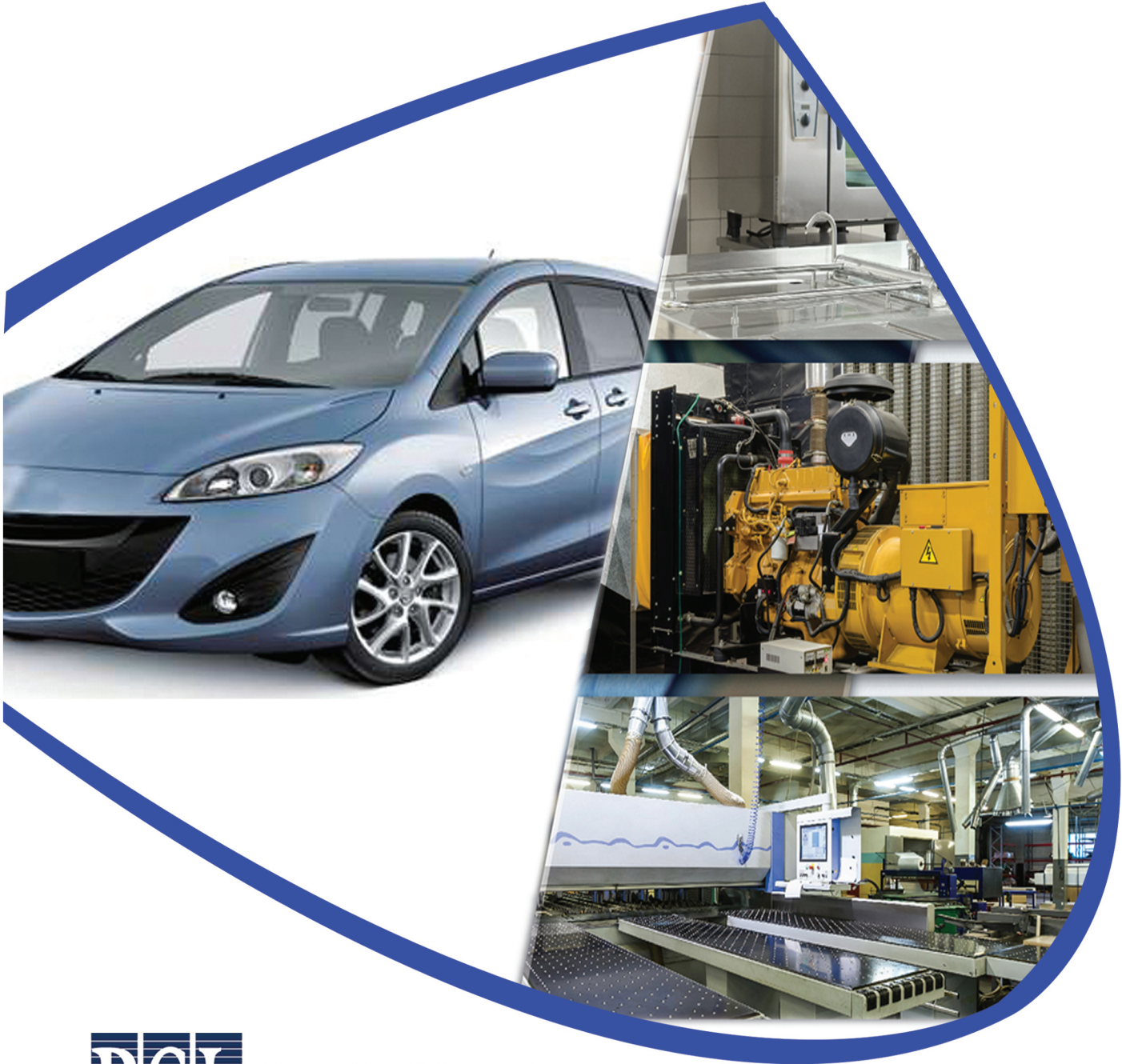


ANNUAL REPORT 2023



Pak-Gulf Leasing
Company Limited

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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. Naeen Ahmed	Director
Brig. Haris Nawaz (Retd.)	Director
Mr. Mahfuz-ur-Rehman Pasha	Chief Executive Officer

Company Secretary

Mr. Suleman Chhagla *

Audit Committee

Mr. Ismail H. Ahmed	Chairman
Mr. Pervez Inam	Member
Brig. Naveed Nasar Khan (Retd.)	Member
Mr. Naeem Ali Mohammad Munshi	Member
Ms. Naeen Ahmed	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. Naeen 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
Mr. Suleman Chhagla *	Chief Financial Officer
Lt. Col. Farhat Pervez Kayani (Retd.)	General Manager Punjab
Ms. Farah Farooq	Head of Audit

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: Stable

* Till 23 August 2023

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.

Notice is hereby given that the 30th Annual General Meeting of Pak-Gulf Leasing Company Limited will be held at the Company's Registered Office/Video link, UNIBRO House, Ground and Mezzanine Floor, Plot No. 114, 9th East Street, Phase-I DHA, Karachi-75500, on Thursday, October 26, 2023 at 04:30 p.m. to transact the following business:

A. Ordinary Business:

1. To read and confirm the minutes of the 29th Annual General Meeting held on December 15, 2022;
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2023 together with Directors' and Auditors' Report thereon;
3. To appoint Auditors for the year ending June 30, 2024 and fix their remuneration. The present auditors, M/S BDO Ebrahim & Company, Chartered Accountants, retire and being eligible, have offered themselves for reappointment;

B. Special Business:

4. To consider and, if deemed fit, to pass, the following resolutions, in pursuance of S.R.O. 389(I)/2023 dated March 21, 2023 of the Securities and Exchange Commission of Pakistan to authorize the Company to circulate the annual audited financial statements to its members through QR enabled code and Weblink with or without modification, addition(s) or deletion(s).

Resolved that the approval of the members of Pak-Gulf Leasing Company Limited (the "Company") be and is hereby accorded for transmission of Annual Reports including Annual Audited Financial Statements to the members for future years through QR enabled code and Weblink instead of transmitting the same through CD/DVD/USB, as allowed Securities and Exchange Commission of Pakistan vide its S.R.O. 389(I)/2023 dated March 21, 2023.

Resolved further that the Chief Executive Officer and/or Company Secretary of the Company be and are hereby singly authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and file necessary documents as many be necessary or incidental for the purposes of implementing this resolution.

Statement under Section 134(3) of the Companies Act, 2017 concerning to the special businesses are annexed to the notice of meeting circulated to the members of the Company.

ANY OTHER BUSINESS

5. To transact any other business with the permission of the Chair.

By Order of the Board

Company Secretary

Karachi: October 04, 2023

Notes:

1. The Register of Members of the Company shall remain closed from October 20, 2023 to October 26, 2023 (both days inclusive).
2. The shareholders interested to participate in the AGM through video link are requested to share below information at companysecretary@pakgulfleasing.com for their appointment and proxy's verification at least 48 hours before the time of AGM.

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	Cell No.	Email Address
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Video link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.

Login facility will open thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

3. A Member entitled to attend and vote at the Annual General Meeting of Members is entitled to appoint a proxy to attend and vote on his/her behalf.
4. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of the power of attorney must be deposited at the registered office of the Company at least 48 hours before the time of the meeting. A form of proxy is enclosed.
5. CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan (SECP).

A. For attending the meeting:

- (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the meeting.
- (ii) In case of corporate entity, the Board of Directors resolution / power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For appointing proxies:

- (i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.
- (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iv) The proxy shall produce his/her original CNIC or original passport at the time of meeting.
- (v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Availability of Annual Audited Financial Statements on the Company's website

6. In accordance with the provisions of Section 223(7) of the Companies Act, 2017, the Audited Financial Statements of the Company for the year ended June 30, 2023 are available on the Company's website <http://www.pakgulfleasing.com/Financials.html>, in addition to the annual and quarterly financial Statements for the prior years.

Transmission of Annual Financial Statements through Email

7. In pursuance of directions given by the Security and Exchange Commission of Pakistan (SECP) vide SRO. 787(I)/2014 dated September 08, 2014, those shareholders who desire to receive Annual Financial Statements in future through email are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company's website i.e. www.pakgulfleasing.com and send the form duly signed by the shareholder, along with copy of his/her CNIC to the Company's Share Registrar M/s. THK Associates (Pvt) Limited.

CNIC / NTN

8. The Securities and Exchange Commission of Pakistan (SECP) vide its notification SRO 831(1)/2012 dated 5 July 2012 require that the dividend warrant(s) should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, members who have not yet submitted copy of their valid CNIC or NTN in case of corporate entities are requested to submit the same to the Company's Share Registrar. In case of non-compliance, the Company may withhold dividend, till such time they provide the valid copy of their CNIC as per law.

E-Mandate

9. After the promulgation of the Companies Act, 2017 the listed companies are obliged to pay cash dividend through electronic mode only by directly crediting the dividend amount in the designated bank accounts of the entitled shareholders. Accordingly the shareholders who hold shares in physical form are requested to submit the e-dividend mandate to the Company's registered office while the shareholders who hold shares in Central Depository Company are requested to submit the e-dividend mandate to the participants/investor account services of the Central Depository Company Limited. In case of non-compliance, the Company in line with the directions given by the regulator will not be able to make payment of dividend.

Filer and Non-Filer Status

10. Pursuant to the provisions of Finance Act, 2023 effective 1 July 2023, deduction of income tax from dividend payments shall be made on the basis of filers and non-filers as follows:
- | | |
|--|-----|
| • For filers of income tax returns | 15% |
| • For non-filers of income tax returns | 30% |

Income Tax will be deducted on the basis of Active Tax Payers List posted on the Federal Board of Revenue website. Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence, as the case may be.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the details of their shareholding to the Share Registrar of the Company latest by the AGM date.

Deposit of Physical Share in CDC Account

11. As per Section 72 of the Companies Act, 2017 every listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e., May 30, 2017.

The Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip-less form.

Unclaimed Dividend and/or Bonus Shares

12. Shareholders, who by any reason, could not claim their dividend and/or bonus shares, if any, are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend and/or bonus shares, if any.
13. Shareholders are requested to notify change of their addresses, if any immediately.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT. 2017

The Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O. 389(I)/2023 dated March 21, 2023 has allowed companies to circulate annual audited financial statements to its members through QR-enabled codes and Weblink, therefore, the Board of Directors of Pak Gulf Leasing Limited (“the Company”) have recommended for transmission of Annual Reports including Audited Financial Statements of the Company to its members through QR enabled Code and Weblink instead of transmitting the same through CD/DVD/USB, for the approval in the Annual General Meeting to be held on October 26, 2023. However, hard copy of the annual audited financial statements will be supplied to the shareholder, on demand, at their registered addresses, free of cost, within one week of receipt of such demand.

The Directors, Sponsors, majority shareholders and their relatives are not interested, directly or indirectly, in the above businesses except to the extent of shares that are held by them in the Company.

Dear Shareholders,

It gives me pleasure to present to the shareholders a concise review of the general performance of the Board of Directors of the Company and the effective and prudent role played by it in managing the affairs of the Company for the financial year ended June 30, 2023.

The Company faced serious challenges due to excessive increase in KIBOR, devaluation of Pak Rupee, rising inflation and adverse economic conditions, thus necessitating a cautious and prudent approach on the part of the Board of Directors not to take unnecessary risks and limit the exposure to only tried, tested and financially sound clients. This approach resulted in the reduction of the exposure taken during the year vis a vis exposure taken last year.

In order to give positive hope to the shareholders that despite challenging and trying circumstances, the Company holds a promise for them in the future, the Board decided to announce Interim Dividend Payout and Interim Bonus Issue to the shareholders during the year.

All Members of Company's Board of Directors are fully conversant with the Corporate & Financial Reporting Framework and their duties, roles and responsibilities as Directors of the Company. They being fully aware with the challenging business environment of the Company pursue their strategic role in achieving the Company's key objectives as best as they can. Moreover, they are fully focused on the ways and means to regularly enhance the returns on the investment made by the shareholders in the shares and certificate holders in the Cols of the Company.

During the year under review, all the members of the Board diligently performed their duties and thoroughly reviewed, discussed and approved business plans, implementation strategies, corporate policies, intended objectives, financial performance and proposals. All significant issues faced by the management in its performance, during the year, were regularly presented by it before the Board and the management's proposals and the decisions taken by the Board of Directors were duly recorded in the form of Minutes. The Board also exercised rigorous vigilance over compliance made by the Company's management of its internal policies, as well as the prescribed Regulatory Requirements.

An assessment of the performance of the Board, with regard to its responsibilities, is annually undertaken, with a view to determine its contribution and effectiveness, with respect to the progress and growth of the Company. On the basis of the Board's performance evaluation, the Directors are of the opinion that the Board has been productively involved and has been immensely useful in successfully fulfilling all its designated responsibilities, including, but not limited to exercising effective Controls for management of Risks, vigilant supervision of Procedures and mandatory Compliance of all the prescribed Regulatory Reporting Requirements.

Chairman**September 27, 2023
Karachi**

چیئرمین کی جائزہ رپورٹ
محترم شیئر ہولڈرز (حصص یافتگان)

مجھے حصص یافتگان کے سامنے کمپنی کے بورڈ آف ڈائریکٹرز کے انتظامی کردار اور 30 جون 2023 کو ختم ہونے والے مالی سال کی عمومی کارکردگی اور اس کا جائزہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

کمپنی کو KIBOR میں بے تحاشہ اضافے، پاکستانی روپے کی بے قدری، بڑھتی ہوئی مہنگائی اور منفی معاشی حالات جیسے سنگین حالات کا سامنا رہا ہے۔ اسی وجہ سے بورڈ آف ڈائریکٹرز کی جانب سے محتاط اور ہوشیار رویہ اختیار کیا گیا اور اپنے کاروبار کو صرف آزمودہ اور معاشی طور پر مضبوط گاہوں تک محدود رکھا گیا۔ یہی وجہ تھی کہ کاروبار کا حجم پچھلے سال کی بانسبت کم رہا۔ حصص مالکان کو حوصلہ دینے کیلئے کہ مشکل اور نامساعد حالات کے باوجود کمپنی کو ایک اچھے اور تابناک مستقبل کی طرف گامزن رکھنے کیلئے بورڈ پرعزم ہے، بورڈ نے عبوری منافع اور بونس حصص کے اجراء کا فیصلہ کیا ہے۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کے تمام ممبران کارپوریٹ اور مالی اصولوں، رپورٹنگ فریم ورک اور کمپنی کے ڈائریکٹرز کے طور پر ان کے فرائض، کردار اور ذمہ داریاں سے پوری طرح واقف ہیں۔

زیر نظر سال کے دوران بورڈ کے تمام ممبران نے اپنی ذمہ داریاں پوری تندی اور احسن انداز سے نبھائیں، معاشی حالات کا جائزہ لیا، ان پر تبادلہ خیال کیا اور منظور شدہ کاروباری منصوبوں کے نفاذ کی حکمت عملی، کارپوریٹ پالیسیاں، مطلوبہ مقاصد، مالی کارکردگی اور تجاویز، اس میں درپیش تمام انتظامی مسائل سے خوش اسلوبی سے نبرد آزما رہے۔ انتظامیہ کی تمام تجاویز اور ان پر بورڈ کی طرف سے لیے گئے تمام فیصلوں کو منٹس کی صورت میں درست طریقے سے ریکارڈ کیا گیا۔ بورڈ نے کمپنی انتظامیہ کی طرف سے اپنی اندرونی پالیسیوں کے ساتھ ساتھ مقررہ ریگولیٹری تقاضوں کی تعمیل پر بھی سختی سے عمل درآمد جاری رکھا۔

ذمہ داریوں کے حوالے سے بورڈ کی کارکردگی کا سالانہ جائزہ لیا جاتا ہے۔ بورڈ کی رائے ہے کہ کمپنی کی ترقی اور نمو کے حوالے سے بورڈ کی شراکت اور اس کی تاثیر نتیجہ خیز رہی اور اچھے نتائج کو حاصل کرنے میں بے حد مفید رہی اور بورڈ نے اپنی ذمہ داریاں نبھانے، انتظامی کنٹرول کو موثر بنانے، طریقہ کار کی مکمل اور چوکس انداز میں نگرانی اور تمام مقررہ ریگولیٹری قوانین کی لازمی اور موثر انداز میں تعمیل کی۔

چیئرمین
27 ستمبر 2023
کراچی

Dear Shareholders,

Your directors are pleased to present the 30th Annual Report of Pak-Gulf Leasing Company Limited (PGL), including Financial Statements and the Auditors' Report, for the year ended June 30, 2023.

OPERATIONAL OVERVIEW

During the year there was a sharp decline in the amount of finance facilities provided by your Company mainly due to excessive increase in KIBOR and exchange rate. Despite these facts the financial performance of your Company remained satisfactory due to the performance of leases written by the Company in the previous years, and its time-tested policy of writing repeat leases for some of the Company's most consistently performing and well-established Customers. It has become a cornerstone of the Company's Credit Policy to derive comfort by securing itself against high exposure by obtaining collateral securities, wherever considered necessary for mitigating risk, in addition to the Assets being leased. As opposed to other leasing companies, which usually rely on leased assets to cover their default risk, your Company, as a consequence of adopting this discreet policy has, to a great extent safeguarded itself, against volatile economic conditions leading to delinquencies and defaults relating to leasing exposure.

All new business relationships although few were undertaken by the Company, after taking into account the related financials of the prospective lessees, their respective market reputation and business track record, in addition to applying other standard risk evaluation techniques for arriving at the viability, both in terms of risk and reward, of the financing proposition offered to the Company. All credit approvals, as a matter of Policy and the established Standard Operating Procedure of the Company, are subject to an independent survey and valuation of the assets to be leased, and/or provided by a lessee as a collateral security, to secure the Company against the relative credit exposure. It is also ensured that all leased and collateral assets are comprehensively insured, for the entire lease term and until its full settlement, by at least a AA-rated insurance company, with the Company's name appearing on the relative Policy as a Loss Payee.

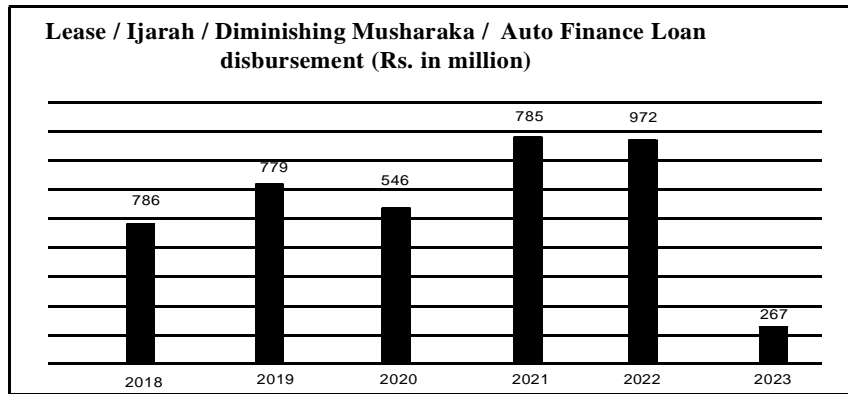
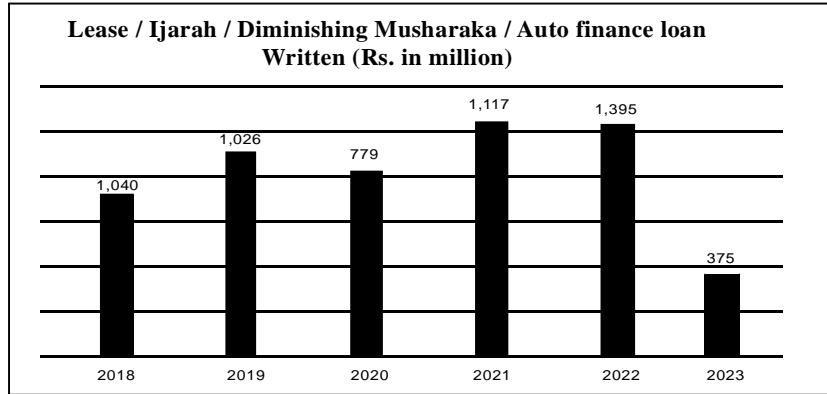
During the year, due to the high credit risk because of high borrowing rate based on excessive KIBOR, inflation and adverse economic conditions the Company proceeded very cautiously taking exposures on only those clients which were considered highly credit worthy by it. Because of the cautious policy less leases and loans were written which caused decline in the amount of leases finance and auto loan disbursed. The Company's recovery rate for FY 2022-23 was 87%, as compared to 95% in the last year. In addition, efforts were made to recover receivable of lease amount under litigation through out of court settlements. This strategy enabled us to recover outstanding dues in certain cases, reversal of provision on account of which is duly recorded in the accounts contributing to a positive profitability for the year.

ANALYSIS OF THE COMPANY'S OPERATIONAL AND FINANCIAL PERFORMANCE IN FY-2022-23

Leases Written and Disbursed

During the year, only 23 new leases and 02 Auto-finance Loans of Rs. 375 million were written, as compared to 80 leases and 40 Auto-finance Loan of Rs. 1,395 million written in FY-2021-22. The total lease disbursement amount during FY-2022-23 was Rs. 267 million, which was less than the corresponding amount of Rs. 972 million for FY-2021-22.

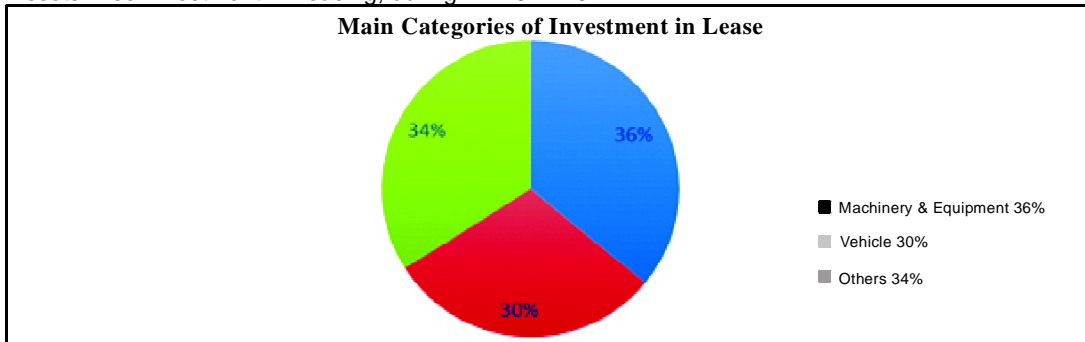
The growth in Financing facilities written and the amount disbursed by your Company, over the past 6 years, is illustrated in the following Chart:



Note: W.E.F 20 April 2016 Ijarah financing has been discontinued.

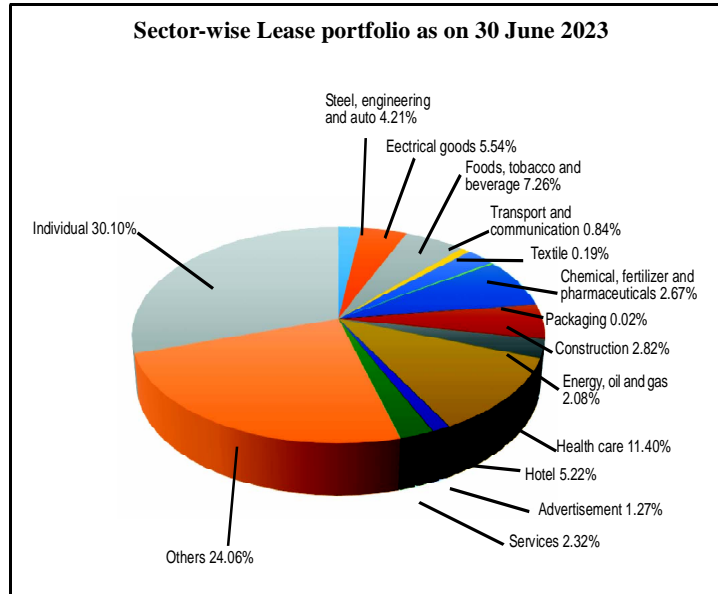
Categories of Investment in Leases

Your Company's core business activity is assets-based financing, as permissible under the various modes prescribed by SECP. In order to ensure a balanced and healthy mix of leased assets that can be readily sold if the situation so warrants, it is essential that the quality of such assets is well evaluated and an intelligent Assets Diversification Policy is adopted. Keeping in mind the prevailing economic and business conditions affecting the Forced Sale Values of the cumulative Assets Portfolio, over the average life of a financing transaction, a diligent assessment is also made of the marketability of the relative assets in the event of any foreclosures. Collateral securities offered by the Customers are also gauged on the same standards. While doing so, the Company's also needs to take into consideration the Tax Benefits accruing from financing a particular category of assets. The Chart below pictures the breakdown of the Company's Assets-wise Investment in Leasing, during FY-2022-23:



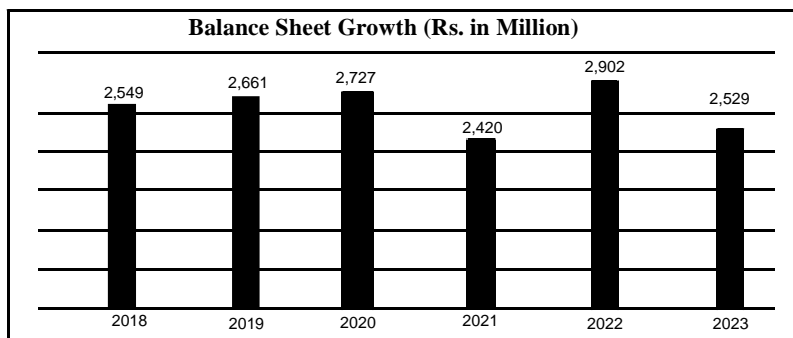
Sector-wise Composition of the Lease Portfolio

Notwithstanding the consideration of the present and the anticipated value of the Assets Portfolio, a prudent Risk Management Policy further demands that the Sector-wise Distribution of the Company's financing transactions is also well-diversified in the light of the contemporary business environment prevailing in the Country. A Chart illustrating, in graphical details, the manner in which the Sector-wise composition of the Company's Lease Portfolio stood at the end of FY 2022-23, is as under:

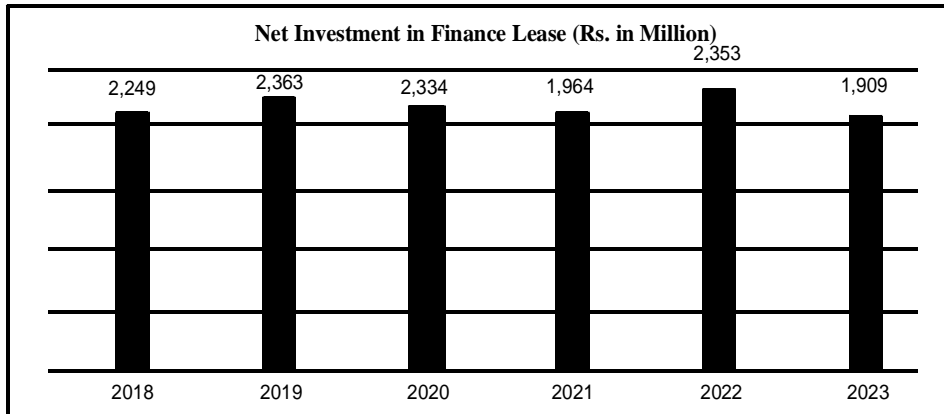


Financial Achievements

The Balance Sheet footings, which stood at Rs. 2,902 million as at June 30, 2022 have decreased to Rs. 2,529 million as at June 30, 2023. This year-on-year decrease of 12.85%, in the total assets of your Company is due to decrease in lease and finance business during the year due to increase in KIBOR and uncertain economic conditions. The Balance Sheet footing of the Company for the last 5 FYs and current FY is illustrated in the following Chart:



Gross Investment in Finance Leases stood at Rs. 2,369 million as on June 30, 2023, which is less than the figure as at June 30, 2022 amounting to Rs. 2,784 million). Net Investment in Finance Leases, after deduction of Unearned Income, including Mark-up held in Suspense (Rs. 347 million), and a Provision for ECL (Rs. 113 million), amounted to Rs. 1,909 million at the end of FY 2022-23, as compared to the corresponding figure of Rs. 2,353 million as at June 30, 2022. The growth in Net Investment in Leases of the Company, over the past 5 FYs and current FY, is shown in the Chart below:



Profitability Performance

After-tax Profit for the FY 2022-23 at Rs. 56.64 million is Rs. 90.34 million less as compared to Rs. 146.98 million for FY-2021-22, due to low business volume, provisions for taxation and potential lease losses.

EPS for FY-2022-23 at Rs. 1.14 / share is Rs. 1.83 / share less as compared to Rs. 2.97 / share (EPS Re-stated) for FY-2021-22, due to increase in KIBOR and resultant increase in borrowings costs and also increase in provision of expected credit losses.

Gross Revenue for FY 2022-23 at Rs. 262 million is Rs. 7 million more as compared to Rs. 255 million for FY-2021-22 due to previous years business.

Leases Written during FY 2022-23 stood at Rs. 375 million, as compared to leases written in FY-2021-22 for Rs. 1,395 million.

Lease Amount Disbursed during FY-2022-23 at Rs. 267 million is less than the corresponding amount of Rs. 972 million during FY-2021-22. The decrease in lease disbursement is reflective of a deteriorating economy and tremendous increase in KIBOR.

Equity of your Company, as per NBFC Regulations, as at June 30, 2023 amounted to Rs. 737 million, which is Rs. 237 million in excess of the Minimum Equity Requirement of Rs. 500 million.

Comparative Analysis of Profitability Performance For the year ended 30th June	2023	2022	Change %
	(Rupees in Million)		
Income	262.20	255.23	2.73%
Administrative Expenses	52.66	64.14	-17.90%
Financial Charges	89.85	69.05	30.11%
Profit before provision	119.69	122.03	-1.92%
Profit before Taxation	78.82	167.69	-53.00%
Provision for Taxation (including Deferred Tax)	22.18	20.71	7.10%
Profit after Taxation	56.64	146.98	-61.47%
Un-appropriated Profit Brought Forward	394.50	304.37	29.61%
Profit Available for Appropriation	89.04	394.50	-77.43%
Appropriations			
Transfer to Statutory Reserve	11.33	29.39	-61.45%
Dividend	88.79	25.37	249.98%
Bonus issued	236.61	-	100.00%
Total Appropriations	336.73	54.76	514.92%
Un-appropriated Profit Carried Forward	89.04	394.50	-77.43%
Earnings Per Share (In Rupees)	1.14	2.97	-61.62%

Interim Dividend and Bonus Issue:

During the year the Directors of your Company declared an Interim Cash Dividend of 35% and Interim Bonus Shares at the rate of 95 for every 100 shares for the Financial Year ended June 30, 2023. The financial statements duly reflect this interim dividend and interim bonus share issue.

ECONOMIC SCENARIO

Pakistan faced unprecedented challenges during FY23 due to political uncertainty and devastating floods. Legacy issues like fiscal mismanagement, energy crisis, lack of resources, infrastructure deficiencies, security concerns, and trade imbalances also cast a shadow on the growth of the economy. In addition, the Ukraine- Russia war severely disrupted the global demand-supply balance which led to a commodity super-cycle resulting in slow down of the global economic growth. Delayed finalization of agreement with IMF also compounded the difficulties faced by a struggling economy.

Consequently, there was immense pressure on foreign exchange reserves resulting in significant depreciation of PKR against USD and rising inflation for an import driven economy. Pakistan's economy attained a GDP growth of 0.29% in FY23 compared to the GDP growth of 6.1% recorded in FY22. The significant decline was attributed to various internal and external challenges. The current account deficit during first 9-month period of FY23 stood at USD 3.4bn compared to a deficit of USD 13.7bn during the same period last year. This improvement in current account deficit was due to decline in import of goods by 21.3%. The fiscal deficit stood at 3.6% of GDP during 9-month period ended of FY23, compared to 3.9% during the same period last year. Total revenue collection grew by 18.1% in 9-month period ended of FY23, compared to growth of 17.7% during the same last year.

FUTURE PROSPECTS

According to World Bank, Pakistan is experiencing severe economic challenges reflecting long standing structural weaknesses. The country would remain under severe stress with low foreign reserve, a depreciating currency, and high inflation. Burgeoning debt servicing, declining exports, industrial slow down and recession pose serious challenges for economic survival. The global economy is showing signs of recovery from the challenges posed by the pandemic and the Russia-Ukraine conflict. China's economy is rebounding and disruption in the global supply chain is expected to improve by 2024. Above factors collectively would impact GDP and achieving targeted growth would be challenging.

Regulatory and Taxation

Depreciation allowance on Plant & machinery installed in backward rural areas under Section 23(A) of the Income Tax Ordinance, 2001 incentivized the leasing companies to take big exposures on entities setting up industries in rural areas. Its withdrawal dis-continuation by the Federal Board of Revenue (FBR) has caused a great set back to the industrialization in rural areas as well as the Company's business.

After a great deal of persuasion based on the upward hike in prices of vehicles over the years the restriction of depreciation allowance up to Rs. 2.5 million on the cost of the passenger transport vehicle not plying for hire was increased to Rs. 7.5 million. However immediately afterwards due to the tremendous devaluation of Pak Rupees the increase which was supposed to incentivize the leasing companies proved to be non-productive, due to corresponding excessive increase in the price of vehicles.

CORPORATE GOVERNANCE

Your Company is complying with the requirements of "The Listed Companies (Code of Corporate Governance) Regulations, 2019" (the 'Code') as and where applicable in both letter and spirit. The Review Report of the External Auditors to the Members, represented by the Statements in Compliance with the Best Practices of the Code of Corporate Governance, is appended to this Report.

Board of Directors

The Board of your Company comprises of the following Members. The last election of the Board was completed at the Extra-Ordinary General Meeting held on April 22, 2022:

S.No.	Name of Member
1	Mr. Sohail Inam Ellahi
2	Mr. Pervez Inam
3	Mr. Fawad Salim Malik
4	Brig. Naveed Nasar Khan (Retd.)
5	Mr. Ismail H. Ahmed
6	Mr. Jan Ali Khan Junejo
7	Mr. Naeem Ali Muhammad Munshi
8	Ms. Naeen Ahmed
9	Brig. Haris Nawaz (Retd) *
10	Mr. Mahfuz-ur-Rehman Pasha

* Appointed to fill in the casual vacancy on 19 July 2022

Of a total number of Ten (10) Directors, presently comprising the Board of the Company, Nine (9) directors are male and One (1) is female. The Board has Four (04) Independent directors, Five (05) non-executive directors, and One (01) Executive Director represented by the Chief Executive Officer of the Company.

Till June 30, 2023 Five (05) directors of the Company have acquired the required Certificate of Directors Training Course, while One (01) is exempted from this requirement.

It is to be noted that changes that took place in the domestic and international business environment, along with regulatory changes that were made in the applicable rules and regulations during the year were regularly brought to the knowledge of the Board of Directors by the Company Secretary, along with the impact of such changes on the Company's operations.

Board Meetings

Six (06) Meetings of the Board of Directors of your Company were held during the year under review. Detail of attendance of the BoD Meetings by the individual directors is as follows:

S.No.	Name of Member	No. of Meetings Attended
1	Mr. Sohail Inam Ellahi	4
2	Mr. Pervez Inam	3
3	Mr. Fawad Salim Malik	4
4	Brig. Naveed Nasar Khan (Retd.)	6
5	Mr. Ismail H. Ahmed	6
6	Mr. Jan Ali Khan Junejo	6
7	Mr. Naeem Ali Muhammad Munshi	5
8	Ms. Naeen Ahmed	6
9	Brig. Haris Nawaz (Retd)	1
10	Mr. Mahfuz-ur-Rehman Pasha	6

Audit Committee

The Board of Directors, in compliance with the Code of Corporate Governance, has established an Audit Committee consisting of the following directors. During the year under review, Five (05) meetings of the Audit Committee were held. The meeting-wise attendance details of are given below:

S.No.	Name of Member	Designation	No. of Meetings Attended
1	Mr. Ismail H. Ahmed	Chairman	5
2	Mr. Pervez Inam	Member	1
3	Brig. Naveed Nasar Khan (Retd.)	Member	5
4	Mr. Naeem Ali Muhammad Munshi	Member	4
5	Ms. Naeen Ahmed	Member	3

Human Resource and Remuneration Committee (HR & RC)

In line with the requirements of the Code of Corporate Governance, the Human Resource and Remuneration Committee (HR & RC) of the Board of Directors of your Company comprises of the following members:

S.No.	Name of Member	Designation
1	Mr. Jan Ali Khan Junejo	Chairman
2	Mr. Sohail Inam Ellahi	Member
3	Mr. Pervez Inam	Member
4	Mr. Ismail H. Ahmed	Member
5	Ms. Naeen Ahmed	Member
6	Mr. Mahfuz-ur-Rehman Pasha	Member

Directors' Remuneration

The Company has a policy in place that ensures formal and transparent procedures for fixing the remuneration of Directors. The remuneration payable to the Directors for attending Board meetings is duly fixed and approved by the Board.

Credit Rating

It should be a matter of great satisfaction for the Company's Shareholders to note that VIS, following a detailed analysis and evaluation of your Company's performance, on September 21, 2023, has re-affirmed the Company's Entity Ratings as under:

- Medium to Long-term Rating: **A-**;
- Short-term Rating: **A-2**; and
- Outlook: **Stable**.

Auditors

For FY 2022-23, BDO Ebrahim & Company, Chartered Accountants were appointed as statutory auditors of the Company. The retiring auditors being eligible for re-appointment have given their consent to act as statutory auditors of the Company for FY 2023-24.

The Board of Directors wishes to place, on record, its appreciation for the high standards of professionalism, integrity and ethics maintained by BDO Ebrahim & Company, Chartered Accountants as External Auditors of the Company.

As recommended by the Audit Committee, the Board has approved the proposal to re-appoint the retiring auditors, BDO Ebrahim & Company, Chartered Accountants as the statutory auditors of the Company for FY 2023-24, subject to fixing of remuneration and approval of the shareholders in the forthcoming Annual General Meeting of the Company.

Acknowledgements

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 is duly reflected in the satisfactory performance of your Company even 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 maintaining the business growth and its 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, particularly by the Securities and Exchange Commission of Pakistan (SECP) for the resolution of its genuine issues. Their role is critical in developing the Financial Services Sector and we hope that their actions will continue to strengthen this sector. Further the support from the State Bank of Pakistan (SBP) and other regulatory authorities is also duly acknowledged by the Board. The Board would also like to praise the NBFI's & 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.

Statements in Compliance with the Code of Corporate Governance

The Board of Directors has reviewed the Code of Corporate Governance and confirms the correctness of the following statements to the best of its knowledge and belief:

- Financial statements prepared by the management of Pak-Gulf Leasing Company Limited present fairly, its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates presented in the report are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom have been adequately disclosed and explained.
- The system of internal control is sound in design, and has been effectively implemented and monitored.
- There is no significant doubt upon the Company's ability to continue as a going concern.

- There was no trade in shares of the Company, carried out by its directors, CEO, COO, CFO, Company Secretary, Head of Internal Audit and/or their spouses and minor children.
- There has been no material departure from best practices of corporate governance, as detailed in the listing regulations.

Pattern of Shareholding

Pattern of Shareholdings, as required by the Code of Corporate Governance, as at June 30, 2023, is appended at the end of this Report.

Significant deviations in the operating results, from the preceding financial year, have been explained at the beginning of this Report, along with reasons thereof.

Key Operating and Financial Data for the last six (6) years 2018 – 2023

Year ended 30th June	2023	2022	2021	2020	2019	2018
Operational Results:	----- Rupees -----					
Revenues	262,202,401	255,230,917	206,094,628	265,444,647	243,892,047	200,380,195
Revenue from financing operations	227,292,442	228,427,580	191,485,801	245,567,212	218,862,571	178,154,663
Profit before Taxation	78,816,891	167,687,787	28,015,220	21,619,234	71,185,355	80,602,379
Profit after Taxation	56,635,687	146,979,027	24,566,337	10,894,248	64,378,140	69,368,392
Finance Cost	89,848,800	69,054,807	42,062,089	114,025,954	78,012,463	47,682,251
Provision for Potential Lease & Loan Losses	(47,207,690)	(10,807,355)	3,625,701	(30,838,117)	(1,307,173)	(442,820)
Interim / Final Dividend %	35.00%	10.00%	0.00%	2.50%	7.50%	12.50%
Interim / Bonus Issue	95 shares for every 100 shares	-	-	-	-	-
Balance Sheet:						
Shareholders Equity	737,474,869	796,707,062	675,435,528	655,727,867	664,814,384	632,104,936
Surplus on Revaluation of Assets	90,504,204	90,504,204	90,504,204	90,504,204	90,504,204	90,504,204
Other Reserves	244,318,378	543,640,182	424,678,818	405,412,115	414,443,364	382,833,609
Working Capital	490,189,387	26,801,934	186,123,903	381,076,282	208,524,942	10,454,214
Non-current Liabilities	1,016,637,986	1,330,132,844	1,016,256,185	1,262,394,151	1,286,555,078	986,792,933
Long-term Loans	104,166,661	133,333,324	95,833,329	29,166,665	49,999,996	20,833,331
Investments	55,575,097	55,205,847	34,002,899	64,508,233	63,465,086	62,555,748
Financial Ratios:						
Income / Expense Ratio	1.84	1.92	2.00	1.46	1.55	1.66
Earning per Share (in Rs)	1.14	2.97	0.97	0.43	2.54	2.73
Debt / Equity Ratio	0.86	0.91	0.42	0.68	0.67	0.31
Current Ratio	1.72	1.04	1.29	1.53	1.34	1.01

Statutory Payment of Rs. 20,077,591 on account of taxes, duties, levies and/or charges was outstanding against the Company as on June 30, 2023.

Value of Investments of the Staff Provident Fund stood at Rs. 6,777,957 as at June 30, 2023. This represents funds placed with a rated commercial bank and investment in the registered units of the National Investment Trust.

Chief Executive Officer
Director
**September 27, 2023
Karachi**

						مالیاتی شرح
						آمدنی و خرچ کی شرح
1.66	1.55	1.46	2.00	1.92	1.84	
2.73	2.54	0.43	0.97	2.97	1.14	فی شیئر آمدنی
0.31	0.67	0.68	0.42	0.91	0.86	قرض الا کیو بی شرح
1.01	1.34	1.53	1.29	1.04	1.72	موجودہ شرح

ٹیکس، ڈیوٹی، لیویز اور چارجز کی مد میں 20,077,591 روپے کی قانونی ادائیگی 30 جون 2023 کو کمپنی پر واجب الادا ہے۔

اسٹاف پراویڈنٹ فنڈ (Provident Fund) میں سرمایہ کی مالیت 30 جون 2023 کو 6,777,957 روپے ہے۔ یہ نیشنل سیونگ ٹرسٹ کے رجسٹرڈ پونٹ میں سرمایہ کاری اور کمرشل بینک میں رکھے ہوئے فنڈز کا مجموعہ ہے۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

27 ستمبر 2023

کراچی

شیئر ہولڈنگ کی ساخت

مورخہ 30 جون 2023 کی شیئر ہولڈنگ کی ساخت جو کارپوریٹ گورننس کا تقاضا ہے وہ اس رپورٹ کے آخر میں منسلک ہے۔
اس سال کے کاروباری نتائج میں پچھلے سال کی نسبت نمایاں تبدیلیوں کو بشمول ان کی وجوہات کے، اس رپورٹ کے شروع میں اجاگر کیا گیا ہے۔
2018 تا 2023، پچھلے چھ سال کا اہم آپریٹنگ اور فنانسٹل ڈیٹا

2018	2019	2020	2021	2022	2023	اختتام سال 30 جون
						آپریٹنگ نتائج
200,380,195	243,892,047	265,444,647	206,094,628	255,230,917	262,202,401	آمدنی
178,154,663	218,862,571	245,567,212	191,485,801	228,427,580	227,292,442	لیز آمدنی
80,602,379	71,185,355	21,619,234	28,015,220	167,687,787	78,816,891	قبل از ٹیکس منافع
69,368,392	64,378,140	10,894,248	24,566,337	146,979,027	56,635,687	بعد از ٹیکس منافع
47,682,251	78,012,463	114,025,954	42,062,089	69,054,807	89,848,800	مالیاتی لاگت
(442,820)	(1,307,173)	(30,838,117)	3,625,701	(10,807,355)	(47,207,690)	ممکنہ لیز نقصان کے لئے مختص رقم
12.50%	7.50%	2.50%	0.00%	10.00%	35.00%	سفارش کردہ حصص منافع
					95% حصص کا اجراء ہر 100 حصص کیلئے	درمیانی / بونس اجراء
						بیلنس شیٹ
632,104,936	664,814,384	655,727,867	675,435,528	796,707,062	737,474,869	شیئر ہولڈرز ایکویٹی
90,504,204	90,504,204	90,504,204	90,504,204	90,504,204	90,504,204	قدر کے دوبارہ تعین کے بعد فاضل آمدنی
382,833,609	414,443,364	405,412,115	424,678,818	543,640,182	244,318,378	محفوظ سرمایہ
10,454,214	208,524,942	381,076,282	186,123,903	26,801,934	490,189,387	کاروباری سرمایہ
986,792,933	1,286,555,078	1,262,394,151	1,016,256,185	1,330,132,844	1,016,637,986	متبادل واجبات
20,833,331	49,999,996	29,166,665	95,833,329	133,333,324	104,166,661	طویل مدتی قرض
62,555,748	63,465,086	64,508,233	34,002,899	55,205,847	55,575,097	سرمایہ کاری

باوجود بھی آپ کی کمپنی کی تسلی بخش کارکردگی سے ظاہر ہوتی ہے۔ ہم، بورڈ کے اراکین، کمپنی کے حصص مالکان کے نمائندے کے طور پر، کمپنی کی انتظامیہ اور عملے کو کمپنی کو مضبوط بنانے اور کاروباری ترقی اور اس کی کارکردگی کو برقرار رکھنے کے لیے اپنی حمایت اور عزم کا یقین دلاتے رہتے ہیں۔ ہمیں یقین ہے کہ انتظامیہ اور عملہ کمپنی کے صارفین کی اسی جوش و جذبے کے ساتھ خدمت جاری رکھیں گے، جس کا مظاہرہ انہوں نے پچھلے تمام سالوں میں کیا ہے، جس سے آپ کی کمپنی پاکستان کے مالیاتی خدمات کے شعبے میں اپنی ساکھ کو مزید بہتر کر سکتی گی۔

بورڈ کمپنی کو فراہم کیے گئے تعاون اور رہنمائی کا بھی اعتراف کرتا ہے، خاص طور پر سیکورٹی اینڈ ایڈجسٹمنٹ کمیشن آف پاکستان (SECP) کی جانب سے ان کے حقیقی مسائل کے حل کے لیے جو تعاون کیا گیا ہے اور مالیاتی خدمات کے شعبے کی ترقی میں جو ان کا اہم کردار رہا ہے۔ اور ہم امید کرتے ہیں کہ ان کے اقدامات اس شعبے کو مزید تقویت دیتے رہیں گے۔ مزید برآں اسٹیٹ بینک آف پاکستان (SBP) اور دیگر ریگولیٹری اتھارٹیز کی جانب سے تعاون کو بھی بورڈ تسلیم کرتا ہے۔ بورڈ NBFی اور مضاربہ ایسوسی ایشن آف پاکستان کی پیشہ ورانہ طور پر آپ کی کمپنی کے مفاد کی حفاظت میں بھرپور مدد اور تعاون کے لیے اس ادارے کی بھی تعریف کرنا چاہے گا۔

آخر میں، ہم اپنے قابل قدر حصص مالکان (شیر ہولڈرز)، صارفین، بینکرز، سرمایہ کاروں اور دیگر اسٹیک ہولڈرز کا سال کے دوران ان کی قیمتی مدد کے لیے شکریہ ادا کرنا چاہیں گے۔ ہم آنے والے سالوں میں اس رشتے کو مزید مضبوط اور مضبوط تر کرنے کیلئے کوشاں ہیں۔

کارپوریٹ گورننس کے انتظامی اصولوں کی تعمیل سے متعلق بیانات

بورڈ آف ڈائریکٹرز نے کارپوریٹ گورننس کے انتظامی اصولوں کا جائزہ لیا ہے اور اپنے بہترین علم اور یقین کے مطابق درج ذیل بیانات کے صحیح ہونے کی تصدیق کرتا ہے:

- ☆ پاک گلف لیزنگ کمپنی لمیٹڈ کے تیار کردہ مالی گوشوارے منصفانہ انداز میں اس کے معاملات کی کیفیت، آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلی کو ظاہر کرتے ہیں۔
- ☆ کمپنی کی کھاتا جات (بکس آف اکاؤنٹس) بالکل درست رکھنے کا اہتمام کیا گیا ہے۔
- ☆ مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کا تسلسل کے ساتھ اطلاق کیا گیا ہے اور رپورٹ میں پیش کردہ اکاؤنٹنگ کے تخمینے کی بنیاد ائٹمنڈ انہ اور معقول فیصلے پر مبنی ہیں۔
- ☆ مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی معیارات کو لاگو کیا گیا ہے جو کہ پاکستان میں قابل عمل ہوں، اور انحراف کی صورت میں اس کی مناسب وضاحت کر دی گئی ہے۔
- ☆ اندرونی کنٹرول کا نظام مستحکم ہے اور اس پر موثر طریقے سے عمل درآمد کیا جاتا ہے اور اس کی نگرانی کی جاتی ہے۔
- ☆ کمپنی کا کاروبار بخوبی جاری رکھنے کی صلاحیت کے حوالے سے کوئی قابل ذکر شک و شبہ نہیں ہے۔
- ☆ کمپنی کے ڈائریکٹرز، CEO، COO، CFO، کمپنی سیکریٹری، انٹرنل آڈٹ کے ہیڈ اور ان کے خاندان/بیوی اور بچوں نے کمپنی کے حصص کا لین دین نہیں کیا ہے۔
- ☆ لسٹنگ کے ضابطے کی دی گئی تفصیلات کے مطابق کارپوریٹ گورننس کے بہترین طریقوں میں سے کسی سے بھی انحراف نہیں کیا گیا۔
- ☆ انٹرنل کنٹرول کا نظام اپنے ڈیزائن کے اعتبار سے مستحکم ہے اور اس کا موثر نفاذ اور نگرانی کی جاتی ہے۔

نمبر شمار	ممبر کا نام	عہدہ
1	جناب جان علی خان جو نجو	چیرمین
2	جناب سہیل انعام الہی	ممبر
3	جناب پرویز انعام	ممبر
4	جناب اسماعیل ایچ احمد	ممبر
5	محترمہ نوین احمد	ممبر
6	جناب محفوظ الرحمان پاشا	ممبر

ڈائریکٹرز کا معاوضہ

ڈائریکٹرز کے معاوضے کا تعین کرنے کا طریقہ کار یقینی طور پر رسمی اور شفاف بنانے کے لیے کمپنی میں ایک پالیسی رائج ہے۔ بورڈ کے اجلاسوں میں شرکت کے لیے ڈائریکٹروں کو قابل ادا معاوضہ باضابطہ طے شدہ اور بورڈ کی طرف سے منظور شدہ ہے۔

کریڈٹ ریٹنگ

کمپنی کے شیئر ہولڈرز کے لیے یہ بات قابل اطمینان ہے کہ VIS نے 21 ستمبر 2023 کو آپ کی کمپنی کی کارکردگی کے تفصیلی تجزیے اور تشخیص کے بعد، کمپنی کی بطور ادارہ پچھلے سال کی ریٹنگ کی درج ذیل توثیق کر دی:

- درمیانی سے طویل مدتی ریٹنگ: A-
- قلیل مدتی ریٹنگ: A-2 اور
- امکانات: مستحکم

آڈیٹرز

مالی سال 2022-23 کے لیے BDO ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو دستوری آڈیٹرز کی حیثیت سے دوبارہ مقرر کیا گیا تھا۔ ریٹائر ہونے والے آڈیٹرز نے اپنی اہلیت کی بنا پر مالی سال 2023-24 کے لیے کمپنی کے قانونی آڈیٹرز کی حیثیت سے کام کرنے کی رضامندی ظاہر کی ہے۔ بورڈ آف ڈائریکٹرز BDO ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی طرف سے کمپنی کے آڈیٹرز کے طور پر اپنی پوری مدت کے دوران برقرار رکھے گئے پروفیشنلزم، دیانت اور اخلاقیات کے بلند معیار کے لیے اپنا خراج تحسین ریکارڈ پر لانا چاہتا ہے۔ آڈٹ کمیٹی کی تجویز پر آپ کے ڈائریکٹرز نے آئندہ ہونے والے کمپنی کے سالانہ جنرل اجلاس میں مشاہرہ کے تعین اور شیئر ہولڈرز کی منظوری کی شرط پر، ریٹائر ہونے والے آڈیٹرز، BDO ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی کمپنی کے دستوری آڈیٹرز کے طور پر تقرری کی تجویز کی بھی منظوری دے دی ہے۔

اعتراف خدمات

بورڈ آپ کی کمپنی کی انتظامی ٹیم اور اس کے عملے کے ہر رکن کی، ان کی محنت اور لگن کے لیے اپنی تعریف ریکارڈ پر رکھنا چاہتا ہے، کارکردگی کی عکاسی مشکل معیشت کے

بورڈ اجلاس

زیر جائزہ سال کے دوران آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس منعقد ہوئے۔ حاضری کی تفصیلات درج ذیل ہیں:

نمبر شمار	ڈائریکٹرز کا نام	اجلاس میں حاضریوں کی تعداد
1	جناب سہیل انعام الہی	4
2	جناب پرویز انعام	3
3	جناب فواد سلیم ملک	4
4	بریگیڈیئر (ر) نوید نصر خان	6
5	جناب اسماعیل ایچ احمد	6
6	جناب جان علی خان جوہنجو	6
7	جناب نعیم علی محمد منشی	5
8	محترمہ نوین احمد	6
9	بریگیڈیئر (ر) حارث نواز	1
10	جناب محفوظ الرحمان پاشا	6

آڈٹ کمیٹی

بورڈ آف ڈائریکٹرز نے ”کوڈ آف کارپوریٹ گورننس“ کی پیروی کرتے ہوئے ایک آڈٹ کمیٹی قائم کی ہے جو درج ذیل ڈائریکٹرز پر مشتمل ہے۔
زیر جائزہ سال کے دوران آڈٹ کمیٹی کے پانچ (5) اجلاس منعقد ہوئے جن کی بالفاظ اجلاس حاضری کی تفصیلات درج ذیل ہیں:

نمبر شمار	ممبر کا نام	عہدہ	میٹنگز کی تعداد جن میں شرکت کی
1	جناب اسماعیل ایچ احمد	چیئر مین	5
2	جناب پرویز انعام	ممبر	1
3	بریگیڈیئر (ر) نوید نصر خان	ممبر	5
4	جناب نعیم علی محمد منشی	ممبر	4
5	محترمہ نوین احمد	ممبر	3

ہیومن ریسورسز اور ریمونیشن کمیٹی (HR & RC)

”کوڈ آف کارپوریٹ گورننس“ کے تقاضوں کے مطابق، آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی ہیومن ریسورسز اور ریمونیشن کمیٹی (HR&RC) درج ذیل ممبران پر مشتمل ہے:

کئی سالوں میں گاڑیوں کی قیمتوں میں اضافے کی بنیاد پر انتہائی کوشش کے بعد فرسودگی الاؤنس کی پابندی، جو کہ کرایہ پر نہ دینے والی مسافر ٹرانسپورٹ گاڑی کی قیمت پر لاگو تھی، اُس میں 25 لاکھ روپے سے 75 لاکھ روپے تک کا اضافہ ہوا، تاہم اس کے فوراً بعد پاکستانی روپے کی قدر میں زبردستی کمی کی وجہ سے وہ اضافہ جو کہ لیز پر دینے والی کمپنیوں کو ترغیب دینے کیلئے تھا، گاڑیوں کی قیمتوں میں حد سے زیادہ اضافے کی وجہ سے غیر نتیجہ خیز ثابت ہوا اور اُس میں اب مزید اضافے کی ضرورت ہے۔

کارپوریٹ گورننس (کمپنی کا انتظام وانصرام)

آپ کی کمپنی لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی حسبِ موقع روحاً و عملاً تعمیل کر رہی ہے۔ ممبران کے لیے ایکسٹرنل آڈیٹرز کی جائزہ رپورٹ میں اس بات کا اعتراف کیا گیا ہے کہ کمپنی کے معاملات میں کوڈ آف کارپوریٹ گورننس کا عمل بہترین طریقے سے نافذ ہے، جو اس رپورٹ کے ہمراہ منسلک ہے۔

بورڈ آف ڈائریکٹرز

آپ کی کمپنی کا بورڈ درج ذیل ممبران پر مشتمل ہے جو 22 اپریل 2022 کو منعقدہ غیر معمولی اجلاس عام میں منتخب ہوئے ہیں، اور ان میں ہر ایک کی میعاد تین (3) سال ہے۔

نمبر شمار	ڈائریکٹرز کا نام
1	جناب سہیل انعام الہی
2	جناب پرویز انعام
3	جناب نواز سلیم ملک
4	بریگیڈیئر (ر) نوید نصر خان
5	جناب اسماعیل ایچ احمد
6	جناب جان علی خان جوٹو
7	جناب نعیم علی محمد منشی
8	محترمہ نوین احمد
9	بریگیڈیئر (ر) حارث نواز *
10	جناب محفوظ الرحمان پاشا

* اُن کی تقرری 19 جولائی 2022 سے شروع ہوتی ہے۔

اس وقت کمپنی کا بورڈ تشکیل دینے والے کل دس (10) ڈائریکٹرز میں سے نو (9) ڈائریکٹرز مرد اور ایک (1) خاتون ہیں۔ بورڈ میں چار (04) آزاد اور پانچ (05) نان ایگزیکٹو ڈائریکٹرز، اور ایک (01) ایگزیکٹو ڈائریکٹر ہیں، جن کی نمائندگی کمپنی کے چیف ایگزیکٹو آفیسر کرتے ہیں۔ 30 جون 2023 تک کمپنی کے پانچ (5) ڈائریکٹرز نے ڈائریکٹرز بینگ کورس کا مطلوبہ سرٹیفکیٹ حاصل کر لیا ہے، جبکہ ایک (01) ڈائریکٹر اس تقاضے سے مستثنیٰ ہے۔

واضح رہے کہ مقامی اور بین الاقوامی کاروباری ماحول میں وقتاً فوقتاً ہونے والی تبدیلیوں کے ساتھ ساتھ ریگولیٹری تبدیلیوں پر ڈائریکٹرز کے درمیان سال کے دوران ہونے والی BOD میٹنگز میں باقاعدگی سے تبادلہ خیال کیا گیا۔

ڈیویڈنڈ (حصص منافع) اور بونس شیئر

30 جون کو ختم ہونے والے مالی سال 2022-23 دوران آپ کی کمپنی کے ڈائریکٹرز نے 35% عبوری نقد منافع اور ہر 100 حصص پر 95 حصص کے حساب سے عبوری اضافی حصص دینے کا اعلان کیا تھا۔ مالی گوشواروں میں اس عبوری نقد منافع اور عبوری اضافی حصص کے اجراء کا ذکر تفصیل سے کیا گیا ہے۔

اقتصادی منظر نامہ

پاکستان کو مالی سال 2022-23 کے دوران سیاسی غیر یقینی صورتحال اور تباہ کن سیلاب کی وجہ سے بے مثال چیلنجز کا سامنا کرنا پڑا۔ مالیاتی بد نظمی، توانائی کا بحران، وسائل کی کمی، بنیادی ڈھانچے کی کمی، سیکورٹی خدشات اور تجارتی عدم توازن جیسے موروثی مسائل بھی معیشت کی نمو پر اثر انداز ہوتے رہے۔ آئی ایم ایف کے ساتھ معاہدے کو حتمی شکل دینے میں تاخیر نے بھی جدوجہد کرنے والی معیشت کو درپیش مشکلات کو مزید بڑھا دیا۔

نتیجتاً، غیر ملکی زرمبادلہ کے ذخائر پر بہت زیادہ دباؤ تھا جس کے نتیجے میں امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی اور درآمد پر مبنی معیشت کے لیے افراط زر میں اضافہ ہوا۔ پاکستان کی معیشت نے مالی سال 23 میں جی ڈی پی کی شرح نمو 0.29 فیصد حاصل کی جبکہ مالی سال 22 میں جی ڈی پی کی شرح نمو 6.1 فیصد تھی۔ نمایاں کمی کی وجہ مختلف اندرونی اور بیرونی چیلنجز ہیں۔ مالی سال 23 کے پہلے 9 ماہ کے مدت کے دوران کرنٹ اکاؤنٹ خسارہ 3.4 بلین امریکی ڈالر رہا جو پچھلے سال کی اسی مدت کے دوران USD 13.7 بلین کے خسارے کے مقابلے میں کافی کم ہے۔ کرنٹ اکاؤنٹ خسارے میں یہ اشیاء کی درآمد میں 21.3 فیصد کمی کی وجہ سے ہوئی۔ مالیاتی خسارہ مالی سال 23 کو ختم ہونے والی 9 ماہ کی مدت کے دوران جی ڈی پی کا 3.6 فیصد رہا، جو گزشتہ سال کی اسی مدت کے دوران 3.9 فیصد تھا۔ مالی سال 23 کے ختم ہونے والی 9 ماہ کی مدت میں کل محصولات کی وصولی میں 18.1 فیصد اضافہ ہوا، جو گزشتہ سال کے اسی عرصے کے دوران 17.7 فیصد تھا۔

مستقبل کے امکانات

ورلڈ بینک کے مطابق پاکستان کو شدید معاشی چیلنجز کا سامنا ہے جو طویل عرصے سے ڈھانچے جاتی کمزوریوں کی عکاسی کرتا ہے۔ کم غیر ملکی ذخائر، کرنسی کی قدر میں کمی، اور بلند افراط زر کی وجہ سے ملک شدید دباؤ میں رہے گا۔ قرضوں کی بڑھتی ہوئی ضرورت، گرتی ہوئی برآمدات اور صنعتی سست روی معاشی بقا کے لیے سنگین چیلنجز ہیں۔ عالمی معیشت و بائی امراض اور روس یوکرین تنازعہ سے پیدا ہونے والے چیلنجزوں سے بحالی کے آثار دکھا رہی ہے۔ چین کی معیشت بحال ہو رہی ہے اور عالمی سپلائی چین میں جو خلل آیا تھا 2024 تک اس کے بہتر ہونے کی توقع ہے۔ مندرجہ بالا عوامل مجموعی طور پر جی ڈی پی کو متاثر کریں گے اور بدتر صورت حال کا حصول مشکل ہوگا۔

ریگولیشن اور ٹیکسیشن محصول

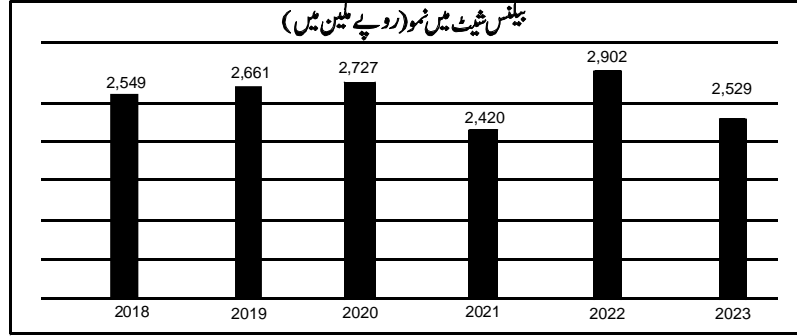
انکم ٹیکس آرڈیننس 2001 کے سیکشن 23(A) کے تحت پسماندہ دیہی علاقوں میں نصب پلانٹ اور مشینری پر 90% فرسودگی الاؤنس لیز پر دینے والی کمپنیوں کو دیہی علاقوں میں صنعتیں قائم کرنے والے اداروں پر بڑا ایکسپوزر لینے کی ترغیب دی۔ فیڈرل بورڈ آف ریونیو (ایف بی آر) کی جانب سے اس سہولت کے خاتمے کی وجہ سے دیہی علاقوں میں صنعت کاری کے ساتھ ساتھ کمپنی کے کاروبار کو زبردست نقصان پہنچا ہے۔

مالی سال 2022-23 کے دوران تحریر کی گئی لیزز 375 ملین روپے ہے، گزشتہ سال 2021-22 کے لیے 1,395 ملین روپے تھی۔
مالی سال 2022-23 کے دوران تقسیم کی گئی لیزز کی رقم 267 ملین روپے تھی جو کہ گزشتہ سال 2021-22 کی رقم 972 ملین روپے کے مقابلے میں کم ہے۔
لیز کی تقسیم میں کمی کی وجہ KIBOR میں خطیر اضافہ اور دیگر گلوبل معاشی حالات رہے۔
آپ کی کمپنی کی ایکویٹی کی مالیت، NBFC ریگولیشن، برطانیہ 30 جون، 2023 کو 737 ملین روپے رہی، جو 500 ملین روپے کی کم از کم مطلوب ایکویٹی سے 237 ملین روپے زیادہ ہے۔

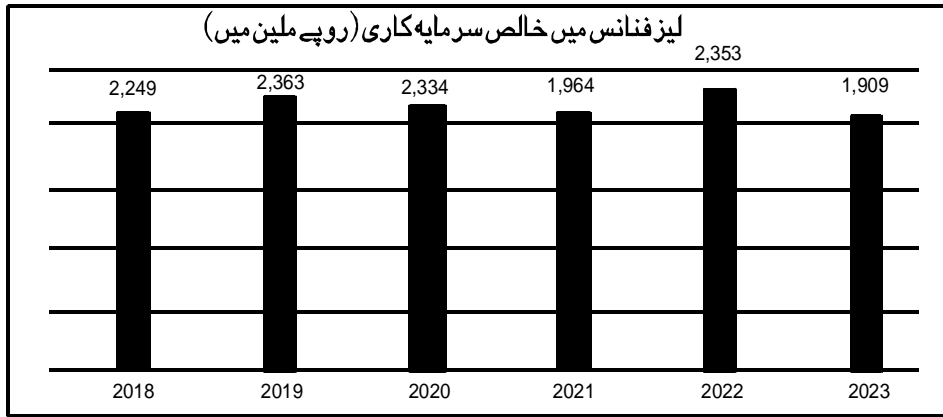
تبدیلی کی شرح فیصد	2022	2023	تقابلہ تجزیہ بالحاظ منافع کا کردگی سال 30 جون
+ یا (-)	ملین روپوں میں		
2.73%	255.23	262.20	آمدنی
-17.90%	64.14	52.66	انتظامی اخراجات
30.11%	69.05	89.85	مالیاتی مصارف
-1.92%	122.03	119.69	قبل از پروویژن منافع
-53.00%	167.69	78.82	قبل از ٹیکس منافع
7.10%	20.71	22.18	ٹیکس کے لیے پروویژن (بشمول ملتوی ٹیکس)
-61.47%	146.98	56.64	بعد از ٹیکس منافع
29.61%	304.37	394.50	غیر مختص شدہ آمدنی جو کہ آگے لائی گئی
-77.43%	394.50	89.04	آمدنی جو تخصیص کے لئے دستیاب ہے
			تخصیص
-61.45%	29.39	11.33	دستوری محفوظ سرمایہ کی طرف منتقلی
249.98%	25.37	88.79	ڈیویڈنڈ (حصص منافع)
100.00%	-	236.61	بونس شیئرز
514.92%	54.76	336.73	کل تخصیص
-77.43%	394.50	89.04	غیر مختص آمدنی جو آگے لائی گئی
-61.62%	2.97	1.14	نی شیئر آمدنی (روپے میں)

مالیاتی کامیابیاں

بیلنس شیٹ کی بنیادوں میں جو، 30 جون 2022 کو 2,902 ملین روپے پر موجود تھی، 30 جون 2023 کو کم ہو کر 2,529 ملین روپے ہو گئی ہے جس سے آپ کی کمپنی کے کل اثاثوں میں 12.85% کی کمی واقع ہوئی ہے، جس کی وجہ KIBOR اور معاشی حالات میں غیر یقینی کیفیت رہی ہے۔ سال 2023 اور پچھلے 5 سال کی کمپنی کی بیلنس شیٹ کی نمونہ درج ذیل چارٹ میں دکھایا گیا ہے:



لیز میں مجموعی سرمایہ کاری 30 جون 2023 تک 2,369 ملین روپے رہی، جو کہ 30 جون 2022 تک کے اعداد و شمار سے کم تھی جس کی مالیت 2,784 ملین روپے تھی۔ لیز میں خالص سرمایہ کاری، غیر حاصل شدہ آمدنی اور تعطل میں رکھے گئے مارک اپ (347 ملین روپے) اور لیز کے ممکنہ نقصانات کے لیے مختص رقم (113 ملین روپے) کی کمی کی کٹوتی کے بعد مالی سال 2022-23 کے اختتام پر 1,909 ملین روپے تھی (2021-22: 2,353 ملین روپے) کمپنی کی لیز فنانس میں خالص سرمایہ کاری میں سال 2023 اور پچھلے پانچ (5) سالوں میں نمونہ، نیچے چارٹ میں دکھائی گئی ہے۔



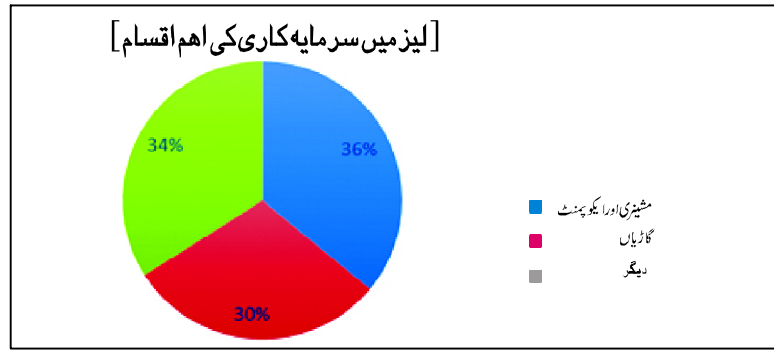
کارکردگی بالحاظ منافع

مالی سال 2022-23 کے لیے بعد از ٹیکس منافع 56.64 ملین روپے ریکارڈ کیا گیا ہے۔ جو کہ پچھلے سال کے 90.34 ملین روپے کے مقابلے میں کم رہا۔ جبکہ مالی سال 2022-23 کا EPS 1.14 روپے فی حصص ہے جو کہ پچھلے سال 2021-22 میں 2.97 روپے فی حصص تھا۔ اس کی بنیادی وجہ KIBOR میں اضافے کی وجہ سے قرضوں کی اضافی لاگت اور متوقع کریڈٹ میں نقصانات تھی۔ مالی سال 2022-23 کی مجموعی آمدنی 262 ملین روپے ہے، جو پچھلے سال کی آمدنی کے مقابلے میں 7 ملین زیادہ ہے۔ گزشتہ سال 2021-22 کی مالی آمدن 255 ملین روپے تھی۔

لیز میں سرمایہ کاری کی اقسام

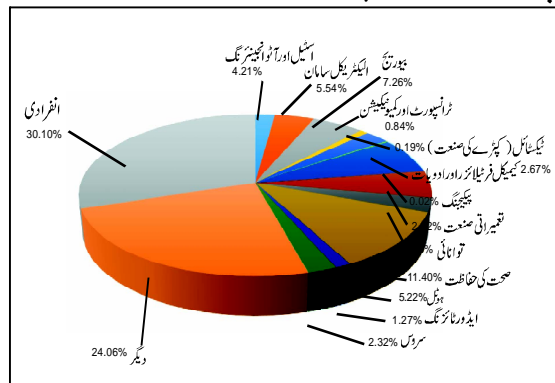
آپ کی کمپنی کی مرکزی کاروباری سرگرمی اثاثوں پر مبنی فنانس لیننگ ہے، جس کی SECP کی طرف سے طے کردہ مختلف طریقوں کے تحت اجازت ہے۔ کمپنی کا اپنی سرکاری کی وصولی کا حتمی ذریعہ وہ اثاثے ہیں، جن کی یہ تمویل کرتی ہے۔ ایسے اثاثوں کی عمدگی سے قدر پیمانے کی جاتی ہے اور متعلقہ خطرات کم کرنے کے لیے اثاثوں کو متنوع رکھنے کی ایک دانش مندانہ پالیسی اختیار کی جاتی ہے۔ تمویلی رقم منتقلی کی اوسط مدت کے دوران اثاثوں کے مجموعی پورٹ فولیو کی قیمت فروخت متاثر کرنے والے موجودہ معاشی اور کاروباری حالات ذہن میں رکھتے ہوئے، کسی عدم ادائیگی کی صورت میں متعلقہ اثاثوں کے قابل فروخت ہونے کی اہلیت کا باریک بینی سے تجزیہ کیا جاتا ہے۔ کسٹمز کی مکفولہ ضمانتوں کا بھی اس معیار پر تجزیہ کیا جاتا ہے۔ ایسا کرتے ہوئے کمپنی مخصوص درجہ بندی کے اثاثوں کی تمویل سے حاصل ہونے والے ٹیکس فوائد کا بھی جائزہ لیتی ہے۔

درج ذیل چارٹ میں مالی سال 2022-23 کے دوران لیننگ میں کمپنی کی اثاثوں کی نوعیت کے مطابق سرمایہ کاری کے مجموعی تجزیہ کو تصویری شکل میں دکھایا گیا ہے:



شعبے کے حساب سے لیز پورٹ فولیو کی بناوٹ

اثاثوں کے پورٹ فولیو کی موجودہ اور متوقع قدر پر غور سے قطع نظر، ایک دانش مندانہ رسک منجمنٹ پالیسی مزید تقاضا کرتی ہے کہ ملک میں موجودہ کاروباری ماحول کی روشنی میں کمپنی کے مالیاتی لین دین کی بالحاظ شعبہ تقسیم عمدہ تنوع کی حامل ہو۔ مالی سال 2022-23 کے اختتام پر کمپنی کے لیز پورٹ فولیو کی بالحاظ شعبہ تشکیل کی تفصیلات کی درج ذیل چارٹ میں عکاسی کی گئی ہے:

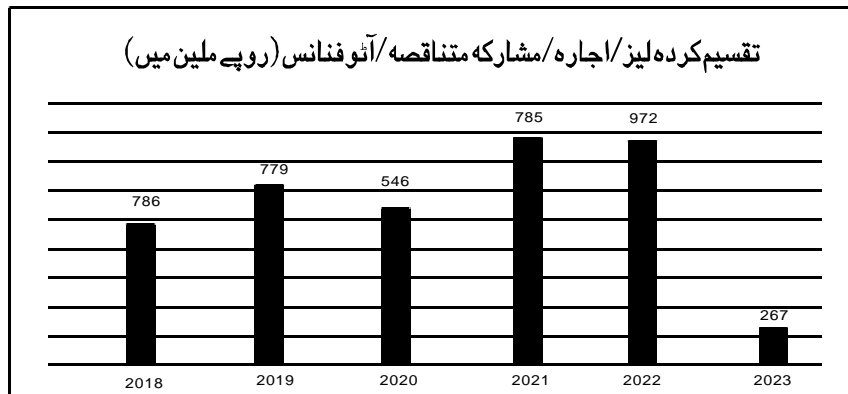
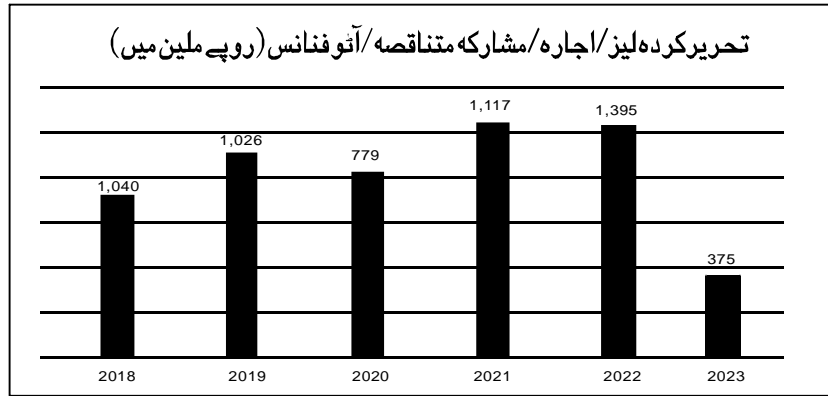


PGL کی آپریشنل اور مالیاتی کارکردگی کا تجزیہ برائے مالی سال 2022-23

تحریر اور تقسیم کردہ لیزز

مالی سال 2022-23 میں 23 نئی لیزز اور 2 آٹوفنانس سہولتیں جو 375 ملین روپے مالیت کے تھے تحریر کیے گئے، بمقابلہ پچھلے سال مالی سال 2021-22 میں 80 لیزز اور 40 آٹوفنانس لون جو کہ 1,395 ملین روپے مالیت کے تھے۔ مالی سال 2022-23 کے دوران لیزز کی تقسیم کی مجموعی مالیت 267 ملین روپے تھی جو مالی سال 2021-22 کے لیے تقابلی رقم 972 ملین روپے سے کم ہے۔

گزشتہ 6 سال میں آپ کی کمپنی کی طرف سے تحریر کردہ تموہلی سہولیات اور تقسیم کردہ رقم میں نمونہ کی عکاسی درج ذیل چارٹ سے ہوتی ہے:



نوٹ: 20 اپریل 2016 سے اجارہ فنانسنگ کا سلسلہ منقطع کر دیا گیا ہے۔

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز (تحصص یافتگان)

آپ کے ڈائریکٹرز مسرت کے ساتھ پاک گلف لیزنگ کمپنی لمیٹڈ (PGL) کی 30 ویں سالانہ رپورٹ بشمول مالی گوشوارے اور آڈیٹرز رپورٹ برائے سال 30 جون 2023 پیش کر رہے ہیں۔

آپریشنل جائزہ

اس سال کے دوران آپ کی کمپنی کی طرف سے فراہم کردہ مالیاتی سہولیات کی مقدار میں خاصی کمی واقع ہوئی جس کی وجہ KIBOR اور شرح مبادلہ میں بہت زیادہ اضافہ تھا۔ ان وجوہات کے باوجود آپ کی کمپنی کی مالی کارکردگی تسلی بخش رہی کیونکہ آپ کی کمپنی نے، موجودہ سال کے دوران، کمپنی کے سب سے زیادہ تسلسل سے اچھی کارکردگی کا مظاہرہ کرنے والے اور مالی مستحکم کسٹمرز سے متواتر لیز لکھنے کی آزمودہ پالیسی کو جاری رکھا۔ اس کے علاوہ، اچھی ساکھ والے کاروباروں اور مارکیٹ میں اعلیٰ اعتماد کی شہرت رکھنے والے کاروباری افراد کے ساتھ تازہ کلائنٹ ریلیشن شپ کی مارکیٹنگ کے لیے کوششیں کی گئیں۔

کچھ عرصے سے کمپنی کی کریڈٹ پالیسی کی ایک بنیاد بن گئی ہے، جس میں اثاثوں کو لیز کرنے کے علاوہ، رسک کم کرنے کے لیے جہاں ضروری سمجھا جاتا ہے، وہاں دوسری سیکورٹی حاصل کی جاتی ہے۔ دیگر لیزنگ کمپنیوں کے برخلاف، جو عام طور پر اپنے طے شدہ رسک سے بچاؤ کے لیے لیز پردیے گئے اثاثوں پر انحصار کرتی ہیں، آپ کی کمپنی، اس منفرد پالیسی کو اپنانے کے نتیجے میں، خود کو غیر مستحکم معاشی حالات کے خلاف کافی حد تک محفوظ بنا لیتی ہے جو لیزنگ کی سرمایہ کاری سے متعلق کوتاہیوں اور ناہمندیوں کا سبب بنتے ہیں۔

کمپنی کی طرف سے اجارہ داروں کی مالی تاریخ، مارکیٹ میں ان کی متعلقہ ساکھ اور کاروباری ٹریک ریکارڈ کو مد نظر رکھتے ہوئے نئے کاروباری تعلقات قائم کیے گئے، اس کے علاوہ، کمپنی کو پیش کی جانے والی تمویل کی پیشکش کے خطرات و ثمرات، دونوں حوالوں سے کامیاب نمونہ پر پہنچنے کے لیے رسک کی تشخیص کی دیگر معیاری تکنیکوں کو لاگو کیا گیا۔ بطور ایک پالیسی اور کمپنی کے طے شدہ معیاری آپریٹنگ طریقہ کار کے معاملے کے طور پر، کمپنی کو کریڈٹ سے متعلق خطرے سے محفوظ بنانے کے لیے، کریڈٹ کی تمام منظور یا لیز پردیے جانے والے اثاثوں کے ایک آزاد سروے اور تشخیص، اور لیز لینے والے کی طرف سے فراہم کردہ ضمانت کے حصول کے ساتھ مشروط ہیں۔ اس بات کو بھی یقینی بنایا جاتا ہے کہ تمام لیز پردیے گئے اور مکملہ اثاثوں کا لیز کی پوری مدت اور اس کے حتمی تصفیے تک کم از کم AA کی درجہ بندی والی کسی انشورنس کمپنی کے ذریعے مکمل بیمہ کرایا گیا ہے، جہاں کمپنی کا نام بطور نقصان کے وصول کنندہ متعلقہ پالیسی پر درج ہوتا ہے۔

سال کے دوران، ضرورت سے زیادہ KIBOR، افراط زر اور منفی معاشی حالات کی بنیاد پر قرض لینے کی بلند شرح کی وجہ سے، کمپنی نے انتہائی احتیاط کے ساتھ صرف ان کلائنٹس کے لیے ایکسپوزر رکھنے کو آگے بڑھایا جو اس کے لیے انتہائی با اعتبار اور قابل ادھار سمجھے جاتے تھے۔ محتاط پالیسی کی وجہ سے کم لیز اور لون لکھے گئے جس کی وجہ سے لیز فنانس اور آٹو لون کی رقم میں کمی واقع ہوئی۔ مالی سال 2022-23 کے لیے کمپنی کی ریکوری کی شرح 87% تھی جب کہ پچھلے سال یہ 95% تھی۔ اس کے علاوہ، قانونی چارہ جوئیوں والے لیز معاملات سے بازیابی کے لئے کوششیں کی گئیں، جس نے سال کے منافع میں مثبت حصہ ڈالا۔

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are ten (10) as per the following categories, and includes Chief Executive who is a deemed director under Section 188 of the Companies Act 2017:
 - a. Male: Nine (9)
 - b. Female: One (1)

2. The composition of the Board of Directors (the Board) as on June 30, 2023 was as follows:

Category	Names
Independent Directors	Mr. Ismail H. Ahmed Mr. Jan Ali Khan Junejo Brig. Haris Nawaz (Retd.) Ms. Naeen Ahmed (**)
Non-Executive Directors	Mr. Sohail Inam Ellahi Mr. Pervez Inam Mr. Fawad Salim Malik Brig. Naveed Nasar Khan (Retd) Mr. Naeem Ali Muhammad Munshi
Executive Director	Mr. Mahfuz-ur-Rehman Pasha *
Female Director	Ms. Naeen Ahmed (**)

*Chief Executive and deemed director

** Ms. Naeen Ahmed (female director) is an Independent Director

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
9. Till June 30, 2023, following five (5) directors of the Company have acquired the required certificate of Directors Training Program while one (1) is exempt from this requirement:

Directors

- i. Mr. Mahfuz-ur-Rahman Pasha
- ii. Mr. Pervez Inam
- iii. Mr. Fawad Salim Malik
- iv. Mr. Ismail H. Ahmed
- v. Mr. Jan Ali Khan Junejo

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
- | | | |
|----|---|----------|
| a) | Audit Committee | |
| | Mr. Ismail H Ahmed | Chairman |
| | Mr. Pervez Inam | Member |
| | Brig. Naveed Nasar Khan (Retd.) | Member |
| | Mr. Naeem Ali Muhammad Munshi | Member |
| | Ms. Naureen Ahmed | Member |
| b) | Human Resources and 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-Rehman Pasha | Member |
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
- | | |
|----|--|
| a) | Audit Committee: (five meetings) |
| b) | HR and Remuneration Committee: (one meeting) |
15. The Board has set up an effective internal audit function comprising of Head of Audit who is suitably qualified and experienced for the purpose and is well conversant with the policies and the procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all the requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. With regard to the Regulation 24, it is stated that the Chief Financial Officer is also working as the Company Secretary of the Company. The arrangement is in the best interest of the Company as it is cost effective. Moreover, the workload of the Company Secretary is not much as to justify a full time Company Secretary.
20. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are noted below:

Sr. #	Requirement	Explanation	Reg #
1	It is encouraged that all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	The Directors of the Board are well acquainted with the roles and responsibilities and applicable laws and regulations. Till June 30, 2023, five (5) directors of the Company have acquired the required certificate of Directors Training Program while one (1) is exempt from this requirement and others will comply with the requirement in due course of time.	19(1)
2	Companies are also encouraged to arrange training for: (i) at least one female executive every year under the Directors' Training program from year July 2020; and (ii) at least one head of department every year under the Directors' Training program from July 2022.	In-house training of key executives, including female executives, is a continuous process and the Company will also arrange for Directors' Training program of key executives including female executives in due course of time.	19(3)
3	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Since the constitution of the Committee is non-mandatory, therefore the responsibilities prescribed for the nomination Committee are being taken care of by the Board of Directors.	29
4	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Since the constitution of the Committee is non-mandatory, therefore the responsibilities prescribed for the risk management committee are being performed by the Board of Directors and its various Committees. To comply with this requirement the Company will constitute Risk Management Committee in due course of time.	30
5	The Company may post the following on its website: (1) key elements of its significant policies including but not limited to the following: (i) communication and disclosure policy; (ii) code of conduct for members of board of directors, senior management and other employees; (iii) risk management policy; (iv) internal control policy; (v) whistle blowing policy; (vi) corporate social responsibility/sustainability/environmental, social and governance related policy.	Since the Regulation does not require mandatory disclosure of significant policies on the website, therefore the Company has not updated the website accordingly. In future, as desired, the Company will post the key elements of the significant policies on the website.	35

On behalf of the Board of Directors

Chairman

September 27, 2023
Karachi



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Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PAK-GULF LEASING COMPANY LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Pak-Gulf Leasing Company Limited for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:



S. No.	Paragraph reference	Description
(i)	19	that the Chief Financial Officer is also working as the Company Secretary of the Company.

KARACHI

DATED: September 27, 2023

UDIN:CR202310166Chts2pym0

CHARTERED ACCOUNTANTS
Engagement Partner: Tariq Feroz Khan



ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

Shariah Review Report

for the year ended June 2023

In pursuit of Shariah compliance, Pak Gulf Leasing Company Limited (PGL) established its Islamic Finance Division on March 1st, 2013. PGL successfully introduced and operationalized Shariah-compliant Ijarah and Diminishing Musharakah products.

We hereby affirm that PGL meticulously adhered to Shariah principles in the execution of Ijarah and Diminishing Musharakah, maintaining full compliance with the associated rules and regulations. It is noteworthy, that no new transactions were executed/terminated during the current fiscal year for both Ijarah and Diminishing Musharakah.

We would like to take this opportunity to offer praise to Almighty and seek His Guidance and Blessings and to express my best wishes for further progress, development and prosperity of Islamic Finance.

Mufti Muhammad Ibrahim Essa

For and on behalf of

Alhamd Shariah Advisory Services (Pvt.) Limited

30th August 2023



Address: Flat 503, 8th Floor Ibrahim Residency, C.P & Berar Society, Karachi.

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ALHAMD SHARIAH ADVISORY SERVICES

(PVT) LIMITED

شریعت ریویو رپورٹ

جون ۲۰۲۳

پاک گلف یزنگ کمپنی لیٹڈ نے یکم مارچ ۲۰۱۳ کو اپنا اسلامی مالیاتی ڈویژن قائم کیا۔ تحریری دستاویزات اور مشاورت کے بعد پاک گلف یزنگ کمپنی لیٹڈ نے اجارہ اور شرکت متعلقہ کی پراکٹس کا اجراء کیا۔

ہم اس بات کی تصدیق کرتے ہیں کہ پاک گلف یزنگ کمپنی لیٹڈ، اجارہ اور شرکت متعلقہ کی معاملات انجام دینے میں شریعت کے اصولوں کی پاسداری کرتی ہے۔ تاہم مالی سال ۲۰۲۳ میں اجارہ یا شرکت متعلقہ کی کوئی نیا معاملہ انجام نہیں دیا گیا۔

میں اس موقع پر اللہ تعالیٰ کا شکر بھی ادا کرتا ہوں اور اس سے مزید رہنمائی اور نعمتوں کا بھی طلبگار ہوں، ساتھ ہی ساتھ میں اسلک فانس کی مزید ترقی اور خوشحالی کے لیے اپنی نیک تمناؤں کا بھی اظہار کرتا ہوں۔ والسلام

محمد ابراہیم

ملتی محمد ابراہیم مبینی

الحد شریعت ایڈوائزری سرورسز (پرائیویٹ) لیٹڈ

۳۰ اگست ۲۰۲۳



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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL STATEMENTS TO THE MEMBERS

Opinion

We have audited the annexed financial statements of Pak-Gulf Leasing Company Limited (the Company), which comprise the statement of financial position as at June 30, 2023, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the profit and other comprehensive loss, its cash flows and the changes in equity for the year then ended.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Following are the Key audit matters:

Key audit matters	How the matter was addressed in our audit
Existence and valuation of Net Investment in Finance Lease (NIFL)	
<p>As disclosed in note 8 to the financial statements, NIFL amounts to Rs. 1,909.126 million which constitute 75% of the total assets of the Company.</p> <p>As NIFL represents a significant element of the financial statements, a discrepancy in the existence or valuation of NIFL could cause the financial statements to be materially misstated which would also impact the Company's reported performance as the valuation of NIFL is the main driver of the performance of the Company.</p> <p>In view of significance of NIFL in relation to total assets and the financial statements as a whole, we have considered the existence and valuation of NIFL as a key audit matter.</p>	<p>Our audit procedures included assessing and testing the design and operations of key controls over the recognition, valuation and existence of NIFL.</p> <p>We performed detailed assessment of the credit approval procedures of the leases sanctioned in accordance with Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and performed credit review on sample basis. In addition, we have circulated confirmations to sampled lessees and checked repayment received from the same.</p> <p>We tested controls over addition, termination and periodic valuation of the lease portfolio and performed other substantive audit procedures on the year end balances. Moreover, we have reviewed documentation required in the lease files of the parties and verified income from financing during the year by performing recalculation through lease amortization schedule on a sample basis as per applicable standard [IFRS-16].</p> <p>Assessed the ECL model used by the management to calculate the provision against NIFL assets of the Company for appropriateness of the assumptions used and the methodology applied. We also tested the mathematical accuracy of the model.</p> <p>We also evaluated the adequacy of the overall disclosures in the financial statements in respect of NIFL in accordance with the requirements of the NBFC Regulations and with the applicable accounting standards.</p>



Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 27 SEP 2023

UDIN: AR202310166EDqbC2pfi


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023**

	Note	2023	2022
		----- Rupees -----	
ASSETS			
Current assets			
Cash and bank balances	5	205,090,460	26,040,004
Short term investments	6	55,575,097	55,205,847
Other receivables	7	59,503,860	58,452,267
Advance to employees		96,929	56,939
Prepayments		485,670	569,430
Current portion of net investment in finance lease	8	769,028,755	481,967,960
Current portion of long-term loans	9	83,085,527	88,418,588
Total current assets		<u>1,172,866,298</u>	<u>710,711,035</u>
Non-current assets			
Net investment in finance lease	8	1,140,097,764	1,870,969,785
Long-term loans	9	48,244,628	147,442,165
Long-term security deposits		118,500	118,500
Investment property	10	164,736,000	164,736,000
Property and equipment	11	2,637,826	3,505,151
Right of use assets	12	147,563	4,401,695
Total non-current assets		<u>1,355,982,281</u>	<u>2,191,173,296</u>
Total assets		<u>2,528,848,579</u>	<u>2,901,884,331</u>
LIABILITIES			
Current liabilities			
Trade and other payables	13	81,418,746	114,394,748
Taxation - net	14	33,603,085	68,662,934
Unclaimed dividend		3,507,719	1,431,638
Accrued mark-up	15	21,191,306	20,353,808
Short term borrowings	16	186,974,518	251,625,391
Current portion of certificates of investment	17	833,121	267,908
Current portion of long-term loan	18	66,666,672	66,666,672
Current portion of lease liabilities	19	636,978	5,251,117
Current portion of long-term deposits	20	287,844,766	155,254,885
Total current liabilities		<u>682,676,911</u>	<u>683,909,101</u>
Non-current liabilities			
Certificates of investment	17	340,590,008	336,799,557
Long-term loan	18	37,499,989	66,666,652
Lease liabilities	19	-	567,961
Long-term deposits	20	520,381,058	780,344,665
Deferred taxation - net	21	118,166,931	145,754,009
Total non-current liabilities		<u>1,016,637,986</u>	<u>1,330,132,844</u>
Total liabilities		<u>1,699,314,897</u>	<u>2,014,041,945</u>
NET ASSETS		<u>829,533,682</u>	<u>887,842,386</u>
Financed by:			
Share capital	22	494,711,100	253,698,000
Statutory reserve	23	153,725,579	142,398,442
Reserve for issue of bonus shares	23	-	4,402,000
Surplus on revaluation of property and equipment - net	23	90,504,204	90,504,204
Surplus on revaluation of FVOCI investments		1,554,609	2,334,900
		<u>245,784,392</u>	<u>239,639,546</u>
Revenue reserve	23	89,038,190	394,504,840
Unappropriated profit		<u>829,533,682</u>	<u>887,842,386</u>
Contingencies and commitments	24		

The annexed notes from 1 to 44 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023	2022
----- Rupees -----			
INCOME			
Income from financing operations	25	227,292,442	228,427,580
Other operating Income			
Return on investments	26	22,454,916	5,249,185
Other income	27	12,455,043	21,554,152
		34,909,959	26,803,337
		262,202,401	255,230,917
Administrative and operating expenses	28	(52,663,085)	(64,139,650)
Finance cost	29	(89,848,800)	(69,054,807)
		(142,511,885)	(133,194,457)
Operating profit before provision		119,690,516	122,036,460
Reversal of provision against lease receivables held under litigation	7.4	6,334,065	56,458,682
Provision for potential lease and loan losses	8.3 & 9.2	(47,207,690)	(10,807,355)
Profit before taxation		78,816,891	167,687,787
Taxation	30	(22,181,204)	(20,708,760)
Net Profit for the year		56,635,687	146,979,027
Earning per share-basic and diluted	31	1.14	(Restated) 2.97

The annexed notes from 1 to 44 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF
COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		----- Rupees -----	
Net profit for the year		56,635,687	146,979,027
Other comprehensive loss for the year			
<i>Items that may not be reclassified to statement of profit or loss in subsequent periods:</i>			
Loss on revaluation of FVOCI investments	6	(780,291)	(561,462)
Total comprehensive income for the year		<u>55,855,396</u>	<u>146,417,565</u>

The annexed notes from 1 to 44 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023	2022
		----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		78,816,891	167,687,787
Adjustment for:			
Depreciation and amortisation		5,297,577	5,426,633
Finance cost		89,848,800	69,054,807
Allowance for potential lease and loan losses		47,207,690	10,807,355
Unrealised gain on revaluation of investment property		-	(10,296,000)
Provision for lease receivable held under litigation		(6,334,065)	(56,458,682)
Gain on disposal of fixed assets		-	(20,900)
		<u>136,020,002</u>	<u>18,513,213</u>
Operating profit before working capital changes		214,836,893	186,201,000
(Increase) / decrease in current assets			
Advance to employees		(39,990)	27,731
Other receivables		5,282,472	88,733,450
Ijarah rental receivables		-	278,062
Prepayments		83,760	292,948
		<u>5,326,242</u>	<u>89,332,191</u>
(Decrease) / increase in current liabilities			
Trade and other payables		(32,976,002)	82,815,901
		<u>(32,976,002)</u>	<u>82,815,901</u>
Cash generated from operations		187,187,133	358,349,092
Finance cost paid		(88,939,748)	(65,104,207)
Tax paid - net		(84,828,132)	(4,113,426)
Long-term deposits - net		(127,373,726)	181,075,899
Long-term loans received / (re-paid)		106,464,718	(121,745,423)
Net investment in finance lease		394,669,416	(414,032,449)
		<u>199,992,528</u>	<u>(423,919,606)</u>
Net cash generated from / (used in) operating activities		387,179,661	(65,570,514)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property and equipment		(176,120)	(360,287)
Proceeds from disposal of fixed assets		-	15,000
Investments made during the year - net		(1,149,541)	(21,764,410)
Net cash used in investing activities		(1,325,661)	(22,109,697)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from certificates of investment - net		4,355,664	145,943,761
Dividend paid		(112,088,019)	(42,694)
Lease payments		(5,253,652)	(3,446,790)
Proceeds from long-term loan		(29,166,663)	37,499,995
Net cash (used in) / generated from financing activities		(142,152,670)	179,954,272
Net increase in cash and cash equivalents		<u>243,701,330</u>	<u>92,274,061</u>
Cash and cash equivalents at the beginning of the year		<u>(225,585,388)</u>	<u>(317,859,449)</u>
Cash and cash equivalents at the end of the year	32	18,115,942	(225,585,388)

The annexed notes from 1 to 44 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer



STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

	Share capital	Reserves				Revenue	Total reserves	Total equity
		Capital						
		Statutory reserve	Reserve for issue of bonus shares	Surplus on revaluation of property and equipment (note 23.2)	Surplus on revaluation of FVOCI investments			
----- (Rupees) -----								
Balance as at July 01, 2021	253,698,000	113,002,637	4,402,000	90,504,204	2,896,362	304,372,819	515,178,022	768,876,022
Impact of Initial application of IFRS 9	-	-	-	-	-	(27,451,201)	(27,451,201)	(27,451,201)
Balance as at July 01, 2021 (Adjusted)	253,698,000	113,002,637	4,402,000	90,504,204	2,896,362	276,921,618	487,726,821	741,424,821
Net profit for the year	-	-	-	-	-	146,979,027	146,979,027	146,979,027
Other comprehensive loss	-	-	-	-	(561,462)	-	(561,462)	(561,462)
Total comprehensive income / (loss) for the year	-	-	-	-	(561,462)	146,979,027	146,417,565	146,417,565
Transfer to statutory reserve	-	29,395,805	-	-	-	(29,395,805)	-	-
Balance as at June 30, 2022	253,698,000	142,398,442	4,402,000	90,504,204	2,334,900	394,504,840	634,144,386	887,842,386
Final dividend for the year ended June 30, 2022 Rs. 1 per share	-	-	-	-	-	(25,369,800)	(25,369,800)	(25,369,800)
Interim Dividend for the year ended June 30, 2023 @ Rs.3.5 per share	-	-	-	-	-	(88,794,300)	(88,794,300)	(88,794,300)
Interim bonus issue for the year ended June 30, 2023 at the rate of 95 shares for every 100 shares	241,013,100	-	(4,402,000)	-	-	(236,611,100)	(241,013,100)	-
Net profit for the year	-	-	-	-	-	56,635,687	56,635,687	56,635,687
Other comprehensive income /(loss)	-	-	-	-	(780,291)	-	(780,291)	(780,291)
Total comprehensive income /(loss) for the year	-	-	-	-	(780,291)	56,635,687	55,855,396	55,855,396
Transfer to statutory reserve	-	11,327,137	-	-	-	(11,327,137)	-	-
Balance as at June 30, 2023	494,711,100	153,725,579	-	90,504,204	1,554,609	89,038,190	334,822,582	829,533,682

The annexed notes from 1 to 44 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

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 (The 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 The registered office of the Company is located at UNIBRO House, Ground and Mezzanine Floor, Plot No. 114, 9th East Street, Phase-1, Defence Housing Authority, Karachi. The Company also have a branch office located at Office No. 202, 2nd Floor, Divine Mega II, Opp Honda Point, New Airport Road, Lahore.
- 1.3 VIS Credit Rating Company Limited (VIS) has re-affirmed long term credit rating of A- and short term credit rating of A-2 to the Company on September 21, 2023.
- 1.4 Regulation 4 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, requires an existing NBFC with valid deposit taking permission having leasing licence to maintain, at all times, minimum equity of Rs. 500 million. The equity of the Company as at June 30, 2023 is Rs.737.475 million which is Rs. 237.475 million in excess of the minimum equity requirement.

2. BASIS OF PREPARATION**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan 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;
- Provision of and directive issued under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), and 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 IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except stated otherwise in the relevant notes to the financial statements.

2.3 Functional and presentation currency

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

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS
3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2023

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

Standard or Interpretation	Effective date (annual periods beginning on or after)
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 1, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 1, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 1, 2022
Certain annual improvements have also been made to a number of IFRSs.	

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 1, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 1, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 1, 2024

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 1, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 1, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 1, 2023
The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):	
IFRS 1 First Time Adoption of International Financial Reporting Standards	
IFRS 17 Insurance Contracts	

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

4.1 Cash and cash equivalents

Cash in hand and at banks are carried at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and at bank and short term borrowing. Short term borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

4.2 Investment property

Investment property is stated at fair value, which reflects market conditions at the reporting date. Gain or loss on remeasurement of investment property at fair value is recognised in statement of profit or loss. Fair value is evaluated annually by an independent professional valuer. Investment property is derecognised when either it has been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised as income and expense in the period of derecognition. Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired. Gains or losses on disposal of investment property, if any, are included in statement of profit or loss.

4.3 Other receivables

Other receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when considered irrecoverable.

4.4 Net investment in finance lease

Leases where the Company transfers substantially all the risks and rewards incidental to ownership of an asset to the lessees are classified as finance leases. A lease receivable is recognised at an amount equal to the present value of the minimum lease payments, including any guaranteed residual value, if any. The difference between the gross lease receivables and the present value of the lease receivables is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in the statement of profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivables.

4.5 Long-term loans

Long-term loans are initially recognised at cost being the fair value of consideration. Subsequently, these are carried at amortised cost using the effective interest rate method.

4.6 Provision for potential lease and loan losses

The Company applies IFRS 9 general approach for lease and loan losses respectively to determine Expected Credit Losses (ECL). A lifetime ECL is recorded on lease and loans in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and on lease and loans which are credit impaired as on the reporting date. A 12 months ECL is recorded for lease and loan which do not meet the criteria for SICR or "credit impaired" as at the reporting date. To assess whether there is a significant increase in the credit risk, the Company compares the risk of a default occurring on the loans and lease as at the reporting date with the risk of default as at the date of initial recognition. The Company also considers reasonable and supportive forward-looking information in the determination of ECL. The allowance is increased by provisions charged to the statement of profit or loss and is decreased by charge-offs, net of recoveries.

Calculating ECL for lease and loan is subject to numerous judgments and estimates. In evaluating the adequacy of ECL, the management considers various factors, including the nature and characteristics of the obligor, current economic conditions, credit concentrations or deterioration in collateral, historical loss experience and delinquencies. The management further considers the impact of forward-looking information and its resulting impact on the provision for lease and loan portfolio of the Company.

4.7 Property and equipment**Owned assets**

These are stated at cost less accumulated depreciation and impairment losses, if any.

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other subsequent costs including repairs and maintenance are charged to the statement of profit or loss as and when incurred.

Depreciation is charged using the straight line method, whereby the depreciable amount of an asset is written off over its estimated useful life at the rates specified in note 11 after taking into account residual value, if any. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Depreciation on additions is charged from the month the assets are put to use while no depreciation is charged in the month in which the assets are disposed off.

Gains or losses on sale of assets are charged to the statement of profit or loss in the period in which they arise.

4.8 Right of use assets and related liabilities

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any. At transition, the Company recognised right to use assets equal to the present value of lease payments.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payment includes fixed payments with annual increments. The lease liabilities are subsequently measured at amortised cost using the effective interest rate. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the statement of profit or loss.

4.9 Borrowings

Loans and borrowings are recorded at the proceeds received. Finance cost are accounted for on accrual basis and are shown as interest and mark-up accrued to the extent of the amount remaining unpaid.

Short term borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

4.10 Financial instruments

Effective from July 01, 2021 the Company has adopted International Financial Reporting Standard 9 'Financial Instrument' to measure its financial assets and financial liabilities.

Classification and measurement of financial assets and financial liabilities

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss.

Financial assets at FVOCI These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to statement of profit or loss.

4.11 Trade and other payables

Liabilities for trade and other payables are recognised initially at fair value and subsequently carried at amortised cost.

4.12 Provisions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 result of which form the basis of making, judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

4.13 Taxation**Current**

Provision for current taxation is based on taxable income at current rates of taxation after taking into account all tax credits and tax rebates available, if any. The tax charge as calculated above is compared with turnover tax under Section 113 and Alternate Corporate Tax under Section 113C of the Income Tax Ordinance, 2001, and whichever is higher is provided for in the financial statements.

Deferred

Deferred tax is recognised, using the statement of financial position liability method, on all temporary differences arising between the tax base of assets and liabilities and their carrying amount. Deferred tax is calculated using the rates that are expected to apply to the period when the differences reverse based on the tax rates that have been enacted at the statement of financial position date.

Deferred tax liabilities are recognised for all taxable temporary differences, whereas deferred tax assets are recognised for all deductible temporary differences. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits or taxable temporary differences will be available against which the asset can be utilised.

4.14 Defined contribution plan

The Company operates an approved defined contributory provident fund for all its permanent employees. Monthly contributions are made to the Fund equally by the Company and the employees in accordance with the rules of the Fund. The contributions are recognised as employee benefit expense when they become due.

4.15 Employees' compensated absences

The Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. Provision to cover the obligations under the scheme is made based on the current leave entitlements of the employees and by using the current salary level of the employees.

4.16 Revenue recognition**Finance leases**

The Company follows the finance lease method in accounting for the recognition of lease income. Under this method, the unearned lease income i.e. the excess of gross lease rentals and the estimated residual value over the cost of the leased assets is deferred and taken to income over the term of the lease contract, so as to produce a systematic return on the net investment in finance lease. Unrealised lease income is held in suspense account, where necessary, in accordance with the requirements of the NBFC Regulations. Documentation charges, late payment charges and processing fee are taken to income when realised.

Auto finance

Income on loan is recognised on a time proportionate basis using effective interest rate method taking into account the principal outstanding and applicable rate of interest / return thereon.

4.17 Return on investments

Return on debt securities and deposits accounts is recognised using the effective interest method. Dividend income from investments is recognised when the company's right to receive the dividend is established.

4.18 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, if any.

4.19 Dividend distribution and transfer between reserves

Dividend distribution (including stock dividend) to the Company's shareholders and transfer between reserves, except appropriations which are required under law, are recognised in the financial statements in the period in which such dividends are declared or such transfers between reserves are made.

4.20 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Company has two primary business segments, namely, Lease Finance and Vehicle Finance.

Financing, revenue, expenses and income taxes that are managed on an overall basis are not allocated to any segment.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them. Those assets and liabilities, which cannot be allocated to a particular segment on a reasonable basis, are reported as unallocated corporate assets and liabilities.

4.21 Accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

- i) Classification and valuation of investments (notes 6).
- ii) Depreciation on property and equipment (note 11).
- iii) Expected credit loss (note 4.6).
- v) Contingencies (note 24).
- vi) Provision for current and deferred taxation (notes 14 and 30).
- vii) Classification and provision of net investment in finance lease (notes 8 and 8.3)
- viii) Measurement of investment property (note 10).
- ix) Determination and measurement of right of use assets and lease liabilities (12 and 19)

5. CASH AND BANK BALANCES	Note	2023	2022
		----- Rupees -----	
Cash in hand		155,510	106,002
Balance with banks:			
- in current accounts		42,842,868	23,123,314
- in saving accounts	5.1	<u>162,092,082</u>	<u>2,810,688</u>
		<u>205,090,460</u>	<u>26,040,004</u>

5.1 These carry mark-up rates ranging from 20.50% to 21% (2022: 6.5% to 12.75%) per annum.

6. SHORT TERM INVESTMENTS	Note	2023	2022
		----- Rupees -----	
FVOCI:			
National Investment (Unit) Trust		3,529,100	4,090,562
Remeasurement loss on revaluation at fair value		<u>(780,291)</u>	<u>(561,462)</u>
	6.1	<u>2,748,809</u>	<u>3,529,100</u>
Amortised cost:			
Government Securities	6.2 & 6.3	<u>52,826,288</u>	<u>51,676,747</u>
		<u>55,575,097</u>	<u>55,205,847</u>

6.1 This represents investments in 54,300 units (2022: 54,300 units) at net asset value.

6.2 This represent investment in Market Treasury Bills having cost of Rs. 52.385 (2022: Rs.51.677) million and interest accrued thereon of Rs. 0.441 (2022: Rs 0.340) million. The effective rate of return 21.95% (2022: 14.53%) per annum. These will be matured on September 07, 2023.

6.3 As per the requirements of Regulation 14 (4) (g) of the NBFC Regulations, the Company is required to invest at least 15% of its outstanding funds raised through issue of Certificates of Investments in Government Securities or instruments or investments as notified by the Commission. As at June 30, 2023, the Company had 15.47% of its funds raised through Certificates of Investments invested in Market Treasury Bills.

7. OTHER RECEIVABLES	Note	2023	2022
		----- Rupees -----	
Considered good			
Insurance premium and other receivables		13,253,860	12,202,267
Considered doubtful			
Lease receivable held under litigation	7.1	<u>102,491,073</u>	108,825,138
Insurance premium and other receivables	7.2	<u>2,592,451</u>	2,592,451
Diminishing musharakah receivable	7.3	<u>18,788,999</u>	18,788,999
		<u>123,872,523</u>	130,206,588
Provision			
Lease receivable held under litigation	7.4	<u>(43,561,174)</u>	(49,895,239)
Insurance premium and other receivables		<u>(2,592,451)</u>	(2,592,451)
Mark-up and other income held in suspense account against lease receivable held under litigation		<u>(12,679,899)</u>	(12,679,899)
Diminishing musharakah receivable	7.3	<u>(18,788,999)</u>	(18,788,999)
		<u>(77,622,523)</u>	(83,956,588)
		<u>59,503,860</u>	<u>58,452,267</u>

- 7.1 These represents net investment in finance lease which is terminated by the Company and are in litigations.
- 7.2 These include insurance premium receivable from lessees for leased assets insured on their behalf by the Company. These amounts are recovered either during the lease period or on termination / maturity of the lease contracts. However, full provision is provided against these insurance balances.
- 7.3 The Company has filed litigation for claim of receivables due under the diminishing musharakah arrangement from Muhandaseen (Pvt) Limited. However, as a matter of prudence, full provision has been made against the receivables.

7.4 Provision against lease receivable held under litigation

	Note	2023	2022
----- Rupees -----			
Balance as at July 01		49,895,239	106,353,921
Reversal for the year - net	7.4.1	(6,334,065)	(56,458,682)
Balance as at June 30	7.4.2	<u>43,561,174</u>	<u>49,895,239</u>

- 7.4.1 During the year, the Company received Rs. 6.569 million against Criminal Complaint.
- 7.4.2 The provision is net of forced sale value benefit amounting to Rs. 46.25 (2022: Rs. 46.25) million.

	Note	2023	2022
----- Rupees -----			
8. NET INVESTMENT IN FINANCE LEASE			
Secured			
Net investment in finance lease	8.1	1,909,126,519	2,352,937,745
Current portion shown under current assets		(769,028,755)	(481,967,960)
		<u>1,140,097,764</u>	<u>1,870,969,785</u>

8.1 Net investment in finance lease

		2023		
		----- Rupees -----		
Note		Not later than one year	Later than one year and less than five years	Total
	Minimum lease payments	790,956,474	769,937,994	1,560,894,468
	Residual value of leased assets	287,844,766	520,381,058	808,225,824
	Gross investment in finance lease	1,078,801,240	1,290,319,052	2,369,120,292
	Unearned lease income	(196,618,273)	(150,221,288)	(346,839,561)
		882,182,967	1,140,097,764	2,022,280,731
	Allowance for potential lease losses	(113,154,212)	-	(113,154,212)
	Net investment in finance lease	<u>769,028,755</u>	<u>1,140,097,764</u>	<u>1,909,126,519</u>

	Note	2022		Total
		Not later than one year	Later than one year and less than five years	
		----- Rupees -----		
Minimum lease payments		584,569,500	1,263,559,867	1,848,129,367
Residual value of leased assets	8.2	155,254,885	780,344,665	935,599,550
Gross investment in finance lease		739,824,385	2,043,904,532	2,783,728,917
Unearned lease income	8.6	(193,844,023)	(172,934,747)	(366,778,147)
		545,980,362	1,870,969,785	2,416,950,147
Allowance for potential lease losses	8.3	(64,012,960)	-	(64,012,402)
Net investment in finance lease		481,967,960	1,870,969,785	2,352,937,745

8.2 These represent interest free security deposits received against lease contracts and are refundable / adjustable at the expiry / termination of the respective leases. Security deposits ranging from 1% to 63% (2022: 1% to 65%) of the lease amount and are obtained at the time of entering into the lease arrangement. The amount is net of security deposit held against matured leases amounting to Rs. 343.486 (2022: Rs. 324.18) million. Furthermore, certain leases are secured in the form of mortgages / corporate / personal guarantees of associated companies / directors.

8.3	Allowance for potential lease losses	Note	2023	2022
			----- Rupees -----	
	Balance as at July 01		64,012,402	29,840,458
	Adjustment under opening equity		-	25,242,930
	Charge for the year		49,141,810	8,929,014
	Balance as at June 30		113,154,212	64,012,402

8.4 The Company has entered into various lease agreements for periods ranging from one to seven years. The rate of return implicit in the leases ranges from 9.31% to 31.46% (2022: 9.31% to 31.46%) per annum. Net investment in finance lease includes Rs. 342.797 (2022: Rs. 107.66) million which has been placed under non-performing status.

8.5 Lease rentals received during the year aggregate to Rs. 612.764 (2022: Rs. 728.915) million.

8.6 This includes accumulated suspended income as at June 30, 2023 amounting to Rs. 47.44 million (2022: Rs. 15.02 million)

9. LONG-TERM LOANS

Secured

Auto-finance loan	9.1	133,482,647	239,947,365
Current portion shown under current assets		(83,085,527)	(88,418,588)
Allowance for ECL	9.2	(2,152,492)	(4,086,612)
		48,244,628	147,442,165

9.1 Represents auto-finance loan provided to various customers. The mark-up on these loans ranging from 11.57% to 21.95% (2022: 11.57% to 20.54%) per annum. These loans are repayable within a period of 1 to 5 years and are secured against lien on of the vehicles.

9.2 Allowance for potential loan losses

Balance as at July 01		4,086,612	-
Adjustment in opening equity		-	2,208,271
(Reversal) / charge for the year		(1,934,120)	1,878,341
Balance as at June 30		2,152,492	4,086,612

	Note	2023	2022
10. INVESTMENT PROPERTY		----- Rupees -----	
Office premises		<u>164,736,000</u>	<u>164,736,000</u>

10.1 Fair value measurement

Fair value measurement of investment property is based on the valuations carried out by an independent valuer M/s. Akbani and Javed Associates as on June 30, 2023 on the basis of market value.

Fair value measurement of revalued premises is based on assumptions considered to be level 2 inputs.

10.2 Valuation techniques used to derive level 2 fair values - investment property

Fair value of investment property has been derived using a sales comparison approach. The valuation is considered on the basis of location, needs of the buyer, the overall prevailing market situation and other consideration associated with such type of property. The most significant input in this valuation approach is price / rate per square feet in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

10.3 Forced sale value - investment property

Forced sales value of investment property as at June 30, 2023 amounted to Rs. 140.025 million (2022: Rs. 140.025 million).

10.4 Location and area - investment property

The investment property is located at Office No. 125, 126 and 127, 1st Floor, The Forum, Plot No. G-20, Block 9, Clifton, Karachi and its total covered area is 5148 sq.ft.

11. PROPERTY AND EQUIPMENT

Description	Leasehold improvements	Furniture and fittings	Office equipment	Vehicles	Computer equipment	Total
	----- Rupees -----					
Year ended June 30, 2023						
Net carrying value basis						
Opening net book value (NBV)	-	812,103	261,665	2,243,213	188,170	3,505,151
Additions	-	44,000	132,120	-	-	176,120
Depreciation charge	-	(176,226)	(83,798)	(671,558)	(111,863)	(1,043,445)
Closing - net book value (NBV)	-	679,877	309,987	1,571,655	76,307	2,637,826
Gross carrying value basis						
Cost	1,168,197	3,271,151	4,006,428	11,260,933	5,131,666	24,838,375
Accumulated depreciation	(1,168,197)	(2,591,274)	(3,696,441)	(9,689,278)	(5,055,359)	(22,200,549)
NBV	-	679,877	309,987	1,571,655	76,307	2,637,826
Year ended June 30, 2022						
Opening - net book value (NBV)	-	958,140	118,096	2,914,771	265,382	4,256,389
Additions	-	26,120	274,900	-	59,267	360,287
Depreciation charge	-	(172,157)	(131,331)	(671,558)	(136,479)	(1,111,525)
Closing - Net book value (NBV)	-	812,103	261,665	2,243,213	188,170	3,505,151
Cost	1,168,197	3,227,151	3,874,308	11,260,933	5,131,666	24,662,255
Accumulated depreciation	(1,168,197)	(2,415,048)	(3,612,643)	(9,017,720)	(4,943,496)	(21,157,104)
NBV	-	812,103	261,665	2,243,213	188,170	3,505,151
Depreciation rate % per annum	5	10	20	20	33.33	

11.1 The cost of fully depreciated assets which are still in use as at June 30, 2023 is Rs. 17.8 million (2022: 18.813 million).

11.2 Depreciation amounting Rs. 1.04 million (2022: Rs. 1.11 million) are charged to administrative and operating expenses.

12. RIGHT OF USE ASSETS	Note	2023	2022
		----- Rupees -----	
Opening net book value		4,401,695	8,676,875
Depreciation charged during the year		(4,254,132)	(4,275,180)
Closing net book value		147,563	4,401,695
Depreciation rate		22%	22%

12.1 This represent registered office located in Phase-1, DHA, Karachi and branch office located at New Airport Road, Lahore.

13. TRADE AND OTHER PAYABLES	2023	2022
	----- Rupees -----	
Accrued liabilities	1,282,589	3,984,994
Sundry creditors - Lease	52,559,181	96,741,273
Security deposit	2,393,820	2,393,820
Other liabilities	12,287,751	11,274,661
Tax deducted on dividend	12,895,405	-
	81,418,746	114,394,748

	Note	2023	2022
----- Rupees -----			
14. TAXATION - NET			
Balance as at July 01		68,662,934	16,647,758
Charge for the year	30.1	49,768,282	55,311,893
Tax paid		(84,828,131)	(3,296,717)
Balance as at June 30		<u>33,603,085</u>	<u>68,662,934</u>
15. ACCRUED MARKUP			
Certificates of investment		15,312,591	7,987,244
Short term borrowings		3,556,782	10,264,189
Long-term loan		2,321,933	2,102,375
		<u>21,191,306</u>	<u>20,353,808</u>
16. SHORT TERM BORROWINGS			
Secured			
Bank Al Habib Limited	16.1	186,974,518	251,625,391
16.1			The Company has availed short-term running finance facility from Bank Al Habib Limited having sanctioned limit amounting to Rs. 300 million (2022: Rs. 380 million). The facility carry mark-up at the rate of 3 months KIBOR plus 1% per annum and is secured by hypothecation charge over leased assets and receivables.
16.2			The company has renewed facility of Silk Bank Limited having sanctioned limit amounting to Rs. 150 million (2022: 150 million). The facility carry mark-up at the rate of 3 months KIBOR plus 2.5% per annum and is secured by first charge over specific lease assets along with the related lease rental receivables.
17. CERTIFICATES OF INVESTMENT			
Unsecured			
Certificates of investment	17.1	341,423,129	337,067,465
Current portion shown under current liabilities		(833,121)	(267,908)
		<u>340,590,008</u>	<u>336,799,557</u>
17.1			These represent certificates of investment issued by the Company for periods ranging from 12 to 36 (2022: 12 to 36) months and carry mark-up rates ranging from 13.50% to 21.75% (2022: 10% to 13.50%) per annum.
18. LONG-TERM LOANS			
Secured			
Long-term loan	18.1	104,166,661	133,333,324
Current portion shown under current liabilities		(66,666,672)	(66,666,672)
		<u>37,499,989</u>	<u>66,666,652</u>
18.1			The Company has arranged long term finance facilities from Allied Bank Limited amounting to Rs. 350 million (2022: Rs. 350 million) for a tenure of three years which is repayable in quarterly instalments. These facilities carries mark-up at the rate of 3 month KIBOR plus 1% per annum and are secured by hypothecation charge over specific leased assets and lease rentals receivable.

	Note	2023	2022
----- Rupees -----			
19. LEASE LIABILITIES			
Opening balance		5,819,078	11,792,269
ROU lease liability adjustment		-	(1,703,780)
Payments made during the year		(5,253,652)	(4,962,767)
Finance cost incurred during the year	19.2	71,552	693,356
Closing balance		636,978	5,819,078
Current portion shown under current liabilities		(636,978)	(5,251,117)
		-	567,961
19.1	These liabilities are computed at incremental borrowing rate 12.51% of the Company and over a term of 5 years.		
19.2	Amount recognised in the statement of profit or loss		
Interest expense on lease liabilities	29	71,552	693,356
20. LONG-TERM DEPOSITS			
Long-term deposits	8.1	808,225,824	935,599,550
Current portion shown under current liabilities		(287,844,766)	(155,254,885)
		520,381,058	780,344,665
21. DEFERRED TAXATION - Net			
Taxable temporary difference arising in respect of:			
Surplus on revaluation of property and equipment		36,966,506	36,966,506
Unrealised gain on revaluation of investment property		8,957,520	8,957,520
Accelerated tax depreciation		920,723	929,085
Net investment in finance lease		123,424,907	140,246,951
		170,269,656	187,100,062
Deductible temporary difference arising in respect of:			
Provision against potential lease losses		(32,814,721)	(19,748,714)
Provision against diminishing musharakah receivable		(5,448,810)	(5,448,810)
Provision against other receivables		(13,384,551)	(15,221,430)
RoU assets and lease liabilities- net		(141,930)	(411,041)
Provision for leave encashment		(312,713)	(516,058)
		(52,102,725)	(41,346,053)
		118,166,931	145,754,009

21.1 Movement in temporary differences is as follows:

	Balance as at July 1, 2022	Recognised in statement of profit or loss Rupees	Balance as at June 30, 2023
Surplus on revaluation of property & equipment	36,966,506	-	36,966,506
Unrealised gain on revaluation of investment property	8,957,520	-	8,957,520
Accelerated tax depreciation	929,085	(8,362)	920,723
Net Investment in finance lease	140,246,951	(16,822,044)	123,424,907
RoU assets and lease liabilities - net	(411,041)	269,111	(141,930)
Provision against potential lease losses	(19,748,714)	(13,066,007)	(32,814,721)
Provision against diminishing musharaka receivable	(5,448,810)	-	(5,448,810)
Provision against other receivable	(15,221,430)	1,836,879	(13,384,551)
Provision for leave encashment	(516,058)	203,345	(312,713)
	<u>145,754,009</u>	<u>(27,587,078)</u>	<u>118,166,931</u>

22. SHARE CAPITAL

	2023	2022	Note	2023	2022
----- Shares -----				----- Rupees -----	
<u>50,000,000</u>	<u>50,000,000</u>			<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid up capital					
10,000,000	10,000,000			100,000,000	100,000,000
26,471,110	2,369,800			264,711,100	23,698,000
13,000,000	13,000,000			130,000,000	130,000,000
<u>49,471,110</u>	<u>25,369,800</u>			<u>494,711,100</u>	<u>253,698,000</u>

22.1 As at June 30, 2023, 20,715,479 (2022: 10,617,438) shares of the Company were held by related parties.

22.2 All ordinary shares rank equally with regard to entitlement of dividend, voting rights, board selection, right of final refusal and block voting.

23. RESERVES
Capital reserve

Statutory reserve	23.1	153,725,579	142,398,443
Reserve for issue of bonus shares		-	4,402,000
Surplus on revaluation of property and equipment - net	23.2	90,504,204	90,504,204
Surplus on revaluation of FVOCI		<u>1,554,609</u>	2,334,900
		<u>245,784,392</u>	239,639,547

Revenue reserve

Unappropriated profit		<u>89,038,190</u>	394,504,840
		<u>334,822,582</u>	<u>634,144,386</u>

- 23.1 In accordance with the requirements of NBFC Regulations no 16, an amount of not less than 20 percent of after tax profits shall be transferred to statutory reserve till such time when the reserve equals the amount of paid-up capital, and thereafter a sum of not less than 5 percent shall be transferred. Consequently, during the current year the Company has transferred an amount of Rs. 11.327 (2022: Rs. 29.395) million to its statutory reserve.
- 23.2 Represents surplus on revaluation in respect of office premises at The Forum Mall, Karachi as disclosed in note 10.1. The said property was transferred from property, plant and equipment to investment property in year June 30, 2017.

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

- 24.1.1 Alternate Corporate Tax charge (ACT) for the tax years 2014 through, 2023 amounting Rs. 113.331 million, which is Rs. 27.78 million (2022: Rs. (8.577) million) lower / (higher) than corporate tax (minimum tax or normal tax whichever is higher) payable under the Income Tax Ordinance, 2001.

The Company had filed a Civil Suit against the levy and payment of ACT on its accounting income in the Honorable High Court of Sindh. The Court on December 29, 2014 had issued an order restraining the Federal Board of Revenue (FBR) from taking any coercive action against the Company. Later on, on the basis of directions given by the Honorable Supreme Court of Pakistan vide its order dated June 27, 2018 in another case to the effect that civil suits shall only be entertained by the High Courts if 50% of the tax calculated by the tax authorities is deposited upfront by the filers of the civil suit, Management was advised by its legal advisor to withdraw the civil suit and to file a constitution petition instead as and when a notice for the recovery of the tax demand is received from the FBR. Accepting the legal advice of the legal advisor, the Company has withdrawn the civil suit and is waiting to be served recovery notice by the FBR. As soon as the notice is received the management will file a Constitutional Petition in the Court. Since, in view of the legal advice, the management is confident that it will get the desired relief from the Court, no provisioning for the disputed tax demand has been made in these financial statements.

- 24.1.2 On June 15, 2016, Order-in-original No.551 of 2016 was passed by the Assistant Commissioner of Sindh Revenue Board (SRB) under section 23, 43(2)(3)(6d) of the Sindh Sales Tax on Services Act, 2011(the Act) whereby sales tax demand of Rs. 3.915 million was created against the Company for tax years 2012 to 2015. This demand included sum of Rs. 2.353 million being sales tax charged on income from gross Ijarah operations. An appeal was filed against the said Order before the Commissioner (Appeals) of the SRB by the Company under section 57 of the Act which was not allowed by the Commissioner (Appeals) vide his Order-in-Appeal No. 20 of 2017 dated March 01, 2017. An appeal against the order of Assistant Commissioner of SRB and Order-in-Appeal of Commissioner (Appeals) was also filed by the Company in the Appellate Tribunal (AT) of SRB under section 61 of the Act which has also been dismissed by the AT of SRB vide its Order in Appeal No. AT-18/2017 dated April 30, 2020 on the ground that Ijarah transactions being undertaken by the Company are similar to an operating lease arrangement in which sales tax is chargeable on gross Ijarah rental amount.

The Company has filed a reference against the order of the AT of SRB in the Court and on June 10, 2019 has been granted a stay against the recovery of the disputed tax demand by the SRB. The Management, based on legal advice, is confident that the outcome of the appeal will be in the Company's favor. Accordingly, no provision has been made in respect of the matter.

	Note	2023	2022
		----- Rupees -----	
24.2	Commitments		
	Commitments for finance lease	-	4,399,999
	Commitments for auto-finance loan	-	16,777,000
25.	INCOME FROM FINANCING OPERATIONS		
	Finance income	25.1 217,378,421	215,942,360
	Gain on lease termination	3,045,317	4,828,104
	Late payment charges	6,080,008	4,058,626
	Processing fee	767,075	2,345,025
	Documentation charges	21,621	1,253,465
		<u>227,292,442</u>	<u>228,427,580</u>
25.1	Finance income		
	Net investment in finance lease	180,604,993	187,764,487
	Auto-finance loan	36,773,428	28,177,873
		<u>217,378,421</u>	<u>215,942,360</u>
26.	RETURN ON INVESTMENTS		
	Profit on bank accounts	5,643,936	1,362,431
	Interest on Government Securities	16,562,204	3,812,445
	Dividend income	248,776	74,309
		<u>22,454,916</u>	<u>5,249,185</u>
27.	OTHER INCOME		
	Gain on disposal of fixed assets	-	20,900
	Rental income on investment property	12,455,043	11,234,992
	Unrealised gain on investment property	-	10,296,000
	Others	-	2,260
		<u>12,455,043</u>	<u>21,554,152</u>
28.	ADMINISTRATIVE AND OPERATING EXPENSES		
	Salaries, allowances and benefits	31,737,688	38,636,275
	Depreciation	5,297,577	5,426,633
	Legal and professional charges	2,753,588	3,595,326
	Postage, subscription, printing and stationary	1,208,264	1,913,604
	Vehicle running and maintenance	2,532,287	2,349,980
	Office utilities	2,149,401	2,172,318

	Note	2023	2022
		----- Rupees -----	
Insurance		2,827,987	1,578,572
Office repair and general maintenance		789,028	1,081,841
Workers' Welfare Fund		1,608,508	3,422,200
Auditors' remuneration	28.2	525,000	525,000
Advertisement		180,900	728,742
Travelling and conveyance		81,900	70,870
Other expenses		970,957	2,638,289
		<u>52,663,085</u>	<u>64,139,650</u>
28.1 Salaries and benefits include Rs. 0.530 (2022: Rs. 0.659) million in respect of staff provident fund.			
28.2 Auditors' remuneration			
Audit fee		335,000	335,000
Review report on the statement of compliance with the Code of Corporate Governance		50,000	50,000
Half yearly review fee		115,000	115,000
Out of pocket expenses		25,000	25,000
		<u>525,000</u>	<u>525,000</u>
29. FINANCE COST			
Mark-up/Interest on:			
Short term borrowings		12,983,894	29,014,773
Certificate of investment		51,356,112	25,255,655
Long-term loan		25,126,752	13,908,110
Lease liabilities		71,552	693,356
Bank charges		310,490	182,913
		<u>89,848,800</u>	<u>69,054,807</u>
30. TAXATION			
Current	30.1	47,358,703	55,311,893
Deferred	21.1	(27,587,078)	(34,603,133)
Prior		2,409,579	-
		<u>22,181,204</u>	<u>20,708,760</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023

30.1 Effective tax rate reconciliation	2023		2022	
	Effective tax rate %	Rupees	Effective tax rate %	Rupees
Profit before taxation		<u>78,816,891</u>		<u>167,687,787</u>
Tax at current rate	29.0%	22,856,898	29.0%	48,629,458
Tax effect of income subject to FTR	0.1%	41,048	0%	(12,261)
Tax effect of rebates / credits	-0.9%	(722,392)	-0.4%	(651,630)
Others	0.0%	5,650	-12.2%	(27,256,808)
	<u>28.2%</u>	<u>22,181,204</u>	<u>12.3%</u>	<u>20,708,760</u>

31. EARNINGS PER SHARE - BASIC AND DILUTED	Note	2023	2022
		----- Rupees -----	
Profit after taxation attributable to ordinary shareholders		<u>56,635,687</u>	<u>146,979,027</u>
Weighted average number of outstanding ordinary shares		<u>49,471,110</u>	<u>49,471,110</u> (Restated)
Earning per share - basic and diluted		<u>1.14</u>	<u>2.97</u> (Restated)

31.1 The earnings per share of prior year has restated due to issuance of bonus shares during the year.

There were no convertible dilutive potential ordinary shares in issue as at June 30, 2023.

32. CASH AND CASH EQUIVALENTS

Cash and bank balances	5	205,090,460	26,040,004
Short term borrowings	16	<u>(186,974,518)</u>	<u>(251,625,391)</u>
		<u>18,115,942</u>	<u>(225,585,388)</u>

32.1 Reconciliation of movement of liabilities to cash flows arising from financing activities.

	Liabilities				Total
	Long-term loan	Certificate of investment	Lease Payments	Unclaimed dividend	
Balance as at July 1, 2022	133,333,324	337,067,465	5,819,078	1,431,638	477,651,505
Issued and rolled forward during the year	-	8,782,893	-	-	8,782,893
Payments made during the year	(29,166,663)	(4,427,229)	(5,253,652)	(112,088,019)	(150,935,563)
	(29,166,663)	4,355,664	(5,253,652)	(112,088,019)	(142,152,670)
Other changes					
Finance cost	-	-	71,552	-	71,552
Dividend declared	-	-	-	114,164,100	114,164,100
	-	-	71,552	114,164,100	114,235,652
Balance as at June 30, 2023	<u>104,166,661</u>	<u>341,423,129</u>	<u>636,978</u>	<u>3,507,719</u>	<u>449,734,487</u>

33. REMUNERATION OF CHIEF EXECUTIVE OFFICER, NON-EXECUTIVE DIRECTORS AND EXECUTIVES

	2023			2022		
	Chief Executive Officer	Non Executive Directors	Executives	Chief Executive Officer	Non Executive Directors	Executives
	----- Rupees -----					
Managerial remuneration	1,669,164	-	6,701,483	1,920,004	-	7,158,978
Housing and utilities	918,040	-	3,781,817	1,055,997	-	4,231,418
Reimbursable expenses	199,265	-	1,003,838	176,601	-	835,663
Provident Fund contribution	-	-	129,024	-	-	140,432
Directors' meeting fees	-	1,010,000	-	-	1,280,000	-
	2,786,469	1,010,000	11,616,162	3,152,602	1,280,000	12,366,491
Number of persons	1	9	4	1	8	4

33.1 The executives of the Company are also entitled to free use of Company owned and maintained vehicles.

34. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company has related party relationships with the companies with common directorship, directors of the Company, key management personnel and employee's contribution plan.

34.1 Transactions during the year

Nature of transaction	Nature of relationship	2023	2022
		----- Rupees -----	
<u>Certificates of investment</u>			
Issued during the year	Board of Directors and their relatives	-	210,000,000
Rolled over during the year	Board of Directors and their relatives	1,189,627,528	505,172,575
Repaid during the year	Board of Directors and their relatives	30,000,000	50,000,000
Finance cost	Board of Directors and their relatives	51,248,867	25,255,655
Net investment in finance lease			
Rental received			
MACPAC Films Limited	Associated undertaking (Common Directorship)	-	20,207,128
Office rent			
Rent paid during the year			
Unibro House	Associated undertaking (Common Directorship)	5,081,340	4,858,656

Nature of transaction	Nature of relationship	2023	2022
		----- Rupees -----	
Dividend			
Dividend Paid during the year			
Board Members	Board of Directors and their relatives	67,818,127	-
Unibro Industries Limited	Associated undertaking (Common Directorship)	6,749,033	-
Mid-East Agencies (Pvt) Limited	Associated undertaking (Common Directorship)	5,791,473	-
Bonus Shares Issued			
Bonus Shares Issued during the year			
Board members	Board of Directors and their relatives	14,316,683	-
Unibro Industries Limited	Associated undertaking (Common Directorship)	1,424,795	-
Mid-East Agencies (Pvt) Limited	Associated undertaking (Common Directorship)	1,222,644	-
Staff retirement benefit fund			
Contribution for the year	Provident fund	529,759	659,250
Short Term Borrowing			
Unibro Industries Limited-Loan Obtained	Associated undertaking (Common Directorship)	-	120,000,000
Unibro Industries Limited- Loan Repaid	Associated undertaking (Common Directorship)	-	120,000,000
34.2 Year ended balances			
Certificates of investment (COI)	Board of Directors and their relatives	340,296,013	336,341,436
Accrued mark-up	Board of Directors and their relatives	15,143,380	26,870,685

35. DEFINED CONTRIBUTION PLAN

	2023		2022	
	Rupees	%	Rupees	%
Mutual funds	413,515	100	530,903	100

The management, based on the un-audited financial statements of the Fund, is of the view that the investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and Rules formulated for this purpose.

36. FINANCIAL INSTRUMENTS BY CATEGORY

	2023			Total
	Amortised Cost	FVTPL	FVTOCI	
Financial assets	----- Rupees -----			
Cash and bank balances	205,090,460	-	-	205,090,460
Short term investments	52,826,288	-	2,748,809	55,575,097
Other receivables	59,194,860	-	-	59,194,860
Advance to employees	96,929	-	-	96,929
Net investment in finance lease (net of security deposit)	1,100,900,695	-	-	1,100,900,695
Long-term loans	131,330,155	-	-	131,330,155
Long-term security deposits	118,500	-	-	118,500
	<u>1,549,557,887</u>	<u>-</u>	<u>2,748,809</u>	<u>1,552,306,696</u>

	2023			Total
	Amortised Cost	FVTPL	FVTOCI	
Financial liabilities	----- Rupees -----			
Trade and other payables	4,906,220	-	-	4,906,220
Unclaimed dividend	3,507,719	-	-	3,507,719
Accrued mark-up	21,191,306	-	-	21,191,306
Short term borrowings	186,974,518	-	-	186,974,518
Certificate of investment	341,423,129	-	-	341,423,129
Long-term loan	104,166,661	-	-	104,166,661
Lease liabilities	636,978	-	-	636,978
	<u>662,806,531</u>	<u>-</u>	<u>-</u>	<u>662,806,531</u>

	2022			Total
	Amortised Cost	FVTPL	FVTOCI	
Financial assets	----- Rupees -----			
Cash and bank balances	26,040,004	-	-	26,040,004
Short term investments	51,676,747	-	3,529,100	55,205,847
Other receivables	58,452,267	-	-	58,452,267
Advance to employees	56,939	-	-	56,939
Net investment in finance lease (net of security deposit)	1,417,338,195	-	-	1,417,338,195
Long-term loans	235,860,753	-	-	235,860,753
Long-term security deposits	118,500	-	-	118,500
	<u>1,789,543,405</u>	<u>-</u>	<u>3,529,100</u>	<u>1,793,072,505</u>

	2022			Total
	Amortised Cost	FVTPL	FVTOCI	
Financial liabilities	----- Rupees -----			
Trade and other payables	10,364,810	-	-	10,364,810
Unclaimed dividend	1,431,636	-	-	1,431,636
Accrued mark-up	20,353,808	-	-	20,353,808
Short term borrowings	251,625,391	-	-	251,625,391
Certificate of investment	337,067,465	-	-	337,067,465
Long-term loan	133,333,324	-	-	133,333,324
Lease liabilities	5,819,078	-	-	5,819,078
	<u>759,995,512</u>	<u>-</u>	<u>-</u>	<u>759,995,512</u>

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to the following risks:

37.1 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Company's income or the value of its holdings of financial instruments. The Company manages the market risk by monitoring exposure on marketable securities by following internal risk management policies and regulations laid down by SECP. As of June 30, 2023, the Company is mainly exposed to interest rate risk only.

37.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's fixed and floating rates financial assets and financial liabilities, Fixed rates financial assets as at June 30, 2023 aggregate to Rs. 214.918 (2022: Rs. 54.487) million and financial liabilities Rs. 341.423 (2022: Rs. 337.067) million.

Floating rates financial assets as at June 30, 2023 aggregate to Rs. 2,046.918 (2022: Rs. 2,592.885) million and financial liabilities Rs. 291.778 (2022: Rs.390.777) million. The maturity analysis and risk rate profile of the Company's significant interest bearing financial instruments are as follows:

		2023					
		Exposed to mark-up / interest / profit rate risk					Not exposed to mark-up / interest / profit rate risk
Effective mark-up / interest / profit rate	Total	Upto three months	More than three months and upto one year	More than one year and upto five years	Over five years		
Percent (%)	----- Rupees -----						
Financial assets							
Cash and bank balances	20.5 - 21.00	204,934,950	162,092,082	-	-	-	42,842,868
Short term investments	21.95	55,575,097	52,826,288	-	-	-	2,748,809
Other receivables	-	59,194,860	-	-	-	-	59,194,860
Advance to employees	-	96,929	-	-	-	-	96,929
Net investment in finance lease (net of security deposit)	9.31 - 31.46	1,100,900,695	120,295,997	360,887,992	619,716,706	-	-
Long-term loans	11.57 - 21.95	131,330,155	18,966,955	64,118,572	48,244,628	-	-
Long-term deposits	-	118,500	-	-	-	-	118,500
		1,552,151,186	354,181,323	425,006,564	667,961,334	-	105,001,966
Financial liabilities							
Trade and other payables	-	4,906,220	-	-	-	-	4,906,220
Unclaimed dividend	-	3,507,719	-	-	-	-	3,507,719
Accrued mark-up	-	21,191,306	-	-	-	-	21,191,306
Certificates of investment	9 - 21.75	341,423,129	-	833,121	340,590,008	-	-
Short term borrowings	18.06 - 24.48	186,974,518	186,974,518	-	-	-	-
Lease Liabilities	12.51	636,978	636,978	-	-	-	-
Long-term loan	21.93 - 22.13	104,166,661	16,666,668	50,000,004	37,499,989	-	-
		662,806,531	204,278,164	50,833,125	378,089,997	-	29,605,245
On balance sheet gap		889,344,656	149,903,159	374,173,439	289,871,337	-	75,396,721

		2022					
		Exposed to mark-up / interest / profit rate risk					Not exposed to mark-up / interest / profit rate risk
Effective mark-up / interest / profit rate	Total	Upto three months	More than three months and upto one year	More than one year and upto five years	Over five years		
Percent (%)	----- Rupees -----						
Financial assets							
Cash and bank balances	6.5 - 12.75	25,934,002	2,810,688	-	-	-	23,123,314
Short term investments	14.53	55,205,847	51,676,747	-	-	-	3,529,100
Other receivables - net	-	58,452,267	-	-	-	-	58,452,267
Advance to employees	-	56,939	-	-	-	-	56,939
Net investment in finance lease (net of security deposit)	9.31 - 31.46	1,417,338,195	81,678,269	245,034,806	1,090,625,120	-	-
Long-term investments	11.57 - 20.54	235,860,753	22,821,714	65,596,874	147,442,165	-	-
Long-term deposits	-	118,500	-	-	-	-	118,500
		1,792,966,503	158,987,418	310,631,680	1,238,067,285	-	85,280,120
Financial liabilities							
Trade and other payables	-	10,364,810	-	-	-	-	10,364,810
Unclaimed dividend	-	1,431,636	-	-	-	-	1,431,636
Accrued mark-up	-	20,353,808	-	-	-	-	20,353,808
Certificates of investment	10.00 - 13.50	337,067,465	-	267,908	336,799,557	-	-
Short term borrowings	16.16 - 17.66	251,625,391	251,625,391	-	-	-	-
Lease Liabilities	12.51 - 13.15	5,819,078	-	-	5,819,078	-	-
Long-term loan	10.03 - 13.65	133,333,324	16,666,668	50,000,004	66,666,652	-	-
		759,995,512	268,292,059	50,267,912	409,285,287	-	32,150,254
On balance sheet gap		1,032,970,991	(109,304,641)	260,363,768	828,781,998	-	53,129,866

a) Sensitivity analysis for variable rate instruments

In case of increase / decrease in KIBOR by 100 basis points on the last pricing date with all other variables held constant, the profit before tax for the year ended June 30, 2023 would have been lower/higher by Rs. 17.551 (2022: 22.021) million.

37.2 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company. The risk is generally limited to principal amounts and accrued interest thereon, if any, and arises principally from the Company's receivables from customers and balances with the banks. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter parties, and continually assessing the credit worthiness of counter parties.

The maximum exposure to credit risk at the reporting date is:

	2023	2022
	----- Rupees -----	
Cash and bank balances	205,090,460	26,040,004
Other receivables	59,503,860	58,452,267
Investments	2,748,809	3,529,100
Advance to employees	96,929	56,939
Net investment in finance lease less residual value	1,100,900,695	1,417,338,195
Long-term loans	131,330,155	235,860,753
Long-term security deposits	118,500	118,500
	<u>1,499,789,408</u>	<u>1,741,395,758</u>

Aging analysis of net investment in finance lease and long-term loans.

	2023		
	Net Investment in Finance Lease	Long-Term Loans	Total
	----- Rupees -----		
Neither over due not impaired	1,547,092,128	131,730,149	1,678,822,277
<u>Past due</u>			
less than 90 days	132,391,337	1,752,498	134,143,835
more than 90 days	342,797,266	-	342,797,266
Gross carrying amount	<u>2,022,280,731</u>	<u>133,482,647</u>	<u>2,155,763,378</u>
Less: potential loss provision made 8.3 & 9.2	<u>(113,154,212)</u>	<u>(2,152,492)</u>	<u>(115,306,704)</u>
Net Carrying amount	<u>1,909,126,519</u>	<u>131,330,155</u>	<u>2,040,456,674</u>

	2022		
	Net Investment in Finance Lease	Long-Term Loans	Total
	----- Rupees -----		
Neither over due not impaired	2,027,623,969	238,337,001	2,265,960,970
<u>Past due</u>			
less than 90 days	251,022,826	1,610,364	252,633,190
more than 90 days	<u>138,303,352</u>	-	<u>138,303,352</u>
Gross carrying amount	2,416,950,147	239,947,365	2,656,897,512
Less: potential loss provision made 8.3 & 9.2	<u>(64,012,402)</u>	<u>(4,086,812)</u>	<u>(68,099,214)</u>
Net Carrying amount	<u><u>2,352,937,745</u></u>	<u><u>235,860,553</u></u>	<u><u>2,588,798,298</u></u>

Impairment is recognised by the Company in accordance with the Expected Credit Loss as per IFRS 09.

The analysis below summarises the credit rating quality of Company's banks balances as at June 30:

Ratings	2023	2022
	----- % age -----	
AAA	15.89%	76.34%
AA+	83.38%	18.43%
AA	0.23%	2.63%
AA-	0.29%	1.70%
A	0.19%	0.79%
A-	0.02%	0.11%
	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>

37.2.1 Concentration of credit risk - gross investment in finance lease

The Company seeks to manage its credit risk through diversification of financing activities to avoid undue concentration of credit risk with individuals or groups of customers in specific locations or business sectors.

The management of the Company follows two sets of guidelines. Internally, it has its own operating policy duly approved by the Board of Directors whereas externally it adheres to the regulations issued by the SECP. The operating policy defines the extent of exposures with reference to a particular sector or group of leases.

	2023		2022	
	Rupees	Percentage	Rupees	Percentage
Energy, oil and gas	56,614,946	2.08%	504,335,700	16.23%
Steel, engineering and auto	114,372,461	4.21%	122,568,843	3.94%
Electrical goods	150,592,990	5.54%	172,929,053	5.56%
Transport and communication	22,759,640	0.84%	259,606,228	8.35%
Chemical, fertilizer and pharmaceuticals	72,536,343	2.67%	308,313,294	9.92%
Textile	5,036,500	0.19%	5,174,547	0.17%
Food, tobacco and beverage	197,255,986	7.26%	393,091,741	12.65%
Hotels	141,849,551	5.22%	174,471,969	5.61%
Construction	76,551,907	2.82%	150,740,565	4.85%
Health care	309,783,703	11.40%	233,844,183	7.52%
Advertisement	34,418,062	1.27%	11,398,301	0.37%
Services	62,983,367	2.32%	107,445,589	3.46%
Packaging	622,405	0.02%	683,509	0.02%
Education	-	0.00%	806,184	0.03%
Media & Entertainment	-	0.00%	80,136,065	2.58%
Others	653,742,578	24.06%	420,581,472	13.53%
Individuals	817,721,206	30.10%	161,787,730	5.21%
	2,716,841,645	100.00%	3,107,914,973	100.00%

37.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

The Company manages liquidity risk by following the internal guidelines of the management such as monitoring maturities of financial liabilities, continuously monitoring its liquidity position and ensuring availability of the funds by maintaining flexibility in funding by keeping committed credit lines available, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

	2023					
	Total	Contractual cash flow	Upto three months	More than three months and upto one year	More than one year and upto five years	Over five years
	----- Rupees -----					
Trade and other payable	4,906,220	4,906,220	4,906,220	-	-	-
Unclaimed dividend	3,507,719	3,507,719	3,507,719	-	-	-
Accrued mark-up	21,191,306	36,503,897	3,556,782	17,634,524	15,312,591	-
Certificates of investment	341,423,129	341,423,129	-	833,121	340,590,008	-
Short term borrowing	186,974,518	186,974,518	186,974,518	-	-	-
Lease Liabilities	636,978	636,978	636,978	-	-	-
Long-term loan	104,166,661	104,166,661	16,666,664	50,000,004	37,499,993	-
	662,806,531	678,119,122	216,248,881	68,467,649	393,402,592	-

	2022					
	Total	Contractual cash flow	Upto three months	More than three months and upto one year	More than one year and upto five years	Over five years
	----- Rupees -----					
Trade and other payable	10,364,810	10,364,810	10,364,810	-	-	-
Unclaimed dividend	1,431,636	1,431,636	1,431,636	-	-	-
Accrued mark-up	20,353,808	20,353,808	10,264,189	10,089,619	-	-
Certificates of investment	337,067,465	337,067,465	-	267,908	336,799,557	-
Short term borrowing	251,625,391	251,625,391	251,625,391	-	-	-
Lease Liabilities	5,819,078	5,819,078	1,125,173	3,375,519	1,318,386	-
Long-term loan	133,333,324	133,333,324	16,666,664	49,999,992	66,666,668	-
	<u>749,630,702</u>	<u>759,995,512</u>	<u>291,477,863</u>	<u>63,733,038</u>	<u>404,784,611</u>	<u>-</u>

38. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The carrying values of the financial assets and financial liabilities approximate their fair values except for investments held to maturity.

The Company's accounting policy on fair value measurements is discussed in note 4.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

		June 30, 2023		
		Fair value		
		Level 1	Level 2	Total
	Note	----- Rupees -----		
On-balance sheet financial instruments				
Financial assets measured at fair value through other comprehensive income				
Short term investment	6	<u>2,748,809</u>	<u>-</u>	<u>2,748,809</u>
		<u>2,748,809</u>	<u>-</u>	<u>2,748,809</u>
Non financial assets				
Investment property	10	<u>-</u>	<u>164,736,000</u>	<u>164,736,000</u>
		<u>-</u>	<u>164,736,000</u>	<u>164,736,000</u>

		June 30, 2022		
		Fair value		
		Level 1	Level 2	Total
		----- Rupees -----		
	On-balance sheet financial instruments			
	Financial assets measured at fair value through other comprehensive income			
	Short term investment	3,529,100	-	3,529,100
		<u>3,529,100</u>	<u>-</u>	<u>3,529,100</u>
	Non financial assets			
	Investment property	-	164,736,000	164,736,000
		<u>3,529,100</u>	<u>164,736,000</u>	<u>168,265,100</u>

As at June 30, 2023, fair value through OCI were valued using level 1 inputs.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting year during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

39. CAPITAL RISK MANAGEMENT

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce its cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio (total liabilities/total equity). The Company finances its operations through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimise liquidity risk. Taken as a whole, the Company's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments.

	2023	2022
	----- Rupees -----	
Total debt	633,201,286	727,845,258
Total equity	829,533,682	887,842,387
Total capital employed	<u>1,462,734,968</u>	<u>1,615,687,645</u>
Gearing ratio	<u>43.29%</u>	<u>45.05%</u>

40. SEGMENT INFORMATION

The Company has two primary reporting segments namely, "Lease finance" and "Vehicle 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".

	2023			
	Lease finance	Vehicle finance	Others	Total
	----- Rupees -----			
Segment revenue	180,604,993	36,773,428	44,823,980	262,202,401
Administrative and operating expenses	21,860,917	4,451,155	11,288,256	37,600,328
Segment result	158,744,076	32,322,273	33,535,724	224,602,073
Provision for Workers' Welfare Fund				(1,608,508)
Reversal / (provision) for doubtful debts				(40,873,625)
Unallocated expenses				(13,454,249)
Result from operating activities				168,665,691
Finance cost				(89,848,800)
Provision for taxation				(22,181,204)
Profit for the year				56,635,687
<u>Other Information</u>				
Segment assets	1,966,047,918	131,330,155	428,131,581	2,525,509,654
Unallocated assets				3,338,925
Total assets				2,528,848,579
Segment liabilities	860,785,005	-	3,030,798	863,815,803
Unallocated liabilities				835,499,094
Total liabilities				1,699,314,897
Capital expenditure	-	-	-	-
Depreciation	-	-	4,254,132	4,254,132
Unallocated Capital expenditure				176,120
Unallocated Depreciation				1,043,445

				2022
	Lease finance	Vehicle finance	Others	Total
	----- Rupees -----			
Segment revenue	187,764,487	28,177,873	39,288,557	255,230,917
Administrative and operating expenses	49,177,487	3,999,264	7,540,699	60,717,450
Segment result	138,587,000	24,178,609	31,747,858	194,513,467
Provision for Workers' Welfare Fund				(3,422,200)
Reversal / (provision) for doubtful debts				45,651,327
Unallocated expenses				-
Result from operating activities				236,742,594
Finance cost				(69,054,807)
Provision for taxation				(20,708,760)
Profit for the year				146,979,027
<u>Other Information</u>				
Segment assets	2,437,997,672	235,860,753	224,463,817	2,898,322,242
Unallocated assets				3,562,089
Total assets				2,901,884,331
Segment liabilities	1,032,340,823	-	8,212,898	1,040,553,721
Unallocated liabilities				973,488,224
Total liabilities				2,014,041,945
Capital expenditure	-	-	-	-
Depreciation	-	-	4,275,180	4,275,180
Unallocated Capital expenditure				360,287
Unallocated Depreciation				1,111,525

41. NUMBER OF EMPLOYEES

Total number of employees at as June 30, 2023 is 27 (2022: 35) and the average number of employees during the year was 30 (2022: 36).

42. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified, rearranged or additionally incorporated in this financial statements for the purpose of comparison and better presentation. There were no significant reclassifications / restatements to corresponding figures during the year.

43. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 27, 2023 by the Board of Directors of the Company.

44. GENERAL

Figures have been rounded off to nearest Pak Rupee, unless otherwise stated.

Chief Executive Officer**Director****Chief Financial Officer**

No. of Share Holders	Having Shares		Shares Held	Percentage %
	From	To		
88	1	100	1680	0.0034
34	101	500	13627	0.0275
40	501	1000	38541	0.0779
68	1001	5000	175260	0.3543
14	5001	10000	105466	0.2132
4	10001	15000	51376	0.1039
3	15001	20000	54584	0.1103
2	20001	25000	48038	0.0971
1	30001	35000	32175	0.0650
2	35001	40000	76182	0.1540
1	40001	45000	44850	0.0907
3	45001	50000	147381	0.2979
1	95001	100000	97402	0.1969
4	110001	115000	447018	0.9036
1	130001	135000	131875	0.2666
1	150001	155000	150400	0.3040
1	180001	185000	183456	0.3708
1	225001	230000	227734	0.4603
1	250001	255000	250692	0.5067
2	385001	390000	779610	1.5759
3	665001	670000	2009595	4.0622
1	970001	975000	975000	1.9708
1	1335001	1340000	1339731	2.7081
1	1365001	1370000	1369956	2.7692
1	1555001	1560000	1559803	3.1530
1	1585001	1590000	1587075	3.2081
1	2240001	2245000	2240101	4.5281
1	2505001	2510000	2509638	5.0729
1	2920001	2925000	2924580	5.9117
1	3290001	3295000	3294396	6.6592
1	4785001	4790000	4788178	9.6787
2	7050001	7055000	14106592	28.5148
1	7705001	7710000	7709118	15.5831
288	Company Total		49471110	100.00

**CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2023**

	Category of shareholder	Number	Share Held	Total Share holding	Percentage
	Associated companies, undertaking and related parties				
1	Unibro Industries Ltd		2,924,580		
2	Mid East Agencies (Pvt) Ltd		2,509,638		
	Total	2		5,434,218	10.98
	NIT and ICP	-	-	-	-
	Director, chief executive & their spouse and minor children				
1	Mr. Sohail Inam Ellahi		4,788,178		
2	Mr. Pervez Inam		7,709,118		
3	Mr. Fawad S. Malik		2,629,906		
4	Mrs. Atteqa Fawad		146,259		
5	Mr. Ismail H. Ahmed		975		
6	Brig. Naveed Nasar Khan (Retd.)		975		
7	Mr. Naeem Ali Muhammad Munshi		975		
8	Mr. Jan Ali Khan Junejo		975		
9	Ms. Naureen Ahmed		975		
10	Brig. Haris Nawaz (Retd.)		2,925		
	Total	10		15,281,261	30.89
	Executives	-	-	-	-
	Public Sector Companies	-	-	-	-
	Banks, DFIs, NBFCs, Insurance Companies, Modaraba and Mutual Funds				
	Bank of Punjab	1	1,559,803	1,559,803	3.15
	Foreign Companies	-	-	-	-
	Individuals	270	27,192,564	27,192,564	48.26
	Others	5	3,264	3,264	0.01
	Total	288		49,471,110	100
	Holding 5% or more				
1	Mr. Pervez Inam		7,709,118		15.58%
2	Mr. Muhammad Ali Pervez		7,053,296		14.26%
3	Mr. Hassan Sohail		7,053,296		14.26%
4	Mr. Sohail Inam Ellahi		4,788,178		9.68%
5	Mr. Javed Inam Ellahie		3,294,396		6.66%
6	Unibro Industries Ltd		2,924,580		5.91%
7	Mr. Fawad S. Malik		2,629,906		5.32%
8	Mid East Agencies (Pvt.) Ltd		2,509,638		5.07%
	Total			37,962,408	76.74%

میں / اہم _____ ساکن _____

بجائیت شراکت دار پاک۔ گلف لیزنگ کمپنی لمیٹڈ اور بوسیلہ ملکیت _____ عمومی حصص مندرجہ
رجسٹرڈ فولیو نمبر _____ سی ڈی سی اکاؤنٹ نمبر _____ (ان شراکت داران کے لئے
جن کے عمومی حصص کا اندراج سی ڈی سی میں ہے) بذریعہ دستاویز ہذا اسمی / مسماة _____
ساکن _____

یا انکی / اسکی غیر موجودگی میں مسمی / مسماة _____
ساکن _____ اپنا متبادل (پراکسی) مقرر کرتا / کرتی ہوں اور یہ
حقوق تفویض کرتا / کرتی ہوں جس کے نتیجے میں وہ میری / ہماری جگہ مندرجہ بالا کمپنی کے شراکت داران کے 30 ویں سالانہ اجلاس میں
شرکت اور ووٹ ڈالنے کے مجاز ہوں، جس کا انعقاد بوقت 4:30 بجے بروز جمعرات 26 اکتوبر 2023 طلب و مقرر کیا گیا ہے
جمع اس اجلاس یا اس کے کسی مؤخر کردہ اجلاس کے۔

اس دستاویز کی تصدیق بقلم خود کرتا / کرتی ہوں بتاریخ _____ 2023
کا دستخط شدہ بمعیت و موجودگی _____

براہ مہربانی یہاں 5 روپے کا
ریونیو اسٹامپ چسپاں کریں

ممبر کے دستخط بمع حصص فولیو نمبر _____
کمپنی کا کوئی بھی شراکت دار جو کمپنی کے شراکت داران کے کسی بھی اجلاس میں موجود ہونے، بولنے، حصہ لینے اور ووٹ دینے کے قانونی
حقوق رکھتا ہو وہ یہ تمام حقوق اپنے کسی متبادل اور مقرر کردہ شخص کو بحیثیت اپنی پراکسی اور مختیار کے تفویض کر سکتا ہے بشرطیکہ مقرر کردہ
شخص بھی کمپنی کا شراکت دار اور حصص دار ہو۔

پراکسی دستاویز ہمیشہ تحریر شدہ ہوگی اور اس پر پراکسی دینے والے کے دستخط ہونے لازم ہیں۔ اگر پراکسی دینے والا حصص دار / شراکت دار
کوئی کارپوریشن یا اسی قسم کا کوئی اور رجسٹرڈ ادارہ ہے جسکی ملکیت ایک سے زیادہ اشخاص کے نام پر ہے تو ایسے حصص دار یا شراکت دار کے
لئے ضروری ہوگا کہ وہ اپنے قانونی طور پر مجاز دستخط کنندگان سے دستخط شدہ ایک باضابطہ تصدیق شدہ مختار نامہ جس پر نوٹری پبلک کی مہر اور
کارپوریشن کی کامن سیل بھی ہوا ہے پراکسی فارم کے ساتھ منسلک کرے۔

یہ تمام دستاویزات مجوزہ اجلاس کے مقرر کردہ وقت اور تاریخ سے کم از کم اڑتالیس 48 گھنٹے قبل پاک۔ گلف لیزنگ کمپنی لمیٹڈ کے
رجسٹرڈ دفتر میں جمع کرانا اور اسکی رسید وصول کرنا ضروری ہے۔

