

we are
committed
to growing



CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 MARCH 2022



**Escorts
Investment**
Bank



TABLE OF CONTENTS

Corporate Information	02
Directors' Report	03
Directors' Report (Urdu).....	04
Condensed Interim Statement of Financial Position	06
Condensed Interim Statement of Profit or Loss	07
Condensed Interim Statement of Comprehensive Income	08
Condensed Interim Statement of Changes in Equity	09
Condensed Interim Statement of Cash Flows	10
Selected Notes to the Condensed Interim Financial Statements	11

CORPORATE INFORMATION

Board of Directors

Ms. Zainab Malik
(Chairperson)

Mr. Muhammad Mubashir Hussain
Mr. Muhammad Rasheed Alam
Syed Tahir Nawazish
Khawaja Nadeem Abbas
Mr. Rashid Aziz

Audit Committee

Mr. Muhammad Mubashir Hussain
(Chairman)
Ms. Zainab Malik
(Member)
Khawaja Nadeem Abbas
(Member)

Human Resource & Remuneration (HRR) Committee

Mr. Muhammad Mubashir Hussain
(Chairman)
Ms. Zainab Malik
(Member)
Syed Tahir Nawazish
(Member)

Chief Financial Officer

Mr. Muhammad Usman Khalid, ACA

Company Secretary

Sheikh Faisal Saeed

External Auditors

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants

Tax Consultants

Riaz Ahmad and Company
Chartered Accountants

Legal Advisor

Mandviwalla & Zafar
Advocates

Share Registrar

Hameed Majeed Associates (Private)
Limited

Bankers To the Company

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

Registered Office

Alfalah Building, 1st Floor, Sector-B,
Bahria Town, Mohlanwal Lahore
Tel: (92-42) 35341845-6
www.escortsbank.net
info@escortsbank.net
UAN: 042 111 003 425
Toll Free: 0800 03425



DIRECTORS' REPORT

The Board of Directors of Escorts Investment Bank Limited (“Company”) are pleased to present the Directors’ report together with the condensed interim financial statements (un-audited) of the Company for the period ended on 31 March 2022.

ECONOMY REVIEW

Currently, the world is facing ramifications of ongoing war between Russia and Ukraine in shape of financial sanctions, increased commodity prices and disrupted supply chains. These challenges have fueled global inflation and downgraded the growth outlook in most countries. The economy of Pakistan is on the path to economic recovery. However, domestic and international risks are playing a crucial role which is now posing a perplexed position of Pakistan’s economy.

Economic recovery from the COVID-19 pandemic and the supply bottlenecks caused unprecedented surges in inflation in many parts of the world, which also spilled over into Pakistan. Presently, due to increased geopolitical tensions, there are expectations about a further increase in international commodities prices. The new government is taking possible measures to contain the current pass-through of this increase into domestic consumer prices, especially through relief packages.

PERFORMANCE REVIEW

Despite the challenged and difficult situation, the Company continues to strive for achieving better results. Now the Company optimistically writing down new businesses and increasing its outreach for microfinance sector. As at 31st March 2022, the housing and microfinance portfolio stood at Rs.149.221 million and Rs. 100.149 million respectively.

In third quarter, Company has adopted different strategies to increase its business and reduce the recurring losses. Continuous commitment and hard work of management has come to fruition and curtailed the provisioning to Rs. 0.532 million as compared to Rs. 5.123 million of corresponding period last year. Management has planned to rigorously increase its business volume in order to achieve the desired results soon.

Moreover, the Company has considerably reduced the losses in latter half of third quarter and progressively moving towards achievement of break even. Meanwhile, certain deliverables of ERP system has also streamlined the processes which is maximizing the efficiencies of the employees. The reported loss for the period under review is Rs. 52.239 million as against to Rs. 57.496 million for the corresponding period last year.

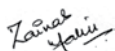
INTENTION TO ACQUIRE MAJORITY SHAREHOLDING OF THE COMPANY

During the period, Manager to the Offer ‘M. Munir M. Ahmad Khanani Securities Limited’ had withdrawn the Public Announcement of Intention given on behalf of potential investor and hence the first PAI stands withdrawn. Subsequent to withdrawal, AKD Securities Limited being MTO of another potential investor had served notice of intention to acquire more than 50% shares along with management control of the Company. Company is in process of complying all the requisite legal and regulatory requirements as laid under relevant laws. We have informed the stakeholders accordingly and will continue to update our worthy members according to the progress of transaction.

ACKNOWLEDGEMENT

The Directors wish to place on record the gratitude to its customer for their valued support and thank all our staff members for their unwavering commitment and dedication during this challenged time. We also acknowledge the efforts of the sponsors for their continued support which will continue to enhance our capabilities to achieve our objectives.

For and on behalf of the Board



Zainab Malik
Chairperson / Director



Syed Tahir Nawazish
Director

ڈائریکٹرز کی رپورٹ

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز، ڈائریکٹرز کی رپورٹ اور کمپنی کے 31 مارچ 2022 کو ختم ہونے والی مدت کے غیر آڈٹ شدہ مالی گوشوارے پیش کرنے پر مسرت کا اظہار کرتے ہیں۔

اقتصادی جائزہ

اس وقت دنیا کو روس اور یوکرین کے درمیان جاری جنگ کے نتیجے میں مالی پابندیوں، اشیاء کی قیمتوں میں اضافہ اور سپلائی چین میں خلل جیسے اثرات کا سامنا ہے۔ ان چیلنجوں نے عالمی افراط زر کو، وادی میں اور زیادہ تر ممالک میں ترقی کے اندازوں کو کم کر دیا ہے۔ پاکستان کی معیشت بحالی کی راہ پر گامزن ہے۔ تاہم، ملکی اور بین الاقوامی خدشات پاکستان کی معیشت پر پریشان کن حالت کو برقرار رکھنے میں اپنا کردار ادا کر سکتے ہیں۔ COVID-19 وبائی مرض سے معاشی بحالی اور سپلائی میں رکاوٹوں کی وجہ سے دنیا کے کئی حصوں میں افراط زر میں بے مثال اضافہ ہوا، اور اس کے اثرات پاکستان پر بھی ہوئے۔ فی الحال، بڑھتے ہوئے جغرافیائی سیاسی تناؤ کی وجہ سے، بین الاقوامی اشیاء کی قیمتوں میں مزید اضافے کی توقعات ہیں۔ نئی حکومت، خصوصی ریلیف پیکیج کے ذریعے، گھریلو صارفین کو افراط زر کے ممکنہ اثرات سے بچانے کی کاوش کر رہی ہے۔

کارکردگی کا جائزہ

چیلنج اور مشکل حالات کے باوجود، کمپنی بہتر نتائج کے حصول کے لیے کوششیں جاری رکھے ہوئے ہے۔ اب کمپنی پر امید طریقے سے نئے کاروبار لکھ رہی ہے اور مائیکرو فنانس سیکٹر کے لیے اپنی رسائی کو بڑھا رہی ہے۔ 31 مارچ 2022 تک، باؤسنگ اور مائیکرو فنانس پورٹ فولیو بالترتیب 149.221 ملین روپے اور 100.149 ملین روپے تھا۔

تیسری سہ ماہی میں، کمپنی نے اپنے کاروبار کو بڑھانے اور بار بار ہونے والے نقصانات کو کم کرنے کے لیے مختلف حکمت عملی اپنائی ہے۔ انتظامیہ کی مسلسل وابستگی اور محنت رنگ لائی ہے اور پروڈیون کو 0.532 ملین روپے تک کم کر دیا ہے جو کہ پچھلے سال کی اسی مدت کے دوران 5.123 ملین روپے تھی۔ انتظامیہ نے جلد ہی مطلوبہ نتائج حاصل کرنے کے لیے اپنے کاروباری حجم کو سختی سے بڑھانے کا منصوبہ بنایا ہے۔

مزید برآں، کمپنی نے تیسری سہ ماہی کے آخری نصف میں نقصانات کو کافی حد تک کم کیا ہے اور بتدریج بریک ایون کے حصول کی طرف بڑھ رہی ہے۔ دریں اثنا، ERP سسٹم کے کچھ ڈیلیور ایبلز نے بھی عمل کو ہموار کیا ہے جس سے ملازمین کی استعداد کار میں اضافہ ہو رہا ہے۔ زیر جائزہ مدت کے لیے رپورٹ کردہ نقصان روپے ہے۔ زیر جائزہ مدت کے ل دوران نقصان 52.239 ملین روپے ہے جو کہ پچھلے سال کی اسی مدت کے دوران 57.496 ملین روپے تھا۔

کمپنی کی اکثریتی شیئر ہولڈنگ کے حصول میں دلچسپی

زیر جائزہ مدت کے دوران، پیشکش کے مینیجر ایم۔ منیر ایم احمد خانانی سیکورٹیز لمیٹڈ نے ممکنہ سرمایہ کار کی جانب سے دیے گئے عوامی اعلان کو واپس لے لیا تھا اور اس لیے پہلا PAI واپس لے لیا گیا ہے۔ اس کے بعد، AKD سیکورٹیز لمیٹڈ نے ایک اور ممکنہ سرمایہ کار کا MTO ہونے کے ناطے کمپنی کے انتظامی کنٹرول کے ساتھ 50% سے زیادہ شیئر حاصل کرنے کے ارادے کا نوٹس دیا تھا۔ کمپنی متعلقہ قوانین کے تحت تمام مطلوبہ قانونی اور ریگولیٹری تقاضوں کی تعمیل کرنے کے عمل میں ہے۔ ہم نے اس کے متعلق اسٹیک ہولڈرز کو آگاہ کر دیا ہے اور لین دین کی پیشرفت کے متعلق اپنے قابل احترام ممبران کو باخبر رکھیں گے۔

اعتراف

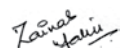
ڈائریکٹرز اپنے صارفین کی گرانقدر حمایت کے لیے ان کا شکریہ ادا کرنا چاہتے ہیں اور اس مشکل وقت کے دوران عملے کی غیر متزلزل عزم اور لگن کے لیے ہم تمام شاف کا شکریہ ادا کرنا چاہتے ہیں۔ ہم اسپانسرز کی مسلسل حمایت کے لیے ان کی کوششوں کو بھی تسلیم کرتے ہیں جو ہمارے مقاصد کو حاصل کرنے کے لیے ہماری صلاحیتوں کو بڑھاتی رہیں گی۔

منجانب / برائے بورڈ



سید طاہر نواز ش

ڈائریکٹر



زہب ملک

چیئر پرسن / ڈائریکٹر

A black and white photograph of a hand holding a pen, pointing at a document with a bar chart. The document is on a clipboard. The background is blurred, showing a person's face and hands. The text is overlaid on a white rectangular background.

Condensed Interim
Financial Information
(Un-audited)
For the period ended 31 March 2022

Condensed Interim Statement of Financial Position


As at 31 March 2022

	Note	31-Mar-22 Rupees (Un-audited)	30-Jun-21 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	183,248,073	199,744,552
Intangible assets	6	5,133,721	5,808,453
Cards and rooms		12,000,000	12,000,000
Long term investments		24,906,250	24,905,000
Long term finances	7	114,119,723	144,266,486
Net investment in lease finances		-	-
Long term deposits		25,441,600	25,449,600
Deferred tax asset - net	8	180,150,032	179,847,449
		544,999,399	592,021,540
CURRENT ASSETS			
Current portion of non-current assets		44,063,865	53,341,114
Short term investments		32,014,455	124,904,649
Short term finances		70,086,357	75,013,965
Short term advances		3,885,759	5,066,280
Prepayments		1,909,715	1,532,939
Interest receivables		9,689,332	9,023,525
Other receivables		18,734,411	44,353,732
Tax refunds due from the government		114,897,550	113,045,918
Cash and bank balances	9	140,507,398	38,278,106
		435,788,842	464,560,228
TOTAL ASSETS		980,788,241	1,056,581,768
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 300,000,000 (2022: 300,000,000) ordinary shares of Rs. 10 each		3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital		1,356,000,000	1,356,000,000
Capital reserves		158,402,996	158,401,746
Revenue reserve		(746,158,886)	(694,661,186)
Revaluation surplus on property and equipment		19,014,046	19,754,853
		787,258,156	839,495,413
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities		58,745,463	65,726,758
		58,745,463	65,726,758
CURRENT LIABILITIES			
Current portion of non-current liabilities	10	20,465,696	47,578,484
Trade and other payables	11	109,559,527	99,747,906
Unclaimed dividend		2,385,654	2,385,654
Provision for taxation		2,373,745	1,647,553
		134,784,622	151,359,597
CONTINGENCIES AND COMMITMENTS	12	-	-
TOTAL EQUITY AND LIABILITIES		980,788,241	1,056,581,768

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Acting Chief Executive



Director



Chief Financial Officer

Condensed Interim Statement of Profit or Loss

For the period and quarter ended 31 March 2022 (Un-audited)

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2022 Rupees	2021 Rupees	2022 Rupees	2021 Rupees
INCOME					
Profit on financing		42,776,721	53,201,159	13,447,308	17,325,748
Return on investments		6,579,986	11,774,523	2,229,222	2,655,446
Income from fee and commission		2,761,811	3,380,564	1,199,350	1,104,600
Profit on bank deposits		4,739,233	8,830,702	2,127,495	2,183,209
Other income		24,899,713	9,259,221	4,924,963	489,685
		81,757,464	86,446,169	23,928,338	23,758,688
EXPENSES					
Administrative expenses	13	118,412,015	129,764,081	39,233,695	36,778,803
Finance cost		3,581,431	4,641,599	1,156,472	1,537,200
Other expenses		-	1,029,428	-	1,029,428
		121,993,446	135,435,108	40,390,167	39,345,431
Operating loss before provisions and taxation		(40,235,982)	(48,988,939)	(16,461,829)	(15,586,743)
Provision against doubtful finances & Write offs - Net	14	(11,578,917)	(7,573,848)	(532,039)	(5,122,869)
Loss before taxation		(51,814,899)	(56,562,787)	(16,993,868)	(20,709,612)
Taxation - net		(423,609)	(933,296)	(142,010)	(179,854)
Loss after taxation		(52,238,508)	(57,496,083)	(17,135,878)	(20,889,466)
Loss per share - basic and diluted		(0.39)	(0.42)	(0.13)	(0.15)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


Acting Chief Executive


Director


Chief Financial Officer

Condensed Interim Statement of Comprehensive Income

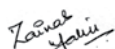
For the period and quarter ended 31 March 2022 (Un-audited)

	Nine months ended March 31,		Quarter ended March 31,	
	2022 Rupees	2021 Rupees	2022 Rupees	2021 Rupees
Loss after taxation	(52,238,508)	(57,496,083)	(17,135,878)	(20,889,466)
Other comprehensive loss:				
Items that will not be reclassified to statement of profit or loss	-	-	-	-
Items that may be reclassified subsequently to statement of profit or loss				
Loss on revaluation of investements - term finance certificate		(2,187,500)	-	(790,875)
Loss on disposal of term finance certificate - reclassified to profit or loss	1,250	750,000	-	750,000
Other comprehensive income / (loss) for the period - net of tax	1,250	(1,437,500)	-	(40,875)
Total comprehensive loss for the period	(52,237,258)	(58,933,583)	(17,135,878)	(20,930,341)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Acting Chief Executive



Director



Chief Financial Officer

Condensed Interim Statement of Changes in Equity

For the period ended 31 March 2022 (Un-audited)

Rupees

Particulars	Issued, subscribed and paid up capital	Capital reserves		Revenue reserve		Revaluation Surplus on Property and Equipment	Total
		Statutory reserve	(Deficit)/ gain on re-valuation of investments	Accumulated loss			
Balance as at June 30, 2020 (audited)	1,356,000,000	158,496,746	1,250,000	(614,079,194)	17,997,309	919,664,861	
Total comprehensive loss for the period							
Net loss for the period	-	-	-	(57,496,083)	-	(57,496,083)	
Other comprehensive loss for the period	-	-	(1,437,500)	-	-	(1,437,500)	
Total comprehensive loss	-	-	(1,437,500)	(57,496,083)	-	(58,933,583)	
Transfer from surplus on revaluation of property and equipment on account of incremental depreciation on revalued asset for the period - net of tax	-	-	-	449,932	(449,932)	-	
Balance as at March 31, 2021 (Un-audited)	1,356,000,000	158,496,746	(187,500)	(671,125,345)	17,547,377	860,731,278	
Balance as at June 30, 2021 (audited)	1,356,000,000	158,496,746	(95,000)	(694,661,186)	19,754,854	839,495,414	
Total comprehensive loss for the period							
Net loss for the period	-	-	-	(52,238,508)	-	(52,238,508)	
Other comprehensive gain for the period	-	-	1,250	-	-	1,250	
Total comprehensive gain / (loss)	-	-	1,250	(52,238,508)	-	(52,237,258)	
Transfer from surplus on revaluation of property and equipment on account of incremental depreciation on revalued asset for the period - net of tax	-	-	-	740,808	(740,808)	-	
Balance as at March 31, 2022 (Un-audited)	1,356,000,000	158,496,746	(93,750)	(746,158,886)	19,014,046	787,258,156	

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Acting Chief Executive



Director



Chief Financial Officer

Condensed Interim Statement of Cash Flows

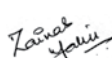
For the period ended 31 March 2022 (Un-audited)

	Period ended 31 March	
	2022 Rupees	2021 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(51,814,899)	(56,562,787)
Adjustment for non cash expenses and other items:		
- Depreciation on property and equipment	10,519,095	12,180,750
- Depreciation on right of use assets	6,062,200	5,185,314
- Amortization on intangible assets	674,730	1,012,045
- Interest on lease liabilities against right-of-use assets	3,486,594	4,487,770
- Finance cost	94,837	153,829
- Other expenses	-	750,000
- Provision against doubtful finances & Write offs - Net	11,578,917	7,573,848
	32,416,373	31,343,556
	(19,398,526)	(25,219,231)
Decrease / (increase) in operating assets		
- Finances - net	32,772,703	(42,675,444)
- Investments	92,890,194	(26,788,515)
- Loan and advances	1,180,521	4,361,965
- Interest receivable	(665,807)	38,272
- Other receivables	25,619,321	27,537,570
- Deposits and prepayments	(368,776)	(11,175,756)
Decrease in operating liabilities		
- Certificates of deposit	-	(31,531)
- Accrued markup	-	(13,142,620)
- Trade and other payables	(17,301,167)	(69,679,712)
	134,126,989	(131,555,771)
Net cash used in operations	114,728,463	(156,775,002)
Finance cost paid	(94,837)	(153,829)
Taxation - net	(1,851,632)	(4,212,770)
Net cash used in operating activities	112,781,994	(161,141,601)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property and equipment	(7,506,530)	(23,473,614)
Sale of vehicles	7,329,387	-
Capital expenditure on intangible assets	-	(3,109,255)
Net cash generated from / (used in) investing activities	(177,143)	(26,582,869)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of sub-ordinated loan - old sponsors	-	(137,694,382)
Disposal of Term Finance Certificates	-	99,250,000
Payment of lease liabilities against right-of-use assets	(10,375,559)	(6,028,469)
Net cash used in financing activities	(10,375,559)	(44,472,851)
Net Decrease in Cash and Cash Equivalents During the Period	102,229,292	(232,197,321)
Cash and cash equivalents at the beginning of the period	38,278,106	286,662,222
Cash and Cash Equivalents at the End of the Period	140,507,398	54,464,901

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Acting Chief Executive



Director



Chief Financial Officer

Selected Notes to the Condensed Interim Financial Statements

For the period ended 31 March 2022 (Un-audited)

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.

During the period, Manager to the Offer ‘M. Munir M. Ahmad Khanani Securities Limited’ had withdrawn the Public Announcement of Intention given on behalf of potential investor and hence the first PAI stands withdrawn. Subsequent to withdrawal, AKD Securities Limited being MTO of another potential investor had served notice of intention to acquire more than 50% shares along with control of the Company. Necessary legal and regulatory requirements are being complied with as and when it becomes applicable.

The registered office of the Company is situated at Alfalah Building, 1st Floor, Sector B, Bahria Town, Lahore. The regional offices are located as follows:

Regional office	Address
Lahore	Bahria Town, Corporate Office, Bahria Orchard, Raiwind Road.
Karachi	Bahria Town, Head Office, Bahria Town Super Highway.
Rawalpindi / Islamabad	Bahria Town, Head Office, Phase VIII, Rawalpindi. Bahria Enclave Head Office Sector-J, Phase-2 Islamabad.
Raiwind	Railway Road, Raiwind City, Tehsil & District Lahore.
Ellahabad	Tufail Plaza Near Pso Pump, Chunian Road, District Kasur.
Hafizabad	Gujranwala Road, Opposite Admore Petrol Pump, Tehsil & District Hafizabad.
Nankana	Haider Plaza B-II-IS-II, Malji Road, Tehsil & District Nankana Sahib.
Sambrial	Near Makki Masjid, Mohala Naik Pura, Wazirabad Road, District Sialkot, Sambrial.
Gojra	P-156 Eidgah Road, District Toba Teksing, Gojra.
Sheikhupura	Opposite New Sabazimandi, Lahore Road, Sheikhupura.

The Pakistan Credit Rating Agency (PACRA) has maintained long term and short term Credit Ratings of the Company at “A-” and “A2” respectively with developing outlook on 25 March 2022. The ratings denote an adequate capacity of timely payment of financial commitments.

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.

This condensed 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 financial statements for the year ended 30 June 2021. This condensed interim financial information is being presented and submitted to the shareholders as required by Listing Regulations of Pakistan Stock Exchange and under Section 237 of the Companies Act, 2017.

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 2021. 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 2021.

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.

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 2021.

	Note	31-Mar-22 Rupees (Un-audited)	30-Jun-21 Rupees (Audited)
5. PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	122,920,490	137,674,169
Right-of-use assets		53,540,484	59,695,011
Advances for purchase of assets		6,787,099	2,375,372
		183,248,073	199,744,552
5.1 Operating fixed assets			
Opening net book value		137,674,169	130,935,921
Revaluation surplus for the period / year		-	3,742,830
Cost of addition	5.1.1	216,650	23,338,671
Less: Book value of deletion during period / year		4,451,234	3,946,166
Less: Depreciation for the period / year	13	10,519,095	16,397,087
Closing net book value		122,920,490	137,674,169

		31-Mar-22	30-Jun-21
		Rupees	Rupees
	Note	(Un-audited)	(Audited)
5.1.1	Cost of addition		
	Improvement on leasehold premises	-	4,276,367
	Office premises	-	16,826,161
	Office furniture and fixtures	-	939,785
	Computers	136,650	65,049
	Office equipment	80,000	1,125,479
	Vehicles	-	105,830
		216,650	23,338,671
6.	INTANGIBLE ASSETS		
	Accounting software	6.1	2,024,466
	Advance for ERP implementation		2,699,198
			3,109,255
			5,133,721
			5,808,453
6.1	Accounting software		
	Net carrying value		
	Opening balance		2,699,196
	Less: Amortization charge	13	4,048,592
			674,730
			1,349,396
			2,024,466
			2,699,196
7.	LONG TERM FINANCES		
	Considered good	7.1	155,449,717
	Considered doubtful	7.1.2	188,172,744
			46,127,291
			197,068,071
	Less: Allowance for expected credit losses		234,300,035
			40,913,083
			38,772,964
			156,154,988
	Less: Current maturity		195,527,071
	Less: General provision for micro finance portfolio		41,897,880
			51,175,129
			137,385
			85,456
			114,119,723
			144,266,486
7.1	Considered good		
	House finance - secured	7.1.1	149,221,236
	Micro finance	7.1.2	171,081,488
			17,091,256
			155,449,717
			188,172,744

7.1.1 It represents amount disbursed to house finance customers at return rate ranging from 13.98% to 22.42% (2021: 13.98% TO 22.42%) per annum for tenure of 02 to 20 years.

7.1.2 It represents amount disbursed to micro finance customers at return rate ranging from 38.50% to 45% (2021: 38.50% TO 45%) per annum for tenure of 01 to 2 years.

8. DEFERRED TAX ASSET - NET

The Company has an aggregate amount of deferred tax assets of Rs. 180.150 million (2021: Rs. 179.847 million) which represents management's best estimate of the probable benefits expected to be realized in future years in the form of reduced tax liability as the Company would be able to set off the profits earned in those years against taxable temporary differences relating to prior years. The Company has prepared financial projections for future taxable profits, to assess the recoverability of deferred tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as raise of deposits, growth in customer base, investment returns, potential provision against assets, interest rates and expected recoveries of classified loans. Any significant change in such assumptions may have an effect on the recoverability of the deferred tax assets. The management believes that it is probable that the Company will be able to achieve the profits and consequently, the deferred tax asset will be fully realized in future. Deferred tax asset not recognized during the year relate to partial business loss for the tax year 2016 which will expire in tax year 2022.

	Note	31-Mar-22 Rupees (Un-audited)	30-Jun-21 Rupees (Audited)
9. CASH AND BANK BALANCES			
Cash in hand		2,196,653	214,415
Cash with banks:			
Current accounts with:			
State Bank of Pakistan		190,383	130,809
Others		117,649,931	21,555,396
		117,840,314	21,686,205
Saving and deposit accounts	9.1	20,470,431	16,377,486
		140,507,398	38,278,106

9.1 Rate of return on these accounts range from 5.52% to 8.25% (30 June 2021: 5.52% to 6.50%) per annum.

	Note	31-Mar-22 Rupees (Un-audited)	30-Jun-21 Rupees (Audited)
10. CURRENT MATURITIES OF NON-CURRENT LIABILITIES			
Long term certificates of deposit		10,000,000	41,250,000
Long term lease liabilities		8,299,711	4,162,499
Long term security deposits		2,165,985	2,165,985
		20,465,696	47,578,484
11. TRADE AND OTHER PAYABLES			
Customers' credit balances		4,447,550	4,447,550
Certificate of depositors	11.1	67,423,403	36,647,272
Accrued expenses and other payables	11.2	37,317,106	58,228,440
Payable to employees provident fund		371,468	424,644
		109,559,527	99,747,906

11.1 These certificates of deposit remained unpaid mainly due to non-submission of succession certificates (by legal heirs of depositors), liens, and other legal issues.

11.2 This includes mark up of Rs. 3.988 million (2021: Nil) suspended during the year.

12 CONTINGENCIES AND COMMITMENTS

12.1 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 2021 except as stated below.

Notices issued u/s 161/205 of the Income Tax Ordinance, 2001 for tax year 2014,2016 to 2020 have been complied with and where demand raised under orders for relevant Tax Year, it has been paid. Hence, the Company's liability is discharged in this context.

	31-Mar-22		30-Jun-21	
	Rupees		Rupees	
	(Un-audited)		(Audited)	
12.2 Commitments				
ERP implementation		4,071,174		4,071,174
House finance customer		1,000,000		4,200,000
	Nine months ended March 31,		Quarter ended March 31,	
	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
13. ADMINISTRATIVE EXPENSES				
Salaries, allowance and other benefits	65,533,541	71,868,439	21,771,093	20,555,234
Staff training and welfare	7,500	1,485,054	-	207,000
Advertisement and business promotion	87,000	292,020	-	81,090
Rent, rates and taxes	646,849	773,682	275,984	163,200
Utilities	4,484,292	4,561,192	1,133,880	1,003,967
Communication charges	3,056,904	3,622,799	1,390,108	1,073,477
Travelling and vehicle maintenance	3,040,820	3,555,649	828,727	993,918
Repair and maintenance	2,805,066	2,777,380	1,077,519	824,481
Entertainment	787,060	870,964	259,746	206,271
Fee and subscriptions	2,743,292	1,273,398	1,440,424	413,932
Legal and professional charges	13,778,232	15,477,104	4,031,134	3,753,668
Printing and stationery	1,587,118	1,458,327	463,166	322,594
Insurance	2,598,316	3,369,964	693,488	888,876
Depreciation on property and equipment	10,519,095	12,180,750	3,434,343	4,225,310
Depreciation on right of use assets	6,062,200	5,185,314	2,209,173	1,728,438
Amortization on intangible assets	674,730	1,012,045	224,910	337,347
	118,412,015	129,764,081	39,233,695	36,778,803
14. PROVISION AGAINST DOUBTFUL FINANCES & WRITE OFFS - NET				
Provision against financing - specific	11,399,025	7,471,037	515,286	5,172,596
Provision against financing - general	153,067	102,811	16,753	(49,727)
Write offs	26,825	-	-	-
	11,578,917	7,573,848	532,039	5,122,869

15. SEGMENTAL ANALYSIS

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

15.1 Financing activities

House finance activities

House finance activities include providing long-term financing facilities to individuals (both salaried and self-employed) of house finance customers.

Micro finance activities

Micro finance activities include providing long-term and short-term financing facilities to poor individuals (both salaried and self-employed) and micro - enterprise customers.

Term and other finance activities

Term finance activities include providing long-term financing facilities to corporate entities and individuals. Other operations that do not fall into the above referred activities are reported under 'Term and other finance activities'.

15.2 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.

Nine months ended 31 March 2022 (Un-audited)

	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
	-----Rupees-----				
Profit on financing	20,083,238	22,693,483	-	-	42,776,721
Income from fee and commission	48,761	2,713,050	-	-	2,761,811
Return on investments	-	-	-	11,319,219	11,319,219
Other income	-	172,984	-	-	172,984
Total income of segments	20,131,999	25,579,517	-	11,319,219	57,030,735
Finance costs	31,239	3,506,567	-	43,625	3,581,431
Administrative expenses	41,999,979	70,855,708	-	5,556,328	118,412,015
Other operating expenses	-	11,578,917	-	-	11,578,917
Segment result	(21,899,219)	(60,361,675)	-	5,719,266	(76,541,628)
Other income - unallocated					24,726,729
Loss before taxation					<u>(51,814,899)</u>

As at 31 March 2022 (Un-audited)

	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
-----Rupees-----					
Segment assets	164,070,997	162,313,788	2,165,985	70,114,418	398,665,188
Unallocated assets					582,123,053
					<u>980,788,241</u>
Segment liabilities	13,182,569	73,633,500	-	5,596,353	92,412,422
Unallocated liabilities					101,117,663
Equity					787,258,156
					<u>980,788,241</u>

Nine months ended 31 March 2021 (Un-audited)

	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
-----Rupees-----					
Profit on financing	20,317,792	32,883,367	-	-	53,201,159
Income from fee and commission	68,964	3,311,600	-	-	3,380,564
Return on investments	-	-	-	20,605,225	20,605,225
Total income of segments	20,386,756	36,194,967	-	20,605,225	77,186,948
Finance costs	48,179	4,527,919	892	64,609	4,641,599
Other expenses	-	-	-	1,029,428	1,029,428
Administrative expenses	44,054,433	79,218,649	535,954	5,955,045	129,764,081
Segment result	(23,715,856)	(47,551,601)	(536,846)	13,556,143	(58,248,160)
Other income - net					1,685,373
Loss before taxation					<u>(56,562,787)</u>

As at 30 June 2021 (Audited)

	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
-----Rupees-----					
Segment assets	187,625,757	183,496,135	2,165,985	162,885,089	536,172,966
Cash and bank balances					38,278,106
Unallocated assets					482,130,696
					<u>1,056,581,768</u>
Segment liabilities	18,264,582	82,504,827	208,397	17,366,394	118,344,200
Unallocated liabilities					98,742,155
Equity					839,495,413
					<u>1,056,581,768</u>

16. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise, local associated companies / undertakings, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the term of employment are as follows:

Relationship with the Company	Nature of transaction	Nine months ended		
		31-Mar-22 Rupees (Un-audited)	31-Mar-21 Rupees (Un-Audited)	
Transactions during the period				
Holding Company	Bahria Town (Pvt) Ltd.			
	Utilities and maintenance expense paid	2,783,126	3,010,636	
	Payment made for vehicle purchased	-	12,478,500	
	Expense recorded on account of utilities and maintenance payable	-	2,725,282	
	Payment made on account of trade and other payable	-	1,085,850	
	Long term security deposit paid against rent	-	10,000,000	
	Utilities expense	2,676,285	-	
Associated Companies	Escorts Capital Limited			
	Office premises purchased	-	16,028,700	
	Bahria Grand Hotel and Resort			
	Entertainment expense	33,538	114,636	
	Payment of entertainment expense	41,588	106,586	
	The Safari Club			
	Entertainment expense	6,000	-	
	Payment of entertainment expense	6,000	-	
	Employees Provident Fund			
	Contribution to staff retirement benefits plan	1,895,647	1,643,282	
	Executives	Remuneration to key management personnel	11,580,967	17,776,378
		Sale of vehicle	1,938,387	-
			31-Mar-22 Rupees (Un-audited)	30-Jun-21 Rupees (Audited)
Balance at year end				
Holding Company	Trade and other payables	228,075	334,916	
	Security deposit against branches	25,000,000	25,000,000	
Associated Companies	Entertainment	-	8,050	
	Employees provident fund	371,458	424,644	

17. 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 2021.

The Company's financial risk management objective and policies are consistent with those disclosed in the annual financial statements of the Company and for the year ended 30 June 2021.

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

18. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

19. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Company on 29 April 2022.

20. GENERAL

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, 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.

Figures have been rounded off to the nearest rupees.



Acting Chief Executive



Director










Chief Financial Officer





**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event
notifications, corporate and
regulatory actions)
-  Jamaapunji application for
mobile device
-  Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices



www.escortsbank.net
info@escortsbank.net

Follow Escorts Investment Bank Limited



Registered Office:

Alfalah Building, 1st Floor, Sector-B,
Bahria Town, Mohlanwal Lahore
Tel: (92-42) 35341845-6
www.escortsbank.net
info@escortsbank.net
UAN: 042 111 003 425
Toll Free: 0800 03425