FINANCIAL STATEMENTS
OF
TASDEEQ INFORMATION SERVICES LIMITED
FOR THE YEAR ENDED
DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS TASDEEQ INFORMATION SERVICES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Tasdeeq Information Services Limited** (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2024 and of the loss and other comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

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

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

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

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

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

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Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

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- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Sajjad Hussain Gill.

LAHORE

DATED: May 07, 2025

UDIN: AR202410087KVITNUCJz

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CHARTERED ACCOUNTANTS

TASDEEQ INFORMATION SERVICES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	7	38,573,206	49,209,457
Intangible assets	8	520,284,290	448,906,260
Right of use asset	9	685,983	3,429,913
Deferred tax assets - net	10	46,362,085	55,309,537
		605,905,564	556,855,166
CURRENT ASSETS			
Trade debts - unsecured	11	29,872,527	18,042,047
Advances, prepayments and other receivables	12	19,978,596	23,131,625
Tax due from government	13	829,791	516,060
Bank balances	14	3,402,225	34,220,474
		54,083,139	75,910,206
TOTAL ASSETS		659,988,703	632,765,373
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 75 million shares of Rs. 10 each	15	750,000,000	750,000,000
Issued, subscribed and paid-up share capital	15	660,000,000	500,000,000
Advance against issue of shares	16	135,423	102,387,829
Accumulated losses		(297,435,197)	(232,268,624)
		362,700,226	370,119,205
Subordinated Loan	17	156,669,831	-
Contribution from Sponsors	18	16,781,240	-
		536,151,297	370,119,205
NON CURRENT LIABILITIES			
Deferred liabilities	19	37,049,324	36,178,460
Lease liability	20	-	1,576,169
		37,049,324	37,754,629
CURRENT LIABILITIES			
Current portion of lease liability	21	1,576,169	2,587,859
Trade and other payables	22	85,211,913	189,553,680
Loan from associates - unsecured	23	-	32,750,000
		86,788,082	224,891,539
TOTAL EQUITY AND LIABILITIES		659,988,703	632,765,373
CONTINGENCIES AND COMMITMENTS	24		

The annexed notes from 1 to 42 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER **DIRECTOR**

TASDEEQ INFORMATION SERVICES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rupees	2023 Rupees
Revenue from contracts with customers - net	25	184,755,281	167,258,124
Cost of revenue	26	(38,406,627)	(36,944,408)
Gross profit		146,348,654	130,313,716
General and administrative expenses	27	(201,167,107)	(170,784,321)
Operating loss		(54,818,453)	(40,470,605)
Finance cost	28	(4,240,075)	(26,102,013)
Other operating expense - *exchange loss*		(26,157)	(1,343,794)
Other income	29	1,324,662	14,149,769
Loss before levy and taxation		(57,760,023)	(53,766,643)
Levy	30	(7,296,229)	(6,778,089)
Loss before income tax		(65,056,252)	(60,544,732)
Taxation	31	(6,392,432)	(8,543,346)
Loss for the year		(71,448,683)	(69,088,078)

The annexed notes from 1 to 42 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER **DIRECTOR**

TASDEEQ INFORMATION SERVICES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rupees	2023 Rupees
Loss for the year		(71,448,683)	(69,088,078)
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement loss on defined benefit plan	19	8,848,042	856,425
Related deferred tax	10	(2,565,932)	(248,363)
		6,282,110	608,062
Items that may be reclassified to profit or loss in subsequent periods		-	-
Total comprehensive loss for the year		(65,166,573)	(68,480,016)

The annexed notes from 1 to 42 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER **DIRECTOR**

TASDEEQ INFORMATION SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

	Issued, subscribed and paid-up share capital	Revenue reserve	Advance against issue of shares	Subordinated Loan	Capital reserves	Total
		Accumulated loss			Contribution from Sponsors	
	--	Rupees	--			
Balance as at January 01, 2022	500,000,000	(163,788,608)	-	-	-	336,211,392
Total comprehensive income for the year:						
Loss for the year	-	(69,088,078)	-	-	-	(69,088,078)
Advance against issue of shares	-	-	102,387,829	-	-	102,387,829
Other comprehensive income for the year	-	608,062	-	-	-	608,062
	-	(68,480,016)	102,387,829	-	-	33,907,813
Balance as at December 31, 2023	500,000,000	(232,268,624)	102,387,829	-	-	370,119,205
Total comprehensive income for the year:						
Loss for the year	-	(71,448,683)	-	-	-	(71,448,683)
Advance against issue of shares	-	-	(102,252,406)	-	-	(102,252,406)
Shares subscribed during the year	160,000,000	-	-	-	-	160,000,000
Subordinated loan received during the year	-	-	-	156,669,831	-	156,669,831
Contribution received during the year	-	-	-	-	16,781,240	16,781,240
Other comprehensive income for the year	-	6,282,110	-	-	-	6,282,110
	160,000,000	(65,166,573)	(102,252,406)	156,669,831	16,781,240	166,032,092
Balance as at December 31, 2024	660,000,000	(297,435,197)	135,423	156,669,831	16,781,240	536,151,297

The annexed notes from 1 to 42 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER **DIRECTOR**

TASDEEQ INFORMATION SERVICES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(57,760,023)	(53,766,643)
Adjustment for non-cash and other items:			
Depreciation on property and equipment	7	12,273,571	9,342,998
Depreciation on right-of-use asset	9	2,743,930	2,743,930
Amortization of intangible assets	8	1,428,648	1,646,016
Allowance for expected credit losses	27	156,107	663,030
Financial charges	28	4,240,075	26,102,013
Provision for gratuity	27	16,411,801	13,589,988
Unrealized exchange loss	0	26,157	1,343,794
Gain on disposal of assets	29	-	(10,172,398)
Security deposit written off		-	2,269,600
Operating profit before working capital changes		(20,479,734)	(6,237,673)
Working capital changes			
(Increase) / decrease in current assets:			
Trade debts	11	(12,012,744)	10,064,639
Advances, prepayments and other receivables	12	3,153,029	(3,259,451)
Increase in current liabilities:			
Trade and other payables	22	(87,560,527)	32,162,611
Cash (used in) / generated from operations		(116,899,976)	38,967,800
Levy / income tax paid		(7,620,870)	(9,298,015)
Finance cost paid		(4,240,075)	(7,615,584)
Gratuity paid	19	(6,692,895)	(1,506,350)
Net cash flows (used in) / generated from operating activities		(135,453,817)	14,269,741
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property and equipment	7	(1,637,320)	(23,855,450)
Proceeds from sale of property and equipment	7	-	15,000,000
Additions to intangible assets	8	(1,300,000)	(3,944,183)
Additions to capital work in progress	8	(71,506,678)	(81,924,952)
Net cash used in investing activities		(74,443,998)	(94,724,585)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of lease liability	20	(2,587,859)	(2,009,814)
Amount received against issuance of shares	16	-	102,387,829
Amount received against issuance of shares		57,747,594	-
Subordinated loan obtained	23	153,919,831	31,350,000
Repayment of loan from associated company		(30,000,000)	(43,900,000)
Net cash generated from financing activities		179,079,566	87,828,015
Net (decrease) / increase in cash and cash equivalents		(30,818,249)	7,373,171
Cash and cash equivalents at the beginning of the year		34,220,474	26,847,303
Cash and cash equivalents at the end of the year		3,402,225	34,220,474

The annexed notes from 1 to 42 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

DIRECTOR

TASDEEQ INFORMATION SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Tasdeeq Information Services Limited (the Company) formerly named as 'Aequites Information Service Limited' was incorporated in Pakistan on March 25, 2016 as a public limited company under the Companies Ordinance, 1984 (repealed by the Companies Act, 2017). The Company's registered office is located at Building 8, Sector B, Commercial Area, Phase V, DHA, Lahore. The main objectives of the Company are to carry out the business of a Credit Information Company for collecting credit information as permissible by law relating to debtors of banks, financial institutions, non-banking financial institutions, non-financial companies and other lenders or authorities including retailers, insurance companies, utility providers and also to collect and maintain any credit information, with respect to individuals, partnerships, corporations, institutions, trusts, estates, cooperatives, associations, Government or Governmental subdivisions or agencies or any other entity.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

Head Office	3rd Floor, Awami Complex, 1-4 Usman Block, New Garden Town, Lahore.
Regional Office	3rd Floor, PNSC Building, Moulvi Tameezuddin Khan Road, Karachi.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 Accounting convention

These financial statements have been prepared under the historical cost convention except for recognition of certain staff retirement benefits which are measured at present value.

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3.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency for the Company.

4 CHANGE IN ACCOUNTING POLICY

During the year, the Company change its accounting policy of recognizing the portion of income tax paid or payable for the year under the Income Tax Ordinance, 2001, not based on the taxable profit of the Company, as a Levy under IFRIC 21/IAS 37 instead of current income tax for the year under IAS-12.

The management believes that the new policy provides reliable and more relevant information to the users of the financial statements.

The change in accounting policy has been implemented, and last year's figures have been reclassified. However, the change has not been applied retrospectively because its impact on the prior year financial statements is immaterial.

The Company has opted approach b, which state that the final tax not based on taxable profit are recogized as levy in the statement of profit or loss.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2024

The following stantdards, amendments and interpretations are effective for the year ended December 31, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice	January 01, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2024
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2024

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Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

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

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

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

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IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

These financial statements have been prepared in accordance with International Financial Reporting Standards issued by International Accounting Standard Board as adopted by Securities and Exchange Commission of Pakistan (SECP), 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 and other factors involving a higher degree of expectations of future events that are believed to be reasonable under the circumstances.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

	Notes
- Allowance for expected credit loss	6.8.5
- Useful life and residual value of property and equipment	6.1
- Taxation	6.9
- Impairment of non-financial and financial assets	6.2
- Deferred liabilties	6.1

6 MATERIAL ACCOUNTING POLICIES INFORMATION

6.1 Property and equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment loss, if any, except for capital work in progress which is stated at cost less impairment loss, if any. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and includes other costs directly attributable to the acquisition or construction including expenditures on material, labor and overheads directly relating to construction, erection and installation of items of property and equipment.

Capital work-in-progress is stated at cost less identified impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when they are available for use.

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Depreciation is charged to statement of profit or loss by applying the straight line method as per the useful lives specified in Note 7, which are considered appropriate to write off the cost of the assets over their useful economic lives. Depreciation on additions is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed. Normal repairs and maintenance costs are charged to statement of profit or loss for the year. Major renewals and improvements are capitalized. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying value and are included in the statement profit or loss.

6.2 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indications exist, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Company that generates cash flows that is largely independent from other assets and Company. Impairment losses are recognized as expense in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Impaired assets are reviewed for possible reversal of the impairment at each statement of financial position date. Reversal of the impairment losses are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment losses had been recognized. A reversal of impairment loss is recognized in the profit and loss account.

6.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

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Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

6.3.1 Research and development costs for CIB application

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing The intangible asset so that the asset will be available for use or sale;
- Its intention to complete and Its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset;
- The ability to measure reliably the expenditure during development ;

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated impairment losses. The Company's core business is to use CIB Application to process data and extract various reports and analysis which makes the CIB application a key asset for the Company's operations. As a result, CIB application is assessed as having an indefinite useful life.

6.3.2 Software

The Company made upfront payments to acquire software. The software have been acquired for a period of 3 years with the option of renewal at the end of the year.

A summary of the policies applied to the Company's intangible assets is, as follows:

	CIB Application	**Software**
Useful lives	Indefinite	Finite (3 years)
Amortization method	No amortization	Amortized on a straight-line basis over the useful lives
Internally generated or acquired	Internally generated	Acquired

6.4 Leases

Right of use assets

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

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The right of use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Lease liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

6.5 Trade debts

Trade debts and other receivables are recognized and carried at original invoiced amount which is the fair value of the consideration to be received in future for goods sold. The Company is required to recognize allowance for doubtful debts on all financial assets carried at amortized cost in accordance with Expected Credit Loss (ECL) requiring to recognize the loss irrespective whether the loss event has occurred.

6.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at the book value which approximates their fair value. For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and cash at banks in current and savings accounts.

6.7 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received whether billed or not to the Company.

6.8 Financial Instruments

6.8.1 Recognition and initial measurement

All financial assets or financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

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A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A receivable without a significant financing component is initially measured at the transaction price.

6.8.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortized cost

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

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

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

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets measured at amortized cost comprise of advances to be settled in cash, deposits, trade debts, other receivables and bank balances.

Debt Instrument - FVOCI

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. However, the Company has no such instrument at the reporting date.

Equity Instrument - FVOCI

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss. However, the Company has no such instrument at the reporting date.

Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. However, the Company has no such instrument at the reporting date.

Financial assets – Business model assessment:

For the purposes of the assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

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Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Financial liabilities comprise lease liabilities, trade and other payables, long term financing and loan from associates.

6.8.3 Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company might enter into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

6.8.4 Trade receivables, deposits and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery.

6.8.5 Impairment

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

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The Company recognizes loss allowance for Expected Credit Losses (ECLs), except for the following, which are measured at 12-month ECLs, on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company applies the IFRS 9 simplified approach to measure the expected credit losses which uses a lifetime expected loss allowance. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Management uses actual credit loss experience over a past years to base the calculation of ECL.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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6.8.6 Offsetting of financial assets and financial liabilities

A financial asset and financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

6.9 Taxation

a) Current Tax

The charge for current year is higher of the amount computed on taxable income at the current rates of taxation after taking into account tax credits and rebates, if any, and minimum tax computed at the prescribed rate on turnover or alternative corporate tax. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

b) Deferred

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

Deferred tax liability is recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, if any, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled based on tax rates that have been enacted or substantially enacted at the reporting date.

6.10 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in the statement of profit or loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

BDO

6.11 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in IFRS 15:

Step 1. Identify contract (s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognize revenue when (or as) the Company satisfies a performance obligation.

The Company contracts with its customers for providing various credit information related reports against an agreed price, which generally include single performance obligation. The performance obligation is satisfied upon delivery of report to the customer which is monthly. The management has concluded that revenue from sale of services should be recognized at the point in time when control of the report is transferred to the customer, which is when the customer obtains the required reports from the Company. Invoices are generated at each month and revenue is recognized at that point in time, as the control has been transferred to the customers.

6.12 Staff retirement benefits

Defined benefit plan (Gratuity Fund)

The Company operates an un-funded gratuity scheme for all its permanent employees who have attained retirement age, died or resigned during service period and have served for the minimum qualification period. Provision is based on the actuarial valuation of the scheme carried out as at December 31, 2024 using the Projected Unit Credit Method in accordance with IAS-19 "Employee Benefits" and resulting vested portion of past service cost has been charged to income in the current year. The remeasurement gains / losses as per actuarial valuation done at financial year end are recognized immediately in other comprehensive income and all other expenses are recognized in accordance with IAS 19 "Employee Benefits" in the consolidated statement of profit or loss account.

BDO

	Note	2024 Rupees	2023 Rupees
7 PROPERTY AND EQUIPMENT	7.1	38,573,206	49,209,457

7.1 Operating fixed assets

The following is the schedule of property and equipment:

Description	Furniture and fixtures	Office and other equipments	Computer and Accessories	Specialised server and IT Equipment	Leasehold Improvements	Total
	(Rupees)					
Net carrying value basis						
Year ended December 31, 2024						
Opening net book value (NBV)	2,887,707	4,101,013	4,622,321	25,472,442	12,125,974	49,209,457
Additions / transfer (at cost)	90,000	44,920	1,502,400	-	-	1,637,320
Disposals (NBV)	-	-	-	-	-	-
Depreciation charge	(506,728)	(433,625)	(2,461,817)	(4,324,672)	(4,546,729)	(12,273,571)
Closing net book value	2,470,979	3,712,308	3,662,904	21,147,770	7,579,245	38,573,206
Gross carrying value basis						
Cost	4,157,669	4,437,849	14,927,734	43,246,721	13,641,550	80,411,523
Accumulated depreciation	(1,686,690)	(725,541)	(11,264,830)	(22,098,951)	(6,062,305)	(41,838,317)
Net book value	2,470,979	3,712,308	3,662,904	21,147,770	7,579,245	38,573,206
Net carrying value basis						
Year ended Decmeber 31, 2023						
Opening net book value (NBV)	4,074,330	2,381,355	4,273,326	28,795,594	-	39,524,605
Additions / transfer (at cost)	2,342,480	4,171,200	2,698,700	1,001,520	13,641,550	23,855,450
Disposals (NBV)	(2,791,567)	(2,036,033)	-	-	-	(4,827,600)
Depreciation charge	(737,536)	(415,509)	(2,349,705)	(4,324,672)	(1,515,576)	(9,342,998)
Closing net book value	2,887,707	4,101,013	4,622,321	25,472,442	12,125,974	49,209,457
Gross carrying value basis						
Cost	4,067,669	4,392,929	13,425,334	43,246,721	13,641,550	78,774,203
Accumulated depreciation	(1,179,962)	(291,916)	(8,803,013)	(17,774,279)	(1,515,576)	(29,564,746)
Net book value	2,887,707	4,101,013	4,622,321	25,472,442	12,125,974	49,209,457
Depreciation rate % per annum	10 - 20	10	30	10	33	

BDO

		Note	2024 Rupees	2023 Rupees
7.2	The depreciation charge for the year has been allocated as follows:			
	Cost of revenue	26	4,324,672	4,324,672
	General and administrative expenses	27	7,948,899	5,018,326
			12,273,571	9,342,998

7.2.1 Depreciation expense related to specialized servers and IT equipment is charged to direct cost, as it is the directly attributable cost to revenue.

7.2.2 Operating fixed assets includes fully depreciated assets amounting to Rs. 6,507,543 (2023: Rs. 4,935,706).

8 INTANGIBLE ASSETS

		Note	2024 Rupees	2023 Rupees
	Operating intangible assets	8.1 and 8.2	498,347,649	428,036,308
	Capital work in progress	8.3	21,936,641	20,869,952
			520,284,290	448,906,260
8.1	**Computer software**			
	Net carrying value			
	Opening balance		2,532,144	1,233,977
	Addition during the year		-	2,944,183
	Amortization charge	26	(1,428,648)	(1,646,016)
	Net book value		1,103,496	2,532,144
	Gross carrying value			
	Cost		7,950,197	7,950,197
	Accumulated amortization		(6,846,701)	(5,418,053)
	Net book value		1,103,496	2,532,144
	Amortization % per annum		33	33

8.1.1 The amortization charge for the year has been allocated as follows:

		Note	2024 Rupees	2023 Rupees
	Cost of revenue	26	1,428,648	1,646,016
8.2	**CIB application**			
	Net carrying value			
	Opening balance		425,504,164	301,004,164
	Addition during the year		1,300,000	1,000,000
	Transferred from capital work in progress		70,439,989	123,500,000
	Net book value		497,244,153	425,504,164
	Gross carrying value			
	Cost		497,244,153	425,504,164
	Accumulated amortization		-	-
	Net book value		497,244,153	425,504,164

BDO

	2024 Rupees	2023 Rupees
8.2.1 Impairment test on intangible assets with indefinite useful lives		
The company is considered as a single CGU.		
Carrying amount allocated to CGU	497,244,153	425,504,164

This relates to the CIB application as mentioned in note 8.2. The Company performed its annual impairment test in December 2024 and December 2023. The recoverable amount of the CGU of Rs. 1,297 million as at December 31, 2024 has been determined based on a value in use calculation using cash flow projections from financial budgets approved by Board of Directors covering a five-year period. The pre-tax discount (WACC) rate applied to cash flow projections is 18% and cash flows beyond the five-year period are extrapolated using a 5% growth rate that is the same as the long-term average growth rate for economy. It was concluded that the fair value less costs of disposal cannot be estimated, therefore, value in use has been compared with the carrying amount. As a result of this analysis, management has not recognised any impairment charge.

Key assumptions used in discounted cashflows calculations

The calculation of value in use for CGU is most sensitive to the following assumptions:
- Discount rates
- Growth rates used to extrapolate cashflows beyond the forecast period.

Discount rates

Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company which is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the investors. Segment-specific risk (Banks and technology companies) is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Growth rates

Growth rate estimates are used to extrapolate cashflows beyond the five-year forecast period are based on GDP rates published in "Economic Survey of Pakistan 2023 to 2024".

Sensitivity to changes in assumptions

Growth Rates

The effect of new entrants and change in market demand is not expected to have an adverse impact on the forecasts. A decline in long-term growth rate by 1% will decrease the recoverable amount by Rs 133.487 million.

Discount rates

A rise in the pre-tax discount rate by 1% will result in the decrease in the recoverable amount by Rs. 113.474 million.

BDO

	Note	2024 Rupees	2023 Rupees

8.3 Capital Work in Progress - internally generated

	Note	2024 Rupees	2023 Rupees
CIB Application	8.3.1	21,936,641	20,869,952

8.3.1 Movement of carrying amount is as follows:

	Note	2024 Rupees	2023 Rupees
Opening balance		20,869,952	62,445,000
Additions at cost		71,506,678	81,924,952
Transferred to operating intangible assets	8.2	(70,439,989)	(123,500,000)
Closing balance		21,936,641	20,869,952

9 RIGHT OF USE ASSET

The following is the statement of right-of use assets:

9.1 Buildings

	2024 Rupees	2023 Rupees
Net carrying value basis		
Opening net book value (NBV)	3,429,913	4,577,364
Additions (Cost)	-	6,173,842
Disposals (at NBV)	-	(4,577,364)
Depreciation charge	(2,743,930)	(2,743,930)
Closing net book value (NBV)	685,983	3,429,913
Gross carrying value basis		
Cost	6,173,842	6,173,842
Accumulated depreciation	(5,487,859)	(2,743,929)
Closing net book value (NBV)	685,983	3,429,913
Depreciation rate (%) per annum	40	40

9.1.1 Right of use asset comprise of rented premises i.e. Head office Lahore. The lease will expire on June 30, 2025.

10 DEFERRED TAX ASSET - NET

	Note	2024 Rupees	2023 Rupees
Deferred tax assets - net	10.1	46,362,085	55,309,537

BDO

		Note	2024 Rupees	2023 Rupees
10.1	**Deferred tax arisen during the year on the following items**			
	Deductible / (taxable) temporary differences			
	- Property and equipment		(3,666,514)	(5,295,182)
	- Right of use asset		(198,935)	(882,614)
	- Intangibles assets		(54,508,105)	(50,798,708)
			(58,373,555)	(56,976,504)
	- Allowance for expected credit losses		857,634	812,363
	- Provision for gratuity		10,744,304	10,491,753
	- Lease liability		457,089	1,207,574
	- Brought forward losses		92,676,613	99,774,351
			104,735,639	112,286,041
			46,362,085	55,309,537

10.2 The recognition of deferred tax asset is based upon whether it is more likely than not that sufficient taxable profits will be available against which the unutilized losses can be deducted. The deferred tax asset has been recognized on tax losses aggregating to Rs. 319 million (December 31, 2023: Rs. 344 million) for tax years 2020 to 2024, based on the projections keeping in view the future business prospects.

		Note	2024 Rupees	2023 Rupees
10.3	The gross movement in the deferred tax asset during the year is as follow:			
	Opening deferred tax as at January 01,		55,309,537	61,581,320
	Charged to profit and loss	31	(6,381,520)	(6,023,420)
	Charged to other comprehensive income		(2,565,932)	(248,363)
	Closing deferred tax as at December 31,		46,362,085	55,309,537

11 TRADE DEBTS

	Note	2024 Rupees	2023 Rupees
Unsecured			
Considered good		32,829,884	20,843,297
Less: Allowance for expected credit losses (ECL)	11.1	(2,957,357)	(2,801,250)
		29,872,527	18,042,047

11.1 Movement of expected credit losses is as follows:

	2024 Rupees	2023 Rupees
Opening balance	2,801,250	2,138,220
Expected credit losses for the year	156,107	663,030
Closing balance	2,957,357	2,801,250

BDO

		Note	2024 Rupees	2023 Rupees
12	**ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**			
	Advances - unsecured, considered good			
	- to employees against expenses	12.1	271,420	211,201
	- to suppliers		948,750	948,750
	Prepayments	12.2	18,753,084	13,771,010
	Other receivables (related parties)		5,342	8,200,664
			19,978,596	23,131,625

12.1 This includes advances provided to employees to meet business expenses.

12.2 This includes payment made against annual subscription and support for software and hardware.

13 TAX DUE FROM GOVERNMENT

Advance income tax		829,791	516,060

14 BANK BALANCES

	Note	2024	2023
Balances at banks			
- current accounts		261,299	716,370
- saving accounts	14.1	3,140,925	33,504,104
		3,402,225	34,220,474

14.1 These carry profit at the rate ranging from 12% to 20% (2023: 17% to 20%) per annum.

15 SHARE CAPITAL

15.1 Authorized share capital

75,000,000 (December 31, 2023: 75,000,000) ordinary shares of Rs. 10/- each	750,000,000	750,000,000

15.2 Issued, subscribed and paid up capital

66,000,000 (December 31, 2023: 50,000,000) ordinary shares of Rs. 10/- each	660,000,000	500,000,000

15.2.1 Movement of the issued, subscribed and paid up capital is as follow:

Opening balance	500,000,000	500,000,000
Issued during the year	160,000,000	-
Closing balance	660,000,000	500,000,000

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		Note	2024 Rupees	2023 Rupees
16	**ADVANCE AGAINST ISSUE OF SHARES**			
	Advance against issue of shares	16.1	135,423	102,387,829

16.1 During the year, the Company has issued shares against advance. The Board has approved issue of right shares in a meeting held on September 18, 2023.

17	**SUBORDINATED LOAN**			
	Tenx (Private) Limited		118,369,831	-
	Aequitas (Private) Limited		38,300,000	-
		17.1	156,669,831	-

17.1 These represent interest free - subordinated loans from sponsors of the Company and may convertible into equity.

18	**CONTRIBUTION FROM SPONSOR**			
	Markup waived off on subordinated loan	18.1	16,781,240	-

18.1 During the year, Tenx (Private) Limited waived markup on the subordinated loan.

19	**DEFERRED LIABILITIES**			
	Gratuity payable - unfunded	19.1	37,049,324	36,178,460

19.1 Gratuity payable - unfunded
General description

The scheme provides for terminal benefits for all its permanent employees who qualify for the scheme. The defined benefit payable to each employee at the end of his service comprises of total number of years of his service multiplied by last drawn basic salary including cost of living allowance.

Annual charge is based on actuarial valuation carried out by an independent approved valuer M/S Nauman Associates as at December 31, 2024 using the Projected Unit Credit method.

The Company faces the following risks on account of gratuity:

Final salary risk - The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macro-economic factors), the benefit amount increases as salary increases.

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Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to market yields on government bonds. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

		Note	2024 Rupees	2023 Rupees
19.1	The amounts recognized in the financial statements are as follows:			
	Opening liability		36,178,460	29,887,937
	Current service cost	19.2	11,322,839	9,723,358
	Interest cost on defined benefit obligation	19.2	5,088,962	3,866,630
	Benefits due but not paid		(3,486,270)	(4,936,690)
	Benefits paid / payable		(3,206,625)	(1,506,350)
	Actuarial loss from changes in financial assumptions	19.3	(196,102)	74,230
	Experience adjustment		(8,651,940)	(930,655)
	Closing liability		37,049,324	36,178,460
19.2	The amounts recognized in profit and loss are as follows:			
	Current service cost		11,322,839	9,723,358
	Interest cost on defined benefit obligation		5,088,962	3,866,630
			16,411,801	13,589,988
19.3	Remeasurements recognized in other comprehensive income (OCI) are as follows:			
	Actuarial loss from changes in financial assumptions		(196,102)	74,230
	Experience adjustment		(8,651,940)	(930,655)
			(8,848,042)	(856,425)
19.1.4	Significant actuarial assumptions			
	Discount rate used for interest cost		15.50%	14.50%
	Discount rate used for year-end obligation		12.25%	15.50%
	Salary increase used for year end obligation		11.25%	14.50%
	Next salary is increased at		Jan 01, 2025	Jan 01, 2024

BDO

19.1.5 Estimated expenses to be charged to statement of profit or loss for the year ended December 31, 2025 shall be Rs. 12,739,931 (December 31, 2024: Rs. 15,705,583).

	Note	2024 Rupees	2023 Rupees
19.1.6 Sensitivity Analysis			
Discount Rate + 100 bps		35,396,007	34,451,407
Discount Rate - 100 bps		38,962,664	38,190,865
Salary Increase + 100 bps		39,009,031	38,251,295
Salary Increase - 100 bps		35,325,071	34,367,917
19.1.7 Mortality Rates		SLIC 2001-2005	SLIC 2001-2005

20 LEASE LIABILITY

The liability against assets represents lease of building. The amount of future payments for the period in which the lease payments become due are as follows:

	2024	2023
Unsecured		
Opening balance	4,164,028	6,335,426
Add: Addition during the year	-	6,173,842
Less: Disposals during the year	-	(6,335,426)
Less: Payments made during the year	(2,990,820)	(2,782,164)
Add: Interest expense for the year	402,961	772,350
Closing balance	1,576,169	4,164,028
Contractual maturity of remaining lease commitments		
Within one year	1,607,568	2,990,826
Between two and five years	-	1,607,569
Total un-discounted lease commitments	1,607,568	4,598,395
Discounted lease liability using the incremental borrowing rate	1,576,169	4,164,028
Current portion	(1,576,169)	(2,587,859)
Non current portion	-	1,576,169

21 CURRENT PORTION OF LEASE LIABILITY

	2024	2023
Liabilities against assets subject to finance lease	1,576,169	2,587,859

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22	TRADE AND OTHER PAYABLES	Note	2024 Rupees	2023 Rupees
	Trade and other creditors		26,897,476	7,787,719
	Accrued expenses	22.1	13,955,639	19,177,432
	Withholding tax payable		6,516,207	6,795,529
	Sales tax payable		8,957,307	2,308,915
	Payable to related parties	22.2	28,885,284	153,484,085
			85,211,913	189,553,680

22.1 This includes Rs.1,150,000 payable (2023: 1,525,000) to directors for attending board meetings during the year.

22.2 This includes balances payable to following related parties against purchase of services and shared expenses:

Tenx (Private) Limited	25,519,699	141,323,905
Pakistan Microfinance Network	1,529,095	3,743,271
Aequitas (Private) Limited	-	7,235,774
The Pakistan Credit Rating Agency Limited	1,836,490	1,181,135
BDO	28,885,284	153,484,085

	Note	2024 Rupees	2023 Rupees

23 LOAN FROM ASSOCIATES - UNSECURED

Aequitas (Private) Limited		-	2,750,000
The Pakistan Credit Rating Agency Limited		-	30,000,000
		-	32,750,000

23.1 The maximum outstanding balances at the end of any month are Rs. 2,750,000 (2023: 2,750,000) and Rs. 32,750,000 (2023: 32,750,000).

24 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at reporting date. (2023: Nil).

25 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

		2024 Rupees	2023 Rupees
Gross revenue			
Domestic		198,604,688	191,585,283
Export sales		12,067,179	-
		210,671,867	191,585,283
Less: sales tax		(25,916,586)	(24,327,159)
Net sales		184,755,281	167,258,124

25.1 Timing of revenue recognition

		2024 Rupees	2023 Rupees
Revenue recognized at a point in time		184,755,281	167,258,124

Geographical region:

		2024 Rupees	2023 Rupees
Pakistan		172,688,102	167,258,124
USA		12,067,179	-
		184,755,281	167,258,124

26 COST OF REVENUE

	Note	2024 Rupees	2023 Rupees
Data center charges		5,764,310	5,402,948
Service Level Agreement CIB Application		-	6,730,521
Service Level Agreement other software		18,031,916	12,391,177
Service Level Agreement Hardware		8,857,081	6,449,074
Amortization of intangibles		1,428,648	1,646,016
Depreciation of operating fixed assets	7.2	4,324,672	4,324,672
		38,406,627	36,944,408

BDO

		Note	2024 Rupees	2023 Rupees
27	**GENERAL AND ADMINISTRATIVE EXPENSES**			
	Salaries, wages and other benefits	27.1	132,258,118	110,924,988
	Rent, rates and taxes		2,476,382	6,815,537
	Travelling and conveyance		4,005,415	3,410,923
	Advertisement		15,362,445	8,228,154
	Facilitation fee		7,275,920	11,017,042
	Legal and professional		5,442,734	2,150,396
	Utilities		5,854,900	4,201,337
	Office expense		5,233,336	3,358,187
	Repair and maintenance		691,542	2,223,869
	Insurance		1,345,150	1,642,732
	Fee and subscriptions		4,877,200	3,675,000
	Entertainment		2,665,099	2,404,170
	Charity and donation	27.2	734,505	664,443
	Security services		418,880	227,065
	Auditors' remuneration	27.3	1,092,500	925,000
	Printing and stationery		584,045	490,193
	Allowance for expected credit losses		156,107	663,030
	Depreciation of operating fixed assets	7	7,948,899	5,018,326
	Depreciation of right of use assets	9	2,743,930	2,743,929
			201,167,107	170,784,321

27.1 Salaries, wages and other benefits include Rs. 16,411,801 (2023: Rs. 13,589,988) in respect of gratuity fund contribution by the Company.

27.2 Charity and donation amounting to Rs. 734,505 for the year ended December 31, 2024 (2023: Rs. 664,443) were paid to Akhuwat Islamic Microfinance.

27.3 Auditors' remuneration

Statutory audit fee	950,000	800,000
Out of pocket expense	95,000	85,000
Punjab sales tax	47,500	40,000
	1,092,500	925,000

28 FINANCE COST

Mark-up on lease liability		402,961	772,350
Mark-up on loan from associated company		3,771,320	13,650,573
Delayed payment interest	28.1	-	11,638,652
Bank charges		65,794	40,437
		4,240,075	26,102,013

28.1 This includes interest charged on delayed payments to Tenx (Private) Limited at the rate of Nil (2023: 3 months KIBOR plus 3%, as per the agreement).

BDO

		Note	2024 Rupees	2023 Rupees
29	**OTHER INCOME**			
	Interest income on savings account	14.1	1,324,662	2,219,307
	Gain on sale of operating fixed assets		-	10,172,398
	Gain on sale of right of use assets		-	1,758,064
			1,324,662	14,149,769
30	**LEVY**			
	Minimum tax	30.1	7,296,229	6,778,089

30.1 This represents minimum taxes paid under Section 153(1)(b) of Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21/IAS 37.

30.2 As the tax charge represent minimum tax under section 153(1)(b) of the income Tax Ordinance, 2001, numerical reconciliation between the average effective tax rate and the applicable tax rate is not prepared and presented.

		Note	2024 Rupees	2023 Rupees
31	**TAXATION**			
	Current:			
	Prior year adjustments		10,912	2,519,926
			10,912	2,519,926
	Deferred tax	10.3	6,381,520	6,023,420
			6,392,432	8,543,346

32 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participations at the measurement date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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

BDO

32.1 FINANCIAL INSTRUMENT BY CATEGORY

	Carrying amount		
	Amortised cost	Fair value	Total
	----------Rupees ----------		
2024			
Financial assets			
Trade debts	29,872,527	-	29,872,527
Advances and other receivables	19,978,596		
Other receivables	5,342	-	5,342
Bank balances	3,402,225	-	3,402,225
	53,258,690	-	33,280,094
Financial liabilities			
Lease liability	1,576,169		1,576,169
Creditors, accrued and other liabilities	55,782,760		55,782,760
	57,358,929	-	57,358,929
2023			
Financial assets			
Trade receivable	18,042,047	-	18,042,047
Other receivables	8,200,664	-	8,200,664
Cash and bank balances	34,220,474	-	34,220,474
	60,463,185	-	60,463,185
Financial liabilities			
Lease liability	4,164,028	-	4,164,028
Loan from associates - unsecured	32,750,000	-	32,750,000
Creditors, accrued and other liabilities	161,271,804	-	161,271,804
	198,185,832	-	198,185,832

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33 FINANCIAL INSTRUMENTS

33.1 Financial risk management

The Company's activities expose it to a variety of financial risks:

- Credit risk
- Liquidity risk
- Market risk (including currency risk, interest rate risk and price risk)

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

33.2 Risk management framework

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

33.3 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted, without taking into account the fair value of any collateral. The Company does not have significant exposure to any individual counter party.

33.3.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	2024 Rupees	2023 Rupees
Trade debts - unsecured	11	29,872,527	18,042,047
Bank balances	14	3,402,225	34,220,474
Other receivables	12	5,342	8,200,664
		33,280,094	60,463,185

Bank balances

The Company held balance amounting to Rs. 3.402 million as at December 31, 2024 with banks which are rated A1+ based on PACRA and VIS ratings.

Impairment on banks has been measured on a 12 month expected loss basis and reflects short term maturities of the exposure. The Company considers its bank balances have low credit risk based on the external ratings of the counterparties.

12 month probabilities of default are based on historical data supplied by VIS rating agency and PACRA for each credit rating. Loss given default (LGD) parameters generally reflect assumed recovery rates based on recovery rates assumed in Basel Guidelines for unsecured exposures.

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	Credit Ratings		Rating Agency	2024 Rupees	2023 Rupees
	Short term	Long term			
Bank Balances					
Askari Bank Limited	A1+	AA+	PACRA	246,767	715,943
Faysal Bank Limited	A1+	AA	PACRA	1,299,418	9,785,989
Samba Bank Limited	A1	AA	PACRA	1,615,848	23,689,657
Meezan Bank Limited	A-1+	AAA	VIS	40,192	28,885
MCB Bank Limited	A1+	AAA	PACRA	200,000	-
				3,402,225	34,220,474

Counterparties without external credit ratings

These include trade debts and other receivables For trade debts, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The information about the credit risk exposure on the Company's trade debts using a provision matrix is given below:

Trade Debts - Unsecured	**Trade Receivables**				
	Days past due				
December 31, 2024	**<90 days**	**90- 180 days**	**181- 270 days**	**>270 days**	**Total**
	------------------------	**(Rupees)**	----------------------------------		
Expected credit loss rate	2.14%	26.75%	50.00%	50.00%	
Estimated total gross carrying amount	24,736,081	3,188,872	1,469,485	1,681,775	31,076,213
Expected credit losses	528,844	852,883	734,743	840,888	2,957,357

Trade Debts - unsecured	**Trade Receivables**				
	Days past due				
December 31, 2023	**<90 days**	**90- 180 days**	**181- 270 days**	**>270 days**	**Total**
	-----------------------	**(Rupees)**	--------------------------------		
Expected credit loss rate	2.40%	22.26%	93.78%	93.78%	
Estimated total gross carrying	17,815,759	2,339,061	940,614	1,036,180	22,131,614
Expected credit losses	426,856	520,621	882,077	971,696	2,801,250

33.3.2 Concentration risk

Concentration of credit risk exists when the changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial assets is limited and is exposed to concentrations of credit risk as the financial assets are held with a limited number of institutions.

BDO

	2024 Rupees	2023 Rupees
Banking companies	3,402,225	34,220,474
Trade debts and other receiveables	29,877,869	26,242,711
	33,280,094	60,463,185

33.4 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner unfavourable to the Company. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and availability of adequate funds through committed credit facilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The Company finances its operations through equity, working capital loan from related parties and maintain an appropriate level of bank balance to minimize risk.

33.4.1 Exposure to liquidity risk

Contractual maturities of Financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The cash flows are undiscounted.

	Carrying amount	On demand	Upto one year or less	One to five years	Above five years
			------------------Rupees------------------		
Non-derivatives Financial liabilities					
2024					
Lease liability	-	-	1,576,169	-	-
Trade and other payables	85,211,913	-	85,211,913	-	-
	85,211,913	-	86,788,082	-	-
Non-derivatives Financial liabilities					
2023					
Lease liability	-	-	2,990,826	1,607,569	-
Trade and other payables	189,553,680	-	189,553,680	-	-
Loan from an associates	-	32,750,000	-	-	-
	189,553,680	32,750,000	189,794,506	1,607,569	-

33.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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33.5.1 Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments are as follows:

	Effective rate		Carrying amount	
	2024	2023	2024	2023
	--------(Percentage)----------		Amount in Rupees	
Non derivative financial assets				
Fixed rate instruments:				
Bank balances - saving	12% - 20%	5.3%-17.61%	3,402,225	34,220,474

	Effective rate		Carrying amount	
	2024	2023	2024	2023
	--------(Percentage)----------		Amount in Rupees	
Non derivative financial liabilities				
Variable rate instruments:				
Lease liability	17.28%	15.24%	1,576,169	4,164,028
Loan from an associate	Kibor +3%	Kibor + 3%	-	32,750,000
Delayed payment interest	Kibor +3%	12%-25.90%	-	11,638,652
			1,576,169	48,552,680

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets at fair value through profit or loss. Therefore a change in interest rate at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of one percent in interest rates at the reporting date would have increase / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables remain constant.

	100 bp Increase	100 bp Decrease
As at December 31, 2024		
Cash flow sensitivity - variable rate financial liabilities	(15,762)	15,762
As at December 31, 2023		
Cash flow sensitivity - variable rate financial liabilities	(485,527)	485,527

The sensitivity analysis prepared is not necessarily indicative of the effects on (loss) / profit for the year and assets / liability of the Company.

33.5.2 Interest rate risk management

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. Currently the Company has no short term or long term financing.

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33.5.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk on import of project related capital items mainly denominated in US dollars, foreign currency cash and bank balances and foreign currency loans. The Company's exposure to foreign currency risk for US Dollars is as follows:

	USD 2024	USD 2023
Foreign currency transaction	43,313	69,398

The following significant exchange rates have been applied:

	Average rate for the period		Reporting date rate	
	2024	2023	2024	2023
US Dollars	278.37	254.65	278.35	282.40

The weakening of PKR against foreign currencies would have an equal but opposite impact on the post tax profits.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit / (loss) for the year and assets / liabilities of the Company.

33.6 Other price risk

Price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in market. The Company is not exposed to other price risk due to its nature of business.

33.7 Capital risk management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

i. to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

ii. to provide an adequate return to shareholders.

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The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. 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 employed. Net debt is calculated as total borrowings (including current and non-current borrowings) less cash and bank balances as disclosed in Note 14. Total capital includes equity as shown in the statement of financial position plus net debt. The gearing ratio is as follows:

	Note	2024 Rupees	2023 Rupees
Lease liability		1,576,169	4,164,028
Loan from an associate		-	32,750,000
Net Debt		1,576,169	36,914,028
Total equity		536,151,297	370,119,205
Total capital employed		537,727,466	407,033,233
Gearing ratio		0.294%	9.974%

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34 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of directors of the Company, associated companies where directors have control. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of parties	Nature of relationship	Nature of transactions	December 30, 2024 Transactions during the year	December 30, 2024 Closing balance	December 30, 2023 Transactions during the year	December 30, 2023 Closing balance
			---- Rupees ----			
Tenx (Private) Limited	Associated Company	Purchase of services	46,740,750	-	65,310,000	-
		Payments made against purchase of services	21,892,500	-	26,008,552	-
		Software related costs incurred on behalf of the Company	8,155,055	-	9,337,991	-
		Expenses incurred on behalf of the Company	5,613,722	-	15,841,406	-
		Expenses incurred by the Company on behalf of Tenx	3,479,443	-	10,267,407	-
		Advance against issue of shares	11,474,510	-	28,525,490	28,525,490
		Shares Issued	40,000,000	-	-	-
		Mark-up on loan	-		11,536,689	-
		Payable	-	(143,889,530)	-	(141,323,905)
The Pakistan Credit Rating Agency Limited	Shareholder	Expenses incurred on behalf of the Company	3,634,423	-	1,113,985	-
		Expenses incurred by the Company on behalf of PACRA	1,136,411	-	1,425,567	-
		Markup on loan	221,145	-	7,367,255	-
		Payments made by the Company	2,159,950	-	6,843,234	-
		Repayment of deposit against share purchase	-	-	12,733,007	-
		Payable	-	(1,836,490)	-	(31,181,135)
Aequitas (Private) Limited	Associated Company	Shares Issued	40,000,000	-	-	-
		Expenses incurred on behalf of the Company	-	-	7,750,000	-
		Advance against issue of shares	1,100,000	-	38,900,000	-
		Reimbursement in respect of expenses	1,126,258	-	5,000,000	-
		Mak-up on loan	3,550,175	-	6,096,975	-
		Payable	-	(38,294,658)	-	(9,985,774)
47 Ventures Investments	Shareholder	Advance against issue of shares	3,073,084	84	-	-
		Shares Issued	3,073,000	-	-	-
Pakistan Microfinance Network	Associated Company	Fees billed by related party	8,291,065	-	10,498,161	-
		Payments made by the Company	10,505,240	-	10,203,701	-
		Payable	-	(1,529,095)	-	(3,743,271)
Directors/shareholders			-	-	-	-
Mumtaz Hussain	CEO and Director	Advance against issue of shares	12,000,000	-	10,000,000	-
		Shares Issued	22,000,000	-	-	-
Masood Akbar	Director	Advance against issue of shares	10,000,000	-	-	-
		Shares Issued	10,000,000	-	-	-
Mubashar Maqbool	Shareholder	Paid to Syed Sajjad Razvi	-	-	3,474,933	-
		Advance against issue of shares	16,783,100	-	16,783,100	-
		Shares Issued	16,783,100	-		-
Sardar Ali	Director	Advance against issue of shares	-	-	446,869	-
		Paid to Syed Sajjad Rizvi	-	-	689,997	-
		Shares Issued	446,860	9	-	-
Usman Haider	Director	Advance against issue of shares	20,100,000	135,330	7,732,370	-
		Shares Issued	27,697,040	-	-	-
Owais Murad Hussain Syed	Close family member of CEO	Purchase of consultancy services	-	-	800,000	-
		Payments made against consultancy services	-	-	800,000	-

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34.1 Basis of relationship with the company

In respect of associated companies and holding company incorporated inside Pakistan with whom the company had entered into transaction during the financial year along with basis of relationship is as follows:

Name of related party	Country of Incorporation/origin	Relationship	Basis of Association	Shareholdings	Basis of Association	Shareholdings
Tenx (Private) Limited	Pakistan	Associated	Shareholder	18%	Shareholder	16%
The Pakistan Credit Rating Agency Limited	Pakistan	Associated	Shareholder	16%	Shareholder	21%
Aequitas (private) Limited	Pakistan	Associated	Shareholder	19%	Shareholder	17%
47 Ventures Investments	Pakistan	Associated	Shareholder	5%	Shareholder	0%
Pakistan Microfinance Network	Pakistan	Associated	Shareholder	5%	Shareholder	7%
Mumtaz Hussain	Pakistan	CEO and Director	Shareholder	5%	Shareholder	2%
Masood Akbar	Pakistan	Director	Shareholder	2%	Shareholder	0%
Sardar Ali	Pakistan	Director	Shareholder	1%	Shareholder	2%
Usman Haider	Pakistan	Director	Shareholder	7%	Shareholder	4%

34.2 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (note 36)". There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

34.3 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

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35 RECONCILIATION OF THE MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities		Equity	
	Loan from Associate	Lease liability	Advance against issue of shares	Total
	---------- Rupees ----------			
Balance as at January 01, 2024	32,750,000	4,164,028	102,387,829	139,301,857
Changes from financing cash flows				
Loans received during the year	118,369,831	-	-	118,369,831
Loans repaid during the year	(40,150,000)	-	-	(40,150,000)
Finance cost paid during the year	(9,114,202)	-	-	(9,114,202)
Lease rentals paid	-	(2,990,820)	-	(2,990,820)
Total changes from financing cash flows	69,105,629	(2,990,820)	-	66,114,809
Other changes				
Lease obtained	-	-	-	-
Finance cost charged to profit or loss	9,114,202	402,961	-	9,517,164
Advance against issue of shares	-	-	57,747,594	57,747,594
Shares Issued	-	-	(160,000,000)	(160,000,000)
Total liability related other changes	9,114,202	402,961 -	102,252,406	(92,735,242)
Closing as at December 31, 2024	110,969,831	1,576,169	135,423	112,681,423
Balance as at January 01, 2023	45,300,000	6,335,426	-	51,635,426
Changes from financing cash flows				
Loans received during the year	31,350,000	-	-	31,350,000
Loans repaid during the year	(43,900,000)	-	-	(43,900,000)
Finance cost paid during the year	(13,650,573)	-	-	(13,650,573)
Lease rentals paid	-	(2,782,164)	-	(2,782,164)
Total changes from financing cash flows	(26,200,573)	(2,782,164)	-	(28,982,737)
Other changes				
Lease obtained	-	6,173,842	-	6,173,842
Finance cost charged to profit or loss	13,650,573	772,350	-	14,422,923
Termination of leases	-	(6,335,426)	-	(6,335,426)
Advance against issue of shares	-	-	102,387,829	102,387,829
Total liability related other changes	13,650,573	610,766	102,387,829	116,649,168
Closing as at December 31, 2023	32,750,000	4,164,028	102,387,829	139,301,857

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36 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Executives	
	2024	2023	2024	2023
	---------------- Rupees ----------------			
Managerial remuneration	21,000,000	21,000,000	98,312,983	85,002,235
Medical allowances	217,811	467,509	2,378,384	2,306,155
Reimbursements	608,402	810,345	2,015,943	3,381,582
	21,826,213	22,277,854	102,707,309	90,689,972
Number	1	1	29	27

36.1 Executives includes employees other than chief executive and directors whose basic salary exceeds Rs. 1,200,000 during the year.

36.2 Managerial remuneration includes salaries and wages.

36.3 Chief Executive is provided with a Company maintained car in accordance with the policy of the Company.

36.4 Directors fee during the year amounted to a total of Rs. 2,775,000 (December 31, 2023: Rs. 2,175,000) for attending Board of Directors meeting.

36.5 The Company has 8 (December 31, 2023: 9) Directors including Chief Executive. No remuneration is being paid to any Director except Chief Executive officer.

37 NUMBER OF EMPLOYEES

	2024	2023
Number of employees as at December 31,	38	39
Average number of employees for the year	39	43

38 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Company's financial position and performance during the year have been adequately disclosed in the notes to these financial statements.

39 NON-ADJUSTING EVENTS AFTER THE REPORTING DATE

There are no significant reportable events after the reporting date.

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40 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, following reclassifications have been made during the year:

Description	From	To	Rupees
Statement of profit or loss			
Reclassification of tax expense	Taxation	Levy	6,778,089

41 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 05 MAY 2025 by the Board of Directors of the Company.

42 GENERAL

Figures have been rounded off to the nearest rupee, unless otherwise stated.

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CHIEF EXECUTIVE OFFICER **DIRECTOR**