



CORPORATE BRIEFING

ANNUAL ACCOUNT 2021

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1. Brief Introduction

EIBL is a premier institution offering innovative financial solution to corporate, financial and individual investor through wide range of products and services

- Escorts Investment Bank Limited (EIBL) is a Non-Banking Financial Institution with valid IFS license. It was registered and incorporated in Pakistan on 15th May 1995 and is listed on Pakistan Stock Exchange Limited.
- In the year 2018, sponsorship and management control was taken over by BTPL from the outgoing sponsors.
- EIBL focuses primarily on lending business including Housing Finance, Corporate Finance & Micro Finance and it is the only NBFC in Pakistan to offer Housing Finance.



2. Company Timelines

Accomplishing More in Less Time

EIBL, a Non-Banking Finance Company (NBFC), commenced operations in 1996.

1996

Obtained license to carry out investment finance services, as under the Companies Ordinance 1984 and Non-Banking Finance Companies Rules 2008.

On January 08, 2018, Bahria Town (Private) Limited, a leading real estate developer, acquired 33,628,176 shares of the company (76.254% of total share holding) along with management control of the company and injected PKR 1.2 billion in the bank.

2008

2018

The bank opened its branches in Lahore, Karachi, Rawalpindi and Raiwind.

2018

Bank's credit rating improved significantly in a short period of time, following the injection of PKR 1.2 billion in fresh equity by the new sponsor.

2018

Paid-up capital of the company was increased from PKR 441 million to PKR 1.356 billion, through issuance of further 91.5 million ordinary shares via right issue.

2019

The bank expanded its microfinance operations by opening 4 new branches in Ellahabad, Hafizabad, Nankana Sahib, Sambrial.

2019

Microfinance operations have further been expanded to Sheikhpura, Gojra, Rawalpindi and Karachi, taking the total number of branches to 12.

2020

3. Board of Directors



Ms. Zainab Malik
Chairperson/ Director

Ms. Zainab Malik has been serving as Director in Niche Lifestyle (Private) Limited since 2019. She has been a Director in Brand Central (Private) Limited for the last 7 years. She has also remained Sole Proprietor of Niche Digital Media & Cine Gold during the years 2011-2019. She was also Brand Head at Faraz Manan for the years 2017 and 2018. Miss Zainab holds a Master's in Economics from Karachi University. She is currently acting as Chairperson of the Board of Directors at Escorts Investment Bank Limited.



Mr. Naveed Amin
CEO/ Director

Mr. Naveed Amin is a Fellow Member of Institute of Chartered Accountants of Pakistan and is serving as the Chief Executive / Director of Escorts Investment Bank Limited. He has served Non - Banking Finance Companies (NBFC) and manufacturing industries for over 22 years in key positions. He has served as member of Board of Directors in Investment Banks and Leasing Companies (NBFC), Central Depository Company of Pakistan Limited (CDC) and National Clearing Company of Pakistan Limited (NCCPL).

3. Board of Directors



Khawaja Nadeem Abbas

Director

Khawaja Nadeem Abbas is an Associate Member of Institute of Chartered Accountants of Pakistan and is vastly experienced in the fields of financial services and corporate affairs. He has also worked in Saudi Arabia at key financial positions in oil and gas companies and heavy machinery manufacturers. He is serving as the Director of Escorts Investment Bank Limited.



Syed Tahir Nawazish

Director

Mr. Tahir Nawazish is currently serving as Chairman, Board of Directors at Central Power Generation Company, Guddu (GENCO II) and as Director for GENCO Holding Private Limited, since 2016. He has also remained Chairman, Board of Directors at First Fidelity Leasing Modaraba for the past 13 years. He also served as Senior Industry Consultant for Teradata Corporation Limited for the period 2010-2018. He holds an MBA from The University of Karachi. He is currently serving as Director at Escorts Investment Bank Limited



Mr. Tahir Saeed Effendi

Director

Mr. Tahir Saeed Effendi is serving as a Director in Escorts Investment Bank Limited and has over 30 years broad-based professional experience in the financial services sector. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan and a Fellow Member of the Institute of Bankers and Institute of Chartered Managers.



Muhammad Mubashir Hussain

Independent Director

Mr. Muhammad Mubashir Hussain is currently serving as an Independent Director in Escorts Investment Bank Limited. He is assistant professor in Management Studies Department, GC University, Lahore

4. Branch Network

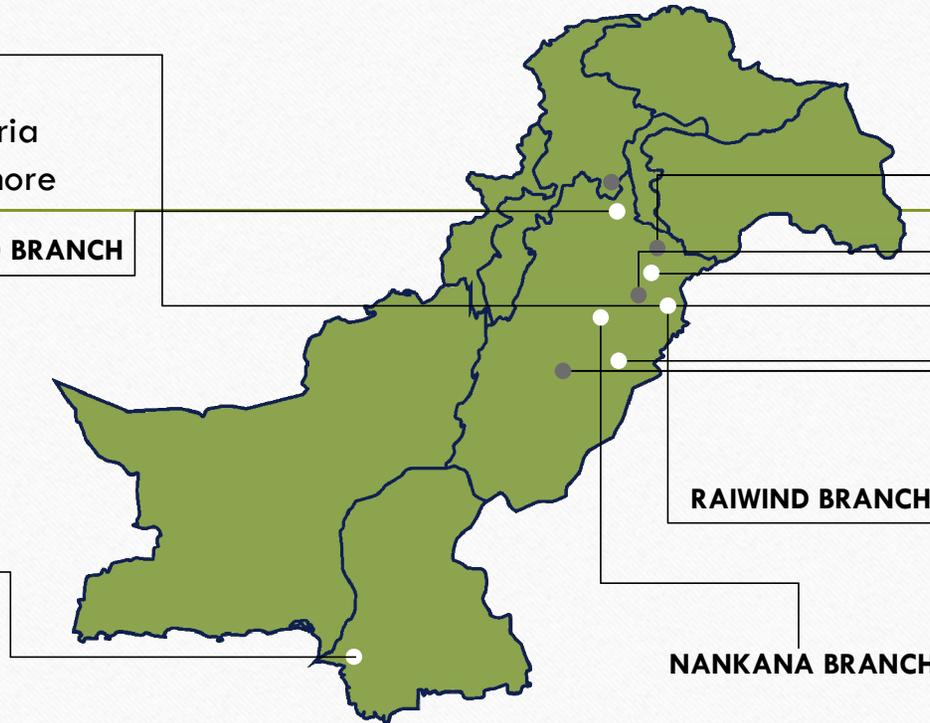


HEAD OFFICE

Alfalah Building, First Floor, Sector – B, Bahria Town, Mohlanwal, Lahore

RAWALPINDI/ISLAMABAD BRANCH

KARACHI BRANCH



SAMBRIAL BRANCH

SHEIKHUPURA BRANCH

GOJRA BRANCH

HAFIZABAD BRANCH

LAHORE BRANCH

ELLAHABAD BRANCH

NANKANA BRANCH

RAIWIND BRANCH

4. Credit Rating



PACRA has revised the company's credit rating with stable outlook



Short Term Rating is A2

A satisfactory capacity for timely repayment.

This may be susceptible to adverse changes in business, economic, or financial conditions.



Long Term Rating is A-

High credit quality.

Low expectation of credit risk.

The capacity for timely payment of financial commitments is considered strong.

This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions.

The ratings denote an adequate capacity of timely payment of financial commitments made by Escorts Investment Bank.

6. Financial Highlights

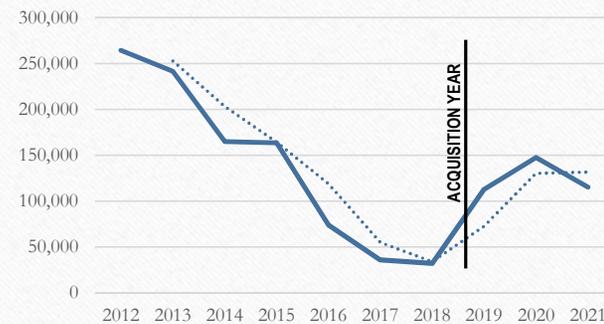
REVENUE AND EXPENDITURE ANALYSIS



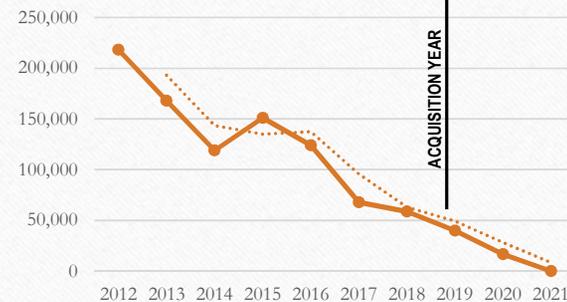
Total revenue has increased immensely since acquisition and this is primarily due to increase in finance portfolio and mark-up income on investments. However, during COVID-19, Government significantly reduced interest rates which could not be capitalized during the second half of FY 2021.

Markup expense has decrease significantly due to issuance of right issue in previous year and repayment to outgoing group sponsors loan during the period. Hence, the Company reports no markup expense as compared to Rs. 16.77 million of corresponding previous year.

Total Revenue



Markup Expense

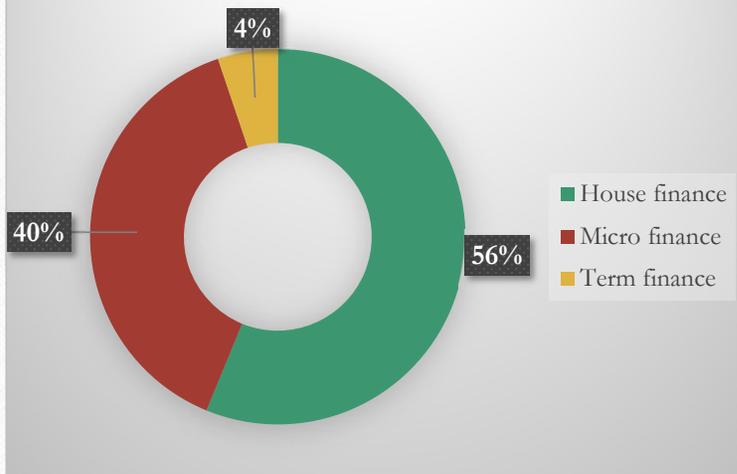


6. Financial Highlights



COMPOSITION OF FINANCE PORTFOLIO

Finance Portfolio 30 June 2020



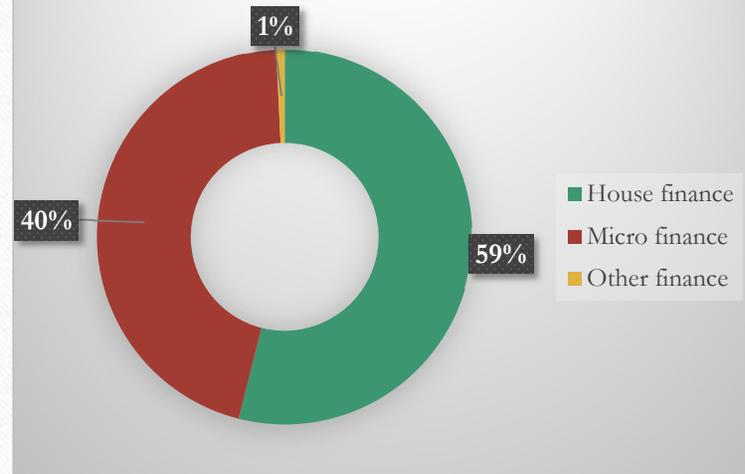
Portfolio Composition of 296 m:

HF: 166 million

MF: 118 million

OF: 12 million

Finance Portfolio 30 June 2021



Portfolio Composition of 288 m:

HF: 171 million

MF: 115 million

OF: 2 million

6. Financial Highlights

STATEMENT OF FINANCIAL POSITION



	June 30, 2021	June 30, 2020
	Rupees	Rupees
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	199,744,552	190,478,756
Intangible assets	5,808,453	4,048,592
Cards and rooms	12,000,000	12,750,000
Long term investments	24,905,000	126,250,000
Long term finances	144,266,600	134,322,408
Long term deposits	25,449,600	15,449,600
Deferred tax asset – net	179,847,449	183,336,579
	592,021,540	666,635,935
CURRENT ASSETS		
Current portion of non-current assets	53,341,114	51,038,121
Short term investments	124,904,649	100,963,800
Short term finances	75,013,965	57,939,457
Short term advances	5,066,280	6,186,898
Prepayments	1,532,939	759,639
Interest receivable	9,023,525	10,225,945
Other receivables	44,353,918	71,784,977
Tax refunds due from the government	113,045,918	124,148,444
Cash and bank balances	38,278,106	286,662,222
	464,560,228	709,709,503
TOTAL ASSETS	1,056,581,768	1,376,345,438

6. Financial Highlights

STATEMENT OF FINANCIAL POSITION



SHARE CAPITAL AND RESERVES

Authorized share capital

300,000,000 (2020: 300,000,000) ordinary shares of Rs. 10 each

Issued, subscribed and paid up capital

Capital reserves

Revenue reserve

Revaluation surplus on property and equipment

LIABILITIES

NON-CURRENT LIABILITIES

Long term certificates of deposit

Lease liabilities

CURRENT LIABILITIES

Current portion of non-current liabilities

Accrued markup

Trade and other payables

Unclaimed dividend

Provision for taxation

CONTINGENCIES AND COMMITMENTS

TOTAL EQUITY AND LIABILITIES

	3,000,000,000	3,000,000,000
	1,356,000,000	1,356,000,000
	158,401,746	159,746,746
	(694,661,186)	(614,079,194)
	19,754,853	17,997,309
	839,495,413	919,664,861
	-	51,250,000
	65,726,758	61,602,519
	65,726,758	112,852,519
	47,578,484	157,465,127
	-	13,142,620
	99,747,906	155,138,276
	2,385,654	2,385,654
	1,647,553	15,696,381
	155,738,767	343,828,058
	-	-
	1,056,581,768	1,376,345,438

6. Financial Highlights

STATEMENT OF PROFIT OR LOSS



	2021	2020
	Rupees	Rupees
Income		
Profit on financing	73,542,080	51,770,437
Return on investments	14,268,229	44,501,722
Income from fee and commission	4,559,320	3,818,121
Profit on bank deposits	9,442,640	37,197,974
Other income	10,512,673	10,149,277
	112,324,942	147,437,531
Expenses		
Mark-up on certificates of deposit	-	4,124,397
Mark-up on borrowings from others	-	12,642,434
Administrative expenses	166,945,239	163,269,055
Finance cost	6,265,380	4,522,670
	173,210,619	184,558,556
Operating loss before provisions and taxation	(60,885,677)	(37,121,025)
Other operating expenses	(16,662,298)	(457,579)
Reversal of provision for doubtful finances	117,381	9,364,023
Loss before Taxation	(77,430,594)	(28,214,581)
Taxation – net	(4,051,262)	(1,695,166)
Net Loss for the Year	(81,481,856)	(29,909,747)

QUESTIONS AND ANSWER

THANK YOU
