



INVEST CAPITAL INVESTMENT BANK LIMITED

**QUARTERLY
REPORT
MARCH**

2024

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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 nine month period ended March 31, 2024.

The Review

During the period under review, the Company earned a net profit of Rupees 94.23 million as compared to the profit of Rupees 80.13 million in the corresponding period of the last year. The earning per share works out to Rupees 0.331 as against Rupees 0.281 for the period ending 31st March 2023. The net profit for the period increased by Rupees 14.10 million, mainly due to handsome income from investment in treasury bills and marketable listed securities. The gross revenue including other income for the period amounted to Rupees 132.01 million as compared to Rupees 92.95 million of the corresponding period of the last year. The administrative and operating expenses amounted to Rupees 26.99 million as against Rupees 25.31 million of the corresponding period of the last year. There were no financial charges as all the profit bearing loans have been fully paid off.

The total assets of the Company increased by Rupees 150.38 million due to good recoveries against loans resulting in better disbursements and investment in treasury bills. The total assets amounted to Rupees 1,238.67 million as at 31st March 2024 as compared to Rupees 1,088.30 million as at June 30, 2023. Whereas, the total liabilities of the Company increased by Rupees 48.16 million and stood at Rupees 579.92 million as at 31st March 2024 as against Rupees 531.76 million as at 30th June 2023 mainly due to increase in security deposits for leases.

Financial Highlights and Business Review

	-----Rs. in million-----	
	March 31, 2024	March 31, 2023
Gross Revenue	128.32	88.00
Other Income	3.69	4.95
Administration & Operating expenses	(26.99)	(25.31)
Financial charges (net of reversals)	(0)	(11.64)
Provisions reversed / (charged) / write offs	1.92	25.71
Profit / (loss) for the period before taxation	106.94	81.71
Taxation - net	(12.71)	(1.58)
Profit / (loss) for the period after taxation	94.23	80.13
Earnings per Share	0.331	0.281

The management continued focus on resolution of the outstanding issues to keep the company in positive trajectory. Following key areas were focused during the period as well:

- Recovery of non-performing leases and loans portfolio
- Rationalization of administrative and other expenses
- New financing business

The focus on the above mentioned areas has enabled the company to overcome the financial and operational problems and improve the financial position of the Company. Considering management's plans and the results of the mitigating measures taken, the management is confident that the Company's bottom line will improve further in years to come.

Acknowledgments

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

For and on behalf of the Board of Directors



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson

Lahore
April 26, 2024

ڈائریکٹرز کا جائزہ

انویسٹ کیپیٹل انویسٹمنٹ بینک لمیٹڈ (کسپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت کے ساتھ 31 مارچ 2024 کو ختم ہونے والے نو ماہ کے عبوری مالیاتی گوشوارے حصص یافتگان کو پیش کر رہے ہیں۔

جائزہ

زیر جائزہ مدت کے دوران، کسپنی نے 94.23 ملین روپے کا حوالہ منافع کمایا جو گزشتہ سال کی اسی مدت میں 80.13 ملین روپے کے منافع کے مقابلے میں تھا۔ فی حصص آمدنی 31 مارچ 2023 کو ختم ہونے والی مدت کے لیے 0.281 روپے تھی جو اب 0.331 روپے ہے۔ اس مدت کے لیے حوالہ منافع میں 14.10 ملین روپے کا اضافہ ہوا، جس کی بنیادی وجہ ٹریڈری بلز اور مارکیٹ اینڈ لسٹڈ سیکیورٹیز میں سرمایہ کاری سے شاندار آمدنی ہے۔ مجموعی آمدنی بشمول دیگر آمدنی گزشتہ سال کی اسی مدت کے 92.95 ملین روپے کے مقابلے میں 132.01 ملین روپے رہی۔ انتظامی اور آپریٹنگ اخراجات گزشتہ سال کی اسی مدت کے 25.31 ملین روپے کے مقابلے میں 26.99 ملین روپے رہے۔ کوئی مالی چارجز نہیں تھے کیونکہ تمام منافع والے فٹرنے مکمل طور پر ادا ہو چکے ہیں۔

فٹرنوں سے اچھی وصولیوں کی وجہ سے کسپنی کے مجموعی اثاثوں میں 150.38 ملین روپے کا اضافہ ہوا جس کے نتیجے میں بہتر تقسیم اور ٹریڈری بلز میں سرمایہ کاری ہوئی۔ 31 مارچ 2024 کو مجموعی اثاثوں کی مالیت 1,238.67 ملین روپے تھی جبکہ 30 جون 2023 کو یہ 1,088.30 ملین روپے تھی۔ جبکہ کسپنی کے مجموعی واجبات میں 48.16 ملین روپے کا اضافہ ہوا جو کہ 31 مارچ 2024 کو 579.92 ملین روپے رہا جبکہ 30 جون 2023 کو یہ 531.76 ملین روپے تھا جس کی بنیادی وجہ لیز کے لئے سیکیورٹی ڈپازٹس میں اضافہ ہے۔

مالیاتی جھلکیاں اور کاروباری جائزہ

----- روپے ملین میں -----

31 مارچ 2023	31 مارچ 2024	مالیاتی سرخیاں
88.00	128.32	مجموعی آمدنی
4.95	3.69	دیگر آمدنی
(25.31)	(26.99)	انتظامی اور آپریٹنگ اخراجات
(11.64)	(0)	مالیاتی چارجز (کل)
25.71	1.92	پرویزن ریورسل / (چارج)
81.71	106.94	ٹیکس سے پہلے نفع (تقصان)
(1.58)	(12.71)	ٹیکس
80.13	94.23	ٹیکس کے بعد نفع (تقصان)
0.281	0.331	آمدنی (تقصان) فی حصص

انظامیہ نے اپنی توجہ کمپنی کے غیر حل شدہ معاملات کے حل پر رکھی تاکہ کمپنی مثبت خط
مستدیر پر رہے۔ کمپنی نے اس نوماہ میں بھی مندرجہ ذیل اہم نکات پر توجہ مرکوز رکھی:

- کارکردگی نا دکھانے والی لیزرز اور مترضوں کے پورٹ فولیو کی وصولیابی
- انظامی اور دیگر احسراجات میں کمی
- نیٹ مانیٹسنگ کا کاروبار

ان مذکورہ بالا معاملات پر توجہ دینے کی وجہ سے کمپنی کو مالیاتی اور آپریشنل مسائل پر متاثر ہونے
میں مدد ملی اور اس کی وجہ سے کمپنی کی مالیاتی صورتحال میں بہتری آئے گی۔ کمپنی کے منصوبوں اور
اس کے مسائل کو کم کرنے کے اقدامات کے نتائج کی بنیاد پر پر امید ہے کہ آنے والے سالوں میں
منافع میں مزید بہتری آئے گی۔

اظہارِ شکر

ہم سکیورٹی اینڈ ایکیٹیو کمیشن آف پاکستان کی رہنمائی، کاہوں کی حمایت، مترض خواہوں کے تعاون کا اور حصص
یافتگان کے کمپنی کی انظامیہ پر اعتماد اور 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 و برائے بورڈ آف ڈائریکٹرز

عائش شہریار
چیرپرسن

محمد آصف
چیف ایگزیکٹو آفیسر

لاہور

26 اپریل 2024

Condensed Interim Statement of Financial Position (Un-audited)

As at March 31, 2024

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
ASSETS			
Non-current assets			
Property and equipment	5	71,382,114	75,171,895
Intangible assets	6	624,855	806,265
Investment accounted for using equity method	7	141,935,069	132,604,237
Financial assets at fair value through other comprehensive income		11,882,272	18,142,675
Net investment in finance lease	8	58,523,918	104,593,404
Long term musharakah finances	9	-	-
Long term loans	10	284,926,940	217,034,229
Long term security deposits		2,330,225	2,330,225
		571,605,392	550,682,931
Current assets			
Short term musharakah finances		28,027,984	28,027,984
Short term finances	11	157,580	50,944
Ijarah rentals receivables		1,241,277	1,241,277
Current portion of non-current assets	12	417,898,458	405,938,753
Advances, deposits, prepayments and other receivables		22,036,780	25,719,776
Investment in Treasury Bills	13	153,939,648	48,292,187
Financial assets at fair value through profit or loss	14	2,160,863	14,982,056
Bank balances		41,605,035	13,359,351
		667,067,625	537,612,328
TOTAL ASSETS		1,238,673,017	1,088,295,259

The annexed notes 1 to 17 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial Officer

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
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		2,848,668,960	2,848,668,960
Loan from directors		126,000,000	126,000,000
Capital reserves			
Capital reserve on amalgamation		(2,022,075,992)	(2,022,075,992)
Revenue reserves			
General reserve		102,976,444	102,976,444
Accumulated loss		(415,157,416)	(509,391,449)
Fair value reserve		18,337,107	10,351,875
		658,749,103	556,529,838
Non-current liabilities			
Security deposits from clients		164,291,934	123,618,406
Redeemable capital	15	-	-
Liability related to outgoing group		13,770,000	16,200,000
		178,061,935	139,818,406
Current liabilities			
Current portion of non-current liabilities	16	48,831,710	46,506,960
Accrued and other liabilities		146,903,345	135,718,288
Profit / mark up payable		187,364,347	187,364,347
Unclaimed dividend		6,052,026	6,053,456
Provision for taxation - income tax		12,710,553	16,303,964
		401,861,980	391,947,015
TOTAL EQUITY AND LIABILITIES		<u>1,238,673,017</u>	<u>1,088,295,259</u>
CONTINGENCIES AND COMMITMENT			
		-	-

The annexed notes 1 to 17 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial Officer

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


For the Nine Month Ended March 31, 2024

	Nine Month ended March 31,		Quarter ended March 31,	
	2024	2023	2024	2023
Rupees.....			
Income				
Income from leasing operations	18,948,648	43,457,660	7,255,950	24,444,777
Operating lease rentals	-	263,806	-	16,911
Profit on musharakah investments	1,572,149	(4,904,929)	(22,783)	(6,204,789)
Income from finances	52,879,577	42,569,411	18,585,888	15,938,942
Income on deposits with banks	3,364,800	2,391,054	1,731,851	425,416
Income from investment in treasury bills	10,844,734	-	5,469,845	-
Profit from joint venture	9,330,832	2,165,423	-	166,484
Dividend income	5,454,946	4,649,125	762,166	3,688,376
Net gain on sale of marketable securities	19,271,348	1,273,771	9,652,257	-
Capital Gain on sale of treasury bills	6,875,411	-	2,070,987	-
Unrealized gain / (loss) on financial assets at fair value - net	(209,857)	(3,858,563)	(2,296,167)	(870,288)
	128,332,589	88,006,758	43,209,994	37,605,828
Expenses				
Administrative and operating expenses	(26,994,488)	(25,314,844)	(8,178,815)	(9,049,396)
Financial charges	(3,324)	(11,643,106)	(1,910)	(2,837,012)
	(26,997,812)	(36,957,950)	(8,180,725)	(11,886,408)
	101,334,777	51,048,808	35,029,270	25,719,420
	3,689,535	4,946,806	1,218,042	1,136,799
	105,024,312	55,995,614	36,247,311	26,856,219
Other income				
Provision reversed / (charged) on non-performing loans and write-offs				
Reversal / (provision) against:				
Finance lease receivable and rentals - net	1,113,812	30,839,679	63,399	30,273,599
Long term / short term musharakah finances	117,774	291,917	-	-
Long term / short term loans	-	(8,073,657)	-	(8,073,657)
Other receivables	-	6,874,000	-	-
Impairment loss on investment	688,688	-	688,688	-
Balances written off:				
Lease receivables	-	(4,221,340)	-	(4,221,340)
	1,920,274	25,710,599	752,087	17,978,602
Profit before taxation	106,944,586	81,706,213	36,999,398	44,834,821
Provision for taxation				
-For the period	(12,710,553)	(8,408,710)	(2,499,968)	(2,499,608)
-Prior year	-	6,830,883	-	-
Profit for the period	94,234,033	80,128,386	34,499,430	42,335,213
Earnings per share - Basic and Diluted	0.331	0.281	0.121	0.149

The annexed notes 1 to 17 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 Nine Month Period Ended March 31, 2024

	<u>Nine Month ended March 31,</u>		<u>Quarter ended March 31,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Rupees.....			
Profit for the period	94,234,033	80,128,386	34,499,430	65,744,315
Other comprehensive profit / (loss)				
Items that will not be reclassified to profit or loss				
Changes in the fair value of equity at fair value through other comprehensive	7,985,232	(6,531,699)	(6,262,611)	(4,827,413)
Total comprehensive income for the period	102,219,265	73,596,687	28,236,819	60,916,902

The annexed notes 1 to 17 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 Nine Month Period Ended March 31, 2024

Nine month ended March 31,
2024 2023
.....Rupees.....

a) CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	106,944,586	81,706,213
Adjustments for non cash charges and other items:		
Depreciation of property, plant and equipment	3,842,781	4,144,400
Amortization of intangible assets	181,411	172,933
(Reversal) against:		
Finance lease receivable and rentals - net	(1,113,812)	(30,839,679)
Long term / short term musharakah finances	(117,774)	(291,917)
Long term / short term loans	-	8,073,657
Other receivables	-	(6,874,000)
Balances written off		
Lease receivables	-	4,221,340
(Gain) on disposal of operating assets	-	(1,095,698)
Unrealised (gain) / loss on financial assets at fair value	209,857	3,858,563
(Profit) from joint ventures	(9,330,832)	(2,165,423)
Dividend Income	(5,454,946)	(4,649,125)
Capital Gain on sale of treasury bills	(6,875,411)	-
Profit on treasury bills	(10,844,734)	-
Financial charges	3,324	11,643,106
	(29,500,136)	(13,801,843)
Cash flow from operating activities before working capital changes	77,444,450	67,904,370
Changes in working capital		
(Increase) / Decrease in current assets		
Short term musharakah finances	-	4,192,822
Short term finances	(106,636)	202,315
Ijarah rentals receivables	-	24,362
Advances, deposits, prepayments and other receivables	2,772,943	13,839,540
	2,666,307	18,259,039
Increase / (Decrease) in current liabilities		
Accrued and other liabilities	11,185,057	(13,992,331)
Cash generated from operations	91,294,384	72,171,078
Financial charges paid	(3,324)	(10,552,931)
Income tax paid	(15,393,911)	(20,289,012)
Net cash generated from operations	75,897,149	41,329,135

The annexed notes 1 to 17 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikram
Chief Financial officer

Nine month ended March 31,
2024 2023

.....Rupees.....

b) CASH FLOWS FROM INVESTING ACTIVITIES

(Additions) in:		
Property, plant and equipment	(53,000)	(46,000)
Intangible assets	-	(895,000)
Recovery of / (investment in) :		
Net investment in finance lease	58,816,383	92,679,190
Long term musharakah finances	1,606,552	59,095
Long term loans	(48,476,002)	(80,056,564)
Financial assets at fair value through profit or loss	12,611,336	(653,276)
Proceeds of Financial assets at fair value of equity investments	14,245,635	-
Investment in treasury bills - net	(87,927,316)	-
Proceeds from disposal of operating assets	-	1,199,999
Dividend Received	5,454,946	4,427,069
Net cash (used in) investing activities	(43,721,466)	16,714,513

c) CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from / (Repayment of) :		
Long term loan from sponsors	-	(16,392,473)
Redeemable capital	(1,500,000)	(3,000,000)
Long term loan from directors	-	(33,000,000)
Liability related to outgoing group	(2,430,000)	(2,430,000)
Net cash (used in) / generated from financing activities	(3,930,000)	(54,822,473)
Net Increase in cash and cash equivalents (a+b+c)	28,245,684	3,221,175
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 period	41,605,035	15,068,250

The annexed notes 1 to 17 form an integral part of these financial statements.



Muhammad Asif
Chief Executive Officer



Ayesha Shehryar
Chairperson



Muhammad Ikrum
Chief Financial Officer

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

For the Nine Month Period Ended March 31, 2024

	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, 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 period								
Profit for the period	-	-	-	-	80,128,386	-	80,128,386	
Other comprehensive (loss)								
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	-	-	-	-	-	(6,531,699)	(6,531,699)	
	-	-	-	-	80,128,386	(6,531,699)	73,596,687	
Balance as at March 31, 2023	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(519,023,025)	10,049,637	946,596,023	
Balance as at July 01, 2023	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(509,391,448)	10,351,875	556,529,838	
Total comprehensive income for the period								
Profit for the period	-	-	-	-	94,234,033	-	94,234,033	
Other comprehensive income								
Items that will not be reclassified to profit or loss								
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	7,985,232	7,985,232	
	-	-	-	-	94,234,033	7,985,232	102,219,265	
Balance as at March 31, 2024	2,848,668,960	126,000,000	(2,022,075,992)	102,976,444	(415,157,416)	18,337,107	658,749,103	

The annexed notes 1 to 17 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 Nine Month Period Ended March 31, 2024

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. 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. 415.16 million (June 2023: Rs. 509.39 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 / financing business

The Company is mainly carrying out car leasing / financing business at attractive rates and reasonable deposmargin. During the nine months period leases and finances amounting to Rs.235.46 million (June 2023 : Rs. 362.79 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 all 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 2018 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 nine months is Rs. 228.97 million (June 2023: Rs. 353.39 million). This amount has been utilized in the new leasing business, as well as, in meeting the obligations towards the remaining lenders.

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

2.1.1 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; and
- Provisions of and directives issued under 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).
- 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 shall prevail.

2.1.2 These condensed interim financial statements are un-audited but subject to limited scope review by the auditors of the Company and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

2.1.3 These condensed interim financial statements do not include all the information required for a complete set of financial statements, and should be read in conjunction with the published audited financial statements of the Company for the year ended June 30, 2023.

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

2.2.1 Standards, amendments to standards and interpretations becoming effective in current period

There are certain new standards, interpretations and amendments to approved accounting standards which are mandatory for the Company's accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

2.2.2 New standards and amendments to approved accounting standards that are effective in future periods

There are certain standards and certain amendments to approved accounting standards that will be mandatory for accounting periods beginning on or after July 1, 2023 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting. The new standards, amendments to IFRIC interpretations that are relevant to the operations of the company are disclosed in the published audited financial statements for the year ended June 30, 2023.

2.3 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.

2.4 Functional and presentation currency

These condensed interim 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.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2023.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 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.

Significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on amounts recognized in these condensed interim financial statements are the same as those disclosed in the published audited financial statements for the year ended June 30, 2023.

4.2 Risk management policies and procedures are consistent with those disclosed in the published audited financial statements for the year ended June 30, 2023.

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
5. PROPERTY AND EQUIPMENT			
Operating assets	5.1	<u>71,382,114</u>	<u>75,171,895</u>
5.1 Operating assets			
Book value at beginning of the period / year		75,171,895	63,343,746
Additions during the period / year		53,000	17,555,000
Disposals during the period / year		-	(104,302)
Depreciation charged during the period / year		<u>(3,842,781)</u>	<u>(5,622,549)</u>
		<u>71,382,114</u>	<u>75,171,895</u>
6. INTANGIBLE ASSETS			
Computer Software			
Cost		13,695,000	12,800,000
Addition		-	895,000
Accumulated amortisation		<u>(13,070,145)</u>	<u>(12,888,735)</u>
Written down value		<u>624,855</u>	<u>806,266</u>
6.1 Reconciliation of written down value :			
Opening balance		806,266	163,594
Addition		-	895,000
Amortisation		<u>(181,411)</u>	<u>(252,328)</u>
Closing balance		<u>624,855</u>	<u>806,266</u>
Rate (%)		30%	30%
7. INVESTMENT ACCOUNTED FOR USING EQUITY METHOD			
Investment in joint venture	7.1	<u>141,935,069</u>	<u>132,604,237</u>

7.1 Investment in joint venture

This represents investment in a CNG filling station. The latest available unaudited financial statements of joint venture as at March 31, 2024 have been used for the purpose of application of equity method.

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
8. NET INVESTMENT IN FINANCE LEASE			
Contracts accounted for as finance lease under IFRS 16	8.1	214,939,117	298,883,995
Less : Current portion	12	(156,415,199)	(194,290,591)
		<u>58,523,918</u>	<u>104,593,404</u>

8.1 Net investment in finance lease

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

	Un-audited March 2024			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					
Minimum lease payments receivable	681,675,114	24,350,797	706,025,911	722,228,647	51,004,532	773,233,179
Residual value of leased assets	23,714,450	38,545,880	62,260,330	28,454,960	60,047,675	88,502,635
Lease contracts receivable	705,389,564	62,896,677	768,286,241	750,683,607	111,052,207	861,735,814
Unearned lease income	(9,726,923)	(3,059,141)	(12,786,064)	(14,352,955)	(6,458,803)	(20,811,758)
Income suspended	(129,016,012)	(107,067)	(129,123,079)	(129,488,269)	-	(129,488,269)
Provision for potential lease losses	(410,231,430)	(1,206,550)	(411,437,980)	(412,551,792)	-	(412,551,792)
	<u>(549,974,365)</u>	<u>(4,372,758)</u>	<u>(553,347,123)</u>	<u>(556,393,016)</u>	<u>(6,458,803)</u>	<u>(562,851,819)</u>
	156,415,199	58,523,918	214,939,117	194,290,591	104,593,404	298,883,995

8.1.1 These finances carry profit rates ranging from 13.57% to 31.00 % 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.

8.1.2 The above net investment in finance lease includes non-performing lease portfolio of Rs. 490.23 million (June 2023: Rs. 488.18 million). Detail of non performing leases is as follows:

Category of classification	Un-audited March 2024			Audited June 2023		
	Principal outstanding	Provision required	Provision held	Principal outstanding	Provision required	Provision held
	Rupees					
Doubtful	3,354,397	-	-	-	-	-
Loss	486,879,320	411,437,980	411,437,980	488,180,731	412,551,792	412,551,792
	<u>490,233,717</u>	<u>411,437,980</u>	<u>411,437,980</u>	<u>488,180,731</u>	<u>412,551,792</u>	<u>412,551,792</u>

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
9. LONG TERM MUSHARAKAH FINANCES			
Secured			
Considered doubtful			
Companies (non-financial institutions)		19,069,247	20,557,876
Individuals		42,986,000	43,103,923
		<u>62,055,247</u>	<u>63,661,799</u>
Provision against doubtful balances		(11,858,247)	(11,976,021)
		<u>50,197,000</u>	<u>51,685,778</u>
Less: Current portion	12	(50,197,000)	(51,685,778)
		<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 (June 2023: 16.00% to 30.00% per annum). These were receivable in monthly / quarterly / semi-annual installments and in lump sum on maturity.

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
10. LONG TERM LOANS			
Secured			
Considered good			
Customers		5,431,439	8,339,836
Vehicle Finance		458,095,906	328,747,702
Considered doubtful			
Customers		36,119,106	43,342,327
Outgoing group		71,954,665	71,954,665
Ex-employee		528,523	528,523
		108,602,294	115,825,515
Provision against doubtful balances		(75,916,440)	(75,916,440)
		32,685,854	39,909,075
		496,213,199	376,996,613
Less: Current portion	12	(211,286,259)	(159,962,384)
		284,926,940	217,034,229

11. SHORT TERM FINANCES

Secured			
Considered good			
		157,580	50,944
Considered doubtful			
Provision against doubtful balances		8,132,867	8,132,867
		(8,132,867)	(8,132,867)
		-	-
	11.1	157,580	50,944

11.1 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 32.34% per annum (June 2023: 15.29% to 35.00% per annum).

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
12. CURRENT PORTION OF NON-CURRENT ASSETS			
Net investment in finance lease	8	156,415,199	194,290,591
Long term musharakah finances	9	50,197,000	51,685,778
Long term loans	10	211,286,259	159,962,384
		417,898,458	405,938,753

	Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
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13. INVESTMENT IN TREASURY BILLS

Investment in treasury bills	13.1	153,939,648	48,292,187
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13.1 These carry mark-up at the rates ranging from 21.10% to 23.25% per annum (June 2023: 21.90% to 21.94% per annum), and are due to mature in January, 2024 to December, 2024 (June 2023: September, 2023).

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments at fair value through profit or loss			
Quoted securities	14.1	2,160,863	14,982,056

14.1 Investments at fair value through profit or loss

Un-audited March 31, 2024	Audited June 30, 2023	Name of company	Un-audited March 31, 2024	Audited June 30, 2023
Number of shares		Rupees.....	
-	25,000	Hub Power Company Limited	-	1,739,500
-	29,000	MCB Bank Limited	-	3,319,630
-	618,750	The Bank of Punjab	-	2,147,062
-	20,000	Bank Al-Habib Limited	-	864,400
-	48,000	Habib Bank Limited	-	3,515,040
25,146	202,546	Askari Bank Limited	519,264	2,624,996
-	10,000	Netsol Technologies Limited	-	748,300
56	56	Engro Corporation Limited	20,119	14,553
145	145	Pakistan Petroleum Limited	15,391	8,575
2,763	2,763	Taj Textile Mills Limited	-	-
23,206	-	TRG Pakistan Limited	1,606,087	-
51,316	956,260		2,160,863	14,982,056

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

Note	Un-audited March 2024 Rupees	Audited June 2023 Rupees
15. REDEEMABLE CAPITAL		
Secured		
Term finance certificates	15.1 & 15.2	3,565,000
Less: Current portion	16	(3,565,000)
		-

15.1 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.

15.1 As a result of Company's request to the TFC holders for restructuring / settlement of principal and markup all the TFCs have been settled. The above TFC holders are not tracable despite advertisement in the newspapers.

	Un-audited March 2024 Rupees	Audited June 2023 Rupees
16. CURRENT PORTION OF NON-CURRENT LIABILITIES		
Security deposit from lessees	32,279,710	28,454,960
Liability related to outgoing group	3,240,000	3,240,000
Deferred liability	9,747,000	9,747,000
Redeemable capital	3,565,000	5,065,000
	48,831,710	46,506,960

17. DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized for issue on April 26, 2024 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 Qasim	-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 Qasim	-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.csbn@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: 042-35777285-86

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



INVEST CAPITAL INVESTMENT BANK LIMITED

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