,468)
Financial charges paid	(1,753)	(21,408)
Income tax paid	-	(420)
	(1,753)	(21,828)
Net cash flow from operating activities	10,229	(85,296)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale proceeds from disposal of tangible fixed assets-Net off purchase	2,008	-
Long term investments	2,941	14,207
Net investment in Ijarah finance / assets under Ijarah arrangements	13,113	53,869
Long term musharaka finances	1,194	4,183
Long term loans	897	14,265
Long term security deposits	104	(516)
Net cash flow from investing activities	20,256	86,008

Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended September 30, 2012

	Note	September 30, 2012	September 30, 2011
--- Rupees in thousand ---			
CASH FLOWS FROM FINANCING ACTIVITIES			
Subordinated loan from directors		-	126,000
Repayment of liability against assets subject to finance lease		-	(1,982)
Security deposits from lessees		(1,993)	(40,575)
Long term certificates of musharaka /deposits		(20,928)	(9,840)
Long term musharaka and murabaha borrowings		(1,359)	(14,718)
Musharaka Term Finance Certificates		(38,924)	-
Long term loans		(1,600)	(7,295)
Short term borrowings		-	(24,992)
Amount received against assets classified as held for sale		-	24,000
Net cash flow from financing activities		(64,804)	50,598
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS			
		(34,319)	51,310
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD			
		62,199	15,341
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD			
	10	27,880	66,651

The annexed notes 1 to 21 form an integral part of this condensed interim financial report.



Naveed Amin
Chief Executive Officer



Bashir A. Chowdry
Director

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

For the quarter ended September 30, 2012

	Issued, subscribed and paid-up capital	Capital reserve on amalgamation	Gain on remeasurement of available for sale investments	Accumulated loss	Total
--- Rupees in thousand ---					
Balance as at June 30, 2011	2,848,669	(2,022,076)	1,032	(1,125,621)	(297,996)
Total comprehensive income / (loss) for the period					
Loss for the period	-	-	-	(77,819)	(77,819)
Transfer of gain / (loss) in the value of investment classified as available for sale taken to profit and loss account	-	-	342	-	342
	-	-	342	(77,819)	(77,477)
Balance as at September 30, 2011	2,848,669	(2,022,076)	1,374	(1,203,440)	(375,473)
Balance as at June 30, 2012	2,848,669	(2,022,076)	(582)	(1,116,316)	(290,305)
Total comprehensive income / (loss) for the period					
Profit/(Loss) for the period	-	-	(444)	7,968	7,524
Transfer of gain / (loss) in the value of investment classified as available for sale taken to profit and loss account	-	-	104	-	104
Balance as at September 30, 2012	2,848,669	(2,022,076)	(922)	(1,108,348)	(282,677)

The annexed notes 1 to 21 form an integral part of this condensed interim financial report.



Naveed Amin
Chief Executive Officer



Bashir A. Chowdry
Director

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

For the quarter ended September 30, 2012

1. LEGAL STATUS AND OPERATIONS

- 1.1 Invest Capital Investment Bank Limited ('the Company') is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. The Company is engaged in the business of leasing and investment finance activities as a Non-Banking Finance Company and is regulated by the Securities and Exchange Commission of Pakistan (SECP). The Company is listed on all the stock exchanges of Pakistan. The registered office of the Company is situated at Karachi in the province of Sindh.
- 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 and liabilities and reserves of the AZLCL and AZLM were vested with and assumed by the Company. The Honourable 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 Since year 2009 the Company has been facing financial and operational difficulties. These financial and operational difficulties have resulted in Company suffering losses, which has converted the equity into negative. The new management after taking control of the company in July 2011 implemented a multi-facet plan to address the operational difficulties being faced by the company. The focus of the management was on the following aspects:

(a) Improved recovery of non-performing leases and loans portfolio

Through concerted efforts, the recovery of the lease and loan portfolios has been increased considerably thereby improving the cash flows and the income through reversal of provisioning and income suspension.

(b) Settlement/rescheduling of loans and deposits from banks and financial institutions.

During the last 15 months the management was able to negotiate and finalize with the lending banks and other financial institutions the outstanding liabilities with waiver of financial charges by offering its properties or other assets, by paying 25% amount in cash in settlement of full amount or getting the liabilities rescheduled for a longer period depending upon the cash flows of the company.

(c) Substantial reduction in administrative and other expenses

The management of the company succeeded in reducing the administrative and other operating expenses to a great extent and is still trying to reduce them to the bare minimum level.

(d) Disposal of non-core assets including properties

The management has also focused on disposing off certain non-core assets of the company. By this the company succeeded in reducing its liabilities towards banks and other financial institutions.

(e) Commencement of new car leasing business

The company has re-started the car leasing business to supplement the old depleting portfolio and to maintain the level of income stream.

The outcome of the above measures is also evident from the annual audited results as of 30-06-2012 and that of the current period.

2. BASIS OF PREPARATION

2.1 Basis of Preparation

This condensed interim financial report has been prepared under the 'historical cost convention' except investment in joint ventures which have been accounted for using equity method, non-current assets classified as held for sale which are stated at the lower of carrying amount and fair value less costs to sell, and available for sale investments which are stated at fair value.

2.2 Statement of Compliance

This condensed interim financial report has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements of IAS 34 differ with the requirements of the Companies Ordinance, 1984, the provisions of or the directives issued under the Companies Ordinance, 1984 have been followed.

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

For the quarter ended September 30, 2012

This condensed interim financial report does not include all the information required for a complete set of annual financial report, and should be read in conjunction with the published audited financial statements of the Company for the year ended June 30, 2012.

This condensed interim financial report is un-audited and is being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984.

2.3 Functional and Presentation Currency

This condensed interim financial report is prepared in Pakistani Rupee which is the functional and presentation currency of the Company. Figures have been rounded off to the nearest thousand.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation followed in the preparation of this condensed interim financial report are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2012.

3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

4. ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The preparation of financial reports in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgements, 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.

Significant area of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in this condensed interim financial report were the same as those applied to the published audited financial statements for the year ended June 30, 2012.

4.2 Risk management policies and procedures are consistent with those disclosed in the published audited financial statements for the year ended June 30, 2012.

	Un-audited September 30, 2012	Audited June 30, 2012
	--- Rupees in thousand ---	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating assets	195,275	198,287
Capital work in progress	722	719
	<u>195,997</u>	<u>199,006</u>
	Quarter ended September 30 (Un-audited)	
	2012	2011
	Additions	Disposals
	--- Rupees in thousand ---	
5.1 Acquisitions and disposals of assets at cost		
Furniture and fixtures	-	500
Office equipments	23	350
Vehicles	-	1,856
	<u>23</u>	<u>2,706</u>
	766	131
	-	-
	-	1,935
	<u>766</u>	<u>2,066</u>

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

For the quarter ended September 30, 2012

	Note	Un-audited September 30, 2012	Audited June 30, 2012			
--- Rupees in thousand ---						
6. LONG TERM INVESTMENTS						
Investment in joint ventures	6.1	53,038	54,540			
Available for sale investments:						
- Ordinary shares & certificates (AFS)		25,602	27,363			
- Term finance certificates		2,984	3,003			
		81,624	84,906			
6.1 Investment in joint ventures						
This represents investment in CNG / Diesel filling stations. The latest available unaudited financial statements of joint ventures as on September 30, 2012 have been used for the purpose of application of equity method.						
- Centre Gas (Private) Limited	6.1.1	33,678	35,008			
- Ameen Enterprises	6.1.2	19,360	19,532			
		53,038	54,540			
6.1.1 Centre Gas (Private) Limited						
Cost		34,536	34,536			
Share of profit / (loss) of joint venture		7,413	5,742			
Dividend received		(8,270)	(5,270)			
		33,678	35,008			
6.1.2 Ameen Enterprises						
Cost		20,622	20,622			
Share of profit of joint venture		6,474	6,246			
Dividend received		(7,736)	(7,336)			
		19,360	19,532			
7. NET INVESTMENT IN IJARAH FINANCE / ASSETS UNDER IJARAH ARRANGEMENTS						
Contracts accounted for as finance lease under IAS 17	7.1	386,765	490,875			
Contracts accounted for under IFAS 2		80,814	93,806			
		467,579	584,681			
Less : Current portion	9	(325,969)	(417,951)			
		141,611	166,730			
7.1 Net investment in Ijarah finance						
Following is a statement of lease receivables accounted for under IAS 17:						
	As at September 30, 2012 (Un-audited)			As at June 30, 2012 (Audited)		
	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 in thousand ---						
Minimum lease payments receivable	909,270	81,775	991,046	930,259	95,938	1,026,197
Residual value of leased assets	37,202	63,688	100,890	48,770	57,594	106,364
Lease contracts receivable	946,472	145,464	1,091,936	979,029	153,533	1,132,560
Unearned lease income (including suspended income)	(181,953)	(17,266)	(199,220)	(184,412)	(21,539)	(205,951)
Provision for potential lease losses	(438,550)	(67,401)	(505,951)	(376,665)	(59,069)	(435,734)
	(620,503)	(84,667)	(705,170)	(561,077)	(80,608)	(641,685)
	325,969	60,797	386,765	417,952	72,925	490,875

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

For the quarter ended September 30, 2012

	Note	Un-audited September 30, 2012	Audited June 30, 2012
--- Rupees in thousand ---			
7.2	Ijarah rentals receivable		
The rentals receivable for Ijarah contracts accounted for under IFAS 2 are as under:			
	Ijarah rentals receivable	83,260	76,036
	Less : Provision against Ijarah rentals receivable	(80,787)	(71,281)
		2,473	4,755
8.	SHORT TERM INVESTMENTS		
	Investments at fair value through profit and loss		
	Ordinary shares-Listed	17,417	3,778
	Un-quoted securities		
	Dawood Family Takaful Limited	706	736
		18,123	4,514
9.	CURRENT MATURITY OF NON-CURRENT ASSETS		
	Net investment in lease finance / assets under Ijarah arrangements	7 325,969	417,951
	Long term musharakah finances	129,739	111,786
	Long term loans	20,382	29,472
		476,090	559,209
10.	CASH AND BANK BALANCES		
	Balance with banks in:		
	Current accounts in local currency with:		
	- State Bank of Pakistan	45	45
	- Commercial Banks	12,212	15,422
		12,256	15,467
	Deposit accounts - local currency	15,327	46,355
	Cash in hand - local currency	297	377
		27,880	62,199
11.	ASSETS CLASSIFIED AS HELD FOR SALE		
The assets classified as held for sale of discontinued operation and other non-current assets and liabilities directly associated with such assets in their respective categories are summarized hereunder:			
11.1	Assets classified as held for sale		
	Assets held for sale of discontinued operation		
	Property, plant and equipment	22,931	22,931
	Intangible assets	1,691	1,691
	Long term loans	4,951	4,951
	Long term security deposits and receivables	513	513
	Short term investments	25,315	25,315

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

For the quarter ended September 30, 2012

	Note	Un-audited September 30, 2012	Audited June 30, 2012
		--- Rupees in thousand ---	
Trade debts - unsecured		306,485	306,485
Advances, deposits, prepayments and other receivables		37,665	37,665
Cash and bank balances		752	752
Properties		96,488	96,488
		496,791	496,791
Non-current assets held for sale	11.4	291,164	291,164
Total assets classified as held for sale		787,955	787,955

11.2 Liabilities directly associated with assets held for sale

Long term loan		5,295	5,295
Short term borrowings		541,779	541,779
Creditors, accrued and other liabilities		72,552	72,552
		619,626	619,626

11.3 The Company has entered into an agreement for transfer of assets and liabilities related to its brokerage business to the outgoing shareholder group. The agreement is effective from July 01, 2011, and its sale consideration amounting to Rs. 24 million has been received by the Company on July 11, 2011. As per terms of the agreement the outgoing group shall settle entire bank liabilities comprising long term loan and short term borrowings (amounting to Rs. 937.67 million as at June 30, 2011) by March 31, 2012 or such extended date as is mutually agreed between the parties. The Company shall transfer assets to the outgoing group upon the settlement of liabilities. Assets are in use of the outgoing group.

11.4 These comprise properties including investment in UMA CNG, approved by the Board of Directors of the Company to be disposed off. Active campaign is being undertaken to dispose-off these properties at the earliest. Subsequent to the quarter end properties amounting to Rs. 102.615 million have been disposed-off against settlement of borrowings and cash proceeds.

12. SUBORDINATED LOAN FROM DIRECTORS

This represents subordinated loan provided by the directors in cash to the Company on July 11, 2011. It is interest free. It will not be repaid before clearance of overdue deposits and creditors, upgradation of the Company's ranking to investment grade and compliance of minimum equity requirements.

13. LONG TERM MUSHARAKAH AND MURABAHA BORROWINGS

Secured			
Musharakah borrowings			
From commercial banks		33,333	33,333
Murabaha borrowings			
From commercial banks		51,101	51,610
From other financial institutions		21,845	22,695
		72,946	74,305
		106,279	107,638
Current portion	17	(99,028)	(98,768)
		7,251	8,870

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

For the quarter ended September 30, 2012

	Note	Un-audited September 30, 2012	Audited June 30, 2012
--- Rupees in thousand ---			
14. MUSHARAKAH TERM FINANCE CERTIFICATES			
TFCs - privately placed and secured			
Commercial banks		128,643	167,567
Other financial institutions		120,663	196,564
Other		38,924	38,924
		288,230	403,055
Current portion	17	(280,930)	(347,847)
		7,300	55,208
Total initial transaction cost		7,400	7,400
Less : Amortization to date		(6,144)	(6,144)
		1,256	1,256
		6,044	53,953
14.1	Certificates of Rs. 101.20 million have been discounted in cash @ 25% of the outstanding liabilities along with waiver of mark up of Rs. 25 million.		
15. REDEEMABLE CAPITAL - TERM FINANCE CERTIFICATES			
Term Finance Certificates		128,380	128,380
Less : Current portion	17	(128,380)	-
		-	128,380
16. LONG TERM LOANS			
Secured			
Facility I		38,022	38,023
Facility II, III & IV		13,013	14,613
Unsecured- From NBFC's		2,800	2,800
		53,835	55,436
Less : Current portion	17	(53,835)	(53,241)
		-	2,195
17. CURRENT PORTION OF LONG TERM LIABILITIES			
Security deposit from lessees		91,074	91,485
Long term certificates of musharakah / deposits		35,520	60,202
Long term certificates of investments and deposits		4,106	1,421
Long term musharakah and murabaha borrowings	13	99,028	98,768
Musharakah term finance certificates	14	280,930	347,847
Term Finance Certificates	15	128,380	-
Long term loans	16	53,835	53,241
		692,873	652,963
18. CONTINGENCIES AND COMMITMENTS			
Contingencies			

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

For the quarter ended September 30, 2012

There has been no change in contingencies as stated in the annual financial statements for the year ended June 30, 2012.

Commitments

Lease financing contracts committed but not executed at the balance sheet date amounted to Rs. 13.9 million (June 30, 2012 : Rs. 5.20 million).

	September 30, 2012	September 30, 2011
19. BASIC AND DILUTED LOSS PER SHARE		
Profit/(Loss) after taxation for the period (Rupees in '000')	7,968	(77,819)
Weighted average number of ordinary shares (Number)	284,866,896	284,866,896
Profit/(Loss) per share - basic (Rupees)	0.03	(0.27)

20. RELATED PARTY TRANSACTIONS

Related parties comprise of major shareholders, associated companies with or without common directors, retirement fund, directors, other key management personnel and their close family members. Contributions to the staff retirement fund are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of employment. Loans to the employees are in accordance with their terms of employment. Other transactions with related parties are entered into at agreed rates.

Details of transactions for the period with related parties, other than those which have been disclosed elsewhere in this condensed interim financial report, are as follows:

	Quarter ended September 30 (Un-audited)	
	2012	2011
	--- Rupees in thousand ---	
Transactions during the period		
Contribution to staff retirement fund	320	1,944
Key management compensation	2,985	13,965

21. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial report was authorized for issue on 30th November 2012 by the Board of Directors of the Company.



Naveed Amin
Chief Executive Officer



Bashir A. Chowdry
Director

Our Network

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