



**Capital Assets Leasing  
Corporation Limited**

**Condensed Interim  
Financial Information  
For the Half Year Ended  
December 31, 2019**



## Capital Assets Leasing Corporation Limited

### CORPORATE INFORMATION

<b>Board of Directors:</b>	Mr. Haider Ali Hilaly (Chairman) Mr. Saad Saeed Faruqui Mr. Shahrukh Saeed Faruqui Mr. Brig (R) Yasub Ali Dogar Mr. Azam Adnan Khan Ms. Sana Shahzad Mr. Tahir Sohail
<b>Audit Committee:</b>	Ms. Brig (R) Yasub Ali Dogar (Chairman) Mr. Haider Ali Hilaly (Member) Mr. Shahrukh Saeed Faruqui (Member)
<b>HR &amp; Remuneration Committee:</b>	Mr. Brig (R) Yasub Ali Dogar Mr. Irfan Ahmad Mr. Haider Ali Hilaly
<b>Chief Executive Officer:</b>	Mr. Irfan Ahmad
<b>CFO &amp; Company Secretary:</b>	Ms. Shomaila Siddiqui
<b>Head of Internal Audit:</b>	Mr. Ajaz Muhammad
<b>Registrar &amp; Share Transfer Office:</b>	F. D. Registrar Services (SMC-Pvt.) Limited 17th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi. Tel: +92 (21)32271905-6 Fax +92(21)-32621233
<b>Auditors:</b>	Baker Tilly Mehmood Idrees Qamar, Chartered Accountants
<b>Legal Advisor:</b>	Mohsin Tayebaly & Co.
<b>Bankers:</b>	JS Bank Limited
<b>Registered Office:</b>	<b>D-131/A, Block 4, Clifton, Karachi</b> Tele: +92 (21) 38771130 E-mail: calcorp@optimus.com.pk Web: www.calcorp.com.pk

**Auditors' Review Report to the Members on  
Review of Condensed Interim Financial Information****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **CAPITAL ASSETS LEASING CORPORATION LIMITED** (the Company) as at December 31, 2019 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flow together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial statements") for the half year then ended. The Management of the Company is responsible for the preparation and the presentation of the condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim profit and loss account, condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

**Scope of review**

We conducted our review in accordance with the International Standards on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, except for the matter referred in the below paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at December 31, 2019 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Without qualifying our opinion we draw attention to note 1.2 of the accompanying condensed interim financial information. As more fully described in these notes, the leasing license of the company had expired and not renewed by the Securities and Exchange Commission of Pakistan under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, due to company's capital being below minimum capital required for a Non-Banking Financial Company (a leasing company licensed under the Non-Banking Companies and Notified Entities Regulation, 2008). The Company has not advanced any lease facility since April 2008. However, the Company applied for license to operate as non-deposit taking leasing company as per SRO 1160 of 2015. The Securities and Exchange Commission of Pakistan has declined to approve the application for license on November 06, 2018 and, in response thereof, the Pakistan Stock Exchange issued notice to the Company to provide the Company with an opportunity of being heard before taking any action under clauses 5.11.1(j)/ 5.11.2(c) of PSX Regulation regarding suspension of business operations in principle line of business.

The Company has filed a petition against Securities and Exchange Commission of Pakistan in The Honorable High Court of Sindh at Karachi dated November 27, 2018. The Honorable High Court of Sindh in its Order dated November 27, 2018 has (i) directed the Securities and Exchange Commission of Pakistan to "maintain status-quo"; and (ii) restrained Pakistan Stock Exchange "from acting any further pursuant to Letter dated 14 November 2018".

The engagement partner on the audit resulting in this independent auditor's report is **Mehmood A. Razzak**.

Baker Tilly Mehmood Idrees Qamar  
Chartered Accountants

Karachi.

Date: 28<sup>th</sup> February, 2020



## Capital Assets Leasing Corporation Limited

### DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the Condensed Interim financial Information of the company for the half year ended December 31, 2019. The financial results for the period under review are as follows:

	Half year ended	
	31 December 2019	31 December 2018
	..... Rupees .....	
<b>Income</b>		
Income From Operations	16,547,502	28,139,833
Other operating income	<u>3,175,832</u>	<u>9,763,718</u>
	19,723,334	37,903,551
<b>Expenses</b>		
Administrative and operating expenses	<u>9,276,674</u>	<u>7,970,766</u>
Financial charges	<u>6,287,875</u>	<u>7,300,361</u>
	15,564,549	15,271,127
<b>PROFIT BEFORE TAXATION</b>	4,158,785	22,632,424
Taxation	<u>(1,206,048)</u>	<u>(5,857,379)</u>
<b>PROFIT AFTER TAXATION</b>	<u>2,952,737</u>	<u>16,775,045</u>
<b>EARNINGS PER SHARE</b>	<u>0.27</u>	<u>1.56</u>

During the period, company's income is Rs. 19.723 million as compared to Rs. 37.903 million of corresponding period of last year. The administrative & operating expenses and financial charges are Rupees 9.276 million and Rs 6.287 million respectively. Pre-tax profit for the period is Rs. 4.158 million against Rs. 22.632 million in corresponding period of the year 2018. The Net profit after Tax Rs. 2.952 million against Rs. 16.775 million in corresponding period of year 2018 year after accounting for current and deferred taxation. Earnings per share of 0.27 rupee for the half year ended December 31, 2019 as compare to 1.56 rupee in corresponding period of the year 2018

#### **FUTURE OUTLOOK**

Capital Assets leasing Corporation Limited has been profitable since the acquisition by Optimus Limited back in 2009. The management has applied for the leasing license as non-depository leasing company and SECP has declined the licensing request on the ground of fit & proper criteria. Company has filed a petition against SECP and The Honorable High Court of Sindh at Karachi directed the SECP to maintain status-quo and restrained Pakistan Stock Exchange from any action.

#### **ACKNOWLEDGEMENT**

The directors wish to place on record their appreciation for the hard work put in and dedication displayed by the staff in performance of their duties.

We owe special gratitude to our shareholders and clients for their kindness and support.

We take this opportunity to thank the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange and other regulatory bodies of the country for their support and understanding.

Chief Executive Officer

Director

Dated: 28<sup>th</sup> February, 2020

**ڈائریکٹرز رپورٹ**

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے کیپٹل ایسٹس لیزنگ کارپوریشن لمیٹڈ کی ۳۱ دسمبر ۲۰۱۹ کو ختم ہونے والی ششماہی پریڈائریکٹرز رپورٹ کے ساتھ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالیاتی جھلکیاں:

ششماہی ۲۰۱۹ دسمبر	ششماہی ۲۰۱۸ دسمبر	روپے	آمدنی
28,139,833	16,547,502		انتظامی آمدنی
<u>9,763,718</u>	<u>3,175,832</u>		دیگر آمدنی
<u>37,903,551</u>	<u>19,723,334</u>		
			اخراجات:
(7,970,766)	(9,276,674)		انتظامی اخراجات
<u>(7,300,361)</u>	<u>(6,287,875)</u>		مالیاتی اخراجات
<u>(15,271,127)</u>	<u>(15,564,549)</u>		کل اخراجات
22,632,424	4,158,785		منافع قبل از ٹیکس
<u>(5,857,379)</u>	<u>(1,206,048)</u>		ٹیکس
<u>16,775,045</u>	<u>2,952,737</u>		منافع بعد از ٹیکس
<u>1.56</u>	<u>0.27</u>		آمدنی فی شیئر

ششماہی مدت ۲۰۱۹ میں آمدنی 19,723 ملین روپے رہی، گزشتہ سال ۲۰۱۸ میں اسی مدت میں آمدنی 37,90 ملین روپے تھی۔ اس ششماہی میں انتظامی اخراجات اور مالیاتی اخراجات بلز تیب 9,276 ملین روپے اور 6,287 ملین روپے ہوئے۔ اس ششماہی مدت میں منافع قبل از ٹیکس 4,158 ملین روپے ہوا گزشتہ سال ۲۰۱۸ میں اسی مدت میں منافع 22,632 ملین روپے تھا۔ خالص منافع بعد از ٹیکس 2,952 ملین روپے ہوا جبکہ اس کے مقابلے میں ۲۰۱۸ کی ششماہی مدت میں 16,775 ملین روپے تھا۔ ششماہی مدت ۲۰۱۹ میں فی حصص آمدنی 0.27 روپے ہوئی ہے جو کہ ۲۰۱۸ کی ششماہی مدت میں 1.56 روپے تھی۔

مستقبل کے امکانات

کیپٹل ایسٹس لیزنگ کارپوریشن لمیٹڈ 2009 سے Optimus Limited کے زیر انتظام آنے کے بعد منافع بخش ادارہ رہا ہے۔ منجبت نے ڈپازٹ نہ لینے والی لیزنگ کمپنی کے طور پر لیزنگ ایسٹس کی درخواست دی تھی جسے SECP نے مسترد کر دیا تھا اور اس کی وجہ نامناسب حیثیت اور معیار کو قرار دیا گیا ہے۔ کمپنی نے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے خلاف کراچی میں سندھ کی معزز عدالت عالیہ میں پٹیشن داخل کی تھی اور معزز عدالت عالیہ سندھ نے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو یہ ہدایت جاری کی ہے کہ صورت حال کو برقرار رکھا جائے اور پاکستان اسٹاک ایکسچینج کو پابند کیا کہ وہ SECP کی کارروائیوں پر کسی بھی کارروائی سے گریز کرے۔ کمپنی پر اعتماد ہے کہ SECP کا فیصلہ کمپنی کی حیثیت کے برخلاف ہے اور کمپنی اس پر نظر ثانی کی امید رکھتی ہے۔

اظہار تشکر

ہم اس موقع پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج لمیٹڈ اور دیگر ریگولیٹری اتھارٹیز سے ان کے مسلسل تعاون اور پیشہ ورانہ رہنمائی اور شیئر ہولڈرز کے ہم پر بھروسے اور بھرپور اعتماد پر ان کا شکریہ ادا کرتے ہیں۔ ہم اپنے اسٹاک کے پرنسٹنر کے عمل میں عزم اور خلوص کے ساتھ کام کرنے پر ان کے شکر گزار اور ممنون ہیں۔

برائے اور ضابطہ بورڈ آف ڈائریکٹرز

کیپٹل ایسٹس لیزنگ کارپوریشن لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی۔ ۲۸ فروری ۲۰۲۰



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2019

		(Un-audited) December 2019	(Audited) June 2019
	Note	Rupees	Rupees
		..... Rupees .....	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and bank balances		546,453	799,907
Investment in finance lease	4	9,291,481	9,291,481
Advances, deposits, prepayments and other receivables		75,404,475	52,951,376
Trade receivable		70,868,950	65,825,018
Taxation - net		17,598,491	17,495,064
		173,709,850	146,362,846
<b>Non - Current Assets</b>			
Long term advances, deposits and prepayments	5	5,829,078	17,355,600
Property, plant and equipment	6	181,311,261	217,715,391
		187,140,339	235,070,991
		<u>360,850,189</u>	<u>381,433,837</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Share Capital			
20,000,000 Ordinary shares of Rs. 10/- each		<u>200,000,000</u>	<u>200,000,000</u>
<b>Issued, subscribed and paid-up share capital</b>			
10,744,413 (June 30, 2019: 10,744,413) Ordinary shares of Rs.10/- each		107,444,130	107,444,130
Reserves		138,519,254	135,566,517
		245,963,384	243,010,647
<b>Current Liabilities</b>			
Current portion of diminishing musharakah financing	7	39,309,205	42,337,507
Deposits	8	9,311,420	9,311,420
Unclaimed dividend		625,215	625,215
Trade and other payables		8,623,292	8,288,896
		57,869,132	60,563,038
<b>Non - Current Liabilities</b>			
Diminishing musharakah financing	7	41,579,417	63,627,944
Deferred tax liability	9	15,438,256	14,232,208
		57,017,673	77,860,152
<b>Contingencies and Commitments</b>			
	10	-	-
		<u>360,850,189</u>	<u>381,433,837</u>

The annexed notes form an integral part of this condensed interim financial information.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019  
(UN-AUDITED)

	Note	HALF YEAR ENDED		QUARTER ENDED	
		December 2019	December 2018	December 2019	December 2018
		----- Rupees -----		----- Rupees -----	
<b>Income</b>					
Income from operations - (Net)	11	16,547,502	28,139,833	7,307,766	13,763,988
Other operating income / (Loss)		3,175,832	9,763,718	(1,549,339)	6,835,601
		<u>19,723,334</u>	<u>37,903,551</u>	<u>5,758,427</u>	<u>20,599,589</u>
Administrative and operating expenses		(9,276,674)	(7,970,766)	(4,698,224)	(4,236,706)
Financial charges		(6,287,875)	(7,300,361)	(3,200,574)	(3,788,811)
		<u>(15,564,549)</u>	<u>(15,271,127)</u>	<u>(7,898,798)</u>	<u>(8,025,517)</u>
<b>Profit / (loss) before taxation</b>		<b>4,158,785</b>	<b>22,632,424</b>	<b>(2,140,371)</b>	<b>12,574,072</b>
Taxation		(1,206,048)	(5,857,379)	499,499	(3,648,539)
<b>Profit / (loss) after taxation</b>		<b>2,952,737</b>	<b>16,775,045</b>	<b>(1,640,872)</b>	<b>8,925,533</b>
Earnings per share		<u>0.27</u>	<u>1.56</u>	<u>(0.15)</u>	<u>0.83</u>

The annexed notes form an integral part of this condensed interim financial information.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019  
(UN-AUDITED)

	HALF YEAR ENDED		QUARTER ENDED	
	December 2019	December 2018	December 2019	December 2018
	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Net income / (loss) for the period	2,952,737	16,775,045	(1,640,872)	8,925,533
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>2,952,737</b>	<b>16,775,045</b>	<b>(1,640,872)</b>	<b>8,925,533</b>

The annexed notes form an integral part of this condensed interim financial information.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director





Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF CASH FLOW  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019  
(UN-AUDITED)

	December 2019	December 2018
	..... Rupees .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,158,785	22,632,424
<b>Adjustments for non cash items:</b>		
Depreciation	8,800,898	10,775,758
Financial charges	6,287,875	7,300,361
(Gain) on disposal of operating property, plant and equipment	(3,153,930)	(9,689,020)
	<u>16,093,628</u>	<u>31,019,523</u>
<b>(Decrease) in current assets</b>		
Advances, deposits, prepayments and other receivables	(22,453,099)	(5,311,997)
Trade receivable	(5,043,932)	(12,649,010)
<b>(Decrease) / Increase in current liabilities</b>		
Trade and other payables	(725,945)	1,378,080
	<u>(12,129,348)</u>	<u>14,436,596</u>
<b>Cash (used in) / inflow from operations</b>		
Financial charges paid	(5,227,534)	(7,020,266)
Tax paid	(103,427)	(336,660)
<b>Net cash (used in) / inflow from operating activities</b>	<u>(17,460,309)</u>	<u>7,079,670</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in property, plant and equipment	(1,916,338)	(50,802,474)
Proceeds from sale of property, plant and equipment	32,673,500	59,669,333
Long term advances, deposits and prepayments	11,526,522	4,969,994
<b>Net cash inflow from investing activities</b>	<u>42,283,684</u>	<u>13,836,853</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Diminishing Musharakah Financing	(25,076,829)	(21,297,249)
<b>Net cash (used in) financing activities</b>	<u>(25,076,829)</u>	<u>(21,297,249)</u>
<b>Net (decrease) in cash and cash equivalents</b>	<u>(253,454)</u>	<u>(380,726)</u>
Cash and cash equivalents at the beginning of the period	799,907	725,989
<b>Cash and cash equivalents at the end of the period</b>	<u><u>546,453</u></u>	<u><u>345,263</u></u>

The annexed notes form an integral part of this condensed interim financial information.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019  
(UN-AUDITED)

	Issued, Subscribed and Paid-up Share Capital	Statutory Reserves	Unappropriated Profit	Total
	..... Rupees .....			
<b>Balance as at July 01, 2018</b>	<b>107,444,130</b>	<b>42,777,408</b>	<b>72,641,735</b>	<b>222,863,273</b>
Net profit for the period	-	-	16,775,045	16,775,045
Transfer to reserve	-	3,355,009	(3,355,009)	-
<b>Balance as at December 31, 2018</b>	<b>107,444,130</b>	<b>46,132,417</b>	<b>86,061,771</b>	<b>239,638,318</b>
<b>Balance as at July 01, 2019</b>	<b>107,444,130</b>	<b>46,806,883</b>	<b>88,759,634</b>	<b>243,010,647</b>
Net profit for the period	-	-	2,952,737	2,952,737
Transfer to reserve	-	590,547	(590,547)	-
<b>Balance as at December 31, 2019</b>	<b>107,444,130</b>	<b>47,397,430</b>	<b>91,121,824</b>	<b>245,963,384</b>

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2019  
(UN-AUDITED)**

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 Capital Assets Leasing Corporation Limited was incorporated on April 1, 1992 in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of the Company is to carry on leasing business. In addition, the company is also engaged in plying for hire vehicles through its holding company.

The registered office of the company is situated at D-131/A, Block 4, Clifton, Karachi. The company is a subsidiary of Optimus Limited which holds 83.96% ordinary share capital of the company.

- 1.2 The company has been operating with an equity which is less than the statutory requirement and has stopped its leasing operations since April 2008. This had created significant doubt over company's ability to continue as a Non-banking Financial Company (a leasing company licensed under the Non-Banking Companies and Notified Entities Regulation, 2008).

However, according to the Non-Banking Finance Companies and Notified Entities Regulations, 2008 as notified by the SECP through its S.R.O. 1203 (I) 2008, dated November 21, 2008, and further amended through its SRO 764 dated September 2, 2009 the minimum equity requirement for the leasing companies has been enhanced. The existing leasing companies were required to increase their minimum equity to Rs. 700 million which has later been reduced to Rs. 500 million for deposit taking leasing companies through SRO 1160 of 2015 for non-depository leasing companies it has been fixed at Rs. 50 million. Hence, the management has applied for the leasing license as non-depository leasing company under new NBFC Regulations.

The Securities and Exchange Commission of Pakistan (SECP) has declined the application for leasing license dated November 06, 2018 due to non-compliance of Fit and Proper Criteria specified in the Non-Banking Finance Companies regulatory framework.

In response to the above letter, the Pakistan Stock Exchange (PSX) has issued a notice dated November 14, 2018 for providing the Company with an opportunity of being heard before taking any action under clauses 5.11.1(j)/ 5.11.2(c) of PSX Regulation regarding suspension of business operations in principle line of business.

However, the Company has filed a petition against Securities and Exchange Commission of Pakistan in The Honorable High Court of Sindh at Karachi dated November 27, 2018. The Honorable High Court of Sindh in its Order dated November 27, 2018 has (i) directed the Securities and Exchange Commission of Pakistan to "maintain status-quo"; and (ii) restrained Pakistan Stock Exchange "from acting any further pursuant to Letter dated 14 November 2018".

**2. BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard No. 34 'Interim Financial Reporting' and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited.

These condensed interim financial information comprise the statement of financial position as at December 31, 2019 and the profit and loss account, statement of comprehensive income, statement of changes in equity and the statement of cash flow for the half year ended December 31, 2019.

**3. ACCOUNTING POLICIES AND COMPUTATION METHOD**

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial information are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2019 except the following:

<u>Standard of Interpretation</u>	<u>IASB effective date (Annual periods beginning on or after)</u>
IFRS-16 - Leases	January 1, 2019

However, the application of above standard does not have any impact on the Company's financial reporting and, therefore, have not been presented in these condensed interim financial statement.

**4. INVESTMENT IN FINANCE LEASE**

	<b>(Un-Audited)</b>			<b>(Audited)</b>		
	<b>December 31, 2019</b>			<b>June 30, 2019</b>		
	Not later than one year	More than one year and upto five year	Total	Not later than one year	More than one year and upto five year	Total
	----- Rupees -----			----- Rupees -----		
Minimum lease and hire purchase rentals	19,427,270	-	19,427,270	19,427,270	-	19,427,270
<b>Add:</b> Residual value of leased assets	9,311,420	-	9,311,420	9,311,420	-	9,311,420
<b>Gross investment in lease and hire purchase finance</b>	<b>28,738,690</b>	<b>-</b>	<b>28,738,690</b>	<b>28,738,690</b>	<b>-</b>	<b>28,738,690</b>
<b>Less:</b> Unearned finance income	(3,882,343)	-	(3,882,343)	(3,882,343)	-	(3,882,343)
	24,856,347	-	24,856,347	24,856,347	-	24,856,347
<b>Less:</b> Provision for lease losses	(15,564,866)	-	(15,564,866)	(15,564,866)	-	(15,564,866)
<b>Net investment in leases</b>	<b>9,291,481</b>	<b>-</b>	<b>9,291,481</b>	<b>9,291,481</b>	<b>-</b>	<b>9,291,481</b>

Note	<b>(Un-Audited)</b> <b>December</b> <b>2019</b>	<b>(Audited)</b> <b>June</b> <b>2019</b>
	----- Rupees -----	

**5. LONG TERM ADVANCES, DEPOSITS AND PREPAYMENTS**

Security deposits	17,470,040	20,905,952
<b>Less:</b> Provision	(309,290)	(309,290)
	17,160,750	20,596,662
<b>Less:</b> Current portion	(11,999,150)	(4,567,562)
	5,161,600	16,029,100
Prepayments	3,081,090	4,021,339
<b>Less:</b> Current portion	(2,413,612)	(2,694,839)
	667,478	1,326,500
	<b>5,829,078</b>	<b>17,355,600</b>

**6. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipments - tangible assets	6.1	181,311,258	217,715,388
Property, plant and equipments - intangible assets	6.2	3	3
		<b>181,311,261</b>	<b>217,715,391</b>

	Note	(Un-Audited) December 2019	(Audited) June 2019
..... Rupees .....			
<b>6.1 Property, Plant and Equipments - Tangible Assets</b>			
Opening written down value		217,715,388	268,819,086
<b>Add:</b> Cost of acquisition during the period / year		1,916,338	61,056,527
		219,631,726	329,875,613
<b>Less:</b> Written down value of deletions during the period / year		(29,519,570)	(91,383,956)
		190,112,156	238,491,657
<b>Less:</b> Depreciation charged for the period / year		(8,800,898)	(20,776,269)
		<b>181,311,258</b>	<b>217,715,388</b>
<b>6.2 Property, Plant and Equipments-Intangible Assets</b>			
Opening written down value		3	3
<b>Add:</b> Cost of acquisition during the period / year		-	-
		3	3
<b>Less:</b> Amortization charged for the period / year		-	-
		<b>3</b>	<b>3</b>

**7. DIMINISHING MUSHARAKA FINANCING**

	(Un-Audited)			(Audited)		
	December 31, 2019			June 30, 2019		
	Not later than one year	More than one year and upto five year	Total	Not later than one year	More than one year and upto five year	Total
	----- Rupees -----			----- Rupees -----		
Diminishing Musharaka Financing payable	39,309,205	41,579,417	80,888,622	42,337,507	63,627,944	105,965,451
	<b>39,309,205</b>	<b>41,579,417</b>	<b>80,888,622</b>	<b>42,337,507</b>	<b>63,627,944</b>	<b>105,965,451</b>

	Note	(Un-Audited) December 2019	(Audited) June 2019
..... Rupees .....			
<b>8. DEPOSITS</b>			
Security deposits	8.1	9,311,420	9,311,420
		<b>9,311,420</b>	<b>9,311,420</b>
<b>8.1 Bifurcation of security deposits</b>			
Utilizable security deposits	8.1.1	9,311,420	9,311,420
		<b>9,311,420</b>	<b>9,311,420</b>

**8.1.1** This represents security deposits utilized by the company on account of investment in finance lease from May 2000 to September 2011 in accordance with the terms of agreement.

	(Un-Audited) December 2019	(Audited) June 2019
	..... Rupees .....	
<b>9. DEFERRED TAX LIABILITY</b>		
<b>Debit balances arising in respect of:</b>		
Provision against advance, deposits and prepayments	1,306,471	1,306,471
Provision against finance lease	4,513,811	4,513,811
Minimum tax / ACT	793,554	4,184,246
	6,613,836	10,004,528
<b>Credit balance arising in respect of:</b>		
Accelerated depreciation	(22,052,092)	(24,236,736)
	<u>(15,438,256)</u>	<u>(14,232,208)</u>
<b>10. CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1 Contingent Assets</b>		
The company has obtained court decrees in respect of recovery of overdue lease rentals receivable from various clients aggregating to Rs. 5,567,498 as at December 31, 2019 (June 30, 2019: Rs. 5,567,498).		
	(Un-Audited) December 2019	(Audited) June 2019
	..... Rupees .....	
<b>10.2 Commitments</b>		
ljarah lease rentals payable	1,756,323	6,191,033
	<u>1,756,323</u>	<u>6,191,033</u>
	(Un-Audited) December 2019	(Un-Audited) December 2018
	..... Rupees .....	
<b>11. INCOME FROM OPERATIONS</b>		
Income from vehicle plying for hire	11.1 16,547,502	28,139,833
	<u>16,547,502</u>	<u>28,139,833</u>
<b>11.1 Income from vehicle plying for hire</b>		
Rentals	39,793,932	54,144,010
<b>Less: Cost of services</b>		
Road tax/registration and other charges	914,847	872,630
Vehicle service and maintenance	6,658,399	4,742,465
ljarah lease rental	1,920,630	3,863,812
Tracker monitoring cost	811,764	905,863
Insurance	2,641,504	2,815,818
Depreciation	8,711,786	10,686,089
Service charges	1,587,500	2,117,500
	23,246,430	26,004,177
	<u>16,547,502</u>	<u>28,139,833</u>

- 11.2 This includes rentals paid to BRR Guardian Modaraba, Popular Islamic Modaraba and Crescent Standard Modaraba against vehicles acquired under Ijarah facilities. Future rental payable on these facilities are as under:

	<b>(Un-Audited)</b>			<b>(Audited)</b>		
	<b>December 31, 2019</b>			<b>June 30, 2019</b>		
	Not later than one year	More than one year and upto five year	Total	Not later than one year	More than one year and upto five year	Total
	<b>Rupees</b>			<b>Rupees</b>		
Total future rentals payable	1,756,323	-	1,756,323	5,294,542	896,491	6,191,033
	<b>1,756,323</b>	<b>-</b>	<b>1,756,323</b>	<b>5,294,542</b>	<b>896,491</b>	<b>6,191,033</b>

## 12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, key management personnel and employees fund. The company has a policy whereby all transactions with related parties, are entered into at arm's length prices using the permissible method of pricing. The transaction with related parties, other than remuneration under the terms of employment, are as follows:

<u>Related Party</u>	<u>Nature of relationship</u>	<u>Nature of transaction</u>	<b>(Un-Audited) (Un-Audited)</b>	
			<b>December 2019</b>	<b>December 2018</b>
			<b>Rupees</b>	
Optimus Limited	Holding Company	Rental services rendered	39,793,932	54,144,010
		Management services received	1,587,500	2,117,500
		Vehicles maintenance services received	6,658,399	4,742,465
		Sale of motor vehicles	30,773,500	59,669,333
		Purchase of Motor Vehicles	-	42,133,333
		Salary and allowances	4,687,163	4,549,724
Mustang Eye (Private) Limited	Common Directorship	Tracker services	352,000	646,000
Staff provident fund		Contribution to staff provident fund	37,890	37,498

## 13. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 28<sup>th</sup> February, 2020 by the Board of Directors of the Company.

## 14. GENERAL

- 14.1 Figures have been rounded off to the nearest rupee.  
14.2 Figures have been reclassified and re-arranged where necessary.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

Affix  
Stamp  
Here

*If undelivered please return to:*



**CAPITAL ASSETS LEASING CORPORATION LIMITED**

D-131/A, Block 4, Clifton, Karachi

Tele: +92 (21) 38771130

E-mail: [calcorp@optimus.com.pk](mailto:calcorp@optimus.com.pk)

Web: [www.calcorp.com.pk](http://www.calcorp.com.pk)