



fcibank

Annual Report 2016

FIRST CREDIT AND INVESTMENT BANK LTD.

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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. Wajahat A. Baqai
Chairman



Mr. Ahsanullah Khan
President & CEO



Mr. Najib Tariq
Director



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



COMPANY INFORMATION

AUDIT COMMITTEE:

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

HR AND REMUNERATION COMMITTEE:

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

RISK MANAGEMENT COMMITTEE

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

COMPANY SECRETARY:

Mr. Muhammad Mohsin Ali

AUDITORS:

Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISOR:

Ahmed & Qazi

BANKERS:

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

SHARE REGISTRAR:

THK Associates (Pvt.) Limited
2nd 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:

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Ph. # : 35658750-1, 35670452, 35688490
Fax. # : 35689331, 35686310
E-mail: info@fcibank.com.pk
Website: www.fcibank.com.pk



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 27th Annual General Meeting of the shareholders of First Credit & Investment Bank Limited will be held on Wednesday, October 26, 2016 at 5:00 p.m. at PIIA (Pakistan Institute of International Affairs) Auditorium, Aiwan-e-Saddar Road, Karachi to transact the following business:

1. To confirm the minutes of the Annual General Meeting held on October 19, 2015.
2. To receive, consider and adopt the audited financial statements of the Company together with the Auditors' and Directors' Reports thereon for the year ended June 30, 2016.
3. To appoint the statutory auditors for the year ending June 30, 2017 and fix their remuneration. The present auditors M/s. Grant Thornton Anjum Rahman, Chartered Accountants, retire and being legible, have offered themselves for re-appointment.
4. To transact any other business with the permission of the Chair.

By Order of the Board



Muhammad Mohsin Ali
Company Secretary

Karachi
October 04, 2016

Notes:

1. The share transfer books of the Company will remain closed from October 16, 2016 to October 26, 2016 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. THK Associates (Pvt.) Ltd, 2nd Floor, State Life Building # 3, Dr. Ziauddin Ahmed Road, Karachi, 75530 upto the close of business on October 15, 2016, will be considered in time for purpose of entitlement of shareholders to attend and vote at the meeting.
2. A member entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint another person as his/her proxy in writing to attend the meeting who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member. A proxy need not be a member of the Company.
3. In order to be effective, proxy form must be received at the office of our Registrar not later than forty eight (48) hours before the meeting, duly signed, stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.
4. In case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
5. In case of the proxy by a corporate entity, Board of Directors resolution/ power of attorney and attested copy of CNIC or passport of the proxy shall be submitted along with the proxy form.
6. Accountholders and sub-accountholders holding book entries securities of the Company in the Central Depository Company of Pakistan Ltd, who wish to attend the meeting, are requested to bring their original CNIC with copies thereof duly attested for identification purpose.
7. The shareholders are requested to timely notify any change in their addresses to our Registrar office.



DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, I am pleased to present to you the 27th Annual Report of the First Credit & Investment Bank Limited alongwith the audited financial statements and Auditors' Report thereon, for the year ended June 30, 2016.

State of Pakistan's Economy

Pakistan economy posted notable improvements in FY16. Both external and domestic factors have contributed towards improvement in the economy. On the external front, despite a decline in exports growth, foreign exchange market remained broadly stable due to lower petroleum prices, healthy workers' remittances and adequate official capital inflow. While on the domestic side, an increase in FBR revenues has helped increase development spending, while at the same time maintaining the fiscal deficit close to the target level.

The real GDP growth touched an eight year high of 4.7 percent in FY16 which is higher than 4.2 percent recorded in FY15. The economy could not achieve the targeted growth rate of 5.5 percent due to lower growth of Agriculture sector (-0.19 percent) mainly due to decrease in output of cotton rice and maize. However, Industrial sector recorded the growth of 6.8 percent and Services sector accelerated at the rate of 5.7 percent.

The trade deficit for FY16 increased by 7.4% over FY15 despite the relief provided by low petroleum prices. Exports declined by 8.6% mainly due to slowdown in the textile sector, while imports reduced by only 2.0% as other than petroleum imports, led by machinery, mostly offset lower petroleum imports. Remittance growth continued, albeit at a slower pace of 6.4% and, coupled with inflows from multilateral agencies, continued to support the external account surplus. Foreign exchange reserves strengthened to historic levels of USD 23 billion, resulting in a stable exchange rate throughout 2016.

The IMF concluded the 12th and final review of the Extended Fund Facility (EFF) and expressed satisfaction on the progress that the economy has made over the course of the program. The IMF board is expected to approve the disbursement of the last tranche of USD 102 million under the EFF. This will represent a significant milestone as this will be the country's first ever completion of a medium term IMF program. Foreign exchange reserves held by SBP recorded steady increase and while covering four months of imports stood at USD18.1 billion by end June 2016.

Pakistan has entered into a new era of equity trading after merger of all the three stock exchanges into a single Pakistan Stock Exchange (PSX) during the current financial year. Further, much awaited MSCI decision to reclassify Pakistan from its Frontier to Emerging Market index from May 2017 lifted investors' sentiment. FY16 has witnessed a significant and an overall steady rise in the stock market indices. PSX-100 index reached to record peak to 37,783 level as of June 30, 2016 against 34,398 points as of June 30, 2015 showing a gain of 9.8 percent. Inflation has maintained its downward trajectory with the significantly lower FY16 CPI average of 2.9% from 4.5% in the previous fiscal year 2015.

Discreetly evaluating the outlook of improvements on economic front and low inflation, the State Bank of Pakistan maintained its monetary easing stance which transpired its policy rate cut of cumulative 75 bps in FY16.

Financial Results

Financial results of the Company for 2015-16 are summarized below, comparative data for 2014-15 has also been provided:

	2015-16 (Rupees in ,000)	2014-15 (Rupees in ,000)
Total revenue	99,018	81,247
Operating profit before provisions	52,651	27,550
Profit before taxation	65,203	28,665
Profit after taxation	43,864	23,016
Shareholders' equity	716,956	672,776
Deficit in revaluation of investments	(10,524)	(10,372)
Total assets	1,012,248	692,618
Earning per share-basic and diluted (Rs.)	0.67	0.35



Review of Operations

Previous few years were not good for the NBFC sector particularly for investment banks due to adverse market and economic conditions and overall law and order situation in the country. Most of the investment banks are continuously facing serious problems in terms of liquidity, profitability and viability. FCIBL was, however, successful in maintaining its liquidity and viability. Prudent approach was adopted while undertaking new business due to lack of viable opportunities. Despite all the difficulties being faced, the Company was able to improve all its financial indicators. The Company reported Operating Profit of Rs.52.7 million for FY16 against Operating Profit of Rs. 27.6 million reported for FY15 showing a healthy increase of Rs. 25.1 million. Further, due to reversal of provision made and recovery against already provided classified portfolio, the Profit before Tax increased by Rs.36.6 million. The Company reported Profit before Tax of Rs.65.2 million against Profit before Tax of Rs. 28.7 million for the previous year. Similarly, Profit after Tax for the year ended June 30, 2016 was Rs.43.9 million against Profit after Tax of Rs.23.0 million for the last year, showing an improvement of Rs.20.9 million in Profit after Tax.

On the Balance Sheet side, the shareholders' equity increased Rs.44.2 million to Rs.717.0 million as at June 30, 2016 from Rs.672.8 million as at June 30, 2015. The increase in shareholders equity was on account of profit for the year. Total assets of the Company increased to Rs.1,012.2 million as at June 30, 2016 from Rs.692.6 million as at June 30 2015. The assets increased due to bank loan and money market borrowing.

To comply with the NBFCs Rules and Regulations, an amount equivalent to 20% of after tax profit has been transferred to the Statutory Reserve.

Minimum Equity Requirement

The auditors of the Company in their report to the members on audit of financial statement have invited attention in respect of minimum equity requirements prescribed under the Non-Banking Finance Companies and Notified Entities Regulations 2008. The management of the Company has explained the same in detail under Note 1.3 annexed to the financial statements.

Changes since Balance Sheet Date

There have not been any material events or changes that occurred subsequent to the date of the Balance Sheet that require adjustments to the enclosed financial statements, except those which have already been made or disclosed.

Dividend

Dividend policy of the Company in the past has been a mix of offering attractive cash dividends, bonus shares to the shareholders, improving its credit rating and allowing the availability of adequate funds to meet its investment and expansion plans. The Directors do not recommend any dividend for the year ended June 30, 2016.

Credit Rating

JCR-VIS Credit Rating Company Limited vide its report dated December 30, 2015 maintained 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'.



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Corporate and Financial Reporting Framework

As required by the Code of Corporate Governance, the directors are pleased to report the following:

- a) These financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and change of equity.
- b) Proper books of accounts of the company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- e) The system of internal control, which is in place, is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

Key operating and financial data

The key operating and financial data of the company for the last six years is as under:

Year ended June 30	2016	2015	2014	2013	2012	2011
			Restated	Restated	Restated	
			Rupees in million			
Total revenue	99	81	60	93	139	138
Profit/ (loss) before taxation	65	29	4	(14)	(85)	(136)
Profit/ (loss) after taxation	44	23	1	(6)	(71)	(88)
Shareholders' equity	717	673	649	651	658	727
Total assets	1,012	693	738	838	1,222	1,518
Earning/ (loss) per share (Rs)	0.67	0.35	0.02	(0.10)	(1.10)	(1.36)

Staff Retirement Benefit Schemes

Value of the investment of Employees' Provident Fund and Gratuity Fund based on their latest audited financial statements as at June 30, 2015 were Rs.14,093,839/- and Rs.6,662,297/-, respectively.

Board of Directors

During the year one casual vacancy occurred on the Board due to resignation of Mr. Saghir Ahmed as director. The Board appointed Mr. Muhammad Ameen as independent director to fill the casual vacancy.



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During the year five (5) Board meetings were held, in which Directors' attendance was as follows:

Name of Directors	Number of meetings Eligible to attend	Number of meetings attended
Mr. Wajahat A. Baqai	5	5
Mr. Najib Tariq	5	5
Mr. Anwar-ul-Haq	5	5
Mr. Asad Ullah Saleem	5	5
Mr. Muhammad Naeemuddin	5	5
Mr. Muhammad Iqbal Hussain	5	5
Mr. Javed Rashid	5	5
Mr. Muhammad Ameen	2	1
Mr. Jehangir Akber*	--	--
Mr. Sahgir Ahmed*	--	--
Mr. Ahsanullah Khan	5	5

* approval from SECP under Fit & Proper Criteria is awaited

Leave of absence was granted to the directors who could not attend the meetings.

Audit Committee and Internal Controls

Audit Committee of the Board comprises of three non-executive directors majority of which are independent director including the Chairman of the Committee. Terms of reference of the Audit Committee have been formulated by the Board in accordance with the Code of Corporate Governance. During the year four (4) meetings of Audit Committee were held, in which directors' attendance was as follows:

Name of Directors	No. of meetings attended
1. Mr. Muhammad Naeemuddin	4
2. Mr. Anwar-ul-Haq	4
3. Mr. Javed Rashid	4

HR and Remuneration Committee

Board constituted its HR and Remuneration Committee to assist the directors in discharging their responsibilities with regard to selection, evaluation and succession planning of key management personnel. The committee consists of four members. Majority of members are non-executive directors including the Chairman of the Committee. During the year three (3) meetings of HR and Remuneration Committee were held, in which directors' attendance was as follows:

Name of Directors	No. of meetings attended
1. Mr. Asad Ullah Saleem	3
2. Mr. Najib Tariq	3
3. Mr. Muhammad Naeemuddin	3
4. Mr. Ahsanullah Khan	3

Training Programs

The directors have been provided with copies of Listing Regulations of the Karachi Stock Exchange, Memorandum and Articles of Association, NBFs Rules 2003 and NBFs & NEs Regulation 2008 and they are well conversant with their duties and responsibilities. During the year one director obtained the certification under directors training program. Similarly, training opportunities will be provided to employees for upgrading their skills for the long term growth of the Company.



Auditors

The present auditors M/s. Grant Thornton Anjum Rahman, Chartered Accountants, retire and being eligible offer themselves for re-appointment. As required under the Code of Corporate Governance the Audit Committee has recommended the appointment of M/s. Grant Thornton Anjum Rahman, Chartered Accountants, as auditors for the year ending June 30, 2017.

Pattern of Shareholdings

The Pattern of Shareholding including Categories of Shareholders of the Company as on June 30, 2016 is annexed at the end of the annual report. During the year, no trade of shares of the Company was carried out by the Directors, CEO, CFO, Company Secretary and their spouses and minor children, except as those reported in pattern of shareholding.

Future Outlook & Strategy

We are vigilant for diversifying our business focusing on new avenues and increasing revenue streams, which hopefully will be forthcoming with improvement in economic and business conditions of the country. Your Company would endeavour to restore reasonable quality of its assets, improve its infrastructure, build capacity through training of existing personnel and hiring key 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.

Karachi
September 28, 2016

By order of the Board



Ahsanullah Khan
President & CEO



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the code) prepared by the board of directors of First Credit and Investment Bank Limited (the Company) for the year ended June 30, 2016 to comply with the requirements of Regulation No. 5.19 contained in the Rule book of the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) where the Company is listed.

The responsibility for compliance with the code is that of the board of directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the code and report if it does not and to highlight any non-compliance with the requirements of the code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the board of directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the board of directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the board of directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the code as applicable to the Company for the year ended June 30, 2016.

Date: September 28, 2016

Karachi



Grant Thornton Anjum Rahman
Chartered Accountants

Khaliq-ur-Rahman
Engagement Partner



STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the requirements of Rule Book of Pakistan Stock Exchange Limited, chapter 5.19.23 of the Code of Corporate Governance (CCG) where the company is listed for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

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

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

Name of Directors	Category		
	Independent Directors	Non-Executive Directors	Executive Directors
Mr. Wajahat A. Baqai		✓	
Mr. Najib Tariq		✓	
Mr. Anwar-ul-Haq		✓	
Mr. Asad Ullah Saleem		✓	
Mr. Muhammad Naeemuddin	✓	✓	
Mr. Muhammad Iqbal Hussain	✓	✓	
Mr. Javed Rashid	✓	✓	
Mr. Muhammad Ameen	✓	✓	
Mr. Jehangir Akber*		✓	
Mr. Ahsanullah Khan-CEO			✓

* approval under Fit & Proper criteria from SECP is awaited.

The independent directors meet the criteria of independence under clause 5.19.1 (b) of the CCG.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.
- A casual vacancy occurring on the Board on November 26, 2015 was filled up by the directors within 67 days.
- The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.



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7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.
8. The meetings of the board were presided over by the Chairman and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board arranged one training program for its director during the year.
10. There were no new appointments of CFO, Company Secretary or Head of Internal Audit during the year under review.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises three members, of whom all are non-executive directors and the Chairman of the Committee is an Independent Director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed an HR & Remuneration Committee. It comprises four members, of whom three are non-executive directors including the chairman of the HRR Committee.
18. The board has set up an effective internal audit function manned by suitably qualified and experienced personnel who are conversant with the policies and procedures of the company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.



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20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. We confirm that all other material principles enshrined in the CCG have been complied with.

Karachi
Date: September 28, 2016

By order of the Board



Ahsanullah Khan
President & CEO



AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **First Credit and Investment Bank Limited** ('the Company') as at **June 30, 2016** and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion;
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with, the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **June 30, 2016** and of the profit, its total comprehensive income, cash flows and changes in equity for the year then ended; and
- d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).



We draw attention to the following:

- note 1.3 to the financial statements which inter alia states that equity of the Company 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 9.1 to the financial statements in which, the management of the Company has described their assumptions and estimates affecting deferred tax asset.

Our opinion is not qualified in respect of above matters.

Date: September 28, 2016

Karachi



Grant Thorntun Anjum Rahman
Chartered Accountants

Khaliq-ur-Rahman
Engagement Partner



BALANCE SHEET

	Note	2016 Rupees	2015 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
-Property and equipment	4	3,237,549	6,076,764
-Intangible assets	5	154,852	269,799
Long-term investments	6	85,853,121	199,525,617
Long-term loans and finances	7	43,550,106	34,488,666
Long-term deposits	8	57,500	50,000
Deferred tax asset	9	77,489,307	91,918,895
Total non-current assets		210,342,435	332,329,741
CURRENT ASSETS			
Current portion of non-current assets	10	44,788,556	48,754,095
Short-term investments	11	138,679,770	65,360,177
Short-term placements	12	550,000,000	211,500,000
Markup/interest accrued	13	47,221,748	14,722,412
Prepayments and other receivables	14	891,025	720,634
Taxation-net		4,049,015	10,351,316
Cash and bank balances	15	16,275,509	8,879,700
Total current assets		801,905,623	360,288,334
Total assets		1,012,248,058	692,618,075

The annexed notes from 1 to 40 form an integral part of these financial statements



AHSANULLAH KHAN
President & CEO



FIRST CREDIT AND INVESTMENT BANK LTD.

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AS AT JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 75,000,000 (2015: 75,000,000) ordinary shares of Rs. 10 each		<u>750,000,000</u>	<u>750,000,000</u>
Issued, subscribed and paid-up share capital 65,000,000 (2015: 65,000,000) shares of Rs. 10 each	16	650,000,000	650,000,000
Statutory reserve	17.1	131,318,417	122,545,534
Accumulated loss		(64,362,577)	(99,769,501)
Total shareholders' equity		716,955,840	672,776,033
Deficit on remeasurement of investments - net	18	(10,524,449)	(10,372,080)
NON-CURRENT LIABILITIES			
Long-term certificates of deposits	19	-	-
Deferred liability - Staff gratuity	20	4,717,766	3,925,700
Long-term loan	22	190,000,000	-
Total non-current liabilities		194,717,766	3,925,700
CURRENT LIABILITIES			
Short-term repo borrowing	21	100,000,000	-
Current portion of long-term loan	22	-	15,625,000
Current portion of long-term certificates of deposit	19	-	5,000,000
Markup / interest accrued	23	1,734,039	1,610,740
Accrued and other payables	24	9,364,862	4,052,682
Total current liabilities		111,098,901	26,288,422
Total liabilities		305,816,667	30,214,122
Contingencies and commitments	25		
Total equity and liabilities		<u>1,012,248,058</u>	<u>692,618,075</u>

The annexed notes from 1 to 40 form an integral part of these financial statements



MUHAMMAD NAEEMUDDIN
Director



FIRST CREDIT AND INVESTMENT BANK LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
INCOME			
Income from term finances and funds placements	26	50,564,195	20,074,678
Income from investments	27	47,118,124	57,860,342
Fees and commission income	28	1,041,407	409,031
Other income	29	294,696	2,902,714
		99,018,422	81,246,765
EXPENDITURE			
Finance cost	30	3,152,987	9,723,265
Administrative and operating expenses	31	43,214,299	43,973,866
		46,367,286	53,697,131
Operating income before provisions		52,651,136	27,549,634
(Provision) / Reversals			
Reversal of provision for accrued mark-up		3,088,110	8,789,832
(Provision) for diminution in value of investments	6.6	(19,781,548)	(4,050,000)
Reversal of provision for non-performing finances	7.2.6	14,149,088	-
Un-realized loss on re-measurement of investment classified as held-for-trading	11.4	(1,642,710)	(352,943)
Reversal of provision for non-performing investment		18,069,617	-
Impairment in investments classified as available-for-sale	6.4 & 11.2	-	(2,686,952)
Profit before taxation and workers welfare fund		66,533,693	29,249,571
Workers' welfare fund		(1,330,674)	(584,991)
PROFIT BEFORE TAXATION		65,203,019	28,664,580
Taxation	32	(21,338,605)	(5,648,503)
PROFIT FOR THE YEAR		43,864,414	23,016,077
Earning per share - basic and diluted	33	0.67	0.35

The annexed notes from 1 to 40 form an integral part of these financial statements



AHSANULLAH KHAN
President & CEO



MUHAMMAD NAEEMUDDIN
Director



ANNUAL REPORT 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
PROFIT FOR THE YEAR		43,864,414	23,016,077
Other comprehensive income:			
Components of comprehensive income not reflected in equity:			
Items that may be reclassified to profit and loss account subsequently:			
Unrealized (loss) /gain on re-measurement of available-for-sale investment	18	(152,369)	12,983
Comprehensive income for the year transferred to equity			
Items that will not be subsequently reclassified to profit and loss account:			
Remeasurement of net defined benefit liability	20.5	445,464	503,627
Related tax impact		(130,071)	(161,161)
		315,393	342,466
Total comprehensive income for the year		44,027,438	23,371,526

The annexed notes from 1 to 40 form an integral part of these financial statements



AHSANULLAH KHAN
President & CEO



MUHAMMAD NAEEMUDDIN
Director

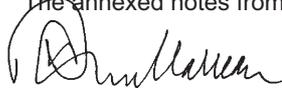


FIRST CREDIT AND INVESTMENT BANK LTD.

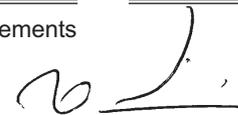
CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		65,203,019	28,664,580
Adjustments for:			
Depreciation	4	3,106,016	2,892,817
Amortization	5	114,947	375,242
Gain on disposal of property and equipment		(59,500)	(2,586,800)
Gratuity expense	20.6	1,237,530	1,260,873
Dividend income	27	(1,337,964)	(1,119,230)
Finance cost	30	3,152,987	9,723,265
Provision for non-performing investments	6.6	19,781,548	4,050,000
Reversal of provision for accrued markup		(3,088,110)	(8,789,832)
Impairment in investments classified as available-for-sale	6.4 & 11.2	-	2,686,952
Reversal for non-performing finances	7.2.6	(14,149,088)	-
Reversal of provision for non-performing investment		(18,069,617)	-
Unrealized loss on held-for-trading investments	11.4	1,642,710	352,943
		(7,668,541)	8,846,230
Operating cash flows before working capital changes		57,534,478	37,510,810
(Increase) / decrease in current assets			
Short-term investments	11 & 11.4	(74,962,303)	5,606,579
Prepayments and other receivables	14	(170,391)	390,987
Markup/interest accrued	13	(29,411,226)	17,810,023
		(104,543,920)	23,807,589
Increase / (decrease) in current liabilities			
Accrued expenses and other liabilities	24	5,312,180	(2,152,134)
Cash (used in)/ generated from operations		(41,697,262)	59,166,265
Income tax paid		(736,787)	(1,765,666)
Dividend income received		1,337,964	1,119,230
Markup on finance cost paid		(3,029,688)	(10,897,036)
		(2,428,511)	(11,543,472)
Net cash (used in)/ generated from operating activities		(44,125,773)	47,622,793
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4	(266,801)	(2,867,924)
Acquisition of intangible assets	5	-	(148,314)
Proceed from disposal of property and equipment		59,500	2,586,800
Long-term deposit paid		(7,500)	-
Long-term investments - net		132,197,682	233,135,739
Long-term finances-net		(11,336,299)	5,407,390
Net cash generated from investing activities		120,646,582	238,113,691
CASH FLOWS FROM FINANCING ACTIVITIES			
Received/ (repayment) of long term loans	22	174,375,000	(62,500,000)
Certificates of deposit	19	(5,000,000)	-
Net cash generated from/(used in) financing activities		169,375,000	(62,500,000)
Net increase in cash and cash equivalents		245,895,809	223,236,484
Cash and cash equivalents at the beginning of the year		220,379,700	(2,856,784)
Cash and cash equivalents at the end of the year	34	466,275,509	220,379,700

The annexed notes from 1 to 40 form an integral part of these financial statements



AHSANULLAH KHAN
President & CEO



MUHAMMAD NAEEMUDDIN
Director



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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2016

	Note	Issued, subscribed and paid-up share capital	Reserve		Total	Total shareholder's equity
			Capital Statutory Reserve	Revenue Accumulated loss		
.....(Rupees).....						
Balance as at July 01, 2014		650,000,000	117,942,319	(118,524,829)	(582,510)	649,417,490
Profit for the year		-	-	23,016,077	23,016,077	23,016,077
Other comprehensive income		-	-	342,466	342,466	342,466
Transfer to statutory reserve	17.1	-	4,603,215	(4,603,215)	-	-
Transaction with owner		-	-	-	-	-
Balance as at June 30, 2015		650,000,000	122,545,534	(99,769,501)	22,776,033	672,776,033
Balance as at July 01, 2015		650,000,000	122,545,534	(99,769,501)	22,776,033	672,776,033
Profit for the year		-	-	43,864,414	43,864,414	43,864,414
Other comprehensive income		-	-	315,393	315,393	315,393
Transfer to statutory reserve	17.1	-	8,772,883	(8,772,883)	-	-
Transaction with owner		-	-	-	-	-
Balance as at June 30, 2016		650,000,000	131,318,417	(64,362,577)	66,955,840	716,955,840

The annexed notes from 1 to 40 form an integral part of these financial statements



AHSANULLAH KHAN
President & CEO



MUHAMMAD NAEEMUDDIN
Director



FIRST CREDIT AND INVESTMENT BANK LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

1 LEGAL STATUS AND OPERATIONS

- 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 is 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. Further, the medium to long term credit rating of the Company, rated by JCR-VIS Credit Rating Company, on December 29, 2015 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 the Company is short by Rs. 33.045 million and for non-deposit taking investment finance services as Rs.100 million. Further, SECP has advised the company to take decision of opting to act as a deposit taking NBFC or otherwise by the end of September 30, 2016. SECP has given time period of one year to the existing lending NBFCs to meet the minimum equity requirement provided that during the interim period of one year, the total deposits of such NBFCs shall be capped at the existing level i.e. outstanding deposits at the date of coming into force of these regulations i.e. November 25, 2015.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984 ("the Ordinance"), the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("the NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Ordinance, the NBFC Rules, the NBFC Regulations or the directives issued by 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.

The SECP has deferred the applicability of International Accounting Standard, 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. The SECP has also deferred the applicability.

Financial Reporting Standard, IFRS-7 'Financial Instruments: Disclosures' through Circular No. 411(1) / 2008 dated April 28, 2008 to NBFCs providing investment finance services. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements.



2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the measurement of certain financial instruments at fair value and at amortized costs and retirement benefits at present value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All financial information presented in Pak Rupees has been rounded to the nearest rupee.

2.4 Use of estimates and judgments

The preparation of the financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenditures. Actual results may differ from these estimates.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. 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 revision and future periods if the revision affects both current and future periods.

In preparing these financial statements, the significant judgment made by the management in applying accounting policies include:

- Provision for current and deferred taxation (Note 3.10 and 9.1)
- Classification, impairment and provisioning of investments (Note 3.2, 3.3 and 3.15)
- Provision against finances (Note 3.15)
- Staff retirement benefits (Note 3.11)
- Depreciation and amortization on fixed and intangible assets (Note 3.1)

2.5 Standards, Amendments and Interpretations to Approved Accounting Standards

2.5.1 Standards, amendments and interpretations to the published standards that are relevant to the company and adopted during the year

The Company has adopted the following new standards which became effective during the current year.

Standards, amendments and interpretations	Effective date
IFRS 13 - Fair Value Measurement	January 1, 2015

Adoption of the above revisions, amendments and interpretations of the standards have no significant effect on the amounts for the year ended June 30, 2015 and 2016.



2.5.2 Standards, amendments to published standards and interpretations that are effective but not relevant.

The other new standards, amendments to published standards and interpretations that are mandatory for the financial year beginning on June 01, 2015 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are therefore not presented here.

2.5.3 Standards, amendments and interpretations to the published standards that are relevant but not yet effective and not early adopted by the Company

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standards, amendments or interpretations	Effective date
- IAS 1 - Disclosure Initiative (Amendments to IAS 1 Presentation of Financial Statements)	January 1, 2016
- Annual Improvements to IFRS 2012 - 2014 Cycle	January 1, 2016
- IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38)	January 1, 2016
- IAS 7 - Disclosure Initiative (Amendments to IAS 7)	January 1, 2017
- IAS 12 - Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12)	January 1, 2017
- The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.	

2.5.4 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP).

- Following new standards have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

2.5.5 Standards, amendments or interpretations	IASB effective date (Annual periods beginning on or after)
- IFRS 9 - Financial Instruments (2014)	January 1, 2018
- IFRS 16 - Leases	January 1, 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Fixed assets

Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to profit and loss account using the straight line method whereby the depreciable cost of an asset is written-off over its estimated useful life at straight line rates specified in note 4 to the financial statements. In respect of additions and disposals during the year, depreciation is charged from the month of acquisition and up to the month preceding the disposal, respectively.

Subsequent costs are included in the book value as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the profit and loss account during the year in which they are incurred.



Maintenance and normal repairs are charged to profit and loss account as and when incurred.

Gains or losses on disposal or retirement of property and equipment are taken to profit and loss account.

Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The depreciable cost of intangible asset is amortized over its estimated useful life, using straight line method at rate specified in note 5 to the financial statements.

3.2 Impairment

The carrying amount of assets is reviewed at each balance sheet date for impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable.

If such indication exists, where the carrying value exceeds the estimated recoverable amount, assets are written down to their recoverable amount. The resulting impairment loss is taken to the profit and loss account.

3.3 Investments

The Company determines the classification of its investments at the time of acquisition of investment and re-evaluates this classification on a regular basis. The existing investment portfolio of the Company has been categorized as follows:

a) Classification of investments

Held-for-trading

These are investments which are acquired principally for the purpose of generating profits from short-term fluctuations in market prices, interest rate movements, dealer's margin or are investments included in a portfolio in which a pattern of short-term profit taking exists.

Available-for-sale

These are investments that are intended to be held for an indefinite period of time and which may be sold in response to need for liquidity or changes to interest rates, exchange rates or equity prices.

Held-to-maturity

These are investments with fixed or determinable payments and fixed maturity that the Company has the positive intention and ability to hold to maturity.

b) Initial and subsequent measurement

All investments are initially recognized at cost, being the fair value of the consideration given. Cost includes transaction costs associated with the investment. Subsequent to initial recognition, held-for trading and available-for-sale investments for which active market exists, are measured at their market value while held-to maturity investments are stated at amortized cost determined using the effective interest rate method, less impairment, if any.

Any surplus or deficit on revaluation of held-for-trading investments are charged to profit and loss, while in case of available-for-sale investments, the resulting surplus/(deficit) is kept in a separate account and is shown in the balance sheet below the shareholders' equity as surplus/(deficit) on revaluation of investments. At the time of disposal the respective surplus or deficit is transferred to income currently.

Unquoted available for sale investments, except where an active market exists, are carried at cost less accumulated impairment losses, if any.



Impairment of investments is recognized when there is a permanent diminution in their values. Provision for impairment in the value of investment, if any, is taken to the profit and loss account.

3.4 Trade date accounting

All purchases and sales of investments that require delivery within the time frame established by the regulations or market conventions are recognized on the trade date. Trade date is the date on which the Company commits to purchase or sell the investment.

3.5 Derivatives instruments

Derivative instruments held by the Company generally comprise of future and forward contracts in the capital and money markets. These are stated at fair value at the balance sheet date. The fair value of derivatives is equivalent to the unrealized gain or loss from marking the derivatives to market using prevailing market rates at the balance sheet date. Derivatives with positive market values (unrealized gains) are included in other assets and derivatives with negative market values (unrealized losses) are included in other liabilities. The corresponding gains and losses are included in the profit and loss account.

3.6 Securities under repurchase and reverse repurchase agreements

Transactions of repurchase / reverse repurchase of investment securities are entered into at contracted rates for specified periods of time and are accounted for as follows:

Re-purchase agreements

Securities sold with a simultaneous commitment to repurchase at a specified future date (repo) continue to be recognized in the balance sheet and are measured in accordance with accounting policies for investments. The counter party liability for amounts received under these agreements is included in borrowings from banks /financial institutions. The difference between sale and repurchase price is treated as mark-up on borrowings from banks/financial institutions and accrued over the life of the repo agreement.

Reverse repurchase agreements

Securities purchased with a corresponding commitment to resell at a specified future date (reverse repo) are not recognized in the balance sheet. Amounts paid under these agreements are recorded as fund placements. The difference between purchase and resale price is treated as return from fund placements with financial institutions and accrued over the life of the reverse repo agreement.

3.7 Margin Trading System (MTS) transactions

Receivable against MTS transactions are recorded at the fair value of the consideration given. The MTS transactions are accounted for on the settlement date. The difference between the purchase and sale price is treated as income from MTS transactions and recognized in the profit and loss account and is recognized over the term of the respective transaction.

3.8 Term finance / credit facilities / loans

Term finances originated by the Company are stated net of provision for losses on such assets. The specific provision for bad and doubtful loans, if any, is determined in accordance with the requirements of the NBFC Regulations. Loans are written off when there is no realistic prospect of recovery.

3.9 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose statement of cash flows, cash and cash equivalents' comprise of cash in hand, balances in current accounts with banks, short-term bank deposits, short-term placements, short-term running finance and short-term repo borrowing.



3.10 Taxation

Current

The provision for current taxation is based on taxable income at current tax rates after taking into account tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The charge for current tax also includes adjustments where necessary relating to prior years which arise from assessments framed / finalized during the year.

Deferred

Deferred tax is recognized using the liability method in respect of all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts used for financial reporting purpose. Deferred tax asset is recognized for all deductible temporary differences and tax losses, if any, to the extent that it is probable that the temporary differences will reverse in the future and the taxable profits will be available against which the temporary differences and tax losses can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted at the balance sheet date.

3.11 Staff retirement benefits

3.11.1 Defined benefit plan

The Company operates an approved funded gratuity scheme for its permanent employees. The net defined benefit liability recognized in the balance sheet in respect of defined benefit gratuity scheme, is the present value of the defined benefit obligation both computed at the balance sheet date less the fair value of plan assets. An independent actuary using the projected unit credit actuarial cost method calculates the defined benefit obligation periodically. Last valuation was the balance sheet date. Amounts arising as a result of re-measurements, representing the actuarial gains and losses and the difference between the actual investment returns and the return implied by the net interest cost are recognized in the balance sheet immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

3.11.2 Defined contribution plan

The Company also operates a recognized contributory provident fund for all of its regular employees. Equal monthly contributions are made, both by the Company and the employees to the fund at the rate of 10% of basic salary.

3.12 Term financing- term finance certificates (TFCs)

Term finance certificates are initially recognized at its fair values less transaction costs that are directly attributable to the issue of TFCs and subsequently carried at amortized cost using effective interest rate method. The transaction costs are also amortized over the term of TFCs using the effective interest method.

3.13 Finances, certificate of deposits and other borrowings

Deposits are initially recorded at the amounts of proceeds received. Mark-up accrued on deposits is recognized separately as part of other liabilities and is charged to the profit and loss account over the period.



3.14 Return on certificates of deposit

Return on certificates of deposit (CODs) issued by the Company is recognized on time proportionate basis taking into account the relevant CODs issue date and final maturity date.

3.15 Provisions, contingent assets and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Provisions for legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

3.16 Accrued and other liabilities

Other liabilities are measured at amortized cost which equals/ estimated fair value of the consideration to be paid in the future for goods and services received by the Company.

3.17 Proposed dividend and transfer between reserves

Proposed dividend are transfer between reserves, except appropriations which are required by law, made subsequent to the balance sheet date are considered as non-adjusting events and are recognized in the financial statements in the period in which such dividends are declared / transfers are made.

Dividend distribution to the shareholders is recognised as a liability in the period in which it is approved by the shareholders.

3.18 Finance cost

Finance costs are recognized as an expense in the year in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.



3.19 Revenue recognition

- a) Return on term finances and funds placements, is recognized on time proportion basis taking into account the principal / net investment outstanding and applicable rates of profit thereon except in case of classified loans on which income is recognized on receipt basis.

Interest/markup on rescheduled/restructured advances and investments is recognized in accordance with the guidelines given in the NBFC Regulations.

- b) Return on government securities and term finance certificates is represents interest income earned using effective interest rate.
- c) Dividend income on equity investments is recognized when the right to receive the dividend is established.
- d) Income from fees, commission and brokerage is recognized, when such services are provided.
- e) Other income is recognized as and when incurred.

3.20 Earnings per share (EPS)

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.21 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired.

3.22 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.23 Related party transactions

All transactions with related parties are carried out by the Company at arm's length prices using the comparable uncontrolled valuation method.



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4 PROPERTY AND EQUIPMENT

	Furniture & Fittings	Office equipment	Computers	Air Conditioners	Vehicles	Leasehold Improvements	Total
.....(Rupees).....							
Year ended June 30, 2015							
Opening net book value	326,155	183,343	637,550	486,518	2,091,426	2,376,665	6,101,657
Additions during the year	-	208,000	726,809	81,978	1,851,137	-	2,867,924
Disposals							
Cost	-	8,500	-	-	3,173,230	-	3,181,730
Accumulated depreciation	-	(8,500)	-	-	(3,173,230)	-	(3,181,730)
Depreciation for the year	(75,578)	(56,895)	(340,809)	(155,787)	(1,023,750)	(1,239,998)	(2,892,817)
Closing net book value	250,577	334,448	1,023,550	412,709	2,918,813	1,136,667	6,076,764
As at June 30, 2015							
Cost	1,141,088	2,054,468	3,524,591	1,552,050	8,196,132	6,200,000	22,668,329
Accumulated depreciation	(890,511)	(1,720,020)	(2,501,041)	(1,139,341)	(5,277,319)	(5,063,333)	(16,591,565)
Net book value	250,577	334,448	1,023,550	412,709	2,918,813	1,136,667	6,076,764
Year ended June 30, 2016							
Opening net book value	250,577	334,448	1,023,550	412,709	2,918,813	1,136,667	6,076,764
Additions during the year	-	32,467	153,706	80,628	-	-	266,801
Disposals							
Cost	-	157,278	145,785	210,956	-	-	514,019
Accumulated depreciation	-	(157,278)	(145,785)	(210,956)	-	-	(514,019)
Depreciation for the year	(71,433)	(89,345)	(446,506)	(169,303)	(1,192,762)	(1,136,667)	(3,106,016)
Closing net book value	179,144	277,570	730,750	324,034	1,726,051	-	3,237,549
As at June 30, 2016							
Cost	1,141,088	1,929,657	3,532,512	1,421,722	8,196,132	6,200,000	22,421,111
Accumulated depreciation	(961,944)	(1,652,087)	(2,801,762)	(1,097,688)	(6,470,081)	(6,200,000)	(19,183,562)
Net book value	179,144	277,570	730,750	324,034	1,726,051	-	3,237,549
Annual rates of depreciation	15%	20%	33%	15%	20%	20%	



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	Note	2016 Rupees	2015 Rupees
5 INTANGIBLE ASSETS			
Opening net book value		269,799	496,727
Additions during the year		-	148,314
Amortization for the year		<u>(114,947)</u>	<u>(375,242)</u>
Closing net book value		<u>154,852</u>	<u>269,799</u>
As at June 30			
Cost		3,753,930	3,753,930
Accumulated amortization		<u>(3,599,078)</u>	<u>(3,484,131)</u>
Net book value		<u>154,852</u>	<u>269,799</u>
Annual rates of amortization		33%	33%
6 LONG-TERM INVESTMENTS			
Held-to-maturity			
- Term finance certificates/sukuk - unlisted	6.1	15,000,001	132,819,000
- Term finance certificates/sukuk - listed	6.2	67,424,465	49,775,861
- Government securities	6.3	-	-
		<u>82,424,466</u>	<u>182,594,861</u>
Available-for-sale			
- Investment in listed shares	6.4	2,079,253	1,952,845
- Term finance certificates - listed	6.5	1,349,402	14,977,911
Total investments at market value *		<u>85,853,121</u>	<u>199,525,617</u>

*Total investment taken to balance sheet at mark to market



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6.1 Term finance certificates/Sukuk - Unlisted

Number of Certificates		Par Value	Investee	2016	2015
2016	2015			Amortized cost	
				Rupees	Rupees
Chemical					
-	28,400	5,000	Engro Fertilizer Limited - TFC	-	127,566,300
Cable & electrical goods					
-	15,900	5,000	Pak Electron Limited - sukuk	-	26,263,511
8,000	8,000	5,000	New Allied Electronics Industries (Private) limited (refer note 6.1.1)	38,160,166	38,160,166
Textile					
5,000	5,000	5,000	Amtex Limited (refer note 6.1.2)	18,750,001	18,750,001
28,000	28,000	5,000	Three Star Hosiery (Private) Limited (refer note 6.1.3)	140,000,000	140,000,000
-	4,995	5,000	Pak Libya Holding Company (Private) Limited	-	8,318,329
Textile Composite					
860	860	5,000	Azgard Nine Limited	4,300,000	4,300,000
Miscellaneous					
10,000	10,000	5,000	Eden Housing Limited - sukuk	6,560,000	6,560,000
6,000	-	5,000	NRSP Micro finance Bank Limited - TFC	30,000,000	-
				237,770,167	369,918,307
Less: Provision for non-performing investments (refer note 6.6)				(202,972,943)	(196,412,943)
Less: Current maturity (refer note 10)				(19,797,223)	(40,686,364)
				15,000,001	132,819,000

6.1.1 This represents Sukuk Certificates issued on December 3, 2007 for a period of five years and markup rate of 3 month KIBOR + 2.20% with a floor of 7% and cap of 20% payable half yearly. These certificates are secured against bank guarantee of First Dawood Investment Bank Limited and ranking charge over present and future assets of the company. This has been classified as non performing investment by the Company under loss category and the Company has made 100% provision .

6.1.2 This represents Sukuk Certificates issued on October 12, 2007 for a period of five years and markup rate of 3 month KIBOR + 2% with a floor of 11% and cap of 25% payable quarterly . These certificates are secured against bank guarantee of Bank of Punjab. This has been classified as non performing investment by the Company under loss category and the Company has made 100% provision after considering the amount received by registrar Lahore High Court in March 2011.



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6.1.3 This represents Sukuk Certificates issued on August 5, 2008 for a period of five years and markup rate of 3 month KIBOR + 3.25% with a floor of 11% and cap of 25%. These certificates are secured against bank guarantee of First Dawood Investment Bank and ranking charge over assets of the investee. This was due to mature on August 6, 2013. This has been classified as non performing investment by the Company under loss category and the Company has made 100% provision. The Company has filed suit to recover the amount in Sindh High Court Karachi in year 2013.

6.2 Term finance certificate / sukuk - listed

Number of Certificates		Par Value	Investee	Note	2016	2015	
2016	2015				Cost		
					Rupees	Rupees	
Commercial Banks							
-	5,984	5,000	Allied Bank Limited	6.2.1	-	29,854,176	
3,995	3,995	5,000	Summit Bank Limited	6.2.2	19,933,653	19,942,841	
Petroleum							
10,000	-	5,000	Hascol Petroleum Limited	6.2.3	50,000,000	-	
					69,933,653	49,797,017	
Less: current maturity					10	(2,509,188)	(21,156)
					<u>67,424,465</u>	<u>49,775,861</u>	

6.2.1 This represents Term Finance Certificates issued on August 28, 2009 for a period of ten years. Markup payment are made semi annually at the rate of 6 month KIBOR+0.85% to 1.30% (2015: 6 month KIBOR+0.85% to 1.30%). These were due to mature on August 28, 2019. The issuer exercised the call option and redeemed the whole issue during the current year.

6.2.2 This represents Term Finance Certificates issued on October 27, 2011 for a period of seven years. Markup payment are made semi annually at the rate of 6 month KIBOR+3.25% (2015: 6 month KIBOR+3.25%). These are due to mature on October 26, 2018.

6.2.3 This represents Sukuk issued on January 7, 2016 for a period of six years including one year grace period. Profit payment are due for on quarterly basis at the rate of 3 month KIBOR+1.25% per annum. These are due to mature on January 6, 2022.

	Note	2016 Rupees	2015 Rupees
6.3 Government securities - Pakistan Investment Bonds			
Cost			
Opening		-	172,185,000
Purchased during the year		-	-
Matured during the year		-	-
Disposed off during the year		-	(172,185,000)
		-	-
Amortization			
Opening		-	81,812
Charged during the year		-	-
Matured during the year		-	-
Disposed off during the year		-	(81,812)
		-	-
Closing		-	-



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6.4 Investment in listed shares

Number of Shares		Par Value	Investee Company	Note	2016		2015	
					Cost	Market Value	Cost	Market Value
2016	2015							
-	1,522	10	Tariq Glass Industries limited		-	-	89,022	89,022
242,055	242,055	10	Agritech Limited (refer note 6.4.1)		7,857,102	2,079,253	7,857,102	1,863,823
					7,857,102	2,079,253	7,946,124	1,952,845
			Less: Deficit on remeasurement (refer note 6.7 & 18)		(5,777,849)	-	(5,993,279)	-
					<u>2,079,253</u>	<u>2,079,253</u>	<u>1,952,845</u>	<u>1,952,845</u>

6.4.1 This represents 242,055 shares of Agritech Limited acquired from Azgard Nine Limited as part of multiple agreements including the Master Restructuring Agreement (MRA). These shares have been transferred and pledge in favor of Faysal Bank Limited in its capacity as the trustee of the TFC issue under Share Transfer and Debt Settlement Agreement. The subject shares are to be held by the trustee subject to the terms and condition of the Shareholder Investor Agreement dated July 26, 2012 (also refer note 6.5.1).

6.5 Term finance certificates - Listed

Number of Certificates		Par Value	Investee Company	2016		2015	
				Cost	Market Value	Cost	Market Value
2016	2015						
			Textile Composite				
4,000	4,000	5,000	Azgard Nine Limited (refer note 6.5.1)	6,507,678	6,507,678	6,507,678	6,507,678
			Technology and Communication				
6,886	6,886	5,000	Worldcall Telecom Limited (refer note 6.5.2)	13,221,549	13,221,549	13,849,557	13,904,955
			Balance carried forward	19,729,227	19,729,227	20,357,235	20,412,633
			Balance brought forward	19,729,227	19,729,227	20,357,235	20,412,633
			Less: Provision against non-performing investments	(18,028,265)		(4,806,716)	
			Add: Surplus on remeasurement (refer note 18)	-	-	55,398	-
				<u>1,700,962</u>	<u>19,729,227</u>	<u>15,605,917</u>	<u>20,412,633</u>
			Less: Current maturity (refer note 10)	(351,560)	(351,560)	(628,006)	(628,006)
				<u>1,349,402</u>	<u>19,377,667</u>	<u>14,977,911</u>	<u>19,784,627</u>



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6.5.1 This represents Term Finance Certificates issued on September 20, 2005 at the rate of 6 month KIBOR + 2.4%. These certificates have been restructured and rescheduled under Master Restructuring Agreement (MRA) dated December 1, 2010, and shall now mature on September 20, 2017. This has been classified as non performing investment by the Company under loss category and the Company has made 100% provision of the principal amount after considering FSV of the collateral as per NBFC's & NE's Regulations. These certificates are secured by first pari passu charge on the present and future assets of the investee Company.

6.5.2 This represents Term Finance Certificates issued on October 7, 2008 for a period of five years. Markup payment are made semi annually at the rate of 6 month KIBOR + 1.6%. The issue is secure by first pari passu charge on the present and future fixed assets of the investee Company. These were due to mature on October 7, 2015. Further, these TFCs are restructured on April 3, 2015 and due to mature on October 7, 2021. This has been classified as non performing investment by the Company under loss category and the Company has made 100% provision .

	Note	2016 Rupees	2015 Rupees
6.6 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS			
Balance at the beginning of the year		201,219,659	197,169,659
Charged for the year	6.1 & 6.5	19,781,548	4,300,000
Reversal for the year		-	(250,000)
		19,781,548	4,050,000
Balance at the end of the year		221,001,207	201,219,659
6.7 DEFICIT ON REMEASUREMENT OF INVESTMENTS - Available for sale			
Balance at the beginning of the year		5,937,881	5,922,186
Charge during the year		(160,032)	15,695
Balance at the end of the year	6.4	5,777,849	5,937,881
7 LONG-TERM LOANS AND FINANCES			
Loan to employees	7.1	5,928,291	6,756,995
Loan to others- Term finance facility	7.2	37,621,815	27,731,671
		43,550,106	34,488,666



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	Note	2016 Rupees	2015 Rupees
7.1			
<i>Housing loan - secured:</i>			
- Executives	7.1.1	1,937,407	2,595,007
- Employees		<u>2,792,852</u>	<u>3,089,984</u>
		4,730,259	5,684,991
<i>Mark-up receivable on house loans</i>	7.1.2	<u>2,118,835</u>	<u>1,908,939</u>
		6,849,094	7,593,930
<i>Other loans - unsecured</i>			
- Executives		-	-
- Employees	7.1.3	109,023	321,634
		109,023	321,634
<i>Current portion</i>			
- House loans		(954,732)	(954,732)
- Other loans		(75,094)	(203,837)
	10	<u>(1,029,826)</u>	<u>(1,158,569)</u>
		<u>5,928,291</u>	<u>6,756,995</u>

7.1.1 There is no long-term loans to Chief Executive Officer however reconciliation of carrying amount of Executives is as follows:

	2016		2015	
	President and CEO	Executives	President and CEO	Executives
Rupees.....			
Opening balance	-	2,595,007	-	3,252,607
Disbursements during the year	-	-	-	-
Payment/(Receipts) during the year	-	(657,600)	-	(657,600)
Transfer to executive category	-	-	-	-
	<u>-</u>	<u>1,937,407</u>	<u>-</u>	<u>2,595,007</u>

7.1.2 These represent loans provided to the executives and employees for purchase of property in accordance with the human resource policy and are repayable on monthly basis over a period of 15 years. These loans carry mark-up rate at 4% (2015: 4%) per annum. These loans are secured against mortgage of properties.

7.1.3 These represent loans provided to the executives and employees and are repayable on monthly basis over a period upto 3 years. These loans are unsecured and interest free.



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	Note	2016 Rupees	2015 Rupees
7.2	Loan to others - Term finance facility (secured)		
	Interest bearing		
	Gharibwal Cement Limited	25,840,000	30,400,000
	Chenab Limited	14,978,125	15,078,125
	Hashwani Hotels Limited	14,566,815	-
	Loans to individuals	2,375,000	-
		57,759,940	45,478,125
	Non - interest bearing		
	Al - Zamin Leasing Modaraba	1,891,671	3,591,671
		59,651,611	49,069,796
	Less: Provision for non-performing finances	(929,037)	(15,078,125)
	Less: Current maturity	(21,100,759)	(6,260,000)
		37,621,815	27,731,671
7.2.1	This represents Term Finance Facility issued on September 9, 2005 for a period of ten years. Markup payment are made at the rate of 3 month KIBOR. This was restructured on March 1, 2013 and is due to mature on February 28, 2023. This is secured by pari passu charge over all fixed assets of the borrower.		
7.2.2	This represents Term Finance Facility issued on January 30, 2008 for a period of five years at markup rate of 6 month KIBOR + 3% .The facility is secured against first pari passu charge over fixed assets. This was matured on January 30, 2013. The Company has classified the balance and accordingly made 100% provision after considering FSV of the colletral held as per NBFC and NE regulations. The Company has filed suit to recover the outstanding amount in Banking Court. The case is still pending in court.		
7.2.3	This represents participation in Syndicated Term Finance Facility to the extent of Rs. 50.0 million and disbursed Rs. 14.567 million. The tenor of the facility is six years at markup rate of 6 month KIBOR+ 2.30% upto two principal repayments and thereafter 6 month KIBOR+ 1.80%. Facility is secured by way of charge over fixed assets of the Marriott hotel karachi with 25% margin.		
7.2.4	This represents financing to individuals against pledge of units of mutual funds.		
7.2.5	This represents Term Finance Facility issued on January 30, 2008 for a period of four years. This facility is secured by hypothecation charge of assets of the investee Company. This was restructured on May 7, 2012 due to be matured on March 20, 2017.		
7.2.6	Provision for non-performing finances	2016 Rupees	2015 Rupees
	Opening balance	(15,078,125)	(15,078,125)
	Reversal during the year	14,149,088	-
	Closing balance	(929,037)	(15,078,125)
8	LONG TERM DEPOSIT		
	Security deposit with Central Depository Company of Pakistan Limited	50,000	50,000
	Others	7,500	-
		57,500	50,000



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	Note	2016 Rupees	2015 Rupees
9 DEFERRED TAX ASSET			
Deferred tax asset on deductible temporary differences:			
-Unused tax losses		-	5,158,407
-Provisions		74,223,108	84,765,054
-Accelerated tax depreciation allowance		1,888,659	758,179
-Gratuity		1,377,540	1,237,255
	9.1	<u>77,489,307</u>	<u>91,918,895</u>

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

	Note	2016 Rupees	2015 Rupees
10 CURRENT PORTION OF NON - CURRENT ASSETS			
Investments			
Current portion of term finance certificates - unlisted	6.1	19,797,223	40,686,364
Current portion of term finance certificates - listed	6.2 & 6.5	2,860,748	649,162
		22,657,971	41,335,526
Advances			
Current portion of long-term loans to employees	7.1	1,029,826	1,158,569
Current portion of long-term loans to other	7.2	21,100,759	6,260,000
		22,130,585	7,418,569
		<u>44,788,556</u>	<u>48,754,095</u>



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	Note	2016 Rupees	2015 Rupees
11			
SHORT-TERM INVESTMENTS			
Available-for-sale			
- Dewan Cement Limited - Pre IPO term finance certificates	11.1	43,069,617	25,000,000
- Investment in shares - listed	11.2	13,497,707	15,307,253
- Investment in preference shares	11.3	-	15,000,000
		<u>56,567,324</u>	<u>55,307,253</u>
Held-for-trading			
- Investment in shares - listed	11.4	7,982,986	9,138,500
- Investment in shares - Ready Future		74,129,460	-
		<u>82,112,446</u>	<u>9,138,500</u>
Held-to-maturity			
- Government securities - Market treasury bills	11.5	-	914,424
Investments at market value		<u>138,679,770</u>	<u>65,360,177</u>

11.1 Pre IPO term finance certificates

Dewan Cement Limited	50,000,000	50,000,000
Less: provision	(6,930,383)	(25,000,000)
Term finance certificate - Dewan Cement Limited	<u>43,069,617</u>	<u>25,000,000</u>

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.

11.2 Investments in shares - Listed

Number of Shares		Investee	2016		2015	
			Cost	Market Value	Cost	Market Value
2016	2015		Rupees	Rupees	Rupees	Rupees

(The face value of each share is Rs.10/-)

		Commercial Banks				
50,000	50,000	National Bank Limited (refer note 11.2.1)	2,269,029	2,890,500	2,269,029	2,659,500
10,088	14,488	Habib Bank Limited	1,694,851	1,992,985	2,434,081	3,117,093
		Chemicals				
815,800	815,800	Agritech limited	13,428,068	7,007,722	13,428,068	6,281,660
		Equity Investment Instruments				
30,000	40,000	PICIC Growth Fund	446,248	714,000	594,997	1,098,000
		Electricity				
10,000	25,000	Kot Addu Power Company Limited	406,111	892,500	1,015,277	2,151,000
			<u>18,244,307</u>	<u>13,497,707</u>	<u>19,741,452</u>	<u>15,307,253</u>
		Less: Deficit on remeasurement (refer note 18 & 11.6)	(4,746,600)	-	(4,434,199)	-
			<u>13,497,707</u>	<u>13,497,707</u>	<u>15,307,253</u>	<u>15,307,253</u>

11.2.1 This represents an investment in shares of associated undertaking.



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11.3 Investment in preference shares

Number of Shares		Investee Company	Note	2016		2015	
				Cost	Market Value	Cost	Market Value
2016	2015		Rupees	Rupees	Rupees	Rupees	

Listed Shares

Number of Shares		Investee Company	2016 Cost	2016 Market Value	2015 Cost	2015 Market Value
2016	2015		Rupees	Rupees	Rupees	Rupees
-	1,500,000	Cable and Electrical Goods Pak Electron Limited	-	-	15,000,000	15,000,000
			-	-	15,000,000	15,000,000

11.4 Investments in shares - Listed

Number of Shares		Investee Company	2016		2015	
			Cost	Market Value	Cost	Market Value
2016	2015		Rupees	Rupees	Rupees	Rupees

(The face value of each share is Rs.10/-)

Number of Shares		Investee Company	2016 Cost	2016 Market Value	2015 Cost	2015 Market Value
2016	2015		Rupees	Rupees	Rupees	Rupees
Oil and Gas						
5,000	5,000	Pakistan Petroleum Limited	1,190,684	775,250	1,190,684	821,300
-	2,500	Pakistan State Oil Company Limited	-	-	971,585	964,475
Chemicals						
10,000	10,000	Engro Polymer & Chemicals	169,097	85,000	169,097	97,900
7,500	7,500	Engro Fertilizers Limited	657,738	483,600	657,738	665,175
Commercial Banks						
20,000	20,000	Allied Bank Limited	2,223,121	1,799,199	2,223,121	1,998,800
20,000	20,000	National Bank of Pakistan (refer note 11.4.1)	1,304,540	1,156,200	1,304,540	1,063,800
3,000	-	Habib Bank Limited	700,162	592,680	-	-
Cement						
-	5,000	D.G.Khan Cement Company Limited	-	-	715,196	713,850
-	5,000	Lucky Cement Limited	-	-	2,437,544	2,598,100
Personal Goods						
10,000	-	Treet Corporation	758,849	494,300	-	-
Electricity						
-	2,500	Kot Addu Power Company Limited	-	-	210,126	215,100
Insurance						
15,000	-	Pakistan Reinsurance	568,912	453,900	-	-
Automobile Assembler						
1,900	-	Hinopak Motors Limited	2,393,614	1,822,157	-	-
Transport						
10,000	-	Pakistan Int. Bulk Terminal	400,110	320,700	-	-
			10,366,827	7,982,986	9,879,631	9,138,500
		Less: Deficit on remeasurement (refer note 11.6)	(2,383,841)	-	(741,131)	-
			7,982,986	7,982,986	9,138,500	9,138,500



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11.4.1 This represents an investment in shares of an associated undertaking.

	Note	2016 Rupees	2015 Rupees
11.5 Government securities - market treasury bills	11.5.1	<u>-</u>	<u>914,424</u>

11.5.1 This represents investment in government securities to comply with the requirement of Regulation 14(4)(i) of the NBFC Regulations.

	Note	2016 Rupees	2015 Rupees
11.6 DEFICIT ON REMEASUREMENT OF INVESTMENTS"			
Held for trading			
Opening balance		741,131	388,188
Charged for the year		1,642,710	352,943
Balance at the end of the year	11.4	<u>2,383,841</u>	<u>741,131</u>
Available-for-sale			
Opening balance		4,434,199	4,462,877
Charged for the year		312,401	744,086
Reversal for the year		-	772,764
		<u>312,401</u>	<u>(28,678)</u>
Balance at the end of the year	11.2	<u>4,746,600</u>	<u>4,434,199</u>
12 SHORT-TERM PLACEMENTS-CONSIDERED GOOD			
Reverse repo agreement - secured	12.1	100,000,000	-
Term deposit receipts (TDR)	12.2	450,000,000	120,500,000
Clean Placement		-	91,000,000
:		<u>550,000,000</u>	<u>211,500,000</u>

12.1 This represents placements against government securities under reverse repo agreement carrying markup rate of 8.5% per annum (2015: nil).

12.2 This represents placements with financial institutions under term deposit receipts and money market carrying markup rate of 7.2 % to 10.75% per annum (2015: 7% to 7.55% per annum)



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	Note	2016 Rupees	2015 Rupees
13 MARKUP / INTEREST ACCRUED			
Accrued profit/markup/interest on:			
- Term finance certificates/sukuk		25,056,745	29,745,242
- Government securities		-	50,685
- Term finances		40,480,859	11,555,109
- Placements		6,016,110	791,452
		<u>71,553,714</u>	<u>42,142,488</u>
Less : provision for markup/interest on non-performing investment		<u>(24,331,966)</u>	<u>(27,420,076)</u>
		<u>47,221,748</u>	<u>14,722,412</u>
14 PREPAYMENTS AND OTHER RECEIVABLE			
Prepayments - considered good		720,443	690,634
Other receivable			
- Dividend receivable		170,582	-
- Miscellaneous		-	30,000
		<u>891,025</u>	<u>720,634</u>
15 CASH AND BANK BALANCES			
Balance with banks			
- Deposit accounts	15.1	16,121,589	8,651,922
- Current account with SBP		132,240	202,778
Cash in hand		21,680	25,000
		<u>16,275,509</u>	<u>8,879,700</u>
15.1	Effective markup rate in respect of deposit accounts ranges from 5 % to 8 % (2015: 5 % to 6 %) per annum.		
16 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL			
		2016 Rupees	2015 Rupees
285,000,000 (2015: 285,000,000) Ordinary shares of Rs. 10 each issued as fully paid in cash.		285,000,000	285,000,000
36,500,000 (2015: 36,500,000) Ordinary shares of Rs. 10 each issued as fully paid bonus shares.		365,000,000	365,000,000
		<u>650,000,000</u>	<u>650,000,000</u>



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	Note	2016 Rupees	2015 Rupees
17 RESERVES			
Capital			
Statutory reserve	17.1	131,318,417	122,545,534
Revenue			
Accumulated loss		<u>(64,362,577)</u>	<u>(99,769,501)</u>
		<u>66,955,840</u>	<u>22,776,033</u>
17.1 Statutory reserve			
Opening balance		122,545,534	117,942,319
Transferred from profit and loss account	17.2	<u>8,772,883</u>	<u>4,603,215</u>
Closing balance		<u>131,318,417</u>	<u>122,545,534</u>
17.2	Statutory reserve represents amount set aside at the rate of 20% of profit for the year after taxation as per the requirements of clause 16 of Non-Banking Finance Companies and Notified Entities Regulations, 2008.		
	Note	2016 Rupees	2015 Rupees
18 (DEFICIT) / SURPLUS ON REMEASUREMENT OF INVESTMENTS - Available for sale (listed securities)			
Term finance certificates	6.5	-	55,398
Shares-long term	6.4	<u>(5,777,849)</u>	<u>(5,993,279)</u>
Shares-short term	11.2	<u>(4,746,600)</u>	<u>(4,434,199)</u>
		<u>(10,524,449)</u>	<u>(10,372,080)</u>
19 LONG-TERM CERTIFICATE OF DEPOSIT			
Opening balance		-	5,000,000
Current portion of long-term certificate of deposit	19.1	<u>-</u>	<u>(5,000,000)</u>
Closing balance		<u>-</u>	<u>-</u>
19.1	This represents certificate issued for a term of three years at the rate of 6% to 11.5% (2015: 11.5%) per annum payable half yearly and matured during current year.		
20 DEFERRED LIABILITY - STAFF GRATIUTY			
20.1 Actuarial Assumptions			

As disclosed in note 3.11.1, the company operates a funded gratuity scheme for its staff employees. The latest actuarial valuation was carried out as at June 30, 2016, using the Projected Unit Credit Actuarial Cost Method.



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	2016 Rupees	2015 Rupees
20.2 Defined benefit liability recognized in balance sheet:		
Present value of defined benefit obligation	10,640,382	9,966,985
Fair value of plan assets	(5,922,616)	(6,041,285)
Defined benefit liability recognized	<u>4,717,766</u>	<u>3,925,700</u>
20.3 Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	9,966,985	10,222,305
Current service cost	854,774	848,974
Interest cost	926,278	1,224,623
Benefits paid	(933,395)	(1,604,257)
Re-measurements chargeable in other comprehensive income	(174,260)	(724,660)
	<u>10,640,382</u>	<u>9,966,985</u>
20.4 Changes in the fair value of plan assets		
Opening fair value of plan assets	6,041,285	7,053,851
Interest income on plan assets	543,522	812,724
Benefits paid	(933,395)	(1,604,257)
Return on plan assets, excluding interest income	271,204	(221,033)
	<u>5,922,616</u>	<u>6,041,285</u>
20.5 Movement in net liability		
Opening liability	3,925,700	3,168,454
Expense recognized in profit and loss	1,237,530	1,260,873
Re-measurements recognized in other comprehensive income	(445,464)	(503,627)
Closing liability	<u>4,717,766</u>	<u>3,925,700</u>
20.6 Expense recognized in profit and loss		
Current service cost	854,774	848,974
Interest cost	926,278	1,224,623
Expected return on plan assets	(543,522)	(812,724)
	<u>1,237,530</u>	<u>1,260,873</u>
20.7 Re-measurements recognized in other comprehensive income		
Experience adjustments	(174,260)	(724,660)
Return on plan assets - excluding interest income	(271,204)	221,033
Total re-measurements chargeable in other comprehensive income	<u>(445,464)</u>	<u>(503,627)</u>



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20.8 The present value of defined benefit obligation, fair value of plan assets and surplus or deficit on gratuity fund for the five years is as follows:

	2016	2015	2014	2013	2012
	-----Rupees-----				
Present value of defined obligation	10,640,382	9,966,985	10,222,305	11,966,231	9,657,498
Fair value of plan assets	(5,922,616)	(6,041,285)	(7,053,851)	(14,094,280)	(11,650,324)
Deficit/(surplus)	<u>4,717,766</u>	<u>3,925,700</u>	<u>3,168,454</u>	<u>(2,128,049)</u>	<u>(1,992,826)</u>

	2016 Rupees	2015 Rupees
Breakup of Investments - at fair value		
Investment in National Savings (including accrued interest)	6,792,692	6,128,765
Investment in KAPCO Shares - 500 Shares @ Rs. 89.25 each (2015: 86.04 each)	44,625	43,020
Cash at bank	124,253	318,250
Less: assets for Defined Contribution Scheme	<u>(1,038,954)</u>	<u>(448,750)</u>
	<u>5,922,616</u>	<u>6,041,285</u>

Significant Actuarial Assumption

Discount rate used for interest cost in profit and loss charge	9.75%	13%
Discount rate used for year end obligation	7.25%	9.75%

Maturity profile of Present value of defined benefit obligation

Weighted average duration of the Present value of defined benefit obligation (in years)	8.00	8.00
--	------	------

Plan Assets Comprise

Bond	114.69%	101.45%
Equity	0.75%	0.71%
Cash and /or deposits	2.10%	5.27%
Others	-17.54%	-7.43%
	<u>100.00%</u>	<u>100.00%</u>

Sensitivity Analysis on significant actuarial assumptions:

Discount Rate +100 bps	9,847,686	9,174,645
Discount Rate - 100 bps	11,527,133	10,860,097
Expected rate of salary increase + 100 bps	11,518,468	10,851,534
Expected rate of salary increase - 100 bps	9,840,630	9,167,782

These figures are based on the latest actuarial valuation as at June 30, 2016. The valuation uses the Projected Unit Credit Actuarial Cost Method.

The Company recognizes expense in accordance with IAS 19 "Employee Benefits".

The expected gratuity expense for the year ending June 30, 2017 works out to be Rs. 1.13 million.



FIRST CREDIT AND INVESTMENT BANK LTD.

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		Note	2016 Rupees	2015 Rupees
21	SHORT-TERM REPO BORROWING			
	Short term Repo Borrowing	21.1	<u>100,000,000</u>	<u>-</u>
21.1	This represent short term repo borrowing obtained against Paksitan Investment Bonds (PIBs) from J.S. Bank Limited carrying markup rate of 6.15% (2015: Nil) per annum.			
22	LONG-TERM LOAN			
	From Banking Companies - Secured			
	National Bank of Pakistan (NBP) - an associated undertaking		190,000,000	15,625,000
	Current portion of long term loans	22.1	<u>-</u>	<u>(15,625,000)</u>
			<u>190,000,000</u>	<u>-</u>
22.1	The Company has obtained a five year term loan in FY-2016 from NBP, an associated company, with a grace period of one year. The loan is repayable in 16 equal quarterly installments commencing from June 2016 and carried markup @ 3 months KIBOR plus 0.75% per annum (2015: 0.4%), maturing in June 2021. The loan is secured by first pari passu hypothecation charge over all present and future assets of the Company.			
23	MARKUP / INTEREST ACCRUED			
	Mark-up accrued on:			
	Secured			
	- Loans and borrowings including running finance	23.1	173,902	326,836
	Unsecured			
	- Certificates of deposits		1,560,137	1,283,904
			<u>1,734,039</u>	<u>1,610,740</u>
23.1	This amount represents markup due to National Bank of Pakistan, an associated undertaking.			
24	ACCRUED AND OTHER PAYABLES			
	Accrued expenses		6,481,872	1,315,278
	Other liabilities		2,882,990	2,737,404
			<u>9,364,862</u>	<u>4,052,682</u>
25	CONTINGENCIES AND COMMITMENTS			
	Contingencies			
	There are no material contingencies as at the reporting date (2015: Nil)			
	Commitments			
	Bank guarantee		-	5,000,000
	Standby letter of credit facility	25.1	60,403,750	59,167,500
			<u>60,403,750</u>	<u>64,167,500</u>



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	Note	2016 Rupees	2015 Rupees
25.1			
This represents the company's share in standby letter of credit under agreement of participation dated December 13, 2010 with Allied Bank Limited. Under the said agreement, the company irrevocably agrees and undertakes with Allied Bank Limited to take undivided share of 2.5% in standby letter of credit up to November 17, 2017.			
26			
INCOME FROM TERM FINANCES AND FUNDS PLACEMENTS"			
Income from long-term finances		30,244,365	3,172,546
Return on fund placements with financial institutions	26.1	20,319,830	16,902,132
		50,564,195	20,074,678
26.1			
Return on fund placements with financial institutions			
- bank balance		626,342	268,682
- term deposit receipts		11,778,489	9,488,795
- reverse repo placements		3,679,452	3,974,990
- clean placement		4,235,547	3,169,665
		20,319,830	16,902,132
27			
INCOME FROM INVESTMENTS			
Return on government securities		62,942	8,223,479
Return on term finance certificates / sukuks	27.1	30,423,687	29,199,828
Dividend income	27.2	1,337,964	1,063,969
Dividend income on mutual fund		-	55,261
Capital gain on securities (non-shariah compliant)		15,293,531	19,317,805
		47,118,124	57,860,342
27.1			
This includes Rs. 1,905,151 pertaining to sukuk certificates which are permissible under shariah.			
27.2			
Scriptwise details of dividend is as follows:			
National Bank Of Pakistan		525,000	330,000
Habib Bank Limited		198,632	50,708
Hinopak Motors Limited		170,582	-
Allied Bank Limited		140,000	55,000
Kot Addu Power Company Limited		112,500	193,750
Engro Fertilizer Limited		45,000	-
Lucky Cement Limited		45,000	-
Pakistan Reinsurance Company Limited		37,500	-
Pakistan Petroleum Limited		31,250	60,000
Pakistan State Oil		22,500	15,000
Treet Corporation Limited		10,000	-
Arif Habib Corporation		-	151,250
Crescent Steel and Allied products Limited		-	7,500
Kohinoor Textile Limited		-	10,000
Nishat Chunian Limited		-	10,000
PICIC Growth Fund		-	180,000
Tariq Glass Industries Limited		-	761
		1,337,964	1,063,969
28			
FEES AND COMMISSION INCOME			
Guarantee commission		416,407	409,031
Participation fee		625,000	-
		1,041,407	409,031
29			
OTHER INCOME			
Documentation Charges		25,600	-
Interest income on loan to employees		209,596	315,914
Gain / loss on disposal of fixed asset		59,500	2,586,800
		294,696	2,902,714



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	Note	2016 Rupees	2015 Rupees
30 FINANCE COSTS			
Markup/Interest on:			
- Long-term loans		110,096	4,028,218
- Short-term repo borrowings		2,681,797	4,571,084
- Short-term running finances		-	513,648
- Certificate of deposits		276,234	575,000
- Other charges		84,860	35,315
		<u>3,152,987</u>	<u>9,723,265</u>
31 ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and allowances	31.1 to 31.3	24,299,924	23,412,530
Travelling, conveyance and meeting charges		3,310,333	2,051,655
Printing and stationery		436,458	480,352
Rent, rates and taxes		3,058,385	2,793,825
Legal and professional		1,009,571	1,110,800
Repairs and maintenance		371,686	803,664
Auditors' remuneration	31.4	750,000	729,025
Newspaper and periodicals		17,439	24,009
Postage and courier services		62,623	74,026
Telephone, telex and fax		466,607	442,743
Electricity, gas and water charges		976,029	1,161,711
Advertisement and business promotion		540,487	445,474
Fees and subscription		1,755,907	1,509,835
Security guards		350,790	318,780
Insurance		492,093	492,266
Brokerage and commission		107,953	2,329,830
Motor vehicle running expenses		1,273,622	1,557,728
Office supplies		221,173	220,255
IT support		242,256	295,519
Training		250,000	451,780
Depreciation	4	3,106,016	2,892,817
Amortization	5	114,947	375,242
		<u>43,214,299</u>	<u>43,973,866</u>
31.1 It includes charge for gratuity and provident fund as follows:			
- Gratuity		1,237,530	1,260,873
- Provident fund		595,664	618,646
		<u>1,833,194</u>	<u>1,879,519</u>
31.2 Disclosures relating to provident fund		(Un-audited)	(Audited)
(i) Size of the fund - net assets		14,554,120	13,726,145
(ii) Cost of Investment made		14,799,293	13,816,904
(iii) Percentage of Investment made		101.7%	100.7%
Breakup of Investment -at fair value			
Investment in National Savings		8,812,222	7,662,591
Deposit with NBP NIDA Account		5,987,071	6,154,313
		<u>14,799,293</u>	<u>13,816,904</u>



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	Note	2016 Rupees	2015 Rupees
Percentage of Investment			
Investment in National Savings		59.5%	55.5%
Deposit Account		40.5%	44.5%
		100%	100%

These investments are made meeting the requirement of section 227 of Companies Ordinance 1984 and Employee's Provident Fund Rules, 1996.

- 31.3** The aggregate amounts incurred during the year for remuneration including all benefits to Chief Executive Officer, directors and executives of the Company are given below:

	2016Rupees.....			Total
	President & Chief Executive Officer	Executive	Directors	
Director's meeting fee	-	-	1,968,750	1,968,750
Managerial remuneration	6,004,046	6,870,467	-	12,874,513
Annual allowance	262,500	845,656	-	1,108,156
Retirement benefits	485,981	682,835	-	1,168,816
Others	262,500	-	-	262,500
Total	<u>7,015,027</u>	<u>8,398,958</u>	<u>1,968,750</u>	<u>17,382,735</u>
Number of persons	<u>1</u>	<u>3</u>	<u>9</u>	
	2015Rupees.....			
	President & Chief Executive Officer	Executive	Directors	Total
Director's meeting fee	-	-	1,375,000	1,375,000
Managerial remuneration	5,126,968	6,599,722	-	11,726,690
Annual allowance	250,000	489,612	-	739,612
Retirement benefits	454,800	647,278	-	1,102,078
Others	550,000	80,000	-	630,000
Total	<u>6,381,768</u>	<u>7,816,612</u>	<u>1,375,000</u>	<u>15,573,380</u>
Number of persons	<u>1</u>	<u>3</u>	<u>9</u>	

- 31.3.1** In addition, the chief executive officer and executives are provided with free use of company provided cars in accordance with the terms of their employment.

- 31.3.2** The total number of employees as at June 30, 2016 are 17 (June 30, 2015: 21) and the average number of employees during the year are 19 (2015: 22).



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	2016 Rupees	2015 Rupees
31.4 Auditor's remuneration		
Statutory audit	475,000	475,000
Half yearly review	135,000	135,000
Other services	40,000	40,000
Out of pocket expenses and tax	100,000	79,025
	<u>750,000</u>	<u>729,025</u>
32 TAXATION		
Current	8,458,768	4,967,924
Prior	(1,419,680)	234,443
Deferred	14,299,517	446,136
	<u>21,338,605</u>	<u>5,648,503</u>
32.1 Relationship between tax expense and accounting profit		
Profit before tax	<u>65,203,019</u>	28,664,580
Tax at applicable rate of 32% (2015: 33%)	<u>32%</u>	<u>33%</u>
Tax calculated at applicable tax rate	20,864,966	9,459,311
Impact of taxability at different rate	(3,897,231)	(3,657,886)
Tax effect other than temporary difference	12,975,689	5,191,413
Effect of change in tax rate	(7,185,139)	(5,578,778)
Prior year tax adjustment	(1,419,680)	234,443
Tax charge for the year	<u>21,338,605</u>	<u>5,648,503</u>
32.2 The income tax assessment of the Company has been finalized up to the tax year 2015 under self assessment scheme.		
	2016 Rupees	2015 Rupees
33 EARNINGS PER SHARE - Basic & Diluted		
Profit after income tax	<u>43,864,414</u>	<u>23,016,077</u>
	Number of shares	
Weighted average number of shares outstanding during the year	<u>65,000,000</u>	<u>65,000,000</u>
Earnings per share (EPS) - Basic & Diluted-Rupee	<u>0.67</u>	<u>0.35</u>



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	Note	2016 Rupees	2015 Rupees
34 CASH AND CASH EQUIVALENT			
Cash and bank balances	15	16,275,509	8,879,700
Short-term placements	12	550,000,000	211,500,000
Short-term repo borrowing	21	<u>(100,000,000)</u>	-
		<u>466,275,509</u>	<u>220,379,700</u>
35 FINANCIAL INSTRUMENTS			
Financial assets as per balance sheet			
Long-term investments		108,511,092	240,861,143
Long-term loans and finances		65,680,691	41,907,235
Long-term deposits		57,500	50,000
Short-term investments		138,679,770	65,360,177
Short-term placements		550,000,000	211,500,000
Markup/interest accrued		47,221,748	14,722,412
Advances and other receivables		170,582	30,000
Cash and bank balances		<u>16,275,509</u>	<u>8,879,700</u>
		<u>926,596,892</u>	<u>583,310,667</u>
Financial liabilities as per balance sheet			
Long-term loans		190,000,000	15,625,000
Certificate of deposit		-	5,000,000
Short-term repo borrowing		100,000,000	-
Accrued markup		1,734,039	1,610,740
Other liabilities		<u>2,882,990</u>	<u>2,737,404</u>
		<u>294,617,029</u>	<u>24,973,144</u>

36 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks, market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's Finance Department under policies approved by the Board.

36.1 Market risk

Market risk is the risk that the fair value or the future cash flows of financial instrument may fluctuate as a result of changes in market prices. The Company is exposed to market risk as a result of mismatches or gaps in the amounts of financial assets and financial liabilities that mature or re-price in a given period. The Company manages this risk by matching the re-pricing of financial assets and liabilities through risk management strategies.

Market risk mainly comprises of currency risk and interest rate risk.



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36.1.1 Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company, at present is not exposed to currency risk as all transactions are carried out in

36.1.2 Interest rate risk

Yield risk is the risk of decline in earnings due to adverse movements of the yield curve. Market rate risk arises from the possibility that changes in market rates of return will affect the value of the financial instruments. An entity is exposed to yield / market rate risk as a result of mismatches or gaps in the amounts of financial assets and financial liabilities that mature or re-price in a given period. the Company manages this risk by matching the re-pricing of financial assets and liabilities through risk management strategies.

Financial assets and liabilities include balances of Rs.778,948,191 (2015: Rs.539,651,306) and Rs.290,000,000 (2015: Rs.20,625,000) respectively, which are subject to interest / markup rate risk. Applicable interest /mark-up rates for financial assets and liabilities have been indicated in respective notes.

The Company's exposure to yield / market rate risk and the effective rates on its financial assets and liabilities are summarized as follows:

	Effective rate %	Exposed to yield / market rate risk				Not exposed to yield / market rate risk
		Total	Within one year	More than one year and less than five years	More than five years	
As at June 30, 2016						
Financial Assets						
Investments	8.57%	247,190,862	139,857,048	2,144,408	7,500,000	97,689,406
Long term loans and finances	5.37%	65,680,691	22,130,585	35,143,369	6,178,879	2,227,858
Long-term security deposits		57,500	-	-	-	57,500
Placements	7%	550,000,000	550,000,000	-	-	-
Markup / interest accrued		47,221,748	-	-	-	47,221,748
Advances and other receivables		170,582	-	-	-	170,582
Cash and bank balance	6%	16,275,509	16,121,589	-	-	153,920
		926,596,892	728,109,222	37,287,777	13,678,879	147,521,014
Financial Liabilities						
Term Loans	6.88%	190,000,000	-	190,000,000	-	-
Short-term repo borrowing	6.21%	100,000,000	100,000,000	-	-	-
Interest and markup accrued		1,734,039	-	-	-	1,734,039
Other liabilities		2,882,990	-	-	-	2,882,990
		294,617,029	100,000,000	190,000,000	-	4,617,029
On-balance sheet gap		631,979,863	628,109,222	(152,712,223)	13,678,879	142,903,985



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Exposed to yield / market rate risk

	Effective rate %	Total	Within one year	More than one year and less than five years	More than five years	Not exposed to yield / market rate risk
As at June 30, 2015						
Financial Assets						
Investments	12.02%	306,221,320	82,249,950	193,966,887	3,605,885	26,398,598
Long term loans and finances	4.80%	41,907,235	7,418,569	23,204,204	9,053,889	2,230,573
Long-term security deposits		50,000	-	-	-	50,000
Placements	7%	211,500,000	211,500,000	-	-	-
Markup / interest accrued		14,722,412	-	-	-	14,722,412
Advances and other receivables		30,000	-	-	-	30,000
Cash and bank balance	6%	8,879,700	8,651,922	-	-	227,778
		583,310,667	309,820,441	217,171,091	12,659,774	43,659,361
Financial Liabilities						
Term Loans	8.39%	15,625,000	15,625,000	-	-	-
Certificates of deposit	11.50%	5,000,000	5,000,000	-	-	-
Short-term running finance	10.52	-	-	-	-	-
Interest and markup accrued		1,610,740	-	-	-	1,610,740
Other liabilities		2,737,404	-	-	-	2,737,404
		24,973,144	20,625,000	-	-	4,348,144
On-balance sheet gap		<u>558,337,523</u>	<u>289,195,441</u>	<u>217,171,091</u>	<u>12,659,774</u>	<u>39,311,217</u>

36.1.3 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up 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 or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor of 5%. The restriction of floor prices reduces the volatility of prices of equity and debt securities and the chances of market crash at any moment. The company manages the price risk through diversification and placing limits on individual and total equity and debt instruments in accordance with NBFC's regulation and internal investment policy. Reports on the equity and debt portfolio are submitted to the company's senior management on regular basis. The company's Board of Directors reviews and approves all equity and debt investment decisions. The Company is exposed to price risk since it has investments in quoted equity and debt securities amounting to Rs. 84.7 million (2015: 95.06 million).



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The carrying value of investments subject to equity price risk is based on quoted market prices as of the reporting date. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

Sensitivity analysis

For the purpose of price risk sensitivity analysis it is observed that the benchmark KSE 100 Index has increased by 9.84% during the financial year.

The table below summarizes Company's equity price risk as of June 30, 2016 and 2015 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of equity markets and the aforementioned concentrations existing in Company's equity and debt investment portfolio.

		Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase (decrease) in shareholders' equity	Hypothetical increase (decrease) in profit / (loss) after tax
June 30, 2016	Rupees	84,702,387	10% increase	93,172,626	8,470,239	8,470,239
			10% decrease	76,232,148	(8,470,239)	(8,470,239)
June 30, 2015	Rupees	95,061,025	10% increase	104,567,128	9,506,103	9,506,103
			10% decrease	85,554,923	(9,506,102)	(9,506,102)

36.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counter parties in various industries and by continually assessing the credit worthiness of counter parties.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet their contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of an entity's performance to developments affecting a particular industry.

The Company follows two sets of guidelines. It has its own operating policy and the management of the Company also adheres to the regulations issued by the SECP. The operating policy defines the extent of fund and non-fund based exposures with reference to a particular sector or group.

The Company seeks to manage its credit risk through diversification of financing activities to avoid undue concentrations of credit risk with individuals or groups of customers in specific locations or businesses. Its also obtains securities when appropriate. Details of the composition of finance portfolios of the Company are given below:



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	2016		2015	
	Rupees	%	Rupees	%
Investment and Finances *				
Cement	50,840,000	24.1%	58,711,950	10.60%
Chemical	9,655,575	4.6%	136,474,858	24.60%
Oil and Gas	50,775,250	24.0%	1,785,775	0.30%
Cable and electrical goods	892,500	0.4%	81,789,777	14.70%
Textile	20,547,274	9.7%	192,954,133	34.70%
Financial institutions	60,970,888	28.8%	63,325,881	11.40%
Tecnology and communication	-	0.0%	13,904,955	2.50%
Construction	-	0.0%	6,560,000	1.20%
Personal Goods	494,300	0.2%	-	0.00%
Insurance	453,900	0.2%	-	0.00%
Automobile Assembler	1,822,157	0.9%	-	0.00%
Transport	320,700	0.2%	-	0.00%
Hotel Industries	14,566,815	6.9%	-	0.00%
	211,339,359	100%	555,507,329	100%

* Investment and finances are net of provisions.

The credit quality of the Company's bank balances can be assessed with reference to external credit rating as follows:

Banks	Rating Agency	Rating	
		Short term	Long term
National Bank of Pakistan	PACRA	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA

36.3 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet the commitments associated with financial instruments. To safeguard this risk, the Company has diversified sources of funds and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents and readily marketable securities. The maturity profile of assets and liabilities is monitored to ensure adequate liquidity is maintained. The Company has the ability to mitigate any short-term liquidity gaps by disposal of short-term investments and the availability of liquid funds at short notice.

The table below summarizes the maturity profile of the Company assets and liabilities. The contractual maturities of assets and liabilities at the year-end have been determined on the basis of the remaining period at the reporting date to the contractual maturity date and do not take account of the effective maturities as indicated by the Company's history and the availability of liquid funds. Assets and liabilities not having a contractual maturity are assumed to mature on the expected date on which the assets / liabilities will be realized / settled.



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As at June 30, 2016	Total	Within one year	More than one year and less than five years	More than five years
	-----Rupees-----			
Financial Assets				
Investments	247,190,862	161,337,741	78,353,121	7,500,000
Long term loans and finances	65,680,691	22,130,585	37,371,227	6,178,879
Long-term security deposits	57,500	-	57,500	-
Placements	550,000,000	550,000,000	-	-
Markup / interest accrued	47,221,748	47,221,748	-	-
Advances, and other receivables	170,582	170,582	-	-
Cash and bank balance	16,275,509	16,275,509	-	-
	<u>926,596,892</u>	<u>797,136,165</u>	<u>115,724,348</u>	<u>13,736,379</u>
Financial Liabilities				
Term loans	190,000,000	-	190,000,000	-
Certificates of deposit	100,000,000	100,000,000	-	-
Interest and markup accrued	1,734,039	1,734,039	-	-
Accrued expenses and other liabilities	2,882,990	2,882,990	-	-
	<u>294,617,029</u>	<u>104,617,029</u>	<u>190,000,000</u>	<u>-</u>
	<u>631,979,863</u>	<u>692,519,136</u>	<u>(74,275,652)</u>	<u>13,736,379</u>

As at June 30, 2015	Total	Within one year	More than one year and less than five years	More than five years
	-----Rupees-----			
Financial Assets				
Investments	306,221,320	106,695,703	195,919,732	3,605,885
Long term loans and finances	41,907,235	7,418,569	25,434,777	9,053,889
Long-term security deposits	50,000	-	-	50,000
Placements	211,500,000	211,500,000	-	-
Markup / interest accrued	14,722,412	14,722,412	-	-
Advances, and other receivables	30,000	30,000	-	-
Cash and bank balance	8,879,700	8,879,700	-	-
	<u>583,310,667</u>	<u>349,246,384</u>	<u>221,354,509</u>	<u>12,709,774</u>
Financial Liabilities				
Term loans	15,625,000	15,625,000	-	-
Certificates of deposit	5,000,000	5,000,000	-	-
Interest and markup accrued	1,610,740	1,610,740	-	-
Other liabilities	2,737,404	2,737,404	-	-
	<u>24,973,144</u>	<u>24,973,144</u>	<u>-</u>	<u>-</u>
	<u>558,337,523</u>	<u>324,273,240</u>	<u>221,354,509</u>	<u>12,709,774</u>



37 CAPITAL RISK MANAGEMENT

The objective of managing capital is to safeguard the Company ability to continue as a going concern, so that it could continue to provide adequate returns to shareholders by pricing products and services commensurately with the level of risk. It is the policy of the Company to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognized and the Company recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The capital structure of the Company consist of equity comprising issued share capital, statutory reserves and un-appropriated profits.

Minimum equity requirement as per Non Banking Finance Companies & Notified Entities Regulations 2008 for the companies undertaking business of deposit taking investment finance services as at June 30, 2016 is Rs. 750 Million (2015: Rs. 1.0 billion) and is short by amounting to Rs: 33.044 million (2015: Rs. 419.14 million). Further, the regulation 4 of the NBFCs Regulations prescribed the procedure for applying to the Commission for obtaining relaxation in case minimum equity requirement is not met.

Goals of managing capital

The goals of managing capital of the Company are as follows:

- To be an appropriately capitalized institution, as defined by regulatory authorities and comparable to the peers;
- Maintain strong ratings and to protect against unexpected events;
- Availability of adequate capital at a reasonable cost so as to expand and achieve low overall cost of capital with appropriate mix of capital elements.

The NBFCs & NEs Regulations 2008 issued by SECP prescribed the minimum equity requirements for NBFCs licensed by the Commission to undertake different form of business.

38 FAIR VALUE OF FINANCIAL INSTRUMENTS

38.1 As at June 30, 2016, the fair values of all financial instruments are based on the valuation methodology outlined below:

a) Finance and certificates of deposit

For all finances (including certificates of deposit) the fair values have been taken at carrying amounts as these are not considered materially different from their fair values based on the current yields / market rates and re-pricing profits of similar finance and deposit portfolios.

b) Investments

The fair values of quoted investments are based on quoted market prices. Unquoted investments, except where an active market exists, are carried at cost less accumulated impairment, if any, which approximates their fair value in the absence of an active market.



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The Company uses following fair value hierarchy that reflects significance of inputs used in making the measurements:

- Level 1 -** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	2016		
	Level 1	Level 2	Level 3
	----- Rupees -----		
Listed securities	93,493,599	19,729,227	-
Unlisted securities	-	280,839,784	-
	93,493,599	300,569,011	-
	2015		
	Level 1	Level 2	Level 3
	----- Rupees -----		
Listed securities	91,195,615	20,412,633	-
Unlisted securities	-	394,918,307	-
	91,195,615	415,330,940	-

c) Other financial instruments

The fair values of all other financial instruments are considered to approximate their carrying amounts.

39 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, key management personnel and retirement benefit schemes. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to associated undertakings, executives and remuneration of directors and executives are disclosed in the relevant notes. Transactions with related parties are as follows:

	Note	2016 Rupees	2015 Rupees
Associated Undertakings			
National Bank of Pakistan			
Mark-up on repo transactions	30	<u>2,614,400</u>	<u>4,571,084</u>
Mark-up on reverse repo transactions		<u>-</u>	<u>42,789</u>
Mark-up on long-term loan	30	<u>110,096</u>	<u>4,028,218</u>
Mark-up on short-term running finance	30	<u>-</u>	<u>513,648</u>
Dividend income		<u>525,000</u>	<u>330,000</u>
Rent paid		<u>2,903,372</u>	<u>2,639,265</u>
Taurus Securities Limited			
Brokerage Expense		<u>2,670</u>	<u>9,500</u>



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	Note	2016 Rupees	2015 Rupees
Balance at year end			
National Bank of Pakistan			
Investment in shares at cost	11.2 & 11.4	<u>3,573,569</u>	<u>3,573,569</u>
long-term loan	22	<u>190,000,000</u>	<u>15,625,000</u>
Key Management Personnel			
Salaries, benefits and other allowances	31.3	<u>13,982,669</u>	<u>12,486,302</u>
Retirement benefits	31.3	<u>1,168,816</u>	<u>1,102,078</u>
Return on long-term loans		<u>91,744</u>	<u>118,045</u>
Balance at year end		<u>3,715,228</u>	<u>4,281,084</u>
Staff Retirement Plans			
Contribution to staff retirement Plans	31.1	<u>595,664</u>	<u>618,646</u>

40 DATE OF AUTHORIZATION FOR ISSUE

These financial statements was authorized for issue on September 28, 2016 by the Board of Directors of the Company.



AHSANULLAH KHAN
President & CEO



MUHAMMAD NAEEMUDDIN
Director



PATTERN OF SHAREHOLDING AS AT JUNE 30, 2016

Number of Shareholders	Shareholding		Total number of Shares held	Percentage %
	From	To		
328	1	100	7,477	0.0115
536	101	500	262,330	0.4036
72	501	1,000	71,501	0.1100
55	1,001	5,000	129,129	0.1987
8	5,001	10,000	62,000	0.0954
3	10,001	15,000	37,000	0.0569
1	15,001	20,000	20,000	0.0308
1	20,001	25,000	25,000	0.0385
1	30,001	35,000	34,500	0.0531
1	40,001	45,000	45,000	0.0692
1	50,001	55,000	51,500	0.0792
1	55,001	60,000	56,236	0.0865
1	4,800,001	4,805,000	4,801,703	7.3872
1	6,605,001	6,610,000	6,606,246	10.1635
1	12,790,001	12,795,000	12,790,378	19.6775
2	19,995,001	20,000,000	40,000,000	61.5385
1,013			65,000,000	100.0000

The Slabs representing nil holding have been omitted

Categories of Shareholders	Number	Shares Held	Percentage
Directors	4	2,000	0.0031%
Associated companies, undertakings related parties sponsors & acquirers	5	64,198,327	98.7667%
General Public			
Local	999	781,172	1.2018%
Foreign	2	13,001	0.0200%
Others	3	5,500	0.0085%
Total	1013	65,000,000	100.0000%



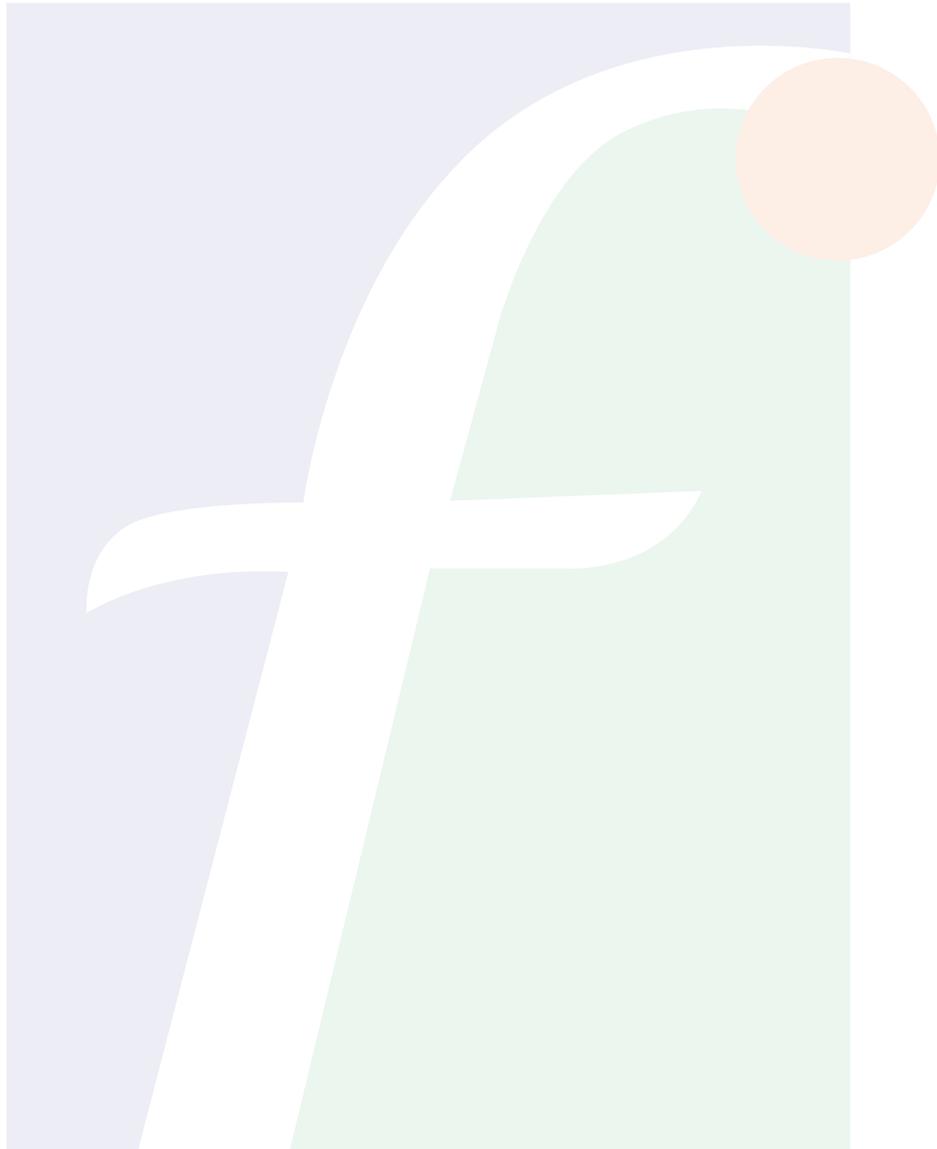
**PATTERN OF SHAREHOLDING AS REQUIRED
UNDER THE CODE OF CORPORATE GOVERNANCE
AS AT JUNE 30, 2016**

Categories of Shareholders	Number of Shareholders	Shares Held	Percentage %
Associated Companies, Undertakings Related Parties Sponsors & Acquirers			
National Bank of Pakistan	1	20,000,000	30.7692%
Water and Power Development Authority	1	20,000,000	30.7692%
Sardar Mohammad Ashraf D. Baluch & Co. (Pvt.) Ltd.	1	12,790,378	19.6775%
Lilley International (Pvt.) Ltd.	1	6,606,246	10.1635%
Sardar Mohammad Ashraf D. Baluch (Pvt.) Ltd.	1	4,801,703	7.3872%
	5	64,198,327	98.7666%
Mutual Fund			
NIT and ICP			
Directors, Chief Executive and their spouses and minor children			
Mr. Muhammad Naeemuddin	1	500	0.0008%
Mr. Muhammad Iqbal Hussain	1	500	0.0008%
Mr. Javed Rashid	1	500	0.0008%
Mr. Muhammad Ameen	1	500	0.0008%
Executives			
	1	1,500	0.0023%
Public Sector Companies & Corporation Banks, Development Finance Institutions Non-Banking Companies and Mutual Funds			
General Public	1,000	792,673	1.2195%
Others	3	5,500	0.0085%
Total	1,013	65,000,000	100.0000%

Shareholders holding 5% or more voting interest

National Bank of Pakistan	1	20,000,000	30.7692%
Water & Power Development Authority (WAPDA)	1	20,000,000	30.7692%
Sardar Mohammad Ashraf D. Baluch & Co. (Pvt.) Ltd.	1	12,790,378	19.6775%
Lilley International (Pvt.) Limited	1	6,606,246	10.1635%
Sardar Mohammad Ashraf D. Baluch (Pvt.) Ltd.	1	4,801,703	7.3872%





FORM OF PROXY

The Company Secretary
First Credit and Investment Bank Ltd.
2nd Floor, Sidco Avenue Centre,
Stratchen Road,
Karachi -74200
Pakistan.

I/We _____
(name)
of _____ being member(s)
(address)
of First Credit and Investment Bank Ltd. and holder of _____ Ordinary
(number of shares)
Shares as per Share Registered Folio No. _____ and/or CDC Participant I.D No. _____
and Sub Account No. _____ hereby appoint _____ of
(name)
_____ or failing him/her _____
(address) (name)
of _____ as my proxy to vote
(address)
for me and on my behalf at the Annual General meeting of the company to be held on Wednesday,
October 26, 2016 at 05:00 p.m. at PIIA (Pakistan Institute of International Affairs) Auditorium, Aiwan-e-Saddar
Road, Karachi.

Signed this _____ day of _____ 2016.

1. Witness:

Signature _____
Name _____
Address _____
CNIC or _____
Passport # _____

Signature

Signature on
Rs. 5/-
Revenue Stamp

(Signature should agree with the
specimen registered with
the Company)

2. Witness:

Signature _____
Name _____
Address _____
CNIC or _____
Passport # _____

IMPORTANT:

- In order to be effective, the proxy forms must be received at the office of our Registrar THK Associates (Pvt.) Limited, Second Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi not later than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signatures, names, address and CNIC numbers given on the form.
- In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- In the case of proxy by a corporate entity, Board of Directors Resolution / power of attorney and attested copy CNIC or passport of the proxy shall be submitted alongwith proxy form.
- Proxy shall authenticate his / her identity by showing his / her original national identity card or original passport and bring folio number at the time of attending the meeting.





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پراکسی فارم

کمپنی سیکرٹری

فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ

سیکنڈ فلور سڈکو سینٹر

اسٹیریٹن روڈ کراچی 74200

پاکستان۔

میں اہم منشی/مستما _____ ساکن _____ بحیثیت ممبر فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک
 لمیٹڈ اور حال _____ عام حصص شیئر رجسٹرڈ فولیو نمبر _____ کے تحت اور / یا سی ڈی سی شراکتدار آئی ڈی
 نمبر _____ اور ذیلی اکاؤنٹ نمبر _____ یہاں محترم / محترمہ _____ ساکن _____ یا ان کی جگہ
 محترم / محترمہ _____ ساکن _____ کو بطور اپنا مختار اور ووٹ دینے کیلئے اپنا پراکسی تقرر کرتا / کرتی ہوں جو
 میری جگہ کمپنی کے سالانہ عام اجلاس جو بروز بدھ 26 اکتوبر 2016 بوقت شام 5:00 بجے PIA آڈیٹوریم ایوان صدر روڈ کراچی میں
 منعقد ہو رہا ہے شرکت کرے۔

بروز _____ تاریخ _____ 2016 کو دستخط کیا گیا۔

گواہ نمبر۔

دستخط _____

نام _____

پتہ _____

پاسپورٹ/CNIC نمبر _____

گواہ نمبر۔ ۲

دستخط _____

نام _____

پتہ _____

پاسپورٹ/CNIC نمبر _____

اہم نکات۔

- باضابطہ و موثر ہونے کیلئے دستخط شدہ مہر شدہ اور دو گواہوں کے دستخط کے نام پتے اور کمپیوٹرائزڈ شناختی کارڈ نمبر کے ساتھ یہ پراکسی فارم اجلاس کے وقت سے کم از کم 48 گھنٹے قبل ہمارے رجسٹرار ٹی ایچ کے ایسوسی ایٹ پرائیویٹ لمیٹڈ کے دفتر بمقام اسٹیٹ لائف بلڈنگ نمبر 3 ڈاکٹر ضیاء الدین احمد روڈ کراچی میں جمع کرانا لازمی ہے۔
- انفرادی مالکان کی صورت میں تشفیعی مالکان اور پراکسی کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ساتھ پیش کرنا ہوں گی۔
- کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی سی این آئی سی یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ساتھ پیش کرنا ہوں گی۔
- پراکسی کو اجلاس کے وقت بطور شناخت اپنا اصل کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ اور فولیو نمبر بھی ہمراہ لانا ہوگا۔



ٹکٹ چسپاں
کریں۔

فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ

شیر رجسٹرار:

THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

سیکنڈ فلور اسٹیٹ لائف بلڈنگ نمبر 3

ڈاکٹر ضیاء الدین روڈ

کراچی۔ 75530

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کمپنی میں شیئر ہولڈنگ
30 جون 2016 کو کمپنی میں شیئر ہولڈنگ

شیئر کا فیصد %	شیئر کی تعداد	شیئر ہولڈرز کی تعداد	شیئر ہولڈنگ کی درجہ بندی
			ایسوسی ایٹڈ، انڈر ٹیکنگ متعلقہ فریقین اسپانسرز اور ریگولریٹری
30.7692%	20,000,000	1	نیشنل بینک آف پاکستان
30.7692%	20,000,000	1	واٹر اینڈ پاور ڈویلپمنٹ اتھارٹی
19.6775%	12,790,378	1	سردار محمد اشرف ڈی. بلوچ
10.1635%	6,606,246	1	اینڈ کو. (پرائیویٹ) لمیٹڈ
7.3872%	4,801,703	1	لی ایٹرنیشنل (پرائیویٹ) لمیٹڈ
			سردار محمد اشرف ڈی. بلوچ
			(پرائیویٹ) لمیٹڈ
98.7666%	64,198,327	5	میو جی ٹی
			این آئی سی اور آئی سی پی
			ڈائریکٹرز چیف ایگزیکٹو آفیسر، شہر ا بیوی اور تاملنگ سٹی
0.0008%	500	1	مسٹر محمد نعیم الدین
0.0008%	500	1	مسٹر محمد اقبال حسین
0.0008%	500	1	مسٹر جاوید رشید
0.0008%	500	1	مسٹر محمد امین
0.0023%	1,500	1	ایگزیکٹو
			پبلک سیکرٹریٹ اور کارپوریشن
			بینک ڈویلپمنٹ فنانس ادارے
			نان بینک فنانس کمپنیز
1.2195%	792,673	1,000	جزل بینک
0.0085%	5,500	3	دیگر
100.000%	65,000,000	1,013	ٹوٹل

پانچ فیصد اور زائد شیئر ہولڈنگ

30.7692%	20,000,000	1	نیشنل بینک آف پاکستان
30.7692%	20,000,000	1	واٹر اینڈ پاور ڈویلپمنٹ اتھارٹی
19.6775%	12,790,378	1	سردار محمد اشرف ڈی. بلوچ
			اینڈ کو. (پرائیویٹ) لمیٹڈ
10.1635%	6,606,246	1	لی ایٹرنیشنل (پرائیویٹ) لمیٹڈ
7.3872%	4,801,703	1	سردار محمد اشرف ڈی. بلوچ
			(پرائیویٹ) لمیٹڈ



خیر ہولڈنگ پیٹرن
برمطابق 30 جون 2016

فیصد %	کل خیر کی ملکیت	خیر ہولڈنگ سے	تک	خیر ہولڈرز کی تعداد
0.0115	7,477	100	1	328
0.4036	262,330	500	101	536
0.1100	71,501	1,000	501	72
0.1987	129,129	5,000	1,001	55
0.0954	62,000	10,000	5,001	8
0.0569	37,000	15,000	10,001	3
0.0308	20,000	20,000	15,001	1
0.0385	25,000	25,000	20,001	1
0.0531	34,500	35,000	30,001	1
0.0692	45,000	45,000	40,001	1
0.0792	51,500	55,000	50,001	1
0.0865	56,236	60,000	55,001	1
7.3872	4,801,703	4,805,000	4,800,001	1
10.1635	6,606,246	6,610,000	6,605,001	1
19.6775	12,790,378	12,795,000	12,790,001	1
61.5385	40,000,000	20,000,000	19,995,001	2
100.0000	65,000,000			1,013

مندرجہ بالا سلیب میں صفر ہولڈنگ کو شامل نہیں کیا گیا ہے۔

فیصد %	خیر کی ملکیت	نمبر	خیر ہولڈرز کی درجہ بندی
00.0031%	2,000	4	ڈائریکٹرز
98.7667%	64,198,327	5	ایسوسی ایٹڈ، انٹرنیٹنگو متعلقہ فریقین اسپانسرز اور ریکوریٹرز
1.2018%	781,172	999	جنرل پبلک
0.0200%	13,001	2	مقامی
0.0085%	5,500	3	غیر ملکی
			دیگر
100.0000%	65,000,000	1,013	ٹوٹل



سالانہ اجلاس علم کی اطلاع

بذریعہ ہذا اطلاع دی جاتی ہے کہ فرسٹ کریڈٹ اینڈ انوسٹمنٹ بینک لمیٹڈ کے شیئرز ہولڈرز کا 27 واں سالانہ اجلاس عام بروز بدھ 26 اکتوبر 2016 کو شام 05:00 بجے PIIA (پاکستان انسٹی ٹیوٹ آف انٹرنیشنل آفینرز) آڈیٹوریم، ایوان صدر روڈ، کراچی میں منعقد ہوگا جس میں مندرجہ ذیل امور سر انجام دیئے جائیں گے:

- (1) سالانہ اجلاس عام منعقدہ 19 اکتوبر 2015 کی کارروائی کی توثیق۔
- (2) 30 جون 2016 کو ختم شدہ سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس مع ان پراڈیٹرز اور ڈائریکٹرز کی رپورٹوں کی وصولی، غور و خوض اور منظوری۔
- (3) 30 جون 2017 کو ختم ہونے والے سال کیلئے قانونی آڈیٹرز کا تقرر اور ان کے مشاہرہ کا تعین کرنا۔ سبکدوش ہونے والے آڈیٹرز میسرز گرانٹ تھورن، انجم رحمن، چارٹرڈ اکاؤنٹنٹس کی جانب خود کو دوبارہ تقرری کیلئے پیش کیا گیا ہے۔
- (4) صدر اجلاس کی اجازت سے دیگر امور انجام دینا۔

حسب احکم بورڈ



محمد محسن علی
کمپنی سیکرٹری

کراچی۔ 04 اکتوبر 2016

نوٹ:

- (1) کمپنی شیئرز انسفر بکس 16 اکتوبر 2016 سے 26 اکتوبر 2016 تک (دونوں دن شامل ہیں) بند رہیں گی۔ جو مشکلات 15 اکتوبر 2016 کے کاروباری اوقات کے اختتام تک ہمارے شیئرز رجسٹرار میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، سیکنڈ فلور اسٹیٹ لائف بلڈنگ نمبر 3 ڈاکٹر ضیاء الدین روڈ کراچی 75530 کے دفتر میں باضابطہ طور پر موصول ہوگی وہ اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے شیئرز ہولڈرز کے استحقاق کے مقصد کیلئے بروقت سمجھی جائیں گی۔
- (2) کوئی بھی ممبر جو سالانہ اجلاس عام میں شرکت کرنے کی تقریر کرنے اور ووٹ دینے کا حقدار ہے وہ اجلاس کرنے کیلئے کسی بھی دوسرے شخص کو تحریر بطور اپنا اپنی پراسی مقرر کرنے کا اہل مجاز ہے۔ جسے اجلاس میں شرکت کرنے، تقریر کرنے اور ووٹنگ کے ضمن میں وہی حقوق حاصل ہو گئے جیسا کہ ایک ممبر کو حاصل ہیں۔ پراسی کیلئے کمپنی کا ممبر ہونا ضروری نہیں۔
- (3) موثر ہونے کی غرض سے پراسی فارم ہمارے رجسٹرار کے دفتر میں اجلاس سے کم از کم اترالیس (48) گھنٹے قبل لازماً موصول ہو جانے چاہئیں جو دو اشخاص کی جانب سے ان کے نام، پتہ CNIC نمبرز اور دستخطوں کیساتھ باقاعدہ دستخط شدہ، مہر شدہ اور گواہی شدہ ہوں۔
- (4) افراد کی صورت میں پراسی فارم کیساتھ اصل شیئرز ہولڈرز اور پراسی کے CNIC یا سپورٹ کی تصدیق شدہ نقول پیش کی جائیں۔
- (5) کارپوریٹ entity کی جانب سے پراسی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی اور پراسی کے CNIC یا سپورٹ کی تصدیق شدہ کاپی پراسی فارم کیساتھ پیش کی جائے۔
- (6) اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز جو سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ میں کمپنی کی بک انٹریز سیکورٹیز کے حامل ہوں جو اجلاس میں شرکت کرنے کے خواہشمند ہوں، ان سے درخواست ہے کہ وہ اپنا اصل CNIC مع اس کی نقول جو باقاعدہ تصدیق شدہ، شناخت کی غرض سے ساتھ لائیں۔
- (7) شیئرز ہولڈرز سے درخواست ہے کہ وہ اپنے چوں میں کسی بھی قسم کی تبدیلی سے متعلق ہمارے رجسٹرار آفس کو بروقت مطلع کریں۔



انسانی وسائل اور معاوضوں کی کمیٹی :

بورڈ آف ڈائریکٹرز نے کلیدی عہدوں کے انتخاب، تجویز اور تبادلہ پلاننگ کے حوالے سے اپنی ذمہ داریوں کو پورا کرنے میں مدد کے لیے ایک انسانی وسائل اور معاوضے کی کمیٹی تشکیل دی ہے۔ یہ کمیٹی چار ممبران پر مشتمل ہے۔ بشمول چیرمین زیادہ تر ممبران نان ایگزیکٹو ڈائریکٹرز ہیں۔ سال کے دوران کمیٹی کی تین میٹنگز منعقد کی گئیں، جس میں درج ذیل ڈائریکٹرز نے شرکت کی:

ڈائریکٹر کا نام	کتنی میٹنگوں میں حاضر ہوئے
جناب اسد اللہ سلیم	3
جناب نجیب طارق	3
جناب محمد نعیم الدین	3
جناب احسان اللہ خان	3

ٹریننگ پروگرامز

ڈائریکٹرز کو پاکستان اسٹاک ایکسچینج کی لسٹنگ ریگولیشن، میوریٹم اینڈ آرٹیکل آف ایسوسی ایشن، این بی ایف سی رولز 2003 اور این ای سیز ریگولیشن 2008ء کی کاپیاں فراہم کی گئی ہیں اور وہ اپنی فرائض اور ذمے داریوں سے اچھی طرح واقف ہوں۔ اس سال کے دوران ایک ڈائریکٹر نے ڈائریکٹرز ٹریننگ پروگرام کا سٹوکیٹ حاصل کیا ہے۔ اسی طرح ملازمین کو کمپنی کی ترقی کے لئے طویل مدتی ٹریننگ کے مواقع فراہم کئے جائیں گے تاکہ ان کی صلاحیتیں بہتر ہو سکیں۔

آڈیٹرز

موجودہ آڈیٹرز میسرز گرانٹ تھارٹن انجم رحمان چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور وہ دوبارہ تقرری کے اہل ہیں اور اپنے آپ کو دوبارہ تقرری کے لئے پیش کیا ہے۔ کوڈ آف کارپوریٹ گورننس 3 کے تحت آڈٹ کمیٹی نے 30 جون 2017ء کو ختم ہونے والے سال کے لئے میسرز گرانٹ تھارٹن انجم رحمان چارٹرڈ اکاؤنٹنٹس کو تقرر کرنے کی سفارش کی ہے۔

شیئر ہولڈنگ پیٹرن :

30 جون 2016ء پر شیئر ہولڈنگ پیٹرن بشمول کمپنی کے حصص یافتگان کی کمیگري سالانہ رپورٹ کے ساتھ منسلک ہے۔ دوران سال شیئر ہولڈنگ پیٹرن کے مطابق ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کی بیوی، بچوں کی طرف سے کمپنی کے حصص کا کاروبار نہیں کیا گیا ماسوائے جو کہ شیئر ہولڈنگ پیٹرن میں دکھایا گیا ہے۔



ڈائریکٹرز کے نام	میٹنگ کی تعداد جن میں شامل ہونے کے اہل ہیں	میٹنگ کی تعداد جن میں شامل ہوئے
جناب وجاہت اے بٹائی	5	5
جناب نجیب طارق	5	5
جناب انوار الحق	5	5
جناب اسد اللہ سلیم	5	5
جناب محمد نعیم الدین	5	5
جناب محمد اقبال حسین	5	5
جناب جاوید رشید	5	5
جناب محمد امین	2	1
جناب جہانگیر اکبر*	-	-
جناب ساغر احمد*	-	-
جناب احسان اللہ خان	5	5

*فٹ اینڈ پراپر (Fit & Proper) کے معیار کے تحت SECP سے منظوری کا انتظار ہے۔

جو ڈائریکٹرز میٹنگ میں شریک نہ ہو سکے ان کی غیر حاضری پر چھٹی منظور کی گئی۔

آڈٹ کمیٹی اور داخلی کنٹرول:

بورڈ کی آڈٹ کمیٹی تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جن میں بشمول چیئرمین کمیٹی زیادہ تر آزاد ڈائریکٹرز ہیں۔ کارپوریٹ قانون و قواعد کے مطابق کام کرنے کے مروجہ امور (Terms of reference) کا تعین بورڈ نے کیا ہے۔ سال کے دوران آڈٹ کمیٹی کی چار میٹنگز منعقد کی گئیں جس میں درج ذیل ڈائریکٹرز نے شرکت کی:

ڈائریکٹر کا نام	کتنی میٹنگوں میں حاضر ہوئے
1 جناب محمد نعیم الدین	4
2 جناب انوار الحق	4
3 جناب جاوید رشید	4



(g) اسٹنگ کے ضابطوں میں موجود کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی مادی انحراف نہیں کیا گیا۔

کلیدی آپریٹنگ اور مالیاتی نتائج:

کمپنی کے پچھلے چھ سال کے کلیدی آپریٹنگ اور مالیاتی نتائج درج ذیل ہیں:

2011	2012	2013	2014	2015	2016	سال جو 30 جون کو ختم ہوا
	تصحیح شدہ	تصحیح شدہ	تصحیح شدہ			
ملین روپوں میں						
138	139	93	60	81	99	کل آمدنی
(136)	(55)	(14)	4	29	65	قبل از ٹیکس منافع/(نقصان)
(86)	(71)	(6)	1	23	44	بعد از ٹیکس منافع/(نقصان)
727	658	651	649	673	717	حصص یافتگان کا سرمایہ
1,516	1,222	838	738	693	1012	کل اثاثے
(1,36)	(1,10)	(0.10)	0.02	0.35	0.67	منافع/نقصان فی حصص (روپے میں)

اسٹاف ریٹائرمنٹ بینفٹ (منفعت) اسکیمز:

ایمپلائز پروڈنٹ فنڈ اور گریجویٹ فنڈ کی سرمایہ کاری کا تخمینہ 30 جون 2015 کے آڈیٹڈ مالیاتی گوشواروں کے مطابق بالترتیب 14,093,839/- اور 6,662,297/- ہے۔

بورڈ آف ڈائریکٹرز

اس سال کے دوران ڈائریکٹر جناب صغیر احمد کے استعفیٰ کے باعث ایک وقتی (انتقالی) آسامی خالی ہوئی۔ بورڈ نے جناب محمد امین کو ایک آزاد ڈائریکٹر کی حیثیت سے اس وقتی آسامی کو بھرنے کے لئے اپوائنٹ کیا۔

دوران سال پانچ بورڈ میٹنگز منعقد ہوئیں جن میں ڈائریکٹرز کی حاضری کا ریکارڈ مندرجہ درج ذیل ہے۔



بیلنس شیٹ کی تاریخ سے اب تک تبدیلی:

بیلنس شیٹ کی تاریخ سے اب تک کوئی بھی مادی تبدیلی رونما نہیں ہوئی جس کو منسلک مالیاتی گوشوارہ کے ساتھ ہم آہنگ کرنے کی ضرورت ہے، سوائے ان کے جو پہلے ہی ظاہر کر دی گئیں ہیں۔

حصص پر منافع (ڈیویڈنڈ)

ماضی میں کمپنی کی حصص پر منافع (ڈیویڈنڈ) کی پالیسی میں پرکشش نقد منافع، حصص یافتگان کو بونس حصص، کریڈٹ ریٹنگ میں اضافہ، سرمایہ کاری کی ضرورت اور توسیعی منصوبے کے مطابق وافر فنڈ کی دستیابی وغیرہ سب شامل تھے۔ ڈائریکٹرز نے 30 June 2016 کو ختم ہونے والے مالی سال کے لئے ڈیویڈنڈ (حصص پر منافع) دینے کی کوئی سفارش نہیں کی ہے۔

کریڈٹ ریٹنگ

JCR-VIS کریڈٹ ریٹنگ کمپنی نے اپنی رپورٹ مورخہ 20 دسمبر 2015 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۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک:

کارپوریٹ کے انتظامی قوانین کے مطابق ڈائریکٹرز ذیل رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں:

- کمپنی کی انتظامیہ کے تیار کردہ مالی گوشواروں میں اس کے امور، عملدرآمد کے نتائج، نقدی بہاؤ اور ایکٹیوٹی میں تبدیلیاں واضح اور منصفانہ طور پر پیش کی گئی۔
- کمپنی کے حساب کی کتابوں کو باقاعدگی سے تیار کیا گیا ہے۔
- مالی گوشواروں کی تیاری میں اکاؤنٹنگ پالیسیاں تسلسل کے ساتھ بروئے کار لائی گئی ہیں اور کے اندازے معقول اور دانشمندانہ فیصلوں پر مبنی ہے۔
- بین الاقوامی حساب کتاب کے معیارات (IFRS) جیسے پاکستان میں نافذ عمل ہیں کو ان گوشواروں کی تیاری میں اپنایا گیا ہے اور کسی بھی انحراف کو باقاعدہ ظاہر کیا گیا۔
- داخلی کنٹرول کا جو نظام قائم کیا ہے وہ ڈیزائن میں مضبوط ہے اور موثر انداز میں لاگو کیا گیا ہے۔
- کمپنی کے مستقبل میں کام کرنے کی صلاحیت پر کوئی قابل ذکر تشویش نہیں ہے اور مالی گوشواروں کو اسی بنیاد پر تیار کیا گیا ہے۔



آپریشن کا جائزہ:

ملک میں امن وامان کی صورتحال اور مارکیٹ اور اقتصادی حالات کی خرابی کی وجہ سے پچھلے چند برس NBFC کے شعبہ کے لئے خاص طور پر انویسٹمنٹ بینک کے لیے اچھے نہیں تھے۔ بیشتر انویسٹمنٹ بینکوں کو منافع، لیکویڈیٹی اور نتیجہ خیزی کے مسلسل مسائل کا سامنا رہا۔ تاہم FCIBL اپنی نتیجہ خیزی اور لیکویڈیٹی کو برقرار رکھنے میں کامیاب رہا ہے۔ منافع بخش کاروبار کے مواقعوں کی کمی کی وجہ سے نیا کاروبار کرنے پر محتاط انداز اپنایا گیا تھا۔ تمام مشکلات کا سامنا کرنے کے باوجود کمپنی مالیاتی اشاریہ میں اضافہ کرنے کے قابل رہی۔ کمپنی نے FY16 کے لئے 52.7 ملین روپے کا آپریٹنگ منافع حاصل کیا۔ جبکہ FY15 کا آپریٹنگ منافع 27.6 ملین روپے تھا۔ اس طرح 25.1 ملین روپے کا اضافہ ریکارڈ کیا۔ مزید یہ کہ کچھ صارفین کے اکاؤنٹ میں بہتری کی وجہ سے نقصان کے خدشات جو پچھلے سالوں میں متعین کئے گئے تھے وہ اس سال واپس ہو گئے جس کی وجہ سے قبل از ٹیکس منافع میں 36.6 ملین روپے کا اضافہ ہوا۔ کمپنی نے قبل از ٹیکس منافع 65.2 ملین روپے کا منافع رپورٹ کیا جبکہ پچھلے سال کا قبل از ٹیکس منافع 28.7 ملین روپے تھا۔ اسی طرح 30 جون 2016ء کو ختم ہونے والے سال کے لئے بعد از ٹیکس منافع 43.9 ملین روپے ریکارڈ کیا گیا۔ گزشتہ سال کا بعد از ٹیکس منافع 23.0 ملین روپے تھا اس طرح بعد از ٹیکس منافع میں اس سال 20.9 ملین روپے کا اضافہ ہوا۔

30 جون 2016 کی بیلنس شیٹ کے مطابق حصص یافتگان کا سرمایہ 44.2 ملین روپے اضافہ کے بعد 717.0 ملین روپے ہو گیا جبکہ یہ 30 جون 2016 کو 672.8 ملین روپے تھا۔ حصص یافتگان کے سرمائے میں اضافے کی وجہ دوران سال ہونے والا منافع ہے۔ 30 جون 2016 کے اختتام پر کمپنی کے کل اثاثے بڑھ کر 1,0122 ملین روپے ہوئے جبکہ 30 جون 2015 کو کل اثاثے 692.6 ملین روپے تھے۔ یہ اضافہ بینکوں اور منی مارکیٹ سے قرضوں کی وجہ سے ہوا۔

NBFCs کے شرائط و ضوابط کی پیروی کرنے کے لئے، 20% کے مساوی رقم بعد از ٹیکس منافع کو اسٹیچوری ریزرو میں ٹرانسفر کر دیا گیا ہے۔

کم از کم سرمائے کی حد:

کمپنی کے آڈیٹرز نے ممبران کو دی گئی مالیاتی اسٹیٹمنٹ پر اپنی رپورٹ میں غیر بینکنگ مالیاتی کمپنیز اور نوٹیفائیڈ انٹیگریٹڈ ریگولیشن 2008ء کے تحت کاروباری سرمائے کی کم از کم ضرورت کی طرف توجہ مبذول کروائی گئی ہے۔ کمپنی کی منجمنٹ نے مالیاتی اسٹیٹمنٹ سے منسلک نوٹ نمبر 1.3 میں اس کی تفصیلات کی وضاحت کر دی ہے۔



102 بلین ڈالر کی آخری قسط کی فراہمی کی منظوری جلد ہی متوقع ہے۔ یہ قسط آئی ایم ایف کا ملک کے لئے کسی بھی وسط مدتی پروگرام کے پہلی بار تکمیل میں ایک اہم سنگ میل ثابت ہوگی۔ اسٹیٹ بینک کی تحویل میں زر مبادلہ کے ذخائر میں مستقل اضافہ ہو رہا ہے جبکہ جون 2016 کے آخری چار ماہ میں برآمدات 18.1 بلین امریکی ڈالر تک پہنچ چکی ہے۔

اس مالیاتی سال کے دوران تینوں اسٹاک ایکسچینوں کے انضمام ہونے سے بننے والے پاکستان اسٹاک ایکسچینج کے قیام کی وجہ سے پاکستان، مساواتی کاروبار کے ایک نئے دور میں داخل ہو چکا ہے۔ اس کے علاوہ MSCi کے عرصے درکار ”ایمرجنگ مارکیٹ انڈیکس“ کے مئی 2017 سے شروع کرنے کے فیصلے کی وجہ سے انویسٹرز کا تذبذب ختم ہو گیا ہے۔ 30 جون 2015 کے 34,398 کے مقابلے میں 30 جون 2016 کو (PSX-100) انڈیکس انتہائی سطح یعنی 37784 تک پہنچا، جس سے 9.8 فیصد ترقی ظاہر ہوتی ہے۔ مہنگائی میں کمی ہونے کی رفتار برقرار ہے یعنی CPI اوسط جو 2015 میں 4.5% تھا مالیاتی سال 2016 میں نمایاں طور پر کم ہو کر 2.9% ہو گیا ہے۔

اقتصادی محاذ اور کم افراط زر کی بہتری کا محتاط اندازے سے آئندہ کے امکانات کا جائزہ لیتے ہوئے اسٹیٹ بینک آف پاکستان نے اپنی نرم مالیاتی پالیسی کو قائم رکھتے ہوئے مالیاتی سال 2016 میں اپنے مختصر مدتی شرح سود میں مجموعی طور پر 75 بیس پوائنٹس کمی کی ہے۔

مالیاتی نتائج:

کمپنی کے 2015-16 کے لئے مالیاتی نتائج کا خلاصہ ذیل میں دیا گیا ہے۔ 2014-15 کا تقابلی ڈیٹا بھی درج ذیل ہیں۔
(روپے 000 میں)

2014-15	2015-16	
81,247	99,018	کل آمدنی
27,550	52,651	آپریٹنگ منافع
28,665	65,203	قبل از ٹیکس منافع
23,016	43,864	بعد از ٹیکس منافع
672,776	716,956	حصص یافتگان کا سرمایہ
(10,372)	(10,524)	سرمایہ کاری کی قدر و قیمت کے تعین نو میں خسارہ
692,618	1,012,248	کل اثاثہ
0.35	0.67	نی حصص آمدنی بیک اور ڈائیونڈ



ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے فرسٹ کریڈیٹ اینڈ انویسٹمنٹ بینک لمیٹڈ کی 27 ویں سالانہ رپورٹ بشمول مالیاتی تفصیلات کا گوشوارہ اور ڈائریکٹرز کی رپورٹ برائے سال 30 جون 2016 کے اختتام پر، پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

پاکستان کی معیشت کی صورتحال:

مالیاتی سال 2016 میں پاکستان کی معیشت میں واضح ترقی ہوئی ہے۔ بیرونی اور داخلی دونوں عوامل نے معیشت کی بہتری میں اپنا کردار ادا کیا ہے۔ بیرونی عوامل پر نظر کریں تو برآمدی پیداوار میں تنزلی کے باوجود، زرمبادلہ کی مارکیٹ، خام معدنی تیل کی قیمتوں میں کمی، ترسیلات زر، بیرونی سرمایہ کی فراہمی میں کافی اضافہ کے باعث مکمل طور پر مستحکم رہی۔ جبکہ داخلی معاملات پر نظر ڈالیں تو محاصل کی وصولیابی میں اضافے کے وجہ سے ترقیاتی اخراجات میں وسعت ہوئی اور اسی دوران مالیاتی خسارہ کم ہو کر ہدف کے قریب ترین رہا۔

مالیاتی سال 2016 میں حقیقی GDP میں اضافہ آٹھ سال کا بلند ترین سطح یعنی 4.7 فیصد رہا جو کہ مالیاتی سال 2015 کے 4.2 فیصد سے زیادہ ہے۔ زرعی شعبے (0.19- فیصد) میں کم پیداوار اور خاص طور پر کپاس، چاول اور مکئی کی پیداوار میں کمی کے باعث GDP میں 5.5 فیصد اضافے کا پیداوری حاصل نہیں ہو سکا۔ تاہم صنعتی سیکٹر میں 6.8 فیصد اضافہ ریکارڈ کیا گیا جبکہ خدمات کے شعبے میں بھی 5.7 فیصد اضافی ترقی ہوئی۔

خام معدنی تیل کی قیمت میں کمی کی سہولت ملنے کے باوجود تجارتی خسارہ میں مالیاتی سال 2015 کی بہ نسبت مالیاتی سال 2016 میں 7.4% اضافہ ہوا۔ برآمدات میں 8.6 فیصد کمی ہوئی خاص طور پر ٹیکسٹائل صنعت کے شعبے میں منفی ترقی ہوئی جبکہ علاوہ آئل، مشینری اور زیادہ تر نچلے درجے کی پٹرولیم مصنوعات کی مد میں درآمد میں صرف 2.0 فیصد کمی ہوئی۔ ترسیلات زر میں مستقل اضافہ ہو رہا ہے اگرچہ کہ 6.4% کی سست رفتاری کے ساتھ بشمول کثیر الجہتی تجارت سے حاصل ہونے والا زرمبادلہ جو کہ مستقل بیرونی فاضل کھاتوں کو تقویت کا باعث ہے۔ غیر ملکی زرمبادلہ کے ذخائر تاریخ کی بلند ترین سطح یعنی 23 بلین امریکی ڈالر تک پہنچ گئے ہیں جس کے نتیجے میں 2016 میں روپے کی قدر مستحکم رہی۔

آئی ایم ایف نے ایکسٹنڈڈ فنڈ فیسلٹی (EFF) سے متعلق بارہواں اور حتمی جائزہ رپورٹ میں معیشت پر اطمینان کا اظہار کرتے ہوئے کہا ہے کہ یہ پروگرام کے مطابق بہتری کے راستے پر رواں دواں ہے۔ آئی ایم ایف بورڈ کا ای ایف ایف پروگرام کے تحت

