



# Annual Report 2020

**FIRST CREDIT AND INVESTMENT BANK LTD.**

Major Joint Venture Partners:



## *Vision*

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

## *Mission Statement*

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



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## BOARD OF DIRECTORS



**Mr. Asad Ullah Saleem**  
Chairman



**Mr. Muhammad Mohsin Ali**  
President & CEO



**Mr. Naveed Asghar Chaudhry**  
Director



**Syed Irfan Husnain Rizvi**  
Director



**Mr. Muhammad Naeemuddin**  
Director



**Mrs. Nina Afridi**  
Director



## **COMPANY INFORMATION**

### **AUDIT COMMITTEE:**

Mr. Muhammad Naeemuddin Chairman  
Syed Irfan Husnain Rizvi  
Mrs. Nina Afridi

### **HR AND REMUNERATION COMMITTEE:**

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

### **RISK MANAGEMENT COMMITTEE:**

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

### **COMPANY SECRETARY:**

Mr. Muhammad Amin Khatri

### **AUDITORS:**

Crowe Hussain Chaudhry & Co.  
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



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 31st Annual General Meeting of the shareholders of First Credit & Investment Bank Limited will be held on Friday, October 23, 2020 at 5:00 p.m. at Registered Office at 2nd Floor, SIDCO Avenue Centre, Stratchen Road, Karachi to transact the following business:

### **ORDINARY BUSINESS**

1. To confirm the minutes of the Extra Ordinary General Meeting held on June 10, 2020.
2. To receive, consider and adopt the audited financial statements of the Company together with the Auditors' Report, Chairman Review and Directors' Reports thereon for the year ended June 30, 2020.
3. To appoint the statutory auditors for the year ending June 30, 2021 and fix their remuneration. The present auditors M/s. Crowe Hussain Chaudhury & Co, Chartered Accountants, retire and being eligible, have offered themselves for re-appointment.

### **ANY OTHER BUSINESS**

4. To transact any other business with the permission of the Chair.

By Order of the Board



**Muhammad Amin Khatri**  
Company Secretary

Karachi  
October 2, 2020

### **Notes:**

#### **1. Closure of Share Transfer Book**

The share transfer books of the Company will remain closed from October 15, 2020 to October 23, 2020 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. THK Associates (Pvt.) Ltd, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400 upto the close of business on October 14, 2020, will be considered in time for purpose of entitlement of shareholders to attend and vote at the meeting.

#### **2. Participation in Annual General Meeting**

A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend the meeting and vote instead of him/her. The proxies in order to be effective must be received by the company not less than 48 hours before the meeting. CDC Account holders will further have to follow the under mentioned guidelines as laid down in circular No. 1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

#### **A. For Attending the Meeting:-**

- a) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are upload as per Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity card (CNIC) or original Passport at the time of attending the meeting.





- b) In case of Corporate entity, the board of Directors resolution of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

**B. For Appointing Proxies:-**

- a) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per Regulations, shall submit the proxy form as per the above requirement.
- b) The proxy form shall be witnessed by two persons whose names, address and CNIC Numbers shall be mentioned on the form.
- c) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- d) The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- e) In case of corporate entity, the Board of Directors resolution/ power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the company.

**Coronavirus Contingency Planning for the Annual General Meeting**

In light of the COVID-19 situation, members who intend to attend the AGM through Video-Link are required to register their particulars by sending an email at "fcib.agm2020@fcibank.com.pk." Such Members are requested to register by providing their credentials as follows with subject "Registration for FCIBL's AGM":

Name of shareholder	No. of shares held	Folio Number / CDC Acct no.	CNIC no. with scanned copy (both side)	Cell no.	Email address

Video -link and login details will be shared with only those members whose emails, containing all the required particulars are received at the given email at least 48 hours before the time of AGM

**3. Provision of Copy of Computerized National Identity Card (CNIC)**

In order to comply with the requirements of Securities & Exchange Commission of Pakistan (SECP) SRO19(1)/2014 dated January 10, 2014 those shareholders who have not yet submitted attested copy of their valid CNICs are requested to provide the same with their folio numbers to the Company's Registrar, M/s. THK Associates (Pvt.) Ltd. Members holding shares in CDC/ Participant accounts are also requested to provide the attested copy of their CNICs to their CDC Participant/Investor Account Services.

**4. Change in Address**

The Shareholders are requested to immediately inform any change in their addresses to Company Share Registrar or CDC Participant/ Investor Account Services, as the case may be.



**5. Deposit of physical shares in CDC Account**

As per section 72 of the Companies Act, 2017 every listed company is required to replace its physical shares with book-entry form. Therefore, the shareholders having physical shares requested to convert the shares into book entry.

**6. Attendance of Meeting by Video-Link**

If Members holding ten (10) percent of the total paid up capital, reside in a city, such Members, may demand the Company to provide them the facility of video-link for attending the Meeting.

If you wish to take benefit of this facility, please fill the form appearing below and submit it to the Company at its registered address at least seven (7) days prior to the date of the Meeting:

"I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of  
First Credit and Investment Bank Limited, holder of \_\_\_\_\_ ordinary share(s) as per Registered  
Folio/CDC Account No. \_\_\_\_\_ hereby opt for video link facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Member"

The Company will intimate to the Members the venue of the video-link facility at least five (5) days before the date of the Meeting along with all the information necessary to enable them to access the facility.





## CHAIRMAN'S REVIEW REPORT

### Review Report by the Chairman on Board's Overall Performance u/s 192 of the Companies Act 2017


As required under the Code of Corporate Governance 2019, an annual evaluation of the Board of Directors (the "Board") of First Credit and Investment Bank Limited (the "Investment Bank") is carried out. This evaluation is conducted to ensure the Board's overall performance and effectiveness for the betterment, progress and growth in the context of objectives set for the Investment Bank. Areas where improvements are required are duly considered and action plans are framed.

The Board of the Investment Bank has laid down a detailed performance evaluation mechanism and criteria of evaluation duly approved by it. As per the recently conducted annual self-evaluation for the year ended **June 30, 2020** and I report that:

The overall performance of the Board measured on the basis of approved criteria for the year was Satisfactory.

The overall assessment as **Satisfactory** is based on an evaluation of the following areas, which have a direct bearing on Board's role in achievement of the Investment Bank's objectives:

1. **Fiduciary Responsibility:** Board members pay greater attention to their fiduciary duties as director of the Investment Bank. They pay high importance in following standard of good practice for the conduct of the Board. The Board performed its fiduciary responsibility with a sense of objective judgment and independence. They have clear understanding of vision and mission of the Investment Bank and value them.
2. **Business Strategy:** Board has a lucid understanding of the stakeholders (shareholders, customers, employees, borrowers, depositors, Society at large) whom the Investment Bank serves. The Board has a strategic vision of how the organization should be evolving over the five years. Further Board sets benchmark, budget and targets for the management in all major areas business.
3. **Compliance and Diligence:** The Board members ensure that they have diligently performed their duties and thoroughly reviewed, discussed and approved business strategies, corporate objectives, budgets, financial statements and other reports. They have clear understanding of applicable laws and ensure their compliance. It received agenda and detailed memoranda in sufficient time prior to board and committee meetings. The board met frequently enough to adequately discharge its responsibilities.
4. **Monitoring of Business Activities:** The Board remained informed with all significant issues, matters for the consideration of the Board. It remained updated of Investment Bank's objectives, goals, strategies and financial performance through regular presentation by the management. It also ensured representation of internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.
5. **Diversity and Mix:** The constituent of Board is a mix of required independent and non executive directors. All directors were equally involved in important board decisions.
6. **Governance and Control:** The Board has effectively put in place all significant policies, sound internal controls, risk management system, transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of corporate governance and by promoting ethical and fair behavior across the Investment Bank.



Asad Ullah Saleem  
Chairman

Karachi: September 29, 2020



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present 31st Annual Report of the **First Credit & Investment Bank Limited** (FCIBL) alongwith the audited financial statements and Auditors' Report thereon, for the year ended June 30, 2020.

### Economy Review

As the new fiscal year FY2020 began, the economy started to witness a remarkable turn around to address the macroeconomic imbalances as during July- March, FY2020, fiscal deficit reduced to 4.0 percent of GDP, while current account deficit reduced by 71 percent during July-April, FY2020. In addition stable exchange rate, healthy growth in FDI (126.8 percent), improved ranking in World Bank's ease of doing business index, and 'Stable' credit outlook to B3 from 'Negative' by Moody's, reaffirmed the successful policies of Government in stabilizing the economy and laying a foundation for robust growth. However, the outbreak of Coronavirus (COVID-19) during the second half of current fiscal year brought multifaceted challenges for Pakistan similar to the entire world and since February 2020 has brought economic activity to a near-halt. Consequently, the GDP growth rate for FY2020 is estimated at negative 0.38 percent compared to 3.3% growth recorded a year earlier.

On the fiscal front, the fiscal deficit reduced to 8.1% of GDP (PKR 3.4 trillion) in FY20 compared to 8.9 % of GDP in FY19. This was despite a 2.5% decline in the total expenditure (PKR 8,135 Billion). On the external front, despite global trade being affected by Covid-19, Pakistan was able to bring down the Current Account Deficit to 1.1% of GDP (USD 2.97 Billion) from previous year's 4.8% (USD 13.4 Billion). This significant relief was due to measures taken by the government to restrict import of certain commodities and dip in global oil prices. Remittances also supported the external sector, registering a growth of 6.3% YoY to USD 23.1 billion.

During first seven months of FY20, inflationary pressures were observed and headline inflation rose to 14.6 percent in January 2020. Later it started easing out to 8.6% in June 2020 on the back of sharp fall in global oil prices and decline in demand pressures due to COVID 19. Commensurate with the decline in inflation and to support revival of economic activities the SBP brought down its policy rate at 7% till June 30, 2020.

During the year under review, KSE 100 index witnessed a meager 1.25% increase and closed at 34,422 points. However, the benchmark index was witnessed double dips towards 28,000 level, first being in August 2019 (KSE100 at 28,764 points) and the second time near the end of March 2020 (KSE100 at 27,229 points). The losses sustained by the index were a combined result of Pakistan's macro-economic situation which worsened gradually due to late entry in IMF Program and second time because of COVID19 pandemic when global bourses were witnessed sharp decline.

### Financial Results

Financial results of FCIBL for 2019-20 are summarized below, comparative data for 2018-19 has also been provided:

	(Rupees in ,000)	
	2019-20	2018-19
Total revenue	154,762	116,844
Operating profit	35,332	19,759
Profit before taxation	37,810	15,203
Profit after taxation	28,703	9,517
Shareholders' equity	745,027	742,830
Deficit in revaluation of investments	(6,237)	(24,238)
Shareholders' equity (net of deficit)	738,790	718,592
Total assets	1,667,186	1,385,301
Earning per share-basic and diluted (Rs.)	0.44	0.15



### **Review of Operations**

In spite of a challenging business environment fraught with potential adverse implications of COVID-19 pandemic on the economy, the year under review was indeed a good year as the Company achieved about 200% increase in its net profit. During the outgoing year FCIBL enhanced its treasury and money market operations and continued its focus on its core business activities thereby able to expand its canvas of operations as well as profitability. In wake of many challenges and difficulties, FCIBL has been able to improve all of its financial indicators. The total income of FCIBL for the FY20 showed increase of 32.5% to Rs. 154.8 million from Rs.116.8 million in FY19. FCIBL reported Operating Profit of Rs.35.3 million for FY20 against Rs. 19.8 million reported for FY19 showing significant increase of Rs. 15.5 million. Further, after taking effect of provision made and reversal / recovery against already provided classified portfolio FCIBL reported Profit before Tax to Rs.37.8 million for the financial year ended June 30, 2020 from Rs. 15.2 million reported for the previous year. Similarly, FCIBL has registered Profit after Tax for the year ended June 30, 2020 to Rs.28.7 million from Rs.9.5 million reported for the last year. Hence, FCIBL registered a huge growth of 200% in its net profit during the year.

Similarly on the Balance Sheet side, the shareholders' equity net of deficit on re-measurement of investments increased to Rs.738.8 million as at June 30, 2020 from Rs.718.6 million as at June 30, 2019. Total assets of FCIBL increased to Rs.1,667.2 million as at June 30, 2020 from Rs.1,385.3 million as at June 30 2019.

### **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. On the advice of SECP, subsequent to balance sheet date two casual vacancies on the Board were created which will be filled in within the regulated time frame.

### **Dividend**

Dividend policy of the FCIBL 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, 2020

### **Credit Rating**

JCR-VIS Credit Rating Company Limited vide its report dated December 31, 2019 maintained the medium to long-term entity rating of FCIBL at 'A-' (Single A Minus) and Short-term rating at 'A-2' (A-Two). The outlook of the rating is 'Stable'.

### **Environmental and Corporate Social Responsibility**

FCIBL is fully aware of its environmental and Corporate Social Responsibilities and is ready to support social and environmental causes of the country. FCIBL also maintains compliance to all governmental and internal health, safety and the environment measures. Facilities and conducts of operations are designed in a way that avoids risk to human health, safety and the environment.

### **Risk Assessment Framework**

FCIBL's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on FCIBL's financial performance



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FCIBL's activities are exposed to a variety of financial risks, market risk (including interest rate risk and price risk), credit risk, liquidity risk and operational risk. Risks of FCIBL are being managed by FCIBL's management in accordance with the approved policies of FCIBL whereas the Board of Directors has the overall oversight of FCIBL's risk management framework. FCIBL's overall risk management program focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders. The Board also carries out the overall business risk review of FCIBL on annual basis.

### Corporate and Financial Reporting Framework

The Company has taken all necessary steps to ensure Good Corporate Governance. As part of Compliance of the Listed Companies Code of Corporate Governance Regulations, 2019 ("CCG"), the Board is pleased to state as follows:

- a) These financial statements, prepared by the management of FCIBL, present fairly its state of affairs, the results of its operations, cash flows and change of equity.
- b) Proper books of accounts of FCIBL 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 including internal financial control, which is in place, is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon FCIBL'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 FCIBL for the last six years is as under:

Year ended June 30,	2020	2019	2018	2017	2016	2015
	Rupees in million					
Total revenue	155	117	103	80	99	81
Profit before taxation	38	15	16	12	65	29
Profit after taxation	29	10	9	7	44	23
Shareholders' equity	739	719	722	724	717	673
Total assets	1,667	1,385	1,327	1,155	1,012	693
Earning/ (loss) per share (Rs)	0.44	0.15	0.14	0.11	0.67	0.35



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## Staff Retirement Benefit Schemes

Value of the investment of Employees' Provident Fund and Gratuity Fund as at June 30, 2020 were Rs.14,420,962/- and Rs.5,973,445/-, respectively.

## Election of Directors

Election of Directors of FCIBL were held on June 10, 2020 in which the Board of FCIBL was reconstituted in accordance with the requirements of the Companies Act 2017 and the Listed Companies (Code of Corporate Governance) Regulations 2019. Following Directors were declared elected w.e.f. June 10, 2020, subject to Fit & Proper clearance from SECP which was pending as on June, 30 2020.

1. Mr. Rehmat Ali Hasnie	Non-Executive Director
2. Mr. Naveed Asghar Chaudhry	Non-Executive Director
3. Mr. Asad Ullah Saleem	Non-Executive Director
4. Syed Irfan Husnain Rizvi	Non-Executive Director
5. Mr. Muhammad Naeemuddin	Non-Executive / Independent Director
6. Mr. Muhammad Iqbal Hussain	Non-Executive / Independent Director
7. Mrs. Nina Afridi	Non-Executive / Independent female Director

## Board of Directors

The composition of the Board as of June 30, 2020 is as follows:

### Total number of Directors:

- (a) Male: 7 (including the appointed CEO)  
 (b) Female: 1

### Composition:

- (i) Independent Directors: 3  
 (ii) Non-executive Directors: 4  
 (iii) Executive Directors: 1\*

\* The Executive Director is the President and CEO whose appointment is on contract basis.

During the year no casual vacancy was occurred on the Board.

During the year four (4) 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. Rehmat Ali Hasnie	4	4
Mr. Naveed Asghar Chaudhry	4	4
Mr. Asad Ullah Saleem	4	3
Mr. Muhammad Ikram Khan	4	2
Mr. Muhammad Naeemuddin	4	4
Mr. Muhammad Iqbal Hussain	4	3
Mr. Muhammad Ameen	4	4
Mr. Muhammad Mohsin Ali	4	4

\*Leave of absence was granted to directors who did not attend the meeting.



## Audit Committee and Internal Controls

Audit Committee of the Board comprises of three (3) Non-Executive Directors majority of which are independent directors including the Chairman of the Committee. Terms of reference of the Audit Committee have been formulated by the Board in accordance with the Listed Companies (Code of Corporate Governance) Regulations 2019. During the year four (4) meetings of Audit Committee were held, in which Directors' attendance was as follows:

Name of Directors	No. of meetings eligible to attend	No. of meetings attended
Mr. Muhammad Ameen	4	4
Mr. Naveed Asghar Chaudhry	4	4
Mr. Muhammad Naeemuddin	4	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 / Board. The Committee consists of five (5) members. Majority of members are Non-Executive Directors and the Chairman of the Committee is an Independent Director. During the year four (4) meetings of HR and Remuneration Committee were held, in which Directors' attendance was as follows:

Name of Directors	No. of meetings eligible to attend	No. of meetings attended
Mr. Muhammad Naeemuddin	4	4
Mr. Naveed Asghar Chaudhry	1	1
Mr. Asad Ullah Saleem	4	4
Mr. Muhammad Ikram Khan	4	2
Mr. Muhammad Iqbal Hussain	4	4
Mr. Muhammad Mohsin Ali	4	4

\*Leave of absence was granted to directors who did not attend the meeting.

## Risk Management Committee

Board constituted its Risk Management Committee to assist the Directors in discharging their responsibilities including risk identification and its mitigation / management measures in respect of company's business activities. The Committee consists of four (4) members majority of which are Non-Executive Directors and the Chairman of the Committee is an Independent Director. During the year three (3) meetings of Risk Management Committee were held, in which Directors' attendance was as follows:

Name of Directors	No. of meetings eligible to attend	No. of meetings attended
Mr. Muhammad Iqbal Hussain	3	3
Mr. Asad Ullah Saleem	3	3
Mr. Naveed Asghar Chaudhry	3	3
Mr. Muhammad Mohsin Ali	3	3





### **Director's Remuneration Policy**

The Board has put in place Director's Remuneration Policy. As per the policy, all Non-Executive Directors are entitled to receive fee for attending meetings of the Board, its Committees or shareholders at rate fixed by the Board of Directors from time to time. The remuneration of the Executive Directors and CEO are determined by the Board of Directors. As per the policy all expenses incurred by the Directors for attending the meetings are borne by FCIBL at actual.

### **Related Party Transactions**

In order to comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019 and other applicable enactments, the FCIBL has presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and thereafter by the Board in their respective meetings. All Related Party Transactions carried out by FCIBL during the year were at arm's length. The details of all related party transactions have been provided in note 45 of the annexed audited financial statements.

### **Training Programs**

FCIBL meets necessary requirement of Directors Training as stipulated in the Listed Companies (Code of Corporate Governance) Regulations 2019 as more than 60% of the Directors on the Board of FCIBL are in compliance of requirements under Directors Training Program (DTP) as stipulated in CCG. The directors have also been provided with copies of Rule Book (Listing Regulations) of the Pakistan Stock Exchange, NBFC Rules 2003, NBFC & NE Regulations 2008 and Memorandum and Articles of Association and they are well conversant with their duties and responsibilities.

### **Auditors**

The present auditors M/s. Crowe Hussain Chaudhury & Co, 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. Crowe Hussain Chaudhury & Co, Chartered Accountants, as auditors for the year ending June 30, 2021.

### **Pattern of Shareholdings**

The Pattern of Shareholding including Categories of Shareholders of FCIBL as on June 30, 2020 is annexed at the end of the annual report. During the year, no trade in shares of FCIBL 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 focusing on expansion of our existing core business as well as diversification into new businesses as permitted under the NBF regulatory framework. Our vertical as well horizontal expansion strategy will increase revenue streams, which hopefully 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.





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In view of the COVID 19 pandemic it is pertinent to mention here that the Company will continue to actively monitor the situation and may take actions that alter its business operations that are in the best interests of our stockholders. However, the management based on its assessment considered that, except the reduction in revenue due to reduction in interest rate, there would be no significant impact of COVID19 that will adversely affect its businesses, results of operations and financial condition in future period.

### **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.



**MUHAMMAD MOHSIN ALI**  
Chief Executive Officer



**MUHAMMAD NAEEMUDDIN**  
Director

Karachi  
September 29, 2020



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## Independent Auditor's Review Report

### To the Members of First Credit and Investment Bank Limited

#### Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the 'Regulations') prepared by Board of Directors of **First Credit and Investment Bank Limited** (the Investment Bank), for the year ended June 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of Investment Bank. Our responsibility is to review whether the Statement of Compliance reflects the status of the Investment Bank's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Investment Bank's personnel and review of various documents prepared by the Investment Bank to comply with the Regulations.

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 Investment Bank's corporate governance procedures and risks

The Regulations require the Investment Bank 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 procedures to assess and determine the Investment Bank's process for identification of related parties and that 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 Investment Bank's compliance for and on behalf of the Investment Bank, in all material respects, with the requirements contained in the Regulations as applicable to the Investment Bank for the year ended June 30, 2020.



**Crowe Hussain Chaudhury & Co.**

Chartered Accountants

Karachi.

Dated: September 29, 2020



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

**First Credit and Investment Bank Limited**  
**Year ended June 30, 2020**

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are Eight (8) (including the appointed CEO) as per the following:

a.	Male	Seven (7)
b.	Female	One (1)

2. The composition of Board is as follows:

i)	Independent Directors	3
ii)	Other Non-Executive Directors	4
iii)	Executive Directors*	1
iv)	Female Director	1

\*The Executive Director is the President and CEO whose appointment is on contract basis.

\*\* fit and proper clearance of the above directors was pending with SECP as on June 30, 2020. Subsequent to year end, appointment of five directors have been acceded by the SECP.

3. The directors have confirmed that none of them is serving as a director on more than Seven listed companies, including this company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their dates of approval is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. More than 60% of the Board is compliant with the requirement of Directors Training Program.
10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the Board.



## ANNUAL REPORT 2020

12. The Board has formed committees comprising of members given below:

**a) Audit Committee**

Mr. Muhammad Naeemuddin	Chairman
Syed Irfan Husnain Rizvi	Member
Mrs. Nina Afridi	Member

**b) HR and Remuneration Committee**

Mr. Muhammad Naeemuddin	Chairman
Mr. Naveed Asghar Chaudhry	Member
Mr. Asad Ullah Saleem	Member
Mr. Muhammad Mohsin Ali	Member

**c) Risk Management Committee**

Mr. Asad Ullah Saleem	Chairman
Mr. Naveed Asghar Chaudhry	Member
Mr. Muhammad Naeemuddin	Member
Mr. Muhammad Mohsin Ali	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the committee were as per following:

a) Audit Committee	4 Meetings were held during FY 2019-20
b) HR and Remuneration Committee	4 Meetings were held during FY 2019-20
d) Risk Management Committee	3 Meetings were held during FY 2019-20

15. The board has set up an effective internal audit function manned with person who is suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.



**MUHAMMAD MOHSIN ALI**  
Chief Executive Officer



**MUHAMMAD NAEEMUDDIN**  
Director

Karachi  
Dated : September 29, 2020



**FIRST CREDIT AND INVESTMENT BANK LTD.**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FIRST CREDIT AND  
INVESTMENT BANK LIMITED**

**REPORT ON THE AUDIT OF FINANCIAL STATEMENT**

**Opinion**

We have audited the annexed financial statements of the **First Credit and Investment Bank Limited (the Investment Bank)**, which comprise the statement of financial position as at June 30, 2020 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss statement and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Investment Bank's affairs as at June 30, 2020 and of its profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matter**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## ANNUAL REPORT 2020

Following are the Key audit matters:

S.No	Key Audit Matters	How the matter was addressed in our audit
01	<p><b>Initial Application of IFRS 16-Leases</b></p> <p>Refer note 4.1, 7.2, 6 and 24 to the annexed financial statements</p> <p>The International Financial Reporting Standard 16 "Leases" (IFRS 16) became applicable for the first time for the preparation of the Investment Bank's annual financial statements for the year ended June 30, 2020. The Investment Bank has adopted IFRS 16 retrospectively with effect from July 1, 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in IFRS16.</p> <p>Under the IFRS 16 the distinction between operating lease and finance lease has been removed and as a result all leases are recognized on the statement of financial position with the exception of short term and low value leases.</p> <p>Given a number of technical considerations, complexities and practical challenges involved in the application of the new standard (in particular, those relating to the determination of the lease term and the discount rate), the management was required to apply certain significant judgments in the evaluation of its tenancy arrangements which, in turn, required us to apply significant auditor judgement and, accordingly, devote significant time and resources (including the involvement of our senior staff members with the engagement team) in order to obtain sufficient appropriate audit evidence over the amounts of right-of-use asset and the corresponding lease liability recognized, and the related disclosures made, in the financial statements.</p> <p>We considered this matter to be of most significance keeping in view the material effects that the aforesaid change in accounting policy on leases has on the financial statements of the Investment Bank for the year ended June 30, 2020 or may have on its future financial statements.</p>	<p>Our audit procedures included the following: -</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the Investment Bank's adoption of IFRS 16 and identified the internal controls adopted by the Investment Bank for the accounting, processes and systems under the new accounting standard;</li> <li>- Evaluated the management's assessment for the appropriateness of discount rate and lease term used therein;</li> <li>- Checked the accuracy of underlying source data by agreeing sample of leases to supports;</li> <li>- Assessed the lease agreements on sample basis for specific terms and conditions and considering the impact of the same on management's assessment;</li> <li>- Recalculated the amount of lease liability and ROUA independently using the judgements and assumptions made by the management; and - Assessed the adequacy of disclosures as required under the applicable financial reporting framework.</li> </ul>



## ANNUAL REPORT 2020

Following are the Key audit matters:

S.No	Key Audit Matters	How the matter was addressed in our audit
02	<p><b>Provision for non-performing finances</b></p> <p><b>Refer note 5.6 and 10.2 to the annexed financial statements</b></p> <p>The assessment of provision of non-performing finances provided to customer involves significant judgement and use of management assumptions both subjectively and objectively. The identification of the provision and the determination of the recoverable amount involve various assumptions and factors including the financial conditions of the counter party, timing and amount of expected future cash flows including the forced sale value (FSV) benefits on the securities pledged.</p> <p>The Investment Banks records provision objectively based on schedule X of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) in addition to the requirement of IFRS 9 and subjectively based on adequacy of security inclusive of realizable value, financial positions and credit worthiness of the customers and other evidences of impairment.</p> <p>We consider this matter as a key audit matter due to significance of provision balance and estimation involved.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>- We evaluated and tested the overall design, implementation and effectiveness of key controls related to the credit approval process, post approval credit management, loan grading system, collateral monitoring and loan impairment assessment.</li> <li>- We checked the customers' repayment behavior and evaluated the Investment Bank's loan classification taking into consideration the credit committee reports, customers' financial information collateral valuation report and other available information.</li> <li>- We assess the adequacy of the provision for loan losses by testing the key assumptions and calculations as required by NBFC Regulations, 2008 in addition to requirements of IFRS 9 and management's assumptions.</li> <li>- Furthermore, we also assessed the adequacy of the respective disclosures relating to loan and finances stated in the financial statements.</li> </ul>

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

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

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

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

### Responsibilities of Management and Board of Directors for the Financial Statements

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



**FIRST CREDIT AND INVESTMENT BANK LTD.**



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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Investment Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Investment Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Investment Bank's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

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

- a) proper books of account have been kept by the Investment Bank as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Investment Bank's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Investment Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

#### **Other Matter Paragraph**

The financial statements of Investment Bank for the year ended June 30, 2019 were audited by another firm of Chartered Accountants, whose report dated September 28, 2019 expressed an unqualified opinion on such financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Imran Shaikh.



**Crowe Hussain Chaudhury & Co.**

Chartered Accountants

Karachi

Date: September 29, 2020



# ANNUAL REPORT 2020

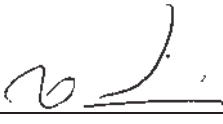
## STATEMENT OF FINANCIAL POSITION

	Note	2020 Rupees	2019 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	7	23,098,249	4,499,961
Intangible assets	8	-	-
Long-term investments	9	756,452,079	29,459,941
Long-term loans and finances	10	483,368,698	524,108,593
Net investment in finance lease	11	567,487	1,605,985
Long-term deposits	12	57,500	57,500
Deferred tax asset	13	69,969,650	74,058,906
<b>Total non-current assets</b>		<b>1,333,513,663</b>	<b>633,790,886</b>
<b>Current assets</b>			
Current portion of non-current assets	14	82,195,933	126,989,156
Short-term investments	15	107,304,365	93,194,576
Short-term placements	16	40,000,000	420,000,000
Markup/interest accrued	17	68,500,445	61,068,478
Prepayments and other receivables	18	1,651,591	911,613
Taxation-net		6,413,550	13,083,054
Cash and bank balances	19	27,606,009	36,263,045
<b>Total current assets</b>		<b>333,671,893</b>	<b>751,509,922</b>
<b>Total assets</b>		<b>1,667,185,556</b>	<b>1,385,300,808</b>

The annexed notes from 1 to 48 form an integral part of these financial statements

  
**MUHAMMAD KAMRAN**  
 Chief Financial Officer

  
**MUHAMMAD MOHSIN ALI**  
 President & CEO

  
**MUHAMMAD NAEEMUDDIN**  
 Director



**FIRST CREDIT AND INVESTMENT BANK LTD.**

# ANNUAL REPORT 2020

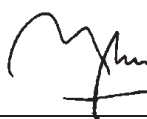
## AS AT JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Authorized share capital			
75,000,000 (2019: 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	20	<u>650,000,000</u>	650,000,000
Statutory reserve	21.1	-	-
Accumulated profit		<u>95,027,077</u>	92,830,246
Deficit on remeasurement of investments - net	22	<u>(6,236,650)</u>	(24,237,749)
<b>Total shareholders' equity</b>		<u>738,790,427</u>	718,592,497
<b>Non-current liabilities</b>			
Deferred liability - Staff gratuity	23	<u>4,213,027</u>	3,082,177
Lease liability	24	<u>8,637,094</u>	-
Long-term loan	25	<u>62,500,000</u>	62,500,000
Security deposit against finance lease	26	<u>418,600</u>	752,000
<b>Total non-current liabilities</b>		<u>75,768,721</u>	66,334,177
<b>Current liabilities</b>			
Current portion of long-term loan	25	<u>31,250,000</u>	78,125,000
Current portion of lease liability	24	<u>3,826,380</u>	-
Short-term running finance facility	27	<u>82,238,480</u>	475,978,135
Short-term repo borrowing	28	<u>650,000,000</u>	-
Un-paid dividend		<u>7,350,852</u>	-
Markup / interest accrued	29	<u>9,299,007</u>	16,699,841
Accrued expenses and other payables	30	<u>68,661,689</u>	29,571,158
<b>Total current liabilities</b>		<u>852,626,408</u>	600,374,134
<b>Total liabilities</b>		<u>928,395,129</u>	666,708,311
<b>Contingencies and commitments</b>	31	-	-
<b>Total equity and liabilities</b>		<u>1,667,185,556</u>	<u>1,385,300,808</u>

The annexed notes from 1 to 48 form an integral part of these financial statements



**MUHAMMAD KAMRAN**  
Chief Financial Officer



**MUHAMMAD MOHSIN ALI**  
President & CEO



**MUHAMMAD NAEEMUDDIN**  
Director



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## ANNUAL REPORT 2020

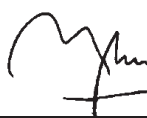
### STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Income from term finances and funds placements	32	113,907,816	105,438,383
Income from investments	33	47,267,955	5,625,412
Unrealized (loss) on investment classified as fair value through profit or loss		(7,396,091)	-
Fees and commission income	34	326,958	5,260,926
Other income	35	655,961	518,970
		<b>154,762,599</b>	<b>116,843,691</b>
Finance costs	36	(57,771,364)	(52,212,850)
Administrative and operating expenses	37	(61,659,070)	(44,872,199)
<b>Operating income before provisions</b>		<b>35,332,165</b>	<b>19,758,642</b>
<b>Reversal / (Provision)</b>			
Provision against accrued mark-up		-	(346,144)
Reversal/(Provisions) of diminution in value of long-term investments	9.7	3,400,000	(3,795,029)
<b>Profit before taxation and workers' welfare fund</b>		<b>38,732,165</b>	<b>15,617,469</b>
Workers' welfare fund		(922,565)	(414,623)
<b>Profit before taxation</b>		<b>37,809,600</b>	<b>15,202,846</b>
Taxation	38	(9,106,161)	(5,685,547)
<b>Profit after taxation</b>		<b>28,703,439</b>	<b>9,517,299</b>
Earning per share - basic and diluted	39	<b>0.44</b>	<b>0.15</b>

The annexed notes from 1 to 48 form an integral part of these financial statements



**MUHAMMAD KAMRAN**  
Chief Financial Officer



**MUHAMMAD MOHSIN ALI**  
President & CEO



**MUHAMMAD NAEEMUDDIN**  
Director



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## ANNUAL REPORT 2020


### **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2020 Rupees	2019 Rupees
<b>Profit after taxation</b>		<b>28,703,439</b>	<b>9,517,299</b>
<b>Other comprehensive income / (loss):</b>			
<b>Items that will not be subsequently reclassified to statement of profit or loss- net of tax:</b>			
Unrealized gain/(loss) on re-measurement of fair value through other comprehensive income investments		<b>18,001,099</b>	(13,394,983)
Remeasurement of net defined benefit liability	23.7	<b>96,411</b>	220,030
Other comprehensive income / (loss)		<b>18,097,510</b>	(13,174,953)
<b>Total comprehensive income / (loss) for the year</b>		<b>46,800,949</b>	(3,657,654)


The annexed notes from 1 to 48 form an integral part of these financial statements



**MUHAMMAD KAMRAN**  
Chief Financial Officer



**MUHAMMAD MOHSIN ALI**  
President & CEO



**MUHAMMAD NAEEMUDDIN**  
Director



**FIRST CREDIT AND INVESTMENT BANK LTD.**

# ANNUAL REPORT 2020

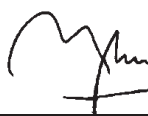
## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2020

	Note	Issued, subscribed and paid-up share capital	Reserve		Total	Deficit on remeasurement of investment classified as fair value through other comprehensive income	Total shareholder's equity
			Capital	Revenue			
			Statutory Reserve	Accumulated (loss) / profit			
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		-	-	9,517,299	9,517,299	-	9,517,299
Other comprehensive income		-	-	220,030	220,030	(13,394,983)	(13,174,953)
		-	-	9,737,329	9,737,329	(13,394,983)	(3,657,654)
Transfer from statutory reserve	21.1	-	(134,582,762)	134,582,762	-	-	-
Balance as at June 30, 2019		650,000,000	-	92,830,246	92,830,246	(24,237,749)	718,592,497
Balance as at July 01, 2019		650,000,000	-	92,830,246	92,830,246	(24,237,749)	718,592,497
Profit after tax		-	-	28,703,439	28,703,439	-	28,703,439
Transfer from OCI on account of disposal		-	-	(7,103,019)	(7,103,019)	-	(7,103,019)
Other comprehensive income		-	-	96,411	96,411	18,001,099	18,097,510
		-	-	21,696,831	21,696,831	18,001,099	39,697,930
Final dividend for the year June 30, 2019		-	-	(19,500,000)	(19,500,000)	-	(19,500,000)
Balance as at June 30, 2020		650,000,000	-	95,027,077	95,027,077	(6,236,650)	738,790,427

The annexed notes from 1 to 48 form an integral part of these financial statements



**MUHAMMAD KAMRAN**  
Chief Financial Officer



**MUHAMMAD MOHSIN ALI**  
President & CEO



**MUHAMMAD NAEEMUDDIN**  
Director



**FIRST CREDIT AND INVESTMENT BANK LTD.**




# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		37,809,600	15,202,846
<b>Adjustments for:</b>			
Depreciation	7	2,058,998	1,770,214
Amortization	8	-	-
Gain on disposal of property and equipment		(32,628)	-
Gratuity expense	23.6	1,266,640	961,660
Dividend income	33	(1,821,264)	(1,849,975)
Finance cost	36	57,771,364	52,212,850
Provision for non-performing investments	9.7	(3,400,000)	3,795,029
Reversal of provision for accrued markup		-	346,144
		<u>55,843,110</u>	<u>57,235,922</u>
Operating cash flows before working capital changes		93,652,710	72,438,768
<b>(Increase) / decrease in current assets</b>			
Prepayments and other receivables	18	(739,978)	328,420
Markup/interest accrued	17	(7,431,967)	(2,118,484)
		<u>(8,171,945)</u>	<u>(1,790,064)</u>
<b>Increase / (decrease) in current liabilities</b>			
Accrued expenses and other payables	30	39,090,531	23,882,604
Security deposit against finance lease	26	(333,400)	418,600
		<u>38,757,131</u>	<u>24,301,204</u>
Cash generated from operations		124,237,896	94,949,908
Income tax paid		1,613,220	(7,613,020)
Dividend income received		1,821,264	1,849,975
Markup on finance cost paid		(65,172,198)	(42,535,710)
		<u>(61,737,714)</u>	<u>(48,298,755)</u>
Net cash generated from operating activities		62,500,182	46,651,153
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	7	(8,193,812)	(413,841)
Proceed from disposal of property and equipment		32,628	-
Long-term investments - net		(726,803,847)	(29,114,435)
Net investment in finance lease		1,038,498	(958,720)
Long-term finances-net		85,533,118	(225,942,840)
		<u>(648,393,415)</u>	<u>(256,429,836)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long-term loans repaid		(46,875,000)	(46,875,000)
Cash dividend paid		(12,149,148)	-
Net cash used in financing activities		<u>(59,024,148)</u>	<u>(46,875,000)</u>
Net decrease cash and cash equivalents		(644,917,381)	(256,653,683)
<b>Cash and cash equivalents at the beginning</b>		<u>(19,715,090)</u>	<u>236,938,593</u>
<b>Cash and cash equivalents at the end</b>	40	<u>(664,632,471)</u>	<u>(19,715,090)</u>

The annexed notes from 1 to 48 form an integral part of these financial statements

  
**MUHAMMAD KAMRAN**  
 Chief Financial Officer

  
**MUHAMMAD MOHSIN ALI**  
 President & CEO

  
**MUHAMMAD NAEEMUDDIN**  
 Director



**FIRST CREDIT AND INVESTMENT BANK LTD.**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

### 1 LEGAL STATUS AND OPERATIONS

- 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 31, 2019. The outlook of the rating is stable.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). 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.

#### 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 Pakistani Rupee, which is the Investment Bank's functional and presentation currency. All financial information presented in Pakistani Rupee has been rounded to the nearest Pakistani 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. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of 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:

- (a) - Current and deferred taxation (Note 5.9 and 13.1)
- (b) - Impairment (Note 5.2.3)
- (c) - Provisions, commitment and contingent liabilities (Note 5.11 and 31)
- (d) - Staff retirement benefits (Note 5.10)
- (e) - Depreciation and amortization on fixed and intangible assets (Note 5.1)

## **3 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS DURING THE YEAR**

A novel strain of coronavirus (COVID-19) that first surfaced in China was classified as a pandemic by the World Health Organization on 11 March 2020, impacting countries globally including Pakistan. Government of Pakistan has taken certain measures to reduce the spread of the COVID-19 including lockdown of businesses, suspension of flight operations, intercity movements, cancellation of major events etc. These measures have resulted in an overall economic slowdown, disruptions to various business and significant volatility in the Pakistan Stock Exchange (PSX). However, currently, the potential impacts from COVID-19 remain uncertain, including, among other things, on economic conditions, businesses and consumers. The extent of these impacts on the Company are unclear. The Company is conducting business with some modifications to employee working and cancellation of certain events, among other modifications while following all necessary Standard Operating Procedures (SOPs). The Company will continue to actively monitor the situation and may take further actions that alter its business operations as may be required by federal, provincial or local authorities or that are in the best interests of our employees, customers, partners, suppliers and stockholders. However, the management based on its assessment considered that there would be no significant impact that will adversely affect its businesses, results of operations and financial condition in future period.

## **4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS**

### **4.1 Standards, amendments and interpretations to the published standards that are relevant to the company and adopted in the current year**

IFRS 16, 'Leases' (effective from annual reporting periods beginning on or after January 1, 2019) - IFRS 16 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on statement of financial position. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.



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The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

On the adoption of IFRS 16 as at July 1, 2019, the Company has decided to apply the recognition under IFRS 16.

### **4.2 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 July 01, 2019 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.

### **4.3 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.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IFRS 3 'Definition of a business' Amendment to IFRS 3	January 01, 2020
IAS 1/IAS 8 'Definition of Material' (Amendments to IAS 1 and IAS 8)	January 01, 2020
IFRS 16-IASB 'Relief for lessees in accounting for rent concessions'	June 1, 2020
IAS 37 'Amendments Onerous Contracts-Cost Of Fulfilling a Contract'.	January 01, 2020
IAS 16 'Proceed Before Intended Use'.	January 01, 2020
Various Amendments to References to the conceptual framework in the IFRS standard	January 01, 2020

### **4.4 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.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IFRS 14 Regulatory Deferral accounts	January 01, 2018
IFRS 17 'Insurance Contracts	January 01, 2022



**5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**5.1 Fixed assets**

**Property and equipment**

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to statement of profit or loss 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 6 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 Investment Bank 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 statement of profit or loss during the year in which they are incurred.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred.

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

**Intangible assets**

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. The amortizable cost of intangible asset is amortized over its estimated useful life, using straight line method at rate specified in note 7 to the financial statements.

**5.2 IFRS 9 - Financial Instruments**

**5.2.1 Financial assets**

**5.2.1.1 Classification**

The Investment Bank classifies its financial assets in the following categories: financial assets at amortized cost, financial assets at fair value through profit or loss (FVTPL) and financial assets at fair value through other comprehensive income (FVOCI). The classification depends on the business model in which the financial asset is managed and its contractual cash flows. The management determines the appropriate classification of its financial assets at initial recognition and it evaluates this classification on a regular basis.

The assessments have been made on the basis of the facts and circumstances that existed at the date of initial application about the determination of business model within which a financial asset is held and the designation and revocation of previous designation of certain financial assets as measured at FVTPL.

The financial assets are categorized as follows:

**Financial asset at amortized cost**

Financial asset is held within a business model whose objective is to collect the contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest (SPPI) are classified as financial asset at amortized cost.



### **Financial asset at fair value through Other Comprehensive Income**

#### **Debt investment**

Debt investment where the contractual cash flows are SPPI and the objective of the business model includes both by collecting contractual cash flows and selling financial assets are classified as financial asset at fair value through other comprehensive income.

#### **Equity investment**

Equity investment which are not held for trading, and which has irrevocably elected at initial recognition to recognize as fair value through other comprehensive income (generally strategic investment) are classified as financial asset at fair value through other comprehensive income.

### **Financial asset at fair value through profit or loss**

#### **Debt investment**

Debt investments that do not qualify for measurement at either amortized cost or FVOCI are classified as financial asset at fair value through profit or loss.

#### **Equity investment**

Equity investments that are held for trading, and equity investments for which the entity has not elected to recognize fair value gains and losses through other comprehensive income are classified as financial asset at fair value through profit or loss.

#### **5.2.1.2 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 Investment Bank commits to purchase or sell the investments.

#### **5.2.1.3 Initial recognition and measurement**

Financial assets are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value while the related transaction cost are expensed out in profit or loss.

#### **5.2.1.4 Subsequent measurement**

##### **Financial asset at amortized cost**

Subsequent to initial recognition, financial assets classified as amortized cost are carried at amortized cost using the effective interest method.

Gains or losses are also recognized in the statement of profit or loss when financial assets carried at amortized cost are derecognized or impaired.

##### **Financial asset at fair value through other comprehensive income**

Subsequent to initial recognition, financial assets classified as fair value through other comprehensive income are carried at fair value using valuation methodology.

Net gains and losses arising from changes in the fair value and on sale of financial assets at fair value through other comprehensive income are taken to the statement of other comprehensive income.





**Financial asset at fair value through profit or loss**

Subsequent to initial recognition, financial assets classified as fair value through profit or loss are carried at fair value using valuation methodology.

Net gains and losses arising from changes in the fair value and on sale of financial assets at fair value through profit or loss are taken to the statement of profit or loss.

**5.2.1.5 Derecognition**

Financial assets are derecognised when the contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of ownership of the asset. Any gain or loss on derecognition of the financial assets is taken to statement of profit or loss currently.

**5.2.2 Financial liability**

**5.2.2.1 Classification**

**Financial liability at amortized cost**

All financial liabilities are subsequently measured at amortized cost, except for those measured at fair value through profit or loss.

**Financial liability at fair value through profit or loss**

Financial liabilities designated as at fair value through profit or loss requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in statement of profit or loss.

**5.2.2.2 Initial recognition and measurement**

Financial liabilities are initially recognized at fair value less transaction cost except for financial liabilities carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognized at fair value while the related transaction cost are expensed out in statement of profit or loss. Financial liabilities are not recognized unless one of the parties has performed its part of the contract or the contract is a derivative product.

**5.2.2.3 Subsequent measurement**

**Financial liability at amortized cost**

Financial liabilities, other than fair value through profit or loss are measured at amortized cost using the effective yield method.

Gains or losses are also recognized in the statement of profit or loss when financial liabilities carried at amortized cost are derecognized.

**Financial liability at fair value through profit or loss**

"Subsequent to initial recognition, financial liabilities classified as fair value through profit or loss are carried at fair value using market rate of interest.

"

Net gains and losses arising from changes in the fair value due to change in credit risk are taken in to other comprehensive income and other change in fair value and on sale of financial liabilities at fair value through profit or loss are taken to the statement of profit or loss.





#### **5.2.2.4 Derecognition**

Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial liabilities is taken to statement of profit or loss currently.

#### **5.2.3 Impairment**

The carrying value of the Investment Bank's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

Impairment loss in respect of financial assets classified as fair value through other comprehensive income (other than debt securities) is recognized based on management's assessment of objective evidence of impairment as a result of one or more events that may have an impact on the estimated future cash flows of the investments. A significant or prolonged decline in fair value of an equity investment below its cost is also considered an objective evidence of impairment. The determination of what is significant or prolonged requires judgment.

In case of impairment of financial assets at FVOCI, the cumulative loss that has been recognized directly in statement of comprehensive income is taken to the statement of profit or loss.

Other individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognized in the statement of profit or loss.

#### **5.3 Derivatives instruments**

Derivative instruments are stated at fair value at the reporting 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 reporting 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 statement of profit or loss.

#### **5.4 Securities under repurchase and reverse repurchase agreements**

Transactions of repurchase / reverse repurchase of investments 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 statement of financial position 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 statement of financial position. Amounts paid under these agreements are recorded as funds 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.



**5.5 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 statement of profit or loss over the term of the respective transaction.

**5.6 Term finance / credit facilities / loans**

Term finances originated by the Investment Bank are stated net of provision for losses, if any 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.

**5.7 Net investment in finance lease**

Leases in which the Investment Bank transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessees are classified as finance leases. A receivable is recognized at an amount equal to the present value of the minimum lease payments, including any guaranteed residual value which are included in the financial statements as "net investment in finance leases".

**5.8 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flow, 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 borrowings.

**5.9 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 reporting 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 reporting 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 reporting date.



**5.10 Staff retirement benefits**

**5.10.1 Defined benefit plan**

The Investment Bank operates an approved funded gratuity scheme for its permanent employees. The net defined benefit liability recognized in the statement of financial position in respect of defined benefit gratuity scheme, is the present value of the defined benefit obligation both computed at the reporting 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 carried out the reporting 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 statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur.

**5.10.2 Defined contribution plan**

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

**5.11 Provisions, contingent assets and contingent liabilities**

Provisions are recognized when the Investment Bank 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 reporting date and adjusted to reflect the current best estimate.

Provisions for legal disputes, onerous contracts or other claims are recognized when the Investment Bank 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 Investment Bank 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 Investment Bank can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognized 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.

**5.12 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 Investment Bank.



**5.13 Proposed dividend and transfer between reserves**

Proposed dividend are transferred between reserves, except appropriations which are required by law, made subsequent to the reporting 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 recognized as a liability in the period in which it is approved by the shareholders.

**5.14 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 assets. Such borrowing costs, if any, are capitalized as part of the cost of the relevant assets.

**5.15 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 represents interest income earned which are recognized at rate of return implicit in the instrument on a time proportionate basis.
- c) Dividend income on equity investments and units of mutual funds 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.
- f) The Investment Bank follows the 'financing method' in accounting for recognition of finance lease. The total unearned finance income i.e. the excess of aggregate installment contract receivables plus residual value over the cost of the leased asset is deferred and then amortized over the term of the lease, so as to produce a systematic return on the net investment in finance leases.
- g) Revenue from finance leases is not accrued when rent is past due by ninety days or more.
- h) Front end fee and other lease related income is recognized as income on receipt basis.

**5.16 Earnings per share (EPS)**

The Investment Bank presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Investment Bank 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.



#### **5.17 Financial instruments**

Financial assets and liabilities are recognized when the Investment Bank becomes a party to the contractual provisions of the instrument and de-recognized when the Investment Bank 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.

#### **5.18 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 Investment Bank 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.

#### **5.19 Related party transactions**

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

### **6 CHANGE IN ACCOUNTING POLICIES**

The Investment Bank has adopted IFRS 16 'Leases' from 01 July 2019 which is effective from annual periods beginning on or after 01 January 2019 and the key changes to the Company's accounting policies resulting from adoption of IFRS 16 are summarized below:

#### **IFRS 16 'Leases'**

IFRS 16 has introduced a single, on-balance sheet accounting model for lessees. As a result, the entity, as a lessee has recognized right-of-use asset representing its rights to use the underlined assets and lease liabilities representing its obligation to make lease payments.

The Investment Bank has applied IFRS 16 using the modified retrospective approach. Under this approach the Accordingly, the comparative information presented for 2019 has not been restated - i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity mainly leases properties for its operations. The entity recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.



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The Investment Bank has elected not to recognize right-of-use assets and lease liabilities for some leases of low value assets. The lease payments associated with these leases are recognized as an expenses on a straight-line basis over the lease term. The right-of-use assets are presented as separate line item in the statement of financial position.

The Investment Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The lease liabilities are measured at the present value of remaining lease payments, discounted using the lessee's incremental borrowing rate as of 30 June 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 30 June 2020 is 3 months kibar + 75 basis points.

The impact of adoption of IFRS 16 on the statement of financial position as at 30 June 2020 is as follows:

		30-Jun-20 Rupees	1-Jul-19 Rupees
Right-of-use assets		<u>12,463,474</u>	<u>3,473,183</u>
Lease liabilities		<u>12,463,474</u>	<u>3,727,386</u>
Deferred tax asset		<u>-</u>	<u>76,261</u>
	Note	2020 Rupees	2019 Rupees
<b>7 PROPERTY AND EQUIPMENT</b>			
Operating fixed assets	7.1	<u>10,634,775</u>	4,499,961
Right of use assets	7.2	<u>12,463,474</u>	-
		<u>23,098,249</u>	<u>4,499,961</u>



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### 7.1

	Furniture & Fittings	Office equipment	Computers	Air Conditioners	Vehicles	Leasehold Improvements	Total
	.....(Rupees).....						
<b>Year ended June 30, 2019</b>							
Opening net book value	39,338	144,920	317,371	222,945	5,131,760	-	5,856,334
Additions during the year	-	96,806	317,035	-	-	-	413,841
Disposals							
Cost	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
Depreciation for the year	(39,338)	(79,536)	(189,915)	(53,783)	(1,407,642)	-	(1,770,214)
Closing net book value	-	162,190	444,491	169,162	3,724,118	-	4,499,961
<b>As at June 30, 2019</b>							
Cost	1,141,088	2,057,962	4,239,767	1,536,662	8,722,162	6,200,000	23,897,641
Accumulated depreciation	(1,141,088)	(1,895,772)	(3,795,276)	(1,367,500)	(4,998,044)	(6,200,000)	(19,397,680)
Net book value	-	162,190	444,491	169,162	3,724,118	-	4,499,961
<b>Year ended June 30, 2020</b>							
Opening net book value	-	162,190	444,491	169,162	3,724,118	-	4,499,961
Additions during the year	-	17,000	759,397	-	7,417,415	-	8,193,812
Disposals							
Cost	-	41,865	236,275	-	-	-	278,140
Accumulated depreciation	-	(41,865)	(236,275)	-	-	-	(278,140)
Depreciation for the year	-	(63,638)	(280,469)	(53,782)	(1,661,109)	-	(2,058,998)
Closing net book value	-	115,552	923,419	115,380	9,480,424	-	10,634,775
<b>As at June 30, 2020</b>							
Cost	1,141,088	2,033,097	4,762,889	1,536,662	16,139,577	6,200,000	31,813,313
Accumulated depreciation	(1,141,088)	(1,917,545)	(3,839,470)	(1,421,282)	(6,659,153)	(6,200,000)	(21,178,538)
Net book value	-	115,552	923,419	115,380	9,480,424	-	10,634,775
<b>Annual rates of depreciation</b>	<b>15%</b>	<b>20%</b>	<b>33%</b>	<b>15%</b>	<b>20%</b>	<b>20%</b>	

- 7.2** This represents the Company's right to use the office premises 2nd floor, Sidco Avenue Centre, Stratchen Road, R.A. Lines, Karachi obtained under lease agreement. The principal terms and conditions of these lease arrangements are as follows.:

Lessor Name	National Bank of Pakistan
Lease agreement date	30-Jun-20
Lease commencement date	30-Jun-20
Initial lease term	3 years
No. of years for which the lease extension option is available	Indefinite

- 7.2.1** The lease term used in the measurement of the right-of-use asset and the related lease liability has been restricted to the aforementioned initial lease term since the Company, after giving due consideration to the factors that might create an economic incentive for the Company to extend the leases, has concluded that, at the lease commencement date, it was not reasonably certain to exercise the said extension options.

\* Fixed asset amounting to Rs. 15,425,412 has been fully depreciated.



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	Note	2020 Rupees	2019 Rupees
<b>8 INTANGIBLE ASSETS</b>			
<b>-Software</b>			
Opening net book value		-	-
Additions during the year		-	-
Amortization for the year		-	-
Closing net book value		-	-
<b>As at June 30</b>			
Cost		<b>2,303,930</b>	2,303,930
Accumulated amortization		<b>(2,303,930)</b>	(2,303,930)
Net book value		-	-
Annual rates of amortization		<b>33%</b>	33%
<b>9 LONG-TERM INVESTMENTS</b>			
<b>At amortised cost</b>			
- Term finance certificates/sukuk - listed	9.1	<b>7,500,000</b>	17,500,000
- Term finance certificates/sukuk - unlisted	9.2	<b>11,357,224</b>	11,357,224
		<b>18,857,224</b>	28,857,224
<b>At fair value through other comprehensive income</b>			
- Pakistan Investment Bonds PIBs	9.3	<b>628,416,012</b>	-
- Quoted shares	9.4	<b>1,132,817</b>	602,717
- Term finance certificates - listed	9.5	-	-
		<b>629,548,829</b>	602,717
<b>At fair value through profit or loss</b>			
- Pakistan Investment Bonds PIBs	9.6	<b>108,046,026</b>	-
<b>Total investments</b>		<b>756,452,079</b>	29,459,941

## 9.1 Term finance certificates / sukuk - listed

Number of Certificates		Par Value	Investee	Note	Cost	
2020	2019				2020	2019
					Rupees	
<b>3,995</b>	3,995	5,000	<b>Commercial Bank</b>			
			Summit Bank Limited	9.1.1	<b>19,915,276</b>	19,915,276
<b>10,000</b>	10,000	5,000	<b>Oil &amp; Gas Marketing Company</b>			
			Hascol Petroleum Limited	9.1.2	<b>17,500,000</b>	27,500,000
					<b>37,415,276</b>	47,415,276
			Less: Provision for the period	9.1.1	<b>(9,957,638)</b>	(9,957,638)
			Less: Current maturity	9.1.3	<b>(19,957,638)</b>	(19,957,638)
					<b>7,500,000</b>	17,500,000

**9.1.1** 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% (2019: 6 month KIBOR+3.25%). These are due to mature on October 27, 2020. The Investment Bank has provided allowance against such investments as required under the Non Banking Finance Companies Regulation and the applicable financial reporting framework.

**9.1.2** This represents sukuk certificates issued on January 07, 2016 for a period of six years including one year grace period. Profit payment are due for payment on quarterly basis at the rate of 3 month KIBOR+1.5% per annum ( 2019: 3 month KIBOR+1.5% per annum). These are due to mature on January 07, 2022. These are secured against first exclusive Hypothecation charge on all present fixed assets at Shikarpur Depot, Machike Depot and 17 petrol pumps with 25% margin.



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**9.1.3** This includes current maturity related to Hascol Petroleum Limited and Summit Bank Limited amounting to Rupees 10 million and 9.9 million respectively.

### 9.2 Term finance certificates/sukuk - unlisted

Number of Certificates		Par Value	Investee	Amortized cost	
2020	2019			2020	2019
Rupees					
8,000	8,000	5,000	<b>Cable &amp; electrical goods</b> New Allied Electronics Industries (Private) Limited - sukuk (refer note 9.2.1)	38,160,166	38,160,166
5,000	5,000	5,000	<b>Textile Spinning</b> Amtex Limited - sukuk (refer note 9.2.2)	18,750,001	18,750,001
28,000	28,000	5,000	<b>Three Star Hosiery (Private) Limited - sukuk</b> (refer note 9.2.3)	129,500,000	132,900,000
860	860	5,000	<b>Textile Composite</b> Azgard Nine Limited - TFC (refer note 9.2.4)	4,300,000	4,300,000
10,000	10,000	5,000	<b>Miscellaneous</b> Eden Housing Limited - sukuk (refer note 9.2.5)	6,560,000	6,560,000
				197,270,167	200,670,167
Less: Provision for non-performing investments				(185,912,943)	(189,312,943)
Less: Current maturity (refer note 14)				-	-
				11,357,224	11,357,224

**9.2.1** This represents sukuk certificates issued on December 03, 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 Investment Bank under loss category and the Investment Bank has made provision of the entire amount.

**9.2.2** 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 Investment Bank under loss category and the Investment Bank has made entire amount provision after considering the amount received by registrar Lahore High Court in March 2011.

**9.2.3** This represents sukuk certificates issued on August 05, 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 06, 2013. This has been classified as non performing investment by the Investment Bank under loss category and the Investment Bank has made entire amount provision. The Investment Bank has filed suit to recover the amount in Sindh High Court Karachi in year 2012.



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**9.2.4** This represents term finance certificates issued on March 01, 2014 at 'Zero' rate for a period of three years. These were issued under Master Restructuring Agreements dated December 01, 2010 and matured on March 31, 2017. This has been classified as non performing investment by the Investment Bank under loss category and the Investment Bank has made provision of entire amount.

**9.2.5** This represents sukuk certificates issued on December 31, 2007 for a period of five years and markup rate of 6 month KIBOR + 2.5% with a floor of 7% and cap of 20% payable semi-annually. These certificates have been restructured and rescheduled on January 10, 2010 and matured on June 29, 2014. This has been classified as non performing investment by the Investment Bank under loss category and the Investment Bank has made entire amount provision of the principal amount after considering Forced Sale Value of the collateral as per NBFC's & NE's Regulations.

**9.3** It represents investments in Pakistan Investment Bonds issued by GOP having stated maturity of 5 years.

**9.3.1** The above investments issued by the Government are held at fair value through other comprehensive income. The profile of return on these securities are as follows:

	2020 ----- % per annum -----	2019
Yield rate on PIBs.	<u>8.7-8.82</u>	<u>Nil</u>
Markup on PIBs	<u>9-9.5</u>	<u>Nil</u>

### 9.4 Quoted shares

Number of Certificates		Par Value	Investee Company	Carrying value	Market Value	Carrying value	Market Value
2020	2019			2020		2019	
Rupees							
242,055	242,055	10	Agritech Limited (refer note 9.4.1)	3,727,647	1,132,817	3,727,647	602,717
				3,727,647	1,132,817	3,727,647	602,717
			Less: Impairment against investments	-	-	-	-
				3,727,647	1,132,817	3,727,647	602,717
			Less: Deficit on remeasurement (refer note 9.8 & 22)	(2,594,830)	-	(3,124,930)	-
				1,132,817	1,132,817	602,717	602,717

**9.4.1** 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 were subject to restriction on transfer and were pledged in favor of Faysal Bank Limited in its capacity as the trustee of the TFC issue under Share Transfer and Debt Settlement Agreement.



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### 9.5 Term finance certificates - Listed

Number of Certificates		Par Value	Investee Company	Cost	Market Value	Cost	Market Value
2020	2019			2020		2019	

Rupees

<b>Textile Composite</b>							
Azgard Nine Limited (refer note 9.5.1)				6,507,678	6,507,678	6,507,678	6,507,678
4,000	4,000	5,000					
<b>Technology and Communication</b>							
Worldcall Telecom Limited (refer note 9.5.2)				11,158,940	11,158,940	11,158,939	11,158,939
6,886	6,886	5,000		17,666,618	17,666,618	17,666,617	17,666,617
Less: Provision against non-performing investments				(17,666,618)	(17,666,618)	17,666,617	17,666,617
Less: Current maturity (refer note 14)				-	-	-	-
				-	-	-	-

**9.5.1** 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 was due to mature on September 20, 2017. This has been classified as non performing investment by the Investment Bank under loss category and the Investment Bank 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.

**9.5.2** This represents Term Finance Certificates issued on October 07, 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 28, 2018 and due to mature on September 20, 2026. This has been classified as non performing investment under loss category and the Investment Bank has made provision of entire amount.

**9.6** It represents investments in Pakistan Investment Bonds issued by GOP having stated maturity of 10 years.

**9.6.1** The above investments issued by the Government are held at fair value through other comprehensive income. The profile of return on these securities are as follows:

	2020	2019
	----- % per annum -----	
Yeild rate on PIBs.	7.75-8.6	Nil
Markup on PIBs	10	Nil



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	Note	2020 Rupees	2019 Rupees
<b>9.7 PROVISION FOR DIMINUTION IN VALUE OF LONG-TERM INVESTMENTS</b>			
Balance at the beginning of the year		216,937,199	213,142,170
Charged for the year		-	9,957,638
Reversal for the year		(3,400,000)	(6,162,609)
(Reversal) / Provision		(3,400,000)	3,795,029
Balance at the end of the year		213,537,199	216,937,199
<b>9.8 DEFICIT ON REMEASUREMENT OF LONG-TERM INVESTMENTS - Fair value through other comprehensive income</b>			
Balance at the beginning of the year		2,606,932	2,606,932
Charge during the year		(530,100)	-
Balance at the end of the year	9.4	2,076,832	2,606,932
<b>10 LONG-TERM LOANS AND FINANCES</b>			
Loan to employees	10.1	3,168,603	4,714,309
Loan to others- term finance facility (secured)	10.2	480,200,095	519,394,284
		483,368,698	524,108,593
<b>10.1 Loan to employees</b>			
<b>Housing loan - secured</b>			
- Executives	10.1.1 & 10.1.2	171,227	331,619
- Employees	10.1.2	1,604,324	1,901,456
		1,775,551	2,233,075
Mark-up receivable on house loans	10.1.2	1,161,184	1,724,220
		2,936,735	3,957,295
<b>Other loans - unsecured</b>			
- Executives	10.1.1	740,456	1,569,724
- Employees	10.1.3	899,176	1,442,244
		1,639,632	3,011,968
<b>Current portion</b>			
- House loans		(457,524)	(1,797,430)
- Other loans		(950,240)	(457,524)
	14	(1,407,764)	(2,254,954)
		3,168,603	4,714,309



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**10.1.1** Reconciliation of carrying amount of chief executives and executives is as follows:

	2020			2019		
	Chief executive officer	Executives	Total	Chief executive officer	Executives	Total
	.....Rupees.....					
Opening balance	815,650	1,085,693	1,901,343	1,705,450	492,011	2,197,461
Disbursed	-	475,000	475,000	-	919,558	919,558
Transfer	-	-	-	-	-	-
Payment/(Receipt)	(815,650)	(649,010)	(1,464,660)	(889,800)	(325,876)	(1,215,676)
	<u>-</u>	<u>911,683</u>	<u>911,683</u>	<u>815,650</u>	<u>1,085,693</u>	<u>1,901,343</u>

These loans and advances have been made in compliance with the requirements of the Companies Act, 2017.

**10.1.2** 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% (2019: 4%) per annum. These loans are secured against mortgage of properties.

**10.1.3** 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.

	Note	2020 Rupees	2019 Rupees
<b>10.2 Loan to others - term finance facility (secured)</b>			
<b>Interest bearing</b>			
Gharibwal Cement Limited	10.2.1	7,980,000	12,160,000
Chenab Limited	10.2.2	14,978,125	14,978,125
Hashwani Hotels Limited	10.2.3	21,428,572	35,714,286
Tandlianwala Sugar Limited	10.2.4	80,234,375	98,750,000
Pioneer Cement Limited	10.2.5	99,997,999	90,268,673
Power Cement Limited	10.2.6	74,573,021	74,573,022
Technology Links Private Limited	10.2.7	3,333,324	8,333,328
Shakarganj Sugar Mills Limited	10.2.8	56,250,000	95,000,000
Pak Hy Oils Limited	10.2.9	84,000,000	90,000,000
Hussain Sugar Mills Limited	10.2.10	94,117,647	100,000,000
Loans to individuals	10.2.11	4,400,000	4,400,000
		<b>541,293,063</b>	<b>624,177,434</b>
<b>Non - interest bearing</b>		<b>-</b>	<b>-</b>
		<b>541,293,063</b>	<b>624,177,434</b>
Less: Provision for impairments	10.2.12	(929,037)	(929,037)
Less: Current maturity	14	(60,163,931)	(103,854,113)
		<b>480,200,095</b>	<b>519,394,284</b>



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- 10.2.1** This represents term finance facility issued on September 09, 2005 for a period of ten years. Markup payment are made at the rate of 3 month KIBOR. This was restructured on March 01, 2013 and is due to mature on February 28, 2023. This is secured by pari passu charge over all fixed assets of the borrower.
- 10.2.2** 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 due to mature on January 30, 2013. The Investment Bank has classified the amount and accordingly made provision of entire amount after considering FSV of the collateral held as per NBFC and NE regulations. The Investment Bank has filed suit to recover the outstanding amount in Banking Court. The case is still pending in the court.
- 10.2.3** This represents participation in syndicated term finance facility. 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 with 25% margin.
- 10.2.4** This represents participation in syndicated term finance facility. The tenor of the facility is six years at markup rate of 3 month KIBOR + 2% and the principal is repayable in 16 quarterly equal installments with 2 years grace period. The facility is secured against first pari passu hypothecation charge over all present and future movable fixed assets with 25% margin. This facility will be matured on March 29, 2023.
- 10.2.5** This represents participation in syndicated term finance facility. The tenor of the facility is seven years inclusive of grace period of two years at markup rate of 6 month KIBOR + 1.1% and the principal is repayable in nine consecutive half yearly installments whereas the markup is repayable calendar quarterly. The facility is secured against first pari passu hypothecation/mortgage charge over all present and future assets of the Company with 25% margin.
- 10.2.6** This represents participation in syndicated term finance facility. The tenor of the facility is eight and half (8.5) years inclusive of grace period of two and half (2.5) years at markup rate of 6 month KIBOR + 2.25% per annum.The facility is secured against charge/mortgage over fixed assets of the Company with 25% margin and is repayable in twelve consecutive half yearly installments.
- 10.2.7** This represents a medium term finance which carries a profit rate of one month KIBOR + 4% per annum and is repayable in equal 36 monthly installments. The facility is secured against mortgage of property and ranking hypothecation charge over current assets of the Company with 35% margin.
- 10.2.8** This represents a medium term finance. The facility carries a profit rate of 3 months KIBOR + 3.5% per annum. The facility is secured against pledge of PSX 100 Index shares with 35% margin and and ranking hypothecation charge over present and future assets of the Company with 25% margin and is repayable in equal six quarterly installments after grace period of 18 months. Interest is repayable in quarterly installments.
- 10.2.9** This represents term finance facility which carries a mark-up rate of one month KIBOR + 4% per annum payable in equal 60 monthly installments with one year grace period. The facility is secured against pledge of PSX 100 index shares with 30% margin, mortgage of property with 35% margin, ranking charge on all present and future assets of the company with 25% margin and personnel guarantees of Chief Executive and Directors of the Company.





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**10.2.10** This represents term finance facility for a period of five years including nine months grace period and carries mark-up rate of 3 months KIBOR + 4% per annum and is repayable in 17 quarterly equal installments. The facility is secured by way of first pari passu charge over all present and future fixed assets of the company with 25% margin. Personnel guarantees of Chairman and Chief Executive of Hussain Sugar Mills and subordination of Director loan of Rs.500 million.

**10.2.11** This represents financing to individuals against pledge of units of mutual funds.

	Note	2020 Rupees	2019 Rupees
<b>10.2.12 Provision for impairment</b>			
Balance at the beginning of the year		929,037	929,037
Provision made during the year for non performing loan		-	-
Balance at the end of the year		<u>929,037</u>	<u>929,037</u>

### 11 NET INVESTMENT IN FINANCE LEASE

Lease rental receivable		888,336	1,992,698
Residual value		418,600	752,000
<b>Gross investment in finance lease</b>	11.1	<b>1,306,936</b>	<b>2,744,698</b>
Less: Unearned finance lease Income		<u>(72,849)</u>	<u>(216,262)</u>
		<b>1,234,087</b>	<b>2,528,436</b>
Less: Current maturity of net investment in finance lease	14	<u>(666,600)</u>	<u>(922,451)</u>
<b>Net investment in finance lease</b>		<b><u>567,487</u></b>	<b><u>1,605,985</u></b>

11.1 Description	2020				2019			
	Not later than one year	Later than one and less than five years	Later than five years	Total	Not later than one year	Later than one and less than five years	Later than five years	Total
	Rupees							
Lease rentals receivable	-	888,336	-	888,336	1,103,357	889,341	-	1,992,698
Guaranteed residual value	-	418,600	-	418,600	333,400	418,600	-	752,000
	-	1,306,936	-	1,306,936	1,436,757	1,307,941	-	2,744,698
Finance charge for future periods	-	(72,849)	-	(72,849)	(145,676)	(70,586)	-	(216,262)
Present value of minimum lease payments	-	1,234,087	-	1,234,087	1,291,081	1,237,355	-	2,528,436



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**11.1.1** The Investment Bank's implicit rate of return on leases ranges between from 11.17% to 16.9% per annum (2019: 9.92 % to 14.1% per annum). These are secured against leased assets and security deposits generally upto 20% of the cost of leased assets.

**11.1.2** Lease rentals received during the year aggregate to Rs. 898,418 (2019: 898,418).

	Note	2020 Rupees	2019 Rupees
<b>12 LONG-TERM DEPOSITS</b>			
Security deposit with Central Depository Company of Pakistan Limited		50,000	50,000
Others		7,500	7,500
		<u>57,500</u>	<u>57,500</u>
<b>13 DEFERRED TAX ASSET</b>			
Deferred tax asset on deductible temporary differences:			
-Provisions		68,935,375	69,927,969
-Accelerated tax depreciation allowance		959,042	1,474,532
-Surplus on revaluation of investments		(1,090,510)	1,792,964
-Gratuity		1,165,743	863,441
	13.1 & 13.2	<u>69,969,650</u>	<u>74,058,906</u>

**13.1** 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.

**13.2 Movement in deferred taxation**

	2020			
	Balance at June 30, 2019	Recognized in statement of profit or loss	Recognized in other comprehensive income	Balance at June 30, 2020
	.....Rupees.....			
The following deductible temporary differences arising on account of:				
-Provisions	69,927,969	(992,594)	-	68,935,375
-Accelerated tax depreciation allowance	1,474,532	(515,490)	-	959,042
-Surplus on revaluation of investments	1,792,964	-	(2,883,474)	(1,090,510)
-Gratuity	863,441	341,681	(39,379)	1,165,743
	<u>74,058,906</u>	<u>(1,166,403)</u>	<u>(2,922,853)</u>	<u>69,969,650</u>



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	2019		
	Balance at June 30, 2018	Recognized in statement of profit or loss	Recognized in other comprehensive income
			Balance at June 30, 2019

The following deductible temporary differences .....Rupees.....  
arising on account of:

-Provisions	69,450,009	477,960	-	69,927,969
-Accelerated tax depreciation allowance	1,954,487	(479,955)	-	1,474,532
-Surplus on revaluation of investments	847,864	-	945,100	1,792,964
-Gratuity	705,065	248,248	(89,872)	863,441
	<u>72,957,425</u>	<u>246,253</u>	<u>855,228</u>	<u>74,058,906</u>

	Note	2020 Rupees	2019 Rupees
<b>14 CURRENT PORTION OF NON - CURRENT ASSETS</b>			
<b>Investments</b>			
Current portion of term finance certificates - listed	9.1 & 9.5	19,957,638	19,957,638
Loans and finances			
Current portion of loans to employees	10.1	1,407,764	2,254,954
Current portion of loans to other- term finance facility (secured)	10.2	60,163,931	103,854,113
		<u>61,571,695</u>	<u>106,109,067</u>
<b>Net investment in finance lease</b>			
Current maturity of net investment in finance lease	11	666,600	922,451
		<u>82,195,933</u>	<u>126,989,156</u>
<b>15 SHORT-TERM INVESTMENTS</b>			
<b>Fair value through other comprehensive income</b>			
Dewan Cement Limited - Pre IPO term finance certificates	15.1	43,069,617	43,069,617
Quoted shares	15.2	11,757,659	29,861,817
Mutual Funds	15.4	225,000	20,263,142
		<u>55,052,276</u>	<u>93,194,576</u>
<b>Fair value through profit and loss</b>			
Quoted shares	15.3	28,609,962	-
Mutual Funds	15.5	23,642,127	-
		<u>52,252,089</u>	<u>-</u>
<b>Investments at market value</b>		<u>107,304,365</u>	<u>93,194,576</u>
<b>15.1 Pre IPO term finance certificates</b>			
Dewan Cement Limited		50,000,000	50,000,000
Less: provision		(6,930,383)	(6,930,383)
Term finance certificate - Dewan Cement Limited		<u>43,069,617</u>	<u>43,069,617</u>
<b>15.1.1</b>	This investment has been classified under loss category and accordingly made provision of entire amount considering FSV of the collateral held as per NBFC and NE regulations.		



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### 15.2 Quoted shares (At fair value through other comprehensive income)

Number of Shares		Investee	2020		2019	
			Cost	Market Value	Cost	Market Value
2020	2019		Rupees	Rupees	Rupees	Rupees
(The face value of each share is Rs.10/-)						
<b>Automobile Assembler</b>						
20.00	20	Indus Motor Co. Ltd.	25,809	19,900	25,809	24,078
<b>Cable and Electrical Goods</b>						
500.00	500	Pak Electron Ltd.	12,995	11,465	12,993	10,010
<b>Cement</b>						
-	1,200	Cherat Cement Ltd.	-	-	98,150	37,152
-	100	D. G. Khan Cement Ltd.	-	-	9,694	5,654
-	180	Kohat Cement Co. Ltd.	-	-	14,693	9,455
-	1,200	Lucky Cement Ltd.	-	-	573,197	456,564
-	8,000	Maple Leaf Cement Factory Ltd.	-	-	401,620	191,120
<b>Chemicals</b>						
815,800	815,800	Agri-tech limited	12,563,320	3,817,944	12,563,320	2,031,342
-	4,000	Engro Polymer & Chemical Ltd.	-	-	135,286	107,840
-	400	Sitara Chemicals	-	-	121,731	122,348
<b>Commercial Banks</b>						
15,000	22,900	Allied Bank Ltd.	1,467,759	1,148,700	2,253,313	2,404,958
-	2,500	Askari Bank Ltd.	-	-	53,833	47,275
-	23,850	Bank Al-Falah Ltd.	-	-	1,162,299	1,039,622
-	13,500	Bank Al-Habib Ltd.	-	-	1,084,324	1,058,130
-	28,500	Bank of Punjab	-	-	371,368	260,775
10,088	20,288	Habib Bank Ltd.	1,813,970	977,225	3,327,318	2,297,819
-	500	Habib Metropolitan Bank Ltd.	-	-	20,322	18,040
-	3,300	MCB Bank Ltd.	-	-	644,733	575,685
-	1,650	Meezan Bank Ltd.	-	-	136,497	143,814
70,000	70,000	National Bank Ltd. (refer note 15.2.1)	3,858,400	1,935,500	3,858,395	2,356,200
-	8,600	United Bank Ltd.	-	-	1,286,099	1,267,468
<b>Engineering</b>						
-	1,700	International Steel Ltd.	-	-	130,021	67,507
-	7,000	Mughal Iron & Steel Ind.	-	-	336,409	176,120
<b>Fertilizer</b>						
-	3,910	Engro Corporation Ltd.	-	-	1,101,395	1,038,496
5,000	15,500	Engro Fertilizers Ltd.	297,242	301,400	1,088,191	991,535
-	6,000	Engro Fertilizer Bin Qasim Ltd.	-	-	252,182	109,380
-	11,000	Fauji Fertilizer Co. Ltd.	-	-	1,131,476	959,200
<b>Food &amp; Personal Care Products</b>						
-	4,000	Fauji Foods Ltd.	-	-	126,723	52,760
2,800	2,800	Matco Foods Ltd.	82,488	53,368	82,475	75,656
<b>Glass &amp; Ceramics</b>						
-	2,800	Tariq Glass Ltd.	-	-	253,894	214,564
Carry forward			20,121,983	8,265,502	32,657,760	17,073,554



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Number of Shares		Investee	2020		2019	
			Cost	Market Value	Cost	Market Value
2020	2019		Rupees	Rupees	Rupees	Rupees
Brought forward			20,121,983	8,265,502	32,657,760	17,073,554
<b>Insurance</b>			-	-	-	-
-	5,500	Adamjee Insurance Ltd.	-	-	264,285	192,775
<b>Oil and Gas Exploration</b>			-	-	-	-
3,600	5,300	Pakistan Oilfields Limited	1,326,311	1,262,268	2,199,259	2,151,217
6,900	14,280	Pakistan Petroleum Limited	816,294	598,782	2,324,429	2,062,460
-	770	Mari Petroleum Co. Ltd.	-	-	981,410	777,184
-	11,000	Oil & Gas Development Company Ltd.	-	-	1,591,610	1,446,390
<b>Oil and Gas Marketing</b>			-	-	-	-
-	360	Attock Petroleum Ltd.	-	-	166,618	103,864
-	605	Hascol Petroleum Ltd.	-	-	130,381	41,515
-	2,120	Pakistan State Oil Co. Ltd.	-	-	532,415	359,616
-	3,500	Sui Northern Gas Pipelines Ltd.	-	-	321,532	243,215
<b>Paper &amp; Board</b>			-	-	-	-
3,000	3,000	Century Paper & Board Mills	202,710	214,710	202,714	93,450
-	1,325	Cherat Packaging Ltd.	-	-	205,562	106,848
<b>Pharmaceuticals</b>			-	-	-	-
-	1,000	Glaxo Smithkline Pak. Ltd.	-	-	115,123	95,330
<b>Power Generation &amp; Distribution</b>			-	-	-	-
25,000	25,000	Kot Addu Power Co. Ltd.	1,512,241	503,750	1,512,352	909,500
-	32,500	K-Electric Ltd.	-	-	194,326	142,674
6,500	6,500	Saif Power Ltd.	164,385	104,455	164,362	121,940
-	15,500	The Hub Power Co. Ltd.	-	-	1,364,015	1,220,624
<b>Refinery</b>			-	-	-	-
-	250	Attock Refinery Ltd.	-	-	41,885	19,317
-	400	National Refinery Ltd.	-	-	129,109	45,387
<b>Technology &amp; Communication</b>			-	-	-	-
4,400	4,400	Systems Ltd.	412,896	808,192	412,876	422,267
<b>Textile Composite</b>			-	-	-	-
-	11,500	Gul Ahmed Textile Mills Ltd.	-	-	526,242	541,880
-	5,000	Nishat (Chunian) Ltd.	-	-	250,927	175,100
-	4,700	Nishat Mills Ltd.	-	-	643,250	438,697
			<b>24,556,820</b>	<b>11,757,659</b>	<b>46,932,442</b>	<b>29,861,817</b>
Less: Impairment against investments			-	-	-	-
Less: Deficit on remeasurement (refer note 22 & 15.4)			(12,799,161)	-	(17,070,625)	-
			<b>11,757,659</b>	<b>11,757,659</b>	<b>29,861,817</b>	<b>29,861,817</b>

**15.2.1** This represents investment in shares of associated undertaking which has been made in accordance with the requirements under the Act 2017.



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### 15.3 Quoted Shares (At fair value through profit or loss)

Number of Shares		Investee	2020		2019	
			Cost	Market Value	Cost	Market Value
2020	2019		Rupees	Rupees	Rupees	Rupees
(The face value of each share is Rs.10/-)						
<b>Automobile Assembler</b>						
700	-	Honda Atlas Cars (Pak) Ltd.	107,646	135,576	-	-
550	-	Millat Tractors Limited	375,034	388,388	-	-
<b>Automobile Parts &amp; Accessories</b>						
1,600	-	Agriauto Industries Ltd.	278,656	291,200	-	-
1,000	-	Thal Limited	357,380	324,940	-	-
<b>Cement</b>						
820	-	Cherat Cement Ltd.	57,252	71,479	-	-
4,100	-	D. G. Khan Cement Ltd.	273,921	349,853	-	-
3,000	-	Fauji Cement Company Limited	43,320	50,640	-	-
8,180	-	Kohat Cement Co. Ltd.	595,177	1,124,341	-	-
2,700	-	Lucky Cement Ltd.	1,146,717	1,246,266	-	-
7,000	-	Maple Leaf Cement Factory Ltd.	171,780	181,860	-	-
<b>Chemicals</b>						
2,000	-	DYNEA Pakistan Limited	184,800	215,640	-	-
25,000	-	Engro Polymer & Chemical Ltd.	724,250	624,500	-	-
200	-	ICI Pakistan Limited	125,024	138,942	-	-
9,500	-	Sitara Chemicals	180,785	193,895	-	-
<b>Commercial Banks</b>						
5,900	-	Allied Bank Ltd.	586,687	451,822	-	-
42,850	-	Bank Al-Falah Ltd.	1,983,527	1,438,475	-	-
20,500	-	Bank Al-Habib Ltd.	1,564,355	1,072,150	-	-
22,000	-	Bank of Punjab	286,660	184,800	-	-
13,600	-	Habib Bank Ltd.	1,982,118	1,317,432	-	-
4,100	-	MCB Bank Ltd.	788,143	664,487	-	-
5,650	-	Meezan Bank Ltd.	491,550	389,003	-	-
6,700	-	United Bank Ltd.	1,030,192	692,512	-	-
<b>Engineering</b>						
3,500	-	Amreli Steels Limited	101,955	114,240	-	-
1,500	-	International Ind. Ltd.	151,935	137,595	-	-
8,200	-	International Steel Ltd.	475,682	423,530	-	-
21,000	-	Ittefaq Iron Industries Ltd	242,970	145,110	-	-
13,500	-	Mughal Iron & Steel Ind.	551,610	538,380	-	-
<b>Fertilizer</b>						
4,910	-	Engro Corporation Ltd.	1,400,676	1,438,237	-	-
15,000	-	Engro Fertilizers Ltd.	938,958	904,200	-	-
15,000	-	Fauji Fertilizer Bin Qasim Ltd.	332,850	239,400	-	-
12,900	-	Fauji Fertilizer Co. Ltd.	1,263,297	1,418,871	-	-
<b>Glass &amp; Ceramics</b>						
7,200	-	Tariq Glass Ltd.	418,968	464,544	-	-
Carry forward			19,213,875	17,372,308	-	-



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		2020		2019	
Number of Shares		Cost	Market Value	Cost	Market Value
2020	2019	Rupees	Rupees	Rupees	Rupees
Brought forward		19,213,875	17,372,308	-	-

**15.3.1** This represents investment in shares of associated undertaking which has been made in accordance with the requirements under the Companies Act, 2017.



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### 15.4 Mutual Funds (At fair value through other comprehensive income)

Number of Units		Investee	2020		2019	
			Cost	Market Value	Cost	Market Value
2020	2019		Rupees	Rupees	Rupees	Rupees
<b>Open-End Mutual Fund</b>						
-	1,622,639	NBP Stock Fund 15.3.1	-	-	25,000,000	19,459,661
-	30,000	HBL Growth Fund	-	-	576,000	493,581
<b>Close-End Mutual Fund</b>						
-	30,000	HBL Growth Fund Class A (formerly PICIC Growth Fund)	522,300	225,000	522,300	309,900
			522,300	225,000	26,098,300	20,263,142
		Less: Deficit on remeasurement	(297,300)	-	(5,835,158)	-
			<u>225,000</u>	<u>225,000</u>	<u>20,263,142</u>	<u>20,263,142</u>

**15.4.1** This represents investment in units of mutual fund of associated undertaking which has been made in accordance with the requirements of the Companies Act, 2017.

### 15.5 Mutual Funds (At fair value through profit or loss)

Number of Units		Investee	2020		2019	
			Cost	Market Value	Cost	Market Value
2020	2019		Rupees	Rupees	Rupees	Rupees
<b>Open-End Mutual Fund</b>						
1,622,639	-	NBP Stock Fund 15.4.1	19,059,518	19,420,069	-	-
324,865	-	ABL Growth Fund	3,705,018	3,754,105	-	-
30,763	-	HBL Growth Fund	461,736	467,953	-	-
<b>Close-End Mutual Fund</b>						
-	-	HBL Growth Fund Class A (formerly PICIC Growth Fund)	-	-	-	-
			23,226,272	23,642,127	-	-
		Less: Deficit on remeasurement	415,855	-	-	-
			<u>23,642,127</u>	<u>23,642,127</u>	<u>-</u>	<u>-</u>

**15.5.1** This represents investment in units of mutual fund of associated undertaking which has been made in accordance with the requirements of the Companies Act, 2017.



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	Note	2020 Rupees	2019 Rupees
<b>15.6 DEFICIT ON REMEASUREMENT OF INVESTMENTS</b>			
<b>Fair value through other comprehensive income</b>			
Balance at the beginning of the year		22,905,783	9,083,698
(Reversal) / charged for the year		(9,809,322)	13,822,085
Balance at the end of the year	15.2 & 15.4	<u>13,096,461</u>	<u>22,905,783</u>
<b>16 SHORT-TERM PLACEMENTS</b>			
Term deposit receipts (TDR)	16.1	<u>40,000,000</u>	<u>420,000,000</u>
<b>16.1</b>	This represents placements with financial institutions under term deposit receipts carrying markup rate of 13% per annum (2019: 12.5% to 14% per annum).		
<b>17 MARKUP / INTEREST ACCRUED</b>			
Accrued profit/markup/interest on:			
- Government securities		19,296,834	-
- Term finance certificates/sukuk		24,650,778	24,952,734
- Term finances		48,127,647	50,805,354
- Placements		1,103,296	9,988,500
		<u>93,178,555</u>	<u>85,746,588</u>
Less : provision for markup/interest		<u>(24,678,110)</u>	<u>(24,678,110)</u>
		<u>68,500,445</u>	<u>61,068,478</u>
<b>18 PREPAYMENTS AND OTHER RECEIVABLES</b>			
Prepayments		1,416,106	845,613
Other receivable			
- Dividend receivable		864	-
- Miscellaneous		234,621	66,000
		<u>1,651,591</u>	<u>911,613</u>
<b>19 CASH AND BANK BALANCES</b>			
Balance with banks			
- Deposit accounts	19.1	21,991,547	35,996,693
- Dividend payment account with MCB		5,362,468	-
- Current account with State Bank of Pakistan		240,294	262,932
Cash in hand		11,700	3,420
		<u>27,606,009</u>	<u>36,263,045</u>
<b>19.1</b>	Effective markup rate in respect of deposit accounts ranges from 4.5% to 14% (2019: 4.5% to 12%) per annum.		



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	Note	2020 Rupees	2019 Rupees
<b>20 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>			
28,500,000 (2019: 28,500,000) ordinary shares of Rs. 10 each issued as fully paid in cash.		285,000,000	285,000,000
36,500,000 (2019: 36,500,000) ordinary shares of Rs. 10 each issued as fully paid bonus shares.		365,000,000	365,000,000
		<b>650,000,000</b>	<b>650,000,000</b>
<b>21 RESERVES</b>			
<b>Capital</b>			
Statutory reserve	21.1	-	-
<b>Revenue</b>			
Accumulated loss		95,027,077	92,830,246
		<b>95,027,077</b>	<b>92,830,246</b>
<b>21.1 Statutory reserve</b>			
Opening balance		-	134,582,762
Transferred to general reserve	21.2	-	(134,582,762)
Closing balance		-	-
<b>21.2</b> As per the requirement of regulation no. 16 of the Non Banking Finance Companies Regulations 2008, the requirement of creating Statutory Reserves has ceased to be applicable for the the Investment Bank subsequent of its opting to act as Non Deposit taking Investment Bank status w.e.f July 01, 2018. Accordingly, the entire statutory reserve amount is transferred to general reserve.			
	Note	2020 Rupees	2019 Rupees
<b>22 DEFICIT ON REMEASUREMENT OF INVESTMENTS - NET</b>			
Fair value through other comprehensive income			
Government securities		13,134,000	-
Shares-long term	9.4	(2,594,830)	(3,124,930)
Shares-short term	15.2	(12,799,161)	(17,070,625)
Mutual Fund	15.4	(297,300)	(5,835,158)
Related deferred tax (asset)		(3,679,359)	1,792,964
		<b>(6,236,650)</b>	<b>(24,237,749)</b>
<b>23 DEFERRED LIABILITY - STAFF GRATUITY</b>			
<b>23.1 Actuarial Assumptions</b>			
As disclosed in note 4.12.1, the Investment Bank operates a funded gratuity scheme for its staff employees. The latest actuarial valuation was carried out as at June 30, 2020 using the Projected Unit Credit Actuarial Cost Method.			



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	Note	2020 Rupees	2019 Rupees
<b>23.2 Defined benefit liability recognized in balance sheet</b>			
Present value of defined benefit obligation	23.3	8,355,334	6,660,846
Fair value of plan assets	23.4	4,142,307	(3,578,669)
Benefits due but not paid		-	-
Defined benefit liability recognized		<u>12,497,641</u>	<u>3,082,177</u>
<b>23.3 Changes in the present value of the defined benefit obligation</b>			
Opening defined benefit obligation		6,660,846	5,954,769
Current service cost		827,430	742,922
Interest cost		941,544	535,930
Benefits due but not paid		-	-
Benefits paid		(107,043)	-
Re-measurements chargeable in other comprehensive income		<u>32,557</u>	<u>(572,775)</u>
		<u>8,355,334</u>	<u>6,660,846</u>
<b>23.4 Changes in the fair value of plan assets</b>			
Opening fair value of plan assets		3,578,669	3,524,350
Contribution		-	-
Interest income on plan assets		502,334	317,192
Benefits paid		(107,043)	-
Return on plan assets, excluding interest income		<u>168,347</u>	<u>(262,873)</u>
		<u>4,142,307</u>	<u>3,578,669</u>
<b>23.5 Movement in net liability</b>			
Opening liability		3,082,177	2,430,419
Expense recognized in statement of profit or loss	23.6	1,266,640	961,660
Re-measurements recognized in other comprehensive income	23.7	(135,790)	(309,902)
Contribution		-	-
Closing liability		<u>4,213,027</u>	<u>3,082,177</u>
<b>23.6 Expense recognized in statement of profit or loss</b>			
Current service cost		827,430	742,922
Interest cost		941,544	535,930
Expected return on plan assets		<u>(502,334)</u>	<u>(317,192)</u>
		<u>1,266,640</u>	<u>961,660</u>
<b>23.7 Re-measurements recognized in other comprehensive income</b>			
Experience adjustments		32,557	(572,775)
Return on plan assets - excluding interest income		(168,347)	262,873
		<u>(135,790)</u>	<u>(309,902)</u>
Related deferred tax (asset)		<u>39,379</u>	<u>89,872</u>
		<u>(96,411)</u>	<u>(220,030)</u>



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**23.8** 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:

	2020	2019	2018	2017	2016
	-----Rupees-----				
Present value of defined obligation	8,355,334	6,660,846	5,954,769	5,026,310	10,640,382
Fair value of plan assets	(4,142,307)	(3,578,669)	(3,524,350)	(6,182,293)	(5,922,616)
	<u>4,213,027</u>	<u>3,082,177</u>	<u>2,430,419</u>	<u>(1,155,983)</u>	<u>4,717,766</u>

### Breakup of Investments - at fair value

	2020 Rupees	2019 Rupees
Investment in National Savings (including accrued interest)	-	-
Investment in KAPCO Shares - 500 Shares @ Rs. 20.15 each (2019: 36.38 each)	10,075	18,190
TDR's with accrued interest	5,621,452	-
Cash at bank	338,678	4,783,173
Less: assets for defined contribution scheme	<u>(1,827,898)</u>	<u>(1,222,694)</u>
	<u>4,142,307</u>	<u>3,578,669</u>

### Significant Actuarial Assumption

	2020 Percentage	2019 Percentage
Discount rate used for interest cost in profit and loss charge	14.25%	9.00%
Discount rate used for year end obligation	8.50%	14.25%

### Maturity profile of present value of defined benefit obligation

Weighted average duration of the present value of defined benefit obligation (in years)	9	8
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### Plan assets comprise

	2020 Percentage	2019 Percentage
Bond	94.16%	0.00%
Equity	0.17%	0.38%
Cash and /or deposits	5.67%	99.62%
	<u>100.00%</u>	<u>100.00%</u>

### Sensitivity Analysis on significant actuarial assumptions:

	2020 Rupees	2019 Rupees
Discount Rate +100 bps	7,682,472	6,135,238
Discount Rate - 100 bps	9,123,514	7,258,603
Expected rate of salary increase + 100 bps	9,116,019	7,253,072
Expected rate of salary increase - 100 bps	7,676,614	6,130,886



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These figures are based on the latest actuarial valuation as at June 30, 2020. The valuation uses the Projected Unit Credit Actuarial Cost Method.

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

The expected gratuity expense for the year ending June 30, 2020 works out to be Rs.1.220 million.

### 24 LEASE LIABILITY

Rental contracts are made for a fixed period subject to renewal upon mutual consent of Company and lessor. Wherever practicable the Company seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The future lease payments have been discounted using average borrowing rate as at 30 June 2020.

	Note	2020 Rupees	2019 Rupees
Present value of minimum lease payments		12,463,474	-
Less: current portion of lease liabilities		(3,826,380)	-
		<u>8,637,094</u>	<u>-</u>
Maturity analysis			
Not later than 1 year		4,689,480	-
later than 1 year		9,378,960	-
		<u>14,068,440</u>	<u>-</u>

### 25 LONG-TERM LOAN

#### From Banking Companies - Secured

National Bank of Pakistan (NBP) - an associated undertaking	25.1	93,750,000	140,625,000
Current portion of long term loans		(31,250,000)	(78,125,000)
		<u>62,500,000</u>	<u>62,500,000</u>

- 25.1** The Investment Bank has obtained a five year term loan in FY-2016 from National Bank of Pakistan, an associated company, with a grace period of one year. The loan is repayable in 16 equal quarterly installments commencing from July 2017 and carried markup @ 3 months KIBOR plus 0.75% per annum (2019: KIBOR plus 0.75%), maturing in June 2021. The loan is secured by first pari passu hypothecation charge over all present and future assets of the Investment Bank.

	Note	2020 Rupees	2019 Rupees
<b>26 SECURITY DEPOSIT AGAINST FINANCE LEASE</b>	26.1	<u>418,600</u>	<u>752,000</u>

- 26.1** These represent deposit against finance lease and are adjustable against the residual value of the asset leased at the expiry of respective lease term.



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	Note	2020 Rupees	2019 Rupees
<b>27 SHORT-TERM RUNNING FINANCE FACILITY</b>			
MCB Bank Limited	27.1	32,246,447	375,978,184
National Bank of Pakistan - an associated undertaking	27.2	49,992,033	99,999,951
		<u>82,238,480</u>	<u>475,978,135</u>
<b>27.1</b>	This represents short term running finance obtained against TDR from MCB Bank Limited carrying markup rate of 3 month KIBOR plus 0.5% (2019: 3 month KIBOR plus 0.6%) per annum.		
<b>27.2</b>	This represents short term running finance obtained with a limit of Rs.100 million (2019: 100 million) carrying markup at a rate based on 3 month KIBOR plus 1% (2019: 3 month KIBOR + 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.		
<b>28 SHORT-TERM REPO BORROWING</b>			
Repo borrowing against PIBs		<u>650,000,000</u>	<u>-</u>
This represents short repo borrowing against PIBs @ mark-up ranging from 8.5% to 8.6% (2019: Nil).			
<b>29 MARKUP / INTEREST ACCRUED</b>			
<b>Mark-up accrued on:</b>			
<b>Secured</b>			
Loans and borrowings including running finance facility	29.1	7,738,870	15,139,704
<b>Unsecured</b>			
Certificates of deposits		<u>1,560,137</u>	<u>1,560,137</u>
		<u>9,299,007</u>	<u>16,699,841</u>
<b>29.1</b>	This amount includes markup due to National Bank of Pakistan, an associated undertaking.		
<b>30 ACCRUED EXPENSES AND OTHER PAYABLES</b>			
Guarantee margin		-	24,000,000
Accrued expenses		9,067,111	2,648,124
Other liabilities		<u>59,594,578</u>	<u>2,923,034</u>
		<u>68,661,689</u>	<u>29,571,158</u>
<b>31 CONTINGENCIES AND COMMITMENTS</b>			
<b>Contingencies</b>			
There are no contingencies as at the reporting date (2019: Nil)			
<b>Commitments</b>			
Standby letter of credit	31.1	40,001,082	43,907,813
Letter of credit exposure - Pioneer Cement Limited.		-	9,731,326
Letter of credit exposure - Power Cement Limited.		<u>-</u>	<u>1,637,762</u>





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**31.1** 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, cost 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, 2021.

	Note	2020 Rupees	2019 Rupees
<b>32 INCOME FROM TERM FINANCES AND FUNDS PLACEMENTS</b>			
Income from long-term finances		88,345,983	57,393,193
Return on fund placements with financial institutions	32.1	25,561,833	48,045,190
		<u>113,907,816</u>	<u>105,438,383</u>
<b>32.1 Return on fund placements with financial institutions</b>			
- bank balance		3,598,463	13,660,595
- term deposit receipts		21,963,370	34,384,595
		<u>25,561,833</u>	<u>48,045,190</u>
<b>33 INCOME FROM INVESTMENTS</b>			
Return on government securities		17,323,853	-
Return on term finance certificates / sukuks		3,106,842	3,526,747
Dividend income	33.1	1,821,264	1,849,975
Capital gain on securities		25,015,996	248,690
		<u>47,267,955</u>	<u>5,625,412</u>
<b>33.1 Scrip wise details of dividend is as follows:</b>			
Adamjee Insurance Company Limited		5,500	13,750
Allied Bank Limited		177,200	185,800
Askari Bank Limited		-	2,500
Attock Petroleum Limited		4,900	11,100
Bank Al-Falah Limited		125,400	58,775
Bank Al-Habib Limited		68,250	33,750
The Bank of Punjab		16,500	25,500
Ceuntry Paper & Board Mills Limited		3,000	2,250
Cherat Cement Limited		1,200	2,800
Cherat Packaging Limited		3,313	10,813
D.G.Khan Cement Company Limited		2,100	5,950
Engro Corporation Limited		104,430	86,770
Engro Fertilizer Limited		209,000	208,000
Engro Polymer & Chemical Limited		17,300	11,100
Fauji Fertilizer Bin Qasim Limited		-	6,000
Fauji Fertilizer Limited		119,850	96,750
Glaxo Smithkline Pakistan Limited		15,600	7,000
Gul Ahmed Textile Mills Limited		22,500	15,000
Habib Bank Limited		108,565	84,220
Habib Metropolitan Bank Limited		-	1,000
<b>Carry forward</b>		<b>1,004,608</b>	<b>868,828</b>



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	Note	2020 Rupees	2019 Rupees
<b>Brought forward</b>		<b>1,004,608</b>	868,828
Hascol Petroleum Limited		-	2,100
Indus Motor Company Limited		<b>1,010</b>	4,200
International Steel Limited		<b>2,550</b>	15,450
Interloop Limited		<b>3,000</b>	-
JS Principal Secured Fund		-	101,312
Kohat Cement Company Limited		<b>450</b>	3,000
Kot Addu Power Company Limited		<b>115,500</b>	157,500
Lucky Cement Limited		<b>7,800</b>	8,800
Mari Petroleum Company Limited		<b>6,570</b>	5,090
Matco Foods Limited		<b>1,960</b>	2,400
MCB Bank Limited		<b>76,200</b>	52,400
Meezan Bank Limited		<b>17,100</b>	4,500
Millat Tractor Limited		<b>11,000</b>	10,500
Maple Leaf Cement Factory Limited		<b>3,250</b>	-
Mehran Sugar Mills Limited		<b>3,656</b>	-
Mughal Iron & Steel Industries Limited		<b>13,200</b>	5,500
Nishat (Chunian) Limited		<b>12,500</b>	43,000
Nishat Mills Limited		<b>18,800</b>	19,950
Oil & Gas Development Limited		<b>70,550</b>	86,900
Pakistan Oil Fields Limited		<b>267,000</b>	231,000
Pakistan Petroleum Limited		<b>27,960</b>	16,800
Pakistan State Oil Company Limited		<b>10,600</b>	22,600
Packages Limited		<b>4,800</b>	-
Pioneer Cement Limited.		-	24,420
Saif Power Limited		<b>19,500</b>	8,450
Searle Company Limited		<b>1,250</b>	-
Sui North Gas Pipelines Limited		<b>4,000</b>	24,675
Systems Limited		<b>9,900</b>	8,000
Tariq Glass Limited		<b>11,200</b>	18,000
Thal Limited		<b>1,500</b>	-
The Hub Power Company Limited		-	23,800
United Bank Limited		<b>93,850</b>	80,800
		<b>1,821,264</b>	1,849,975

### 34 FEES AND COMMISSION INCOME

Guarantee commission	<b>326,958</b>	277,457
Processing & participation fee	-	4,983,469
	<b>326,958</b>	5,260,926



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	Note	2020 Rupees	2019 Rupees
<b>35 OTHER INCOME</b>			
Interest income on loan to employees		80,933	99,235
Gain on disposal of fixed asset		32,628	-
Miscellaneous		542,400	419,735
		<u>655,961</u>	<u>518,970</u>
<b>36 FINANCE COSTS</b>			
Markup/Interest on:			
- Long-term loans		15,176,598	16,176,309
- Short-term running finance facility		24,813,970	35,818,721
- Short-term repo borrowing		17,534,414	-
- Other charges		246,382	217,820
		<u>57,771,364</u>	<u>52,212,850</u>
<b>37 ADMINISTRATIVE AND OPERATING EXPENSES</b>			
Salaries and allowances	37.1 to 37.3	33,398,246	24,193,470
Travelling, conveyance and meeting charges		4,143,139	3,861,580
Printing and stationery		410,383	370,325
Rent, rates and taxes		4,670,238	4,254,867
Legal and professional		797,310	836,979
Repairs and maintenance		2,581,370	491,606
Auditors' remuneration	37.4	926,300	1,016,000
Newspaper and periodicals		31,035	22,355
Postage and courier services		160,160	37,363
Telephone, telex and fax		426,010	389,341
Electricity, gas and water charges		1,207,416	1,075,337
Advertisement and business promotion		751,696	507,136
Fees and subscription		2,557,565	2,230,603
Security guards		382,800	382,800
Insurance		767,654	723,746
Brokerage and commission		267,502	54,949
Motor vehicle running expenses		2,541,754	1,721,277
Office supplies		274,640	195,513
IT support		2,142,092	496,738
Amortization		845,762	-
Training		117,000	40,000
Depreciation	7	2,058,998	1,770,214
Corporate Social Responsibility		200,000	200,000
		<u>61,659,070</u>	<u>44,872,199</u>
<b>37.1 It includes charge for gratuity and provident fund as follows:</b>			
- Gratuity		1,266,640	961,660
- Provident fund		935,908	734,497
		<u>2,202,548</u>	<u>1,696,157</u>



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	Note	2020 Unaudited	2019 Audited
		Rupees	
<b>37.2 Disclosures relating to provident fund</b>			
(i) Size of the fund - net assets		14,612,838	11,399,481
(ii) Cost of Investment made		14,420,962	11,274,059
(iii) Percentage of Investment made		98.69%	98.90%

### Breakup of Investment -at fair value

Investment in National Savings	-	-
Deposit with Bank Accounts	14,420,962	11,274,059
	<u>14,420,962</u>	<u>11,274,059</u>
<b>Percentage of Investment</b>		
Investment in National Savings	0.0%	0.0%
Deposit Account	100%	100%
	<u>100%</u>	<u>100%</u>

**37.2.1** These investments are made meeting the requirement of Section 218 of the Companies Act, 2017 and Employee's Provident Fund Rules, 1996.

**37.3** The aggregate amounts incurred during the year for remuneration including all benefits to Chief Executive Officer, directors and executives of the Investment Bank are:

	2020			
	President & Chief Executive Officer	Executive	Directors	Total
	Rupees			
Director's meeting fee	-	-	2,840,000	2,840,000
Managerial remuneration	4,013,667	4,799,107	-	8,812,774
Allowance	2,408,203	3,439,562	-	5,847,765
Retirement benefits	609,850	467,198	-	1,077,048
Others	2,453,531	1,478,470	-	3,932,001
Total	<u>9,485,251</u>	<u>10,184,337</u>	<u>2,840,000</u>	<u>22,509,588</u>
Total numbers	1	3	7	
	2019			
	President & Chief Executive Officer	Executive	Directors	Total
	Rupees			
Director's meeting fee	-	-	2,520,000	2,520,000
Managerial remuneration	3,604,500	2,097,048	-	5,701,548
Allowance	2,162,700	1,502,952	-	3,665,652
Retirement benefits	548,481	217,500	-	765,981
Others	300,375	349,508	-	649,883
Total	<u>6,616,056</u>	<u>4,167,008</u>	<u>2,520,000</u>	<u>13,303,064</u>
Total numbers	1	3	7	



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**37.3.1** In addition, the chief executive officer and executives are provided with free use of Investment Bank provided cars in accordance with the terms of their employment.

	Note	2020 Rupees	2019 Rupees
<b>37.4 Auditors' remuneration</b>			
Statutory audit		565,000	565,000
Half yearly review		220,000	220,000
Other services	37.4.1	-	75,000
Out of pocket expenses		78,500	80,740
		863,500	940,740
Sales tax		62,800	75,260
		<u>926,300</u>	<u>1,016,000</u>

**37.4.1** It represents various certification provided under different rules and regulations.

### 38 TAXATION

Current		11,101,240	6,284,468
Prior		(572,523)	(352,668)
Deferred	13.2	(1,422,556)	(246,253)
		<u>9,106,161</u>	<u>5,685,547</u>

#### 38.1 Relationship between tax expense and accounting profit

Profit before taxation		37,809,600	15,202,846
Tax at applicable rate of 29% (2019: 29%)		29%	29%
Tax calculated at applicable tax rate		10,964,784	4,408,825
Impact of taxability at different rate		(264,062)	(264,062)
Prior year tax adjustment		(572,523)	(352,668)
Tax effect other than temporary difference		(1,022,038)	4,325,366
Effect of change in tax rate		-	(2,431,914)
Tax charge for the year		<u>9,106,161</u>	<u>5,685,547</u>

**38.2** The income tax assessment of the Investment Bank has been finalized up to the tax year 2019 under self assessment scheme.

	2020 Rupees	2019 Rupees
<b>39 EARNINGS PER SHARE -Basic and Diluted</b>		
Profit after taxation	<u>28,703,439</u>	<u>9,517,299</u>
	<b>Number of shares</b>	
Weighted average number of shares outstanding during the year	<u>65,000,000</u>	<u>65,000,000</u>
	<b>----- Rupees -----</b>	
Earnings per share (EPS)	<u>0.44</u>	<u>0.15</u>

There are no dilutive potential ordinary shares outstanding as at June 30, 2020 and June 30, 2019.



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	Note	2020 Rupees	2019 Rupees
<b>40 CASH AND CASH EQUIVALENT</b>			
Cash and bank balances	19	27,606,009	36,263,045
Short-term placements	16	40,000,000	420,000,000
Short-term running finance facility	27	(82,238,480)	(475,978,135)
Short-term repo borrowings		<u>(650,000,000)</u>	<u>-</u>
		<u>(664,632,471)</u>	<u>(19,715,090)</u>
<b>41 FINANCIAL INSTRUMENTS BY CATEGORY</b>			
<b>Financial assets as per statement of financial position</b>			
<b>At amortised cost</b>			
Investments		38,814,862	48,814,862
Loans and finances		544,940,393	630,217,660
Net investment in finance lease		1,234,087	2,528,436
Long term deposit's		57,500	57,500
Short-term placements		40,000,000	420,000,000
Markup/interest accrued		68,500,445	61,068,478
Other receivables		235,485	66,000
Cash and bank balances		<u>27,606,009</u>	<u>36,263,045</u>
		<u>721,388,781</u>	<u>1,199,015,981</u>
<b>Fair value through other comprehensive income</b>			
<b>Investments</b>		684,601,105	93,797,293
<b>Fair value through profit or loss</b>			
<b>Investments</b>		<u>160,298,115</u>	<u>-</u>
		<u>1,405,989,886</u>	<u>1,292,813,274</u>
<b>Financial liabilities as per statement of financial position</b>			
Loans and receivables at amortised cost			
Security deposit against finance lease		418,600	752,000
Long-term loan		93,750,000	140,625,000
Short-term running finance facility		82,238,480	475,978,135
Short-term repo borrowing		650,000,000	-
Lease liability		12,463,474	-
Markup / interest accrued		9,299,007	16,699,841
Accrued expenses and other payables		<u>68,661,689</u>	<u>27,063,238</u>
		<u>916,831,250</u>	<u>661,118,214</u>

## 42 FINANCIAL RISK MANAGEMENT

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

The Investment Bank'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. Risk of the Investment Bank are being managed by the Investment Bank's management in accordance with the approved policies of the Investment Bank whereas the board of directors has the overall responsibility for the establishment and oversight of the Investment Bank's risk management framework. The Investment Bank'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 Investment Bank's Finance Department under policies approved by the Board.



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## 42.1 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 Investment Bank 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 Investment Bank manages this risk by matching the re-pricing of financial assets and liabilities through risk management strategies.

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

### 42.1.1 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 Investment Bank, at present is not exposed to currency risk as all transactions are carried out in Pak Rupees.

### 42.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates. An entity is exposed to interest rate risk / 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 Investment Bank 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. 1,460.5 million (2019: Rs. 1,197.87 million) and Rs. 838.45 million (2019: Rs. 616.60 million) 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 Investment Bank's exposure to yield / market rate risk and the effective rates on its financial assets and liabilities are summarized as follows:

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
Rupees						
<b>As at June 30, 2020</b>						
<b>Financial Assets</b>						
Investments	16.60%	883,714,082	63,027,255	790,944,048	-	29,742,779
Loans and finances	15.00%	544,940,393	61,515,769	465,690,114	16,094,878	1,639,632
Net investment in finance lease	9.00%	1,234,087	666,600	567,487	-	-
Long-term deposits	-	57,500	-	-	-	57,500
Short-term placements	13.53%	40,000,000	40,000,000	-	-	-
Markup / interest accrued	-	68,500,445	-	-	-	68,500,445
Other receivables	-	235,485	-	-	-	235,485
Cash and bank balance	8.00%	27,606,009	21,991,547	-	-	5,614,462
		<b>1,566,288,001</b>	<b>187,201,171</b>	<b>1,257,201,649</b>	<b>16,094,878</b>	<b>105,790,303</b>
<b>Financial Liabilities</b>						
Security deposit against finance lease	-	418,600	-	-	-	418,600
Long-term loans	10.31%	93,750,000	31,250,000	62,500,000	-	-
Short-term running finance facility	8.59%	82,238,480	82,238,480	-	-	-
Short term repo borrowings	8.23%	650,000,000	650,000,000	-	-	-
Lease liability	-	12,463,474	3,826,380	8,637,094	-	-
Markup / interest accrued	-	9,299,007	-	-	-	9,299,007
Accrued expenses and other payables	-	68,661,689	-	-	-	68,661,689
		<b>916,831,250</b>	<b>767,314,860</b>	<b>71,137,094</b>	<b>-</b>	<b>78,379,296</b>
<b>On-balance sheet gap</b>		<b>649,456,751</b>	<b>(580,113,689)</b>	<b>1,186,064,555</b>	<b>16,094,878</b>	<b>27,411,007</b>

(Short-term repo borrowing is secured against liquid Government Securities which are readily encashable at any point of time)





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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
Rupees						
<b>As at June 30, 2019</b>						
<b>Financial Assets</b>						
Investments	11.07%	142,612,155	63,027,255	49,120,366	-	30,464,534
Loans and finances	13.00%	630,217,660	106,053,141	505,057,673	16,094,878	3,011,968
Net investment in finance lease	9.08%	2,528,436	922,451	1,605,985	-	-
Long-term deposits		57,500	-	-	-	57,500
Short-term placements	13.27%	420,000,000	420,000,000	-	-	-
Markup / interest accrued		61,068,478	-	-	-	61,068,478
Other receivables		66,000	-	-	-	66,000
Cash and bank balance	9.88%	36,263,045	35,996,693	-	-	266,352
		1,292,813,274	625,999,540	555,784,024	16,094,878	94,934,832
<b>Financial Liabilities</b>						
Security deposit against finance lease		752,000	-	-	-	752,000
Long-term loans	11.99%	140,625,000	78,125,000	62,500,000	-	-
Short-term running finance facility	11.73%	475,978,135	475,978,135	-	-	-
Markup / interest accrued		16,699,841	-	-	-	16,699,841
Accrued expenses and other payables		27,063,238	-	-	-	27,063,238
		661,118,214	554,103,135	62,500,000	-	44,515,079
On-balance sheet gap		<b>631,695,060</b>	<b>71,896,405</b>	<b>493,284,024</b>	<b>16,094,878</b>	<b>50,419,753</b>

### 42.1.3 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate as a result 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 Investment Bank 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 Investment Bank's senior management on regular basis. The Investment Bank's board of directors reviews and approves all equity and debt investment decisions. The Investment Bank is exposed to price risk since it has investments in quoted equity and debt securities amounting to Rs. 65.37 million (2019: 68.2 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

The table below summarizes Investment Bank's equity price risk as of June 30, 2020 and 2019 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 Investment Bank'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)
				Rupees	
June 30, 2020	29,742,779	10% increase	32,717,057	2,974,278	2,974,278
		10% decrease	26,768,501	(2,974,278)	(2,974,278)
June 30, 2019	77,879,810	10% increase	85,667,791	7,787,981	7,787,981
		10% decrease	70,091,829	(7,787,981)	(7,787,981)

### 42.2 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 Investment Bank 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 Investment Bank follows two sets of guidelines. It has its own operating policy and the management of the Investment Bank 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 Investment Bank 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 Investment Bank are given below:



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Investment and Finances *	2020		2019	
	Rupees	%	Rupees	%
Automobile Assembler	543,864	0.08%	24,078	0.00%
Constructions	7,176,140	1.05%	6,560,000	0.85%
Cable & Electrical Goods	11,465	0.00%	10,010	0.00%
Cement	228,645,076	33.41%	220,771,258	28.53%
Chemical	6,123,738	0.89%	2,864,247	0.37%
Close - End Mutual Fund	-	0.00%	309,900	0.04%
Open - End Mutual Fund	23,867,127	3.49%	19,953,242	2.58%
Commercial Banks	20,229,744	2.96%	31,385,061	4.06%
Engineering	1,358,855	0.20%	243,627	0.03%
Fertilizer	4,302,108	0.63%	3,098,611	0.40%
Food & Personal Care Products	53,368	0.01%	128,416	0.02%
Glass & Ceramics	464,544	0.07%	214,564	0.03%
Insurance	-	0.00%	192,775	0.02%
Oil & Gas Exploration Companies	7,741,264	1.13%	6,437,252	0.83%
Oil & Gas Marketing Companies	102,837,779	15.02%	118,248,209	15.28%
Paper & Board	544,164	0.08%	200,298	0.03%
Pharmaceuticals	552,223	0.08%	95,330	0.01%
Power Generation & Distribution	3,300,997	0.48%	4,948,519	0.64%
Refinery	-	0.00%	64,706	0.01%
Hotel Industries	21,428,572	3.13%	35,714,286	4.62%
Sugar & Allied Industries	230,827,120	33.72%	293,750,000	37.96%
Technology & Communication	4,141,516	0.61%	8,755,596	1.13%
Textile Composite	15,503,269	2.27%	14,985,057	1.94%
Textile Spinning	4,797,224	0.70%	4,797,224	0.62%
	<b>684,450,157</b>	<b>100%</b>	<b>773,752,266</b>	<b>100%</b>

\* Investment and finances are net of provisions.

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

Banks	Rating Agency	Rating	
		Short term	Long term
MCB Bank Ltd.	PACRA	A1+	AAA
National Bank of Pakistan	JCR-VIS	A1+	AAA
Allied Bank Ltd	PACRA	A1+	AAA
Khushhali Microfinance Bank	JCR-VIS	A-1	A+
Telenor Microfinance Bank Limited	PACRA	A1	A+
NRSP Microfinance Bank Limited	PACRA	A1	A
FINCA Microfinance Bank	JCR-VIS	A-1	A
U Microfinance Bank	JCR-VIS	A-1	A
The First Microfinance Bank	JCR-VIS	A-1	A+

### 42.3 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 Investment Bank 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 Investment Bank 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 Investment Bank 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 Investment Bank's history and the availability of liquid funds.



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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.

	Total	Within one year	More than one year and less than five years	More than five years
-----Rupees-----				
<b>As at June 30, 2020</b>				
<b>Financial Assets</b>				
Investments	883,714,082	127,262,003	756,452,079	-
Loans and finances	544,940,393	61,571,695	467,273,820	16,094,878
Net investment in finance lease	1,234,087	666,600	567,487	-
Long-term deposits	57,500	-	57,500	-
Short-term placements	40,000,000	40,000,000	-	-
Markup / interest accrued	68,500,445	68,500,445	-	-
Other receivables	235,485	235,485	-	-
Cash and bank balance	27,606,009	27,606,009	-	-
	1,566,288,001	325,842,237	1,224,350,886	16,094,878
<b>Financial Liabilities</b>				
Security deposit against finance lease	418,600	333,400	85,200	-
Long-term loans	93,750,000	31,250,000	62,500,000	-
Short-term running finance facility	82,238,480	82,238,480	-	-
Short term repo borrowings	650,000,000	650,000,000	-	-
Lease liability	12,463,474	3,826,380	8,637,094	-
Markup / interest accrued	9,299,007	9,299,007	-	-
Accrued expenses and other payables	68,661,689	68,661,689	-	-
	916,831,250	845,608,956	71,222,294	-
<b>On-balance sheet gap</b>	<b>649,456,751</b>	<b>(519,766,719)</b>	<b>1,153,128,592</b>	<b>16,094,878</b>

	Total	Within one year	More than one year and less than five years	More than five years
-----Rupees-----				
<b>As at June 30, 2019</b>				
<b>Financial Assets</b>				
Investments	142,612,155	113,152,214	29,459,941	-
Loans and finances	630,217,660	106,109,067	508,013,715	16,094,878
Net investment in finance lease	2,528,436	922,451	1,605,985	-
Long-term deposits	57,500	-	57,500	-
Short-term placements	420,000,000	420,000,000	-	-
Markup / interest accrued	61,068,478	61,068,478	-	-
Other receivables	66,000	66,000	-	-
Cash and bank balance	36,263,045	36,263,045	-	-
	1,292,813,274	737,581,255	539,137,141	16,094,878
<b>Financial Liabilities</b>				
Security deposit against finance lease	752,000	333,400	418,600	-
Long-term loans	140,625,000	78,125,000	62,500,000	-
Short-term running finance facility	475,978,135	475,978,135	-	-
Markup / interest accrued	16,699,841	16,699,841	-	-
Accrued expenses and other payables	27,063,238	27,063,238	-	-
	661,118,214	598,199,614	62,918,600	-
<b>On-balance sheet gap</b>	<b>631,695,060</b>	<b>139,381,641</b>	<b>476,218,541</b>	<b>16,094,878</b>



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**43 CAPITAL RISK MANAGEMENT**

The objective of managing capital is to safeguard the Investment Bank 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 Investment Bank 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 Investment Bank 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 Investment Bank consist of equity comprising issued share capital, statutory reserves and un-appropriated profits.

**Goals of managing capital**

The goals of managing capital of the Investment Bank 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 NBFC's & NE's Regulations 2008 issued by SECP prescribed the minimum equity requirements for NBFCs licensed by the Commission to undertake different form of business.

**44 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The fair values of all financial instruments as at year end 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 Investment Bank 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.

2020			
	Level 1	Level 2	Level 3
	----- Rupees -----		
Listed securities	80,842,544	-	-
Unlisted securities	-	11,357,224	-
	<u>80,842,544</u>	<u>11,357,224</u>	<u>-</u>
2019			
	Level 1	Level 2	Level 3
	----- Rupees -----		
Listed securities	88,185,314	-	-
Unlisted securities	-	11,357,224	-
	<u>88,185,314</u>	<u>11,357,224</u>	<u>-</u>

### c) Other financial instruments

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

## 45 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:

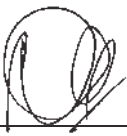
	Note	2020 Rupees	2019 Rupees
<b>Associated Undertakings</b>			
<b>Transactions during the year</b>			
<b>National Bank of Pakistan (NBP holds 30.77% of FCIBL Shares)</b>			
Mark-up on long-term loan	36	<u>15,176,598</u>	<u>16,176,309</u>
Mark-up on running finance		<u>11,673,415</u>	<u>10,106,031</u>
Rent paid		<u>4,515,678</u>	<u>4,106,020</u>
<b>NBP Fund Management Limited (NBP holds 54% of NBP Fund Management Ltd. Shares)</b>			
Fees & Commission Expense		<u>320,000</u>	<u>271,430</u>



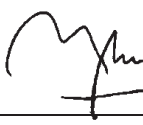
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	Note	2020 Rupees	2019 Rupees
<b>Taurus Securities Limited</b> (NBP holds 58.32% of Taurus Securities Limited Shares)			
Brokerage expense		48,675	26,886
<b>Balance at year end</b>			
<b>National Bank of Pakistan</b> (NBP holds 30.77% of FCIBL Shares)			
Investment in shares at cost	15.2	3,858,400	3,858,400
Long-term loan	25.1	93,750,000	140,625,000
Short term running finance	27.2	49,992,033	99,999,951
<b>NAFA Stock Fund</b> (NBP holds 54% shares of NBP Fund Management Limited - Management Company of the Fund)	15.4	19,059,518	25,000,000
<b>Key Management Personnel</b>			
Salaries, benefits and other allowances	37.3	19,203,588	10,783,064
Retirement benefits	37.3	1,077,048	765,981
Return on long-term loans		-	-
Balance at year end		435,418	3,001,405
<b>Staff Retirement Plans</b>			
Contribution to staff retirement Plans	37.1	935,908	734,497
		<b>2020</b>	<b>2019</b>
<b>46 EMPLOYEES</b>		<b>Numbers</b>	
Employees at the end of the year		19	18
Average employees during the year		18	18
<b>47 GENERAL</b>			
Figures have been rounded off to the nearest rupees.			
<b>48 DATE OF AUTHORIZATION FOR ISSUE</b>			
These financial statements was authorized for issue on September 29, 2020 by the Board of Directors of the Investment Bank.			



**MUHAMMAD KAMRAN**  
Chief Financial Officer



**MUHAMMAD MOHSIN ALI**  
President & CEO



**MUHAMMAD NAEEMUDDIN**  
Director



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## PATTERN OF SHAREHOLDING AS AT JUNE 30, 2020

Number of Shareholders	Shareholding From	To	Total number of Shares held	Percentage %
243	1	100	4,207	0.0065
528	101	500	248,969	0.3830
69	501	1,000	64,446	0.0991
51	1,001	5,000	124,051	0.1908
7	5,001	10,000	52,500	0.0808
4	10,001	15,000	49,000	0.0754
2	30,001	35,000	65,000	0.1000
1	40,001	45,000	44,000	0.0677
1	45,001	50,000	47,000	0.0723
1	100,001	105,000	102,500	0.1577
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	1,2795,000	12,790,378	19.6775
2	19,995,001	20,000,000	40,000,000	61.5385
<b>912</b>	<b>Company</b>	<b>Total</b>	<b>65,000,000</b>	<b>100.0000</b>

The Slabs representing nil holding have been omitted

Categories of Shareholders	Number	Shares Held	Percentage
Directors / Chief Executive	4	3,000	0.0047%
Associated companies, undertakings & related parties	5	64,198,327	98.7667%
General Public			
Local	895	763,536	1.1746%
Foreign	6	30,637	0.0471%
Others	2	4,500	0.0069%
<b>Total</b>	<b>912</b>	<b>65,000,000</b>	<b>100.0000%</b>



## PATTERN OF SHAREHOLDING AS REQUIRED UNDER THE CODE OF CORPORATE GOVERNANCE AS AT JUNE 30, 2020

Categories of Shareholders	Number of Shareholders	Shares Held	Percentage %
<b>Associated Companies, Undertakings Related Parties Sponsors &amp; Acquirers</b>			
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%
	<u>5</u>	<u>64,198,327</u>	<u>98.7666%</u>
<b>Mutual Fund</b>			
<b>NIT and ICP</b>			
<b>Directors, Chief Executive and their spouses and minor children</b>			
Mr. Muhammad Naeemuddin	1	500	0.0008%
Mr. Muhammad Iqbal Hussain	1	500	0.0008%
Mrs. Nina Afridi	1	500	0.0008%
Mr. Muhammad Mohsin Ali	1	1,500	0.0023%
<b>Executives</b>			
<b>Public Sector Companies &amp; Corporation Banks, Development Finance Institutions Non-Banking Companies and Mutual Funds</b>			
General Public	901	794,173	1.2218%
Others	2	4,500	0.0069%
<b>Total</b>	<b>912</b>	<b>65,000,000</b>	<b>100.0000%</b>

### 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 Friday,  
October 23, 2020 at 05:00 p.m. at First Credit and Investment Bank Ltd. 2nd Floor, Sidco Avenue Centre,  
Stratchen Road, Karachi -74200.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

**1. Witness:**

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
CNIC or  
Passport # \_\_\_\_\_

**2. Witness:**

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
CNIC or  
Passport # \_\_\_\_\_

Signature

Signature on  
Rs. 5/-  
Revenue Stamp

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

**IMPORTANT:**

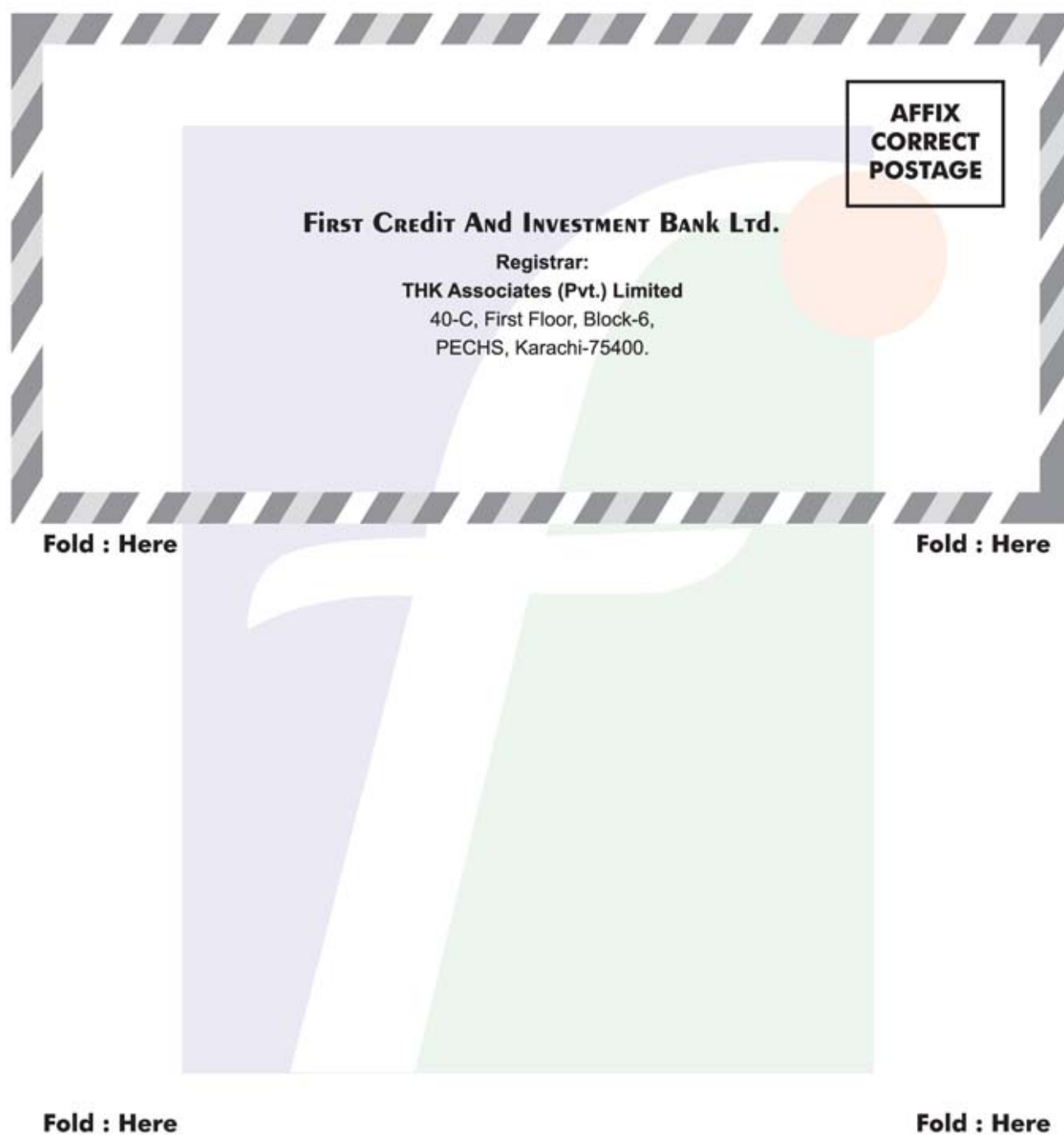
- In order to be effective, the proxy forms must be received at the office of our Registrar THK Associates (Pvt.) Limited, 40-C, First Floor, Block-6, PECHS, Karachi-75400 not later than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signatures, names, address 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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**FIRST CREDIT AND INVESTMENT BANK LTD.**



# پراکسی فارم

## کمپنی سیکرٹری

فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ

سیکنڈ فلور سڈ کوسینٹر اسٹیرجین روڈ

کراچی 74200

\_\_\_\_\_ میں / ہم متنی / مسماۃ \_\_\_\_\_ ساکن \_\_\_\_\_ بحیثیت ممبر فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ اور حامل  
\_\_\_\_\_ عام حصص، رجسٹرڈ فولیو نمبر \_\_\_\_\_ کے تحت اور یا سی ڈی سی شراکتہ آر آئی ڈی نمبر \_\_\_\_\_ اور ذیلی اکاؤنٹ نمبر \_\_\_\_\_  
\_\_\_\_\_ یہاں محترم / محترمہ \_\_\_\_\_ ساکن \_\_\_\_\_ یا ان کی جگہ محترم / محترمہ \_\_\_\_\_  
\_\_\_\_\_ ساکن \_\_\_\_\_ کو بطور اپنا حق راور ووٹ دینے کیلئے اپنا پراکسی تقرر کرتا / کرتی ہوں جو میری جگہ کمپنی کے سالانہ اجلاس عام جو بروز جمعہ 23 اکتوبر 2020  
بوقت شام 05:00 بجے فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ، سیکنڈ فلور سڈ کوسینٹر اسٹیرجین روڈ، کراچی 74200 میں منعقد ہو رہا ہے شرکت کرے۔

بروز \_\_\_\_\_ بتاریخ \_\_\_\_\_ 2020 کو دستخط کیا گیا۔

### گواہ نمبر-۱

پانچ روپے کے ریونیو اسٹیپ پر  
(یہ دستخط کمپنی کے پاس رجسٹرڈ  
نمونے سے مطابقت ہونا لازمی ہے۔)

دستخط

\_\_\_\_\_ نام  
\_\_\_\_\_ پتہ  
\_\_\_\_\_ پاسپورٹ / CNIC نمبر  
\_\_\_\_\_ دستخط

### گواہ نمبر-۲

\_\_\_\_\_ نام  
\_\_\_\_\_ پتہ  
\_\_\_\_\_ پاسپورٹ / CNIC نمبر  
\_\_\_\_\_ دستخط

### اہم نکات۔

باضابطہ و موثر ہونے کیلئے دستخط شدہ ممبر شدہ اور دو گواہوں کے دستخط کے نام پتے اور کمپیوٹر ائزڈ 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 پرائیوٹ لمیٹڈ کے دفتر بمقام فرسٹ فلور، C-40، بلاک 6، PECHS، کراچی میں جمع کرنا لازمی ہے۔  
انفرادی مالکان کی صورت میں بینیفیشل مالکان اور پراکسی کمپیوٹر ائزڈ 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 اور آف انارنی 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 کمپیوٹر ائزڈ شناختی کارڈ یا پاسپورٹ اور فولیو نمبر بھی ہمراہ لانا ہوگا۔



تکٹ چسپاں  
کریں۔

**فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ**

شیئر رجسٹرار:

THK ایسوی ایٹس (پرائیوٹ) لمیٹڈ

40-C فرسٹ فلور، بلاک نمبر 6، PECHS

کراچی۔ 75400

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**FIRST CREDIT AND INVESTMENT BANK LTD.**



## ANNUAL REPORT 2020

### کمپنی میں شیئر ہولڈنگ 30 جون 2019 کو کمپنی میں شیئر ہولڈنگ

شیئر کا فیصد %	شیئر کی تعداد	شیئر ہولڈرز کی تعداد	شیئر ہولڈنگ کی درجہ بندی
			متعلقہ کمپنیز مقررہ اور متعلقہ فریقین اسپانسرز اور ایگزیکیوٹو
30.7692%	20,000,000	1	نیشنل بینک آف پاکستان
30.7692%	20,000,000	1	وائٹر 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	نئی انٹرنیشنل (پرائیویٹ) لمیٹڈ
7.3872%	4,801,703	1	سردار محمد اشرف ڈی. بلوچ
			(پرائیویٹ) لمیٹڈ
98.7666%	64,198,327	5	باہمی فنڈز
			این آئی سی اور آئی سی بی
			ڈائریکٹرز چیف ایگزیکٹو آفیسر ، شوہر / بیوی اور نابالغ بچے
0.0008%	500	1	مسٹر محمد فہیم الدین
0.0008%	500	1	مسٹر محمد اقبال حسین
0.0008%	500	1	محترمہ نینا آفریدی
0.0023%	1,500	1	مسٹر محمد محسن علی
			ایگزیکٹو
			پبلک سیکٹر کمپنیز اور کارپوریشن
			بینک، ڈویلپمنٹ فنانس ادارے
			نان بینکنگ فنانس کمپنیز باہمی فنڈز
1.2218%	794,173	901	جنرل پبلک
0.0069%	4,500	2	دیگر
100.0000%	65,000,000	912	کل

			شیئر ہولڈنگ 5% اور ذائد
30.7692%	20,000,000	1	نیشنل بینک آف پاکستان
30.7692%	20,000,000	1	وائٹر اینڈ پاور ڈویلپمنٹ اتھارٹی
			سردار محمد اشرف ڈی. بلوچ
19.6775%	12,790,378	1	اینڈ کو. (پرائیویٹ) لمیٹڈ
			نئی انٹرنیشنل (پرائیویٹ) لمیٹڈ
10.1635%	6,606,246	1	سردار محمد اشرف ڈی. بلوچ
7.3872%	4,801,703	1	(پرائیویٹ) لمیٹڈ



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# ANNUAL REPORT 2020

## شیر ہولڈنگ پٹرن بمطابق 30 جون 2020

شیر ہولڈرز کی تعداد	سے	شیر ہولڈنگ تک	کل شیر کی ملکیت	فیصد %
243	1	100	4,207	0.0065
528	101	500	248,969	0.3830
69	501	1,000	64,446	0.0991
51	1,001	5,000	124,051	0.1908
7	5,001	10,000	52,500	0.0808
4	10,001	15,000	49,000	0.0754
2	30,001	35,000	65,000	0.1000
1	40,001	45,000	44,000	0.0677
1	45,001	50,000	47,000	0.0723
1	100,001	105,000	102,500	0.1577
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	1,2795,000	12,790,378	19.6775
2	19,995,001	20,000,000	40,000,000	61.5385
912	Company	Total	65,000,000	100.0000

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

شیر ہولڈرز کی درجہ بندی	نمبر	شیر کی ملکیت	فیصد %
ڈائریکٹرز / سی ای او	4	3,000	0.0047%
متعلقہ کمپنیز، مقررہ اور متعلقہ فریقین اسپانسرز اور ریکواریز	5	64,198,327	98.7667%
جنرل پبلک	895	763,536	1.1746%
لوکل	6	30,637	0.0471%
غیر ملکی	2	4,500	0.0069%
دیگر	912	65,000,000	100.0000%
ٹوٹل			



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(۵) طبعی حصص کو سی ڈی سی اکاؤنٹ میں جمع کرانا:

کمپنی ایکٹ ۲۰۱۷ کے سیکشن ۷۲ کے تحت ہر لہجہ کمپنی کے لیے ضروری ہے کہ وہ اپنے طبعی حصص کو بک انٹری فارم میں تبدیل کریں لہذا حصص یافتگان جن کے پاس طبعی حصص ہیں ان سے درخواست ہے کہ اپنے حصص بک انٹری میں تبدیل کروالیں۔

(۶) وڈیولنگ کے ذریعے میٹنگ میں شرکت:

وڈیولنگ ہولڈرز جن کی مجموعی شیئرز ہولڈنگ ۱۰% یا زائد ہے اور وہ میٹنگ میں وڈیولنگ کے ذریعے حصہ لینے کیلئے کمپنی سے مطالبہ کر سکتے ہیں۔ اور اگر آپ یہ سہولت حاصل کرنا چاہتے ہیں تو براہ مہربانی درج ذیل فارم پر کر کے رجسٹرڈ پتہ پر میٹنگ سے سات دن پہلے جمع کرائیں۔

میں/ہم (شیئرز ہولڈر کا نام)..... شہر کا نام..... سے ایف سی آئی بی ایل کا ممبر ہونے کے تحت..... عمومی شیئرز برطانیہ فلیو ای ڈی سی انویشنز اکاؤنٹ نمبر..... بذریعہ ہذا بمقام..... میں میٹنگ میں وڈیولنگ کی سہولت حاصل کرنا چاہتا/چاہتی ہوں۔

ممبر کے دستخط.....

کمپنی میٹنگ سے کم از کم پانچ دن پہلے تمام مکمل معلومات فراہم کرے گی جو انہیں اس سہولت تک رسائی کے قابل بنائیں گی۔

(۱)۔ اجلاس میں شرکت کیلئے۔

(الف) انفرادی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا وہ شخص جسکی سیکورٹیز گروپ اکاؤنٹس میں ہوں اور انکی رجسٹریشن کی تفصیلات قواعد و ضوابط کے تحت اپ لوڈ کی گئی ہوں، کو اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ (سی۔این۔آئی۔سی) یا اصل پاسپورٹ کے ذریعے اجلاس میں شرکت کے وقت اپنی شناخت کی توثیق کرنا ہوگی۔

(ب) کارپوریٹ ادارے کی صورت میں، انارنی کے لیے بورڈ آف ڈائریکٹران کی قرارداد کے مطابق نامزد شخص کے مخصوص دستخط (اگر یہ اس سے قبل فراہم نہیں کئے گئے) مینٹگ کے وقت پیش کرنا ہونگے۔

(۲)۔ پراکسی کی تقرری کیلئے۔

(الف) انفرادی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا وہ شخص جسکی سیکورٹیز گروپ اکاؤنٹس میں ہوں اور انکی رجسٹریشن کی تفصیلات قواعد و ضوابط کے تحت اپ لوڈ کی گئی ہوں پراکسی فارم مذکورہ ضروریات کے تحت جمع ہونے چاہئے۔

(ب) پراکسی فارم دو انفرادی جانب سے گواہی کے ساتھ ہونا چاہئے، جسکے نام، پتہ اور سی۔این۔آئی۔سی نمبر فارم پر درج ہونے چاہئے۔

(پ) پراکسی فارم کے ساتھ سی۔این۔آئی۔سی مصدقہ کاپیاں یا حق دار مالکان کا پاسپورٹ اور پراکسی پیش کرنا ہوگا۔

(ت) پراکسی کو اپنے اصل سی۔این۔آئی۔سی یا پاسپورٹ اجلاس کے وقت پیش کرنا ہوگا۔

(ج) کارپوریٹ ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹران کی قرارداد اور پاور آف انارنی بمع مخصوص دستخط جمع کرانے ہونگے۔ (اگر یہ اس سے قبل فراہم نہیں کئے گئے)۔

کرونا وائرس کے تناظر میں غیر معمولی اجلاس عام کیلئے ہنگامی منصوبہ بندی۔

موجودہ کوویڈ ۱۹ (covid-19) کی وبا کی صورتحال کی روشنی میں کمپنی نے جو ممبران مینٹگ میں ویڈیو لنک کے ذریعے اے گی ایم میں شرکت کا ارادہ رکھتے ہیں انھیں [fcib.agm2020@fcibank.com.pk](mailto:fcib.agm2020@fcibank.com.pk) پر اپنی مندرجہ ذیل تفصیلات ای میل کریں ان ممبران حضرات سے گزارش کی جاتی ہے کہ وہ رجسٹریشن کیلئے رجسٹریشن برائے ایف سی آئی بی ایل کی اے جی ایم کے عنوان سے مندرجہ ذیل تفصیلات بھیج کر اپنا نام اندراج کروائیں۔

ای میل	موبائل نمبر	سی این آئی سی نمبر اسکین کاپی (دونوں سائڈ)	فولیو نمبر سی ڈی سی اکاؤنٹ نمبر	شیئرز کی تعداد	شیئرز ہولڈرز کا نام

وڈیو لنک اور لاگن کرنے کی تفصیلات صرف ان اراکین کو ہی فراہم کی جائے گی جو اے جی ایم سے کم از کم ۴۸ گھنٹے پہلے تمام معلومات بذریعہ ای میل فراہم کریں گے۔

(۳) کمپیوٹرائزڈ قومی شناختی کارڈ کا پی کی فراہمی:

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے جاری کردہ ایس آر آئی نمبر ۲۰۱۴ (۱۹) مورچہ ۱۰ جنوری ۲۰۱۴ پر عملدرآمد کیلئے جن حصص یافتگان نے ابھی تک اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی مصدقہ کاپی جمع نہیں کروائی ان سے درخواست ہے کہ وہ یہ مصدقہ کاپی بمع فولیو نمبر جلد از جلد کمپنی کے شیئرز رجسٹرار میسرز THK ایسوسی ایشن (پرائیویٹ) لمیٹڈ کو ارسال کریں وہ ممبران جو سی ڈی سی میں شیئر رکھتے ہیں ان سے بھی التماس کی جاتی ہے کہ وہ اپنے قومی شناختی کارڈ کی تصدیق شدہ کاپی سی ڈی سی یا اینڈیوٹراکٹ سروسز کو بھیجوائیں۔

(۴) پتہ میں تبدیلی:

شیئرز ہولڈرز سے گزارش ہے کہ وہ اپنا پتہ تبدیل ہونے کے بارے میں کمپنی کے شیئرز رجسٹرار کو یا سی ڈی سی شراکت دار انویسٹراکٹ سروسز کو فوری طور پر مطلع کریں جو بھی صورت ہو۔



## سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا اطلاع دی جاتی ہے کہ فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ کے شیئرز ہولڈرز کا ۳۱ واں سالانہ اجلاس عام بروز جمعہ ۲۳ اکتوبر ۲۰۲۰ شام ۵:۰۰ بجے بہ مقام رجسٹرڈ آفس دوسری منزل، سڈکوالیو نیو سینٹر، اسٹریٹن روڈ، کراچی میں منعقد ہوگا جس میں مندرجہ ذیل امور انجام دیئے جائیں گے۔

### عمومی امور :

- (الف) غیر معمولی اجلاس عام منعقدہ ۱۰ جون ۲۰۲۰ کی کاروائی کی توثیق۔
- (ب) ۳۰ جون ۲۰۲۰ کو ختم شدہ سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس مع ان پرائیزرز رپورٹ، چیرمین ریویو اور ڈائریکٹرز رپورٹ کی وصولی، غور و خوض اور منظوری۔
- (پ) ۳۰ جون ۲۰۲۱ کو ختم ہونے والے سال کیلئے قانونی آڈٹرز کا تقرر اور ان کے مشاہرہ کا تعین کرنا۔ سبکدش ہونے والے آڈٹرز میسرز کرو حسین چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی جانب سے خود کو دوبارہ تقرری کیلئے پیش کیا گیا۔

### دیگر امور :

- (ج) صدر اجلاس کی اجازت سے دیگر امور انجام دینا۔

حسب الحکم بورڈ



محمد امین کھتری  
کمپنی سیکریٹری

کراچی

۲ اکتوبر ۲۰۲۰

نوٹ۔

### حصص کی کتب کی منتقلی کی بندش۔

(الف) کمپنی کی حصص منتقلی کی کتاب ۱۵ اکتوبر ۲۰۲۰ تا ۲۳ اکتوبر ۲۰۲۰ (بشمول دونوں ایام) بند رہے گی۔ جو مشکلات ۱۱ اکتوبر ۲۰۲۰ کو کاروبار کے اختتام تک ہمارے شیئرز رجسٹرار میسرز THK ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، فرسٹ فلور، C-۳۰، بلاک ۶، PECHS، کراچی ۷۵۴۰۰ کے دفتر میں باضابطہ طور پر موصول ہوگی انہیں اجلاس میں شرکت کرنے اور ووٹ دینے کی غرض سے شیئرز ہولڈرز کے استحقاق کے مقصد کیلئے بروقت سمجھا جائے گا۔

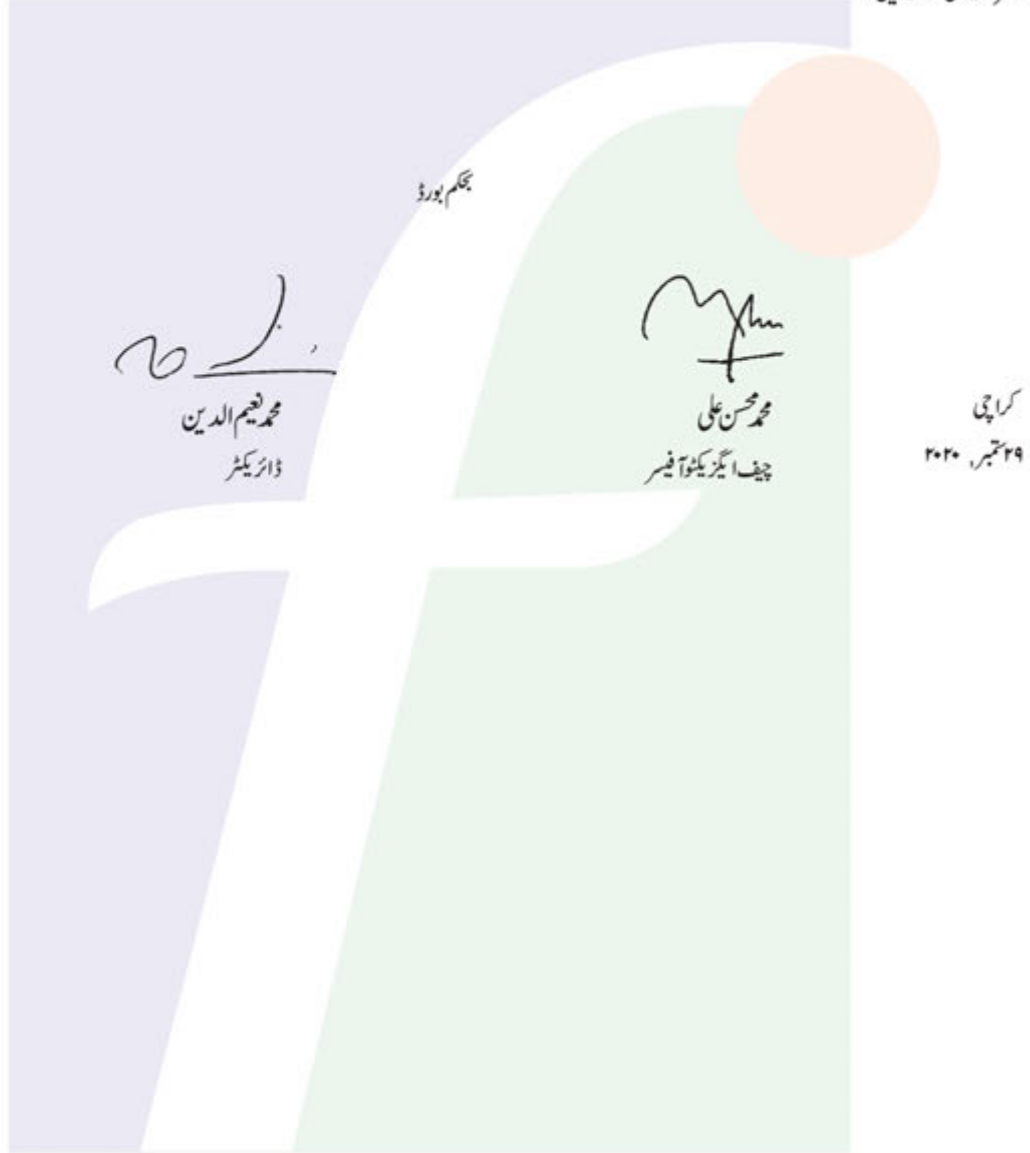
### سالانہ اجلاس عام میں شرکت۔

(ب) کمپنی کا ہر ممبر اس اجلاس میں شرکت اور ووٹ ڈالنے کا حق رکھتا ہے اور وہ اپنی جگہ اجلاس میں شرکت اور ووٹ دینے کیلئے اپنا پراسی مقرر کر سکتا / کر سکتی ہے۔ پراسی کی تقرری کی اطلاع کمپنی کو اجلاس سے کم از کم ۳۸ گھنٹے قبل دینی ہوگی۔ سی۔ ڈی۔ سی اکاؤنٹس رکھنے والوں کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے جاری سرکولر نمبر ۲۶ بتاریخ ۲۶ جنوری ۲۰۰۰ میں دی گئی ہدایات پر عملدرآمد کرنا ہوگا۔



**اظہار تشکر:**

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





### ریلیٹڈ پارٹی ٹرانزیکشن:

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن ۲۰۱۹ اور دیگر قابل اطلاق قوانین کے تقاضوں کی تعمیل کے لئے ایف سی آئی بی ایل نے ریلیٹڈ پارٹی کے تمام لین دین کے معاملات کو جائزہ اور منظوری کے لئے آڈٹ کمیٹی اور بورڈ کے روبرو پیش کیا مندرجہ بالا لین دین کے معاملات کو آڈٹ کمیٹی اور اس کے بعد بورڈ نے اپنی اپنی میٹنگوں میں منظوری دے دی ہے۔ دوران سال تمام متعلقہ معاملات جو ریلیٹڈ پارٹی سے ہوئے وہ آرم لینتھ کے تحت تھے جس کی تفصیلات منسلک آڈٹ شدہ مالیاتی گوشوارہ رپورٹ کے نوٹ نمبر ۳۵ میں درج ہیں۔

### ٹریننگ پروگرامز:

ایف سی آئی بی ایل ڈائریکٹرز ٹریننگ کے تقاضوں کو لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن ۲۰۱۹ کے تحت تعمیل کرتا ہے چونکہ ایف سی آئی بی ایل کے ۶۰ فیصد سے زائد ڈائریکٹرز سی سی جی کے مطابق ڈائریکٹرز ٹریننگ پروگرام (ڈی ٹی پی) مکمل کر چکے ہیں اس کے علاوہ ڈائریکٹرز ٹریننگ کے تقاضوں کے مطابق پاکستان اسٹاک ایکسچینج کی رولز بک (لسٹڈ ریگولیشنز)، این بی ایف سی رولز ۲۰۰۳، این بی ایف سی اور این ای ریگولیشنز ۲۰۰۸ اور میسرز اینڈ آرنیکل آف ایسوسی ایشن کی کاپیاں بھی فراہم کی گئیں ہیں اور تمام ڈائریکٹرز اپنے فرائض اور ذمہ داریوں سے بخوبی آگاہ ہیں۔

### آڈیٹرز:

موجودہ آڈیٹرز میسرز کرو حسین چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور وہ دوبارہ تقرری کے اہل ہیں اور انہوں نے اپنے آپ کو دوبارہ تقرری کے لئے پیش کیا ہے کوڈ آف کارپوریٹ گورننس کے تحت آڈٹ کمیٹی نے ۳۰ جون ۲۰۲۱ء کو ختم ہونے والے سال کے لئے میسرز کرو حسین چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو تقرر کرنے کی سفارش کی ہے۔

### شیئر ہولڈنگ پیٹرن:

۳۰ جون ۲۰۲۰ پر شیئر ہولڈنگ پیٹرن بشمول کمپنی کے حصص یافتگان کی کئی گری سالانہ رپورٹ کے ساتھ منسلک ہے۔ دوران سال شیئر ہولڈنگ پیٹرن کے مطابق ڈائریکٹرز، سی ای او، سی ایف او، کینیڈی سیکریٹری اور ان کی بیوی، بچوں کی طرف سے کمپنی کے حصص کا کاروبار نہیں کیا گیا یا سوائے جو کہ شیئر ہولڈنگ پیٹرن میں دکھایا گیا ہے۔

### مستقبل کے امکانات اور حکمت عملی:

ہم اپنے کاروبار میں توسیع کے لئے نہ صرف کاروبار میں بلکہ موجودہ بنیادی کاروباری سرگرمیوں پر پوری توجہ مرکوز ہے اور ہم ریگولیٹری فریم ورک میں رہتے ہوئے کاروبار میں تنوع پیدا کرنے کے لئے مستعد ہیں۔ ہماری عمودی اور افقی توسیع کی حکمت عملی سے آمدنی میں اضافہ ہوگا جس سے امید ہے کہ ملک کی اقتصادی اور کاروباری حالات بھی بہتر ہوں گے۔ آپ کی کمپنی اپنے اثاثوں کے معیار کو بحال کرنے، اور، موجودہ عملہ اور اہم پیشہ ورانہ عمل کی خدمات حاصل کر کے ان کو ٹریننگ 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۔

یہاں اس بات کا ذکر کرنا مناسب ہے کہ کوویڈ ۱۹ کے وبائی امراض کے پیش نظر ایسے مغفرت جو کاروباری عمل کو متاثر کر سکیں کمپنی نے ایسی تمام صورتحال پر فعال طور پر نگرانی جاری رکھی ہوئی ہے جو ہمارے اسٹاک ہولڈرز کے بہترین مفاد میں ہے۔ تاہم انتظامیہ کے اندازوں کے مطابق شرح سود کی کمی کی وجہ سے آمدنی میں جو کمی آئی ہے اس کے علاوہ کوویڈ ۱۹ کا کوئی خاص اثر نہیں پڑے گا جو آئندہ کاروباری سرگرمیوں، کام کے نتائج اور مالی حالت پر منفی اثر ڈالے۔



### انسانی وسائل اور معاوضوں کی کمیٹی:

بورڈ آف ڈائریکٹرز نے کلیدی عہدوں کے انتخاب، تجویز اور متبادل 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 پانچ (۵) ممبران پر مشتمل ہے زیادہ تر ممبران نان ایگزیکٹو ڈائریکٹرز ہیں جبکہ چیئر مین کمیٹی انڈیپنڈنٹ ڈائریکٹر ہیں۔ سال کے دوران کمیٹی کی چار (۴) میٹنگز منعقد کی گئیں، جس میں درج ذیل ڈائریکٹرز نے شرکت کی:

ڈائریکٹر کا نام	میٹنگز کی تعداد جن میں شریک ہونے کے اہل تھے	میٹنگز کی تعداد جن میں شریک ہوئے
جناب محمد نعیم الدین	۴	۴
جناب نوید اصغر چوہدری	۱	۱
جناب اسد اللہ سلیم	۴	۴
جناب محمد اکرام خان	۴	۲
جناب محمد اقبال حسین	۴	۴
جناب محمد محسن علی	۴	۴

### رہنما کمیٹی:

بورڈ نے ایک رہنما کمیٹی تشکیل دی ہے تاکہ وہ ڈائریکٹرز کو مستقبل میں درپیش نقصانات کے تعین اور اس کے سد باب کرنے میں معاونت کر سکیں۔ یہ کمیٹی چار (۴) ممبران پر مشتمل ہے جن میں زیادہ تر ممبران نان ایگزیکٹو ڈائریکٹرز ہیں جبکہ چیئر مین کمیٹی انڈیپنڈنٹ ڈائریکٹر ہیں سال کے دوران کمیٹی کی تین (۳) میٹنگز منعقد کی گئیں، جس میں درج ذیل ڈائریکٹرز نے شرکت کی:

ڈائریکٹر کا نام	میٹنگز کی تعداد جن میں شریک ہونے کے اہل تھے	میٹنگز کی تعداد جن میں شریک ہوئے
جناب محمد اقبال حسین	۳	۳
جناب اسد اللہ سلیم	۳	۳
جناب نوید اصغر چوہدری	۳	۳
جناب محمد محسن علی	۳	۳

### ڈائریکٹرز مشاہرہ پالیسی:

بورڈ نے ڈائریکٹرز مشاہرہ پالیسی نافذ العمل کی ہے اس پالیسی کے مطابق تمام نان ایگزیکٹو ڈائریکٹرز بورڈ میٹنگ فیس کے حصول کے مجاز ہوں گے۔ کمیٹی کی کمیٹیڈ اور شیڈولڈرز و تقاضا مشاہرہ کی مالیت تعین کرنے کے مجاز ہوں گے۔ ایگزیکٹو ڈائریکٹرز اور سی ای او کے مشاہرے کا تعین بورڈ آف ڈائریکٹرز کے ذمہ ہوگا پالیسی کے مطابق بورڈ میٹنگز میں شرکت پر ڈائریکٹرز کے جو بھی اخراجات ہوں گے وہ کمیٹی کے ذمہ واجب الادا ہوں گے۔





کمپوزیشن:

- (i) انڈیپنڈنٹ ڈائریکٹرز: ۳  
(ii) نان-ایگزیکٹو ڈائریکٹرز: ۴  
(iii) ایگزیکٹو ڈائریکٹرز: ۱ \*

\* ایگزیکٹو ڈائریکٹر صدر ہی ای او ہیں جن کا تقرری کا ٹرمیکٹ پر ہے۔

دوران سال بورڈ میں کسی بھی طرح کی عارضی آسامیاں خالی نہیں ہوتیں۔

دوران سال چار (۴) بورڈ مینٹلز منعقد ہوئے جن میں ڈائریکٹرز کی حاضری کا ریکارڈ مندرجہ درج ذیل ہے۔

ڈائریکٹرز کے نام	مینٹنگ کی تعداد جن میں شامل ہونے کے اہل ہیں	مینٹنگ کی تعداد جن میں شامل ہوئے
جناب رحمت علی حسنی	۴	۴
جناب نوید اصغر چودھری	۴	۴
جناب اسد اللہ سلیم	۴	۳
جناب محمد اکرام خان	۴	۲
جناب محمد فہیم الدین	۴	۴
جناب محمد اقبال حسین	۴	۳
جناب محمد امین	۴	۴
جناب محمد محسن علی	۴	۴

\* مینٹنگ میں شرکت نہ کرنے والے ڈائریکٹرز کو غیر حاضری کی منظوری دے دی گئی تھی۔

آڈٹ کمیٹی اور داخلی کنٹرول:

بورڈ کی آڈٹ کمیٹی تین (۳) نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جن میں بشمول چیئر مین کمیٹی زیادہ تر آزاد ڈائریکٹرز ہیں۔ بورڈ نے کارپوریٹ قانون و قواعد کے مطابق کام کرنے کے مروجہ امور (Terms of reference) لحد کمپنیز ریگولیشن ۲۰۱۹ کے تحت تعین کیا ہے۔ سال کے دوران آڈٹ کمیٹی کی چار (۴) مینٹلز منعقد کی گئیں جس میں درج ذیل ڈائریکٹرز نے شرکت کی:

ڈائریکٹر کا نام	مینٹنگ کی تعداد جن میں شریک ہونے کے اہل تھے	مینٹنگ کی تعداد جن میں شریک ہوئے
جناب محمد امین	۴	۴
جناب نوید اصغر چودھری	۴	۴
جناب محمد فہیم الدین	۴	۴



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### کلیدی آپریٹنگ اور مالیاتی نتائج:

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

۲۰۱۵	۲۰۱۶	۲۰۱۷	۲۰۱۸	۲۰۱۹	۲۰۲۰	سال جو ۳۰ جون کو ختم ہوا
ملین روپوں میں						
۸۱	۹۹	۸۰	۱۰۳	۱۱۷	۱۵۵	کل آمدنی
۲۹	۵۶	۱۲	۱۶	۱۵	۳۸	قبل از ٹیکس منافع / (نقصان)
۲۳	۴۳	۷	۹	۱۰	۲۹	بعد از ٹیکس منافع / (نقصان)
۶۷۳	۷۱۷	۷۲۳	۷۲۲	۷۱۹	۷۳۹	حصص یافتگان کا سرمایہ
۶۹۳	۱,۰۱۲	۱,۱۵۵	۱,۳۲۷	۱,۳۸۵	۱,۶۶۷	کل اثاثے
۰.۳۵	۰.۶۷	۰.۱۱	۰.۱۳	۰.۱۵	۰.۴۴	منافع / نقصان فی حصص (روپے میں)

### اسٹاف ریٹائرمنٹ پیفٹ اسکیم:

ایمپلائز پراویڈنٹ فنڈ اور گریجویٹ فنڈ کی سرمایہ کاری کا تخمینہ ۳۰ جون ۲۰۲۰ کے مطابق بالترتیب ۱۴,۴۲۹,۹۶۲ روپے اور ۵,۹۷۳,۴۴۵ روپے ہے۔

### ڈائریکٹرز کا انتخاب:

ایف سی آئی بی ایل کے ڈائریکٹرز کا انتخاب کا انعقاد ۱۰ جون ۲۰۲۰ کو ہوا تھا جس میں ایف سی آئی بی ایل کے بورڈ ممبرز ایکٹ ۲۰۱۷ اور سلیکشن (کوڈ آف کارپوریٹ گورننس) ریگولیشن ۲۰۱۹ کے تقاضوں کے مطابق تشکیل دیا گیا تھا۔ مندرجہ ذیل ڈائریکٹرز کی تقرری برعکس برعکس ۱۰ جون ۲۰۲۰ ایس ای سی پی کی جانب سے فٹ اینڈ پراپرٹیٹنس سے مشروط ہے۔ جو ۳۰ جون ۲۰۲۰ کو زیر التواء تھی

۱۔	جناب رحمت علی حسنی	نان۔ ایگزیکٹو ڈائریکٹرز
۲۔	جناب نوید اصغر چودھری	نان۔ ایگزیکٹو ڈائریکٹرز
۳۔	جناب اسد اللہ سلیم	نان۔ ایگزیکٹو ڈائریکٹرز
۴۔	سید عرفان حسین رضوی	نان۔ ایگزیکٹو ڈائریکٹرز
۵۔	جناب محمد فہیم الدین	نان۔ ایگزیکٹو / انڈیپنڈنٹ ڈائریکٹرز
۶۔	جناب محمد اقبال حسین	نان۔ ایگزیکٹو / انڈیپنڈنٹ ڈائریکٹرز
۷۔	محترمہ مینا آفریدی	نان۔ ایگزیکٹو / انڈیپنڈنٹ (خاتون) ڈائریکٹرز

### بورڈ آف ڈائریکٹرز:

بورڈ کی مجموعی ساخت مندرجہ ذیل ہے۔

ڈائریکٹرز کی کل تعداد:

(a) مرد: ۷ (بشمول مقرر کردہ ای او)

(b) خاتون: ۱



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### 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۔ ۳۰ جون ۲۰۲۰ کے اختتام پر ڈائریکٹرز نے ڈیویڈنڈ کی ادائیگی کی کوئی تجویز پیش نہیں کی ہے۔

### کریڈٹ ریٹنگ:

JCR-VIS کریڈٹ ریٹنگ کمپنی نے اپنی رپورٹ مورخہ ۳۱ دسمبر ۲۰۱۹ میں کمپنی کی درمیانے سے طویل مدتی ایٹمیٹی ریٹنگ کو 'A' (سنگل A منفی) اور مختصر مدتی ریٹنگ کو 'A-2' پر برقرار رکھا ہے۔ ریٹنگ کا آؤٹ لک محکم ہے۔

### ماحولیاتی اور کارپوریٹ سماجی ذمہ داریاں:

کمپنی ماحولیاتی اور کارپوریٹ سماجی ذمہ داریوں سے بخوبی آگاہ ہے اور اس سلسلے میں ملک میں متحرک تحریک کے ساتھ کھڑی ہے علاوہ ازیں کمپنی تمام سرکاری، انٹرنل، ہیلتھ، حفاظت اور ماحولیاتی قواعد کی تعمیل کرتی ہے سہولیات اور آپریشن کا عمل ایسے طریقے سے ڈیزائن کیا گیا ہے جو انسانی صحت اور ماحول سے متعلق خطرے سے محفوظ رکھتا ہے۔

### رиск کی تشخیص کا فریم ورک (رиск اسمیٹ فریم ورک):

کمپنی کا مجموعی رиск مینجمنٹ کا پروگرام ایف سی آئی بی ایل کی مالی کارکردگی پر مالیاتی منڈیوں کے غیر متوقع منفی اثرات کو کم کرنے کی کوششوں پر مرکوز ہے۔ کمپنی کی سرگرمیوں میں مختلف قسم کے مالیاتی خطرات، مارکیٹ کے خطرات (انٹریسٹ ریٹ رиск اور پرائس رиск) کریڈٹ رиск، لکویڈٹی رиск اور آپریشنل رиск کو بخوبی پیش نظر رکھا جاتا ہے۔ کمپنی کو درپیش خطرات کو کمپنی کی انتظامیہ کی طرف سے کمپنی کی منظور شدہ پالیسیوں کے مطابق منظم کیا جا رہا ہے۔ علاوہ ازیں کمپنی کے بورڈ آف ڈائریکٹرز بھی کمپنی کے رиск مینجمنٹ فریم ورک کی نگرانی کے ذمہ دار ہیں۔ کمپنی کا مجموعی رиск مینجمنٹ کا پروگرام موثر سرمایہ کاری کے ساتھ ساتھ مالیاتی اور مارکیٹ کے اتار چڑھاؤ کے خطرات سے نمٹنے پر مرکوز ہے اور غیر زہور لڈز کو زیادہ منافع فراہم کرنے میں کوشاں ہے۔ بورڈ آف ڈائریکٹرز سالانہ بنیاد پر مجموعی رиск مینجمنٹ پر نظر ثانی کرتے ہیں۔

### کارپوریٹ اور فنکشنل رپورٹنگ فریم ورک:

کمپنی نے گڈ کارپوریٹ گورننس کی عملداری یقینی بنانے کے لیے تمام ضروری اقدامات اٹھائے ہیں۔ لسٹڈ کوڈ آف کارپوریٹ گورننس ریگولیشن ۲۰۱۹ (سی سی جی) کے انتظامی قوانین کے مطابق بورڈ درج 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 شفاف 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 برقرار رکھی گئی ہیں اور مستقبل کے اندازے معقول اور دانشمندانہ فیصلوں پر مبنی ہے۔
- بین الاقوامی حساب کتاب کے معیارات (IFRS) جو پاکستان میں نافذ عمل ہیں ان کو گوشواروں کی تیاری میں اپنایا گیا ہے اور کسی بھی تبدیلی کو باقاعدہ ظاہر کیا گیا۔
- اندرونی مالیاتی کنٹرول کا نظام قائم کیا ہے وہ نہایت مضبوط ہے اور موثر انداز میں عملدرآمد کیا جا رہا ہے۔
- کمپنی کے مستقبل میں کام کرنے کی صلاحیت پر کوئی قابل ذکر مشکل نہیں اور مالی گوشواروں کو اسی بنیاد پر تیار کیا گیا ہے۔
- رےٹنگ کے ضابطوں میں موجود کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی مادی انحراف نہیں کیا گیا۔



## ANNUAL REPORT 2020

(روپے 000 میں)

۲۰۱۸-۱۹	۲۰۱۹-۲۰	
۱۱۶,۸۳۴	۱۵۴,۷۶۲	کل آمدنی
۱۹,۷۵۹	۳۵,۳۳۲	آپریٹنگ منافع
۱۵,۲۰۳	۳۷,۸۱۰	قبل از ٹیکس منافع
۹,۵۱۷	۲۸,۷۰۳	بعد از ٹیکس منافع
۷۴۲,۸۳۰	۷۴۵,۰۲۷	حصص یافتگان کا سرمایہ
(۲۴,۲۳۸)	(۶,۲۳۷)	سرمایہ کاری کی قدر قیمت کے تعین نو میں خسارہ
۷۱۸,۵۹۲	۷۳۸,۷۹۰	حصص یافتگان کا سرمایہ (خالص بعد از خسارہ)
۱,۳۸۵,۳۰۱	۱,۶۶۷,۱۸۶	کل اثاثہ
۰.۱۵	۰.۴۴	فی حصص آمدنی ہیک اورڈائیوڈ (روپے)

### آپریٹنگ کا جائزہ:

معشیت پر کوویڈ ۱۹ جیسے وبائی امراض کے منفی مضمرات سے بھرپور ایک مشکل کاروباری ماحول کے باوجود کمپنی کیلئے زیر جائزہ سال فی الحقیقت بہت اچھا رہا کیونکہ خالص منافع میں ۲۰۰ فیصد پرکشش اضافہ حاصل کیا۔ دوران سال ایف سی آئی بی ایل نے ٹریڈری اور مانی مارکیٹ کے کام کو بڑھایا اور ساتھ ہی بنیادی کاروباری سرگرمیوں پر اپنی توجہ مرکوز رکھی جس کی وجہ سے ہم اس قابل ہوئے کہ آپریٹنگ کے دائرہ کار کے ساتھ ساتھ منافع سازی میں گراں قدر اضافہ کر سکیں۔ موجودہ درجہ پیش چیلنجز اور مسائل کے باوجود ایف سی آئی بی ایل اپنے تمام مالیاتی اشارے میں بہتری لانے میں کامیاب رہا ہے۔ کمپنی نے FY۲۰ کے لئے مجموعی آمدنی ۳۲.۵ فیصد اضافے کے بعد ۱۵۳.۸ ملین روپے جبکہ FY۱۹ میں ۱۱۶.۸ ملین روپے تھی۔ کمپنی نے FY۲۰ کے لئے ۳۵.۳ ملین روپے کا آپریٹنگ منافع حاصل کیا جبکہ FY۱۹ کا آپریٹنگ منافع ۱۹.۸ ملین روپے تھا اس طرح ۱۵.۵ 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 کمپنی نے FY۲۰ میں قبل از ٹیکس منافع ۱۵.۸ ملین روپے کا منافع رپورٹ کیا جبکہ پچھلے سال کا قبل از ٹیکس منافع ۱۵.۲ ملین روپے تھا۔ اسی طرح ۳۰ جون ۲۰۲۰ء کو ختم ہونے والے سال کے لئے بعد از ٹیکس منافع ۹.۷ ملین روپے ریکارڈ کیا گیا۔ گزشتہ سال کا بعد از ٹیکس منافع ۹.۵ ملین روپے تھا۔ لہذا ایف سی آئی بی ایل نے دوران سال اپنے خالص منافع میں ۲۰۰ فیصد زبردست اضافہ ظاہر کیا ہے۔

۳۰ جون ۲۰۲۰ کی بیلنس شیٹ کے مطابق حصص یافتگان کی سرمایہ کاری کی از سر نو پیکش کے بعد ایکویٹی بڑھ کر ۳۸.۸ ملین روپے ہو گئی جبکہ یہ ۳۰ جون ۲۰۱۹ کو ۱۸.۶ ملین روپے تھی۔ حصص یافتگان کی ایکویٹی میں اضافہ کی وجہ سے خالص منافع ہے جو مالی سال ۲۰۱۹ کے لئے ادا کردہ نقد منافع منہا ہونے کے بعد اکاؤنٹ پر تھا۔ ۳۰ جون ۲۰۲۰ کے اختتام پر کمپنی کے کل اثاثہ ۱,۶۶۷,۱۸۶ ملین روپے ہوئے جبکہ ۳۰ جون ۲۰۱۹ کو کل اثاثہ ۱,۳۸۵,۳۰۱ ملین روپے تھے۔

### بیلنس شیٹ کی تاریخ سے اب تک تبدیلی:

بیلنس شیٹ کی تاریخ سے اب تک کوئی بھی ماڈی تبدیلی رونما نہیں ہوئی جس کو منسلک مالیاتی گوشوارہ کے ساتھ ہم آپہنگ کرنے کی ضرورت ہو، سوائے ان کے جو پہلے ہی ظاہر کر دی گئیں ہیں۔ ایس ای سی پی کی ہدایت کے مطابق بیلنس شیٹ کی تاریخ کے بعد بورڈ میں دو عارضی اسامیوں کو مقررہ مدت کے اندر پرکھ لیا جائے گا



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## ڈائریکٹر رپورٹ

ہم فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ۳۱ ویں سالانہ رپورٹ بشمول مالیاتی تفصیلات کا گوشوارہ اور آڈیٹرز کی رپورٹ برائے سال ۲۰۲۰ جون ۲۰۲۰ء پیش کرتے ہوئے طمانیت محسوس کرتے ہیں۔

### معاشی جائزہ:

مالی سال ۲۰۲۰ کے شروعات کے ساتھ ہی معیشت نے بہت حد تک معاشی عدم توازن کو دور کرتے ہوئے ایک نمایاں بدلاؤ کا آغاز کیا جیسا کہ مالی سال ۲۰۲۰ کے پہلے تین کوارٹرز میں (جولائی تا مارچ) میں مالی خسارہ کم ہو کر جی ڈی پی کا چار فیصد رہ گیا۔ مالی سال ۲۰۲۰ میں ہی جولائی تا اپریل کے دوران کرنٹ اکاؤنٹ کا خسارہ ۱۷ فیصد کم ہوا اور ایکسیج ریٹ بھی میں استحکام رہا مزید ایف ڈی آئی میں بھی صحت منداضافہ (۱۳۶ فیصد) ہوا علاوہ ازیں ورلڈ بینک کے برٹس انڈیکس کی درجہ بندی میں بھی اضافہ ہوا موزیڈ کرڈٹ ریٹنگ بی ۳ یعنی منفی سے مستحکم کی جانب پھسل گئی کرتی نظر آئی جو معیشت کو تیزی سے فروغ دینے اور تومند نشوونما کی بنیاد رکھنے میں حکومت کی کامیاب حکمت عملی کی واضح دلیل ہے تاہم رواں مالی سال کے دوسرے نصف حصے کے دوران کرونا وائرس (covid-19) کے پھیلنے سے پاکستان کو بھی دیگر ممالک کی طرح کثیر الجہتی مسائل کا سامنا رہا اور فروری ۲۰۲۰ کے بعد معاشی سرگرمیاں تعطل کا شکار رہیں۔ جس کی وجہ سے مالی سال ۲۰۲۰ میں جی ڈی پی کی شرح نمو کا تخمینہ منفی ۰.۳۸ فیصد رہا جبکہ ایک سال قبل شرح نمو ۳.۳۰ فیصد تھی۔

مالیاتی معاملات کے تناظر میں مالی سال ۲۰۲۰ میں مالی خسارہ کم ہو کر جی ڈی پی کا ۸.۱۱ فیصد (۳.۳۰ ٹریلین روپے) رہ گیا جبکہ مالی سال ۲۰۱۹ میں جی ڈی پی کا ۸.۹۱ فیصد تھا یہ صورت، کل اخراجات میں ۲.۵۵ فیصد (۸.۱۳۵ ٹریلین روپے) کمی کے باوجود تھی۔ خارجی معاملات کے تناظر میں کوویڈ ۱۹ کی وجہ سے عالمی تجارت پر شدید منفی اثرات کے باوجود پاکستان کرنٹ اکاؤنٹ خسارہ پچھلے مالی سال کے جی ڈی پی کے ۴.۸ فیصد (۱۳.۳۰ ٹریلین امریکی ڈالر) کے مقابلے میں ۱.۱۱ فیصد (۲.۹۷ ٹریلین امریکی ڈالر) تک کم کرنے میں کامیاب رہا۔ یہ کارآمد نتیجہ حکومت پاکستان کی ان کاوشوں کی وجہ سے ممکن ہوا جو انھوں نے متحدہ اشیاء کی درآمد پر روک لگائی اور اسکے علاوہ عالمی منڈی میں خام تیل کی قیمتوں میں کمی کی بھی وجہ بنی۔ بیرونی شعبے میں ترسیلات زر کی مدد سے ذرمبادلہ کے ذخائر میں ۶.۳۳ فیصد اضافہ کے ساتھ ۲۳.۱ ٹریلین امریکی ڈالر ریکارڈ ہوئے۔

مالی سال ۲۰۲۰ کے پہلے سات مہینوں میں افراط زر پر دباؤ دیکھا گیا جنوری ۲۰۲۰ میں افراط زر کی شرح ۱۳.۶ فیصد ہو گئی تھی بعد ازاں جون ۲۰۲۰ میں خام تیل کی قیمتوں میں تیزی سے کمی اور کوویڈ ۱۹ کی وجہ سے تیل کی طلب میں کمی کی پاداش میں یہ کم ہو کر ۸.۶ فیصد تک گر گیا مہنگائی میں کمی اور اقتصادی سرگرمیوں کی بحالی کے پیش نظر اسٹیٹ بینک نے پالیسی ریٹ بتدریج کم کرتے ہوئے ۳۰ جون ۲۰۲۰ تک ۷ فیصد کر دیا۔

ذیر جائزہ سال کے دوران کے ایس ای انڈیکس میں ۱.۴۵ فیصد معمولی اضافہ دیکھا گیا اور وہ ۳۳,۴۲۲ پوائنٹس پر بند ہوا تاہم بیچ مارک انڈیکس میں ۲۸,۰۰۰ کی سطح کی طرف دودفعہ کمی دیکھی گئی پہلے اگست ۲۰۱۹ میں (کے ایس ای ۱۱,۰۰۰ انڈیکس ۶۴,۷۲۸ پوائنٹس) دوسری بار مارچ ۲۰۲۰ کے اختتام کے قریب (کے ایس ای ۱۱,۰۰۰ انڈیکس ۲۷,۲۲۹ پوائنٹس) انڈیکس سے ہونے والے نقصانات پاکستان کی معاشی و اقتصادی صورتحال کا مشترکہ نتیجہ تھے جو آئی ایم ایف پروگرام میں تاخیر سے داخل ہونے کی وجہ سے بتدریج خراب ہوا دوسری بار کوویڈ ۱۹ (covid-19) کی وبائی بیماری کی وجہ سے بھی عالمی سطح پر تیزی سے کمی واقع ہوئی۔

### مالیاتی نتائج:

کمپنی کے ۲۰۱۹-۲۰ کے لئے مالیاتی نتائج کا خلاصہ ذیل میں دیا گیا ہے۔ ۱۹-۲۰ کا تقابلی ڈیٹا بھی درج ذیل ہیں۔



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