



Escorts Investment Bank

A Project of BAHRIA TOWN

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Condensed Interim Financial Information
For The Quarter Ended 30 September **2018**

ESCORTS INVESTMENT BANK LIMITED

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Corporate Information

Board of Directors

Mr. Zain Malik
Chairman

Mr. Naveed Amin
President & Chief Executive Officer

Mr. Rashid Ahmed
Mr. Umair Rafique Vadria
Mr. Karim Hatim
Mr. Tahir Saeed Effendi
Mr. Khawaja Nadeem Abbas

Audit Committee

Mr. Karim Hatim
Chairman / Member

Mr. Zain Malik
Member

Mr. Tahir Saeed Effendi
Member

Human Resource & Remuneration (HRR) Committee

Mr. Umair Rafique Vadria
Chairman / Member

Mr. Zain Malik
Member

Mr. Naveed Amin
Member

Chief Financial Officer

Mr. Muhammad Usman Khalid, ACA

Company Secretary

Mr. Ajwad Ali

External Auditors

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants

Internal Auditors & Tax Consultants

Riaz Ahmad and Company
Chartered Accountants

Legal Advisor

Cornelius, Lane & Mufti
Advocates & Solicitors

Share Registrar

Hameed Majeed Associates (Pvt.) Limited

Bankers to the Company

Askari Bank Limited
Bank Alfalah Limited
MCB Bank Limited
Sindh Bank Limited
United Bank Limited

Registered Office

Alfalah Building, 1st Floor, Sector-B,
Bahria Town Lahore
Tel: (92-42) 35341845-6
www.escortsbank.net
info@escortsbank.net
UAN: 08000 3425

Branch Network

Lahore Branch

Bahria Town Corporate Office,
Bahria Orchard, Raiwind Road.
Tel: (92-42) 35451300, 35451467

Karachi Branch

Bahria Town Head Office,
Bahria Town.
Tel: (92 -21) 38651556 -7
Fax: (92-21) 38651558

Rawalpindi/Islamabad Branch

Bahria Town Head Office,
Phase VIII.
Tel: (92 -51) 5426528-30



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Directors' Report

The Board of Directors of Escorts Investment Bank Limited ("The Company") is pleased to present the un-audited condensed interim financial information for the period ended September 30, 2018.

PACRA has upgraded the Company's entity rating to "A-" "A Minus" and short term credit rating to "A2" "A Two" with stable outlook on April 18, 2018. The rating denotes stability and strong capacity of your Company in fulfilling its commitments and obligations. Previously, the ratings were "BBB" "Triple B" and "B" for entity and short term creditors respective.

During the period under review, the Company launched its housing finance products. Management is confident that given the potential of housing finance sector, the Company will be able to grow the portfolio and is well poised to reap the associated profitability.

In addition to the housing finance, the Company intends to explore other business opportunities permitted under the Investment Finance Services License, which include microfinance lending business along with corporate financing, bill discounting and guarantee business, that is expected to increase Company's profits. In undertaking all such activities emphasis will be on the credit worthiness of the customer and viability of the customer's business.

During the quarter under consideration, the Company posted gross revenues of PKR 17.085 million as against PKR 5.082 million in the corresponding period last year. However, the Company's profitability remain negative primarily due to provision of infected portfolio booked by the outgoing sponsors.

We would like to express our sincere appreciation to the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. We would also like to thank the Sponsors for their continued support and the staff who are performing their services with commitment and dedication.

Chief Executive Officer

Director



Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

Condensed Interim Statement of Financial Position

As at 30 September 2018

		30-Sep-18 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	114,701,145	102,822,050
Intangible assets	6	7,341,678	76,132
Cards and rooms	7	12,750,000	12,750,000
Long term finances	8	21,190,424	216,345
Long term deposits and prepayments		424,600	424,600
Deferred tax asset -net	9	182,710,945	182,542,426
		<u>339,118,792</u>	<u>298,831,553</u>
CURRENT ASSETS			
Current maturities of non-current assets		3,322,172	2,395,545
Short term investments		331,981,334	279,158,608
Short term finances		9,974,445	9,974,445
Short term advances		230,517	185,284
Short term deposits and prepayments		909,469	593,943
Interest accrued		1,965,689	2,058,860
Other receivables		67,198,589	67,902,101
Tax refunds due from the government		104,478,010	102,838,785
Cash and bank balances	10	689,672,536	756,000,407
		<u>1,209,732,761</u>	<u>1,221,107,978</u>
		<u>1,548,851,553</u>	<u>1,519,939,531</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 300,000,000 (2018: 300,000,000) ordinary shares of Rs. 10/- each		<u>3,000,000,000</u>	<u>3,000,000,000</u>
Issued, subscribed and paid up capital		441,000,000	441,000,000
Revaluation surplus on property and equipment		19,759,052	19,941,617
Capital reserves		158,496,922	158,496,922
Revenue reserves		(551,682,151)	(519,439,180)
		<u>67,573,823</u>	<u>99,999,359</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances - subordinated loans	11	650,000,000	650,000,000
Long term certificates of deposit		144,000,000	119,000,000
		<u>794,000,000</u>	<u>769,000,000</u>
CURRENT LIABILITIES			
Current maturities of non-current liabilities		139,860,367	139,860,367
Short term finances - sponsors loan	12	176,000,000	176,000,000
Short term certificates of deposit		188,024,922	163,940,000
Accrued markup		29,982,572	20,150,119
Unclaimed dividend		2,385,654	2,385,654
Trade and other payables	13	138,400,167	136,185,808
Provision for taxation		12,624,048	12,418,224
		<u>687,277,730</u>	<u>650,940,172</u>
Contingencies and commitments	14	-	-
		<u>1,548,851,553</u>	<u>1,519,939,531</u>
TOTAL EQUITY AND LIABILITIES			

The annexed notes from 01 to 21 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Profit or Loss (Un-audited)

For the quarter ended 30 September 2018

	Note	Three months period ended	
		30-Sep-18 Rupees	30-Sep-17 Rupees
INCOME			
Profit on financing		418,278	2,999,337
Return on investments		6,354,490	1,066,629
Profit on bank deposits		9,597,823	79,630
Other income		714,581	936,656
		<u>17,085,172</u>	<u>5,082,252</u>
EXPENSES			
Return on certificates of deposit		5,382,480	14,616,998
Mark-up on borrowings		12,396,334	-
Administrative expenses	15	31,652,587	15,747,512
Other financial charges		41,997	3,038
		<u>49,473,398</u>	<u>30,367,548</u>
Operating loss before taxation		<u>(32,388,226)</u>	<u>(25,285,296)</u>
Other operating charges		-	184,005
Loss before taxation		<u>(32,388,226)</u>	<u>(25,101,291)</u>
Taxation		(107,527)	-
Net loss for the period		<u><u>(32,495,753)</u></u>	<u><u>(25,101,291)</u></u>
Loss per share-basic and diluted		<u>(0.74)</u>	<u>(0.57)</u>

The annexed notes from 01 to 21 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of other Comprehensive Income (Un-audited)

For the quarter ended 30 September 2018

	<u>Three months period ended</u>	
	<u>30-Sep-18</u> Rupees	<u>30-Sep-17</u> Rupees
Net loss for the period	(32,495,753)	(25,101,291)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified to profit or loss	-	-
Other comprehensive income	-	-
Total comprehensive loss for the period	<u>(32,495,753)</u>	<u>(25,101,291)</u>

The annexed notes from 01 to 21 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Cash Flows (Un-audited)

For The quarter ended 30 September 2018

	Three months period ended	
	30-Sep-18 Rupees	30-Sep-17 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(32,388,226)	(25,101,291)
Adjustment for non cash expenses and other items:		
Depreciation on property and equipment	2,212,003	1,463,265
Amortization on intangible assets	214,092	9,516
	2,426,095	1,472,781
Cash used in operations before working capital changes	(29,962,131)	(23,628,510)
Decrease / (increase) in operating assets		
Finances	(21,900,706)	2,098,004
Investments	(52,822,726)	(657,876)
Loan and advances	(45,233)	(10,433)
Interest accrued	93,171	(1,277,296)
Other receivables	703,512	(1,237,574)
Deposits and prepayments	(315,526)	6,261,408
	(74,287,508)	5,176,233
(Decrease) / Increase in operating liabilities		
Certificates of deposit	49,084,922	(600,000)
Accrued markup	9,832,453	14,602,615
Trade and other payables	(3,966,186)	154,787
	54,951,189	14,157,402
Net cash used in operations	(49,298,450)	(4,294,875)
Income tax paid	(1,639,230)	(666,699)
Net cash used in operating activities	(50,937,680)	(4,961,574)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(15,390,191)	-
Net cash used in investing activities	(15,390,191)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents	(66,327,871)	(4,961,574)
Cash and cash equivalents at the beginning of the period	756,000,407	8,143,505
Cash and cash equivalents at the end of the period	689,672,536	3,181,931

The annexed notes from 01 to 21 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity (Un-audited)

For the quarter ended 30 September 2018

	Rupees				Revenue Reserve		Total
	Share capital	Capital Reserves	Surplus on revaluation of property	Revenue Reserve	Accumulated loss		
	Statutory reserve	Fair value reserve					
Balance as at 01 July 2017 (audited)	441,000,000	176	20,695,526	(366,079,303)		254,113,445	
Net loss for the period	-	-	-	(25,101,291)		(25,101,291)	
Other comprehensive loss	-	-	-	(25,101,291)		(25,101,291)	
Total comprehensive loss for the period	-	-	-	(25,101,291)		(25,101,291)	
Transfer from surplus on revaluation of property on account of:							
- Incremental depreciation on revalued asset for the period - net of tax	-	-	(262,390)		262,390	-	
- Revaluation of surplus on property - adjustment due to change in tax rate	-	-	73,913			73,913	
Balance as at 30 September 2017	441,000,000	176	20,507,049	(390,918,204)		229,085,767	
Balance as at 01 July 2018 (audited)	441,000,000	176	19,941,617	(519,439,180)		99,999,359	
Net loss for the period	-	-	-	(32,495,753)		(32,495,753)	
Other comprehensive loss	-	-	-				
Total comprehensive loss for the period	-	-	-	(32,495,753)		(32,495,753)	
Transfer from surplus on revaluation of property on account of:							
- Incremental depreciation on revalued asset for the period - net of tax	-	-	(252,782)		252,782	-	
- Revaluation of surplus on property - adjustment due to change in tax rate	-	-	70,217			70,217	
Balance as at 30 September 2018	441,000,000	176	19,759,052	(651,682,151)		67,573,823	

The annexed notes from 01 to 21 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

Escorts Investment Bank Limited ("the Company") is a public limited company incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (Now the Companies Act, 2017) on 15 May 1995. The Company started its commercial operations on 16 October 1996 and is listed on the Pakistan Stock Exchange Limited. The Company is licensed to carry out investment finance services, as a Non-Banking Finance Company under Section 282-C of the Companies Ordinance, 1984 and Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003. The registered office of the Company is situated at Alfalah Building, 1st Floor, Sector B, Bahria Town, Lahore. The Company is a subsidiary of Bahria Town (Private) Limited.

The Pakistan Credit Rating Agency (PACRA) has upgraded long term and short term Credit Ratings of the Company from "BB" and "B" to "A-" and "A2" respectively with stable outlook on 18 April 2018.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017 along with part VIII A 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 the provisions of and directives issued under the Companies, Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

The SECP has deferred the applicability of International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement" and International Accounting Standard (IAS) 40, "Investment Property" through Circular No. 19 dated 13 August 2003 to NBFCs providing investment finance services, discounting services and housing finance services. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim financial information. In addition, the SECP has also deferred the application of International Financial Reporting Standard (IFRS) 7, "Financial Instruments: Disclosures" through SRO 411(1) / 2008 on such NBFCs which are engaged in investment finance services, discounting services and housing finance services.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2018. This interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2018.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2018.

	Note	30-Sep-18 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
5 PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	99,906,728	97,389,870
Advances for purchase of assets		14,794,417	5,432,180
		<u>114,701,145</u>	<u>102,822,050</u>
5.1 Operating fixed assets			
Opening net book value		97,389,870	85,778,162
Cost of addition	5.1.1	4,728,861	19,689,629
Less: Book value of deletion during period / year	5.1.2	-	1,184,727
Less: Depreciation for the period / year		2,212,003	6,893,194
Closing net book value		<u>99,906,728</u>	<u>97,389,870</u>
5.1.1 Cost of addition			
Improvement on leasehold premises		-	6,479,296
Office furniture and fixtures		-	2,425,362
Computers		-	4,665,612
Office equipment		221,361	1,610,979
Vehicles		4,507,500	4,508,380
		<u>4,728,861</u>	<u>19,689,629</u>
5.1.2 Book value of deletion during the period / year:			
Cost		-	5,528,064
Less: Accumulated depreciation		-	4,343,337
Book value		<u>-</u>	<u>1,184,727</u>
6 INTANGIBLE ASSETS			
Accounting software	6.1	7,341,678	76,132
6.1 Accounting software			
Opening net book value		76,132	114,192
Cost of addition		7,479,638	-
Less: Amortization for the period / year		214,092	38,060
Closing net book value		<u>7,341,678</u>	<u>76,132</u>
7 CARDS AND ROOMS			
Opening carrying value		12,750,000	33,450,000
Less: Impairment charged during the period / year		-	20,700,000
Closing carrying value		<u>12,750,000</u>	<u>12,750,000</u>
8 LONG TERM FINANCES			
Secured and considered good	8.1	22,346,611	445,905
Considered doubtful			
Others		52,283,570	52,283,570
Less: Provision for doubtful finances		(52,283,570)	(52,283,570)
		-	-
Less: Current maturity shown under current assets		(1,156,187)	(229,560)
Closing balance		<u>21,190,424</u>	<u>216,345</u>
8.1			
It includes amount of Rs. 22 million (30 June 2018:Rs. Nil) disbursed to House finance customers during the period at return ranges from 15.53% to 16.48% per annum for tenure of 07 to 20 years.			

Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

9 DEFERRED TAX ASSET - NET

Net deferred tax asset has been recognised for all temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management of the Company is certain that the Company would have taxable profits in foreseeable future.

	Note	30-Sep-18 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
10 CASH AND BANK BALANCES			
Cash in hand		44,083	26,785
Cash with banks:			
Current accounts with:			
State Bank of Pakistan		286,704	258,617
Others		58,434	71,494
		345,138	330,111
Saving and deposit accounts		689,283,315	755,643,511
		<u>689,672,536</u>	<u>756,000,407</u>
11 LONG TERM FINANCES - SUBORDINATED LOANS			
From the Holding Company:			
Subordinated loan	11.1	650,000,000	650,000,000
From others			
Others - subordinated loans	11.2	137,694,382	137,694,382
		787,694,382	787,694,382
Less: Current maturity shown under current liabilities		137,694,382	137,694,382
		<u>650,000,000</u>	<u>650,000,000</u>

11.1 This subordinated loan received from holding company for meeting Minimum Equity Requirement (MER) and repayable on demand after expiry of minimum tenure of 24 months. It carries mark-up at the rate of 03-months KIBOR as on date of receipt of loan.

11.2 These loans are converted from Certificates of Deposits (COD) of outgoing sponsors and its associated undertakings. It carries mark-up at rate of 06- month KIBOR as on date of takeover transaction i.e. 08 January 2018, duly approved by SECP and repayment of principal and mark-up is subject to prior approval of SECP.

	Note	30-Sep-18 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
12 SHORT TERM FINANCES - SPONSORS LOAN			
Related party - unsecured			
Sponsor loan - Bahria Town (Private) Limited	12.1	176,000,000	176,000,000

12.1 This represents interest free unsecured loan, repayable on demand by the lender.

13 TRADE AND OTHER PAYABLES

This includes an amount of Rupees 58.506 million (30 June 2018: Rs. 58.506 million) payable to deceased/untraceable depositors as fully explained in Note 2 to this condensed interim financial information.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There is no significant change in the status of contingencies as reported in the annual audited financial statements of the Company for the year ended 30 June 2018.

14.2 Commitments in respect of:

- Outstanding guarantees amount to Rs. Nil (30 June 2018: Nil)
- House finance customers amount to Rs. 16.5 million (30 June 2018: Nil)

Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

	Three months period ended	
	30-Sep-18 Rupees (Un-audited)	30-Sep-17 Rupees (Un-audited)
15 ADMINISTRATIVE EXPENSES		
Salaries, allowance and other benefits	15,945,102	4,249,768
Staff training and welfare	-	67,500
Advertisement and business promotion	2,987,000	301,000
Rent, rates and taxes	2,153,760	329,545
Utilities	967,430	714,099
Communication charges	463,433	420,615
Travelling and vehicle maintenance	684,222	445,139
Repair and maintenance	178,059	279,817
Entertainment	118,093	174,804
Fee and subscriptions	928,313	6,591,893
Legal and professional charges	4,260,043	542,749
Printing and stationery	358,646	123,084
Fee, brokerage and commission	-	12,455
Insurance	182,004	20,563
Depreciation	2,212,003	1,463,265
Amortization on intangible assets	214,092	9,516
Miscellaneous expenses	387	1,700
	<u>31,652,587</u>	<u>15,747,512</u>

16 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise, holding company, local associated undertakings, other related parties and key management personnel. The Company carried out transactions with the related parties in the normal course of business which are as follows:

	Three months period ended	
	30-Sep-18 Rupees (Un-audited)	30-Sep-17 Rupees (Un-audited)
Transactions during the period		
Holding Company:		
Mark-up on long term financing	10,258,630	-
Rent expense	2,100,000	-
Utilities expense	1,418,125	-
Associated companies:		
Profit earned during the period	-	2,000,000
Profit paid on certificates of deposit	840,603	-
Remuneration to key management personnel	6,836,527	-
Contribution to staff retirement benefits plan	321,528	228,319
	30-Sep-18	30-Jun-18
	Rupees	Rupees
	(Un-audited)	(Audited)
Balances at the end of the period		
Holding company:		
Markup accrued on finances	27,420,603	17,161,973
Subordinated loan	650,000,000	650,000,000
Sponsors loan	176,000,000	176,000,000
Trade and other payables	7,471,145	4,333,000
Associated company:		
Escorts Capital Limited		
Certificate of deposit	46,000,000	52,000,000
Profit accrued on certificates of deposit	149,973	840,603

Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

17 SEGMENTAL ANALYSIS

The Company's activities are broadly categorized into two primary business segments namely financing activities and investment activities within Pakistan:

Financing activities

Financing activities include providing long-term and short-term financing facilities to corporate and individual customers.

Investing activities

Investing activities include money market activities, investment in government securities, advisory services, capital market activities and the management of the Company's liquidity.

Quarter ended 30 September 2018 (Un-audited)

	Financing activities	Investing activities	Total
	-----Rupees-----		
Profit on financing	418,278	-	418,278
Return on investments	-	15,952,313	15,952,313
Total income for reportable segments	418,278	15,952,313	16,370,591
Finance costs	455,332	17,365,479	17,820,811
Administrative expenses	808,742	30,843,845	31,652,587
Segment result	(845,796)	(32,257,011)	(33,102,807)
Other income			714,581
Other operating charges			-
Loss before taxation			(32,388,226)

As at 30 September 2018 (Un-audited)

	Financing activities	Investing activities	Total
	-----Rupees-----		
Segment assets	103,651,319	344,731,334	448,382,653
Unallocated assets			1,100,468,900
			1,548,851,553
Segment liabilities	107,478,787	1,052,711,320	1,160,190,107
Unallocated liabilities			321,087,623
Equity			67,573,823
			1,548,851,553

Period ended 30 September 2017 (Un-audited)

	Financing activities	Investing activities	Total
	-----Rupees-----		
Profit on financing	2,999,337	-	2,999,337
Return on investments	-	1,066,629	1,066,629
Total income for reportable segments	2,999,337	1,066,629	4,065,966
Finance costs	(10,672,627)	(3,947,409)	(14,620,036)
Administrative expenses	(11,495,684)	(4,251,828)	(15,747,512)
Segment result	(19,168,974)	(7,132,608)	(26,301,582)
Other income			1,016,286
Other operating charges			184,005
Loss before taxation			(25,101,291)

Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the quarter ended 30 September 2018

As at 30 June 2018 (Audited)

	Financing activities	Investing activities	Total
-----Rupees-----			
Segment assets	13,265,864	293,287,939	306,553,803
Unallocated assets			1,213,385,728
			<u>1,519,939,531</u>
Segment liabilities	47,049,678	1,040,196,343	1,087,246,021
Unallocated liabilities			352,635,768
Equity			80,057,742
			<u>1,519,939,531</u>

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's activities expose itself to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended 30 June 2018.

The Company's financial risk management objective and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended 30 June 2018.

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their face value.

19 FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

20 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue by the Board of Directors of the Company on 29 October 2018.

21 GENERAL

- 21.1 In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of other comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

- 21.2 Figures have been rounded off to the nearest rupees.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ڈائریکٹرز رپورٹ

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز 30 ستمبر 2018ء کو اختتام پذیر سال کے لئے غیر پڑتال شدہ عبوری مالیاتی معلومات پیش کرنے میں فخر محسوس کرتے ہیں۔

PACRA نے 18 اپریل، 2018ء کو مستحکم آؤٹ لک کے پیش نظر کمپنی کی کاروباری درجہ بندی کو "A-"، "A" منفی، اور قلیل مدتی کریڈٹ درجہ بندی کو "A2" میں ترقی دی ہے۔ یہ درجہ بندی اپنے عہد اور فرائض کی انجام دہی میں آپ کی کمپنی کے استحکام اور مضبوط صلاحیت کا پیش خیمہ ہے۔ سابقہ درجہ بندی "BBB" اور "B" بالترتیب کاروباری اور قلیل مدتی کریڈٹرز کے لئے تھی۔

زیر جائزہ سال کے دوران، کمپنی نے ہاؤسنگ فنانس کو متعارف کرایا ہے۔ انتظامیہ پر اعتماد ہے کہ ہاؤسنگ فنانس سیکٹر میں ممکنہ وسعت کی وجہ سے کمپنی اپنا پورٹ فولیو بہتر کرنے کے قابل ہو جائے گی اور اس سے منسلک منافع کو حاصل کر لے گی۔

ہاؤسنگ فنانس کے علاوہ، کمپنی انویسٹمنٹ فنانس سروسز لائنس کے تحت دیگر کاروباری مواقع اخذ کرنے کی خواہش مند ہے جس میں کارپوریٹ فنانس، بل ڈسکاؤنٹنگ اور کاروباری ضمانت کے ساتھ ساتھ مائیکرو فنانس قرضے کا کاروبار بھی شامل ہے۔ کمپنی کے نفع میں اضافہ متوقع ہے۔ ان تمام سرگرمیوں کو بروئے کار لانے کے لئے صارف کریڈٹ قدر اور کاروباری موزونیت کو مد نظر رکھا جائے گا۔

زیر غور سہ ماہی کے دوران، کمپنی نے گزشتہ سال کی اسی مدت میں 5.082 بلین روپے مقابلہ میں 17.085 بلین روپے کی مجموعی آمدنی درج کی۔ تاہم، رخصت ہونے والے معاہدین کی جانب سے ناقص پورٹ فولیو کی بنگ کی وجہ سے کمپنی میں منافع کارجمان منفی رہا۔

ہم سیکورٹیز اینڈ ایڈجسٹمنٹ کمیشن آف پاکستان کی گراں قدر حمایت، معاونت اور رہنمائی کے لئے تہہ دل سے شکر گزار ہیں۔ ہم اپنے معاہدین اور جوش و ولولہ کے ساتھ اپنی خدمات سرانجام دینے والے عملہ کی مسلسل حمایت کا بھی شکریہ ادا کرتے ہیں۔

منجانب / برائے بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر



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