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COMPANY INFORMATION

Board of Directors

Mr. Syed Babar Ali, Chairman
Mr. Towfiq H. Chinoy
Mr. Farid Khan
Mr. Khalid Yacob
Mr. Arif Faruque
Mr. Khurram Raza Bakhtayari
Mr. Syed Raza Hussain Rizvi, CEO

Audit Committee

Mr. Farid Khan, Chairman
Mr. Khalid Yacob
Mr. Khurram Raza Bakhtayari

H.R&R Committee

Mr. Towfiq Chinoy, Chairman
Mr. Farid Khan
Mr. Khalid Yacob
Mr. Syed Raza Hussain Rizvi

Auditors

M/s. A. F. Ferguson & Co.
Chartered Accountants

Legal Advisors

M/s. Access World Law Company
M/s. A. W. Butt & Associates
M/s. Azam Lawyers & Consultants
M/s. Chaudhry Abdul Rauf & Co.
M/s. S. & B. Durrani Law Associates
M/s. Hassan & Hassan Advocates
M/s. Haider Mota & Co.
M/s. Jurists & Arbitrators Advocates
& Consultants
M/s. Lexicon Law Firm
M/s. Mandiwala & Zafar Advocates
M/s. Mian Law Associates
M/s. Mohsin Tayebaly & Co.
M/s. Mughees Law Associates
M/s. Naveed ul Zaman & Associates
M/s. ORR, Dignam & Co.
M/s. Rahman Law Associates

Bankers

Allied Bank Ltd.
Bank AL Habib Ltd.
Faysal Bank Ltd.
Habib Metro Bank Ltd.
JS Bank Ltd.
MCB Bank Ltd.
NIB Bank Ltd.
Soneri Bank Ltd.
Standard Chartered Bank
Summit Bank
United Bank Ltd.

Shares Registrar

THK Associates (Pvt.) Limited
2nd Floor, State Life
Building # 3, Dr. Ziauddin Ahmed
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P.O. Box # 8533
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Fax: (+92-21) 35655595
Email: scretariat@thk.com.pk

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Karachi-75600, Pakistan.
Tel: (021) 111-234-234
Fax: (021) 111-567-567

Lahore Office

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(042) 3576-2790

Islamabad Office

Office 5, 6 & 7, Mezzanine Floor,
Kashmir Plaza, Block B,
AB West, Blue Area,
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Tel: (051) 111-234-234
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UAN

Tel: 111-234-234
Fax: 111-567-567

Website

www.igiinvestmentbank.com.pk

Email

contact.center@igi.com.pk

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors of IGI Investment Bank Limited is pleased to submit the un-audited condensed interim consolidated and standalone financial statements for the nine months period ended March 31, 2016.

During the third quarter of financial year 2015-2016, the NBFC sector has continued to face impediments in its business activities due to the factors such as overall reluctance of the financial institutions / banks to provide long term borrowing lines and continuous increase in costs of doing business for the industry.

Financial Summary

Consolidated Results

	Rupees in thousands	
	March 31, 2016	March 31, 2015
Gross Revenue	104,878	132,406
Profit for the period before taxation	23,379	42,664
Taxation - net	(4,738)	(1,542)
Profit for the period after taxation	18,641	41,122
Earnings per share (In Rupee)	0.09	0.19
	March 31, 2016	June 30, 2015
Total Assets	1,030,044	1,037,126

Standalone Results

	Rupees in thousands	
	March 31, 2016	March 31, 2015
Gross Revenue	14,074	47,468
Profit for the period before taxation	8,039	39,792
Taxation - net	(1,442)	(161)
Profit for the period after taxation	6,597	39,631
Earnings per share (In Rupee)	0.03	0.19
	March 31, 2016	June 30, 2015
Total Assets	637,519	652,941

The annual audited financial statements for the previous reporting periods and Directors' report thereon disclosed in detail:

- The financial difficulties faced by the Investment Bank which indicate the existence of a material uncertainty about the Investment Bank's ability to continue as a going concern;
- The mitigating factors based on which the management believes that the Investment Bank will be able to continue as a going concern; and
- Measures that have been taken by the management of the Investment Bank for continuity and sustainability in line with the aforesaid mitigating factors.

Currently, the Investment Bank continues to face certain financial difficulties. These include the fact that as at March 31, 2016, the Investment Bank has accumulated losses amounting to Rs. 2,205.477 million (June 30, 2015: Rs. 2,212.074 million). Further, the Investment Bank is not in compliance with the minimum equity requirement as specified under the NBFC Rules and NBFC Regulations as amended by Securities and Exchange Commission of Pakistan (SECP) vide SRO 1002(I)/2015 dated October 15, 2015 and SRO 1160(I)/2015 dated November 25, 2015

DIRECTORS' REPORT TO THE SHAREHOLDERS

respectively for NBFCs undertaking leasing and investment finance and investment advisory activities. Since August 2014, the Investment Bank has not raised any fresh deposits or rolled over existing deposits and the management is in the process of repaying all its deposits, in compliance with the directives earlier issued by the SECP. As at March 31, 2016, deposits payable amounted to Rs. 6.082 million. Further, the management of the Investment Bank does not intend to engage in deposit taking activities going forward. Accordingly, the minimum equity required by the investment bank to undertake its current activities as a non-deposit taking NBFC is Rs.180 million, however the equity of the Investment Bank at the period-end amounted to Rs. 55.880 million (June 30, 2015: Rs. 49.283 million). Furthermore, as per rule 10A of the amended Rules and Regulation 69 of the amended Regulations, NBFCs are required to comply with amended Rules and Regulations within six months of coming into effect of the amendments. In addition to the above, licenses of the Investment Bank in respect of undertaking leasing and investment finance services, which expired during the year ended June 30, 2013 are pending for renewal by the SECP.

The aforesaid factors continue to indicate the existence of a material uncertainty about the Investment Bank's ability to continue as a going concern.

Despite the above indicators, the management believes that the Investment Bank will be able to continue as a going concern in view of the following mitigating factors:

- The Investment Bank intends to focus on its existing non-fund based businesses of investment advisory, portfolio management, corporate advisory and mutual funds distribution while continuing to pursue recoveries out of its classified loans, lease and investment portfolios which attract lesser minimum equity requirement of Rs.180 million. Further the Investment Bank does not envisage to disburse new loans and leases or accept fresh certificates of deposit in the foreseeable future;
- The Investment Bank has prepared cash flow forecast for a period of twelve months from the balance sheet date indicating that the Investment Bank will be solvent and will be able to meet its obligations as and when they become due;
- The management of the Investment Bank continues to exert maximum focus and efforts on recoveries out of its classified loans, lease and investment portfolios. As at March 31, 2016, the outstanding loans and leases aggregate to Rs. 566.928 million. The management expects to make considerable recoveries out of the aforesaid amounts in the ensuing years; and;
- The sponsor of the Investment Bank is committed to provide continuing financial support to the Investment Bank enabling it to conduct its affairs in such a way that it will be able to meet its financial obligations as and when they become due.

Additionally, the Board of Directors of the Investment Bank had earlier approved the proposed merger of IGI Finex Securities Limited, a corporate brokerage house and its 100% owned subsidiary with and into the Investment Bank. It was envisioned that the said merged entity will be able to offer a full suite of investment products to its clients from a single platform including stocks, commodities, fixed income instruments, government securities, mutual funds distribution as well as the value added services of investment advisory, portfolio management and corporate advisory services. The said decision was taken in light of the draft NBFC Rules and Regulations that were issued by SECP whereby NBFCs were to be permitted to undertake the aforesaid businesses from a single entity. However, consequent to the final amendments in NBFC Rules and NBFC Regulations that have now been enacted by SECP, and that have some deviations from the draft NBFC Rules and Regulations that were earlier issued by SECP, the management is currently in the process of discussing the implications with SECP and reassessing the possibility of the proposed merger.

Acknowledgement

The Board of Directors acknowledges and deeply appreciates the contribution of all the employees towards the achievement of the Investment Bank's goals.

For & on behalf of the Board

Chairman

Date: April 22, 2016

Chief Executive Officer

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016

ASSETS	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- (Rupees in '000) -----			
Non-current assets			
Fixed assets	5	44,096	42,727
Long-term investments	6	62,463	61,136
Long-term loans and advances - net		-	-
Long-term deposits		8,832	8,714
Deferred tax assets - net		83,483	83,483
		198,874	196,060
Current assets			
Current maturity of non-current assets	7	230,919	245,220
Short-term loans and advances		1,171	738
Short-term investments	8	11,224	11,081
Trade debts - net		51,314	45,670
Deposits, prepayments and other receivables		93,827	150,192
Interest, mark-up and profit accrued		6,034	6,068
Taxation - net		191,510	189,306
Cash and bank balances	9	245,170	192,791
		831,170	841,066
TOTAL ASSETS		<u>1,030,044</u>	<u>1,037,126</u>
EQUITY & LIABILITIES			
Capital and reserves			
Share capital	10	2,121,025	2,121,025
Reserves		118,691	118,691
Accumulated loss		(2,684,850)	(2,703,491)
Equity attributable to shareholders of the parent		(445,134)	(463,775)
Advance against issue of preference shares		650,000	650,000
TOTAL EQUITY		204,866	186,225
Non-current liabilities			
Long-term loan	11	236,000	253,000
		236,000	253,000
Current liabilities			
Current maturity of non-current liabilities	12	220,881	229,705
Interest and mark-up accrued		237	260
Trade and other payables	13	368,060	367,936
		589,178	597,901
TOTAL LIABILITIES		825,178	850,901
TOTAL EQUITY AND LIABILITIES		<u>1,030,044</u>	<u>1,037,126</u>
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The annexed notes from 1 to 21 form an integral part of these condensed interim consolidated financial information.

Chairman

Chief Executive Officer

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Nine months period ended		Quarter ended		
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	
	Note ----- (Rupees in '000) -----				
Income from investments	15	4,778	43,191	122	11,694
Income from loans and advances		-	2,856	-	2,512
Income from lease finance		1,377	1,430	74	263
Income from fees, commission and brokerage		90,907	69,993	23,078	25,746
Other operating revenue		7,816	14,936	2,352	4,890
		104,878	132,406	25,626	45,105
Administrative and general expenses	16	(109,716)	(117,589)	(36,177)	(37,149)
		(4,838)	14,817	(10,551)	7,956
Other income		8,126	9,227	3,119	449
		3,288	24,044	(7,432)	8,405
Other expenses		(2,330)	(1,505)	(409)	(680)
Finance costs		(672)	(7,162)	(160)	(148)
		286	15,377	(8,001)	7,577
Reversal of provision for bad and doubtful loans and advances / lease losses - specific - net		24,088	43,905	9,264	31,617
Impairment against term finance certificate - net		-	(1,640)	-	-
Provision for bad and doubtful other assets		(197)	(5,903)	-	-
Reversal of impairment / (impairment) against quoted shares		1,326	(3,775)	(906)	(338)
Reversal on provision against trade debts		4,784	116	-	116
Loss on termination of lease contracts		(6,908)	(5,416)	(4,647)	(5,416)
		23,093	27,287	3,711	25,979
Profit / (loss) before taxation		23,379	42,664	(4,290)	33,556
Taxation - net		(4,738)	(1,542)	-	(565)
Profit / (loss) after taxation		18,641	41,122	(4,290)	32,991
Other comprehensive income - net of tax		-	-	-	-
Total comprehensive income - net of tax		18,641	41,122	(4,290)	32,991
Profit attributable to non-controlling interest		-	-	-	-
Profit / (loss) attributable to shareholders of the parent		18,641	41,122	(4,290)	32,991
		18,641	41,122	(4,290)	32,991
		----- (Rupees in '000) -----			
Profit / (loss) per share		0.09	0.19	(0.02)	0.16

The annexed notes from 1 to 21 form an integral part of these condensed interim consolidated financial information.

Chairman

Chief Executive Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Nine months period ended	
	March 31, 2016	March 31, 2015
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	23,379	42,664
Adjustments for non cash and other items		
Gain on disposal of fixed assets	(1,739)	(6,115)
Depreciation on property and equipment	4,522	3,592
Amortisation on intangible assets	47	302
Interest, mark-up and profit income	(2,325)	(5,340)
Loss on termination	6,908	5,416
Amortisation of discount on market treasury bills	(229)	(3,276)
Dividend income	(2,252)	(1,557)
Finance costs	672	9,678
Gain on sale of investment	(4,090)	(38,100)
Provision against other assets	197	5,903
Impairment against term finance certificates	-	1,640
Provision for bad and doubtful loans and advances / lease losses - specific - net	(24,088)	(43,905)
(Reversal of impairment) / Impairment against quoted shares	(1,326)	3,775
	(23,703)	(67,987)
	(324)	(25,323)
Decrease / (increase) in current assets:		
Short-term loans and advances	(433)	(870)
Accrued markup	67	(3,056)
Short-term investments	(143)	(7,661)
Trade debts - net	(5,592)	60,475
Deposits, prepayments and other receivables	56,168	48,979
	50,067	97,867
(Decrease) / increase in current liabilities:		
Short-term certificates of deposit	(7,637)	(177,360)
Trade and other payables	72	(47,595)
	(7,565)	(224,955)
	42,178	(152,411)
Repayments of loans and advances	7,295	29,306
Net recovery from finance lease	15,481	31,924
Long-term deposits	(18)	294
Payments of deposits under lease contracts	7,517	(2,489)
Interest, mark-up and profit received	2,325	5,340
Finance cost paid	(728)	(19,889)
Income tax refund / (paid)	(6,943)	74,341
	24,929	118,827
Net cash generated from / (used in) operating activities	67,107	(33,584)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(7,214)	(7,647)
Purchase of Govt. securities	(7,772)	(313,804)
Maturity proceeds of Govt. securities	8,000	319,284
Proceeds from sale of Long term investments	4,090	40,800
Proceeds from sale of short term investments	-	8,557
Proceeds from disposal of investment property	-	18,595
Proceeds from disposal of fixed assets	3,016	1,909
Long-term deposits	(100)	(105)
Dividends received	2,252	1,557
Net cash flows generated from investing activities	2,272	69,146
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term finance - net repaid	(17,000)	(25,000)
Net cash flows used in financing activities	(17,000)	(25,000)
Net increase in cash and cash equivalents	52,379	10,562
Cash and cash equivalents at the beginning of the period	192,791	75,665
Cash and cash equivalents at the end of the period	245,170	86,227

The annexed notes from 1 to 21 form an integral part of these condensed interim consolidated financial information.

Chairman

Chief Executive Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Reserves					Total Reserves	Advance against issue of preference shares	Total
	Capital		Revenue					
	Issued, subscribed and paid-up capital	Reserve arising on acquisition of non-controlling interest	Statutory Reserve	General Reserve	Accumulated profit/(losses)			
----- (Rupees in '000) -----								
Balance as at June 30, 2014	2,121,025	(21,641)	97,098	39,733	(2,505,290)	(2,390,100)	650,000	380,925
Profit after taxation for the nine months period ended March 31, 2015	-	-	-	-	41,122	41,122	-	41,122
Profit attributable to non-controlling Interest	-	-	-	-	-	-	-	-
Other Comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive income	-	-	-	-	41,122	41,122	-	41,122
Balance as at March 31, 2015	<u>2,121,025</u>	<u>(21,641)</u>	<u>97,098</u>	<u>39,733</u>	<u>(2,464,168)</u>	<u>(2,348,978)</u>	<u>650,000</u>	<u>422,047</u>
Balance as at June 30, 2015	2,121,025	(21,641)	100,599	39,733	(2,703,491)	(2,584,800)	650,000	186,225
Profit after taxation for the nine months period ended March 31, 2016	-	-	-	-	18,641	18,641	-	18,641
Profit attributable to non-controlling Interest	-	-	-	-	-	-	-	-
Other Comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive income	-	-	-	-	18,641	18,641	-	18,641
Balance as at March 31, 2016	<u>2,121,025</u>	<u>(21,641)</u>	<u>100,599</u>	<u>39,733</u>	<u>(2,684,850)</u>	<u>(2,566,159)</u>	<u>650,000</u>	<u>204,866</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim consolidated financial information.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

1. THE GROUP AND ITS OPERATIONS

The Group consists of :

Holding company

IGI Investment Bank Limited

Subsidiary company

Percentage holding

IGI Finex Securities Limited

100%

1.1 IGI Investment Bank Limited ("Investment Bank")

1.1.1 IGI Investment Bank Limited (the Investment Bank) is a public limited company incorporated in Pakistan on February 07, 1990 under the Companies Ordinance, 1984. The Investment Bank is licensed to carry out investment finance activities and leasing operations as a Non-Banking Finance Company under Section 282C of the Companies Ordinance, 1984, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations 2008 (the NBFC Regulations). The Investment Bank's shares are quoted on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). The registered office of the Investment Bank is situated at 7th Floor, the Forum, Suite No. 701-713, G-20, Block-9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Investment Bank.

1.1.2 The Pakistan Credit Rating Agency (PACRA) has assigned the Investment Bank a rating of 'BBB-' (long-term credit rating) and at 'A3' (short-term credit rating) on January 14, 2016.

1.1.3 The financial statements of the Investment Bank for the previous reporting periods disclosed in detail:

- the financial difficulties faced by the Investment Bank which indicate the existence of a material uncertainty about the Investment Bank's ability to continue as a going concern;
- the mitigating factors based on which the management believes that the Investment Bank will be able to continue as a going concern; and
- measures that have been taken by the management of the Investment Bank for continuity and sustainability in line with the aforesaid mitigating factors.

Currently, the Investment Bank continues to face certain financial difficulties. These include the fact that as at March 31, 2016, the Investment Bank has accumulated losses amounting to Rs. 2,205.477 million (June 30, 2015: Rs.2,212.074 million). Further, the Investment Bank is not in compliance with the minimum equity requirement as specified under the NBFC Rules and NBFC Regulations as amended by Securities and Exchange Commission of Pakistan (SECP) vide SRO 1002(I)/2015 dated October 15, 2015 and SRO 1160(I)/2015 dated November 25, 2015 respectively for NBFCs undertaking leasing and investment finance and investment advisory activities. Since August 2014, the Investment Bank has not raised any fresh deposits or rolled over existing deposits and the management is in the process of repaying all its deposits, in compliance with the directives earlier issued by the SECP. As at March 31, 2016, deposits payable amounted to Rs. 6.082 million. Further, the management of the Investment Bank does not intend to engage in deposit taking activities going forward. Accordingly, the minimum equity required by the investment bank to undertake its current activities as a non-deposit taking NBFC is Rs.180 million, however the equity of the Investment Bank at the period-end amounted to Rs. 55.880 million (June 30, 2015: Rs. 49.283 million). Furthermore, as per rule 10A

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

of the amended Rules and Regulation 69 of the amended Regulations, NBFCs are required to comply with amended Rules and Regulations within six months of coming into effect of the amendments. In addition to the above, licenses of the Investment Bank in respect of undertaking leasing and investment finance services, which expired during the year ended June 30, 2013 are pending for renewal by the SECP.

The aforesaid factors continue to indicate the existence of a material uncertainty about the Investment Bank's ability to continue as a going concern.

Despite the above indicators, the management believes that the Investment Bank will be able to continue as a going concern in view of the following mitigating factors:

- the Investment Bank intends to focus on its existing non-fund based businesses of investment advisory, portfolio management, corporate advisory and mutual funds distribution while continuing to pursue recoveries out of its classified loans, lease and investment portfolios which attract lesser minimum equity requirement of Rs.180 million. Further the Investment Bank does not envisage to disburse new loans and leases or accept fresh certificates of deposit in the foreseeable future;
- the Investment Bank has prepared cash flow forecast for a period of twelve months from the balance sheet date indicating that the Investment Bank will be solvent and will be able to meet its obligations as and when they become due;
- the management of the Investment Bank continues to exert maximum focus and efforts on recoveries out of its classified loans, lease and investment portfolios. As at March 31, 2016, the outstanding loans and leases aggregate to Rs. 566.928 million. The management expects to make considerable recoveries out of the aforesaid amounts in the ensuing years; and
- the sponsor of the Investment Bank is committed to provide continuing financial support to the Investment Bank enabling it to conduct its affairs in such a way that it will be able to meet its financial obligations as and when they become due.

Additionally, the Board of Directors of the Investment Bank had earlier approved the proposed merger of IGI Finex Securities Limited, a corporate brokerage house and its 100% owned subsidiary with and into the Investment Bank. It was envisioned that the said merged entity will be able to offer a full suite of investment products to its clients from a single platform including stocks, commodities, fixed income instruments, government securities, mutual funds distribution as well as the value added services of investment advisory, portfolio management and corporate advisory services. The said decision was taken in light of the draft NBFC Rules and Regulations that were issued by SECP whereby NBFCs were to be permitted to undertake the aforesaid businesses from a single entity. However, consequent to the final amendments in NBFC Rules and NBFC Regulations that have now been enacted by SECP, and that have some deviations from the draft NBFC Rules and Regulations that were earlier issued by SECP, the management is currently in the process of discussing the implications with SECP and reassessing the possibility of the proposed merger.

1.2 IGI Finex Securities Limited ("IGI Finex")

IGI Finex was incorporated in Pakistan on June 28, 1994 as a public limited company under the Companies Ordinance, 1984. The registered office of the IGI Finex is situated at Suite No. 701-713, 7th Floor, The Forum, G-20, Khayaban-e-Jami, Block-9, Clifton, Karachi. IGI Finex is a Trading Rights Entitlement Certificate (TREC) holder of the Pakistan Stock Exchange and a corporate member of Pakistan Mercantile Exchange Limited. IGI Finex is a wholly owned subsidiary of IGI Investment Bank Limited.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

The principal activities of IGI Finex include shares and commodities brokerage, money market and foreign exchange brokerage and advisory and consulting services.

2. BASIS OF PRESENTATION

The condensed interim consolidated financial statements include the condensed interim financial information of IGI Investment Bank Limited and its subsidiary company.

Subsidiary company is the entity in which the Holding Company directly or indirectly controls or beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The financial statements of the subsidiary company is included in the consolidated financial statements from the date the control commences until the control ceases.

The assets and liabilities of the subsidiary company have been consolidated on a line by line basis and carrying value of investment held by the Holding Company is eliminated against Holding Company's share in paid up capital of the subsidiary company.

Intergroup balances and transactions have been eliminated.

Non-controlling interests are that part of net assets of the operations and net assets of the subsidiary company attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as a separate item in the consolidated financial statements.

3. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations or the directives issued by SECP differ with the requirements of IFRS, the requirements of the Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

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 August 13, 2003 for Non-Banking Finance Companies (NBFCs) providing investment finance services, discounting services and housing finance services. 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 Non-Banking Finance Companies as are engaged in investment finance services, discounting services and housing finance services.

These condensed interim financial information are the consolidated financial information of the Investment Bank and its subsidiary company. In addition to these condensed interim financial information, separate standalone condensed interim financial information of the Investment Bank have also been prepared.

4. ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the annual consolidated financial statements of the Investment Bank for the year ended June 30, 2015.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
5. FIXED ASSETS			
Property and equipment	5.1	24,818	23,399
Intangible assets	5.2	19,278	19,328
		44,096	42,727
5.1 Property and equipment			
Opening written down value		23,399	19,109
Additions		7,214	11,740
Less: Disposals at written down value		(1,276)	(2,246)
Depreciation for the period / year		(4,519)	(5,204)
Closing written down value		24,818	23,399
5.2 Intangible assets			
Opening written down value		19,328	19,636
Additions		-	40
Depreciation for the period / year		(50)	(348)
Closing written down value		19,278	19,328
6. LONG-TERM INVESTMENTS			
Available-for-sale			
Investment in unquoted companies	6.2	136,782	136,782
Investment in quoted company	6.1, 6.2 & 6.3	47,355	47,355
Investment in unquoted preference shares	6.4	-	20,000
		184,137	204,137
Less: Impairment against investments		(121,674)	(143,001)
		62,463	61,136

6.1 This represents ordinary shares of Agritech Limited which are subject to sale lock-in-period of 5 years in terms of the Share Purchase Agreement (SPA) dated July 26, 2012 between Azgard Nine Limited (ANL) and various lenders including the Investment Bank. However, as per the Share Purchase Agreement (SPA), the sale restriction is not applicable to transactions between the lenders of ANL.

6.2 As at March 31, 2016, the Investment Bank's exposure in certain scripts exceeded fifteen percent of the equity of the Investment Bank which is not in accordance with Regulation 19(g) of the NBFC Regulations, 2008 which requires that a NBFC shall not hold shares on aggregate basis, whether as pledgee, or absolute owner, of an amount exceeding fifteen percent of the paid-up share capital of that company or fifteen percent of its own equity, whichever is less.

6.3 As at March 31, 2016, the Investment Bank's fund based exposure in certain customers exceeded fifteen percent of the equity of the Investment Bank which is not in accordance with Regulation 17(1) of the NBFC Regulations, 2008 which requires that the maximum outstanding fund based exposure to any single person should not exceed fifteen percent of the equity of an NBFC.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

6.4 During the period, unquoted preference shares of First Dawood Investment Bank Limited were converted into ordinary shares and the same have been sold.

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
7. CURRENT MATURITY OF NON-CURRENT ASSETS:	Note	----- (Rupees in '000) -----	
Current maturity of long-term loans and advances - net		-	-
Current maturity of net investment in finance lease	7.1 & 7.2	<u>230,919</u>	<u>245,220</u>
		<u>230,919</u>	<u>245,220</u>

7.1 As at March 31, 2016, the Investment Bank's fund based finance lease exposure to a single party exceeded fifteen percent of the equity of the Investment Bank which is not in accordance with Regulation 17(1) of the NBFC Regulations, 2008 which requires that the maximum outstanding fund based exposure to any single person should not exceed fifteen percent of the equity of an NBFC.

7.2 This amount includes residual value of Rs 214.799 million (June 30, 2015: Rs 222.316).

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
8. SHORT-TERM INVESTMENTS			
Held-for-trading			
Market treasury bills		7,944	7,801
Available-for-sale			
Listed term finance certificates		8,135	8,135
Unlisted term finance certificates		108,264	108,264
		<u>116,399</u>	<u>116,399</u>
		124,343	124,200
Impairment loss on term finance certificates		<u>(113,119)</u>	<u>(113,119)</u>
		<u>11,224</u>	<u>11,081</u>

9. CASH AND BANK BALANCES

In hand		163	14
In current accounts			
State Bank of Pakistan		1,057	177
Others			
Local currency		66,112	32,126
Foreign currency		1,313	1,313
		67,425	33,439
In saving accounts			
Local currency		<u>176,525</u>	<u>159,161</u>
		<u>245,170</u>	<u>192,791</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
10. SHARE CAPITAL	Note	----- (Rupees in '000) -----	
Authorized Capital			
300,000,000 (June 2015: 300,000,000) ordinary shares of Rs. 10/- each		3,000,000	3,000,000
Issued, subscribed and paid-up capital			
190,993,300 (June 2015: 190,993,300) ordinary shares of Rs. 10/- each fully paid in cash		1,909,933	1,909,933
21,109,250 (June 2015: 21,109,250) ordinary shares of Rs. 10/- each issued as fully paid bonus shares		211,092	211,092
		2,121,025	2,121,025
11. LONG-TERM LOAN			
Unsecured			
Local currency - from sponsor	11.1	236,000	253,000
11.1	<p>During 2013-2014, the Investment Bank received a sum of Rs.285 million by way of a loan from Syed Babar Ali, Chairman and a sponsor of the Investment Bank. In this connection, the Investment Bank and Syed Babar Ali had entered into a Loan Agreement dated March 31, 2014. The loan is interest/profit/mark-up free and repayable at the earlier of the expiry of ten (10) years from the date of the Loan Agreement or upon occurrence of any change in the shareholding of the Investment Bank or the board of directors of the Investment Bank that would result in change of control of the Investment Bank from the persons in whose hands it vests as of the date of the Loan Agreement ('the Due Date'), as the case may be. Under the terms of the Loan Agreement, the Investment Bank may, at its discretion, prepay all or any portion of the aforesaid loan at any time prior to the Due Date, provided that the Certificates of Deposit issued by the Investment Bank have been completely and finally settled.</p> <p>During the nine months period ended March 31, 2016, the Investment Bank has made repayment of all deposits along with mark-up, except for five depositors with aggregate deposits amounting to Rs. 6.082 million since they are either untraceable or their deposit is under lien as per court order for payment of FED / CED. These Certificates of Deposit have already matured and mark-up payable on these till maturity is Rs. 0.227 million. In order to secure the amount for repayment of such deposits till the time parties are traced or lien matter settled, the Investment Bank has placed an amount of Rs. 7.94 million in Market Treasury Bills.</p> <p>In light of the above, the Investment Bank to date has made repayment of Rs. 49 million (including Rs 17 million repaid during the current period) against the aforesaid loan. After this prepayment of Rs. 49 million, outstanding loan of IGI Investment Bank is Rs. 236 million.</p>		
12. CURRENT MATURITY OF NON-CURRENT LIABILITIES			
Current maturity of long-term certificates of deposit		6,082	7,389
Current maturity of long-term deposits under lease contracts	12.1	214,799	222,316
		220,881	229,705
12.1	<p>This represents security deposits held by the Investment Bank under lease contracts against which an equivalent amount of residual value is receivable as disclosed in note 7.2 to this condensed interim financial information.</p>		

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	(Un-audited)	(Audited)
	March 31,	June 30,
	2016	2015
	----- (Rupees in '000) -----	
13. TRADE AND OTHER PAYABLES		
Accrued expenses	9,943	10,548
Payable against profit on unutilised funds	6,597	1,447
Payable to customers on account of excess recoveries	3,028	3,028
Unclaimed dividends	305	305
Withholding tax payable	934	2,995
Advances from lessees	8,194	8,430
Payable against sale of marketable securities	287,163	288,677
Provision for leave encashment	2,626	1,927
Payable to IGI Insurance Limited - a related party	29,185	31,681
Bonus payable	1,840	1,642
Commission payable	968	4,685
Others	17,277	12,571
	368,060	367,936

14. CONTINGENCIES AND COMMITMENTS

14.1 There has been no change in the status of contingencies as disclosed in the financial statements for the year ended June 30, 2015.

	Nine months period ended		Quarter ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	----- (Rupees in '000) -----			
15. INCOME FROM INVESTMENTS				
Interest / mark-up / profit on investments	351	5,739	122	4,427
Gain on disposal of investments	4,090	35,895	-	5,710
Dividend income	337	1,557	-	1,557
	4,778	43,191	122	11,694

16. ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, allowances and benefits	52,127	48,392	17,302	15,633
Contribution to the provident fund	433	485	160	145
Contribution to employees' old-age benefit institution	228	159	92	57
Depreciation on property and equipment	4,522	3,592	1,592	1,208
Amortisation on intangible assets	47	302	34	84
Rent, rates and taxes	5,974	6,553	2,178	2,082
Travelling and entertainment	2,391	3,328	792	834
Telephone, telex and fax	1,915	3,645	611	1,527
Printing, postage and stationery	2,874	1,995	1,050	925
Insurance	1,745	1,146	717	382
Lighting, heating and cooling	2,141	1,990	658	406
Repairs and maintenance	2,360	2,034	736	628
Computer expenses	5,708	4,384	2,125	1,571
Brokerage and commission	8,204	7,857	838	3,153
Legal and professional fees	4,135	16,153	1,141	3,185
Subscriptions	12,565	9,878	5,157	4,073
Advertisement	797	1,138	389	1,138
Other expenses	1,550	4,558	606	119
	109,716	117,589	36,178	37,150

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

17 TRANSACTIONS WITH RELATED PARTIES

17.1 The Investment Bank has related party relationship with its employee benefit plans, associates, group companies and its key management personnel:

For the nine months period ended March 31, 2016

Entity having significant influence over the Investment Bank		Key management personnel (including directors)		Other related parties		Total	
2016	2015	2016	2015	2016	2015	2016	2015

----- (Rupees in '000) -----

Transactions during the period

Certificates of deposit matured / pre-matured	-	175,000	-	-	-	-	-	175,000
Long term loan received	-	-	-	-	-	-	-	-
Long term loan paid	-	-	17,000	-	-	-	-	17,000
Purchase of marketable securities	482,586	-	24,500	7,375	1,202,077	23,168	1,709,163	30,543
Sale of marketable securities	129,002	319,285	19,283	5,243	-	-	148,285	324,528
Purchase of fixed assets	-	-	-	-	-	558	-	558
Sale of operating fixed assets	-	-	990	-	-	-	990	-
Insurance expense	1,613	1,146	-	-	132	-	1,745	1,146
Group shared services	4,128	3,004	-	-	264	-	4,392	3,004
Group shared services- reimbursement	3,095	2,209	-	-	264	-	3,359	2,209
Advisory and consulting fee	3,500	-	-	-	-	-	3,500	-
Brokerage and Commission income earned	3,058	-	47	12	1,572	39	4,677	51
Return on certificates of deposit paid	-	6,720	-	-	-	-	-	6,720
Markup expense on long term loan	-	-	-	-	-	-	-	-
Rent expense	3,236	7,144	-	-	460	694	3,696	7,838
Charge for the year in respect of employee benefit and contribution plan	-	-	-	-	433	485	433	485

17.2 Group shared services

The Investment Bank has entered into an arrangement with its subsidiary and other related parties to share various administrative, human resource and related costs on agreed terms.

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Bank is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- Fair values of Treasury Bills are derived using the PKRV rates (Reuters page).
- The fair value of all other financial assets and financial liabilities of the Bank approximate their carrying amounts due to short term maturities of these instruments.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

18.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Bank to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2016, the Bank held the following financial instruments measured at fair value:

	As at March 31, 2016			
	----- Unaudited -----			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
ASSETS				
Available-for sale securities				
- Listed equity securities	11,744	-	-	11,744
- Unlisted Term Finance Certificates	-	3,280	-	3,280
Held-for-trading securities				
- Market Treasury Bill	-	7,944	-	7,944

	As at June 30, 2015			
	----- Audited -----			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
ASSETS				
Available-for sale securities				
- Listed equity securities	10,481	-	-	10,481
- Unlisted Term Finance Certificates	-	3,280	-	3,280
Held-for-trading securities				
- Market Treasury Bill	-	7,801	-	7,801

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

19. SEGMENTAL ANALYSIS

	Nine months period ended March 31, 2016			
	Financing activities	Investing activities	Brokerage Activities	Total
	(Rupees in '000)			
Income from investments	-	4,778	-	4,778
Income from lease finance	1,377	-	-	1,377
Income from fees, commission and brokerage	-	7,919	82,988	90,907
Other operating revenue	-	-	7,816	7,816
Total income for reportable segments	1,377	12,697	90,804	104,878
Finance costs	-	(672)	-	(672)
Administrative and general expenses (excluding depreciation and amortization)	(1,714)	(15,807)	(87,626)	(105,147)
Depreciation and amortization	(82)	(753)	(3,734)	(4,569)
Reversal of provision for bad and doubtful loans and advances / lease losses - specific - net	24,088	-	-	24,088
Reversal / (provision) for bad and doubtful other assets	(197)	-	-	(197)
Reversal of Impairment against quoted shares	-	1,326	-	1,326
Reversal on provision against trade debts	-	-	4,784	4,784
Loss on termination of lease contracts	(6,908)	-	-	(6,908)
Segment result	16,564	(3,209)	4,228	17,583
Other operating income				8,126
Unallocated administrative expenses				-
Unallocated other operating expenses				(2,330)
Profit before taxation				23,379
Segment assets	230,919	62,463	151,175	444,557
Unallocated assets				585,487
				1,030,044
Segment liabilities	457,118	-	297,354	754,472
Unallocated liabilities				70,706
				825,178
Capital expenditure - tangible	-	-	7,214	7,214
Capital expenditure - intangible	-	-	-	-

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

Nine months period ended March 31, 2015

	Financing activities	Investing activities	Brokerage Activities	Total
	----- (Rupees in '000) -----			
Income from investments	-	43,191	-	43,191
Income from loans and advances	2,856	-	-	2,856
Income from lease finance	1,430	-	-	1,430
Income from fees, commission and brokerage	-	7,029	62,964	69,993
Total income for reportable segments	4,286	50,220	62,964	117,470
Finance costs	-	(7,162)	-	(7,162)
Administrative and general expenses (excluding depreciation and amortization)	(2,361)	(27,663)	(83,671)	(113,695)
Depreciation and amortization	(84)	(978)	(2,832)	(3,894)
Reversal / (provision) for bad and doubtful debts (general and specific) - net	43,905	-	-	43,905
Provision against other assets	-	-	(5,903)	(5,903)
Reversal of impairment against term finance certificates - net	-	(1,640)	-	(1,640)
Loss on termination	(5,416)	-	-	(5,416)
Impairment against quoted shares	-	(3,775)	-	(3,775)
Reversal on provision against trade debts			116	116
Segment result	40,330	9,002	(29,326)	20,006
Other operating income				24,163
Unallocated administrative expenses				-
Unallocated other operating expenses				(1,505)
Profit before Taxation				42,664
Segment assets	249,468	60,865	112,619	422,952
Unallocated assets				750,455
				1,173,407
Segment liabilities	267,649	222,629	196,474	686,752
Unallocated liabilities				64,608
				751,360
Capital expenditure - tangible	-	-	7,607	7,607
Capital expenditure - intangible	-	-	-	-

20. DATE OF AUTHORIZATION OF ISSUE

These condensed interim consolidated financial statements were approved by the Board of Directors and authorized for issue on April 22, 2016.

21. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chairman

Chief Executive Officer

CONDENSED INTERIM STANDALONE FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2016

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
ASSETS	Note	----- (Rupees in '000) -----	
Non-current assets			
Fixed assets	5	4,381	5,226
Long-term investments	6	218,546	217,219
Long-term deposits		4,393	4,375
		227,320	226,820
Current assets			
Current maturity of non-current assets	7	230,919	245,220
Short-term investments	8	11,224	11,081
Taxation - net		153,015	153,629
Prepayments and other receivables		10,046	8,007
Cash and bank balances	9	4,995	8,184
		410,199	426,121
TOTAL ASSETS		637,519	652,941
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		2,121,025	2,121,025
Reserves		140,332	140,332
Accumulated losses		(2,205,477)	(2,212,074)
		55,880	49,283
Non-current liabilities			
Long-term loan	10	305,860	322,860
Current liabilities			
Current maturity of non-current liabilities	11	220,881	229,705
Interest and mark-up accrued		8,810	4,307
Trade and other payables	12	46,088	46,786
		275,779	280,798
TOTAL LIABILITIES		581,639	603,658
TOTAL EQUITY AND LIABILITIES		637,519	652,941
CONTINGENCIES AND COMMITMENTS	13		

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

Chairman

Chief Executive Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Note	Nine Months Period ended		Quarter ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
----- (Rupees in '000) -----					
Income					
Income from investments	14	4,778	36,153	122	8,720
Income from loans and advances		-	2,856	-	2,654
Income from lease finance		1,377	1,430	74	263
Income from fee, commission and brokerage		7,919	7,029	2,652	1,445
		14,074	47,468	2,848	13,082
Finance costs		4,706	9,297	1,495	2,001
		9,368	38,171	1,353	11,081
Administrative and general expenses	15	18,354	31,086	6,416	7,805
		(8,986)	7,085	(5,063)	3,276
Other income		639	796	125	429
		(8,347)	7,881	(4,938)	3,705
Other expenses		1,923	1,163	292	338
		(10,270)	6,718	(5,230)	3,367
Reversal of provision against bad and doubtful loans and advances / lease losses - specific - net		24,088	43,905	9,264	31,617
Impairment against term finance certificates - net		-	(1,640)	-	-
Provision against bad and doubtful other assets		(197)	-	-	-
Reversal of impairment / (impairment) against quoted shares		1,326	(3,775)	(906)	(338)
Loss on termination of lease contracts		(6,908)	(5,416)	(4,647)	(5,416)
		18,309	33,074	3,711	25,863
Profit / (loss) before taxation		8,039	39,792	(1,519)	29,230
Taxation - net		(1,442)	(161)	-	-
Profit / (loss) after taxation		6,597	39,631	(1,519)	29,230
Other comprehensive income - net of tax		-	-	-	-
Total comprehensive income / (loss)		6,597	39,631	(1,519)	29,230
----- (Rupees in '000) -----					
Earnings / (loss) per share		0.03	0.19	(0.01)	0.14

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

Chairman

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Nine months period ended	
	March 31, 2016	March 31, 2015
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,039	39,792
Adjustments for non cash and other items:		
Gain on disposal of fixed assets	(42)	(306)
Depreciation on property and equipment	795	808
Amortisation on intangible assets	40	254
Interest, mark-up and profit income	(2,325)	(5,340)
Finance costs	4,706	9,297
Reversal of provision against bad and doubtful loans and advances / lease losses - specific - net	(24,088)	(43,905)
(Reversal of impairment) / impairment against quoted shares	(1,326)	3,775
Gain on sale of investments	(4,090)	(35,895)
Loss on termination of lease contracts	6,908	5,416
Dividend income	(337)	-
Impairment against term finance certificates	-	1,640
	(19,759)	(64,256)
	(11,720)	(24,464)
Decrease / (increase) in current assets:		
Short-term investments	(143)	(7,661)
Prepayments and other receivables	(2,039)	1,607
	(2,182)	(6,054)
(Decrease) / increase in current liabilities:		
Current maturity of long term liabilities	(7,637)	(177,360)
Trade and other payables	(698)	(5,976)
	(8,335)	(183,336)
	(22,237)	(213,854)
Repayment of loans and advances	7,295	29,306
Net recovery from finance leases	15,481	31,924
Payment of long term deposits	(18)	294
Reversal of deposits under lease contracts	7,517	(2,489)
Interest, mark-up and profit received	2,325	5,340
Finance cost paid	(203)	(19,508)
Income tax (paid) / received	(828)	79,460
	31,569	124,327
Net cash generated from / (used in) operating activities	9,332	(89,527)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of long-term investments - net	4,090	40,800
Proceeds from sale of short-term investments - net	-	8,557
Fixed capital expenditure	(51)	-
Dividend received	337	-
Proceeds from disposal of fixed assets	103	1,167
Net cash generated from investing activities	4,479	50,524
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term loan	(17,000)	44,860
Net cash flows (used in) / generated from financing activities	(17,000)	44,860
Net increase in cash and cash equivalents	(3,189)	5,857
Cash and cash equivalents at the beginning of the period	8,184	4,794
Cash and cash equivalents at the end of the period	4,995	10,651

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

Chairman

Chief Executive Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Issued, subscribed and paid-up capital	Reserves		Total	
		Capital	Revenue		
		Statutory reserve	General reserve Accumulated losses		
----- (Rupees in '000) -----					
Balance as at July 01, 2014	2,121,025	97,098	39,733	(2,226,077)	31,779
Profit after taxation for the nine months period ended March 31, 2015	-	-	-	39,631	39,631
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	39,631	39,631
Balance as at March 31, 2015	<u>2,121,025</u>	<u>97,098</u>	<u>39,733</u>	<u>(2,186,446)</u>	<u>71,410</u>
Balance as at July 01, 2015	2,121,025	100,599	39,733	(2,212,074)	49,283
Profit after taxation for the nine months period ended March 31, 2016	-	-	-	6,597	6,597
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	6,597	6,597
Transfer to statutory reserve	-	-	-	-	-
Balance as at March 31, 2016	<u>2,121,025</u>	<u>100,599</u>	<u>39,733</u>	<u>(2,205,477)</u>	<u>55,880</u>

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

Chairman

Chief Executive Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 IGI Investment Bank Limited (the Investment Bank) is a public limited company incorporated in Pakistan on February 07, 1990 under the Companies Ordinance, 1984. The Investment Bank is licensed to carry out investment finance activities and leasing operations as a Non-Banking Finance Company under Section 282C of the Companies Ordinance, 1984, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations 2008 (the NBFC Regulations). The Investment Bank's shares are quoted on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). The registered office of the Investment Bank is situated at 7th Floor, the Forum, Suite No. 701-713, G-20, Block-9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Investment Bank.

The Pakistan Credit Rating Agency (PACRA) has assigned the Investment Bank a rating of 'BBB-' (long-term credit rating) and at 'A3' (short-term credit rating) on January 14, 2016.

1.2 This condensed interim financial information is the separate financial information of the Investment Bank. In addition to this condensed interim financial information, condensed interim consolidated financial information of the Investment Bank and its subsidiary company IGI Finex Securities Limited (the Group) have also been prepared. As required by the International Financial Reporting Standards (IFRSs), segment information is presented only in condensed interim consolidated financial information of the Group.

1.3 The financial statements of the Investment Bank for the previous reporting periods disclosed in detail:

- the financial difficulties faced by the Investment Bank which indicate the existence of a material uncertainty about the Investment Bank's ability to continue as a going concern;
- the mitigating factors based on which the management believes that the Investment Bank will be able to continue as a going concern; and
- measures that have been taken by the management of the Investment Bank for continuity and sustainability in line with the aforesaid mitigating factors.

Currently, the Investment Bank continues to face certain financial difficulties. These include the fact that as at March 31, 2016, the Investment Bank has accumulated losses amounting to Rs. 2,205.477 million (June 30, 2015: Rs.2,212.074 million). Further, the Investment Bank is not in compliance with the minimum equity requirement as specified under the NBFC Rules and NBFC Regulations as amended by Securities and Exchange Commission of Pakistan (SECP) vide SRO 1002(I)/2015 dated October 15, 2015 and SRO 1160(I)/2015 dated November 25, 2015 respectively for NBFCs undertaking leasing and investment finance and investment advisory activities. Since August 2014, the Investment Bank has not raised any fresh deposits or rolled over existing deposits and the management is in the process of repaying all its deposits, in compliance with the directives earlier issued by the SECP. As at March 31, 2016, deposits payable amounted to Rs. 6.082 million. Further, the management of the Investment Bank does not intend to engage in deposit taking activities going forward. Accordingly, the minimum equity required by the investment bank to undertake its current activities as a non-deposit taking NBFC is Rs.180 million, however the equity of the Investment Bank at the period-end amounted to Rs. 55.880 million (June 30, 2015: Rs. 49.283 million). Furthermore, as per rule 10A of the amended Rules and Regulation 69 of the amended Regulations, NBFCs are required to comply with amended Rules and Regulations within six months of coming into effect of the amendments. In addition to the above, licenses of the Investment Bank in respect of undertaking leasing and investment finance services, which expired during the year ended June 30, 2013 are pending for renewal by the SECP.

The aforesaid factors continue to indicate the existence of a material uncertainty about the Investment Bank's ability to continue as a going concern.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

Despite the above indicators, the management believes that the Investment Bank will be able to continue as a going concern in view of the following mitigating factors:

- the Investment Bank intends to focus on its existing non-fund based businesses of investment advisory, portfolio management, corporate advisory and mutual funds distribution while continuing to pursue recoveries out of its classified loans, lease and investment portfolios which attract lesser minimum equity requirement of Rs.180 million. Further the Investment Bank does not envisage to disburse new loans and leases or accept fresh certificates of deposit in the foreseeable future;
- the Investment Bank has prepared cash flow forecast for a period of twelve months from the balance sheet date indicating that the Investment Bank will be solvent and will be able to meet its obligations as and when they become due;
- the management of the Investment Bank continues to exert maximum focus and efforts on recoveries out of its classified loans, lease and investment portfolios. As at March 31, 2016, the outstanding loans and leases aggregate to Rs. 566.928 million. The management expects to make considerable recoveries out of the aforesaid amounts in the ensuing years; and
- the sponsor of the Investment Bank is committed to provide continuing financial support to the Investment Bank enabling it to conduct its affairs in such a way that it will be able to meet its financial obligations as and when they become due.

Additionally, the Board of Directors of the Investment Bank had earlier approved the proposed merger of IGI Finex Securities Limited, a corporate brokerage house and its 100% owned subsidiary with and into the Investment Bank. It was envisioned that the said merged entity will be able to offer a full suite of investment products to its clients from a single platform including stocks, commodities, fixed income instruments, government securities, mutual funds distribution as well as the value added services of investment advisory, portfolio management and corporate advisory services. The said decision was taken in light of the draft NBFC Rules and Regulations that were issued by SECP whereby NBFCs were to be permitted to undertake the aforesaid businesses from a single entity. However, consequent to the final amendments in NBFC Rules and NBFC Regulations that have now been enacted by SECP, and that have some deviations from the draft NBFC Rules and Regulations that were earlier issued by SECP, the management is currently in the process of discussing the implications with SECP and reassessing the possibility of the proposed merger.

2 STATEMENT OF COMPLIANCE

- 2.1** This condensed interim financial information of the Investment Bank for the nine months period ended March 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, the Companies Ordinance, 1984, the NBFC Rules, 2003, the NBFC Regulations, 2008 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of the Companies Ordinance, 1984, the NBFC Rules, 2003, the NBFC Regulations, 2008, and the said directives prevail.
- 2.2** 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 financial statements of the Investment Bank for the year ended June 30, 2015.
- 2.3** 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 August 13, 2003 for Non-Banking Finance Companies (NBFCs) providing investment finance services, discounting services and housing finance services. 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 Non-Banking Finance Companies which are engaged in investment finance services, discounting services and housing finance services.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements for the year ended June 30, 2015.

The following standard and amendments to published standards are mandatory for the financial year beginning on or after January 1, 2015 and is relevant to the Investment Bank:

IFRS 13 'Fair Value Measurement' - effective for annual periods beginning on or after January 1, 2015. The standard establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 'Financial Instruments: Disclosures'. As a result the Bank has included additional disclosures in this regard in note 17 to the condensed interim financial information. Notwithstanding the above, the change had no significant impact on the measurement of the Bank's assets and liabilities.

There are certain other amendments to approved accounting standards that have been published and are mandatory for the Bank's accounting period beginning on or after July 1, 2015. None of those amendments have a significant effect on this condensed interim financial information.

4 SIGNIFICANT ESTIMATES AND JUDGMENT

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Investment Bank's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements for the year ended June 30, 2015.

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
5 FIXED ASSETS			
Property and equipment	5.1	4,377	5,182
Intangible assets		4	44
		4,381	5,226
5.1 Property and equipment			
Opening written down value		5,182	6,122
Additions:			
Motor vehicles and office equipment		51	1,947
Less: Disposals at written down value			
Motor vehicles		(61)	(1,642)
Depreciation for the period / year		(795)	(1,245)
Closing written down value		4,377	5,182

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
6 LONG-TERM INVESTMENTS			
Related parties			
Investment in unquoted subsidiary company	6.3	652,571	652,571
Others - available-for-sale			
Investment in unquoted companies	6.2	88,782	88,782
Investment in quoted company	6.1, 6.2 & 6.3	47,355	47,355
Investment in unquoted preference shares	6.4	-	20,000
		136,137	156,137
Less: Impairment against investments		(570,162)	(591,489)
		218,546	217,219

6.1 This represents ordinary shares of Agritech Limited which are subject to sale lock-in-period of 5 years in terms of the Share Purchase Agreement (SPA) dated July 26, 2012 between Azgard Nine Limited (ANL) and various lenders including the Investment Bank. However, as per the Share Purchase Agreement (SPA), the sale restriction is not applicable to transactions between the lenders of ANL.

6.2 As at March 31, 2016, the Investment Bank's exposure in certain scripts exceeded fifteen percent of the equity of the Investment Bank which is not in accordance with Regulation 19(g) of the NBFC Regulations, 2008 which requires that a NBFC shall not hold shares on aggregate basis, whether as pledgee, or absolute owner, of an amount exceeding fifteen percent of the paid-up share capital of that company or fifteen percent of its own equity, whichever is less.

6.3 As at March 31, 2016, the Investment Bank's fund based exposure in certain customers exceeded fifteen percent of the equity of the Investment Bank which is not in accordance with Regulation 17(1) of the NBFC Regulations, 2008 which requires that the maximum outstanding fund based exposure to any single person should not exceed fifteen percent of the equity of an NBFC.

6.4 During the period, unquoted preference shares of First Dawood Investment Bank Limited were converted into ordinary shares and the same have been sold.

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
7 CURRENT MATURITY OF NON-CURRENT ASSETS			
Current maturity of long-term loans and advances - net		-	-
Current maturity of net investment in finance lease	7.1 & 7.2	230,919	245,220
		230,919	245,220

7.1 As at March 31, 2016, the Investment Bank's fund based finance lease exposure to a single party exceeded fifteen percent of the equity of the Investment Bank which is not in accordance with Regulation 17(1) of the NBFC Regulations, 2008 which requires that the maximum outstanding fund based exposure to any single person should not exceed fifteen percent of the equity of an NBFC.

7.2 This amount includes residual value of Rs 214.799 million (June 30, 2015: Rs 222.316).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
8	SHORT-TERM INVESTMENTS		
	Held-for-trading		
	Market Treasury Bills	7,944	7,801
	Available-for-sale		
	Listed term finance certificates	8,135	8,135
	Unlisted term finance certificates	108,264	108,264
		116,399	116,399
		124,343	124,200
	Impairment loss on term finance certificates	(113,119)	(113,119)
		11,224	11,081
9	CASH AND BANK BALANCES		
	In current accounts		
	State Bank of Pakistan	1,057	177
	Others		
	Local currency	644	2,466
	Foreign currency	1,313	1,313
		1,957	3,779
	In savings accounts		
	Local currency	9.1 1,981	4,228
		4,995	8,184
9.1	These represent deposit accounts with commercial banks carrying mark-up at the rate ranging between 4% to 5.5% (June 30, 2015: 5% to 6.5%) per annum.		
		(Un-audited) March 31, 2016	(Audited) June 30, 2015
10	LONG-TERM LOANS	Note	----- (Rupees in '000) -----
	Unsecured		
	Local currency - related parties	10.1 & 10.2	305,860
10.1	During 2013-2014, the Investment Bank received a sum of Rs.285 million by way of a loan from Syed Babar Ali, Chairman and a sponsor of the Investment Bank. In this connection, the Investment Bank and Syed Babar Ali had entered into a Loan Agreement dated March 31, 2014. The loan is interest/profit/mark-up free and repayable at the earlier of the expiry of ten (10) years from the date of the Loan Agreement or upon occurrence of any change in the shareholding of the Investment Bank or the board of directors of the Investment Bank that would result in change of control of the Investment Bank from the persons in whose hands it vests as of the date of the Loan Agreement ('the Due Date'), as the case may be. Under the terms of the Loan Agreement, the Investment Bank may, at its discretion, prepay all or any portion of the aforesaid loan at any time prior to the Due Date, provided that the Certificates of Deposit issued by the Investment Bank have been completely and finally settled.		322,860

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

During the nine months period ended March 31, 2016, the Investment Bank has made repayment of all deposits along with mark-up, except for five depositors with aggregate deposits amounting to Rs. 6.082 million since they are either untraceable or their deposit is under lien as per court order for payment of FED / CED. These Certificates of Deposit have already matured and mark-up payable on these till maturity is Rs. 0.227 million. In order to secure the amount for repayment of such deposits till the time parties are traced or lien matter settled, the Investment Bank has placed an amount of Rs. 7.94 million in Market Treasury Bills.

In light of the above, the Investment Bank to date has made prepayment of Rs. 49 million (including Rs 17 million repaid during the current period) against the aforesaid loan. After this prepayment of Rs. 49 million, outstanding loan of IGI Investment Bank is Rs. 236 million.

- 10.2** During the year ended June 30, 2015, the Investment Bank had entered into a long term loan agreement with its wholly owned subsidiary (IGI Finex Securities Limited) for Rs. 85 million. Under the terms of the Loan Agreement, the loan is to be disbursed in multiple tranches, on such dates and in such amount as may be mutually agreed by the parties to the agreement. The loan carries markup rate at 1 month KIBOR + 2% and repayable at the earlier of the expiry of 36 months from the date of disbursement of first tranche of the loan or upon occurrence of any change in the shareholding of the Investment Bank or the board of directors of the Investment Bank that would result in change of control of the Investment Bank from the persons in whose hands it vests as of the date of the Loan Agreement ('the Due Date'), as the case may be. The Investment Bank may, at its discretion, prepay all or any portion of the aforesaid loan at any time prior to the Due Date. As at March 31, 2016, the Investment Bank has received Rs. 69.860 million out of the total amount of the loan i.e. Rs. 85 million.

		(Un-audited) March 31, 2016	(Audited) June 30, 2015
	Note	----- (Rupees in '000) -----	
11		CURRENT MATURITY OF NON-CURRENT LIABILITIES	
Current maturity of long-term certificates of deposit		6,082	7,389
Current maturity of long-term deposits under lease contracts	11.1	214,799	222,316
		220,881	229,705
11.1		This represents security deposits held by the Investment Bank under lease contracts against which an equivalent amount of residual value is receivable as disclosed in note 7.2 to this condensed interim financial information.	
12		TRADE AND OTHER PAYABLES	
Accrued expenses		3,970	6,561
Payable to customers on account of excess recoveries		3,028	3,028
Unclaimed dividends		305	305
Withholding tax payable		104	82
Advances from lessees		8,194	8,430
Payable to IGI Insurance Limited - a related party		22,377	22,652
Others		8,110	5,728
		46,088	46,786

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

13 CONTINGENCIES AND COMMITMENTS

- 13.1** There has been no significant change in the status of contingencies as disclosed in the annual financial statements for the year ended June 30, 2015.

	Nine months period ended		Quarter ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015

----- (Rupees in '000) -----

14 INCOME FROM INVESTMENTS

Interest / mark-up / profit on investments	351	258	122	229
Gain on sale of investments	4,090	35,895	-	8,491
Dividend income	337	-	-	-
	4,778	36,153	122	8,720

15 ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, allowances and benefits	9,855	10,625	3,422	3,252
Contribution to the provident fund	433	485	160	145
Contribution to employees' old-age benefit institution	42	36	16	12
Depreciation on property and equipment (note 5.1)	795	808	259	223
Amortisation on intangible assets	40	254	10	67
Rent, rates and taxes	1,171	1,496	405	419
Travelling and entertainment	85	469	7	106
Telephone, telex and fax	445	787	164	281
Printing, postage and stationery	248	611	147	205
Insurance	467	479	163	160
Lighting, heating and cooling	97	246	27	18
Repairs and maintenance	1,474	1,605	571	453
Brokerage and commission	3	-	-	-
Legal and professional charges	1,815	11,889	601	2,057
Subscriptions	901	876	347	269
Advertisement	448	99	117	99
Other expenses	35	321	-	39
	18,354	31,086	6,416	7,805

16 TRANSACTIONS WITH RELATED PARTIES

- 16.1** The Investment Bank has related party relationship with its employee benefit plans, subsidiary, group companies and its key management personnel. The Investment Bank in the normal course of business carries out transactions with various related parties at agreed / commercial terms. The transactions with related parties carried out during the period are as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

For the nine months period ended March 31, 2016

Entity having significant influence over the Investment Bank		Subsidiary		Key management personnel (including directors)		Other related parties		Total	
								2016	2015
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015

----- (Rupees in '000) -----

Transactions during the period

Certificates of deposit matured / pre-matured	- 175,000	-	-	-	-	-	-	-	175,000
Long term loan received	-	-	69,860	-	-	-	-	-	69,860
Long term loan paid	-	-	-	17,000	-	-	-	17,000	-
Sale of marketable securities	- 40,800	4,227	-	-	-	-	-	4,227	40,800
Insurance expense	415	479	-	-	-	52	-	467	479
Group shared services	333	1,543	948	437	-	-	-	1,281	1,980
Group shared services- reimbursement	894	1,917	9,409	4,395	-	-	-	10,303	6,312
Commission income earned	-	-	155	-	-	-	-	155	-
Return on certificates of deposit paid	-	6,720	-	-	-	-	-	-	6,720
Markup expense on long term loan	-	-	4,559	2,516	-	-	-	4,559	2,516
Rent expense	397	722	314	256	-	-	460	419	1,171
Brokerage expense	-	-	120	-	-	-	-	120	-
Charge for the year in respect of employee benefit and contribution plan	-	-	-	-	-	-	433	485	433

16.2 Group shared services

The Investment Bank has entered into an arrangement with its subsidiary and other related parties to share various administrative, human resource and related costs on agreed terms.

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Investment Bank is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- Fair values of Treasury Bills are derived using the PKRV rates (Reuters page).
- The fair value of all other financial assets and financial liabilities of the Bank approximate their carrying amounts due to short term maturities of these instruments.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

17.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Investment Bank to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2016, the Investment Bank held the following financial instruments measured at fair value:

	As at March 31, 2016			
	----- Unaudited -----			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
ASSETS				
Available-for sale securities				
- Listed equity securities	11,744	-	-	11,744
- Unlisted Term Finance Certificates	-	3,280	-	3,280
Held-for-trading securities				
- Market Treasury Bill	-	7,944	-	7,944
	As at June 30, 2015			
	----- Audited -----			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
ASSETS				
Available-for sale securities				
- Listed equity securities	10,418	-	-	10,418
- Unlisted Term Finance Certificates	-	3,280	-	3,280
Held-for-trading securities				
- Market Treasury Bill	-	7,801	-	7,801

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

18 CORRESPONDING FIGURES

18.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. There have been no significant reclassifications in this condensed interim financial information.

19 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 22, 2016 by the Board of Directors of the Investment Bank.

20 GENERAL

20.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

Chairman

Chief Executive Officer

