

**CALCORP**

**Capital Assets Leasing  
Corporation Limited**

**19<sup>th</sup> Annual Report 2011**

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**CORPORATE INFORMATION**

Board of Directors: Mr. Muhammad Sajid (Chairman)  
Mr. Saad Saeed Faruqui (Chief Executive Officer)  
Syed Hasan Akbar Kazmi  
Syed Sajid Nasim  
Mr. Shahrukh Saeed Faruqui  
Mr. Sardar Ali  
Mr. Mustafa Jafar

Audit Committee: Mr. Muhammad Sajid (Chairman)  
Syed Hasan Akbar Kazmi (Member)  
Syed Sajid Nasim (Member)

Chief Executive Officer: Mr. Saad Saeed Faruqui

CFO & Company Secretary: Mr. Abdul Wajid Soherwardy

Auditors: Baker Tilly Mehmood, Idrees, Qamar,  
Chartered Accountants  
4th Floor, Central Hotel Building,  
Civil Lines, Mereweather Road,  
Karachi - Pakistan.

Registrar & Share Transfer Office: Technology Trade (Pvt.) Ltd.  
Ballotter, Share Registrar & Transfer Agent  
Dagia House, 241-C, Block-2, P.E.C.H.S, Karachi.  
Tel: 92(21) 3439 1316-7 & 19, 3438 7960-1  
Fax: 92(21) 3439 1318

Legal Advisor: Mohsin Tayebaly & Co. Advocates  
Hosain & Rahim Advocated & Corporate Counsel

Main Bankers: JS Bank Limited  
NIB Bank Limited

Registered Office: 14th Floor, Chapal Plaza  
Hasrat Mohani Road, Karachi-74000  
Tele: +92 (21) 32431181-8  
Fax: +92 (21) 32465718  
E-mail: calcorp@optimus.com.pk  
Web: www.calcorp.com.pk

Branch Office: Suite # 2, 2nd Floor Gulberg Heights  
Off Sherpao Bridge Gulberg-II Lahore-54660.  
Tel: +92 (42) 35787471-73  
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E-mail: calcorp@optimus.com.pk

## VISION / MISSION STATEMENTS OF CAPITAL ASSETS LEASING CORPORATION LIMITED

### VISION STATEMENT

To become a leading Leasing Company by making a sizeable contribution to the development and growth of the Country's economy, by providing financial and technical assistance to our customers, combined with innovative ideas and services, thus enabling the customers and the Company to achieve their objectives.

### MISSION STATEMENT

To achieve the role of a leading Leasing Company by delivering quality service at competitive rates to its customers whilst maintaining the highest levels of professionalism, ethical standards and corporate individuality, thereby also rewarding the Shareholders, Employees, and other stakeholders.

**NOTICE OF 19<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that 19<sup>th</sup> Annual General Meeting of the shareholders of Capital Assets Leasing Corporation Limited will be held on Saturday 29<sup>th</sup> October 2011 at 10:30 a.m. at the registered office of the Company, 14<sup>th</sup> Floor, Chapal Plaza, Hasrat Mohani Road to transact the following business:

1. To confirm the minutes of the 7<sup>th</sup> Extra Ordinary General Meeting of the shareholders held on Saturday 25<sup>th</sup> June 2011.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2011
3. To Appoint Auditors for the ensuing year and fix their remuneration.
4. To transact any other business with the permission of the chair.

Karachi: October 09, 2011

By the Order of the Board  
Abdul Wajid Soherwardy  
Company Secretary

**Notes:**

1. The share transfer book of the Company will remain closed from 22<sup>nd</sup> October 2011 to 29<sup>th</sup> October 2011 (both days inclusive). Transfers received in order by our Shares Registrar, Technology Trade (Private) Limited, Dagia House, 241-C, Block 2, P.E.C.H.S., Off Shahrah-e-Quaideen, Karachi at the close of business on October 21<sup>st</sup>, 2011 will be considered in time to attend and vote at the meeting.
2. Any member of the Company entitled to attend and vote at the Annual general meeting may appoint another person as his / her proxy to attend and vote instead of him / her. Proxies must be received at the Registered Office of the Company, 14<sup>th</sup> Floor, Chapal Plaza, Hasrat Mohani Road, Karachi not later than 48 hours before the time of holding the meeting.
3. The beneficial owner of the shares of the Company in the Central Depository System of the CDC or his / her proxy entitled to attend and vote at this meeting, shall produce his / her original CNIC or passport to prove his / her identity.
4. In case of corporate entity, the board of director's resolution / power of attorney with specimen signature of the nominee shall be submitted with the form of proxy to the Company, and the same shall be produced in original at the time of the meeting to authenticate the identity.
5. Shareholders are requested to immediately notify the Company of change in their addresses, if any.
6. CDC Account Holders will further have to follow the guidelines as laid down in Circular No. 1, dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

**DIRECTORS' REPORT**

On behalf of the Board of Directors, I am pleased to present the 19<sup>th</sup> annual report along with the audited accounts of the Capital Assets Leasing Corporation Limited for the year ended June 30, 2011.

**FINANCIAL HIGHLIGHTS**

An analysis of the key operating results for 2011 and their comparison with the results of the previous year are summarized below:

	Rupees	
	2011	2010
Total Revenue	16,963,235	5,384,815
Expenses		
Operating Expenses	5,910,539	8,306,181
Financial Charges	2,012	330,868
Other Charges-Worker's Welfare Fund	248,470	-
(Reversal) / Provisions and write offs	(1,372,807)	14,565,207
Total Expenses	4,788,214	23,202,256
Profit/ (Loss) before tax	12,175,021	(17,817,441)
Provision for taxation		
Current	(335,034)	(135,660)
Prior Year	-	(3,123,487)
Deferred	29,908,957	(15,862,993)
	29,573,923	(19,122,140)
	41,748,944	(36,939,581)
Earnings / (Loss) Per Share	3.89	(3.44)

**REVIEW OF OPERATIONS**

The company has incurred losses from 2004 to 2010. Since new management has taken over, company has been returned to profitability. The new management is engaged with SECP to determine positive outcome and for review of leasing license of the company.

The operational profit for the period is Rs. 12.2 Million and Rs. 29.5 million is related to write back of deferred tax asset on carry forward losses. In the current year, the company transacted business worth Rupees 16.96 million as compared to Rupees 5.38 million the corresponding period, the net investment in finance lease stands at Rupees 10.11 million on June 30, 2011 against Rupees 18.63 million last year. The company has also provided for workers' welfare fund in compliance with the Labour laws of Pakistan.

## FUTURE OUTLOOK

The Car Rental business of the company is now well established with the management support from its parent company. This has laid the foundation for the revival of the company. Currently, liquidity conditions in the market are improving so the management intends to raise capital in order to meet the minimum capital requirements. This will enable the company to write new leases alongside profitable Car Rental segment.

## DIVIDEND

During the financial year under review, company announced the dividend @ 5% to its share holder. The major shareholder Optimus Limited (owner of 83.96%) decided to waive its right to receive the dividend.

## BOARD OF DIRECTORS

On June 30, 2011, Mr. Saad Saeed Faruqui, Mr. Muhammad Sajid, Syed Hasan Akbar Kazmi, Syed Sajid Nasim, Brig. (R) Yasoob Ali Dogar, Brig. (R) Muhammad Saeed Baig and Mr. Qaiser Rasheed have retired. The Election of directors took place in the Extra Ordinary Meeting held on June 25<sup>th</sup>, 2011 where by Mr. Saad Saeed Faruqui, Mr. Muhammad Sajid, Syed Hasan Akbar Kazmi, Syed Sajid Nasim, Mr. Sardar Ali Wattoo, Mr. Mustafa Jaffar and Mr. Shahrukh Saeed Faruqui were elected as new directors of the company for the period of 3 years.

The Board wishes to place on record its appreciation for the valuable contributions made by the outgoing Directors and welcomes the new Directors.

## CORPORATE GOVERNANCE

The Board of Directors is committed to uphold the highest standards of Corporate Governance. The company has also implemented the provisions of the Code of Corporate Governance and a review report on compliance with best practices of the Code of Corporate Governance by the statutory auditors is annexed with the report.

**DIRECTORS' DECLARATION**

The Directors confirm compliance with the Corporate and Financial Reporting Framework of the Code of Corporate Governance for the following:

- i) The financial statements prepared by the management of the company present fairly its statement of affairs, the results of its operations, comprehensive income cash flows and changes in equity;
- ii) Proper books of accounts of the company have been maintained;
- iii) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- iv) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;
- v) The system of internal control is sound in design and has been effectively implemented and monitored;
- vi) There are no significant doubts upon the company's ability to continue as going concern;
- vii) There has been no material departure from the best practice of Corporate Governance as detailed in the Listing Regulations;
- viii) Detail of significant improvements in the company's operations during the year ended June 30, 2011 are stated in the Directors' Report;
- ix) Key operating and other financial data for the last six years in summarized form is included in the Annual Report;
- x) During the current fiscal year, trading in shares of company was made by Directors, CEO, CFO/Company Secretary and their spouses and minor children. Detail of transaction is summarized below:

a.	Syed Sajid Nasim	500 Shares
b.	Mr. Sardar Ali Wattoo	500 Shares
c.	Mr. Mustafa Jaffer	500 Shares
d.	Mr. Shahrikh Saeed Faruqui	500 Shares

During the year, five meetings of the Board of Directors were held that were attended as follows:

S. No	Name of Director	Meetings Attended
1	Mr. Saad Saeed Faruqui	5
2	Mr. Muhammad Sajid	5
3	Syed Hasan Akbar Kazmi	5
4	Mr. Nadir Khan	1
5	Brig. (R) Yasoob Ali Dogar	2
6	Syed Sajid Nasim	3

Leave of absence was granted to Directors who could not attend the Board meeting.



**PARENT COMPANY**

Optimus Limited holds 83.96% of the shareholding in the company.

**AUDITORS**

The present auditors M/s Baker Tilly Mehmood Idress Qamar & Company, Chartered Accountants, retire and being eligible, offer themselves for re-appointment for the year ending June 30, 2012. On the proposal of the Audit Committee, Board recommends the appointment of M/s Baker Tilly Mehmood Idress Qamar & Company, Chartered Accountants, as statutory auditors of the company for the financial year 2012.

**PATTERN OF SHAREHOLDING**

The pattern of shareholding of the company as on June 30, 2011 is annexed with this report.

**ACKNOWLEDGEMENT**

We take this opportunity to place on record our appreciation to the Securities and Exchange Commission of Pakistan, all three stock exchanges of the country and other regulatory authorities for their continued support and professional guidance, and the shareholders of the trust and confidence reposed in us.

We would also like to place on record, our thanks and appreciation to the staff for their commitment and dedication in this challenging and difficult time.

For and on behalf of the Board of Directors

Karachi – October 06<sup>th</sup>, 2011

Saad Saeed Faruqi  
Chief Executive Officer

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STATEMENT IN COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE  
FOR THE YEAR ENDED JUNE 30, 2011

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 35 of listing regulations of Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance.

The company has applied the principles contained in the Code in the following manner:

The company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes six independent non-executive directors.

The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this company.

All the resident directors of the company are registered as Taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

During the year casual vacancies were occurred on the Board which were properly filed in.

The company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the directors and employees of the Company.

The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive directors, have been taken by the Board.

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 and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

The directors are aware of the relevant laws applicable to the Company, its policies and procedures and provisions of memorandum and article of association and are aware of their duties and responsibilities.

The Board has approved appointment of CFO and Company Secretary, including their remuneration and terms and conditions of employment, as determined by the CEO.

The directors report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed. .

The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.

The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.

The company has complied with all the corporate and financial reporting requirements of the Code. An effective internal audit department has already established.

The Board has formed an audit committee. It comprises three members, of whom all three are non-executive directors including the chairman of the committee.

The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.

October 06<sup>th</sup>, 2011

For and on behalf of the Board of Directors

Saad Saeed Faruqui  
Chief Executive Officer

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## Review Report To The Members On Statement Of Compliance With Best Practices Of Code Of Corporate Governance

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of Capital Asset Leasing Corporation Limited to comply with the Listing Regulation of the Karachi, Islamabad and Lahore Stock Exchanges, where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects that status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the code.

As 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 have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's Statement on internal control covers all controls and the effectiveness of such internal controls.

Further, Listing Regulations of the Stock Exchanges where the company is listed require the Company to place before the Board of Directors for their consideration and approval of related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Director and placement of such transactions before the audit committee. We have not carried out any procedures to determine 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 best practices contained in the Code of Corporate Governance as applicable to the Company of the year ended June 30, 2011.

Engagement Partner: Mehmood. A. Razzak

*Karachi*

*Date: October 6<sup>th</sup>, 2011*

**Auditors' Report To The Members**

We have audited the annexed balance sheet of Capital Asset Leasing Corporation Limited as at June 30, 2011 and the related profit and loss account, statement of other comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, (*here-in-after referred to as the financial statements*) for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance;
- b) in our opinion:
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - ii) the expenditure incurred during the year was for the purpose of the company's business; and
  - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- c) in our opinion, and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss accounts, statement of other comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standard as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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, 2011, and of the profit, its cash flow and changes in equity for the year then ended; and
- d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980, was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that ordinance.

Without qualifying our opinion we draw attention to note 1.3 and 1.4 of the accompanying financial statements. As more fully described in these notes, the leasing license of the company has 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. These conditions indicate the existence of a material uncertainty which may cast significant doubt about company's ability to continue as a Non-Banking Financial Company for a foreseeable future period.

Baker Tilly Mehmood Idrees Qamar  
Chartered Accountants

Engagement Partner: Mehmood. A. Razzak

*Karachi*

*Date: october 06, 2011*

**BALANCE SHEET  
AS AT JUNE 30, 2011**

ASSETS	Note	June 30 2011 (Rupees)	June 30 2010 (Rupees)
<b>Current Assets</b>			
Cash and bank balances	5	535,558	945,598
Current portion of net investment in finance lease	8	10,115,203	18,094,147
Advances, deposits, prepayments and other receivables	6	10,903,196	1,252,097
Morabaha and short term finances	7	-	-
Taxation-net		4,652,846	3,633,631
		<u>26,206,803</u>	<u>23,925,473</u>
<b>Non-Current Asset</b>			
Net investment in finance lease	8	-	518,998
Long term advances, deposits and prepayments	9	252,063	526,027
Deferred tax asset	10	29,908,957	-
Property, plant and equipment	11	54,927,635	55,448,587
		<u>85,088,655</u>	<u>56,493,612</u>
<b>TOTAL ASSETS</b>		<u><u>111,295,458</u></u>	<u><u>80,419,085</u></u>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Current portion of long term liabilities	12	9,688,175	15,640,387
Trade, accrued and other liabilities	13	2,688,349	6,607,428
		<u>12,376,524</u>	<u>22,247,815</u>
<b>Non Current Liabilities</b>			
Long term deposits	14	-	141,060
		<u>12,376,524</u>	<u>22,388,875</u>
<b>SHARE CAPITAL AND RESERVES</b>			
20,000,000 Ordinary share of Rs. 10/- each		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid-up capital	15	107,444,130	107,444,130
Reserves	16	(8,525,196)	(49,413,920)
		<u>98,918,934</u>	<u>58,030,210</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	17	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><u>111,295,458</u></u>	<u><u>80,419,085</u></u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2011**

	Note	June 2011 (Rupees)	June 2010 (Rupees)
<b>INCOME</b>			
Income from operations	18	15,681,310	3,899,215
Other operating income	19	1,281,925	1,485,600
		16,963,235	5,384,815
<b>EXPENSES</b>			
Administrative and operating expenses	20	5,910,539	8,306,181
Financial charges	21	2,012	330,868
Other charges-Workers' welfare fund (Reversals) / Provision and write offs	22	248,470 (1,372,807)	- 14,565,207
		4,788,214	23,202,256
<b>PROFIT / (LOSS) BEFORE TAXATION</b>		<u>12,175,021</u>	<u>(17,817,441)</u>
Taxation	23	29,573,923	(19,122,140)
<b>NET PROFIT / (LOSS) FOR THE YEAR</b>		<u><u>41,748,944</u></u>	<u><u>(36,939,581)</u></u>
<b>EARNINGS / (LOSS) PER SHARE</b>	24	<u><u>3.89</u></u>	<u><u>(3.44)</u></u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2011**

	June 30 2011 (Rupees)	June 30 2010 (Rupees)
NET INCOME/ (LOSS) FOR THE THE YEAR	41,748,944	(36,939,581)
Other Comprehensive Income:		
Gain on Re-measurement of Investment to Fair Value realized on recognition of Investment during the year	-	(102,373)
Total Comprehensive Income/(Loss) for the year	<u>41,748,944</u>	<u>(37,041,954)</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2011**

	June 30 2011 (Rupees)	June 30 2010 (Rupees)
	Note	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income / (Loss) before taxation	12,175,021	(17,817,441)
Adjustments for non cash items:		
Depreciation	3,644,782	1,563,824
Financial charges	2,012	330,868
Provisions	(1,372,807)	13,694,628
Loss/(Gain) on re-measurement of long term investment	-	(824)
(Gain) on disposal of operating fixed assets	(1,257,879)	(486,548)
	<u>13,191,129</u>	<u>(2,715,493)</u>
(Increase ) / Decrease in current assets		
Advances, deposits, prepayments and other receivables	(9,616,806)	18,074,128
(Decrease) / Increase in current liabilities		
Trade, accrued and other payables	(4,115,973)	5,428,319
	<u>(541,650)</u>	<u>20,786,954</u>
Cash (used in) /generated from operations		
Financial charges paid	(2,012)	(330,868)
Tax paid	(1,354,249)	(988,950)
Net investment in lease and hire purchase finances	9,211,456	50,643,585
Morabaha and short term finances	625,000	12,525,000
Lease security deposits received	(6,093,272)	(27,132,618)
Net cash generated from operating activities	<u>1,845,273</u>	<u>55,503,103</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to fixed assets	(25,926,878)	(56,405,896)
Proceeds from sale of fixed assets	24,060,927	1,069,797
Investment Purchased	-	(2,000,000)
Long term advances and deposits	273,964	2,944,132
Proceeds from sale of Investment	-	2,350,748
Net cash (used in) investing activities	<u>(1,591,987)</u>	<u>(52,041,219)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of Interim Dividend	(663,326)	-
Repayment of loans	-	(4,053,960)
Net cash (used in) financing activities	<u>(663,326)</u>	<u>(4,053,960)</u>
Net (decrease) in cash and cash equivalents	<u>(410,040)</u>	<u>(592,076)</u>
Cash and cash equivalents at the beginning of the year	945,598	1,537,674
Cash and cash equivalents at the end of the year	5 <u>535,558</u>	<u>945,598</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director



**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2011**

	Issued, Subscribed and Paid-up Capital	Statutory Reserves	Accumulated (Loss)	Revaluation Surplus	Total
	----- (Rupees) -----				
Balance as at July 01, 2009	107,444,130	9,638,752	(22,113,091)	102,373	95,072,164
Total Comprehensive Income for the year	-	-	(36,939,581)	(102,373)	(37,041,954)
Balance as at June 30, 2010	107,444,130	9,638,752	(59,052,672)	-	58,030,210
Net Profit for the period	-	-	41,748,944	-	41,748,944
Transfer to Reserve	-	8,349,789	(8,349,789)	-	-
Dividend @ 5% - Note 1	-	-	(860,220)	-	(860,220)
Balance as at June 30, 2011	107,444,130	17,988,541	(26,513,737)	-	98,918,934

**Note-1**

The management of Optimus Limited (holding company) has waived its right to receive dividend from CALCORP, therefore, no dividend was appropriated for the same.

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Executive Officer

Director

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011****1 LEGAL STATUS AND OPERATIONS**

- 1.1 “The company and its business CAPITAL ASSETS LEASING CORPORATION LIMITED was incorporated on April 1, 1992 in Pakistan as a public limited company and its shares are quoted on all Stock Exchanges in Pakistan. 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 registered office of the company is situated at 14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi. The company is a subsidiary of M/s. Optimus Limited which holds 83.96% ordinary share capital of the company.

- 1.2 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 increase their minimum equity to Rs. 350 million latest by June 30, 2011, Rs. 500 million by June 30, 2012, and Rs. 700 million by June 30, 2013. At present the company's equity is below prescribed limits.
- 1.3 As disclosed in detail in note 1.2, the company has been operating with an equity which is less than the statutory requirement and has stopped its leasing operations and has not advanced any lease facility since April 2008. Furthermore, company does not meet licensing requirement to operate as leasing company, under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003. This creates significant doubt over company's ability to continue as a Non-Banking Financial Company (a leasing company licenced under the Non-Banking Companies and Notified Entities Regulation, 2008) for a foreseeable period.
- 1.4 The companys management has decided to operate as a separate entity and not merge its operations with Optimus Limited as decided earlier. The management has also decided to raise further capital and enhance its equity atleast upto the minimum limit required to operate as a leasing company.

**2 STATEMENT OF COMPLIANCE****2.1 Basis of preparation**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan, the requirements of the Companies Ordinance, 1984 (the Ordinance), Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the requirements of the Ordinance , the Rules, the Regulations or the directives issued by the Securities and Exchange Commission of Pakistan (SECP) shall prevail.

## 2.2 Standards, Interpretations and amendments to published approved accounting standards that are not yet effective:

The following standards and interpretations have been issued and that are not yet effective for the Company.

	Effective for the annual periods beginning on or after
i) IAS 24 - Related Party Disclosures.	January 01, 2011
ii) IFRIC 14 (IAS 19 - The limit on a Defined benefit Asset, Minimum Funding Requirements and their Interaction)	January 01, 2011
iii) IFRS 9 - Financial instruments part 1: Classification and measurement.	January 01, 2013

## 2.3 Critical Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The matters involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant which have been disclosed in the respective notes to the financial statements include:

- Useful life and residual value of property and equipment
- Provision for doubtful receivables
- Taxation

Except for estimating the residual values at end of useful life's of vehicles. There have been no critical judgments made by the Company's management in applying the accounting policies that would have effect on the amounts recognized in the financial statements

## 3 Accounting convention

The financial statements are prepared under the historical cost convention except as disclosed in the accounting policies below.

## 4 SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Investments

Classification of an investment is made on the basis of intended purpose for holding such investments. Management determines the appropriate classification of its investments at the time of purchase. Investments are initially measured at fair value plus transaction costs directly attributable to acquisition, except for "Investment at fair value through profit or loss" which is measured initially at fair value. The company assesses at the end of each reporting period whether there is any objective evidence that investments are impaired. If any such evidence exists, the company applies the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' to all investments.

a. Investment at fair value through profit or loss

Investment classified as held-for-trading and those designated as such are included in this category. Investments are classified as held-for-trading if these are acquired for the purpose of selling in the short term. Gains or losses on investments held-for-trading are recognized in profit and loss account.

b. Held-to-maturity

Investments with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the company has the positive intention and ability to hold till maturity. Investments intended to be held for an undefined period are not included in this classification. Other long-term investments that are intended to be held to maturity are subsequently measured at amortized cost. This cost is computed as the amount initially recognized minus principal repayments, plus or minus the cumulative amortization, using the effective interest method, of any difference between the initially recognized amount and the maturity amount. For investments carried at amortized cost, gains and losses are recognized in profit and loss account when the investments are de-recognized or impaired, as well as through the amortization process.

c. Available-for-sale

Investments intended to be held for an indefinite period of time, which may be sold in response to need for liquidity, or changes to interest rates or equity prices are classified as available-for-sale.

#### 4.2 Net Investment in Finance Lease

Leases where the company transferred substantially all the risk and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

The lease asset is derecognized and the present value of the lease receivable is recognized on the balance sheet. The difference between the gross receivable and the present value of the lease receivable is recognized 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 unearned finance income. The finance income is recognized in the income statement on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

#### 4.3 Property and Equipment

##### 4.3.1 Owned

###### Tangible

These are stated at cost less accumulated depreciation. Depreciation is charged to income applying the straight line method. The rates of depreciation are given in note 11. With respect to Vehicles plying for hire, a residual value has been estimated equal to expected recoverable value while for other assets residual value is considered zero.

On additions, depreciation is charged from the month in which assets put to use and on disposals up to the month immediately preceding the disposal. Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains or losses on disposal of assets are taken to the income statement currently.

###### Intangible

Intangibles are stated at cost less accumulated amortization and impairment, if any. These costs are amortized over their estimated useful life of three years using the straight-line method.

#### 4.3.2 Leased

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of minimum lease payments at the inception of the lease less accumulated depreciation and impairment losses, if any. Depreciation is charged on the same basis as used for own assets.

Financial charges are allocated to accounting period in a manner so as to provide a constant rate of charge on outstanding liability.

#### 4.4 Obligation under finance lease

The Company accounts for assets acquired under financial leases by recording the assets and the related liabilities. The amounts are determined on the basis of discounted value of total minimum lease payments and residual value of the assets at the end of the lease period to be paid by the Company.

Financial charges are allocated to accounting periods in a manner so as to provide constant periodic rate of charge on the outstanding liability.

#### 4.5 Trade and other receivables

Trade and other receivables are recognized at fair value of consideration receivable.. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

#### 4.6 Trade, accrued and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

#### 4.7 Staff retirement benefits

Effective July 01, 1998, the company operates an approved defined contribution provident fund covering all its permanent employees. Equal monthly contribution to the fund are made both by the company and by the employee at rate of 8.33% of basic pay. Contribution for the year ended June 30, 2011 amounted to Rs.77,566 (June 30 2010: Rs. 135,247)

#### 4.8 Staff compensated absences

Amount paid for compensated absences in current period amounted to Rs.NIL (June 30 2010: 174,586 ). Company also pay's for dearness allowance on actual basis. Amount paid for the current period Rs. NIL (June 30 2010 : 138,089 )

#### 4.9 Revenue recognition

The Company recognizes all direct leases, sale and leaseback and hire purchase contracts of financing nature as finance leases. The total unearned income which consists of excess of aggregate lease rentals and residual value over the cost of the leased asset is deferred and amortized to income over the lease term using annuity method so as to produce a systematic return on net investment in lease finance. Front-end fees, lease document fees, commitment, other charges and other income is accounted for on accrual basis.

Income from hire of vehicles is recognised upon performance of service based on are terms of the rental contract.

Profit on Morabaha and short-term finances is recognized on prorata basis taking into account relevant buy-back date. Gain on sale of investments is taken to income in the period in which it arises. Income on bank deposits is recognized on accrual basis. Dividend income is recorded at the time of closure of share transfer books of the company declaring the dividends.

#### 4.10 Taxation

##### 4.10.1 Current

The charge for the current taxation is based on taxable income at the current rates of taxation after taking into account tax credits, rebates available, if any and adjustments for prior years.

##### 4.10.2 Deferred

Deferred tax asset is provided using the balance sheet liability method for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset is to be utilized.

#### 4.11 Provision for potential losses and provision for doubtful receivables

Provision for losses against lease, Morabaha finances, short term finances, long term advances is made according to the Non-Banking Finance Companies and Notified Entities Regulations, 2008. While the provision for other receivables is made on the best judgment of the management which in the opinion of the management represents the amount that is required to cover potential losses that can be reasonably anticipated. The allowance is increased by provision charged to income and decreased by charge-off and net of recoveries. The amounts are shown under respective heads as a deduction from gross amounts of receivables.

#### 4.12 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, with banks on current and savings accounts, term deposits with maturities of three months or less and short term running finance.

#### 4.13 Impairment

The carrying values of assets or cash-generating units are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount and the resulting impairment is charged to profit and loss account.

#### 4.14 Currency and transaction

Pak rupee is the functional currency of the company.

Foreign currency transactions are converted into rupees at the rates of exchange approximating to those ruling at the date of transaction. Monetary assets and liabilities in foreign currencies have been translated into rupees at the rates of exchange approximating those ruling at the balance sheet date. Exchange gains or losses are included in income currently.

#### 4.15 Financial Instruments

a) Financial assets

Financial assets are assets that is: cash and equity instrument of another entity; a contractual right - to receive cash or another financial assets or exchange financial assets or liabilities in conditions favourable to the Company. Financial assets also include a contract that will or may be settled in the Company's own equity instruments.

b) Financial liabilities

Financial liabilities are liabilities that are contractual obligation to: receive cash or another financial assets or to exchange financial assets or liabilities in conditions un-favourable to the Company. Financial liabilities also include a contract that will or may be settled in the Company's own equity instruments.

c) Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the company has legally enforceable right to offset the recognized amounts and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### 4.16 Transactions with related parties

Transactions and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

		June 30 2011 (Rupees)	June 30 2010 (Rupees)
<b>5 CASH AND BANK BALANCES</b>	Note		
Cash in hand		8,150	15,949
Cash at banks:			
- In deposit accounts	5.1	319,020	917,383
- In Current accounts		196,894	-
- Balance with State Bank of Pakistan		11,494	12,266
		<u>535,558</u>	<u>945,598</u>

5.1 Profit on these deposit accounts is earned at the rate ranging from 5% to 6% p.a. (June 2010: from 5% to 6% p.a.).

		June 30 2011 (Rupees)	June 30 2010 (Rupees)
<b>6 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>	Note		
Unsecured advances - considered good - against salary			
Staff			
Provision against advance to staff		162,506 (132,006) 30,500	197,006 (132,006) 65,000
Supplies and services			
Provision against advances for supplies and services		399,238 (399,238) -	434,138 (399,238) 34,900
		30,500	99,900
Current portion of Long term security deposits	9	29,000	30,000
Prepayments			
Provision		691,484 (150,804) 540,680	1,190,556 (150,804) 1,039,752
Other receivables - considered good			
Others Reciveable	6.1	10,302,844	-
Accrued profit on bank account		-	9,452
		10,302,844	9,452
Others - Considered doubtful			
Accrued mark-up on short term finances		3,990,661	4,235,606
Less: Provisions against receivables		137,831 (4,128,320) 172	- (4,162,613) 72,993
		10,303,016	82,445
		<u>10,903,196</u>	<u>1,252,097</u>

6.1 This amount include Rs. 4.719 million due from holding Company on account of monthly rental and sale of motor vehicle.



	Note	June 30 2011 (Rupees)	June 30 2010 (Rupees)
<b>7 MORABAHA AND SHORT TERM FINANCES</b>			
Secured			
Morabaha finances	7.1	357,745	982,745
Short term finances		17,500	17,500
		<u>375,245</u>	<u>1,000,245</u>
Less: Provision for doubtful receivables		(375,245)	(1,000,245)
		<u>-</u>	<u>-</u>

7.1 The Company entered into a morabaha facility with M/s. Home worthy Panels (Pvt.) Ltd. of Rs. 1.5 million in April 1996. The customer defaulted against the said facility. The company filed case against Home worthy Panels (Pvt.) Ltd in Banking Court no. IV, Lahore in 04 January 2000 . The Banking Court awarded decree on 08 December 2001. The customer execution proceeding of the same was pending in the Court for satisfaction of the decree dated 08 November 2002, on request of the Customer the company entered in a compromise Deed dated July 16, 2010 for recovery of Rs. 700,000/- . The Customer has paid Rs. 625,000/- to date.

## 8 INVESTMENT IN FINANCE LEASE

	June 30, 2011			June 30, 2010		
	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) -----					
Minimum lease and hire purchase rentals	21,387,135	-	21,387,135	24,469,809	391,838	24,861,647
Add: Residual value of leased assets	9,688,175	-	9,688,175	15,640,387	141,060	15,781,447
Gross investment in lease and hire purchase finance (8.1)	<u>31,075,310</u>	<u>-</u>	<u>31,075,310</u>	<u>40,110,196</u>	<u>532,898</u>	<u>40,643,094</u>
Less: unearned finance income (8.4)	(4,178,816)	-	(4,178,816)	(4,493,338)	(13,900)	(4,507,238)
Net investment in lease and hire purchase finance (8.2)	<u>26,896,494</u>	<u>-</u>	<u>26,896,494</u>	<u>35,616,858</u>	<u>518,998</u>	<u>36,135,856</u>
Less: Provision for lease losses (8.3)	(16,781,291)	-	(16,781,291)	(17,522,711)	-	(17,522,711)
Net investment in leases	<u>10,115,203</u>	<u>-</u>	<u>10,115,203</u>	<u>18,094,147</u>	<u>518,998</u>	<u>18,613,145</u>

8.1 These represent investment in lease finance and hire purchase under various lease agreements with implicit rate of return ranging from 15.73 to 18 (2010 : from 14.5 to 20.02 )percent per annum. These agreements usually are for three years to five years period. In certain cases the company has security, in addition to lease assets, in the form of corporate/ personal guarantee of directors.

8.2 The net investment in lease portfolio includes Rs. 22.049 million (June 2010: Rs. 23.275 million) which has been placed under over due status.

**8.3 Particulars of provision against non-performing leases**

	June 30, 2011			June 30, 2010		
	Specific	General	Total	Specific	General	Total
	----- (Rupees) -----					
Opening balance	17,522,711	-	17,522,711	9,164,664	-	9,164,664
Charge / (reversal) for the year	(741,420)	-	(741,420)	8,358,047	-	8,358,047
Closing balance	16,781,291	-	16,781,291	17,522,711	-	17,522,711

**8.4 The net unearned finance income includes suspended income of Rs. 4.143 million (June 2010 : Rs 4.278).**

Particulars of suspended income	Note	June 30 2011 (Rupees)	June 30 2010 (Rupees)
Opening balance		4,278,152	1,850,210
Provided during the year		10,068	2,497,875
Reversed/realised during the year		(144,368)	(69,933)
Closing balance		4,143,852	4,278,152

**9 LONG TERM ADVANCES, DEPOSITS AND PREPAYMENTS**

Security deposits		334,290	335,290
Less: Provision		(280,290)	(280,290)
		54,000	55,000
Less: Current Portion		(29,000)	(30,000)
	6	25,000	25,000
Prepayments		354,551	690,747
Less: Current Portion		(127,488)	(189,720)
		227,063	501,027
		252,063	526,027

**10 DEFERRED TAX ASSETS**

Debit balances arising in respect of:			
Net investment in finance lease		8,052	-
Carryforward tax losses		33,231,775	-
		33,239,827	-
Credit balance arising in respect of:			
Tax depreciation allowance		(3,330,870)	-
		29,908,957	-

	Note	June 30 2011 (Rupees)	June 30 2010 (Rupees)
11 FIXED ASSETS			
Property , Plant and equipment	11.2	54,927,633	55,448,585
Intangible Asset	11.3	2	2
		<u>54,927,635</u>	<u>55,448,587</u>
11.1 Allocation of depreciation			
Income from vehicle plying for hire	18.2	3,547,081	1,150,770
Administrative and operating expenses	20	97,701	413,054
		<u>3,644,782</u>	<u>1,563,824</u>

**Property and equipment**

	COST			Rate	DEPRECIATION			Written down value as at 30-Jun-11 Rupees
	As at 1-Jul-10	Additions/ (Disposals)/ Reclassification* (Written off)**	As at 30-Jun-11		As at 1-Jul-10	Charge for the period/ (Disposals)/ Reclassification* (Written off)**	As at 30-Jun-11	
	-----Rupees-----				-----Rupees-----			
11 Tangible - Owned				%				
Air conditioners & refrigerator	27,800	- (27,800)	-	15	27,799	- (27,799)	-	-
Electric fittings & installations	18,260	- (18,260)	-	15	6,848	1,598 (8,446)	-	-
Motor vehicles	185,000	41,200 (54,000)	172,200	20	178,598	9,146 (53,999)	133,745	38,455
Office machines & equipment	840,000	- (292,800)	547,200	15	645,766	63,136 (292,792)	416,110	131,090
Computer & allied equipment	1,845,204	- (1,397,585)	447,619	33	1,806,670	20,648 (1,397,558)	429,760	17,859
Furniture & fixture	119,954	- (81,954)	38,000	10	98,373	3,173 (64,543)	37,003	997
Motor vehicle plying for hire	56,031,298	25,785,000 (24,164,000)	57,652,298	20-25	1,189,582	3,453,040 (1,479,018)	3,163,604	54,488,694
Tracker System	363,798	100,678 (130,327)	334,149	25	29,093	94,041 (39,523)	83,611	250,538
June 30, 2011	<u>59,431,314</u>	<u>25,926,878</u> <u>(26,166,726)</u>	<u>59,191,466</u>		<u>3,982,729</u>	<u>3,644,782</u> <u>(3,363,678)</u>	<u>4,263,833</u>	<u>54,927,633</u>

**Property and equipment**

	C O S T				D E P R E C I A T I O N			Written down value as at 30-Jun-10
	As at 1-Jul-09	Additions/ (Disposals)/ Reclassification* (Written off)**	As at 30-Jun-10	Rate	As at 1-Jul-09	Charge for the period/ (Disposals)/ Reclassification* (Written off)**	As at 30-Jun-10	
	-----Rupees-----				%	-----Rupees-----		
<b>Tangible - Owned</b>								<b>Rupees</b>
Air conditioners & refrigerator	715,292	- (687,492)	27,800	15	635,705	27,478 (635,384)	27,799	1
Electric fittings & installations	127,013	- (108,753)**	18,260	15	106,563	7,021 (106,736)*	6,848	11,412
Motor vehicles	589,909	679,050 (404,909) (679,050)*	185,000	20	543,835	99,503 (396,835) (67,905)*	178,598	6,402
Office machines & equipment	1,544,317	10,800 (593,512) (59,000)* (62,605)**	840,000	15	1,088,625	139,178 (525,059) (2,213)* (54,765)**	645,766	194,234
Computer & allied equipment	2,581,523	- (795,319) 59,000*	1,845,204	33	2,541,234	58,518 (795,295) 2,213*	1,806,670	38,534
Furniture & fixture	1,677,288	- (1,444,193) (113,141)**	119,954	10	1,129,618	81,356 (1,030,269) (82,332)*	98,373	21,581
Motor vehicle plying for hire	-	55,352,248 679,050*	56,031,298	20-25	-	1,121,677 67,905*	1,189,582	54,841,716
Tracker System	-	363,798	363,798	25	-	29,093	29,093	334,705
<b>June 30, 2010</b>	<b>7,235,342</b>	<b>56,405,896 (3,925,425) - * (284,499)**</b>	<b>59,431,314</b>		<b>6,045,580</b>	<b>1,563,824 (3,382,842) - * (243,833)**</b>	<b>3,982,729</b>	<b>55,448,585</b>

**11.3 Intangible Asset**

	C O S T				A M O R T I Z A T I O N			Written down value as at 30-Jun-11
	As at 1-Jul-10	Additions/ (Disposal)	As at 30-Jun-11	Rate	As at 1-Jul-10	Charge for the period	As at 30-Jun-11	
	-----Rupees-----				%	-----Rupees-----		
Computer software	281,280	-	281,280	30	281,278	-	281,278	2
<b>June 30, 2011</b>	<b>281,280</b>	<b>-</b>	<b>281,280</b>		<b>281,278</b>	<b>-</b>	<b>281,278</b>	<b>2</b>

	C O S T				A M O R T I Z A T I O N			Written down value as at 30-Jun-10
	As at 1-Jul-09	Additions/ (Disposal)	As at 30-Jun-10	Rate	As at 1-Jul-09	Charge for the period	As at 30-Jun-10	
	-----Rupees-----				%	-----Rupees-----		
Computer software	281,280	-	281,280	30	281,278	-	281,278	2
<b>June 30, 2010</b>	<b>281,280</b>	<b>-</b>	<b>281,280</b>	<b>30</b>	<b>281,278</b>	<b>-</b>	<b>281,278</b>	<b>2</b>

**11.3 Particulars of disposal of fixed assets**

Particulars	Original Accumulated		Written	Sales	Profit / (Loss)	Mode of	Particulars
	cost	depreciation					
----- Rupees -----							
Air conditioner & electrical fittings							
Refrigerator - Dawlence	27,800	27,799	1	3,000	2,999	Negotiation	MUSTANG SECURITIES
	<u>27,800</u>	<u>27,799</u>	<u>1</u>	<u>3,000</u>	<u>2,999</u>		
Electrical Fittings & Instalations							
5 Ceiling & 4 Lover Remote Fans	18,260	8,446	9,814	6,650	(3,164)	Negotiation	MUSTANG SECURITIES
	<u>18,260</u>	<u>8,446</u>	<u>9,814</u>	<u>6,650</u>	<u>(3,164)</u>		
Office machines & equipments							
Fax, Photo Copier, Mobile	292,800	292,792	8	15,000	14,992	Negotiation	MILLINIUM STATIONERS
	<u>292,800</u>	<u>292,792</u>	<u>8</u>	<u>15,000</u>	<u>14,992</u>		
Computers & Allied equipment							
Scrap Computers & Printers	1,397,585	1,397,558	27	10,000	9,973	Negotiation	MILLINIUM STATIONERS
	<u>1,397,585</u>	<u>1,397,558</u>	<u>27</u>	<u>10,000</u>	<u>9,973</u>		
Furniture & fixture							
Table , ladder cabnit & box	13,184	13,180	4	5,800	5,796	Negotiation	MILLINIUM STATIONERS
Fire Proff Iron Safe and Painting	68,770	51,363	17,407	6,000	(11,407)	Negotiation	MR KASHIF
	<u>81,954</u>	<u>64,543</u>	<u>17,411</u>	<u>11,800</u>	<u>(5,611)</u>		
Motor Vehicle							
HONDA CD 70	54,000	53,999	1	21,000	20,999	Negotiation	MR IMRAN ALAM
	<u>54,000</u>	<u>53,999</u>	<u>1</u>	<u>21,000</u>	<u>20,999</u>		
Motor vehicle plying for hire							
HONDA CITY	1,359,000	35,390	1,323,610	1,359,000	35,390	Insurance Claim	EFU GENERAL INSURANCE LTD.
TOYOTA COROLLA Xli	1,269,000	79,320	1,189,680	1,189,680	-	Insurance Claim	SG INSURANCE COMPANY
TOYOTA COROLLA Gli	1,414,000	88,380	1,325,620	1,416,408	90,788	Negotiation	MR AHSON HAYAT
TOYOTA COROLLA Gli	1,384,000	115,328	1,268,672	1,282,665	13,993	Negotiation	MR KAMRAN QADIR
HONDA CIVIC	1,849,000	154,080	1,694,920	1,694,920	-	Insurance Claim	SG INSURANCE COMPANY
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Xli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Gli	1,269,000	84,608	1,184,392	1,280,000	95,608	Negotiation	OPTIMUS LIMITED
Toyota Corolla Gli	1,450,000	60,416	1,389,584	1,430,000	40,416	Negotiation	OPTIMUS LIMITED
Honda Citi	1,480,000	15,416	1,464,584	1,450,000	(14,584)	Negotiation	OPTIMUS LIMITED
	<u>24,164,000</u>	<u>1,479,018</u>	<u>22,684,982</u>	<u>23,902,673</u>	<u>1,217,691</u>		
TRACKER SYSTEM							
12 NO TRACKER SYSTEM	130,327	39,523	90,804	90,804	-	Negotiation	OPTIMUS LIMITED
	<u>130,327</u>	<u>39,523</u>	<u>90,804</u>	<u>90,804</u>	<u>-</u>		
June 30, 2011	<u>26,166,726</u>	<u>3,363,678</u>	<u>22,803,048</u>	<u>24,060,927</u>	<u>1,257,879</u>		
June 30, 2010	<u>4,209,924</u>	<u>3,626,675</u>	<u>583,249</u>	<u>1,069,797</u>	<u>(486,548)</u>		

	Note	June 30 2011 (Rupees)	June 30 2010 (Rupees)
<b>12 CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Long term deposits	14	9,688,175	15,640,387
		<u>9,688,175</u>	<u>15,640,387</u>
<b>13 TRADE, ACCRUED AND OTHER PAYABLES</b>			
Due to Holding Company		-	5,645,575
Accrued expenses		876,827	424,056
Workers' welfare fund		248,470	-
Unclaimed dividend		729,784	532,890
Tax deducted at source		674,437	-
Others		158,831	4,907
		<u>2,688,349</u>	<u>6,607,428</u>
<b>14 LONG TERM DEPOSITS</b>			
Lease security deposits	14.1	9,688,175	15,781,447
Less: current portion shown under current liabilities	12	(9,688,175)	(15,640,387)
		<u>-</u>	<u>141,060</u>
14.1 These represent interest free security deposits received from lessees under lease contracts and are adjustable at the expiry of the respective lease contract.			
		June 30 2011	June 30 2010
<b>15 ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>	Note	(Rupees)	(Rupees)
No. of Ordinary shares 2011                      2010 Rs. 10 each			
<u>10,744,413</u> <u>10,744,413</u>			
Fully paid in cash		<u>107,444,130</u>	<u>107,444,130</u>
<b>16 RESERVES</b>			
Statutory reserve	16.1	9,638,752	9,638,752
Transfer from profit and loss account		8,349,789	-
		17,988,541	9,638,752
Accumulated loss		(26,513,737)	(59,052,672)
		<u>(8,525,196)</u>	<u>(49,413,920)</u>
16.1 In accordance with the Prudential Regulations for Non- Banking Finance Companies, the company is required to transfer 20% of its after tax profits to statutory reserve until the reserve equals its paid up capital. Thereafter 5% of after tax profit is required to be transferred to reserve. An amount of Rs. 8,349,789/- has been transferred during the year.			
<b>17 CONTINGENCIES AND COMMITMENTS</b>			
17.1 Contingent assets			
The company has obtained court decrees in respect of recovery of overdue lease rentals receivable from various clients aggregating to Rs. 7,211,463 during the year ended June 30, 2011 (June 30, 2010 : Rs. 6,570,871).			

	Note	June 2011 (Rupees)	June 2010 (Rupees)
<b>18 INCOME FROM OPERATIONS</b>			
Income / (Loss) on lease contracts	18.1	322,691	(1,357,551)
Income from vehicle plying for hire	18.2	14,978,409	4,835,503
Late payment and other charges		380,210	421,263
		<u>15,681,310</u>	<u>3,899,215</u>
<b>18.1 Income / (Loss) on lease contracts</b>			
Lease finance income for the current period		188,391	2,106,565
Lease finance income reversal / (suspended)		134,300	(2,427,942)
Adjustment due to change in estimate		-	(1,036,174)
		<u>322,691</u>	<u>(1,357,551)</u>
<b>18.2 Income from vehicle plying for hire</b>			
Rentals		23,940,961	7,250,933
Less: Cost of service			
Road Tax/Registration & other charges		515,903	171,743
Vehicle Service & Maintenance-VPFH		1,936,842	-
Tracker monitoring cost		286,101	107,477
Tracker transfer cost		8,964	89,640
Insurance		1,225,161	395,800
Depreciation	11.1	3,547,081	1,150,770
Service Charges to holding company		1,442,500	500,000
		<u>8,962,552</u>	<u>2,415,430</u>
		<u>14,978,409</u>	<u>4,835,503</u>
<b>18.3</b>			
The company has entered into an arrangement with the holding company to deploy CALCORP vehicles to its customers on monthly rental. The holding company will charge service fee of Rs. 2,500 per month per vehicle from CALCORP.			
<b>19 OTHER OPERATING INCOME</b>			
Profit on short term finances		-	591,362
Gain on sale of fixed assets		1,222,489	527,214
Gain on Insurance Claim received		35,390	-
Commission income		3,782	32,500
Return on Bank Deposit		18,264	80,570
Other income		2,000	253,954
		<u>1,281,925</u>	<u>1,485,600</u>

		June 2011 (Rupees)	June 2010 (Rupees)
20	ADMINISTRATIVE AND OPERATING EXPENSES		
	Salaries, allowances and benefits	3,549,193	3,750,688
	Travelling and conveyance charges	113,370	318,652
	Rent, rates and taxes	-	850,645
	Depreciation	97,701	413,054
	Electricity, gas and water	-	246,892
	Repairs and maintenance	40,435	163,604
	Printing and stationery	509,992	226,705
	Telephone and postage expenses	102,457	349,481
	Advertising expenses	-	1,200
	Legal and professional charges	769,291	782,424
	Vehicle running expenses	238,609	242,861
	Insurance expenses	17,767	92,591
	Entertainment expenses	44,781	167,758
	Computer consultancy and maintenance	9,080	43,125
	Auditor's remuneration	400,350	567,500
	Sundry expenses	17,513	89,001
		<u>5,910,539</u>	<u>8,306,181</u>
20.1	Auditors' Remuneration		
	Audit fee	175,000	185,000
	Half yearly audit / review	175,000	300,000
	Code of Corporate Governance	25,000	25,000
	Others	-	7,500
	Out of pocket expenses	25,350	50,000
		<u>400,350</u>	<u>567,500</u>
21	FINANCIAL CHARGES		
	Mark-up/return on:		
	- Long term loans	-	300,043
	- Bank charges	2,012	30,825
		<u>2,012</u>	<u>330,868</u>
22	PROVISIONS AND WRITE OFFS		
	Provisions/(Reversals):		
	- against leases	(713,514)	8,358,047
	- against advances, deposits & prepayments	(34,293)	4,353,836
	- against morabaha finance	(625,000)	982,745
		<u>(1,372,807)</u>	<u>13,694,628</u>
	Write offs:		
	- fixed assets	-	40,666
	- Short term finance income	-	575,240
	- against other receivable	-	254,673
		-	870,579
		<u>(1,372,807)</u>	<u>14,565,207</u>



	Note	June 2011 (Rupees)	June 2010 (Rupees)
23 TAXATION			
Current year	23.1	(335,034)	(135,660)
Prior year		-	(3,123,487)
Deferred		29,908,957	(15,862,993)
		<u>29,573,923</u>	<u>(19,122,140)</u>

23.1 The provision for current income tax is based on minimum taxation under section 113 of the Income Tax Ordinance, 2001. Therefore, tax expense reconciliation with accounting profit / (loss) is not reported.

#### 24 EARNINGS / (LOSS) PER SHARE

Profit / (Loss) after taxation	Rupees	<u>41,748,944</u>	<u>(36,939,581)</u>
Weighted average ordinary shares	Numbers	<u>10,744,413</u>	<u>10,744,413</u>
Earnings / (Loss) per share - basic and diluted	Rupees	<u>3.89</u>	<u>(3.44)</u>

#### 25 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, directors, key management and employees provident 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:

Related Party	Nature of relationship	Nature of transaction / balance	JUNE 2011	JUNE 2010
Optimus Limited	Holding Company	Rental services rendered	23,940,961	7,250,933
		Management Services received	(1,442,500)	(500,000)
		Purchase of Tracker	(100,678)	(363,798)
		Purchase of Motor Vehicle	(19,185,000)	-
		Sale of Tracker	90,804	-
		Sale of Motor Vehicle	16,960,000	-
		Salary & Allowances	1,765,746	-
		Vehicle Hiring	9,199	-
		Finance Income	-	(247,905)
Mustang Security (Pvt) Ltd	Common Directorship	Purchase of Motor Vehicle	(41,200)	-
		Sale of Misc Assets	9,650	-
Key management personnel	Ex-C F O	Lease facility	-	155,243
Staff provident fund		Contribution to staff provident fund	77,566	135,247

**26 REMUNERATION OF CHAIRMAN, DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVE**

26.1 The aggregate amount charged in the financial statements for the period in respect of remuneration and benefits to the Chairman, Chief Executive and Executives are as follows:

	Chairman		Chief Executive		Directors		Executive	
	Jun-11	Jun-10	Jun-11	Jun-10	Jun-11	Jun-10	Jun-11	Jun-10
Managerial remuneration	-	-	-	544,500	-	-	708,532	909,804
Provident fund contribution	-	-	-	24,990	-	-	-	42,372
<b>Total</b>	-	-	-	<b>569,490</b>	-	-	<b>708,532</b>	<b>952,176</b>
No of persons	1	1	1	1	5	5	1	1

26.2 The Ex-Chairman & Ex-Chief Executive were provided fuel and maintenance charges for their own vehicles as per company policy. From January 2010 onward the new CEO has not charged any remuneration nor any other benefits from the company.

**27 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES**
**27.1 Financial Risk Management Objectives**

The company's activities expose to a variety of financial risks, including the effects of changes in foreign exchange rates, credit and liquidity risk associated with various financial assets and liabilities. The company finances its operations through equity and management of working capital with a view to maintain reasonable mix between various sources of finance to minimize risk. Taken as a whole, risk arising from the company's financial instruments is limited as there is no significant exposure to market risk in respect of such instruments.

**27.2 Liquidity Risk**

Liquidity risk is the risk that the company will encounter difficulties in raising funds to meet commitments associated with Financial Instruments. The company is not exposed to any significant risk.

**MATURITIES OF ASSETS AND LIABILITIES**

JUNE 30, 2010					
ASSETS	Total	Up to 3 Months	Over 3 Months to 1 year	Over 1 year to 5 years	Over 5 years
Net investment in finance lease	10,115,203	9,880,221	234,982	-	-
Long term advances and deposits	252,063	-	-	252,063	-
Advances, deposits, prepayments and other receivables	10,903,196	10,903,196	-	-	-
Cash and bank balances	535,558	535,558	-	-	-
<b>Total Assets</b>	<b>21,806,020</b>	<b>21,318,975</b>	<b>234,982</b>	<b>252,063</b>	<b>-</b>
<b>LIABILITIES</b>					
Long term deposits	9,688,175	9,688,175	-	-	-
Trade, accrued and other liabilities	2,688,349	2,688,349	-	-	-
<b>Total Liabilities</b>	<b>12,376,524</b>	<b>12,376,524</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>9,429,496</b>	<b>8,942,451</b>	<b>234,982</b>	<b>252,063</b>	<b>-</b>

**MATURITIES OF ASSETS AND LIABILITIES**

<b>JUNE 30, 2010</b>					
<b>ASSETS</b>	<b>Total</b>	<b>Up to 3 Months</b>	<b>Over 3 Months to 1 year</b>	<b>Over 1 year to 5 years</b>	<b>Over 5 years</b>
Net investment in finance lease	18,613,145	17,358,592	1,148,000	106,553	-
Long term advances and deposits	55,000	30,000	-	25,000	-
Advances, deposits, prepayments and other receivables	1,723,124	1,723,124	-	-	-
Cash and bank balances	945,598	945,598	-	-	-
<b>Total Assets</b>	<b>21,336,867</b>	<b>20,057,314</b>	<b>1,148,000</b>	<b>131,553</b>	<b>-</b>
<b>LIABILITIES</b>					
Long term deposits	15,781,447	15,053,887	586,500	141,060	-
Trade, accrued and other liabilities	6,607,428	6,607,428	-	-	-
<b>Total Liabilities</b>	<b>22,388,875</b>	<b>21,661,315</b>	<b>586,500</b>	<b>141,060</b>	<b>-</b>
	<b>(1,052,008)</b>	<b>(1,604,001)</b>	<b>561,500</b>	<b>(9,507)</b>	<b>-</b>

**27.3 Interest rate risk management**

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market mark-up/interest rates. Sensitivity to interest/mark up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprise in a given period. The company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The company is exposed to mark -up / interest rate risk in respect of the following:

**Interest Rate Risk**

June 30, 2011							
Interest / Mark-up bearing				Non Interest bearing			Total
Interest rates	Maturity up to one year	Maturity after one year	Subtotal	Maturity up to one year	Maturity after one year	Subtotal	
----- (Rupees) -----							
<b>FINANCIAL ASSETS</b>							
Net investment in lease	15.73% - 18%	10,115,203	-	10,115,203	-	-	10,115,203
Security deposits	-	-	-	-	29,000	25,000	54,000
Morabaha and short term finance	11%-22%	-	-	-	-	-	-
Cash and bank balances	5%-6%	319,020	-	319,020	216,538	-	535,558
		<b>10,434,223</b>	<b>-</b>	<b>10,434,223</b>	<b>245,538</b>	<b>25,000</b>	<b>10,704,761</b>
<b>FINANCIAL LIABILITIES</b>							
Trade, accrued and other payables		-	-	-	2,439,879	-	2,439,879
		-	-	-	<b>2,439,879</b>	<b>-</b>	<b>2,439,879</b>
<b>Net financial assets / (liabilities) June 2011</b>		<b>10,434,223</b>	<b>-</b>	<b>10,434,223</b>	<b>(2,194,341)</b>	<b>25,000</b>	<b>8,264,882</b>

  

June 30, 2010							
Interest / Mark-up bearing				Non Interest bearing			Total
Interest rates	Maturity up to one year	Maturity after one year	Subtotal	Maturity up to one year	Maturity after one year	Subtotal	
----- (Rupees) -----							
<b>FINANCIAL ASSETS</b>							
Net investment in lease	15% - 22%	18,506,592	106,553	18,613,145	-	-	18,613,145
Other receivables		-	-	-	9,452	-	9,452
Cash and bank balances	5%-6%	917,383	-	917,383	28,215	-	945,598
		<b>19,423,975</b>	<b>106,553</b>	<b>19,530,528</b>	<b>37,667</b>	<b>-</b>	<b>19,568,195</b>
<b>FINANCIAL LIABILITIES</b>							
Trade, accrued and other payables		-	-	-	6,607,428	-	6,607,428
		-	-	-	<b>6,607,428</b>	<b>-</b>	<b>6,607,428</b>
<b>Net financial assets / (liabilities) June 2010</b>		<b>19,423,975</b>	<b>106,553</b>	<b>19,530,528</b>	<b>(6,569,761)</b>	<b>-</b>	<b>12,960,767</b>

27.4 Financial assets and liabilities are approximate to their fair values.

**27.5 Credit Risk**

The Company's credit risk exposure is not significantly different from that reflected in the financial statements. The management monitors and limits company's exposure to credit risk through monitoring of clients' credit exposure, review and conservative estimates of provisions for potential lease losses and doubtful receivables and by obtaining securities/collateral for large amounts of credits. The management is of the view that it is not exposed to significant concentration of credit risk as its financial assets are adequately diversified in different avenues.

Breakdown of credit risk exposure by class of business is follows:

Class of Business	JUNE 30 2011		JUNE 30 2010	
	Lease and Hire Purchase Finance	Morabaha and Short Term Finance	Lease and Hire Purchase Finance	Morabaha and Short Term Finance
	%	%	%	%
Electrical and electric goods	2.91	95.33	3.11	98.25
Transport and communication	22.24	-	38.34	-
Foods and beverages	30.90	-	2.49	-
Trading	-	-	4.33	-
Insurance	-	-	4.33	-
Packaging	22.26	-	16.70	-
Miscellaneous	21.69	4.67	30.70	1.75
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## 27.6 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 shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and bank balances. The capital is calculated as equity as shown in the balance sheet plus net debt.

	June 2011 (Rupees)	June 2010 (Rupees)
Total borrowing	-	-
Less: Cash & bank balance	535,558	945,598
Net debt	NIL	NIL
Total equity	98,918,934	58,030,210
Total Capital	<u>98,918,934</u>	<u>58,030,210</u>
Gearing ratio	<u>0.00%</u>	<u>0.00%</u>

## 28 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 6<sup>th</sup> October, 2011 by the Board of Directors of the Company.

## 29 GENERAL

29.1 Figures have been rounded off to the nearest rupee.

29.2 Figures have been reclassified and re-arranged where necessary.

**SIX YEARS AT GLANCE**

PARTICULARS	2011	2010	2009	2008	2007	2006
<b>FINANCIAL POSITION</b>						
Balance Sheet Size	111,295,458	80,419,085	143,637,993	175,198,784	232,502,313	251,202,098
Paid-up Capital	107,444,130	107,444,130	107,444,130	107,444,130	107,444,130	107,444,130
Statutory Reserves	17,988,541	9,638,752	9,638,752	9,638,752	9,638,752	9,638,752
Un-appropriated Profits	26,513,737	59,052,672	22,010,718	19,170,325	2,064,784	10,220,327
Fixed Assets (Net)	54,927,635	55,448,587	1,189,763	1,745,763	4,052,976	5,709,727
Net Investment in Lease & Hire Purchase Fin.	(10,115,203)	(18,613,145)	(77,614,777)	(37,509,858)	66,372,407	67,844,649
Long Term Loans	-	-	4,053,960	5,005,063	11,148,801	11,083,756
Lease Obligations	-	-	-	-	1,051,509	917,388
Long Term Deposits	9,688,175	15,640,387	38,800,236	11,248,429	20,518,842	20,317,095
Current Assets	26,206,803	23,925,473	108,453,720	116,443,674	140,187,957	156,884,607
Current Liabilities	12,376,524	22,247,815	44,452,000	61,032,736	81,664,204	91,557,850
<b>INCOMES AND EXPENSES</b>						
Income from Lease	15,681,310	3,899,215	6,999,173	10,851,624	13,261,578	19,320,827
Other Income	1,281,925	1,485,600	2,139,289	3,212,391	4,640,481	3,416,184
Administrative & Operating Expenses	5,910,539	8,306,181	12,541,832	17,373,359	16,170,431	23,911,056
Financial Charges	2,012	330,169	2,382,683	5,408,875	8,951,697	10,161,072
Other Charges-Worker's Welfare Fund	248,470	-	-	-	-	-
Provision / (reversal) for losses	(1,372,807)	(14,565,207)	(3,054,461)	(10,601,437)	(936,476)	(869,694)
Profit/(Loss) before Tax	12,175,021	(17,817,441)	(2,731,592)	(20,856,008)	(8,105,543)	(12,287,373)
Taxation	29,573,923	(19,122,140)	-	175,000	-	(4,518,059)
Profit (Loss) after Tax	41,748,944	(36,939,581)	(2,731,592)	(21,031,008)	(8,105,543)	(6,308,322)

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**PATTERN OF SHAREHOLDING  
HELD BY THE SHAREHOLDERS AS AT JUNE 30 2011**

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No. of Shareholders	-----Shareholding-----		Total Shares Held
	From	To	
174	1	100	11,146
161	101	500	48,826
194	501	1000	124,762
101	1001	5000	206,860
8	5001	10000	56,787
7	10001	15000	86,095
6	15001	20000	106,047
2	25001	30000	55,346
2	35001	40000	75,500
1	45001	50000	50,000
1	55001	60000	58,846
1	175001	180000	177,526
1	235001	240000	239,465
1	440001	445000	440,625
1	9005001	9010000	9,006,582
661			10,744,413

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**CATEGORIES OF SHAREHOLDERS REQUIRED UNDER C.C.G.  
AS ON 30TH JUNE 2011**

S. No.	NAME	% AGE	HOLDING
<b>DIRECTORS, CEO THEIR SPOUSE AND MINOR CHILDREN</b>			
1	MR. SAAD SAEED FARUQI	0.0047	500
2	MR. MUHAMMAD SAJID	0.0047	500
3	SYED HASAN AKBAR KAZMI	0.0047	500
4	SYED SAJID NASIM	0.0047	500
5	MR. MUSTAFA JAFAR	0.0047	500
6	MR. SARDAR ALI	0.0047	500
7	MR. SHAHRUKH SAEED FARUQI	0.0047	500
		<u>0.0326</u>	<u>3,500</u>
<b>ASSOCIATED COMPANIES</b>			
1	OPTIMUS LIMITED	<u>83.9550</u>	<u>9,020,473</u>
<b>BANKS, DEVELOPMENTS, FINANCIAL INSTITUTIONS, NON BANKING FINANCIAL INSTITUTIONS</b>			
		4.1010	440,625
1	INDUSTRIAL DEVELOPMENT BANK OF PAK.	0.0047	500
2	BANKERS EQUITY LIMITED.	0.1098	11,800
3	ESCORTS INVESTMENT BANK LIMITED.	4.2154	452,925
<b>INSURANCE COMPANIES</b>			
		2.2287	239,465
1	STATE LIFE INSURANCE CORP. OF PAKISTAN	0.0109	1,175
2	GULF INSURANCE CORP. OF PAKISTAN	2.2397	240,640



MODARABAS & MUTUAL FUND	0.0000	0
<b>JOINT STOCK COMPANIES</b>		
1 AL-HAQ SECURITIES (PVT) LTD.	0.0219	2,350
2 ISMAIL ABDUL SHAKOOR SECURITIES (PRIVATE	0.0052	557
3 BEAMING INVEST & SECURITIES(PVT.) LTD.	0.1666	17,900
4 LAHORE STOCK EXCHANGE (GUARANTEE) LTD.	0.0055	587
5 PRUDENTIAL SECURITIES LIMITED	0.0070	750
6 CORPORATE SOLUTIONS ( PVT ) LIMITED	0.0164	1,762
7 M.R. SECURITIES (SMC-PVT) LTD.	0.0016	175
8 DR. ARSLAN RAZAQUE SECURITIES (SMC-PVT)	0.1542	16,567
9 MAM SECURITIES (PVT) LIMITED	0.0008	87
10 DARSON SECURITIES (PVT) LIMITED	0.0016	175
11 BEAMING INVESTMENT & SECURITIES (PVT)LTD	0.4654	50,000
12 TIME SECURITIES (PVT.) LTD.	0.0005	50
13 S.H. BUKHARI SECURITIES (PVT) LIMITED	0.0055	587
14 CAPITAL VISION SECURITIES (PVT) LTD.	0.0016	175
15 EXCEL SECURITIES (PVT.) LTD.	0.0000	1
16 NH SECURITIES (PVT) LIMITED.	0.0293	3,150
17 PYRAMID INVESTMENTS (PVT) LTD.	0.1667	17,912
18 SARFRAZ MAHMOOD (PRIVATE) LTD	0.0057	617
	1.0555	113,402
<b>SHARES HELD BY THE GENERAL PUBLIC</b>		
	8.5018	913,473
<b>TOTAL:</b>	<b>100.0000</b>	<b>10,744,413</b>

During the financial year the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows

Sr. No.	Name	Sale	Purchase
1	MR. SHAHRUKH SAEED FARUQUI		500
2	MR. SARDAR ALI		500
3	MR. MUSTAFA JAFAR		500
4	SYED SAJID NASIM		500

**SHAREHOLDERS HOLDING 10% OR MORE OF TOTAL CAPITAL:**

OPTIMUS LIMITED	9,020,473	83.9550
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**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a Shareholder of CAPITAL ASSETS LEASING CORPORATION LIMITED and holding \_\_\_\_\_ Ordinary Shares as per Register Folio No. \_\_\_\_\_ or "CDC" Participant's I.D. No. \_\_\_\_\_ A/c No. \_\_\_\_\_ hereby appoint Mr. / Mrs. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her Mr. / Mrs. \_\_\_\_\_ of \_\_\_\_\_ as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 19<sup>TH</sup> Annual General Meeting of the Company to be held on Saturday, October 29, 2011 and at any adjournment thereof.

Affix Revenue Stamp(s) of Rupees five  
Executant's Signature on Revenue Stamp(s)  
(Signature should agree with the Specimen Signature registered with the Company).

Executant's Computerized National Identity Card Number (CNIC) or Passport Number

_____ First Witness Signature	_____ Second Witness Signature
_____ Name in Block letters and Address	_____ Name in Block letters and Address
_____ Computerized National Identity Card Number or Passport Number of Witness	_____ Computerized National Identity Card Number or Passport Number of Witness

\_\_\_\_\_  
Proxy's Signature

\_\_\_\_\_  
Proxy's Signature

**Notes:**

1. A Member entitled to attend and vote at the Meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf. A proxy must be a member of the Company, however corporation may appoint a person who is not a member.
2. This form should be signed by the member or by his/her attorney duly authorized in writing. If the member is a Corporation, its common seal should be affixed to the instrument. The proxy form must be witnessed by two persons.
3. The form of the proxy together with the power of attorney, if any, under which it is signed or a notarially certified copy thereof, must be deposited duly completed in all respects at the Company's Registered office at least 48 hours before the time of holding the Meetings.
4. Signature should agree with the specimen registered with the Company.
5. The following requirements have to be met by CDC Account holders/Corporate entities:
  - i. The proxy form must be witnessed by two persons whose names, addresses and N.I.C. number should be mentioned on the form.
  - ii. Attested copies of N.I.C or Passport of the beneficial owners shall be furnished with the proxy form.
  - iii. The proxy shall produce his/her original N.I.C or passport at the time of meeting.

AFFIX  
CORRECT  
POSTAGE

The Company Secretary  
Capital Assets Leasing Corporation Limited  
14th Floor, Chapal Plaza  
Hasrat Mohani Road, Karachi-74000.

FOLD HERE

FOLD HERE

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FOLD HERE

FOLD HERE

If undelivered please return to



**Capital Assets Leasing Corporation Limited**

14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi-74000.

Tel: +92 (21) 32431181-8 Fax: +92 (21) 32654718 E-mail: [calcorp@optimus.com.pk](mailto:calcorp@optimus.com.pk)