



fcibank

Halfyearly Report
December 31,
2016

FIRST CREDIT AND INVESTMENT BANK LTD.

Major Joint Venture Partners:





Vision

*Be a preferred investment bank enhancing value
for the stakeholders and contributing to the
National goals.*

Mission Statement

*Contributing through innovative financing and
investment in quality portfolio, advisory services
delivered in an environment of trust and
customer confidence supported by a team of
professionals.*



C O N T E N T S

BOARD OF DIRECTORS.....	01
COMPANY INFORMATION.....	02
DIRECTORS' REVIEW	03
INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS ...	04
CONDENSED INTERIM BALANCE SHEET	05
CONDENSED INTERIM INCOME STATEMENT	06
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	07
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	08
CONDENSED INTERIM CASH FLOW STATEMENT.....	09
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION .	10



FIRST CREDIT AND INVESTMENT BANK LIMITED

BOARD OF DIRECTORS



Mr. Wajahat A. Baqai
Chairman



Mr. Ahsanullah Khan
President & CEO



Mr. Anwar-ul-Haq
Director



Mr. Asad Ullah Saleem
Director



Mr. Muhammad Naeemuddin
Director



Mr. Javed Rashid
Director



Mr. Jehangir Akber
Director
(subject to approval from SECP)



Mr. Muhammad Ameen
Director



Mr. Muhammad Iqbal Hussain
Director

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

COMPANY INFORMATION

AUDIT COMMITTEE:

Mr. Muhammad Naeemuddin Chairman
Mr. Anwar-ul-Haq
Mr. Javed Rashid
Mr. Muhammad Ameen

HR AND REMUNERATION COMMITTEE:

Mr. Asad Ullah Saleem Chairman
Mr. Muhammad Naeemuddin
Mr. Ahsanullah Khan

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Iqbal Hussain Chairman
Mr. Asad Ullah Saleem
Mr. Ahsanullah Khan

COMPANY SECRETARY:

Mr. Muhammad Mohsin Ali

AUDITORS:

Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISOR:

Ahmed & Qazi

BANKERS:

National Bank of Pakistan
MCB Bank Limited
FINCA Microfinance Bank Limited
NRSP Microfinance Bank Limited
Tameer Microfinance Bank Limited
Khushhali Bank Limited

SHARE REGISTRAR:

THK Associates (Pvt.) Limited
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P.E.C.H.S.,
KARACHI - 75400.
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HEAD OFFICE / REGISTERED OFFICE:

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Website: www.fcibank.com.pk

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

DIRECTORS' REVIEW

On behalf of the Board of Directors, I have the privilege of presenting un-audited financial statements of **First Credit & Investment Bank Limited** for the half year ended December 31, 2016.

Operating Results

Total income for the half year ended December 31, 2016 reduced to Rs.35.99 million as compared to Rs.42.38 million for the half year December 31, 2015. The Company reports operating profit of Rs.3.96 million during the first six months ended December 31, 2016 as compared to operating profit of Rs.21.22 million for the corresponding period last year. Further, after taking effect of provision/reversals of against nonperforming investments, the Company was able to report profit before tax of Rs.9.95 million during first half of FY 2016-17 as against Rs.45.92 million for the corresponding period of previous year. Similarly, the Company closed the current half year with a profit after tax of Rs.6.87 million as compared to profit after tax of Rs.29.90 million for the corresponding half year of last year. As a result, shareholders equity increased by Rs.6.87 million to Rs.723.82 million as at December 31, 2016 from Rs.716.96 million as at June 30, 2016. Total balance sheet footing as at December 31, 2016 was Rs.981.14 million as against Rs.1,012.25 million as at June 30, 2016.

Credit Rating

JCR-VIS Credit Rating Company Limited vide its report dated December 30, 2016 reaffirmed the medium to long-term entity rating of the Company at 'A-' (Single A Minus) and Short-term rating at 'A-2' (A-Two). The outlook of the rating is 'Stable'.

Future Outlook

We are vigilant for diversifying our business focusing on new avenues and increasing revenue streams. Your Company would endeavour to restore reasonable quality of its assets, improve its infrastructure, build capacity through training of existing personnel and engaging professionals, diversify products and services, and updating policies and procedures to meet the requirements of the new challenges and opportunities.

Acknowledgement

The directors wish to express their appreciation to our stakeholders, valued customers and financial institutions for their continued trust and patronage. We are grateful to the regulatory authorities especially the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan and the Pakistan Stock Exchange for their continued guidance and support. We also acknowledge hard work and dedication of the management and employees.

By order of the Board

Ahsanullah Khan
President & Chief Executive

Karachi
February 26, 2017



FIRST CREDIT AND INVESTMENT BANK LIMITED

AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

INTRODUCTION

We have reviewed the accompanying condensed interim balance sheet of **First Credit and Investment Bank Limited** (the bank) as at December 31, 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement, and relevant notes for the six month period then ended (herein after referred to as the ('interim financial information')). Management is responsible for the preparation and presentation of the condensed interim financial information in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six-month period ended December 31, 2016 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matters

We draw attention to the following:

Note 1.3 to the condensed interim financial information which inter-alia states that equity of the Bank is falling short to meet prescribed minimum equity as required under the Non-Banking Finance Companies and Notified Entities Regulation, 2008 for the companies undertaking business of deposit taking investment finance services.

Note 8 to the condensed interim financial information in which, the management of the Company has described their assumptions and estimates affecting deferred tax asset.

Our conclusion is not qualified in respect of these matters.

Other Matters

The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the three-month period ended December 31, 2015 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2016.

Grant Thornton Anjum Rahman
Chartered Accountants
Khaliq-ur-Rahman

Karachi
Date: February 26, 2017

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM BALANCE SHEET

AS AT DECEMBER 31, 2016

	Note	December 31, 2016 Rupees (Un-audited)	June 30, 2016 (Audited)
ASSETS			
Non-current Assets			
Fixed assets			
- Property and equipment	6	3,045,475	3,237,549
- Intangible assets		97,379	154,852
Long-term investments	7	92,989,129	85,853,121
Long-term loans and finances		43,239,043	43,550,106
Long-term security deposits		57,500	57,500
Deferred tax asset - net	8	75,938,850	77,489,307
		215,367,376	210,342,435
Current Assets			
Short-term investments	9	71,527,957	138,679,770
Short-term placements	10	540,000,000	550,000,000
Current portion of			
- Long-term investments	7	33,866,412	22,657,971
- Long-term loans and finances		22,380,823	22,130,585
Accrued mark-up		51,979,721	47,221,748
Advances prepayments and other receivables		3,649,446	891,025
Advance taxation - net		5,570,784	4,049,015
Cash and bank balances		36,792,711	16,275,509
		765,767,854	801,905,623
		981,135,230	1,012,248,058
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Authorized share capital 75,000,000 (June 30, 2016: 75,000,000) shares of Rs. 10 each		750,000,000	750,000,000
Issued, subscribed and paid-up share capital 65,000,000 (June 30, 2016: 65,000,000) shares of Rs. 10 each		650,000,000	650,000,000
Statutory reserves		132,691,551	131,318,417
Accumulated loss		(58,870,042)	(64,362,577)
		723,821,509	716,955,840
Deficit on revaluation of investments - net	11	(4,416,604)	(10,524,449)
LIABILITIES			
Non-current liabilities			
Long Term Loan		218,750,000	190,000,000
Deferred liability - staff gratuity		5,284,396	4,717,766
		224,034,396	194,717,766
Current liabilities			
Short-term repo borrowing		-	100,000,000
Current portion of long-term loan		31,250,000	-
Accrued mark-up	12	1,748,355	1,734,039
Accrued expenses and other liabilities		4,697,574	9,364,862
		37,695,929	111,098,901
CONTINGENCIES AND COMMITMENTS	13		
		981,135,230	1,012,248,058

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2016

Note	For the Six months period ended		For the Three months ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
(Un-audited) Rupees				
INCOME				
Income from finance and fund placements	29,830,692	7,805,176	15,300,018	3,878,647
Income from investments	5,860,358	33,757,226	3,325,114	25,473,548
Fees and commission	211,581	704,924	105,314	500,000
Other income	90,828	110,021	44,121	53,967
	35,993,459	42,377,347	18,774,567	29,906,162
EXPENDITURES				
Finance cost:				
- Mark-up on bank loans	7,654,932	3,592	4,251,056	-
- Mark-up on repo borrowings and other short term borrowings	2,754,003	-	1,223,281	-
- Mark-up on certificates of deposits	-	196,508	-	80,823
- Others	24,709	24,335	12,212	12,641
	10,433,644	224,435	5,486,549	93,464
Administrative and operating expenses	21,597,292	20,934,909	11,011,639	11,042,677
	32,030,936	21,159,344	16,498,188	11,136,141
Operating income	3,962,523	21,218,003	2,276,379	18,770,021
(Provision) / Reversals				
Provision for non performing investments	7.1 (1,700,962)	(3,305,409)	-	(3,305,409)
Reversal of provision for non-performing investments	7.1 6,560,000	18,069,617	-	18,069,617
Provision for accrued mark-up	-	(1,381,467)	-	(1,381,467)
Unrealized gain / (loss) on re-measurement of investments classified as held-for-trading	1,131,197	(1,894,672)	-	(208,520)
Reversal of provision for non-performing finances	-	14,149,088	-	14,149,088
	9,952,758	46,855,160	2,276,379	46,093,330
Workers Welfare Fund	(197,000)	(937,103)	(43,258)	(922,103)
PROFIT BEFORE TAXATION	9,755,758	45,918,057	2,233,121	45,171,227
Taxation	14 (2,890,089)	(16,015,964)	(800,632)	(15,774,964)
PROFIT FOR THE PERIOD	6,865,669	29,902,093	1,432,489	29,396,263
Earnings per share - basic and diluted	16 0.11	0.46	0.02	0.45

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2016

	For the six months period ended		For the three months ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	(Un-audited)			
	Rupees			
PROFIT FOR THE PERIOD	6,865,669	29,902,093	1,432,489	29,396,263
Other comprehensive income				
<i>Items that may be reclassified to profit and loss account subsequently:</i>				
Gain / (Loss) on remeasurement of investment classified as 'available for sale'	6,107,845	385,615	166,373	(8,881)
<i>Items that will not be subsequently reclassified to profit and loss account:</i>				
Remeasurement of defined benefit obligations	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>12,973,514</u>	<u>30,287,708</u>	<u>1,598,862</u>	<u>29,387,382</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2016

	Issued, subscribed and paid-up capital	Reserves		Total	Total shareholders' equity
		Capital Statutory reserve	Revenue Accumulated loss		
Un-audited Rupees					
Balance as at July 01, 2015	650,000,000	122,545,534	(99,769,501)	22,776,033	672,776,033
Transactions with other than owners of equity:					
Net profit for the period	-	-	29,902,093	29,902,093	29,902,093
Other comprehensive income	-	-	-	-	-
- Total comprehensive income	-	-	29,902,093	29,902,093	29,902,093
- Transfer to statutory reserve	-	5,980,419	(5,980,419)	-	-
Balance as at December 31, 2015	650,000,000	128,525,953	(75,847,827)	52,678,126	702,678,126
Balance as at July 01, 2016	650,000,000	131,318,417	(64,362,577)	66,955,840	716,955,840
Transactions with other than owners of equity:					
Net profit for the period	-	-	6,865,669	6,865,669	6,865,669
Other comprehensive income	-	-	-	-	-
- Total comprehensive income	-	-	6,865,669	6,865,669	6,865,669
- Transfer to statutory reserve	-	1,373,134	(1,373,134)	-	-
Balance as at December 31, 2016	650,000,000	132,691,551	(58,870,042)	73,821,509	723,821,509

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2016

	Note	December 31, 2016	December 31, 2015
		Un-audited	Un-audited
		Rupees	Rupees
Cash flows from operating activities			
Profit before taxation		9,755,758	45,918,057
Adjustments for non-cash and other items:			
Depreciation		912,774	1,614,943
Amortisation		57,473	57,474
Gratuity		566,630	618,765
Dividend income		(290,366)	(343,891)
Finance cost		10,433,644	224,435
(Reversal)/Provision for non-performing investments-net		(4,859,038)	3,305,409
Provision for accrued markup		-	1,381,467
Reversal of provision for non-performing finances - net		-	(14,149,088)
Unrealized (gain) / loss on held-for-trading investments		(1,131,197)	1,894,672
		<u>5,689,920</u>	<u>(5,395,814)</u>
Operating cash flows before working capital changes		<u>15,445,678</u>	<u>40,522,243</u>
(Increase) / decrease in current assets			
Short-term investments		68,283,010	(6,258,062)
Prepayments and other receivables		(2,758,421)	(44,982)
Accrued mark-up		(4,757,973)	(91,416)
		<u>60,766,616</u>	<u>(6,394,460)</u>
Increase / (decrease) in current liabilities			
Accrued expenses and other liabilities		(4,667,288)	(475,798)
		<u>(4,667,288)</u>	<u>(475,798)</u>
Cash generated from operations			
Income tax paid		71,545,006	33,651,985
Dividend received		(2,861,401)	150,782
Markup paid		290,366	343,891
		<u>(10,419,328)</u>	<u>(354,763)</u>
		<u>(12,990,363)</u>	<u>139,910</u>
Cash generated from operating activities			
		<u>58,554,643</u>	<u>33,791,895</u>
Cash flows from investing activities			
Acquisition of property and equipment		(720,700)	(19,588)
Long term deposits paid		-	(7,500)
Long-term investments - net		(7,377,566)	34,229,145
Long-term loan and finances (payment/ acquisition - net)		60,825	(8,334,768)
Net cash (used in) / generated from investing activities		<u>(8,037,441)</u>	<u>25,867,289</u>
Cash flows from financing activities			
Long-term loan obtained /(repaid)		60,000,000	(15,625,000)
Net cash generated from / (used in) financing activities		<u>60,000,000</u>	<u>(15,625,000)</u>
Net increase in cash and cash equivalents		<u>110,517,202</u>	<u>44,034,184</u>
Cash and cash equivalents at the beginning of the period		<u>466,275,509</u>	<u>220,379,700</u>
Cash and cash equivalents at the end of the period	15	<u>576,792,711</u>	<u>264,413,884</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2016

1 STATUS AND NATURE OF BUSINESS

- 1.1 First Credit and Investment Bank Limited ("the Company") was incorporated in Pakistan on August 31, 1989 as a private company with its liability limited by shares under the name of 'First Credit and Discount Corporation (Private) Limited', converted in to a public company. Subsequently, the name of the Company was changed to First Credit and Investment Bank Limited. During the year ended June 30, 2009, the Company was listed on the Karachi Stock Exchange limited by way of issue of shares to general public. The registered office of the Company is situated at 2nd floor, Sidco Avenue Centre, Stratchen Road, R.A. Lines, Karachi, Pakistan. The Company is an associated undertaking of Water and Power Development Authority (WAPDA) and National Bank of Pakistan (NBP) which each holds 30.77% holding in the Company.
- 1.2 The Company was licensed to undertake business of investment finance services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("the NBFC Rules") issued by the Securities and Exchange Commission of Pakistan (SECP). The license has been renewed and is valid till January 15, 2017. Subsequently license has been renewed for three year period be matured on January 15, 2020. The medium to long term credit rating of the Company, rated by JCR-VIS Credit Rating Company, on December 30, 2016 is 'A-' and Short term rating of the Company is 'A-2'. The outlook of the rating is stable.
- 1.3 SECP vide SRO # 1160/(1)/2015 dated November 25, 2015 has made certain amendments in NBFCs & Notified Entities Regulations 2008 which inter alia also specify the minimum equity requirement for the companies undertaking business of deposit taking investment finance companies as Rs.750 million and non-deposit taking investment finance services as Rs.100 million. The Company has opted to act as deposit taking investment bank. SECP has granted extension till June 30, 2017 in meeting minimum equity requirement of Rs 750 million. However FCIBL can only raise Institutional deposit from its Sponsor i.e WAPDA and NBP till time it meets the Minimum Equity Requirement.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the six months period ended December 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting Standards", provisions of and directives issued under the Companies Ordinance, 1984, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("the NBFC Regulations") and the other directives issued by the SECP. Wherever the requirements of the Ordinance, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Ordinance, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

This condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2016.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the annual financial statements for the year ended June 30, 2016.



FIRST CREDIT AND INVESTMENT BANK LIMITED

4 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are same as disclosed in the annual financial statements for the year ended June 30, 2016.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and key sources of estimation are same as those applied by the Company in the annual financial statements for the year ended June 30, 2016.

6 PROPERTY AND EQUIPMENT

There have been no deletions during the period ended December 31, 2016. Additions during the period are as under:

	For the six months period ended December 31, 2016		For the year ended June 30, 2016	
	Unaudited		Audited	
	Additions (cost)	Disposal (book value)	Additions (cost)	Disposal (book value)
	----- Rupees -----			
Office Equipments	-	-	32,467	157,278
Computers	-	-	153,706	145,785
Air conditioner	-	-	80,628	210,956
Vehicles	720,700	-	-	-
	<u>720,700</u>	<u>-</u>	<u>266,801</u>	<u>514,019</u>

	Note	As at December 31, 2016 Un-audited Rupees	As at June 30, 2016 Audited

7 LONG-TERM INVESTMENTS

Held-to-maturity

Term Finance Certificates (TFCs) and Sukuk - unquoted		250,270,167	237,770,167
TFCs - quoted		69,929,059	69,933,653
		<u>320,199,226</u>	<u>307,703,820</u>
Less: Provision against investments	7.1	<u>(196,412,943)</u>	<u>(202,972,943)</u>
		<u>123,786,283</u>	<u>104,730,877</u>

Available-for-sale

TFCs - quoted		19,729,227	19,729,227
Less: Provision against investments		<u>(19,729,227)</u>	<u>(18,028,265)</u>
		-	1,700,962
Investment in shares - quoted		<u>3,069,258</u>	<u>2,079,253</u>
Total long-term investments		<u>126,855,541</u>	<u>108,511,092</u>
Less: Current portion of long-term investments		<u>(33,866,412)</u>	<u>(22,657,971)</u>
		<u>92,989,129</u>	<u>85,853,121</u>

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

		As at December 31, 2016	As at June 30, 2016
	Note	Un-audited	Audited
..... Rupees			
7.1 Provision against investments			
Opening balance		221,001,207	201,219,659
Provision/(Reversed) during the period/year		(4,859,038)	19,781,548
Closing balance		<u>216,142,169</u>	<u>221,001,207</u>

8 DEFERRED TAX ASSET

The management of the company has prepared financial projections the said projections are based on certain key assumptions made for the estimation of the recovery against advances against which provisions exist. The determination of future taxable profit and recoveries are most sensitive to certain key assumption. A significant change in the key assumption and estimate may have an effect on the recovery of deferred tax asset. The management believes that the company will be able to achieve the recovery and profit projected in the financial projection and consequently the deferred tax asset accounted for in the financial statement will be fully realized in the future.

9 SHORT-TERM INVESTMENTS

Available for sale

Dewan Cement Limited -Pre- IPO TFCs	9.1	50,000,000	50,000,000
(Provision) TFC-Dewan Cement Limited	9.1	(6,930,383)	(6,930,383)
		43,069,617	43,069,617
Investment in shares - listed		21,037,190	13,497,707

Held-for-trading

Investment in shares - listed		-	7,982,986
Investment in shares - Ready Future		7,421,150	74,129,460
		<u>71,527,957</u>	<u>138,679,770</u>

9.1 This investment has been classified under loss category and accordingly made 100% provision after considering FSV of the collateral held as per NBFC and NE regulations.

		As at December 31, 2016	As at June 30, 2016
		Un-audited	Audited
..... Rupees			
10 SHORT TERM PLACEMENT			
Placements - Unsecured		100,000,000	-
Placement -secured		-	100,000,000
Term Deposit Receipts		440,000,000	450,000,000
		<u>540,000,000</u>	<u>550,000,000</u>

11 DEFICIT ON REVALUATION OF INVESTMENTS - net

Available-for-sale investments

Listed Securities			
Shares		(4,416,604)	(10,524,449)

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

	Note	As at December 31, 2016 Un-audited Rupees	As at June 30, 2016 Audited
12 ACCRUED MARK-UP			
Secured			
Loans and borrowings including running finances and short-term borrowings	12.1	188,218	173,902
Unsecured			
Long-term certificate of deposit		<u>1,560,137</u>	<u>1,560,137</u>
		<u>1,748,355</u>	<u>1,734,039</u>
12.1 This amount was due to National Bank of Pakistan, an associated undertaking.			
13 CONTINGENCIES AND COMMITMENTS			
13.1 There are no contingencies as at the balance sheet date.			
13.2 Commitments			
Stand-by letter of credit facility amounting to USD 575,000 to Hub Power Company Limited		<u>62,387,500</u>	<u>60,403,750</u>
		For the six-month period ended December 31, 2016 Un-audited Rupees	For the six-month period ended December 31, 2015 Un-audited
14 TAXATION			
Current		1,339,632	5,215,306
Deferred - net		<u>1,550,457</u>	<u>10,800,658</u>
		<u>2,890,089</u>	<u>16,015,964</u>
15 CASH AND CASH EQUIVALENTS			
Cash and bank balances		<u>36,792,711</u>	<u>7,913,884</u>
Short-term placements		<u>540,000,000</u>	<u>256,500,000</u>
		<u>576,792,711</u>	<u>264,413,884</u>
16 EARNINGS PER SHARE (EPS)			
16.1 Basic EPS			
Earnings for the period		<u>6,865,669</u>	<u>29,902,093</u>
Weighted average number of shares outstanding		<u>65,000,000</u>	<u>65,000,000</u>
Earnings per share - basic		<u>0.11</u>	<u>0.46</u>

HALF YEARLY REPORT DECEMBER 2016



FIRST CREDIT AND INVESTMENT BANK LIMITED

16.2 Diluted EPS

There is no dilution effect on the basic earning per share as the Company has no convertible dilutive potential ordinary shares outstanding on December 31, 2016.

17 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, key management personnel and post employment benefit scheme. The Company in the normal course of business carries out transactions with various related parties.

Nature of relationship with related party	Nature of transactions and balances	For the six-month period ended and as at December 31, 2016 Rupees	For the six-month period ended December 31, 2015 and as at June 30, 2016 Rupees
Associate Undertakings	Transactions for the six-month period:		
	National Bank of Pakistan		
	Markup - paid on long term loan	<u>7,654,932</u>	<u>3,592</u>
	Markup - paid on repo borrowing	<u>1,831,500</u>	<u>-</u>
	Rent paid	<u>1,596,644</u>	<u>1,451,686</u>
	Capital Gain on listed Shares	<u>305,680</u>	<u>-</u>
	Taurus Securities Limited		
	Brokerage expenses	<u>-</u>	<u>2,670</u>
	NBP Fullerton Asset Management Ltd (NAFA)		
	Capital gain on mutual fund	<u>-</u>	<u>240,671</u>
	Balances as at period-end/year - end National Bank of Pakistan		
	Investment in shares at cost	<u>1,815,223</u>	<u>3,573,569</u>
	Long term Loan	<u>250,000,000</u>	<u>190,000,000</u>
Key management personnel	Transactions for the six-month period:		
	Salaries, benefits and allowances	<u>6,918,405</u>	<u>6,510,238</u>
	Retirement benefits	<u>615,623</u>	<u>563,111</u>
	Return on long-term loans	<u>36,008</u>	<u>49,161</u>
	Balances as at period-end/year - end	<u>3,422,436</u>	<u>3,715,228</u>
Staff Retirement Plans	Transactions for the six-month period:		
	Contributions made to staff retirement fund	<u>276,041</u>	<u>291,158</u>

18 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information are authorized for issue on February 26, 2017 by the Board of Directors of the Company.

19 CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 'Interim financial reporting', the condensed interim balance sheet has been compared with the balance of annual audited financial statements of preceding financial year. Whereas, the condensed interim profit and loss account, condensed interim statement of other comprehensive income, condensed interim statement of statement of changes in equity and condensed interim cash flow statement has been compared with the balances of comparable period of immediately preceding financial year.

AHSANULLAH KHAN
President & CEO

MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2016



ڈائریکٹرز جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ کے پہلی ششماہی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی تفصیلات کا گوشوارہ بمطابق 31 دسمبر 2016ء کے اختتام پر پیش ہے۔

آپریٹنگ نتائج:

31 دسمبر 2016 کو ختم ہونے والی پہلی ششماہی میں کمپنی کی کل آمدنی کم ہو کر 35.99 ملین روپے ہو گئی جو پچھلے سال 31 دسمبر 2015 میں 42.38 ملین روپے تھی۔ سال کے پہلے چھ ماہ کے اختتام پر کمپنی نے 3.96 ملین روپے آپریٹنگ منافع رپورٹ کیا جو پچھلے سال اسی عرصہ میں 21.22 ملین روپے تھا مزید سرمایہ کاری میں نقصان کے خدشات جو پچھلے سالوں میں متعین کئے گئے تھے موجودہ ششماہی میں واپسی کی وجہ سے کمپنی نے 9.95 ملین روپے قبل از ٹیکس منافع رپورٹ کیا جبکہ پچھلے سال اسی مدت میں 45.92 ملین روپے قبل از ٹیکس منافع رپورٹ کیا گیا تھا اسی طرح کمپنی کا موجودہ ششماہی کے اختتام پر بعد از ٹیکس منافع 6.87 ملین روپے ہے جبکہ پچھلے سال کی پہلی ششماہی میں بعد از ٹیکس منافع 29.90 ملین روپے تھا اسکے نتیجے میں شیئرز ہولڈرز ایکویٹی میں 6.87 ملین روپے اضافہ کے بعد 31 دسمبر 2016 کو 723.82 ملین روپے ہو گئی جبکہ 30 جون 2016 کو شیئرز ہولڈرز ایکویٹی 716.96 ملین روپے تھی۔ 31 دسمبر 2016 کے مالیاتی گوشوارہ کی مطابق کمپنی کے کل اثاثہ جات 981.14 ملین روپے ہیں جو کہ 30 جون 2016 کو 1,012.25 ملین روپے تھے۔

کریڈٹ ریٹنگ:

JCR-VIS کریڈٹ ریٹنگ کمپنی نے اپنی رپورٹ مورخہ 30 دسمبر 2016 میں کمپنی کی درمیانے سے طویل مدتی اینٹیٹی ریٹنگ کو 'A' (سنگل A منفی) اور مختصر مدتی ریٹنگ کو 'A-2' پر برقرار رکھا ہے۔ ریٹنگ کا آؤٹ لک مستحکم ہے۔

مستقبل کے امکانات:

ہم نئے پراڈکٹس اور آمدنی کے ذرائع بڑھانے پر توجہ مرکوز کرتے ہوئے کاروبار میں تنوع پیدا کرنے کے لیے چوکس ہیں۔ آپ کی کمپنی اپنے اثاثوں کے معیار کو بحال کرنے، اور موجودہ عملد اور اہم پیشہ ورانہ عملد کی خدمات حاصل کر کے ان کو ریٹنگ کے ذریعہ اپنے انفراسٹرکچر میں بہتری لانے، مختلف النوع پراڈکٹ اور خدمات کی بحالی کی مناسب کوششیں کر رہی ہے، اور نئے مواقع اور نئے چیلنجز کا سامنے کرنے کے لئے اپنی پالیسیاں اور طریقہ کار کو اپ ڈیٹ کر رہی ہے۔

اظہار تشکر:

ڈائریکٹرز اپنے اسٹیک ہولڈرز، قابل قدر صارفین اور مالیاتی اداروں کا ان کے مسلسل اعتماد اور سرپرستی کے لئے تشکر کا اظہار کرتے ہیں۔ ریگولیٹری اداروں خاص طور پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور پاکستان اسٹاک ایکسچینج کی مسلسل رہنمائی اور سپورٹ کے بھی شکرگزار ہیں۔ ہم انتظامیہ اور ملازمین کی محنت اور لگن سے کام کرنے کا اعتراف بھی کرتے ہیں۔

محکم بورڈ

احسان اللہ خان
پریذیڈنٹ وی ای او

کراچی

26 فروری، 2017ء

HALF YEARLY REPORT DECEMBER 2016

