



**Capital Assets Leasing
Corporation Limited**

**Condensed Interim
Financial Information
For the Quarter Ended
September 30, 2020
(Un-Audited)**



CORPORATE INFORMATION

Board of Directors:	Mr. Muhammad Danish Hussain (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
Audit Committee:	Ms. Brig (R) Yasub Ali Dogar (Chairman) Mr. Shahrukh Saeed Faruqui (Member) Mr. Tahir Sohail (Member)
HR & Remuneration Committee:	Mr. Brig (R) Yasub Ali Dogar Mr. Irfan Ahmad Mr. Azam Adnan Khan
Chief Executive Officer:	Mr. Irfan Ahmad
CFO & Company Secretary:	Ms. Shomaila Siddiqui
Head of Internal Audit:	Mr. Ajaz Muhammad
Registrar & Share Transfer Office:	F. D. Registrar Services (Pvt.) Limited 17 th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi. Tel: +92 (21) 32271905-6 Fax +92 (21) 2621233
Auditors:	Baker Tilly Mehmood Idrees Qamar, Chartered Accountants
Legal Advisor:	Mohsin Tayebaly & Co.
Bankers:	JS Bank Limited
Registered Office:	D-131/A, Block 4, Clifton, Karachi Tele: +92 (21) 38771130 E-mail: calcorp@optimus.com.pk Web: www.calcorp.com.pk

DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the unaudited condensed interim financial information for the first quarter ended September 30, 2020.

FINANCIAL RESULTS

	September 30, 2020	September 30, 2019
	Rupees	Rupees
Income From Operations	5,886,619	9,239,736
Other Operating Income	6,626,034	4,725,171
Total Revenue	12,512,653	13,964,907
Expenses		
Administrative and Operating	4,317,399	4,578,450
Financial Charges	2,660,683	3,087,301
Total Expenses	6,978,082	7,665,751
Profit before tax	5,534,571	6,299,156
Taxation	(297,009)	(1,705,547)
Profit after taxation	5,237,562	4,593,609
Earnings Per Share	0.49	0.43

COMPANY PERFORMANCE REVIEW

During the quarter, company has generated revenue of Rs. 12.51 million against Rs. 13.96 million in corresponding period of the year 2019. The profit before tax for the period has decreased in the quarter amounting Rs. 0.76 million as compared to corresponding quarter of 2019. The net profit for the quarter is Rs. 5.23 million after accounting for taxation against Rs. 4.59 million in corresponding period of the year 2019. Earnings per share (EPS) of 0.49 rupee for the quarter ended September 30, 2020 as compare to 0.43 rupee per share in the corresponding period.

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 confidence and support.

We take this opportunity to thank the Securities and Exchange Commission of Pakistan, Central Depository Company of Pakistan Limited (CDC), Pakistan Stock Exchange Limited and other regulatory bodies of the country for their support and guideline.

Chief Executive Officer

Director

Karachi: 29th October, 2020

ڈائریکٹرز رپورٹ

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے کیپٹل ایسٹس لیزنگ کارپوریشن لمیٹڈ کی ۳۰ ستمبر ۲۰۲۰ کو ختم ہونے والی سہ ماہی پر ڈائریکٹرز رپورٹ کے ساتھ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالیاتی نتائج

روپے

ستمبر ۲۰۲۰، ۳۰	ستمبر ۲۰۱۹، ۳۰	
9,239,736	5,886,619	آپریٹرز سے حاصل آمدنی
4,725,171	6,626,034	دیگر آپریٹنگ آمدنی
13,964,907	12,512,653	کل آمدنی
		اخراجات:
(4,578,450)	(4,317,399)	انتظامی اخراجات
(3,087,301)	(2,660,683)	مالیاتی اخراجات
(7,665,751)	(6,978,082)	کل اخراجات
6,299,156	5,534,571	منافع قبل از ٹیکس
(1,705,547)	(297,009)	ٹیکس
4,593,609	5,237,562	منافع بعد از ٹیکس
0.43	0.49	آمدنی فی شیئر

کمپنی کی کارکردگی کا تجزیہ

پہلی سہ ماہی ۲۰۲۰ میں آمدنی 12.51 ملین روپے رہی، گزشتہ سال ۲۰۱۹ میں اسی مدت میں آمدنی 13.96 ملین روپے تھی۔ اس سہ ماہی میں منافع قبل از ٹیکس 5.53 ملین روپے ہوا جو کہ گزشتہ سال ۲۰۱۹ میں اسی مدت میں 6.29 ملین روپے تھا۔ خالص منافع بعد از ٹیکس 5.23 ملین روپے ہوا جبکہ اس کے مقابلے میں ۲۰۱۹ کی پہلی سہ ماہی میں 4.593 ملین روپے تھا۔ اس سہ ماہی میں آمدنی فی شیئر 0.49 ہے جو کہ ۲۰۱۹ کی پہلی سہ ماہی میں 0.43 روپے تھی۔

اظہار تشکر

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

برائے اور شعیانہ بورڈ آف ڈائریکٹرز

کیپٹل ایسٹس لیزنگ کارپوریشن لمیٹڈ

چیف ایگزیکٹو آفیسر

کراچی۔ ۱۲۹ اکتوبر ۲۰۲۰

ڈائریکٹر



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	(Un-Audited) 30-Sep-2020	(Audited) 30-Jun-2020
	Rupees	
ASSETS		
Current assets		
Cash and bank balances	860,097	351,614
Advances, deposits, prepayments and other receivables	98,336,477	73,091,174
Trade Receivable	73,619,454	80,069,002
Morabaha and Short Term Finances	-	-
Taxation-Net	17,593,332	17,708,040
	<u>190,409,360</u>	<u>171,219,830</u>
Non current assets		
Long term advance, deposits, prepayments and other receivables	10,867,456	13,731,826
Property, plant and equipment	4 132,565,554	160,799,456
Intangibles Assets	5 3	3
	<u>143,433,013</u>	<u>174,531,285</u>
TOTAL ASSETS	<u>333,842,373</u>	<u>345,751,115</u>
LIABILITIES		
Current Liabilities		
Current portion of diminishing musharakah financing	6 15,936,774	10,546,294
Unclaimed dividend	625,215	625,215
Trade and other payables	8,453,503	8,442,631
	<u>25,015,492</u>	<u>19,614,140</u>
Non Current Liabilities		
Diminishing Musharaka Financing	6 34,147,161	56,694,817
Deferred Tax Liability	7 17,764,224	17,764,224
	<u>51,911,385</u>	<u>74,459,041</u>
SHARE CAPITAL & RESERVES		
Authorized Capital		
20,000,000 ordinary shares of Rs. 10/- each	<u>200,000,000</u>	<u>200,000,000</u>
Issued, Subscribed and Paid-up capital		
Reserves	107,444,130	107,444,130
	149,471,366	144,233,804
	<u>256,915,496</u>	<u>251,677,934</u>
TOTAL LIABILITIES & EQUITY	<u>333,842,373</u>	<u>345,751,115</u>

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

Chief Financial Officer

Chief Executive Officer

Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020
(UN-AUDITED)

		30-Sep-20	30-Sep-19
	 Rupees Rupees
REVENUES			
Income from Operations - (Net)	8	5,886,619	9,239,736
Other Income		6,626,034	4,725,171
		12,512,653	13,964,907
EXPENSES			
Administrative and operating expenses		4,317,399	4,578,450
Financial charges		2,660,683	3,087,301
		6,978,082	7,665,751
Profit before taxation		5,534,571	6,299,156
Taxation		(297,009)	(1,705,547)
Profit after tax		5,237,562	4,593,609
Other Comprehensive Income		-	-
Total Comprehensive Income		5,237,562	4,593,609
Earning per share		0.49	0.43

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

Chief Financial Officer

Chief Executive Officer

Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020
(UN-AUDITED)

	30-Sep-2020	30-Sep-2019
 Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,534,571	6,299,156
Adjustments for non cash items:		
Depreciation	3,536,102	4,607,730
Financial charges	2,660,683	3,087,301
(Gain) / Loss on disposal of Property, plant and equipment	(6,626,034)	(4,714,682)
	<u>5,105,322</u>	<u>9,279,505</u>
(Increase) / Decrease in current assets		
Advances, deposits, prepayments and other receivable	(26,674,794)	(11,563,984)
Trade Receivables	6,449,548	(8,893,041)
Increase / (Decrease) in current liabilities		
Trade and other payables	(260,976)	1,042,223
Cash generated / (used in) from operations	<u>(15,380,900)</u>	<u>(10,135,297)</u>
Financial charges paid	(2,388,835)	(3,001,264)
Tax paid	(182,301)	(36,886)
Net cash generated / (used in) from operating activities	<u>(17,952,036)</u>	<u>(13,173,447)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Addition in property, plant and equipment	(701,166)	(1,685,488)
Long term advances, deposits and prepayments	4,293,861	9,978,524
Proceeds from sale of property, plant and equipment	32,025,000	11,546,000
Net cash generated / (used in) from investing activities	<u>35,617,695</u>	<u>19,839,036</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Diminishing Musharaka Financing	(17,157,176)	(7,330,125)
Net cash (used in) / generated from financing activity	<u>(17,157,176)</u>	<u>(7,330,125)</u>
Net (decreases) / increase in cash and cash equivalents	<u>508,483</u>	<u>(664,536)</u>
Cash and cash equivalents at the beginning of the period	351,614	799,907
Cash and cash equivalents at the end of the period	<u>860,097</u>	<u>135,371</u>

The annexed notes form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2020
(UN-AUDITED)

Description	Issued Subscribed and paid-up capital	Statutory Reserves	Un-appropriated Profits	Total
Balance as at July 01, 2019	107,444,130	46,806,883	88,759,634	243,010,647
Net Profit for the period From July 2019 to Sep 2019	-	-	4,593,609	4,593,609
Transfer to statutory reserves	-	918,722	(918,722)	-
Balance as at September 30, 2019	107,444,130	47,725,605	92,434,521	247,604,256
Balance as at July 01, 2020	107,444,130	48,540,340	95,693,464	251,677,934
Net Profit for the period From July 2020 to Sep 2020	-	-	5,237,562	5,237,562
Transfer to statutory reserves	-	1,047,512	(1,047,512)	-
Balance as at September 30, 2020	107,444,130	49,587,852	99,883,514	256,915,496

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

Chief Financial Officer

Chief Executive Officer

Director

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

1 THE COMPANY AND ITS OPERATIONS

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 renting out of vehicles through its holding company. The Company is subsidiary of Optimus Limited by virtue of 83.96% share holding.

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 Finance Companies and Notified Entities Regulations, 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 are 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.50.00 million. Hence, the management had 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 the light of above letter, the Pakistan Stock Exchange(PSX) issued a notice dated November 14, 2018 to the company for explaining its position before taking any action under clauses 5.11.1(j)/ 5.11.2(c) of PSX Regulation on account of 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". However, the final decision on petition is pending adjudication due to extension of hearing date."

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the by the Securities and Exchange Commission of Pakistan (SECP) and the listing regulations of Karachi, Lahore and Islamabad Stock Exchanges. This interim financial information should be read in conjunction with the preceding annual audited financial statements of the company for the year ended June 30, 2020.

3 ACCOUNTING POLICIES AND COMPUTATION METHOD

The accounting policies and methods of computation adopted for the preparation of this interim condensed financial information are the same as applied in the preparation of the preceding annual audited financial statements of the company for the year ended June 30, 2020.

4 PROPERTY, PLANT AND EQUIPMENTS

	(UN-AUDITED) 30-Sep-20	(AUDITED) 30-Jun-20
 Rupees	
Opening written down value	160,799,456	217,715,388
Add: Cost of acquisition during the quarter / year	<u>701,166</u>	<u>9,301,338</u>
	161,500,622	227,016,726
Less: written down value of disposals during the quarter / year	<u>(25,398,966)</u>	<u>(49,486,291)</u>
	136,101,656	177,530,435
Less: Depreciation charged for the quarter / year	<u>(3,536,102)</u>	<u>(16,730,979)</u>
	<u>132,565,554</u>	<u>160,799,456</u>

	(UN-AUDITED) 30-Sep-20	(AUDITED) 30-Jun-20
 Rupees	
5 INTANGIBLES ASSETS		
Opening written down value	3	3
Add: Cost of acquisition during the quarter / year	-	-
	<u>3</u>	<u>3</u>
Less: written down value of disposals during the quarter / year	-	-
	<u>3</u>	<u>3</u>
Less: Amortization charged for the quarter / year	-	-
	<u>3</u>	<u>3</u>

6 DIMINISHING MUSHARAKAH FINANCING

Financial Institution /Type of Loan	(UN-AUDITED)			(AUDITED)		
	30-Sep-2020	30-Jun-2020	30-Jun-2020	30-Jun-2020	30-Jun-2020	30-Jun-2020
	Amount outstanding	Current Portion	Long term	Amount outstanding	Current Portion	Long term
Diminishing Musharaka Popular Islamic Modaraba	10,884,769	1,293,344	9,591,425	13,114,113	780,580	12,333,533
Diminishing Musharaka Orix Modaraba	39,199,166	14,643,430	24,555,736	53,570,418	9,209,134	44,361,284
Diminishing Musharaka First Prudential Modaraba	-	-	-	556,580	556,580	-
	50,083,935	15,936,774	34,147,161	67,241,111	10,546,294	56,694,817

	(UN-AUDITED) 30-Sep-20	(AUDITED) 30-Jun-20
 Rupees	
7 DEFERRED TAX LIABILITY		
Credit balance arising in respect of:		
Accelerated depreciation	19,745,092	19,745,092
Debit balances arising in respect of:		
Provision against advance deposits and prepayments	1,306,471	1,306,471
Minimum tax / ACT	674,397	674,397
	<u>1,980,868</u>	<u>1,980,868</u>
	<u>17,764,224</u>	<u>17,764,224</u>

	(UN-AUDITED) 30-Sep-20	(UN-AUDITED) 30-Sep-19
 Rupees	
8 INCOME FROM OPERATIONS - (NET)		
Income from vehicles plying for hire	8.1	5,886,619
	<u>5,886,619</u>	<u>9,239,736</u>
	<u>5,886,619</u>	<u>9,239,736</u>

	(UN-AUDITED) 30-Sep-20	(UN-AUDITED) 30-Sep-19
 Rupees	
8.1 Income from vehicles plying for hire		
Rentals from vehicle plying for hire	14,850,452	20,893,041
COST OF SERVICES		
Road tax / registration & other charges	351,862	342,502
Vehicles repair & maintenance-VPFH	2,501,804	3,035,466
Ijarah lease rental	207,223	1,086,408
Tracker monitoring cost	377,711	427,197
Insurance	1,482,000	1,351,056
Depreciation	3,508,233	4,563,176
Service charges	535,000	847,500
	<u>8,963,833</u>	<u>11,653,305</u>
	<u>5,886,619</u>	<u>9,239,736</u>

9 TRANSACTIONS WITH RELATED PARTY

The related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, directors, 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. Transactions with related parties, other than remuneration under the terms of employment are as follows:

Related Party	Nature of transaction	(UN-AUDITED) 30-Sep-20	(UN-AUDITED) 30-Sep-19
	 Rupees	
Optimus Limited	Rental services rendered	14,850,452	20,893,041
(Parent Company)	Management service received	535,000	847,500
	Sale of motor vehicles	32,025,000	11,546,000
	Vehicles maintenance service received	2,501,804	3,035,466
	Expense paid on behalf of company	2,104,017	2,341,526
Mustang Eye (Private) Limited	Tracker services	161,000	196,000
(Associated Company)			
Staff Provident Fund	Contribution to staff provident fund	18,945	18,945

10 AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue on 29th October 2020 by the Board of Directors of the Company.

11 GENERAL

Figures have been rounded off to the nearest rupee.

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

Web: www.calcorp.com.pk