



Condensed Interim
Financial Statements
(Un-audited)
For the First Quarter
ended 30 September 2021



Pak-Gulf Leasing
Company Limited

Board of Directors

Mr. Sohail Inam Ellahi	Chairman
Mr. Pervez Inam	Director
Mr. Fawad Salim Malik	Director
Brig. Naveed Nasar Khan (Retd.)	Director
Mr. Ismail H. Ahmed	Director
Mr. Jan Ali Khan Junejo	Director
Mr. Naeem Ali Muhammad Munshi	Director
Ms. Naureen Ahmed	Director
Mr. Mahfuz-ur-Rehman Pasha	Chief Executive Officer

Company Secretary

Mr. Suleman Chhagla

Audit Committee

Mr. Ismail H. Ahmed	Chairman
Mr. Naeem Ali Mohammad Munshi	Member
Mr. Pervez Inam	Member
Brig. Naveed Nasar Khan (Retd.)	Member
Ms. Farah Farooq	Secretary

Human Resource & Remuneration Committee

Mr. Jan Ali Khan Junejo	Chairman
Mr. Sohail Inam Ellahi	Member
Mr. Pervez Inam	Member
Mr. Ismail H. Ahmed	Member
Ms. Naureen Ahmed	Member
Mr. Mahfuz-ur-Rahman Pasha	Member
Mr. Suleman Chhagla	Secretary

Senior Management

Mr. Mahfuz-ur-Rahman Pasha	Chief Executive Officer
Lt. Col. Saleem Ahmed Zafar (Retd.)	Chief Operating Officer
Lt. Col. Farhat Pervez Kayani (Retd.)	General Manager Punjab
Mr. Suleman Chhagla	Chief Financial Officer
Ms. Farah Farooq	Head of Audit
Major Arifullah Lodhi (Retd.)	Manager HR & Administration

Credit Rating Agency

VIS Credit Rating Company Limited

Entity Rating

- A- (Single A Minus) for Medium to Long term
- A-2 (A-Two) for Short term
- Outlook: Negative

Auditors

M/s. BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block C,
Lakson Square Building No. 1
Sarwar Shaheed Road
Karachi-74200

Legal Advisors

M/s. Mohsin Tayebaly & Company
2nd Floor, Dime Centre,
BC-4, Block # 9, Kehkashan, Clifton,
Karachi.
Tel # : (92-21) 111-682-529
Fax # : (92-21) 35870240

Shariah Advisor

M/s. Alhamd Shariah Advisory Services (Pvt) Ltd.

Bankers
Islamic Banks

Albaraka Bank (Pakistan) Limited
MCB Islamic Bank

Conventional Banks

Allied Bank Limited
Askari Commercial Bank Limited
Bank Al-Falah Limited
Bank Al Habib Limited
Bank of Punjab
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Silk bank Limited
Soneri Bank Limited

Registered Office

UNIBRO HOUSE
Ground and Mezzanine Floor,
Plot No. 114, 9th East Street, Phase I, DHA
Karachi, P.O.Box # 12215, Karachi-75600.
Tel #: (92-21) 35820301, 35820965-6
35824401, 35375986-7
Fax #: (92-21) 35820302, 35375985
E-mail: pgl@pakgulfleasing.com
Website: www.pakgulfleasing.com

Branch Office

202, 2nd Floor, Divine Mega II,
Opp. Honda Point, New Airport Road, Lahore.
Tel #: (92-42) 35700010
Fax #: (92-42) 35700011

Registrar / Share Transfer Office

THK Associates (Pvt) Limited
Plot No. C-32 Jami Commercial Street 2
DHA, Phase-VII, Karachi.
Tel # : (92-21) 111-000-322
Fax # : (92-21) 35310190

Mission Statement

The Company will:

- Aim to gain the confidence of all its stakeholders by earning a credible reputation for being an innovative enterprise that is prepared to change in the best interests of its stakeholders.
- Continually monitor structural changes in the various sectors of the economy, and accordingly alter the Company's business strategy to benefit from the emerging opportunities.
- Focus on changing customer needs and strive to improve tangible and intangible returns to its customers by providing service and satisfaction at par with the best in the industry, which would be reflected in prompt risk evaluation and facility disbursement procedures and practices.
- Consciously share and remain part of all initiatives by the leasing industry to play a positive role in the evolution of small and medium-size enterprises to expand the country's industrial base and support economic growth, higher employment, and a better future for all.

DIRECTORS' REPORT

Dear Shareholders

The Directors of your Company are pleased to present, before you, the Financial Statements of your Company for the 1st Quarter, of the current financial year, ended September 30, 2021.

The economic scenario in the current quarter has been encouraging due to the waning of pandemic globally and domestically, which has given a boost to the economy and growth in all sectors. This is reflected in the increased business which your Company has done compared in the first quarter of the previous year. On the interest rate front, the interbank KIBOR has been increasing, and on November 19, 2021, State Bank of Pakistan ('SBP") has increased the policy rate from 7.25% to 8.75%, and increase of 150 bps. In addition, in September 2021, SBP also curbed the Banking sector to limit consumer financing of vehicles to Rs 3 million per borrower, complete ban on imported cars financing, and other measures. This has no negative impact on your Company as it is outside the ambit of SBP Prudential Regulations.

During the first Quarter of FY2022, 20 new leases and 8 auto finance loan of Rs. 270.82 million were written, as compared to 2 leases and 2 auto finance loan of Rs. 9.98 million written during the corresponding period of FY2021. Your Company earned a Total Revenue of Rs. 48.55 million, for the 1st Quarter of FY2022 as compared to the Total Revenue of Rs. 82.05 million posted, in the 1st Quarter of the FY2021.

The Company's Profit before Taxation stood at Rs. 8.79 million for the first quarter of FY2022 as compared with the Profit before Taxation of Rs. 14.05 million, earned in the corresponding period of the last FY 2021. Net Profit after Tax for the 1st Quarter September 30, 2021 has decreased to Rs. 2.41 million as compared to Rs. 22.49 million for the corresponding period of the last FY2021 due to increase in tax charge for the period. The Shareholders Equity of your Company has slightly risen from Rs. 675.43 million, as at June 30, 2021, to Rs. 677.85 million, as at September 30, 2021 while Earnings per Share has decreased exponentially to Rs. 0.09 as compared with the EPS of Rs. 0.89 for the corresponding period in FY-2020-21.

The Board would like to place on record its appreciation for the management team of your Company, and each and every member of its staff, for their hard work and dedication, which has been reflected in a consistently maintained and satisfactory performance of your Company under a challenging economic environment. We, the Members of the Board, as representatives of the Shareholders of the Company, assure the management and staff of the Company of our continued support and commitment towards strengthening the Company and leading it to maintain its growth and performance. We are confident, that the management and the staff will continue to serve the customers of the Company with the same zeal, as demonstrated by them in all the previous years, enabling your Company to further improve its reputation in the financial services sector of Pakistan.

The Board also acknowledges the cooperation and guidance extended to the Company by the Securities and Exchange Commission of Pakistan (SECP), the State Bank of Pakistan (SBP) and other regulatory authorities. Their role is critical in developing the Financial Services Sector and we hope that their actions will continue to strengthen this sector. The Board would also like to praise the NBFIs & Modaraba Association of Pakistan for its assistance and support in professionally safe-guarding your Company's interest.

At the end, we would like to thank our valued Shareholders, Customers, Bankers, Investors and other Stakeholders for their valuable support during the year. We look forward to reinforcing and building this relationship further, in the years to come.

Sohail Inam Ellahi
Chairman

Mahfuz-ur-Rehman Pasha
Chief Executive Officer

Karachi,
November 26, 2021

ASSETS	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
		-----Rupees-----	
CURRENT ASSETS			
Cash and bank balances	6	22,185,572	35,972,488
Short term investments	7	49,131,474	34,002,899
Other receivables	8	91,580,696	90,727,035
Ijarah rental receivables		278,062	278,062
Advance to employees		1	84,669
Prepayments		1,616,229	862,378
Taxation - net		-	-
Current portion of net investment in finance lease	9	761,751,378	623,493,104
Current portion of long-term loans	10	54,900,122	36,309,466
		981,443,534	821,730,101
NON-CURRENT ASSETS			
Net investment in finance lease	9	1,215,303,491	1,349,584,136
Long-term loans	10	88,255,024	81,892,476
Long-term security deposits		118,500	118,500
Diminishing musharakah receivable		-	-
Investment property		154,440,000	154,440,000
Property, plant and equipment	11	4,025,849	4,256,389
Right to use assets		7,621,256	8,676,875
Intangible assets		29,038	39,928
		1,469,793,158	1,599,008,304
TOTAL ASSETS		2,451,236,692	2,420,738,405
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		34,314,429	29,875,067
Taxation - net		45,539,567	16,647,758
Unclaimed dividend		1,474,330	1,474,330
Accrued mark-up		19,758,596	16,403,208
Short term borrowings	12	265,442,156	353,831,937
Current portion of certificates of investment	13	113,297,675	23,297,675
Current portion of long-term loan	14	16,666,668	45,833,325
Current portion of lease liabilities	15	4,357,851	4,357,851
Current portion of long-term deposits	16	166,493,681	143,885,047
Current portion of advance rental against Ijarah leasing		-	-
		667,344,953	635,606,198
NON-CURRENT LIABILITIES			
Certificates of investment	13	167,826,029	167,826,029
Long-term loan	14	66,666,660	50,000,004
Lease liabilities	15	3,188,760	7,434,418
Long-term deposits	16	618,169,347	610,638,604
Deferred taxation	17	157,063,130	180,357,130
		1,012,913,926	1,016,256,185
TOTAL LIABILITIES		1,680,258,879	1,651,862,383
NET ASSETS		770,977,813	768,876,022
NET ASSETS FINANCED BY:			
Authorised share capital		500,000,000	500,000,000
Issued, subscribed and paid-up capital		253,698,000	253,698,000
Capital reserves			
Statutory reserve		113,484,551	113,002,637
Reserve for issue of bonus shares		4,402,000	4,402,000
Surplus on revaluation of property, plant and equipment		90,504,204	90,504,204
Surplus on revaluation of available for sale investments		2,588,581	2,896,362
		210,979,336	210,805,203
Revenue reserve			
Unappropriated profit		306,300,477	304,372,819
		770,977,813	768,876,022

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 23 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Three months period ended	
	September 30,	
	2021	2020
	------(Rupees)-----	
INCOME		
Income from financing operations	45,308,170	78,301,093
OTHER OPERATING INCOME		
Return on investments	611,881	1,352,519
Other income	2,633,202	2,393,820
	3,245,083	3,746,339
	48,553,253	82,047,432
OPERATING EXPENSES		
Administrative and operating expenses	15,287,961	14,348,865
Finance cost	12,216,551	16,541,676
	27,504,512	30,890,541
Operating profit before provision	21,048,741	51,156,891
Provision for potential lease losses - net	(19,323,920)	1,379,549
Provision against insurance premium and other receivable	-	-
Provision for lease receivables held under litigation - net	7,067,529	(38,482,718)
	(12,256,391)	(37,103,169)
Profit before taxation	8,792,350	14,053,722
Taxation		
Current	(29,676,790)	(28,907,536)
Deferred	23,294,012	37,349,457
	(6,382,778)	8,441,921
Profit after taxation	2,409,572	22,495,643
Earnings per share - basic and diluted	0.09	0.89

The annexed notes from 1 to 23 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)**

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Three months period ended September 30,	
	2021	2020
	------(Rupees)-----	
Profit after taxation	2,409,572	22,495,643
Other comprehensive income		
<i>Items that may be reclassified subsequently to statement of profit or loss in subsequent periods:</i>		
Surplus / (deficit) of revaluation of available for sale investment	(307,881)	472,953
Total comprehensive income for the period	2,101,691	22,968,596

The annexed notes from 1 to 23 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

Issued, subscribed and paid up capital	Reserves					Total reserves	Total equity	
	Capital				Revenue			
	Statutory reserve	Reserve for issue of bonus shares	Surplus on revaluation of property, plant and equipment - net of tax	Surplus / (deficit) on revaluation of available for sale investments	Unappropriated profit			
----- (Rupees) -----								
Balance as at July 1, 2020	253,698,000	108,089,370	4,402,000	90,504,204	1,858,646	291,062,199	495,916,319	749,614,319
Final Dividend for the year ended 30 June 2020 Rs. 0.25 per share						(6,342,450)	(6,342,450)	(6,342,450)
Profit after taxation	-	-	-	-	-	24,566,337	24,566,337	24,566,337
Other comprehensive income / (loss)	-	-	-	-	1,037,816	-	1,037,816	1,037,816
Total comprehensive income/(loss) for the period	-	-	-	-	1,037,816	24,566,337	25,604,153	25,604,153
Transfer to statutory reserve	-	4,913,267	-	-	-	(4,913,267)	-	-
Balance as at June 30, 2021	<u>253,698,000</u>	<u>113,002,637</u>	<u>4,402,000</u>	<u>90,504,204</u>	<u>2,896,462</u>	<u>304,372,819</u>	<u>515,178,022</u>	<u>768,876,022</u>
Balance as at July 1, 2021	253,698,000	113,002,637	4,402,000	90,504,204	2,896,462	304,372,819	515,178,022	768,876,022
Profit after taxation	-	-	-	-	-	2,409,572	2,409,572	2,409,572
Other comprehensive income	-	-	-	-	(307,881)	-	(307,881)	(307,881)
Total comprehensive income for the period	-	-	-	-	(307,881)	2,409,572	2,101,691	2,101,691
Transfer to statutory reserve	-	481,914	-	-	-	(481,914)	-	-
Balance as at September 30, 2021	<u>253,698,000</u>	<u>113,484,551</u>	<u>4,402,000</u>	<u>90,504,204</u>	<u>2,588,581</u>	<u>306,300,477</u>	<u>517,279,713</u>	<u>770,977,713</u>

The annexed notes from 1 to 23 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	September 30, 2021	September 30, 2020
Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,792,350	14,053,722
Adjustments for:		
Depreciation	1,331,158	2,570,676
Amortisation of premium on long-term investments - net	-	-
Amortisation of intangible assets	10,889	10,889
Finance cost	12,216,551	16,541,676
Provision for lease receivables held under litigation - net	(7,067,529)	38,482,718
Provision for potential lease losses - net	19,323,920	(1,379,549)
	<u>25,814,989</u>	<u>56,226,410</u>
Operating profit before working capital changes	34,607,339	70,280,132
Movement in working capital		
(Increase) / decrease in current assets		
Other receivables	6,213,868	(164,445,782)
Advance to employees	84,668	(28,000)
Accrued mark-up / return on investments	-	-
Ijarah rental receivables	-	-
Prepayments	(753,851)	1,003,035
	<u>5,544,685</u>	<u>(163,470,747)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	4,439,362	8,833,934
Cash (used in) / generated from operating activities	<u>44,591,386</u>	<u>(84,356,681)</u>
Finance cost paid	(8,861,059)	(34,336,954)
Tax (paid)/refunded - net	(784,973)	(2,380,418)
Net investment in finance lease	(23,301,547)	512,073,941
Long-term loans	(24,953,204)	337,249
Deposits received from lessees - net	30,139,377	(182,630,815)
Advance rental against ijarah leasing	-	(181,122)
Net cash generated from operating activities	<u>16,829,980</u>	<u>208,525,200</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	(45,000)	-
Short term investments - net	(15,436,456)	21,839,644
Long-term investments - net	-	-
Net cash generated from / (used in) investing activities	<u>(15,481,456)</u>	<u>21,839,644</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from certificates of investment - net	90,000,000	(173,007,898)
Lease liabilities	(4,245,658)	(1,204,377)
Long-term loan - net	(12,500,001)	(4,166,667)
Net cash (used in) / generated from financing activities	<u>73,254,341</u>	<u>(178,378,942)</u>
Net increase in cash and cash equivalents	74,602,865	51,985,902
Cash and cash equivalents at the beginning of the period	(317,859,449)	(229,779,974)
Cash and cash equivalents at the end of the period	<u>(243,256,584)</u>	<u>(177,794,072)</u>

The annexed notes from 1 to 23 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

1. STATUS AND NATURE OF BUSINESS

- 1.1** Pak-Gulf Leasing Company Limited ("the Company") was incorporated in Pakistan on December 27, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and commenced its operations on September 16, 1996. The Company is principally engaged in the business of leasing and is listed on Pakistan Stock Exchange Limited.
- 1.2** Regulation 4 of Non-Banking Finance Companies and Notified Entities Regulations, 2008 requires an existing deposit taking leasing company to maintain, at all times, minimum equity of Rs. 500 million. The equity of the Company as at September 30, 2021 is Rs. 682.04 million which is Rs. 182.04 million in excess of the minimum equity requirement.
- 1.3** VIS Credit Rating Company Limited has re-affirmed A- and A-2 ratings to the Company for long term and short term, respectively on June 30, 2021.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is located at UNIBRO House, Ground and Mezzanine Floor, Plot No. 114, 9th East Street, Phase-1, Defense Housing Authority, Karachi and a branch office is located at Office No. 202, 2nd Floor, Divine Mega II, Opp Honda Point, New Airport Road, Lahore.

3. BASIS OF PREPARATION**3.1 Statement of compliance**

These condensed financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim reporting comprising of:

- International Financial Reporting Standards (IFRS) 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;
- Islamic Financial Accounting Standard - 2 Ijarah (IFAS-2) issued by the Institute of Chartered Accountants of Pakistan; 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 from the IAS-34 and IFAS-2, 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.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that investment property is stated at fair value and certain investments which have been classified as 'available for sale' are marked to market and carried at fair value.

3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

4. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2021.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements for the year ended June 30, 2021.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
		-----Rupees-----	
6. CASH AND BANK BALANCES	Note		
Cash in hand		130,000	100,633
Balances with banks:			
- in current accounts		20,061,403	21,348,338
- in saving accounts	6.1	1,994,169	14,523,517
		<u>22,185,572</u>	<u>35,972,488</u>
6.1	Return on these savings accounts is earned at rates ranging from 5.5% to 7.00% (June 30, 2021 : 5.25% to 6.50%) per		
		(Un-audited) September 30, 2021	(Audited) June 30, 2021
		-----Rupees-----	
7. SHORT TERM INVESTMENTS			
<i>Available for sale</i>			
National Investment (Unit) Trust		3,782,681	4,090,562
<i>Held to maturity</i>			
Government securities - Market Treasury Bills		45,348,793	29,912,337
		<u>49,131,474</u>	<u>34,002,899</u>
8. OTHER RECEIVABLES - net			
<i>Considered good</i>			
Insurance premium and other receivables		6,064,650	6,986,834
<i>Considered doubtful</i>			
Lease receivables held under litigation		209,113,205	214,454,564
Insurance premium and other receivables		2,592,451	2,592,451
Provision against lease receivables held under litigation		(99,286,392)	(106,353,921)
Provision against insurance premium and other receivables		(2,592,451)	(2,592,451)
Mark-up held in suspense against lease receivables held under litigation		(24,310,767)	(24,360,442)
		85,516,046	83,740,201
		<u>91,580,696</u>	<u>90,727,035</u>

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
9. NET INVESTMENT IN FINANCE LEASE - secured	-----Rupees-----	
Net investment in finance lease	1,977,054,869	1,973,077,240
Less: current portion	<u>(761,751,378)</u>	<u>(623,493,104)</u>
	<u>1,215,303,491</u>	<u>1,349,584,136</u>

	September 30, 2021 (Un-audited)			June 30, 2021 (Audited)		
	Not later than one year	Later than one year and less than five years	Total	Not later than one year	Later than one year and less than five years	Total
Note	----- (Rupees) -----					
Minimum lease payments	766,221,323	724,276,139	1,490,497,462	651,033,449	843,535,926	1,494,569,375
Residual value of leased assets	166,493,681	618,169,347	784,663,028	143,885,047	610,638,604	754,523,651
Gross investment in finance lease	<u>932,715,004</u>	<u>1,342,445,486</u>	<u>2,275,160,490</u>	794,918,496	1,454,174,530	2,249,093,026
Unearned lease income	<u>(107,764,685)</u>	<u>(127,141,995)</u>	<u>(234,906,680)</u>	<u>(170,705,159)</u>	<u>(104,590,394)</u>	<u>(233,540,940)</u>
Mark-up held in suspense	<u>(14,034,563)</u>	-	<u>(14,034,563)</u>	<u>(24,521,639)</u>	-	<u>(12,634,386)</u>
	<u>(121,799,248)</u>	<u>(127,141,995)</u>	<u>(248,941,243)</u>	<u>(195,226,798)</u>	<u>(104,590,394)</u>	<u>(246,175,326)</u>
	810,915,756	1,215,303,491	2,026,219,247	599,691,698	1,349,584,136	2,002,917,700
Provision for potential lease losses	9.1 <u>(49,164,378)</u>	-	<u>(49,164,378)</u>	<u>(33,466,159)</u>	-	<u>(29,840,458)</u>
Net investment in finance lease	<u>761,751,378</u>	<u>1,215,303,491</u>	<u>1,977,054,869</u>	<u>566,225,539</u>	<u>1,349,584,136</u>	<u>1,973,077,242</u>

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
9.1 Provision for potential lease losses	-----Rupees-----	
Balance at beginning of the period / year	29,840,458	33,466,159
Charge for the period / year - net	<u>19,323,920</u>	<u>(3,625,701)</u>
Balance at end of the period / year	<u>49,164,378</u>	<u>29,840,458</u>

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
		-----Rupees-----	
10. LONG-TERM LOANS - secured	Note		
Auto-finance loan		143,155,146	118,201,942
Less: Current portion		<u>(54,900,122)</u>	<u>(36,309,466)</u>
		<u><u>88,255,024</u></u>	<u><u>81,892,476</u></u>
11. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - Own use		4,025,849	4,256,389
Operating fixed assets - Ijarah finance		-	-
		<u><u>4,025,849</u></u>	<u><u>4,256,389</u></u>
12. SHORT TERM BORROWINGS - secured			
The Company has arranged short-term running finance facilities from various commercial banks amounting to Rs. 550 million (June 30, 2021: Rs. 550 million). These carry mark-up at the rate ranging from 3 months KIBOR plus 1% to 3 months KIBOR plus 2.5% per annum and are secured by hypothecation charge over leased assets and lease rentals receivable.			
		(Un-audited) September 30, 2021	(Audited) June 30, 2021
		-----Rupees-----	
13. CERTIFICATES OF INVESTMENT - secured			
Certificates of investment		281,123,704	191,123,704
less: Current portion		<u>(113,297,675)</u>	<u>(23,297,675)</u>
		<u><u>167,826,029</u></u>	<u><u>167,826,029</u></u>
14. LONG-TERM LOAN - secured			
Long-term loan		83,333,328	95,833,329
Less: Current portion		<u>(16,666,668)</u>	<u>(45,833,325)</u>
		<u><u>66,666,660</u></u>	<u><u>50,000,004</u></u>

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
15. LEASE LIABILITIES		
Lease liabilities	7,546,611	11,792,269
Less: Current portion	(4,357,851)	(4,357,851)
	<u>3,188,760</u>	<u>7,434,418</u>
16. LONG-TERM DEPOSITS		
Deposit held against finance lease	784,663,028	754,523,651
Less: Current portion	(166,493,681)	(143,885,047)
	<u>618,169,347</u>	<u>610,638,604</u>
17. DEFERRED TAXATION		
Taxable temporary difference arising in respect of:		
Surplus on revaluation of property, plant and equipment	36,966,506	36,966,506
Un-realised gain on revaluation of investment property	5,971,680	5,971,680
Net investment in finance lease	162,989,629	183,657,734
	<u>205,927,815</u>	<u>226,595,920</u>
Deductible temporary difference arising in respect of:		
Provisions	(49,767,402)	(45,697,002)
RoU asset and lease liabilities	21,647	(903,456)
Provision for leave encashment		(516,058)
Accelerated tax depreciation	881,070	877,726
	<u>(48,864,685)</u>	<u>(46,238,790)</u>
	<u>157,063,130</u>	<u>180,357,130</u>
18. CONTINGENCIES AND COMMITMENTS		
18.1 Contingencies		
The aggregate amount of tax contingencies amounted to Rs. 52.769 million as at September 30, 2021. There were no changes in the status of contingencies during the period.		
18.2 Commitments	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	-----Rupees-----	
Finance lease committed but not executed	<u>49,554,500</u>	<u>30,892,550</u>
Vehicle finance loan committed but not executed	<u>-</u>	<u>-</u>

19. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company as at June 30, 2021.

20. FAIR VALUES OF ASSETS AND LIABILITIES

The carrying values of all financial assets and liabilities are estimated to approximate their fair values. There were no transfers amongst levels during the period.

21. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise associated companies, staff retirement funds, Directors and key management personnel. Transactions with related parties are as under:

21.1 Transactions during the period

Nature of transaction	Relationship	----- (Un-audited) -----	
		Three months ended September 30, 2021	Three months ended September 30, 2020
		----- (Rupees) -----	
<u>Certificates of investment</u>			
Issued/rolled over during the period	Board of Directors and their relatives	-	-
Repaid during the period	Board of Directors and their relatives	-	173,007,898
Finance cost	Board of Directors and their relatives	5,083,804	9,613,315
<u>Net investment in finance lease</u>			
<i>Rental received</i>			
MACPAC Films Limited	Associated undertaking (Common directorship)	7,577,673	7,577,673
<u>Retirement benefit fund</u>			
Contribution for the period	Provident fund	157,569	155,266
<u>Remuneration and other benefits</u>			
Directors' fee	Board of Directors	240,000	240,000
Salary and allowances	Key management personnel	1,562,304	1,301,920

21.2 Balances at period/year end

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees) -----		
Certificates of investment	162,500,000	209,163,955
Accrued mark-up on Certificates of investment	6,111,229	34,176,818
Net investment in finance lease	10,103,564	38,579,547
Security deposit	10,075,000	10,075,000

22. SEGMENT INFORMATION

The Company has two primary reporting segments namely, "Conventional finance" and "Islamic finance". Other operations, which are not deemed by management to be sufficiently significant to disclose as separate items and do not fall into the above segment categories, are reported under "Others".

September 30, 2021 (Un-audited)				
(Rupees)				
	Conventional finance	Islamic finance	Others	Total
Segment revenue	45,308,170	-	3,244,259	48,552,429
Administrative and operating expenses	25,837,553	-	657,286	26,494,839
Segment result	19,470,617	-	2,586,973	22,057,590
Provision for Workers' Welfare Fund				-
Unallocated expenses				(1,048,688)
Result from operating activities				21,008,902
Finance cost				(12,216,551)
Provision for taxation				(6,382,778)
Profit for the year				2,409,572
Other Information				
Segment assets	2,207,920,640	489,837	233,285,027	2,441,695,504
Unallocated assets				9,541,188
Total assets				2,451,236,692
Segment liabilities	804,908,697	-	14,394,199	819,302,896
Unallocated liabilities				860,955,982
Total liabilities				1,680,258,878
Capital expenditure	-	-	-	-
Depreciation	1,331,158	-	-	1,331,158
Unallocated capital expenditure				-
Unallocated depreciation				-

September 30, 2020 (Un-audited)				
(Rupees)				
	Conventional finance	Islamic finance	Others	Total
Segment transactions				
Segment revenue	77,031,901	1,269,192	3,746,339	82,047,432
Administrative and operating expenses	(29,894,324)	1,170,955	3,318,278	(25,405,091)
Segment results	106,926,225	98,237	428,061	56,642,341
Provision for Workers Welfare Fund				(288,000)
Unallocated expenses				(25,758,943)
Result from operating activities				30,595,398
Finance cost				(16,541,676)
Provision for taxation				8,441,921
Profit for the period				22,495,643

	September 30, 2020 (Un-audited)			
	(Rupees)			
	Conventional finance	Islamic finance	Others	Total
Segment assets and liabilities				
Segment assets	1,848,048,902	4,493,421	334,569,915	2,187,112,238
Unallocated assets				140,376,096
Total assets				2,327,488,334
Segment liabilities	734,183,754	1,064,968	18,428,518	753,677,240
Unallocated liabilities				801,228,179
Total liabilities				1,554,905,419

	September 30, 2020 (Un-audited)			
	(Rupees)			
	Conventional finance	Islamic finance	Others	Total
Other Information				
Depreciation	-	1,086,748	1,063,533	2,150,281
Unallocated depreciation				420,395

23. GENERAL

These condensed interim financial statements was authorised for issue on November 26, 2021 by the Board of Directors of the Company.

Chief Executive Officer

Chief Financial Officer

Director