



Escorts Investment Bank

A Project of BAHRIA TOWN

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Condensed Interim Financial Information For The Period Ended 31 March **2019**

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

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



Directors' Report

The Board of Directors of Escorts Investment Bank Limited (the "Company") are pleased to present the condensed interim financial information (un-audited) of the Company for the nine-month period ended on March 31, 2019.

The Company has successfully commenced its microfinance business and opened its first micro branch at Raiwind, Lahore. Further it intends to open more branches to capitalize the market potential. In addition, the Company is cautiously building up its corporate finance portfolio to improve the revenue besides increasing housing finance portfolio.

The financial highlights are given below:

Description	Nine months period		Quarter	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	----- Rupees -----			
Revenue	83,971,405	17,999,901	27,391,372	9,163,743
Mark-up on Deposits	(14,411,395)	(34,513,404)	(4,091,337)	(5,287,590)
Loss before taxation	(35,921,701)	(189,170,704)	(4,102,965)	(29,746,578)
Taxation (expense) / income	(731,530)	63,678,528	(236,354)	110,870
Loss after taxation	(36,653,231)	(125,492,176)	(4,339,319)	(29,635,708)

We are pleased to inform that the matter pertaining to the Right Issue of the Company pending with SECP has been resolved. With regard to matter of deposit curtailment, Company has filed a writ petition in Lahore High court.

The Directors wish to place on record the gratitude to the sponsors for their continued support and the employees of the Company for their commitment, hard work and cooperation throughout the year.

For and on behalf of the Board

Chief Executive Officer

Director



**Condensed Interim
Financial Information (Un-audited)**

For the period ended 31 March 2019

Condensed Interim Statement of Financial Position

As at 31 March 2019

	Note	31-Mar-19 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	111,057,417	102,822,050
Intangible assets	6	6,410,560	76,132
Cards and rooms		12,750,000	12,750,000
Long term investment		124,999,875	-
Long term finances	7	51,290,597	216,345
Long term deposits and prepayments		424,600	424,600
Deferred tax asset -net	8	183,047,985	182,542,426
		<u>489,981,034</u>	<u>298,831,553</u>
CURRENT ASSETS			
Current maturities of non-current assets		15,106,090	2,395,545
Short term investments		402,466,431	279,158,608
Short term finances		14,981,262	9,974,445
Short term advances		5,805,426	185,284
Short term deposits and prepayments		340,878	593,943
Interest accrued		5,561,216	2,058,860
Other receivables		67,572,276	67,902,101
Tax refunds due from the government		109,216,041	102,838,785
Cash and bank balances	9	332,537,167	756,000,407
		<u>953,586,787</u>	<u>1,221,107,978</u>
		<u>1,443,567,821</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		19,393,922	19,941,617
Capital reserves		158,496,797	158,496,922
Revenue reserves		(555,334,065)	(519,439,180)
		<u>63,556,654</u>	<u>99,999,359</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances - subordinated loans	10	650,000,000	650,000,000
Long term certificates of deposit		66,250,000	119,000,000
		<u>716,250,000</u>	<u>769,000,000</u>
CURRENT LIABILITIES			
Current maturities of non-current liabilities		213,860,367	139,860,367
Short term finances - sponsors loan	11	176,000,000	176,000,000
Short term certificates of deposit		105,904,894	163,940,000
Accrued markup		33,494,989	20,150,119
Trade and other payables	12	118,670,606	136,185,808
Unclaimed dividend		2,385,654	2,385,654
Provision for taxation		13,444,657	12,418,224
		<u>663,761,167</u>	<u>650,940,172</u>
Contingencies and commitments	13	-	-
		<u>1,443,567,821</u>	<u>1,519,939,531</u>
TOTAL EQUITY AND LIABILITIES			

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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

For the period ended 31 March 2019

	Note	Nine months period ended		Quarter ended	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
		Rupees (un-audited)	Rupees (un-audited)	Rupees (un-audited)	Rupees (un-audited)
INCOME					
Profit on financing		4,779,155	5,115,507	2,677,732	99,184
Return on investments		31,188,511	2,895,195	12,741,517	757,720
Profit on bank deposits		31,112,444	7,926,699	10,890,268	7,815,689
Other income		16,891,295	2,062,500	1,081,855	491,150
		<u>83,971,405</u>	<u>17,999,901</u>	<u>27,391,372</u>	<u>9,163,743</u>
EXPENSES					
Return on certificates of deposit		14,411,395	34,513,404	4,091,337	5,287,590
Mark-up on borrowings		19,793,934	8,991,652	2,137,704	8,991,652
Administrative expenses	14	85,684,020	49,731,336	25,058,200	24,615,274
Other financial charges		86,640	21,239	21,387	15,805
		<u>119,975,989</u>	<u>93,257,631</u>	<u>31,308,628</u>	<u>38,910,321</u>
Operating loss before taxation		(36,004,584)	(75,257,730)	(3,917,256)	(29,746,578)
Other operating income / (charges)		82,883	(113,912,974)	(185,709)	-
Loss before taxation		<u>(35,921,701)</u>	<u>(189,170,704)</u>	<u>(4,102,965)</u>	<u>(29,746,578)</u>
Taxation (expense)/income		(731,530)	63,678,528	(236,354)	110,870
Net loss for the period		<u>(36,653,231)</u>	<u>(125,492,176)</u>	<u>(4,339,319)</u>	<u>(29,635,708)</u>
Loss per share-basic and diluted		(0.83)	(2.85)	(0.10)	(0.67)

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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

For the period ended 31 March 2019

	Nine months period ended		Quarter ended	
	31-Mar-19 Rupees	31-Mar-18 Rupees	31-Mar-19 Rupees	31-Mar-18 Rupees
Net loss for the period	(36,653,231)	(125,492,176)	(4,339,319)	(29,635,708)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss	(125)	-	(125)	-
Items that will not be reclassified to profit or loss	-	-	-	-
Other comprehensive income	(125)	-	(125)	-
Total comprehensive loss for the period	(36,653,356)	(125,492,176)	(4,339,444)	(29,635,708)

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

Condensed Interim Statement of Cash Flows (Un-audited)

For the period ended 31 March 2019

	31-Mar-19 Rupees (Un-audited)	31-Mar-18 Rupees (Un-audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(35,921,701)	(189,170,704)
Adjustment for non cash expenses and other items:		
Depreciation on property and equipment	8,141,803	4,580,452
Amortization on intangible assets	1,473,264	28,548
Impairment of cards and rooms	-	20,700,000
Provisions of doubtful balances	(82,883)	35,274,808
Balance written off	-	57,938,166
Gain on sale of property and equipment	-	(372,000)
	<u>9,532,184</u>	<u>118,149,974</u>
Cash used in operations before working capital changes	(26,389,517)	(71,020,730)
Decrease / (increase) in operating assets		
Finances	(68,708,731)	95,120,893
Investments	(248,307,823)	(2,823,584)
Loan and advances	(5,620,142)	67,498,748
Interest accrued	(3,502,356)	2,380,459
Other receivables	329,825	(1,917,954)
Deposits and prepayments	253,065	45,261,408
	<u>(325,556,162)</u>	<u>205,519,970</u>
(Decrease) / Increase in operating liabilities		
Certificates of deposit	(36,785,106)	(275,961,335)
Accrued markup	13,344,870	(26,450,677)
Trade and other payables	(17,515,202)	4,947,637
	<u>(40,955,438)</u>	<u>(297,464,375)</u>
Net cash used in operations	(392,901,117)	(162,965,135)
Income tax paid	(6,377,261)	(1,943,501)
Net cash used in operating activities	<u>(399,278,378)</u>	<u>(164,908,636)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(16,377,170)	(20,149,627)
Proceeds from sale of long term investment in subsidiary company	-	175,004,000
Capital expenditure on intangible assets	(7,807,692)	463,659
Net cash (used in) / generated from investing activities	<u>(24,184,862)</u>	<u>155,318,032</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term financing	-	826,000,000
Net cash from financing activities	<u>-</u>	<u>826,000,000</u>
Net (decrease) / increase in cash and cash equivalents	(423,463,240)	816,409,396
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	<u>332,537,167</u>	<u>824,552,901</u>

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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

For the period ended 31 March 2019

	Share capital		Capital Reserves		Surplus on revaluation of property	Revenue Reserve		Total
	Statutory reserve	Fair value reserve	Statutory reserve	Accumulated loss				
	-----Rupees-----							
Balance as at 01 July 2017 (audited) - as restated	441,000,000	158,496,746	176	20,695,526	(366,079,303)	254,113,145		
Net loss for the period ended 31 March 2018	-	-	-	-	(125,492,176)	(125,492,176)		
Other comprehensive loss for the period ended 31 March 2018	-	-	-	-	-	-		
Total comprehensive loss for the period ended 31 March 2018	-	-	-	-	-	(125,492,176)		(125,492,176)
Transfer from surplus on revaluation of property on account of:								
- Incremental depreciation on revalued asset for the period - net of tax	-	-	-	-	-	-		
Balance as at 31 March 2018 (un-audited) - as restated	441,000,000	158,496,746	176	19,919,445	(490,795,398)	128,620,969		
Net loss for the period ended 30 June 2018	-	-	-	-	(28,917,260)	(28,917,260)		
Other comprehensive loss for the period ended 30 June 2018	-	-	-	-	-	-		
Total comprehensive loss for the period ended 30 June 2018	-	-	-	-	-	(28,917,260)		(28,917,260)
Transfer from surplus on revaluation of property on account of:								
- Incremental depreciation on revalued asset for the period - net of tax	-	-	-	(273,478)	-	-	273,478	
- Revaluation of surplus on property - adjustment due to change in tax rate	-	-	-	295,650	-	-	-	295,650
Balance as at 30 June 2018 (audited)	441,000,000	158,496,746	176	19,941,617	(519,439,180)	99,999,359		
Net loss for the period	-	-	-	-	(36,653,231)	(36,653,231)		
Other comprehensive loss	-	-	(125)	-	-	(125)		
Total comprehensive loss for the period	-	-	(125)	-	-	(36,653,356)		(36,653,356)
Transfer from surplus on revaluation of property on account of:								
- Incremental depreciation on revalued asset for the period - net of tax	-	-	-	(758,346)	-	-	758,346	
- Revaluation of surplus on property - adjustment due to change in tax rate	-	-	-	210,651	-	-	-	210,651
Balance as at 31 March 2019 (un-audited)	441,000,000	158,496,746	51	19,393,922	(555,334,065)	63,556,654		

The annexed notes form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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

For the period ended 31 March 2019

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 reviewed Credit Ratings of the Company and maintained long term and short term Credit Ratings to "A-" and "A2" respectively with stable outlook on 26 October 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. The SECP has also deferred the application of International Financial Reporting Standard (IFRS) 9, 'Financial Instruments' through SRO 229(1)/2019 in place of IAS 39 (Financial Instruments: Recognition and Measurement) as "Reporting period / year ending on or after June 30, 2019 (early adoption is permitted)".

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 2018. 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 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 period ended 31 March 2019

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.

		31-Mar-19 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
5	PROPERTY AND EQUIPMENT		
	Operating fixed assets	104,754,044	97,389,870
	Advances for purchase of assets	6,303,373	5,432,180
		<u>111,057,417</u>	<u>102,822,050</u>
5.1	Operating fixed assets		
	Opening net book value	97,389,870	85,778,162
	Cost of addition	15,505,977	19,689,629
	Less: Book value of deletion during period / year	-	1,184,727
	Less: Depreciation for the period / year	8,141,803	6,893,194
	Closing net book value	<u>104,754,044</u>	<u>97,389,870</u>
5.1.1	Cost of addition		
	Improvement on leasehold premises	4,683,172	6,479,296
	Office furniture and fixtures	2,866,181	2,425,362
	Computers	386,415	4,665,612
	Office equipment	3,013,909	1,610,979
	Vehicles	4,556,300	4,508,380
		<u>15,505,977</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	6,082,506	76,132
	Advance for Accounting software	328,054	-
		<u>6,410,560</u>	<u>76,132</u>
6.1	Opening net book value	76,132	114,192
	Cost of addition	7,479,638	-
	Less: Amortization for the period / year	1,473,264	38,060
	Closing net book value	<u>6,082,506</u>	<u>76,132</u>
7	LONG TERM FINANCES		
	Secured and considered good	64,230,702	445,905
	Considered doubtful		
	Others	52,781,090	52,283,570
	Less: Provision for doubtful finances	<u>(52,781,090)</u>	<u>(52,283,570)</u>
	Less: Current maturity	(12,940,105)	(229,560)
	Closing balance	<u>51,290,597</u>	<u>216,345</u>
7.1	It includes amount of Rs. 54.40 million (2018:Rs. Nil) disbursed to House finance customers during the period at return ranges from 15.53% to 18.44% per annum for tenure of 05 to 20 years.		

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

For the period ended 31 March 2019

8 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	31-Mar-19 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
9 CASH AND BANK BALANCES			
Cash in hand		66,543	26,785
Cash with banks:			
Current accounts with:			
State Bank of Pakistan		260,267	258,617
Others		108,874	71,494
		369,141	330,111
Saving and deposit accounts	9.1	332,101,483	755,643,511
		<u>332,537,167</u>	<u>756,000,407</u>

9.1 Rate of return on term deposit receipts (TDRs) ranges from 9.80% to 10.10% (2018: 5.85% to 6.25%) per annum.

10 LONG TERM FINANCES - SUBORDINATED LOANS

From the Holding Company:

Subordinated loan 10.1 650,000,000 650,000,000

From others

Others - subordinated loans 10.2 137,694,382 137,694,382

787,694,382 787,694,382

Less: Current maturity shown under current liabilities

137,694,382 137,694,382

650,000,000 650,000,000

10.1 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.

10.2 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	31-Mar-19 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
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11 SHORT TERM FINANCES - SPONSORS LOAN

Related party - unsecured

Sponsor loan - Bahria Town (Private) Limited 11.1 176,000,000 176,000,000

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

12 TRADE AND OTHER PAYABLES

This includes an amount of Rupees 58.506 million (30 June 2018: Rs. 58.506 million) payable to successors of depositors.

13 CONTINGENCIES AND COMMITMENTS

13.1 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.

13.2 Commitments in respect of

i) Outstanding guarantees amount to Rs. Nil (30 June 2018: Nil)

ii) House finance customers amount to Rs. 3.5 million (30 June 2018: Nil)

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

For the period ended 31 March 2019

	Nine months period ended		Quarter ended	
	31-Mar-19 Rupees (Un-audited)	31-Mar-18 Rupees (Un-audited)	31-Mar-19 Rupees (Un-audited)	31-Mar-18 Rupees (Un-audited)
14 ADMINISTRATIVE EXPENSES				
Salaries, allowance and other benefits	43,695,263	17,945,440	13,593,299	9,422,832
Staff training and welfare	28,000	67,500	3,000	-
Advertisement and business promotion	4,332,584	371,100	432,047	1,980
Rent, rates and taxes	772,308	3,572,330	375,500	3,070,000
Utilities	2,081,766	960,359	620,786	131,997
Communication charges	2,111,751	1,348,693	786,596	587,430
Travelling and vehicle maintenance	2,896,142	2,596,868	885,098	1,591,097
Repair and maintenance	794,758	754,779	326,272	102,217
Entertainment	740,664	752,151	215,649	487,703
Fee and subscriptions	1,528,800	6,950,165	34,012	381,394
Legal and professional charges	13,628,805	8,452,599	3,343,025	6,462,961
Printing and stationery	2,045,786	1,066,827	438,711	515,069
Fee, brokerage and commission	-	13,404	-	-
Donation	-	30,000	-	-
Insurance	1,411,452	55,286	477,793	15,921
Depreciation	8,141,803	4,580,452	2,896,339	1,653,922
Amortization on intangible assets	1,473,264	28,548	629,586	9,516
Miscellaneous expenses	874	184,835	487	181,235
	85,684,020	49,731,336	25,058,200	24,615,274
15 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:

	Nine months ended	
	31-Mar-19 Rupees (Un-audited)	31-Mar-18 Rupees (Un-audited)
Transactions during the period		
Holding Company:		
Long term financing received	-	826,000,000
Mark-up on long term financing	13,380,822	7,014,849
Rent expense - waived off by the Holding company	(9,300,000)	1,900,000
Utilities expense	1,875,760	19,780
Proceeds from sale of long term investment in subsidiary company	-	175,004,000
Associated companies:		
Escorts Capital Limited		
Profit earned during the period	2,333,805	-
Profit paid on certificates of deposit	-	-
Finances outstanding received	-	55,470,870
Long term deposit received	-	45,000,000
Return on finances received	-	37,061,740
Other receivables received	-	68,990,899
Bahria Grand Hotel and Resorts		
Entertainment expense	256,737	-
Other related parties		
Profit paid on certificates of deposit	2,740,511	-
Executives		
Remuneration to key management personnel	18,424,752	1,778,032
Others:		
Contribution to staff retirement benefits plan	936,054	318,385

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

For the period ended 31 March 2019

	31-Mar-19 Rupees (Un-audited)	30-Jun-18 Rupees (Audited)
Balances at the end of the period		
Holding company:		
Markup accrued on finances	30,542,795	17,161,973
Subordinated loan	650,000,000	650,000,000
Sponsors loan	176,000,000	176,000,000
Trade and other payables	1,243,220	4,333,000
Associated company:		
Escorts Capital Limited		
Certificate of deposit	42,621,370	52,000,000
Profit accrued on certificates of deposit	1,003,450	840,603
Other related parties		
Certificate of deposit	57,733,524	-
Profit accrued on certificates of deposit	1,375,896	-

16 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.

Nine months ended 31 March 2019 (Un-audited)

	Financing activities	Investing activities	Total
-----Rupees-----			
Profit on financing	4,779,155	-	4,779,155
Return on investments	-	62,300,955	62,300,955
Total income for reportable segments	4,779,155	62,300,955	67,080,110
Finance costs	2,443,148	31,848,821	34,291,969
Administrative expenses	6,104,600	79,579,420	85,684,020
Segment result	(3,768,593)	(49,127,286)	(52,895,879)
Other income			16,891,295
Other operating income			82,883
Loss before taxation			<u>(35,921,701)</u>

As at 31 March 2019 (Un-audited)

	Financing activities	Investing activities	Total
-----Rupees-----			
Segment assets	154,511,441	540,216,306	694,727,747
Unallocated assets			748,840,074
			<u>1,443,567,821</u>
Segment liabilities	200,425,821	1,011,589,440	1,212,015,261
Unallocated liabilities			167,995,906
Equity			63,556,654
			<u>1,443,567,821</u>

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

For the period ended 31 March 2019

Nine months ended 31 March 2018 (Un-audited)			
	Financing activities	Investing activities	Total
-----Rupees-----			
Profit on financing	5,115,507	-	5,115,507
Return on investments	-	10,821,894	10,821,894
Total income for reportable segments	5,115,507	10,821,894	15,937,401
Finance costs	21,763,147	21,763,148	43,526,295
Administrative expenses	24,865,668	24,865,668	49,731,336
Segment result	(41,513,308)	(35,806,922)	(77,320,230)
Other income			2,062,500
Other operating charges			(113,912,974)
Loss before taxation			(189,170,704)

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
			1,519,939,531
Segment liabilities	47,049,678	1,040,196,343	1,087,246,021
Unallocated liabilities			352,635,768
Equity			80,057,742
			1,519,939,531

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 2018.

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 2018.

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

This condensed interim financial information was authorized for issue by the Board of Directors of the Company on 30 April 2019.

20 GENERAL

- 20.1 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 profit or loss and 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.

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

ڈائریکٹرز رپورٹ

ایس کارٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز 31 مارچ 2019ء کو اختتام پذیر نو ماہی کے لئے کمپنی کی مختصر عبوری مالیاتی معلومات (غیر پڑتال شدہ) پیش کرنے میں مسرت محسوس کرتے ہیں۔

کمپنی نے رائے ونڈ لاہور میں اپنی پہلی مائیکرو براؤنچ کا افتتاح کر کے اپنے کامیاب مائیکرو فنس کاروبار کا آغاز کر دیا ہے۔ مارکیٹ کی صلاحیت سے استفادہ کرنے کے لیے مزید شاخیں کھولنے کا اعیادہ کیا ہے۔ مزید برآں آمدنی میں اضافہ کے لیے کمپنی نے ہاؤسنگ فنس بڑھانے کے ساتھ ساتھ کارپوریٹ فنس پورٹ فولیو کی تعمیر کی طرف توجہ مرکوز کر دی ہے۔

مالیاتی اشارے حسب ذیل ہیں:

اختتام پذیر نو ماہی		اختتام پذیر نو ماہی		تفصیلات
31 مارچ 2018ء	31 مارچ 2019ء	31 مارچ 2018ء	31 مارچ 2019ء	
.....روپے.....				
9,163,743	27,391,372	17,999,901	83,971,405	آمدنی
(5,287,590)	(4,091,337)	(34,513,404)	(14,411,395)	ڈیپازٹس پر مارک اپ
(29,746,578)	(4,102,965)	(189,170,704)	(35,921,701)	خسارہ قبل از ٹیکس
110,870	(236,354)	63,678,528	(731,530)	ٹیکسیشن (اخراجات) / آمدنی
(29,635,708)	(4,339,319)	(125,492,176)	(36,653,231)	خسارہ بعد از ٹیکس

ہم یہ بتانے میں خوشی کا اظہار کرتے ہیں کہ SECP کے ساتھ زیر التوا رائٹ اجرا کا معاملہ حل ہو چکا ہے۔ محدود ڈیپازٹ کے معاملے پر کمپنی نے لاہور ہائی کورٹ میں رٹ پٹیشن دائر کر دی ہے۔

ڈائریکٹرز سپانسرز کی مسلسل حمایت اور کمپنی کے ملازمین کی ان تھک محنت اور عزم کو سراہتے ہیں۔

مخائب / برائے بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر



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, 38651557

Rawalpindi/Islamabad Branch:
Bahria Town Head Office, Phase VIII.
Tel: (92-51) 5426528, 5426529,
(92-51) 5426530

Raiwind Road Branch:
Railway Road, Raiwind City
Tehsil & District Lahore.
Tel: (92-42) 35390501-35390503

Ellahabad Branch:
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Ellahabad Tehsil Chunian, District Kasur.
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