

# QUARTERLY REPORT MARCH 2012



**fcibank**

**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.*



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**BOARD OF DIRECTORS**



**Mr. Shahid Anwar Khan**  
Chairman



**Dr. Asif A. Brohi**  
Director



**Mr. Najib Tariq**  
Director



**Mr. Imdad Ali Shaikh**  
Director



**Mr. Wajahat A. Baqai**  
Director



**Mr. Anwar-ul-Haq**  
Director



**Chaudhary Tahir Hussain**  
Director



**Mr. Mohammad Imran Malik**  
President & Chief Executive



## FIRST CREDIT AND INVESTMENT BANK LIMITED

### COMPANY INFORMATION

**HR COMMITTEE:**

Dr. Asif A. Brohi (Chairman)  
Mr. Anwar-ul-Haq (Member)  
Mr. Mohammad Imran Malik (Member)

**AUDIT COMMITTEE:**

Mr. Najib Tariq (Chairman)  
Mr. Wajahat A. Baqai (Member)  
Mr. Anwar -ul- Haq (Member)  
Mr. Imdad Ali Shaikh (Member)

**INVESTMENT AND CREDIT COMMITTEE:**

Chaudhry Tahir Hussain (Chairman)  
Mr. Najib Tariq (Member)  
Mr. Wajahat A. Baqai (Member)  
Mr. Imdad Ali Shaikh (Member)

**COMPANY SECRETARY:**

Mr. Muhammad Mohsin Ali

**AUDITORS:**

Rahman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants

**LEGAL ADVISOR:**

Mohsin Tayebaly & Company

**BANKERS:**

Allied Bank Limited  
MCB Bank Limited  
National Bank of Pakistan

**SHARE REGISTRAR:**

THK Associates (Pvt.) Limited  
Ground Floor, State Life Building-3  
Dr. Ziauddin Ahmed Road,  
Karachi. 75530  
Ph. # +92 (21) 111-000-322  
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**HEAD OFFICE / REGISTERED OFFICE:**

2nd Floor, Sidco Avenue Centre,  
Stratchen Road,  
Karachi - 74200  
Pakistan.  
Ph. # : 35658750-1, 35670452, 35688490  
Fax. # : 35689331, 35686310  
E-mail: info@fcibank.com.pk  
Website: www.fcibank.com.pk

**LAHORE BRANCH:**

Ground Floor, Office # 2, 83-A-E/1  
Main Boulevard, Gulberg III, Lahore.  
Ph. # : +92 (42) 35790251  
Fax. # : +92 (42) 35790252

**QUARTERLY REPORT MARCH 2012**



## FIRST CREDIT AND INVESTMENT BANK LIMITED

### DIRECTORS' REVIEW

On behalf of the directors of First Credit & Investment Bank Limited I have the honour of presenting the Directors' Review along with the interim un-audited financial statements of the Bank for the nine months ended March 31, 2012.

#### Operating Results

Financial results of the Bank are as under:

	For the nine months ended	
	March 31, 2012	March 31, 2011
	(Unaudited)	
	(Rupees in thousand)	
<b>Profit &amp; Loss Account</b>		
Total revenue	104,625	101,909
Operating (loss)/ profit	(1,677)	72
Loss before tax	(33,845)	(70,229)
Loss after tax	(23,764)	(45,943)
Loss per share-basic & diluted (Rs.)	(0.37)	(0.71)

	As at	
	March 31, 2012	June 30, 2011
	(Unaudited)	(Audited)
<b>Balance Sheet</b>		
Net shareholders' equity	704,216	727,980
Total assets	1,375,006	1,517,877

#### Economic and Operational Review

The global economic scenario continues to be recessionary with the contagion effects of Southern European economies being a major cause of concern. In United States, slight improvement in economic fundamentals has been observed but with continuous government support through near zero percent Central Bank interest rate policies. China's growth rate has also declined recently, though still enviable by world standards. In Pakistan, general price level continues its upward movement on the back of higher costs; declining exports, mainly due to energy shortages, coupled with an increase in imports has led to a higher current account deficit. With FDI and aid inflows dwindling increased foreign remittances from overseas Pakistanis have helped shore up the country's foreign exchange reserves.

Pakistan's banking sector continues to contract its lending activities to the private sector in view of higher credit risks; while increased government borrowings have provided a convenient investment avenue for their liquidity. During the period under review the NBFC sector performance remained under stress. Your bank continued to weather the effects of financial crisis of 2008-2009, resulting in provisions and non-accruals due to non-serviceability of major accounts in the asset portfolio. Efforts were also made to increase investments by fresh borrowings at lower cost and thus offset the losses, to the extent possible.

In the backdrop of the foregoing factors, total revenue for the nine months ended March 31, 2012 increased to Rs.104.625 million as against Rs.101.909 million for the nine months ended March 31, 2011. While operating loss for the nine months ending March 31, 2012 was Rs.1.677 million as against operating profit of Rs.0.072 million during the corresponding period last year both pre-tax and after tax losses were significantly lower.



## FIRST CREDIT AND INVESTMENT BANK LIMITED

Your Bank has for the nine months under review made provision of Rs. 32.168 million against non-performing assets. The nine months under review closed with a loss before tax of Rs.33.845 million as against Rs.70.229 million for the corresponding period of 2011. Similarly, after tax loss for the period July 1, 2011 to March 31, 2012 declined to Rs.23.764 million from Rs.45.943 million for the corresponding nine months of 2010 - 2011.

Profitability of the Bank for the quarter ended March 31, 2012 improved slightly as compared to corresponding quarter of last year with an operating profit of Rs.0.56 million as against operating loss of Rs.0.93 million for the quarter ended March 31, 2011. Similarly, pretax and after tax profit improved marginally at Rs.1.62 million and Rs.0.74 million, respectively, against Rs.0.32 million and Rs.0.02 million, respectively, for the corresponding quarter last year.

Net shareholders' equity as at March 31, 2012 was Rs. 704 million as compared to Rs. 728 million as at June 30, 2011. Total assets as at March 31, 2012 decreased by 9% to Rs.1,375 million as against Rs.1,518 million as on June 30, 2011.

### Credit Rating

JCR-VIS Credit Rating Company Limited vide its report dated January 31, 2012 has maintained the medium to long-term entity rating of the Bank at 'A-' (Single A Minus). Short-term rating has been maintained at 'A-2' (A-Two).

### Future Outlook & Strategy

Year 2012-13 is Pakistan's election year and the Government is likely to announce relief measures for the public and the business community in the forthcoming budget. The much anticipated notification for capital gains tax and amnesty of income has already been largely factored into the stock prices. Shortfalls in tax based revenues are likely to be compensated with higher Government borrowings substantially increasing the money supply, accentuating the inflationary factors.

The major challenge facing the economy in the near future remains energy shortages and costs, with their crippling effect on manufacturing and service sectors. With no quick fix to augment supplies possible, measures to improve efficiency and curtailing pilferage need to be redoubled. If national elections are announced after the next parliamentary budget session, the interim Government expected to replace the existing setup will be confronted with hard economic decisions for refinancing of the country's maturing external loans.

Under such a scenario your Bank intends to focus on recoveries while continuing to pursue business avenues commensurate with its risk tolerance capacity and available resources.

### Acknowledgement

The Directors wish to place on record their appreciation to our shareholders, 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 Karachi Stock Exchange for their continued guidance and support. We acknowledge the hard work and dedication of our employees who are our real assets.

Karachi  
April 25, 2012

By order of the Board

Mohammad Imran Malik  
Chief Executive & President



## FIRST CREDIT AND INVESTMENT BANK LIMITED

### CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT MARCH 31, 2012

	Note	March 31, 2012 ..... Rupees .....	June 30, 2011 ..... Rupees .....
		(Un-audited)	(Audited)
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property plant and equipment	5	11,125,562	10,265,622
Intangible assets		1,266,596	1,805,616
Long-term investments	6	604,482,916	676,605,288
Long-term loans and finance		52,324,700	61,132,786
Long-term security deposits		1,050,000	1,050,000
Deferred tax assets		79,082,778	67,823,992
		<b>749,332,552</b>	<b>818,683,304</b>
<b>Current Assets</b>			
Short-term investments	7	201,792,823	154,343,017
Short-term placements		199,000,000	255,924,700
Current portion of non current assets			
Long-term investments		139,705,636	204,834,420
Long-term loans and finances		27,812,397	25,115,122
Mark-up accrued		26,466,865	38,437,935
Advances prepayments and other receivables		4,639,079	3,517,348
Advance taxation - net		11,334,603	8,423,041
Cash and bank balances		14,921,700	8,597,745
		<b>625,673,104</b>	<b>699,193,328</b>
<b>Total Assets</b>		<b>1,375,005,656</b>	<b>1,517,876,632</b>
<b>EQUITIES &amp; LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized capital		750,000,000	750,000,000
Issued, subscribed and paid-up capital		650,000,000	650,000,000
Reserves		54,215,642	77,979,714
		<b>704,215,642</b>	<b>727,979,714</b>
Deficit on revaluation of investments-net	8	(13,143,956)	(12,586,134)
<b>Non-current Liabilities</b>			
Long-term loan		140,625,000	203,125,000
Long-term certificates of deposit		9,750,000	5,000,000
		<b>150,375,000</b>	<b>208,125,000</b>
<b>Current Liabilities</b>			
Short-term borrowings		92,728,825	181,575,800
Current portion of long-term loan		62,500,000	46,875,000
Short-term certificates of deposit		342,655,000	333,020,000
Accrued markup	9	29,664,135	24,524,319
Accrued expenses and other liabilities		6,011,010	8,362,933
		<b>533,558,970</b>	<b>594,358,051</b>
<b>Contingencies and commitments</b>	10	-	-
<b>Total Equity and Liabilities</b>		<b>1,375,005,656</b>	<b>1,517,876,632</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

  
**MOHAMMAD IMRAN MALIK**  
Chief Executive Officer / President

  
**WAJAHAT A. BAQAI**  
Director

**QUARTERLY REPORT MARCH 2012**





## FIRST CREDIT AND INVESTMENT BANK LIMITED

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT -(UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2012

Note	Nine months ended		Quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
----- Rupees -----				
<b>INCOME</b>				
Income from finances and fund placements	21,659,544	15,726,074	7,048,544	3,138,181
Income from investments	77,775,001	82,536,850	25,368,159	27,172,216
Capital gains on disposal of securities	2,191,139	1,628,653	1,933,760	14,862
Dividend Income	1,849,007	1,377,982	798,762	702,029
Fees and commission	817,488	172,874	130,334	-
Others	332,559	466,739	110,651	109,935
	<b>104,624,738</b>	<b>101,909,172</b>	<b>35,390,210</b>	<b>31,137,223</b>
<b>EXPENSES</b>				
<b>Finance costs</b>				
Mark-up on bank loan	23,409,059	18,221,363	6,605,015	8,427,096
Mark-up on other short term borrowings	13,166,082	15,435,463	4,283,070	311,910
Mark-up on short term running finance	200,120	423,414	188,599	(1,698)
Mark-up on certificates of deposit	34,446,297	31,912,919	11,763,144	10,662,081
Others	41,655	777,622	10,304	22,651
	<b>71,263,213</b>	<b>66,770,781</b>	<b>22,850,132</b>	<b>19,422,040</b>
Operating expenses	35,038,234	35,066,308	11,984,685	12,650,286
	<b>106,301,447</b>	<b>101,837,089</b>	<b>34,834,817</b>	<b>32,072,326</b>
<b>Operating (loss)/profit</b>	<b>(1,676,709)</b>	<b>72,083</b>	<b>555,393</b>	<b>(935,103)</b>
Provision for markup/interest accrued	(378,028)	(30,037,977)	(378,028)	-
Provision for non performing assets	(31,804,254)	(40,259,121)	1,400,000	1,256,504
Unrealised (loss)/profit on held for trading investments	14,320	(4,350)	43,870	-
<b>(Loss)/profit before taxation</b>	<b>(33,844,671)</b>	<b>(70,229,365)</b>	<b>1,621,235</b>	<b>321,401</b>
Taxation	11	10,080,599	24,286,396	(877,580)
		<b>(23,764,072)</b>	<b>(45,942,969)</b>	<b>743,655</b>
<b>(Loss)/profit after taxation</b>				<b>18,401</b>
<b>(Loss)/earnings per share - basic and diluted</b>	12	<b>(0.37)</b>	<b>(0.71)</b>	<b>0.01</b>
			<b>0.01</b>	<b>0.00</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

  
**MOHAMMAD IMRAN MALIK**  
 Chief Executive Officer / President

  
**WAJAHAT A. BAQAI**  
 Director

**QUARTERLY REPORT MARCH 2012**



**FIRST CREDIT AND INVESTMENT BANK LIMITED**

**CONDENSED INTERIM  
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2012

	March 31, 2012	March 31, 2011
	..... Rupees .....	
<b>Loss after taxation</b>	<b>(23,764,072)</b>	(45,942,969)
<b>Other comprehensive income not transferred to equity</b>		
(Losses) / gains on remeasuring of investment classified as " Available for Sale "	(557,822)	3,421,144
Total comprehensive loss for the period	<u><b>(24,321,894)</b></u>	<u>(42,521,825)</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

  
**MOHAMMAD IMRAN MALIK**  
Chief Executive Officer / President

  
**WAJAHAT A. BAQAI**  
Director

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## FIRST CREDIT AND INVESTMENT BANK LIMITED

### CONDENSED INTERIM CASH FLOW STATEMENT - (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2012

	March 31, 2012	March 31, 2011
Note	..... Rupees .....	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(33,844,671)	(70,229,365)
Less: dividend income	(1,849,007)	(1,377,982)
<b>Adjustments for:</b>		
Depreciation	3,070,538	1,923,445
(Gain) on disposal of asset	(5,500)	(78,263)
Provision for the gratuity	650,000	1,414,298
Provision for interest/mark-up accrued	378,028	30,037,977
Provision for non performing finances	58,334	3,015,625
Provision for non performing investments	31,745,920	37,243,496
Unrealised loss on investments at fair value through profit & loss	(14,320)	4,350
	<b>35,883,000</b>	<b>73,560,928</b>
	<b>189,322</b>	<b>1,953,581</b>
<b>(Increase) / decrease in current assets</b>		
Short-term Investments	56,924,700	(56,638,417)
Short-term placements	(47,449,806)	(11,000,000)
Mark-up accrued	11,971,070	33,950,211
Advances prepayments and other receivables	(1,131,147)	(6,783,263)
	<b>20,314,817</b>	<b>(40,471,469)</b>
<b>Increase / (decrease) in current liabilities</b>		
Short-term borrowings	(88,846,975)	(169,128,050)
Accrued mark-up	5,139,816	2,668,600
Accrued and other liabilities	(2,351,925)	(2,065,815)
	<b>(86,059,083)</b>	<b>(168,525,265)</b>
<b>Cash generated from operations</b>	<b>(65,554,944)</b>	<b>(207,043,153)</b>
Gratuity contribution paid	(640,584)	(557,028)
Income tax paid	(4,089,749)	(2,789,491)
	<b>(4,730,333)</b>	<b>(3,346,519)</b>
Net cash generated used in operating activities	<b>(70,285,277)</b>	<b>(210,389,672)</b>
<b>Cash Flows from Investing Activities</b>		
Additions in property and equipment	(3,391,455)	(5,180,692)
Sale proceeds from disposal of assets	5,500	82,500
Long-term investments proceeds	136,693,334	139,308,948
Dividend income received	1,849,007	854,762
Long-term loans and finances	(26,057,154)	(62,566,229)
Net cash from investing activities	<b>109,099,232</b>	<b>72,499,289</b>
<b>Cash Flows from Financing Activities</b>		
Repayments of long term loan	(46,875,000)	125,000,000
Long-term certificates of deposit	4,750,000	100,000
Short-term running finance	-	(2,637,212)
Short-term Certificates of deposit	9,635,000	4,325,000
Net cash (used in)/from financing activities	<b>(32,490,000)</b>	<b>126,787,788</b>
Net (decrease)/ increase in cash and cash equivalents	<b>6,323,955</b>	<b>(11,102,595)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>8,597,745</b>	<b>18,898,227</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>14,921,700</b>	<b>7,795,632</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

  
MOHAMMAD IMRAN MALIK  
Chief Executive Officer / President

  
WAJAHAT A. BAQAI  
Director

QUARTERLY REPORT MARCH 2012




## FIRST CREDIT AND INVESTMENT BANK LIMITED

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2012

	Issued, subscribed and paid-up capital	Revenue reserve		Total
		Capital Statutory reserve	Revenue Unappropri- ated profit	
..... (Rupees) .....				
<b>Balance as at July 01, 2010</b>	650,000,000	117,663,484	48,778,605	816,442,089
Loss for the period	-	-	(45,942,969)	(45,942,969)
<b>Balance as at March 31, 2011</b>	<b>650,000,000</b>	<b>117,663,484</b>	<b>2,835,636</b>	<b>770,499,120</b>
<b>Balance as at April 01, 2011</b>	650,000,000	117,663,484	2,835,636	770,499,120
Profit for the period	-	-	(42,519,406)	(42,519,406)
<b>Balance as at June 30, 2011</b>	<b>650,000,000</b>	<b>117,663,484</b>	<b>(39,683,770)</b>	<b>727,979,714</b>
Balance as at July 01, 2011	650,000,000	117,663,484	(39,683,770)	727,979,714
Loss for the period	-	-	(23,764,072)	(23,764,072)
<b>Balance as at March 31, 2012</b>	<b>650,000,000</b>	<b>117,663,484</b>	<b>(63,447,842)</b>	<b>704,215,642</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

  
**MOHAMMAD IMRAN MALIK**  
Chief Executive Officer / President

  
**WAJAHAT A. BAQAI**  
Director

**QUARTERLY REPORT MARCH 2012**



## FIRST CREDIT AND INVESTMENT BANK LIMITED

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2012

#### 1. STATUS AND NATURE OF BUSINESS

First Credit and Investment Bank Limited ("the Company") was incorporated in Pakistan on August 31, 1989 as a private limited company under the name of First Credit and Discount Corporation (Private) Limited. Subsequently, the name of the Company was changed to First Credit and Investment Bank Limited. During the year 2008-09, the Company was listed on the Karachi Stock Exchange by way of issue of shares to general public. The Company is an associated undertaking of Water and Power Development Authority (WAPDA) and National Bank of Pakistan (NBP).

The Company is licensed to undertake business of investment finance services as a Non-Banking Finance Company ("NBFC") under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("the NBFC Rules") issued by the Securities and Exchange Commission of Pakistan (SECP) [previously described under SRO 585(1)/87 dated July 13, 1987 issued by the Ministry of Finance, Government of Pakistan]. The registered office of the Company is situated at 2nd floor, SIDCO Avenue Centre, Stratchen Road, Karachi, Pakistan. The medium to long term credit rating of the company is maintained at 'A-' (A minus) with negative outlook and short term rating of the company is 'A-2' as of 31 January, 2012 by JCR-VIS Credit Rating Company Limited.

#### 2. STATEMENT OF COMPLIANCE

The condensed interim financial information of the company for the nine months period ended March 31, 2012 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 directives issued by 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, NBFC regulations or the directives issued by the SECP have been followed.

The SECP has deferred the applicability of International Accounting Standards, IAS-39, 'Financial Instruments: Recognition and measurement' and IAS-40, 'Investment Property' through Circular No.19 dated August 13, 2003 to NBFCs providing investment finance services, discounting services and housing finances services. The SECP has also deferred the applicability of International Financial Reporting Standard, IFRS-7, 'Financial Instruments: Disclosures' through Circular No. 411(1)/2008 dated April 28, 2008 to NBFCs providing investment finance services, discounting services and housing finance services. Accordingly, the requirements of these standards have not been considered in preparation of these condensed interim financial statements.

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 as at June 30, 2011.

#### 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended as on June 30, 2011.



## FIRST CREDIT AND INVESTMENT BANK LIMITED

### 4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of un-audited condensed interim financial statements is in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that effect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Actual results may differ from the estimates. requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimations were the same as those that applied to the preceding published financial statements as at and for the year ended June 30, 2011.

5. PROPERTY PLANT AND EQUIPMENT	Note	31-Mar-12	30-Jun-11
		..... Rupees .....	
	5.1	<u>11,125,562</u>	<u>10,265,622</u>

5.1 Major Additions and deletions are as:	31-Mar-12		30-June-11	
	Additions	Disposals	Additions	Disposals
	Rupees		Rupees	
Furniture and fixture	-	13,500	27,202	174,749
Office Equipment	15,000	-	7,400	60,625
Computers	149,580	-	739,302	268,885
Air conditioners	-	-	849,302	193,064
Vehicles	3,226,875	2,031,192	966,330	1,410,550
Capital work in progress	-	-	6,200,000	-
	<u>3,391,455</u>	<u>2,044,692</u>	8,789,536	2,107,873

6. LONG-TERM INVESTMENTS	Note	31-Mar-12	30-Jun-11
		..... Rupees .....	
<b>Held-to-maturity</b>			
Term finance certificates - Unlisted		<u>516,735,344</u>	556,004,543
Term finance certificates - Listed		<u>49,865,080</u>	29,902,048
Government securities	6.1	<u>253,843,784</u>	357,855,361
		<u>820,444,208</u>	943,761,952
Less : Provision against investment	6.2	<u>(112,993,496)</u>	(109,243,496)
<b>Available-for-sale</b>			
Term finance certificates - Listed		<u>39,733,760</u>	46,921,252
Less: Provision against investments	6.3	<u>(2,995,920)</u>	-
Less: Current Portion of TFCs		<u>(139,705,636)</u>	(204,834,420)
		<u>604,482,916</u>	676,605,288



## FIRST CREDIT AND INVESTMENT BANK LIMITED

6.1 These includes investments in government securities to comply with the requirement of Regulation 14 (4) (i) of NBFC Regulations.

	Note	31-Mar-12 ..... Rupees .....	30-Jun-11
<b>6.2 Provision for non-performing TFC's/Sukuk</b>			
Opening balance		<b>109,243,496</b>	40,000,000
Charge during the period	6.2.1	<b>3,750,000</b>	69,243,496
		<b>112,993,496</b>	109,243,496

6.2.1 This represent Sukuk Certificate issued for a period of five years at the rate of 3 month KIBOR + 2% with a floor of 11% and cap of 25%. This is non-performing investment and has been classified as 'sub-standard' basis. Accordingly a provision of Rs.3.75 million has been made against the investment

6.3 This represent investment in TFC with maturity in 2017 as at rate of 6-months KIBOR+ upto 1.75% and secured by first pari passu mortgage charge over assets of the investee company. This is a non-performing investment and classified under 'sub-standard' category. Accordingly a provision of Rs.2,995,920/- has been made.

	Note	31-Mar-12 ..... Rupees .....	30-Jun-11
<b>7. SHORT-TERM INVESTMENTS</b>			
<b>Available for sale</b>			
Pre-IPO Term Finance Certificates	7.1	<b>50,000,000</b>	50,000,000
Investment in shares - Listed		<b>28,534,109</b>	33,684,701
Investment in mutual funds		<b>19,650,765</b>	33,676,116
Investment in preference shares-Listed		<b>15,000,000</b>	15,000,000
		<b>113,184,874</b>	132,360,817
Provision for non-performing investments	7.1	<b>(50,000,000)</b>	(25,000,000)
		<b>63,184,874</b>	107,360,817
<b>Held-to-maturity</b>			
Government securities	7.2	<b>138,451,380</b>	46,839,950
<b>Held-for-trading</b>			
Investment in shares - Listed		<b>156,569</b>	142,250
		<b>201,792,823</b>	154,343,017

7.1 This Pre-IPO investment was made for a period of five years at the rate of 6 months KIBOR+2% and secured by way of first pari passu charge over assets of the investee company. This is a non-performing investment and has been classified under 'loss' category Accordingly 100% provision has been made.

7.2 These includes investments in government securities to comply with the requirement of Regulation 14 (4) (i) of NBFC Regulations

	Note	31-Mar-12 ..... Rupees .....	30-Jun-11
<b>8. DEFICIT ON REVALUATION OF INVESTMENT -NET</b>			
Shares		<b>(10,612,352)</b>	(10,154,781)
Term finance certificate		<b>(1,337,678)</b>	(2,586,579)
Mutual funds		<b>(1,193,926)</b>	155,226
		<b>(13,143,956)</b>	(12,586,134)

### 9. MARK-UP ACCRUED

#### Secured

Loans and borrowings including running finance	9.1	<b>168,367</b>	8,781,757
Repo Borrowings		<b>707,046</b>	4,668,414
		<b>875,413</b>	13,450,171

#### Unsecured


Certificates of Deposit		<b>28,788,722</b>	11,074,148
		<b>29,664,135</b>	24,524,319

9.1 This amount includes Rs.168,367/- (June 30, 2011: Rs.8,781,704/-) due to National Bank of Pakistan an associated undertaking



## FIRST CREDIT AND INVESTMENT BANK LIMITED

	31-Mar-12	30-Jun-11
<b>10. CONTINGENCIES AND COMMITMENTS</b>	..... Rupees .....	
Bank guarantee issued	5,000,000	5,000,000
Stand-by letter of credit facility	60,971,646	91,443,991
Underwriting to IPO Term finance certificate	-	10,000,000
	<u>                    </u>	<u>                    </u>
	31-Mar-12	31-Mar-11
	..... Rupees .....	
<b>11. TAXATION</b>		
Current	1,178,187	998,663
Deferred taxation	(11,258,786)	(25,285,059)
	<u>(10,080,599)</u>	<u>(24,286,396)</u>
	<u>                    </u>	<u>                    </u>
<b>12 (LOSS)/EARNING PER SHARE - BASIC AND DILUTED</b>		
Loss for the period	(23,764,072)	(45,942,969)
Weighted average number of shares	65,000,000	65,000,000
Loss per share - basic and diluted	<u>(0.37)</u>	<u>(0.71)</u>
	<u>                    </u>	<u>                    </u>
<b>13. TRANSACTIONS WITH RELATED PARTIES</b>		
<b>Associated Undertakings</b>		
Mark-up on long-term loan	23,409,059	18,221,363
Mark-up on short-term running finance	200,049	423,799
Mark-up on Repo borrowing	5,646,268	-
Mark-up on short-term placement	31,507	-
Rent of the office premises paid	1,583,507	1,508,109
	<u>                    </u>	<u>                    </u>
<b>Staff Retirement Plans</b>		
Contribution to staff retirement plans Key management personnel	1,547,174	1,780,688
	<u>                    </u>	<u>                    </u>
Salaries, benefits and other allowances	9,673,089	7,639,080
Retirement benefits	1,319,400	1,034,459
	<u>10,992,489</u>	<u>8,673,539</u>
Return on long-term loan	320,498	330,825
	<u>                    </u>	<u>                    </u>
<b>14. DATE OF AUTHORIZATION FOR ISSUE</b>		
This interim financial information were authorised for issue on April 25, 2012 by the Board of Director of the Company.		
<b>15. GENERAL</b>		
15.1 Figures have been rounded off to the nearest Rupee.		

  
**MOHAMMAD IMRAN MALIK**  
Chief Executive Officer / President

  
**WAJAHAT A. BAQAI**  
Director

QUARTERLY REPORT MARCH 2012



