

### **Our Vision**

We shall carve a place for ourselves at the highest level of business industry by providing quality service and ensuring customer satisfaction. We will go an extramile to ensure greater profitability and value for our shareholders.

### **Our Dynamics**

Professional Management will be the hallmark of our organization. We will operate with state of the art technology to achieve optimum results and develop an efficient and motivated work force with corporate pride in their company.

### **Our Resolve**

We will provide our customers modern and technology based business services while we ensure our shareholders security and a high rate of return on their investments.

### **Our Commitment**

We will maintain financial discipline and adhere to professional and moral codes. In the operation of the company, we will comply with all rules and regulations set down by the supervisory authorities.



## Company Information

<b>Board of directors</b>	Mr. Asif Ali Rashid	Chairman / Chief Executive Officer
	Mr. Muhammad Nasim Khan	Director
	Mr. Shahzad Ali Rashid	Director
	Mr. Aamir Ali Rashid	Director
	Mr. Iskander Sultan Khawaja	Director
	Mr. Ruhail Mohammad	Director
	Mr. S. Arshad A. Kazmi	Director
	Mr. Shujat Ali Baig	Director
	Mr. Arshadullah Khan	Director
Mr. Shoaib Jawed Savul	Director	

**Company secretary & chief financial officer** Mr. Arfan Ali Rashid

**Chief operating officer** Mr. Muhammad Ahmed

**Auditors** M/s KPMG Taseer Hadi & Co.  
Chartered Accountants

**Legal advisor** Mohsin Tayebaly & Co.

<b>Audit committee</b>	Mr. Aamir Ali Rashid	Chairman
	Mr. Shahzad Ali Rashid	Member
	Mr. Ruhail Mohammad	Member

<b>Executive committee</b>	Mr. Asif Ali Rashid	Chairman
	Mr. Muhammad Ahmed	Member
	Mr. Arfan Ali Rashid	Member
	Mr. Badar Jamil Farooqui	Member

<b>Bankers</b>	Askari Bank Limited	National Bank of Pakistan
	Bank Alfalah Limited	Soneri Bank Limited
	Habib Metropolitan Bank Limited	

**Registered office and Head office**

Sigma House 8-C, Block 6, PECHS,  
Off : Shahrah-e-Faisal, Karachi - 75400, Pakistan  
Tel : (021) 34557233-4, 34544850-1  
Fax : (021) 34544439  
Email : info@sigma-leasing.com  
Website : www.sigma-leasing.com

**Liaison offices**

**Lahore** : 433, F, Main Bouleyard, Opposite Main Plaza, Johar Town, Lahore  
Tel : (042) 36306798, 36365975, Fax : (042) 36365343

**Faisalabad** : Plot # 63/1-C, Model Town-B, Jail Road.  
Tel : (041) 2636830-31, Fax : (041) 2644961

**Sialkot** : Uggoki Road, Near Zohra Hospital Chowk, Shabpura.  
Tel : (0432) 3552919, 3554429, Fax : (0432) 3552919

**Share department**

Noble Computer Services (Pvt) Limited  
First Floor, House of Habib Building (Siddiqsons Tower)  
3 Jinnah Co-operative Housing Society, Main Shahra-e-Faisal, Karachi.  
Tel: (92-21) 34325482-7, Fax: (92-21) 34325442

## Directors' Report

On behalf of the Directors of Sigma Leasing Corporation Limited, I am pleased to present the report for the nine months ended March 31, 2012.

During the period Sigma earned a pretax profit of Rs. 14.16 million compared to a profit of Rs. 20.37 million in corresponding period of last year.

The Management is primarily focused on recovery of lease installments in an efficient manner.

At present the available funds are invested in Govt. Treasury Bills and bank accounts.

### DIVIDEND

The Board has recommended an interim dividend of two & half percent (2.5%)

### FUTURE PLAN

In the February 11, 2012 Board of Directors' meeting the Board has recommended the surrender of leasing license and delisting from Karachi Stock Exchange as leasing business is no more viable due to economic slowdown and it has become difficult to obtain new quality business due to leasing by Banks at very low markup. Further the capital requirement as per NBFC regulations cannot be met as difficulty is being faced in increasing capital due to uneconomical profit in leasing business.

In the light of the above decision the Board has decided to call an EOGM of shareholders in May 2012 to get their approval.

The Board recognizes and appreciates the support of the regulatory authorities, internal & external auditors, legal advisors and the services rendered by management and other staff members of the company.

For and on behalf of the Board of Directors.

Dated: April 14, 2012  
Karachi



**Asif Ali Rashid**  
Chairman / CEO



**Condensed Interim Balance Sheet  
As at March 31, 2012**

	Notes	March 31, 2012 Unaudited	Jun 30, 2011 Audited
		----- Rupees -----	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and bank balances		16,746,611	23,373,665
Current portion of net investment in finance Lease	5	68,217,955	92,345,621
Investments	4	233,664,000	213,618,253
Prepayments and other receivables		3,077,658	5,679,780
<b>Total Current Assets</b>		<b>321,706,224</b>	<b>335,017,319</b>
<b>Non Current Assets</b>			
Net investment in finance lease	5	68,186,449	108,607,832
Long term deposits		232,200	232,200
Intangible assets		-	110,728
Property and equipment		67,660,237	67,608,773
<b>Total Non Current Assets</b>		<b>136,078,886</b>	<b>176,559,533</b>
<b>TOTAL ASSETS</b>		<b>457,785,110</b>	<b>511,576,852</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Running finance under mark-up arrangements		-	20,056,652
Current portion of lease key money deposits		12,157,646	20,080,805
Accrued markup on loans & other payables		-	87,372
Accrued expenses and other liabilities		4,531,108	4,821,012
Provision for taxation - net		1,028,656	9,321,380
<b>Total Current Liabilities</b>		<b>17,717,410</b>	<b>54,367,221</b>
<b>Non Current Liabilities</b>			
Lease key money deposits		43,674,344	57,881,600
Deferred tax liability - net		21,738,289	20,980,711
<b>Total Non Current Liabilities</b>		<b>65,412,633</b>	<b>78,862,311</b>
<b>Total Liabilities</b>		<b>83,130,043</b>	<b>133,229,532</b>
<b>Net Assets</b>		<b>374,655,067</b>	<b>378,347,320</b>
<b>Represented By</b>			
Share Capital		300,000,000	300,000,000
Reserves		29,476,951	34,523,750
(Deficit) / Surplus on revaluation of investments		-	(1,510,774)
		<b>329,476,951</b>	<b>333,012,976</b>
Surplus on Revaluation of property and equipment		45,178,115	45,334,344
		<b>374,655,067</b>	<b>378,347,320</b>

The annexed notes from 1 to 7 form an integral part of these financial statements

  
Asif Ali Rashid  
Chairman / CEO

  
Aamir Ali Rashid  
Director



**Condensed Interim Profit & Loss Account (unaudited)  
For the quarter / period ended March 31, 2012**

Notes	Nine Month Period Period Ended March 31,		Quarter Ended March 31,	
	2012	2011	2012	2011
	----- Rupees -----			
<b>INCOME</b>				
Lease income	10,357,985	19,097,160	3,123,266	5,124,215
Mark-up on deposits / placements	1,938,386	3,227,437	991,105	1,073,483
Other operating income	15,378,010	15,905,287	2,156,704	7,741,489
	<b>27,674,381</b>	38,229,884	<b>6,271,075</b>	13,939,187
<b>EXPENSES</b>				
Administrative and operating expenses	13,371,739	16,432,254	3,920,903	4,513,735
Financial charges	144,570	66,411	1,870	29,620
	<b>13,516,309</b>	16,498,666	<b>3,922,773</b>	4,543,356
<b>Operating income</b>	<b>14,158,072</b>	21,731,218	<b>2,348,302</b>	9,395,831
Unrealized loss on remeasurement of HFT investments	-	1,363,032	(9,852,656)	1,784,440
<b>Profit before taxation</b>	<b>14,158,072</b>	20,368,186	<b>12,200,958</b>	7,611,391
<b>Provision for taxation</b>				
- Current	3,136,199	24,660,045	3,041,862	4,899,874
- Prior	467,324	(2,833,655)	-	-
- Deferred	757,576	(21,892,855)	(2,383,931)	(3,982,728)
	<b>4,361,099</b>	(66,466)	<b>657,931</b>	917,145
<b>Profit for the period</b>	<b>9,796,973</b>	20,434,652	<b>11,543,027</b>	6,694,246
<b>Earnings / (loss) per share - basic and diluted</b>	<b>0.33</b>	0.681	<b>0.38</b>	0.223

The annexed notes from 1 to 7 form an integral part of these financial statements

  
**Asif Ali Rashid**  
 Chairman / CEO

  
**Aamir Ali Rashid**  
 Director



**Condensed Interim Statement of Comprehensive Income (unaudited)  
For the quarter / period ended March 31, 2012**

Notes	Nine Month Period		Quarter Ended	
	Period Ended March 31,		March 31,	
	2012	2011	2012	2011
	----- Rupees -----			
Profit / (loss) for the period	9,796,973	20,434,652	11,543,027	6,694,246
<b>Other comprehensive income</b>				
(Deficit) / surplus on revaluation of investments - net	1,510,774	(2,681,843)	398,702	(2,241,567)
<b>Total comprehensive income / (loss) for the period</b>	<u>11,307,747</u>	<u>17,752,809</u>	<u>11,941,729</u>	<u>4,452,679</u>

The annexed notes from 1 to 7 form an integral part of these financial statements

**Asif Ali Rashid**  
Chairman / CEO

**Aamir Ali Rashid**  
Director



**Condensed Interim Cash Flow Statement (unaudited)  
For the quarter / period ended March 31, 2012**

Notes	March 31	
	2012	2011
	----- Rupees -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	14,158,072	20,368,186
<b>Adjustments for:</b>		
Depreciation	1,342,480	1,606,707
Amortization	110,726	90,638
Financial charges	144,570	66,411
Amortization of bond premium	(164,149)	-
Loss / (gain) on sale of fixed assets	(10,944)	485,360
Unrealized gain on remeasurement of HFT investments	-	1,363,032
Bad debts written off	-	57,028
Net (gain) on sale of securities	669,713	(3,495,825)
Dividend income	(483,168)	(1,448,111)
	<u>15,767,300</u>	<u>19,093,426</u>
<b>Changes in Operating Assets / Liabilities</b>		
Net investment in finance lease	64,549,049	179,454,059
Lease key money deposits	(22,130,415)	(71,984,496)
Prepayments and other receivables	2,602,123	(3,682,140)
Accrued expenses and other liabilities	(289,906)	945,155
	<u>44,730,851</u>	<u>104,732,578</u>
<b>Cash (used in) / Generated from Operations</b>	<u>60,498,150</u>	<u>123,826,004</u>
Financial charges paid	(231,943)	(74,811)
Taxes paid	(11,896,250)	(1,239,396)
	<u>(12,128,192)</u>	<u>(1,314,207)</u>
<b>Net Cash Flows from Operating Activities</b>	<u>48,369,958</u>	<u>122,511,797</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(1,739,000)	-
Purchase of Investments	(735,126,585)	(450,703,268)
Proceeds on disposal of investments	716,086,054	334,836,258
Proceeds on disposal of property and equipment	356,000	1,187,600
Dividend income	483,168	1,448,111
Deposits	-	316,397
<b>Net Cash Flows from Investing Activities</b>	<u>(19,940,362)</u>	<u>(112,914,902)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(15,000,000)	-
Liabilities against assets subject to finance lease	-	(943,036)
<b>Net Cash Flows from Financing Activities</b>	<u>(15,000,000)</u>	<u>(943,036)</u>
<b>Increase / (decrease) in cash and bank balances</b>	<u>13,429,596</u>	<u>8,653,859</u>
<b>Cash and bank balances at beginning of the period</b>	<u>3,317,015</u>	<u>48,419,016</u>
<b>Cash and bank balances at end of the period</b>	<u>16,746,611</u>	<u>57,072,875</u>

The annexed notes from 1 to 7 form an integral part of these financial statements

  
**Asif Ali Rashid**  
 Chairman / CEO

  
**Aamir Ali Rashid**  
 Director



**Condensed Interim Statement of Changes in Equity (unaudited)  
For the quarter / period ended March 31, 2012**

	Share capital	Reserve Fund	Unappropriated Profit	Unrealized loss on re-measurement of available for sale investments to fair value	Total Rupees
			(Rupees)		
<b>Balance as at June 30, 2010</b>	<b>300,000,000</b>	<b>63,208,765</b>	<b>(49,888,255)</b>	<b>12,369</b>	<b>313,332,879</b>
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	20,434,652	-	20,434,652
Transfer to statutory reserves	-	-	-	-	-
<b>Other comprehensive income / (loss)</b>					
Deficit on revaluation of investments - net	-	-	-	(2,681,843)	(2,681,843)
	<b>300,000,000</b>	<b>63,208,765</b>	<b>(29,453,603)</b>	<b>(2,669,474)</b>	<b>331,085,688</b>
Transfer from surplus on revaluation of property and equipment - net of tax	-	-	94,770	-	94,770
<b>Balance as at March 31, 2011</b>	<b>300,000,000</b>	<b>63,208,765</b>	<b>(29,358,833)</b>	<b>(2,669,474)</b>	<b>331,180,458</b>
<b>Balance as at June 30, 2011</b>	<b>300,000,000</b>	<b>67,424,141</b>	<b>(32,900,391)</b>	<b>(1,510,774)</b>	<b>333,012,976</b>
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	9,796,973	-	9,796,973
Transferred to statutory reserve during the period	-	-	-	-	-
Dividend - Final 2011 @ 5%	-	-	(15,000,000)	-	(15,000,000)
<b>Other comprehensive income / (loss)</b>					
Surplus on revaluation of investments - net	-	-	-	1,510,774	1,510,774
	<b>300,000,000</b>	<b>67,424,141</b>	<b>(38,103,418)</b>	<b>-</b>	<b>329,320,723</b>
Transfer from surplus on revaluation of property and equipment - net of tax	-	-	156,229	-	156,229
<b>Balance as at March 31, 2012</b>	<b>300,000,000</b>	<b>67,424,141</b>	<b>(37,947,190)</b>	<b>-</b>	<b>329,476,951</b>

The annexed notes from 1 to 7 form an integral part of these financial statements

**Asif Ali Rashid**  
Chairman / CEO

**Aamir Ali Rashid**  
Director



**Notes to the Condensed Interim Financial Statements (unaudited)  
For the quarter / period ended March 31, 2012**

**1 LEGAL STATUS AND OPERATIONS**

The Company was incorporated in Pakistan on April 11, 1996 as a public limited company and received certificate of commencement of business on January 27, 1997. The Company is principally engaged in the business of leasing and is listed on the Karachi Stock Exchange since 1997.

**2 BASIS OF PREPARATION**

These interim condensed financial statements are unaudited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting", as applicable in Pakistan. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2011.

**3 ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of these interim condensed financial statements are the same as those applied in preparation of financial statements for the preceding year ended June 30, 2011.

**SEGMENT REPORTING**

**Segment analysis for the period ended March 31, 2012**

	Lease	Investments and Others	Total
Segment revenues	10,357,985	17,316,396	27,674,381
Segment results	10,357,985	17,316,396	27,674,381
Unallocated expenses			(13,371,739)
Results from operating activities			14,302,642
Finance costs			(144,570)
Provision for taxation			(4,361,099)
<b>Profit / (loss) for the period</b>			<b>9,796,973</b>
<b>Other Information</b>			
Segment assets	136,404,404	321,380,706	457,785,110
<b>Total assets</b>	<b>136,404,404</b>	<b>321,380,706</b>	<b>457,785,110</b>
Segment Liabilities	55,831,990	27,298,053	83,130,043
<b>Total liabilities</b>	<b>55,831,990</b>	<b>27,298,053</b>	<b>83,130,043</b>

### Segment analysis for the period ended March 31, 2011

	Lease	Investments and Others	Total
Segment revenues	19,097,160	19,132,724	38,229,884
Segment results	19,097,160	17,769,692	36,866,852
Unallocated expenses			(16,432,254)
Results from operating activities			20,434,597
Finance costs			(66,411)
Provision for taxation			66,466
<b>Profit / (loss) for the period</b>			<b>20,434,652</b>
<b>Other Information</b>			
Segment assets	154,981,936	317,980,081	472,962,017
<b>Total assets</b>	<b>154,981,936</b>	<b>317,980,081</b>	<b>472,962,017</b>
Segment Liabilities	55,268,851	31,723,152	86,992,003
<b>Total liabilities</b>	<b>55,268,851</b>	<b>31,723,152</b>	<b>86,992,003</b>
	<b>Note</b>	<b>March 31, 2012 Unaudited</b>	<b>June 30, 2011 Audited</b>
		----- Rupees -----	

#### 4 INVESTMENTS

At fair value through profit or loss	4.1	-	21,000,997
Available-for-sale	4.2	233,664,000	192,617,256
		<b>233,664,000</b>	<b>213,618,253</b>

#### 4.1 At fair value through profit or loss

Number of Shares / Certificates		Name of Company	March 31, 2012 Unaudited		June 30, 2011 Audited	
			Cost	Market Value	Cost	Market Value
----- Rupees -----						
<b>Held for trading</b>						
These are fully paid ordinary shares of Rs. 10/- each unless stated otherwise.						
-	150,000	Azgard Nine Limited	-	-	3,840,880	828,000
-	150,000	Bank Alfalah Limited	-	-	1,553,750	1,435,500
-	50,000	Engro Corporation Limited	-	-	8,572,750	8,162,500
-	100,000	Jahangir Siddiqui & Co. Limited	-	-	650,000	648,000
-	200,000	Lotte Pakistan PTA Limited	-	-	3,141,742	2,766,000
-	350,000	Netsol Technologies Limited	-	-	7,497,926	7,160,997
			-	-	25,257,048	21,000,997
		Unrealized loss on remeasurement of held-for-trading investments	-	-	(4,256,051)	-
			-	-	<b>21,000,997</b>	<b>21,000,997</b>

#### 4.2 Available for Sale

Number of Shares / Certificates		Name of Company	Rupees			
			March 31, 2012 Unaudited		June 30, 2011 Audited	
March 31, 2012	June 30, 2011		Cost	Market Value	Cost	Market Value
<b>Listed Shares</b>						
These are fully paid ordinary shares of Rs. 10/- each unless stated otherwise.						
-	54,185	Standard Chartered Leasing Company Ltd.	-	-	480,511	135,462
			-	-	480,511	135,462
		available-for-sale investments	-	-	(365,981)	-
		Unrealized gain on revaluation of available-for-sale investments	-	-	20,932	-
			-	-	135,462	135,462
<b>Government Securities</b>						
		Pakistan Investment Bond	-	-	24,220,000	22,688,294
		Treasury Bills	233,664,000	233,664,000	169,793,500	169,793,500
			233,664,000	233,664,000	194,013,500	192,481,794
		Unrealized loss on revaluation of available-for-sale investments	-	-	(1,531,706)	-
			233,664,000	233,664,000	192,481,794	192,481,794
			233,664,000	233,664,000	192,617,256	192,617,256

#### 5 NET INVESTMENT IN FINANCE LEASE

	March 31, 2012 Unaudited			June 30, 2011 Audited		
	Not later than one year	Later than one year & less than five years	Total	Not later than one year	Later than one year & less than five years	Total
	Rupees					
Installments Contract Receivable	66,393,877	27,475,996	93,869,873	87,756,334	59,624,125	147,380,459
Residual Value of Leased Assets	12,157,646	43,674,345	55,831,991	20,080,805	57,881,600	77,962,405
Lease Contract Receivable	78,551,523	71,150,341	149,701,864	107,837,139	117,505,725	225,342,864
Unearned Lease Income	(7,344,999)	(2,963,892)	(10,308,891)	(15,491,518)	(8,897,893)	(24,389,411)
Markup held in suspense	(2,988,569)	-	(2,988,569)	-	-	-
	(10,333,568)	(2,963,892)	(13,297,460)	(15,491,518)	(8,897,893)	(24,389,411)
Net Investment in Finance Lease	68,217,955	68,186,449	136,404,404	92,345,621	108,607,832	200,953,453

The Company has entered into various lease agreements for periods ranging from 3 to 5 years, carrying implicit rate of return ranging from 16.81 to 21.00 percent per annum (June 30, 2011: 13.95 to 23.01 percent per annum).

#### 6 DATE OF AUTHORIZATION

These interim condensed financial statements were authorized for issue in the Board of Directors meeting held on April 14, 2012.

**7 GENERAL**

- 7.1 The figures of the corresponding period have been rearranged wherever necessary for the purpose of comparison.
- 7.2 Figures have been rounded off to the nearest rupee.



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**Asif Ali Rashid**  
Chairman / CEO



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**Aamir Ali Rashid**  
Director