

Quarterly Report
September 30,
2019



fcibank

FIRST CREDIT AND INVESTMENT BANK LTD.

Major Joint Venture Partners:





Vision

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

Mission Statement

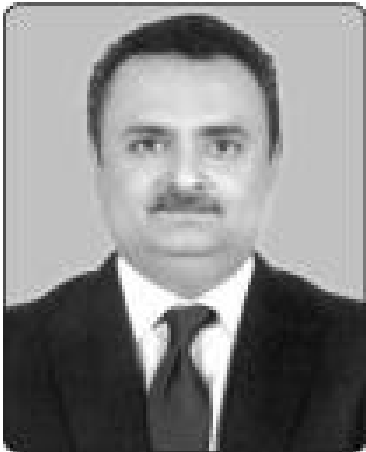
Contributing through innovative financing and investment in quality portfolio, advisory services delivered in an environment of trust and customer confidence supported by a team of professionals.



C O N T E N T S

Board of Directors.....	01
Company Information.....	02
Directors' Review Report to the Members	03
Condensed Interim Statement of Financial Position.....	05
Condensed Interim Statement of Profit or Loss	06
Condensed Interim Statement of Comprehensive Income.....	07
Condensed Interim Statement of Changes in Equity.....	08
Condensed Interim Statement of Cash Flows.....	09
Notes to the Condensed Interim Financial Statements.....	10

BOARD OF DIRECTORS



Mr. Rehmat Ali Hasnie
Chairman



Mr. Muhammad Mohsin Ali
President & CEO



Mr. Muhammad Ikram Khan
Director



Mr. Asad Ullah Saleem
Director



Mr. Naveed Asghar Chaudhry
Director



Mr. Muhammad Naeemuddin
Director



Mr. Muhammad Iqbal Hussain
Director



Mr. Muhammad Ameen
Director



COMPANY INFORMATION

AUDIT COMMITTEE:

Mr. Muhammad Ameen Chairman
Mr. Naveed Asghar Chaudhry
Mr. Muhammad Naeemuddin

HR AND REMUNERATION COMMITTEE:

Mr. Muhammad Naeemuddin Chairman
Mr. Muhammad Ikram Khan
Mr. Asad Ullah Saleem
Mr. Muhammad Iqbal Hussain
Mr. Muhammad Mohsin Ali

RISK MANAGEMENT COMMITTEE:

Mr. Muhammad Iqbal Hussain Chairman
Mr. Asad Ullah Saleem
Mr. Naveed Asghar Chaudhry
Mr. Muhammad Mohsin Ali

COMPANY SECRETARY:

Mr. Muhammad Amin Khatri

AUDITORS:

Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISOR:

Ahmed & Qazi

BANKERS:

National Bank of Pakistan
MCB Bank Limited
Allied Bank Limited
FINCA Microfinance Bank Limited
NRSP Microfinance Bank Limited
Tameer Microfinance Bank Limited
Khushhali Bank Limited
U Microfinance Bank Limited
The First Microfinance Bank Limited

SHARE REGISTRAR:

THK Associates (Pvt.) Limited
1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400
Ph.#+92 (21) 111-000-322
Fax # +92 (21)34168271

HEAD OFFICE / REGISTERED OFFICE:

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



DIRECTORS' REVIEW

On behalf of the Board of Directors, we have the privilege of presenting un-audited financial statements of **First Credit and Investment Bank Limited** for the first quarter ended September 30, 2019.

Operating Results

Total income for the quarter ended September 30, 2019 increased by Rs.9.33 million to Rs. 36.11 million as compared to Rs. 26.78 million for the quarter ended September 30, 2018. The Company reports significant increase in operating profit by 68% to Rs.8.09 million during the first quarter ended September 30, 2019 as compared to operating profit of Rs. 4.81 million for the corresponding period of last year. The increase in operating profit is attributable to the increase in total income. Further, after taking effect of reversals of already made provisions against non-performing investments, the Company was able to report profit before tax of Rs9.11 million during the first quarter of FY 2019-20. The profit before tax for the quarter ended September 30, 2018 was Rs.6.62 million. Similarly, the Company closed the current quarter registering the increase of 31% in net profit after tax to Rs.6.43 million as against profit after tax of Rs. 4.91 million for the corresponding quarter last year. As a result, shareholders equity, net of deficit on re-measurement of investment, increased by Rs.3.37 million to Rs.721.96 million as at September 30, 2019 from Rs. 718.59 million as at June 30, 2019. Total balance sheet footing as at September 30, 2019 was Rs.1,090.52 million compared to Rs. 1,385.30 million as at June 30, 2019.

Credit Rating

JCR-VIS Credit Rating Company Limited vide its report dated December 28, 2018 has reaffirmed the medium to long-term rating of the Company at 'A-' (Single A Minus) and Short-term rating at 'A-2' (A-Two). The outlook of the rating is 'Stable'.

Future Outlook

We are diversifying our business focus into new avenues to increase revenue streams, which will be forthcoming with improvement in economic and business conditions of the country. Your Company will continue to improve its assets quality, infrastructure, build capacity through training of existing personnel and engaging professionals to diversify products and services, updating policies and procedures to meet the requirements of the new challenges and opportunities.

Acknowledgement

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



President and CEO

Director

Karachi:
October 26, 2019

ڈائریکٹرز جائزہ

ہم فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے پہلی سہ ماہی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی تفصیلات کا گوشوارہ بمطابق ۳۰ ستمبر ۲۰۱۹ پیش کرتے ہوئے طمانیت محسوس کرتے ہیں۔

آپریٹنگ نتائج:

۳۰ ستمبر ۲۰۱۹ کو ختم ہونے والی پہلی سہ ماہی میں کمپنی کی کل آمدنی ۹.۳۳ ملین روپے اضافے کے بعد ۳۶.۱۱ ملین روپے رہی جو کہ پچھلے سال ۳۰ ستمبر ۲۰۱۸ کو ختم ہونے والی اسی مدت میں ۲۶.۷۸ ملین روپے تھی۔ کمپنی نے پہلی سہ ماہی کے اختتام پر ۶۸% نمایاں اضافے کے ساتھ ۸.۰۹ ملین روپے آپریٹنگ منافع حاصل کیا جو پچھلے سال اسی عرصہ میں ۳.۸۱ ملین روپے تھا۔ مذکورہ آپریٹنگ منافع بڑھنے کا سبب کل آمدنی میں اضافہ ہے۔ مزید یہ کہ کچھ صارفین کے اکاؤنٹ میں نقصان کے خدشات کو ملحوظ خاطر لاتے ہوئے رقم مختص کی گئی تھی ان اکاؤنٹ میں بہتری کی وجہ سے وہ رقم واپس شامل کر لی گئی ہے جس کی وجہ سے کمپنی نے سال ۲۰۱۹-۲۰ کی موجودہ پہلی سہ ماہی میں قبل از ٹیکس منافع ۹.۱۱ ملین روپے ریکارڈ کیا جبکہ پچھلے سال اسی مدت میں ۶.۶۲ ملین روپے قبل از ٹیکس منافع ظاہر کیا گیا تھا اسی طرح پہلی سہ ماہی کے اختتام پر ۳۱% اضافے کے ساتھ بعد از ٹیکس منافع ۶.۴۳ ملین روپے ریکارڈ کیا گیا جبکہ پچھلے سال اسی مدت میں بعد از ٹیکس منافع ۳.۹۱ ملین روپے تھا۔ اسکے نتیجے میں شیئر ہولڈرز ایکویٹی بعد سرمایہ کاری کی مالی پائمنٹ ۳.۷۳ ملین روپے اضافے کے ساتھ ۲۱.۹۶ ملین روپے ہو گئی جبکہ ۳۰ جون ۲۰۱۹ کو شیئر ہولڈرز ایکویٹی ۱۸.۵۹ ملین روپے تھی۔ ۳۰ ستمبر ۲۰۱۹ کو کمپنی کے کل اثاثہ جات ۱,۰۹۰.۵۲ ملین روپے ہو گئے جو کہ ۳۰ جون ۲۰۱۹ کو ۱,۳۸۵.۳۰ ملین روپے تھے۔

کریڈٹ ریٹنگ:

JCR-VIS کریڈٹ ریٹنگ کی رپورٹ بتاریخ ۲۸ دسمبر ۲۰۱۸ کے مطابق کمپنی نے درمیانے سے طویل مدتی ایٹینیٹی ریٹنگ کو 'A' (سنگل A منفی) اور مختصر مدتی ریٹنگ کو 'A-2' پر برقرار رکھا ہے۔ ریٹنگ کا آؤٹ لک مستحکم ہے۔

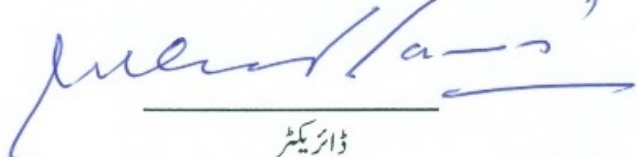
مستقبل کے امکانات:

ہماری تمام کاروباری سرگرمیاں نئی آمدنی کے سلسلے کو بڑھانے کیلئے کاروبار متنوع کرنے پر مرکوز ہیں جو ملک کے اقتصادی و کاروباری حالات میں بہتری کے ساتھ آگے بڑھیں گی۔ آپ کی کمپنی اپنے اثاثوں کے معیار کو بحال کرنے، اور، موجودہ عملہ اور اہم پیشہ ورانہ عملہ کی خدمات حاصل کر کے ان کو ریٹنگ کے ذریعہ اپنے انفراسٹرکچر میں بہتری لانے، مختلف النوع پروڈکٹ اور خدمات کی بحالی کی مناسب کوششیں کر رہی ہے، اور نئے مواقع اور نئے چیلنجز کا سامنے کرنے کے لئے اپنی پالیسیاں اور طریقہ کار کو اپ ڈیٹ کر رہی ہے۔

اظہار تشکر:

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


 چیئرمین
 ڈائریکٹرز وی ای او


 ڈائریکٹر

کراچی۔

۲۶ اکتوبر ۲۰۱۹

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
 AS AT SEPTEMBER 30, 2019

	Note	September 30,	June 30,
		2019	2019
		(Un-audited)	(Audited)
		Rupees	
ASSETS			
Non-current assets			
Property and equipment	6	4,057,274	4,499,961
Long-term investments	7	26,916,371	29,459,941
Long-term loans and finances		458,445,112	524,108,593
Net investment in finance lease	8	1,477,254	1,605,985
Long-term deposits		57,500	57,500
Deferred tax asset	9	73,723,767	74,058,906
Total non-current assets		564,677,277	633,790,886
Current assets			
Current portion of non-current assets	10	148,922,720	126,989,156
Short-term investments	11	90,992,727	93,194,576
Short-term placements	12	140,000,000	420,000,000
Markup/interest accrued		53,050,733	61,068,478
Prepayments and other receivables		1,933,004	911,613
Taxation-net		13,041,556	13,083,054
Cash and bank balances		77,901,218	36,263,045
Total current assets		525,841,957	751,509,922
Total Assets		1,090,519,235	1,385,300,808
EQUITY & LIABILITIES			
Shareholders' equity			
Authorized share capital			
75,000,000 (June 30, 2019: 75,000,000) ordinary shares of Rs.10 each		750,000,000	750,000,000
Issued, subscribed and paid-up share capital 65,000,000 (June 30, 2019: 65,000,000) ordinary shares of Rs.10 each		650,000,000	650,000,000
Unappropriated profit		99,262,817	92,830,246
Deficit on remeasurement of investments - net	13	(27,299,657)	(24,237,749)
Total shareholders' equity		721,963,160	718,592,497
Non-Current Liabilities			
Deferred liability - Staff gratuity		3,387,097	3,082,177
Long-term loan		46,875,000	62,500,000
Security deposit against finance lease		752,000	752,000
Total non-current liabilities		51,014,097	66,334,177
Current Liabilities			
Current portion of long-term loan		78,125,000	78,125,000
Short-term running finance facility	14	215,506,208	475,978,135
Markup / interest accrued	15	17,326,250	16,699,841
Accrued expenses and other payables		6,584,520	29,571,158
Total current liabilities		317,541,978	600,374,134
Total liabilities		368,556,075	666,708,311
Contingencies and commitments	16	-	-
Total equity and liabilities		1,090,519,235	1,385,300,808

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Kamran
Chief Financial Officer

Muhammad Mohsin Ali
President & CEO

Muhammad Ameen
Director



CONDENSED INTERIM PROFIT OR LOSS
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Note	September 30, 2019	September 30 2018
		(Un-audited)	
		Rupees	
Income from term finances and fund placements		34,601,524	23,040,476
Income from investments		1,279,998	2,760,674
Fees and commission income		72,537	819,654
Other income		157,548	165,475
		36,111,606	26,786,279
Finance costs		(15,608,348)	(11,256,740)
Administrative and operating expenses		(12,411,081)	(10,721,759)
Operating income before taxation and provisions		8,092,177	4,807,780
(Provision)/Reversals			
Reversal for non-performing investments	7.1	1,200,000	1,944,833
Profit before taxation and workers' welfare fund		9,292,177	6,752,613
Workers' welfare fund		(185,844)	(135,000)
Profit before taxation		9,106,333	6,617,613
Taxation	17	(2,673,762)	(1,704,932)
Profit after taxation for the period		6,432,571	4,912,681
Earnings per share -basic and diluted	18	0.10	0.08

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Kamran
Chief Financial Officer

Muhammad Mohsin Ali
President & CEO

Muhammad Ameen
Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	September 30, 2019	Septemebr 30, 2018
	(Un-audited)	
	Rupees	
Profit after taxation for the period	6,432,571	4,912,681
Other comprehensive (loss) / income:		
Items that will not be subsequent reclassified to statement of profit or loss - net of tax :		
Unrealized gain / (loss) on re-measurement of fair value through other comprehensive income statements	(3,061,908)	1,779,713
Comprehensive income for the period transferred to equity		
Remeasurement of net defined benefit liability	-	-
Total comprehensive income for the period	3,370,663	6,692,394

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

Muhammad Kamran
Chief Financial Officer

Muhammad Mohsin Ali
President & CEO

Muhammad Ameen
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019**

	Issued, subscribed and paid-up share capital	Reserve			Deficit on measurement of investment classified as fair value through other comprehensive income	Total shareholder's equity
		Capital	Revenue	Total		
	Statutory Reserve	Accumulated loss				
(Un-audited)						
Rupees						
Balance as at July 01, 2018	650,000,000	134,582,762	(51,489,845)	83,092,917	(10,842,766)	722,250,151
Profit after tax for the quarter ended	-	-	4,912,681	4,912,681	-	4,912,681
Other comprehensive income	-	-	-	-	1,779,713	1,779,713
	-	-	4,912,681	4,912,681	1,779,713	6,692,394
Transfer to statutory reserve	-	982,536	(982,536)	-	-	-
Balance as at September 30, 2018	650,000,000	135,565,298	(47,559,700)	88,005,598	(9,063,053)	728,942,545
Balance as at July 01, 2019	650,000,000	-	92,830,246	92,830,246	(24,237,749)	718,592,497
Profit after tax for the quarter ended	-	-	6,432,571	6,432,571	-	6,432,571
Other comprehensive loss	-	-	-	-	(3,061,908)	(3,061,908)
	-	-	6,432,571	6,432,571	(3,061,908)	3,370,663
Balance as at September 30, 2019	650,000,000	-	99,262,817	99,262,817	(27,299,657)	721,963,160

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Muhammad Kamran
Chief Financial Officer



Muhammad Mohsin Ali
President & CEO



Muhammad Ameen
Director





**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019**

	September 30, 2019	September 30, 2018
	(Un-audited)	
Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,106,333	6,617,613
Adjustments for:		
Depreciation	442,687	447,480
Gratuity expenses	304,920	135,610
Dividend Income	492,815	437,838
Finance Cost	(15,608,348)	11,256,740
Reversal for non-performing investments	(1,200,000)	(1,944,833)
	(15,567,926)	10,332,835
Operating cash flows before working capital changes	(6,461,593)	16,950,448
(Increase) / decrease in current assets		
Prepayments and other receivables	(1,021,391)	(3,634,665)
Mark-up/interest accrued	8,017,745	2,515,740
	6,996,354	(1,118,925)
Increase / (decrease) in current liabilities		
Accrued expenses and other liabilities	(22,986,638)	5,731,137
Security deposit against finance lease	-	180,000
Cash generated from operations	(22,451,877)	21,742,660
Income tax paid	(2,297,125)	(1,873,785)
Dividend income received	(492,815)	(437,838)
Markup on finance cost paid	16,234,757	(5,358,556)
	13,444,817	(7,670,179)
Net cash (used in)/generated from operating activities	(9,007,060)	14,072,481
CASH FLOWS FROM INVESTING ACTIVITIES		
Long-term investments-net	681,662	5,650,880
Short-term investments	2,201,849	(22,590,864)
Long-term finances -net	43,858,648	(44,823,206)
Net cash (used in) / generated in investing activities	46,742,159	(61,763,190)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term loan repaid	(15,625,000)	-
Net cash used in from financing activities	(15,625,000)	-
Net (decrease) / increase in cash and cash equivalents	22,110,099	(47,690,709)
Cash and cash equivalents at the beginning of the period	(19,715,090)	236,938,593
Cash and cash equivalents at the end of the period	2,395,009	189,247,884

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Muhammad Kamran
Chief Financial Officer


Muhammad Mohsin Ali
President & CEO


Muhammad Ameen
Director



**NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019**

1. STATUS AND NATURE OF BUSINESS

1.1 First Credit and Investment Bank Limited ("the Investment Bank") 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 Investment Bank was changed to First Credit and Investment Bank Limited. During the year ended June 30, 2009, the Investment Bank was listed on the Karachi Stock Exchange (now Pakistan Stock Exchange) Limited by way of issue of shares to general public. The registered office of the Investment Bank is situated at 2nd floor, Sidco Avenue Centre, Stratchen Road, R.A. Lines, Karachi, Pakistan. The Investment Bank is an associated undertaking of Water and Power Development Authority (WAPDA) and National Bank of Pakistan (NBP) which each holds 30.77% shareholding in the Investment Bank.

1.2 The Investment Bank 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 Investment Bank is holding the status of Non Deposit Taking with effect from July 01, 2018.

The JCR-VIS has assigned the Investment Bank a credit rating of 'A-' long & medium term and 'A-2' short term on December 28, 2018. The outlook of the rating is stable.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Investment Bank for the three months period ended September 30, 2019 has been prepared in accordance with the requirements of the International Accounting Standard -34 "Interim Financial Reporting Standard", provisions of the directives issued under the Companies Act, 2017, Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies Notified Entities Regulations, 2008 (the NBFC Regulations), and the other directives issued by the SECP. Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

This condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the Investment Bank's annual financial statements for the year ended June 30, 2019.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the annual financial statements for the year ended June 30, 2019.

4. FINANCIAL RISK MANAGEMENT

The Investment Bank's financial risk management objectives and policies are same as disclosed in the annual financial statements for the year ended June 30, 2019.

5. ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and key sources of estimation are same as those applied by the Company in the annual financial statements for the year ended June 30, 2019.

**6 FIXED ASSETS**

There have been no additions/deletions during the period. Additions/deletions during the year ended June 30, 2019 are as under:

	For the three months periods ended September 30, 2019		For the year ended June 30, 2019	
	(Un-Audited)		(Audited)	
	Additions (cost)	Disposal (book value)	Additions (cost)	Disposal (book value)
	Rupees		Rupees	
-Office Equipment			96,806	-
-Computers	-	-	317,035	-
	-	-	413,841	-
		Note	30-Sep-19 (Un-audited)	30-Jun-19 (Audited)
			Rupees	Rupees

7 LONG-TERM INVESTMENTS**At amortised cost**

-Term finance certificates/sukuk - listed		44,915,276	47,415,276
-Term finance certificates/sukuk - unlisted		199,470,167	200,670,167
		244,385,443	248,085,443
Less: Provision against investments	7.1	(198,070,581)	(199,270,581)
		46,314,862	48,814,862

At fair value through other comprehensive income

- Quoted Shares		559,147	602,717
- Term finance certificates- Listed		17,666,618	17,666,618
Less :Provision against investments	7.1	(17,666,618)	(17,666,618)
		-	-
Less: Current Portion of TFCs		(19,957,638)	(19,957,638)
		26,916,371	29,459,941

7.1 Provision for diminuation in value of long-term investments

Opening balance		216,937,199	213,142,170
Charged during the period/year		-	9,957,638
(Reversal) during the period/year		(1,200,000)	(6,162,609)
		(1,200,000)	3,795,029
Balance at the end of period/year		215,737,199	216,937,199

8 NET INVESTMENT IN FINANCE LEASE

Lease rental receivable		1,643,106	1,992,698
Add:residual value of lease assets		752,000	752,000
Gross investment in finance lease		2,395,106	2,744,698
Less:Unearned finance lease Income		(164,625)	(216,262)
		2,230,481	2,528,436
Less:Current maturity of net investment in finance lease		(753,227)	(922,451)
Net investment in finance lease		1,477,254	1,605,985

9 DEFERRED TAX ASSET

The management of the Investment Bank has prepared financial projections. The said projections are based on certain key assumptions made for the estimation of future profitability. The determination of future taxable profit is 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 Investment Bank will be able to achieve the 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.

		30-Sep-19 (Un-audited) Rupees	30-Jun-19 (Audited) Rupees
10	CURRENT PORTION OF NON-CURRENT ASSETS		
	Investments		
	Current portion of term finance certificates-listed	19,957,638	19,957,638
	Loans and finances		
	Current portion of loans to employees	2,254,954	2,254,954
	Current portion of loans to other - term finance facility (secured)	125,956,901	103,854,113
		128,211,855	106,109,067
	Net investment in lease finance		
	Current maturity of net investment in finance lease	753,227	922,451
		148,922,720	126,989,156
11	SHORT-TERM INVESTMENTS		
	Fair value through other comprehensive income		
	-Dewan Cement Limited- Pre IPO term finance certificates	50,000,000	50,000,000
	Less: Provision TFC - Dewan Cement Limited	(6,930,383)	(6,930,383)
		43,069,617	43,069,617
	-Quoted Shares	28,720,699	29,861,817
	-Mutual Funds	19,202,411	20,263,142
	Investments at market value	90,992,727	93,194,576
11.1	This investment has been classified under loss category and accordingly made 100% provision after considering FSV of the collateral held as per NBFC and NE regulations.		
12	SHORT-TERM PLACEMENTS- CONSIDERED GOOD		
	Term deposit receipts (TDR)	140,000,000	420,000,000
		140,000,000	420,000,000
12.1	This represent placement with financial Institutions under term deposits carrying markup rate of 14.5% per annum (June 30, 2019: 12.5% to 14% per annum)		
13	DEFICIT ON REMEASUREMENT OF INVESTMENTS-NET		
	Fair value through other comprehensive income		
	Quoted Shares long-term	(3,168,500)	(3,124,930)
	Quoted Shares short-term	(19,028,233)	(17,070,625)
	Mutual Fund	(6,895,888)	(5,835,158)
	Related deferred tax (asset)	1,792,964	1,792,964
		(27,299,657)	(24,237,749)
		30-Sep-19	30-Jun-19
		(Un-audited)	(Audited)
		Rupees	Rupees
14	SHORT-TERM RUNNING FINANCE FACILITY		
	MCB Bank Ltd	115,506,257	375,978,184
	National Bank of Pakistan- as associated undertaking	99,999,951	99,999,951
		215,506,208	475,978,135
14.1	This represents short term running finance obtained against TDR from MCB Bank Limited carrying markup rate of 3 month KIBOR plus 0.6% (June 30, 2019: 3 month KIBOR plus 0.6%) per annum.		
14.2	This represents short term running finance obtained with a limit of Rs.100 million (2019: Rs.100 million) carrying markup at a rate based on 3 month KIBOR plus 1% (June 30, 2019: 3 month KIBOR plus 1%) per annum. The running finance is secured by first pari passu hypothecation charge against all present and future assets of the Investment Bank with 25% margin.		

		30-Sep-19 (Un-audited) Rupees	30-Jun-19 (Audited) Rupees
15	MARK-UP/INTEREST ACCRUED		
	Mark-up accrued on:		
	Secured		
	- Loans and borrowings including running finance facility	15.1	15,766,113
	Unsecured		
	- Certificates of deposits		1,560,137
		17,326,250	16,699,841

15.1 This amount includes mark-up due to National Bank of Pakistan, an associated undertaking.

16 CONTINGENCIES AND COMMITMENTS

Contingencies

There are no material contingencies as at the reporting date (June 30, 2019: Nil)

Commitments

-Standby letter of credit	16.1	42,575,625	43,907,813
-Letter of credit exposure -Pioneer Cement Ltd.	16.2	9,632,446	9,731,326
-Letter of credit exposure -Power Cement Ltd.		-	1,637,762

16.1 This represents the Investment Bank's share in standby letter of credit under agreement of participation dated December 13, 2010 with Allied Bank Limited that is a primary party to the Hubco Power Company Limited for the purpose to guarantee the equity investment, over running of Laraib project and short falling in debt servicing reserve account. Under the said agreement, the Investment Bank irrevocably agrees and undertakes with Allied Bank Limited to take undivided share of 2.5% in standby letter of credit up to November 17, 2019.

16.2 This represents the Investment Bank's participation in syndicated Term Finance L/C facility to the extent of Rs.100 million for import of plant and machinery. Initially the facility will be non-funded and the Investment Bank has recorded it as contingencies liability, subsequently upon requirement of L/C documents the payment will be made through the facility will become funded.

	Three months period ended 30-Sep-19 (Un-audited) Rupees	Three months period ended 30-Sep-18 (Un-audited) Rupees
17	TAXATION	
	-Current	1,155,000
	-Deferred	549,932
		1,704,932

18 EARNING PER SHARE- BASIC AND DILUTED

Profit after taxation for the period	6,432,571	4,912,681
Weighted average number of shares outstanding during the period	65,000,000	65,000,000
Earnings per share - basic and diluted	0.10	0.08

	Three months period ended 30-Sep-19 (Un-audited) Rupees	Three months period ended 30-Sep-18 (Un-audited) Rupees
19	CASH AND CASH EQUIVALENT	
Cash and bank balances	77,901,218	253,417,998
Short-term placements	140,000,000	290,000,000
Short-term running finance facility	(215,506,208)	(354,170,114)
	2,395,009	189,247,884

**20 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated undertakings, key management personnel and retirement benefit schemes. The Investment Bank 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 other than disclosed elsewhere in these financial statements are as follows:

Nature of relationship with related party	Nature of transactions and balances	For the three months period ended and as at September 30, 2019	For the three months period ended September 30, 2018 and as at Jun 30, 2019
		Rupees	
Associated undertakings	Transactions for the three-months period:		
	National Bank of Pakistan (NBP holds 30.7% of FCIBL Shares)		
	Mark-up on long-term loan	4,448,708	3,644,075
	Mark-up on short-term running finance	3,521,205	1,996,274
	Rent Paid	1,125,069	965,940
	Taurus Securities Limited (NBP holds 58.32% of Taurus Securities Ltd. Shares)		
	Brokerage expenses	1,126	5,769
	NBP Fund Management Limited (NBP holds 54% shares of NBP Fund Management Limited)		
	Commission	80,000	-
	Balances at period-end/year-end		
	National Bank of Pakistan: (NBP holds 30.7% of FCIBL Shares)		
	Investment in shares at cost	3,858,395	3,858,395
	Long-term	125,000,000	140,625,000
	Short-term running finance	99,999,951	99,999,951
	NAFA Stock Fund (NBP holds 54% shares of NBP Fund Management Limited - Management Company of the Fund)	25,000,000	25,000,000
Key management personnel	Transactions for the three months period:		
	Salaries, benefits and other allowances	8,433,414	2,504,252
	Retirement benefits	707,524	191,494
	Return on long-term loans	3,182	4,786
	Balances at period-end/year-end	2,489,778	3,549,910
Staff Retirement Plans	Transactions for the three months period:		
	Contributions to staff retirement	212,417	182,958

21 SUBSEQUENT EVENT

The final dividend of Rs.0.30 per share (i.e.3%), amounting to Rs.19,500,000/- for the fiscal year ended June 30, 2019 was approved at the Annual General Meeting of the Investment Bank held on October 25, 2019. Hence, it will be announced for in the period in which it is approved.

22 GENERAL

Figures have been rounded off to the nearest rupees

23 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information are authorized for issue on October 26, 2019 by the Board of Directors of the Company

Muhammad Kamran
Chief Financial Officer

Muhammad Mohsin Ali
President & CEO

Muhammad Ameen
Director