



PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED

**CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**

For the three months period ended March 31, 2021

Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Statement of Financial Position
As at March 31, 2021

	<i>Note</i>	March 31, 2021 (Un -audited)	December 31, 2020 (Audited)
------(Rupees in '000)-----			
ASSETS			
Cash and balances with treasury banks	6	144,425	137,120
Balances with other banks	7	13,730	14,095
Lendings to financial institutions	8	5,720,385	-
Investments	9	92,428,131	90,458,932
Advances	10	13,806,086	14,256,847
Fixed assets	11	269,092	284,222
Intangible assets	12	12,426	13,790
Deferred tax assets		-	-
Other assets	13	1,301,675	1,660,636
		113,695,950	106,825,642
LIABILITIES			
Bills payable		-	-
Borrowings	14	67,808,662	62,152,972
Deposits and other accounts	15	2,220,000	2,820,000
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities	16	3,115,016	2,979,119
Other liabilities	17	2,038,124	1,156,329
		75,181,802	69,108,420
NET ASSETS		38,514,148	37,717,222
REPRESENTED BY			
Share capital	18	10,000,000	10,000,000
Reserves		10,812,156	10,812,156
Surplus on revaluation of assets - net	19	1,392,084	1,474,807
Unappropriated profit		16,309,908	15,430,259
		38,514,148	37,717,222
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.


 Chief Executive


 Chief Financial Officer


 Director



 Director


 Director

Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Profit and Loss Account (Un-audited)
For the three months period ended March 31, 2021

	Note	Three months period ended	
		March 31, 2021	March 31, 2020
------(Rupees in '000)-----			
Mark-up / return / interest earned	21	1,514,172	1,692,488
Mark-up / return / interest expensed	22	1,007,362	1,175,583
Net mark-up / interest income		<u>506,810</u>	<u>516,905</u>
NON MARK-UP / INTEREST INCOME			
Fee and commission income	23	11,247	21,198
Dividend income		39,063	35,715
Foreign exchange income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities	24	17,289	(74,336)
Share in results of associates - net	25	1,988,767	1,347,038
Other income	26	9,665	5,797
Total non-markup / interest income		<u>2,066,031</u>	<u>1,335,412</u>
Total income		2,572,841	1,852,317
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	27	243,061	156,037
Workers Welfare Fund		45,682	29,946
Other charges	28	-	30
Total non-markup / interest expenses		<u>288,743</u>	<u>186,013</u>
Profit before provisions		2,284,098	1,666,304
Provision - net	29	-	168,993
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		2,284,098	1,497,311
Taxation	30	404,449	356,526
PROFIT AFTER TAXATION		1,879,649	1,140,785
-----Rupees-----			
Basic and diluted earnings per share (on share of Rs. 25,000 each)	31	<u>4,699</u>	<u>2,852</u>

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.


 Chief Executive


 Chief Financial Officer


 Director


 Director


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Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Statement of Comprehensive Income -(Un-audited)
For the three months period ended March 31, 2021

	Three months period ended	
	March 31, 2021	March 31, 2020
	------(Rupees in '000)-----	
Profit after taxation for the period	1,879,649	1,140,785
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in deficit on revaluation of 'available-for-sale' securities - net of tax	(110,538)	(431,194)
Movement in surplus / (deficit) on revaluation of 'available-for-sale' securities of associates - net of tax	27,815	(656,732)
	(82,723)	(1,087,926)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Remeasurement gain on defined benefit obligation - net of tax	-	-
Share of deficit on revaluation of non - banking assets of associates - net of tax	-	-
Share of remeasurement (loss) / gain of defined benefit obligation of associates - net of tax	-	-
	-	-
Total comprehensive income	1,796,926	52,859


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 Chief Executive


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Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Statement of Changes in Equity - (Un-audited)
For the three months period ended March 31, 2021


	Share Capital	Non-Distributable Reserve	Statutory Reserve	Capital Market Equalization Reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
					Investments	Non banking assets of associates		
(Rupees in '000)								
Balance as at January 1, 2020	10,000,000	935,264	6,948,688	1,659,468	2,827,279	4,027	11,159,927	33,534,653
Profit after taxation for the three months period ended March 31, 2020	-	-	-	-	-	-	1,140,785	1,140,785
Other comprehensive income - net of tax	-	-	-	-	(1,087,926)	-	-	(1,087,926)
Total comprehensive income	-	-	-	-	(1,087,926)	-	1,140,785	52,859
Transactions with owners recorded directly in equity								
Balance as at March 31, 2020	10,000,000	935,264	6,948,688	1,659,468	1,739,353	4,027	12,300,712	33,587,512
Profit after taxation for the nine months period ended December 31, 2020	-	-	-	-	-	-	5,202,897	5,202,897
Other comprehensive income - net of tax	-	-	-	-	(270,312)	1,739	(4,614)	(273,187)
Total comprehensive income	-	-	-	-	(270,312)	1,739	5,198,283	4,929,710
Transfer to statutory reserve	-	-	1,268,736	-	-	-	(1,268,736)	-
Transfer to capital market equalization reserve	-	-	-	-	-	-	-	-
Transactions with owners recorded directly in equity								
Final dividend for the year ended December 31, 2019 @ Rs. 2,000 per share	-	-	-	-	-	-	(800,000)	(800,000)
Balance as at December 31, 2020	10,000,000	935,264	8,217,424	1,659,468	1,469,041	5,766	15,430,259	37,717,222
Profit after taxation for the three months period ended March 31, 2021	-	-	-	-	-	-	1,879,649	1,879,649
Other comprehensive income - net of tax	-	-	-	-	(82,723)	-	-	(82,723)
Total comprehensive income	-	-	-	-	(82,723)	-	1,879,649	1,796,926
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Transfer to capital market equalization reserve	-	-	-	-	-	-	-	-
Transactions with owners recorded directly in equity								
Final dividend for the year ended December 31, 2020 @ Rs. 2,500 per share	-	-	-	-	-	-	(1,000,000)	(1,000,000)
Balance as at March 31, 2021	10,000,000	935,264	8,217,424	1,659,468	1,386,318	5,766	16,309,908	38,514,148

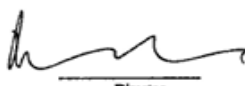
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 Chief Executive


 Director


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 Chief Financial Officer


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Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Cash Flow Statement - (Un-audited)
For the three months period ended March 31, 2021

	<i>Note</i>	Three months period ended	
		March 31, 2021	March 31, 2020
		------(Rupees in '000)-----	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		2,284,098	1,497,311
Less: Dividend income		<u>(39,063)</u>	<u>(35,715)</u>
		2,245,035	1,461,596
Adjustments for:			
Depreciation		17,400	5,248
Amortization		1,364	1,364
Provisions - net		-	168,993
Gain on sale of fixed assets		(580)	(2,462)
Unrealized gain on revaluation of 'held for trading' securities	23	(3,093)	-
Share in results of associates - net		<u>(1,988,767)</u>	<u>(1,347,038)</u>
		<u>(1,973,676)</u>	<u>(1,173,895)</u>
		271,359	287,701
(Increase) / decrease in operating assets			
Lendings to financial institutions		<u>(5,720,385)</u>	1,143,613
Held-for-trading securities		<u>(71,143)</u>	20,086
Advances		450,761	(3,195,767)
Others assets (excluding advance taxation)		<u>41,620</u>	660,755
		<u>(5,299,147)</u>	<u>(1,371,313)</u>
Increase / (decrease) in operating liabilities			
Borrowings		<u>5,655,690</u>	13,421,171
Deposits		<u>(600,000)</u>	-
Other liabilities (excluding current taxation)		<u>(115,282)</u>	(68,290)
		<u>4,940,408</u>	13,352,881
		<u>(87,380)</u>	12,269,269
Income tax paid		<u>36,032</u>	(227,065)
<i>Net cash (outflow) / inflow from operating activities</i>		<u>(51,348)</u>	12,042,204
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		<u>(951,411)</u>	(12,066,255)
Dividends received		1,014,313	45,254
Investments in operating fixed assets		(5,193)	(15,751)
Proceeds from sale of fixed assets		580	2,462
<i>Net cash generated / (used) in investing activities</i>		<u>58,289</u>	(12,034,290)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		-	-
<i>Net cash used in financing activities</i>		-	-
Increase in cash and cash equivalents		<u>6,941</u>	7,914
Cash and cash equivalents at beginning of the period		<u>151,214</u>	77,971
Cash and cash equivalents at end of the period		<u><u>158,155</u></u>	<u><u>85,885</u></u>

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.


 Chief Executive


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 Director


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Pakistan Kuwait Investment Company (Private) Limited
Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)
For the three months period ended March 31, 2021

1. STATUS AND NATURE OF BUSINESS

Pakistan Kuwait Investment Company (Private) Limited ("the Company") was incorporated in Pakistan as a Private Limited Company on March 17, 1979. The registered office is situated at 4th Floor, Block 'C', Finance and Trade Centre, Shahrah-e-Faisal, Karachi. The Company has a representative office in Lahore. The Company is a 50:50 joint venture between the Governments of Pakistan and Kuwait. The objective of the Company is to profitably promote industrial investments in Pakistan.

The Pakistan Credit Rating Agency (PACRA) has maintained for the Company, the long-term entity rating at AAA (Triple A) and the short term rating at A1+(A one plus), the highest level.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

- International Accounting Standards (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Companies Act, 2017 or the directives issued by SBP and SECP differ with the requirements of the IFRS or IFAS, the requirements of Companies Act, 2017 and the said directives shall prevail.

The SBP through its BSD Circular letter No. 11 dated September 11, 2002 has deferred the implementation of IAS 39 'Financial Instruments: Recognition and Measurement' and IAS 40 'Investment Property' for Non-Banking Financial Institutions (NBFIs) in Pakistan. Further, SECP has deferred the implementation of IFRS 7 'Financial Instruments: Disclosures' through SRO 411(I) / 2008 dated April 28, 2008. Accordingly, the requirements of these IFRS and their respective interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC), have not been considered in preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

2.2 The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP through BPRD Circular Letter No. 05 dated March 22, 2019 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all the information and disclosures required for annual financial statements, and therefore should be read in conjunction with the audited financial statements for the financial year ended December 31, 2020.

2.3 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period.

There are certain new standards and interpretations and amendments to existing standards and interpretations that are applicable to the Company for accounting periods beginning on or after January 1, 2021, but are considered either not to be relevant or do not have any significant impact on the Company's financial statements and therefore not detailed in these condensed interim financial statements.

2.4 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective.

IFRS 9 'Financial Instruments' - SBP vide its BPRD circular No. 4 of 2019 dated October 23, 2019 directed the Banks / DFIs in Pakistan to implement IFRS 9 with effect from January 01, 2021. IFRS 9 replaces the existing guidance in IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. However detailed guidelines for implementation of IFRS 9 are still awaited from SBP.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of audited financial statements of the Company for the year ended December 31, 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual financial statements for the year ended December 31, 2020.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2020.

6. CASH AND BALANCES WITH TREASURY BANKS	<i>Note</i>	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
		------(Rupees in '000)-----	
Cash in hand in local currency		80	50
With State Bank of Pakistan in - local currency current account	6.1	143,317	135,906
With National Bank of Pakistan in - local currency current account		<u>1,028</u>	<u>1,164</u>
		<u>144,425</u>	<u>137,120</u>

6.1 This includes Rs. 140 million (December 31, 2020: Rs.132 million) held as minimum cash reserve required to be maintained with the SBP in accordance with its requirements issued from time to time.

7. BALANCES WITH OTHER BANKS		March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
		------(Rupees in '000)-----	
In Pakistan - current account - deposit account		<u>2,158</u> <u>11,572</u>	<u>1,806</u> <u>12,289</u>
		<u>13,730</u>	<u>14,095</u>

7.1 This represents balance maintained in saving accounts with banks. The profit rates on these accounts ranges between 2.85% and 5.50% (December 31, 2020: 2.76% and 5.50%)

8. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	<u>5,720,385</u>	-
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8.1 Particulars of lending

In local currency	<u>5,720,385</u>	-
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8.2 Securities held as collateral against lendings to financial institutions

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Held by Company	Further given as collateral	Total	Held by Company	Further given as collateral	Total
	------(Rupees in '000)-----					
Market Treasury Bills	5,720,385	-	5,720,385	-	-	-

9. INVESTMENTS

9.1 Investments by type:

	March 31, 2021 (Un-audited)				December 31, 2020 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	------(Rupees in '000)-----							
Held-for-trading securities								
Shares	71,143	-	3,093	74,236	-	-	-	-
Available-for-sale securities								
Federal Government Securities	57,411,826	-	(242,717)	57,169,109	57,721,705	-	115,699	57,837,404
Shares	3,027,296	(123,610)	184,285	3,087,971	2,832,708	(124,008)	(19,284)	2,689,416
Non Government Debt Securities	6,693,172	(33,638)	19,625	6,679,159	5,626,867	(33,638)	(5,264)	5,587,965
	<u>67,132,294</u>	<u>(157,248)</u>	<u>(38,807)</u>	<u>66,936,239</u>	66,181,280	(157,646)	91,151	66,114,785
Associates	<u>25,417,656</u>	-	-	<u>25,417,656</u>	24,344,147	-	-	24,344,147
Total Investments	<u>92,621,093</u>	<u>(157,248)</u>	<u>(35,714)</u>	<u>92,428,131</u>	90,525,427	(157,646)	91,151	90,458,932

9.1.1 Movement in investments in associates

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
Investments at beginning of the period	24,344,147	21,092,192
Share in surplus / (deficit) on revaluation of 'available-for-sale' securities of associates	32,576	(1,153,609)
Share of surplus on revaluation of non - banking assets of associates	-	2,046
Share of remeasurement of defined benefit plans of associates	-	6,750
Share of profit from associates recognized in profit and loss account	1,988,767	7,050,046
Dividend received from associates	(947,834)	(2,653,278)
Investments at end of the period / year	<u>25,417,656</u>	<u>24,344,147</u>

The cost of investments in associates as at March 31, 2021 amounted to Rs.2,895 million (December 31, 2020: Rs. 2,895 million). Share in results of associates recorded under equity method of accounting, net of dividend, capital gain and income taxes amounted to Rs. 885 million (March 31, 2020: Rs. 470 million).

9.1.1 Investments given as collateral

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
Pakistan Investment Bonds	34,433,517	32,182,514
Market Treasury Bills	4,256,994	5,371,156
	<u>38,690,511</u>	<u>37,553,670</u>

9.2 Provision for diminution in the value of investments	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
9.2.1 Opening balance	157,646	311,891
(Reversals) / charge		
Charge for the period / year	-	756,914
Reversal on disposals for the period / year	(398)	(911,159)
	(398)	(154,245)
Closing balance	<u>157,248</u>	<u>157,646</u>

9.2.2 Particulars of provision against debt securities

Category of classification	March 31, 2021 (Un-audited)		December 31, 2020 (Audited)	
	*NPI	Provision	*NPI	Provision
	------(Rupees in '000)-----			
Domestic				
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	33,638	33,638	33,638	33,638
	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>
Overseas	-	-	-	-
Total	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>

* NPI stands for Non-Performing Investments.

10. ADVANCES

Note

	Performing		Non Performing		Total	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----					
Loans, cash credits, running finances, etc.	14,065,313	14,516,074	1,065,341	1,065,341	15,130,654	15,581,415
Provision against advances						
- Specific	-	-	(1,024,568)	(1,024,568)	(1,024,568)	(1,024,568)
- General	(300,000)	(300,000)	-	-	(300,000)	(300,000)
	<u>(300,000)</u>	<u>(300,000)</u>	<u>(1,024,568)</u>	<u>(1,024,568)</u>	<u>(1,324,568)</u>	<u>(1,324,568)</u>
Advances - net of provision	<u>13,765,313</u>	<u>14,216,074</u>	<u>40,773</u>	<u>40,773</u>	<u>13,806,086</u>	<u>14,256,847</u>

10.1 Particulars of advances (Gross)

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
In local currency	<u>15,130,654</u>	<u>15,581,415</u>

10.2 Advances include Rs. 1,065.341 million (December 31, 2020: Rs 1,065.341 million) which have been placed under non-performing status as detailed below:

Category of Classification

	March 31, 2021 (Un-audited)		December 31, 2020 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	------(Rupees in '000)-----			
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	1,065,341	1,024,568	1,065,341	1,024,568
Total	<u>1,065,341</u>	<u>1,024,568</u>	<u>1,065,341</u>	<u>1,024,568</u>

Provision is recorded net of security deposit of Rs. 60.773 million (December 31, 2020: 60.773 million).

10.3 Particulars of provision against advances

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
	------(Rupees in '000)-----					
Opening balance	1,024,568	300,000	1,324,568	1,050,828	-	1,050,828
Charge for the period / year	-	-	-	-	300,000	300,000
Reversals for the period / year	-	-	-	(26,260)	-	(26,260)
	-	-	-	(26,260)	300,000	273,740
Closing balance	<u>1,024,568</u>	<u>300,000</u>	<u>1,324,568</u>	<u>1,024,568</u>	<u>300,000</u>	<u>1,324,568</u>

11. FIXED ASSETS	Note	March 31, 2021 (Un-audited) ------(Rupees in '000)-----	December 31, 2020 (Audited) ------(Rupees in '000)-----
Capital work-in-progress	11.1	-	27,403
Property and equipment		<u>269,092</u>	<u>256,819</u>
		<u><u>269,092</u></u>	<u><u>284,222</u></u>
11.1 Capital work-in-progress			
Civil works		-	17,413
Equipment		-	5,271
Furniture & Fixture		-	4,719
		<u>-</u>	<u>27,403</u>
12. INTANGIBLE ASSETS		March 31, 2021 (Un-audited) ------(Rupees in '000)-----	December 31, 2020 (Audited) ------(Rupees in '000)-----
Computer Software		<u>12,426</u>	<u>13,790</u>
13. OTHER ASSETS		March 31, 2021 (Un-audited) ------(Rupees in '000)-----	December 31, 2020 (Audited) ------(Rupees in '000)-----
Income / Mark-up accrued in local currency - net		690,420	1,370,249
Advances, deposits, advance rent and other prepayments		55,360	24,418
Advance taxation (payments less provisions)		548,869	258,944
Other receivable		<u>53,285</u>	<u>53,284</u>
		<u>1,347,934</u>	<u>1,706,895</u>
Less: Provision held against other assets	13.2	<u>(46,259)</u>	<u>(46,259)</u>
		<u><u>1,301,675</u></u>	<u><u>1,660,636</u></u>
13.2 Provision held against other assets	Note	March 31, 2021 (Un-audited) ------(Rupees in '000)-----	December 31, 2020 (Audited) ------(Rupees in '000)-----
Other receivables		<u>46,259</u>	<u>46,259</u>
		<u><u>46,259</u></u>	<u><u>46,259</u></u>
14. BORROWINGS			
<i>Secured</i>			
Borrowings from State Bank of Pakistan			
Under Long Term Finance Facility (LTFF)	14.1	4,209,137	3,550,202
Under Financing Scheme for Renewable Energy	14.2	781,906	693,622
Under Temporary Economic Refinance Facility (TERF)	14.3	<u>822,621</u>	<u>292,633</u>
		<u>5,813,664</u>	<u>4,536,457</u>
Bai Muajjal	14.4	39,119,654	37,653,706
Repurchase agreement borrowings		14,831,648	8,948,364
Term Finance Facility	14.5	<u>4,500,000</u>	<u>5,000,000</u>
<i>Total secured</i>		<u><u>64,264,966</u></u>	<u><u>56,138,527</u></u>
<i>Unsecured</i>			
Bai Muajjal	14.4	<u>3,543,696</u>	<u>6,014,445</u>
<i>Total unsecured</i>		<u><u>3,543,696</u></u>	<u><u>6,014,445</u></u>
Total		<u><u><u>67,808,662</u></u></u>	<u><u><u>62,152,972</u></u></u>

14.1 Borrowings from SBP under LTFF

This represents Long Term Finance Facility on concessional rates to promote industrial growth leading to exports. The loans availed under the facility shall be repayable within a maximum period of ten years including maximum grace period of two years with mark-up payable at maximum of 5 percent per annum. SBP allocates an overall yearly limit under the facility to individual Participating Financial Institution (PFI). The sanctioned limit for the Company for the period from July 1, 2020 to June 30, 2021 is Rs. 3,365 million.

14.2 Borrowing from SBP under Financing Scheme for Renewable Energy

This represents Long Term Finance Facility on concessional rates to support in addressing dual challenge of energy shortage and climate change through promotion of renewable energy. The loans availed under the facility shall be repayable within a maximum period of twelve years with mark-up payable at maximum of 3 percent per annum. SBP allocates an overall yearly limit under the facility to individual Participating Financial Institution (PFI). The sanctioned limit for the Company for the period from July 01, 2020 to June 30, 2021 is Rs. 2,995 million.

14.3 Borrowing from SBP under Temporary Economic Refinance Facility

This represents Long Term Finance Facility on concessional rates to support sustainable economic growth especially in the backdrop of challenges being faced by the industry in post pandemic scenario. The loans availed under this facility shall be repayable within a maximum period of ten years including maximum grace period upto two years, with mark-up payable at maximum of 1 percent per annum. The sanctioned limit for the Company till June 30, 2021 is Rs. 3,632 million.

14.4 Bai Muajjal

This represents borrowings from financial institutions at mark-up rates between 7.00 and 7.25 (December 31, 2020: 6.15 and 12.60) percent per annum and having maturities between April 29, 2021 and July 27, 2021 (December 31, 2020: January 04, 2021 and June 29, 2021).

14.5 Term Finance Facility

The Company has availed long term finance facility from a bank. The interest rate on this facility is 7.96 (December 31, 2020: 7.37) percent per annum and is due for maturity on September 30, 2025 (December 31, 2020: September 30, 2025)

15. DEPOSITS AND OTHER ACCOUNTS

Note	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	(Un-audited)			(Audited)		
	------(Rupees in '000)-----					
Customers						
Term deposits (COI)	2,220,000	-	2,220,000	2,820,000	-	2,820,000
	<u>2,220,000</u>	<u>-</u>	<u>2,220,000</u>	<u>2,820,000</u>	<u>-</u>	<u>2,820,000</u>

15.1 Composition of deposits

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
- Public Sector Entities	1,820,000	2,120,000
- Non-Banking Financial Institutions	400,000	700,000
	<u>2,220,000</u>	<u>2,820,000</u>

15.2 The profit rates on these COIs are between 7.05 and 7.35 (December 31, 2020: 6.95 and 7.35) percent per annum. These COIs have maturities between June 07, 2021 and September 07, 2021 (December 31, 2020: February 01, 2021 and September 07, 2021).

16 DEFERRED TAX LIABILITIES

Deductible temporary differences on

- Post retirement employee benefits
- Provision against non-performing advances

March 31, 2021 (Un-audited)			
At January 1, 2021	Recognised in P&L A/C	Recognised in OCI	At March 31, 2021
------(Rupees in 000)-----			
28,180	2,429	-	30,609
384,125	-	-	384,125
<u>412,305</u>	<u>2,429</u>	<u>-</u>	<u>414,734</u>
(7,648)	(464)	19,420	11,308
(47,973)	2,136	-	(45,837)
(183,764)	1,366	-	(182,398)
(3,152,039)	(156,023)	(4,761)	(3,312,823)
<u>(3,391,424)</u>	<u>(152,985)</u>	<u>14,659</u>	<u>(3,529,750)</u>
<u>(2,979,119)</u>	<u>(150,556)</u>	<u>14,659</u>	<u>(3,115,016)</u>

Taxable temporary differences on

- Surplus on revaluation of investments
- Accelerated tax depreciation
- Finance lease arrangements
- Share of profits from Associates

December 31, 2020 (Audited)			
At January 1, 2020	Recognised in P&L A/C	Recognised in OCI	At December 31, 2020
------(Rupees in 000)-----			
17,843	5,878	4,459	28,180
304,740	79,385	-	384,125
<u>322,583</u>	<u>85,263</u>	<u>4,459</u>	<u>412,305</u>
(26,333)	380	18,305	(7,648)
(35,352)	(12,621)	-	(47,973)
(132,868)	(50,896)	-	(183,764)
(2,656,203)	(668,124)	172,288	(3,152,039)
<u>(2,850,756)</u>	<u>(731,261)</u>	<u>190,593</u>	<u>(3,391,424)</u>
<u>(2,528,173)</u>	<u>(645,998)</u>	<u>195,052</u>	<u>(2,979,119)</u>

17. OTHER LIABILITIES

- Mark-up / return / interest payable in local currency
- Accrued expenses
- Payable to defined benefit obligation
- Security deposits against lease
- Employees' compensated absences
- Payable to share brokers on account of purchase of marketable securities
- Dividend payable
- Unearned Income
- Others

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
	67,808	123,946
	772,174	859,216
	72,782	64,404
	60,773	60,773
	32,769	32,769
	20,129	-
	1,000,000	-
	4,394	4,394
	7,295	10,827
	<u>2,038,124</u>	<u>1,156,329</u>

18. SHARE CAPITAL

18.1 Authorized Capital

Shareholders of Pakistan Kuwait Investment Company (Private) Limited in its Annual General Meeting held on March 29, 2021 has passed a special resolution to increase the Authorized Capital of the Company upto Rs. 25 Billion. Articles and Memorandum of Association of the Company has also been updated accordingly and approved by SECP subsequently.

19. SURPLUS ON REVALUATION OF ASSETS

- (Deficit) / Surplus on revaluation of:
 - Available for sale securities
 - Available for sale securities of Associates

	(38,807)	91,151
	1,665,716	1,633,141
	<u>1,626,909</u>	<u>1,724,292</u>
Deferred tax on surplus on revaluation of: <ul style="list-style-type: none"> - Available for sale securities - Available for sale securities of Associates 	(27,417)	(46,837)
	(207,408)	(202,648)
	<u>(234,825)</u>	<u>(249,485)</u>
	<u>1,392,084</u>	<u>1,474,807</u>

20. CONTINGENCIES AND COMMITMENTS	Note	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
------(Rupees in '000)-----			
-Guarantees	20.1	436,201	436,201
-Commitments	20.2	16,029,677	12,259,467
		16,465,878	12,695,668

20.1 Guarantees:

Financial guarantees	436,201	436,201
----------------------	---------	---------

20.2 Commitments

Undisbursed sanctions against:

- Underwriting of shares	-	350,000
- Loans and advances	13,498,538	11,122,328
- Sukuks	850,000	-
- Letter of Comfort	1,681,139	787,139
	16,029,677	12,259,467

20.3 Tax Contingencies

The Income Tax Department has amended the deemed assessment orders for the tax years from 2003 to 2018, raising a tax demand of Rs. 3,714 million, mainly due to additions in respect of allocation of expenses against dividend income subject to tax at reduced rate / Final Tax Regime and capital gains.

In such orders, the taxation authority has not accepted the Company's contention on the matter of allocation of expenses on exempt capital gains and dividend income. The total additions made in tax years 2003 to 2018 under this head amount to Rs 7,981 million.

In the tax year 2003, the Appellate Tribunal Inland Revenue (ATIR) had directed the tax authorities for the allocation to be made taking into account the 'cost of investment' rather than 'gross turnover'. It had not approved the application of Rule 13 (3) of the Income Tax Rules ,2002 on the common expenditure for the determination of taxable income under each head of income in the case of the company. Subsequently, the action of the Taxation Officer of refusing to issue the appeal effect in view of the departmental appeal before the High Court was contested in appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] for application of section 124A of the Income Tax Ordinance, 2001 (Ordinance). The CIR(A) adjudged the matter in favour of the Company directing the Officer to give effect to the express directions. This was maintained by the ATIR in the subsequent departmental appeal. Thereafter these directions were again not followed by the Officer and the CIR(A) vide the appellate order dated October 29, 2018 had again remanded back the matter giving specific directions. The appeal effect order to this latest order has not yet been issued.

Relying on the decision of ATIR in tax year 2003, the CIR(A) through orders dated September 23, 2011, November 30, 2012, June 15, 2015, September 8, 2017, March 6, 2018, March 7, 2018 and July 26, 2019 for tax years 2004 to 2007, tax year 2010, tax years 2011 to 2013, tax year 2015, tax years 2014 and 2017, tax year 2016 and tax year 2018 respectively, directed for the application of provision of section 124A of the Ordinance. In tax years 2008 and 2009, the action was maintained by the CIR(A). Appeals were preferred by the company and the Department before the ATIR.

Appeal effect orders were issued for the years 2004 to 2007 and 2010 allowing the entire addition on account of the pending appeals. In the order dated June 30, 2020 for tax year 2015, the Officer not following the directions of the CIR(A), had allocated expenses on the basis of turnover and currently the appeal is pending before the CIR(A).

Recently, the ATIR in the combined appellate order dated March 10, 2021 has adjudged the departmental appeals in the tax years 2004 to 2007, 2010 and 2011 to 2013, remanding back the matter of allocation of expenses on exempt capital gains and dividend income by placing reliance on its decision in the tax year 2003. The ATIR has further concluded that the provisions of section 124A of the Ordinance are not applicable in the instant case. Directions have been given to preferably decide the matter in sixty days.

The company's appeal for tax years 2008 and 2009 have also been adjudicated by the ATIR vide combined appellate order dated March 10, 2021 remanding back the matter of allocation of expenses with similar directions.

Further, the Company had made representation before Federal Board of Revenue for necessary clarification and has also referred the above matter to Alternate Dispute Resolution Committee, a mechanism available to provide an opportunity to taxpayers for an easy and efficient resolution of disputes. The same is still pending.

The Company has made provision of Rs. 1,393 million against the demand for the abovementioned years based on cost of investment. The management is confident that the ultimate outcome of the appeals would be in favor of the Company inter alia on the basis of the advice of the tax consultants and the relevant law and the facts.

	Note	Three months period ended	
		March 31, 2021 (Un-audited)	March 31, 2020 (Un-audited)
------(Rupees in '000)-----			
21. MARK-UP / RETURN / INTEREST EARNED			
On:			
Loans and advances		212,381	272,300
Investments		1,264,357	1,374,714
Lendings to financial institutions		37,247	45,191
Balances with banks		187	283
		<u>1,514,172</u>	<u>1,692,488</u>
22. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		147,531	3,704
Borrowings		793,094	1,153,735
Securities sold under repurchase agreements - government securities		66,737	18,144
		<u>1,007,362</u>	<u>1,175,583</u>
23. FEE & COMMISSION INCOME			
On:			
Participation Fee		4,200	19,600
Underwriting commission		3,500	-
Commitment Fee		1,850	173
Commission on guarantees		1,697	1,425
		<u>11,247</u>	<u>21,198</u>
24. GAIN / (LOSS) ON SECURITIES - NET			
Realised gain / (loss)	24.1	14,196	(74,336)
Unrealised gain - held for trading		3,093	-
		<u>17,289</u>	<u>(74,336)</u>
24.1 Realised gain / (loss)			
Shares		10,499	(74,336)
Federal Government Securities		3,697	-
		<u>14,196</u>	<u>(74,336)</u>
25. SHARE IN RESULTS OF ASSOCIATES - NET			
Quoted Associates		1,891,495	1,406,279
Un-quoted Associates		97,272	(59,241)
		<u>1,988,767</u>	<u>1,347,038</u>
26. OTHER INCOME			
Late payment charges		3	385
Nominee directors fee		2,255	2,190
Space / arrangement income		6,592	652
Gain on sale of fixed assets		580	2,462
Others		235	108
		<u>9,665</u>	<u>5,797</u>

27. OPERATING EXPENSES	Note	Three months period ended	
		March 31, 2021 (Un-audited)	March 31, 2020 (Un-audited)
		------(Rupees in '000)-----	
Total compensation expense		159,113	92,842
Property expense			
Rent & taxes		2,665	3,636
Insurance		132	118
Utilities cost		1,969	1,009
Security expense		-	63
Repairs & maintenance		9,085	7,085
Depreciation		1,646	1,534
		15,497	13,445
Information technology expenses			
Software maintenance		312	266
Hardware maintenance		-	24
Depreciation		3,714	738
Amortisation		1,364	1,364
Network charges		1,640	530
		7,030	2,922
Other operating expenses			
Directors' fees and allowances		22,569	19,710
Legal & professional charges		4,570	3,725
Outsourced services costs		6,302	4,970
Travelling & conveyance		317	1,327
Depreciation		12,040	2,976
Training & development		190	2,419
Postage & courier charges		160	142
Communication		5,357	1,391
Stationery & printing		705	880
Marketing, advertisement & publicity		317	745
Auditors' Remuneration		1,375	1,256
Newspaper, periodicals and subscription dues		1,481	1,719
Repairs & maintenance (others)		143	492
Bank charges		42	85
Entertainment expense		681	861
Others		5,172	4,130
		61,421	46,828
		243,061	156,037
28. OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		-	30
29. PROVISIONS / (REVERSAL OF PROVISION) & WRITE OFFS - NET			
Provisions for diminution in value of investments		-	181,985
Provisions against loans & advances - net		-	(13,744)
Provision for impairment in other assets		-	752
		-	168,993
30. TAXATION			
Current		253,893	275,560
Deferred		150,556	80,966
		404,449	356,526
31. BASIC / DILUTED EARNINGS PER SHARE			
Profit for the period		1,879,649	1,140,785
		(Numbers in '000)	
Weighted average number of ordinary shares		400	400
		-----Rupees-----	
Basic / diluted earnings per share		4,699	2,852

32. FAIR VALUE MEASUREMENTS

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

32.1 On balance sheet financial instruments

March 31, 2021 (Un-audited)									
Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments									
- Market treasury bills	5,043,583				5,043,583		5,043,583		5,043,583
- Pakistan investment bonds	52,125,526				52,125,526		52,125,526		52,125,526
- Shares of listed companies	74,236	3,086,371			3,160,607	3,160,607			3,160,607
- Listed sukuk / term finance certificates		4,172,559			4,172,559		4,172,559		4,172,559
- Unlisted sukuk / term finance certificates		2,506,600			2,506,600		2,506,600		2,506,600
Financial assets not measured at fair value									
Cash and balances with treasury banks			144,425		144,425				
Balances with other banks			13,730		13,730				
Investments									
- Shares of listed associates	24,015,758				24,015,758	51,526,816			51,526,816
- Shares in unlisted companies	800				800				
- Shares of unlisted associates	1,401,898				1,401,898				
Advances			13,806,086		13,806,086				
Other assets			686,993		686,993				
Financial liabilities not measured at fair value									
Borrowings				(67,808,662)	(67,808,662)				
Deposits and other accounts				(2,220,000)	(2,220,000)				
Other liabilities				(1,965,344)	(1,965,344)				
	74,236	92,353,095		14,651,234	(71,994,006)				35,084,559
December 31, 2020 (Audited)									
Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments									
- Market treasury bills	15,329,435				15,329,435		15,329,435		15,329,435
- Pakistan investment bonds	42,507,969				42,507,969		42,507,969		42,507,969
- Shares of listed companies	2,688,616				2,688,616	2,688,616			2,688,616
- Listed sukuk / term finance certificates	3,842,561				3,842,561		3,842,561		3,842,561
- Unlisted sukuk / term finance certificates	1,745,404				1,745,404		1,745,404		1,745,404
Financial assets not measured at fair value									
Cash and balances with treasury banks			137,120		137,120				
Balances with other banks			14,095		14,095				
Investments									
- Shares of listed associates	22,938,644				22,938,644	47,639,302			47,639,302
- Shares in unlisted companies	800				800				
- Shares of unlisted associates	1,405,503				1,405,503				
Advances			14,256,847		14,256,847				
Other assets			1,339,389		1,339,389				
Financial liabilities not measured at fair value									
Borrowings				(62,152,972)	(62,152,972)				
Deposits and other accounts				(2,820,000)	(2,820,000)				
Other liabilities				(1,091,925)	(1,091,925)				
	90,458,932		15,747,451	(66,064,897)	40,141,486				

The fair value of financial assets and liabilities not carried at fair value are not significantly different from their carrying values since assets and liabilities are either short term in nature or in case of loans are frequently repriced.

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

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

33. SEGMENT INFORMATION

33.1 Segment Details with respect to Business Activities

The segment analysis with respect to business activities is as follows:

Three months period ended March 31, 2021 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					
Profit & Loss					
Net mark-up / return / profit	223,511	282,189	-	1,110	506,810
Non mark-up / return / interest income	5,250	3,697	1,917,600	9,662	2,066,031
Total Income	228,761	285,886	1,917,600	10,772	2,572,841
Segment direct expenses	(19,493)	(9,382)	(2,642)	(68,735)	(104,147)
Segment indirect expenses	(35,290)	(8,144)	(5,429)	(130,304)	(184,596)
Total expenses	(54,783)	(17,526)	(8,071)	(199,039)	(288,743)
Reversal / (Provisions)	-	-	-	-	-
Profit before tax	173,978	268,360	1,909,529	(188,267)	2,284,098

As at March 31, 2021 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					

Balance Sheet

Cash & Bank balances	-	158,075	-	80	158,155
Investments	6,679,159	57,169,110	25,418,456	3,161,406	92,428,131
Lendings to financial institutions	-	5,720,385	-	-	5,720,385
Advances - performing	13,625,101	-	-	140,212	13,765,313
Advances - non-performing	40,773	-	-	-	40,773
Others	174,291	513,157	-	2,971	1,583,193
Total Assets	20,519,324	63,560,727	25,418,456	1,033,066	113,695,950
Borrowings	10,313,665	57,494,997	-	-	67,808,662
Deposits & other accounts	-	2,220,000	-	-	2,220,000
Others	(109,793)	73,478	3,312,821	9,247	5,153,140
Total liabilities	10,203,872	59,788,475	3,312,821	1,867,387	75,181,802
Equity	184,047	22,857	1,458,308	283,109	38,514,148
Total Equity & liabilities	10,387,919	59,811,332	4,771,129	38,433,214	113,695,950
Contingencies & Commitments	16,465,878	-	-	-	16,465,878

Three months period ended March 31, 2020 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					

Profit & Loss

Net mark-up / return / profit	416,617	99,528	-	760	516,905
Non mark-up / return / interest income	24,333	-	1,344,288	5,412	1,335,412
Total Income	440,950	99,528	1,344,288	6,172	1,852,317
Segment direct expenses	(17,584)	(7,429)	(2,402)	(3,568)	(94,938)
Segment indirect expenses	(15,436)	(4,631)	(3,087)	(3,087)	(91,075)
Total expenses	(33,020)	(12,060)	(5,489)	(6,655)	(186,013)
Reversal / (Provisions)	13,744	-	-	(181,985)	(168,993)
Profit before tax	421,674	87,468	1,338,799	(227,261)	1,497,311

As at December 31, 2020 (Audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					

Balance Sheet

Cash & Bank balances	-	151,165	-	50	151,215
Investments	5,587,966	57,837,404	24,344,947	2,688,615	90,458,932
Advances - performing	14,110,601	-	-	105,473	14,216,074
Advances - non-performing	40,773	-	-	-	40,773
Others	263,408	1,102,795	-	10,172	1,958,648
Total Assets	20,002,748	59,091,364	24,344,947	687,796	106,825,642
Borrowings	53,204,607	8,948,365	-	-	62,152,972
Deposits & other accounts	-	2,820,000	-	-	2,820,000
Others	563,060	27,637	3,152,038	(7,731)	4,135,448
Total liabilities	53,767,667	11,796,002	3,152,038	400,444	69,108,420
Equity	796,569	729,527	1,430,493	64,023	37,717,222
Total Equity & liabilities	54,564,236	12,525,529	4,582,531	35,097,054	106,825,642
Contingencies & Commitments	12,695,668	-	-	-	12,695,668

33.2 Segment details with respect to geographical locations

All the Company's business segments operate in Pakistan only.

34. RELATED PARTY TRANSACTIONS

The Company has related party relationship with its associates, associated undertaking, employee benefit plans, key management personnel and its directors.

The Company enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period / year ended, other than those which have been disclosed elsewhere in these financial statements are as follows:

	As at March 31, 2021 (Un-audited)				As at December 31, 2020 (Audited)			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
----- (Rupees in '000) -----								
Balances with other banks								
In deposit account	-	-	7,315	-	-	-	6,341	-
Investments								
Opening balance	-	-	24,344,147	500	-	-	21,092,192	500
Equity method accounting adjustments	-	-	1,073,509	-	-	-	3,251,955	-
Closing balance	-	-	25,417,656	500	-	-	24,344,147	500
Advances								
Opening balance	-	62,310	-	-	-	50,383	-	-
Addition during the period / year	-	35,700	-	-	-	20,800	-	-
Repaid during the period / year	-	(1,839)	-	-	-	(8,836)	-	-
Transfer in / (out) - net	-	-	-	-	-	(37)	-	-
Closing balance	-	96,171	-	-	-	62,310	-	-
Other Assets								
Interest / mark-up accrued	-	-	72	-	-	-	45	-
Receivable from Pak Kuwait Takaful Company	-	-	-	20,214	-	-	-	20,771
Provision against other assets	-	-	-	(20,214)	-	-	-	(20,771)
	-	-	72	-	-	-	45	-
Borrowings								
Opening balance	-	-	37,653,706	4,840,227	-	-	25,692,879	-
Borrowings during the period / year	-	-	22,253,319	-	-	-	72,425,976	9,192,399
Settled during the period / year	-	-	(15,498,310)	(4,840,227)	-	-	(34,152,196)	(4,322,449)
Transfer in / (out) - net	-	-	(5,289,061)	-	-	-	(26,312,953)	(29,723)
Closing balance	-	-	39,119,654	-	-	-	37,653,706	4,840,227
Other Liabilities								
Payable to Staff Gratuity Fund	-	-	-	72,782	-	-	-	64,404
Dividend Payable	-	-	-	1,000,000	-	-	-	-
Payable to NCCPL	-	-	60	-	-	-	204	-
	-	-	60	1,072,782	-	-	204	64,404

	Three months period ended March 31, 2021 (Un-audited)				Three months period ended March 31, 2021 (Un-audited)			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
----- (Rupees in '000) -----								
Income								
Mark-up / return / interest earned	-	878	187	-	-	473	223	-
Dividend income	-	-	947,834	-	-	-	801,667	-
Other income								
- Nominee Director Fee	-	-	2,975	130	-	-	2,870	70
Expense								
Mark-up / return / interest paid	-	-	614,571	29,621	-	-	932,112	-
Operating expenses								
- Directors Fee	4,875	-	-	-	4,550	-	-	-
- Remuneration to key management personnel (including retirement benefits)	-	180,485	-	-	-	122,632	-	-
- Nominee Director Fee payment	-	-	-	850	-	-	-	750
- NCCPL Charges	-	-	209	-	-	-	287	-
- FMCL Office Maintenance Charges	-	-	-	8,601	-	-	-	6,842
- Contribution made to Staff Provident Fund	-	-	-	2,488	-	-	-	9,004
- Contribution made to Staff Gratuity Fund	-	-	-	8,378	-	-	-	5,950

35. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital	<u>10,000,000</u>	<u>10,000,000</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	16,099,572	17,873,961
Eligible Tier 2 Capital	<u>1,692,084</u>	<u>1,774,806</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>17,791,656</u>	<u>19,648,767</u>
Risk Weighted Assets (RWAs):		
Credit Risk	40,116,000	39,303,393
Market Risk	6,771,680	5,814,020
Operational Risk	<u>12,635,318</u>	<u>12,635,318</u>
Total	<u>59,522,998</u>	<u>57,752,731</u>
Common Equity Tier 1 Capital Adequacy ratio		
Tier 1 Capital Adequacy Ratio	<u>27.05%</u>	<u>30.95%</u>
Total Capital Adequacy Ratio	<u>29.89%</u>	<u>34.02%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	16,099,572	17,873,961
Total Exposures	109,891,145	101,564,985
Leverage Ratio	<u>14.65%</u>	<u>17.60%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	14,071,954	10,719,565
Total Net Cash Outflow	10,165,198	5,176,924
Liquidity Coverage Ratio	<u>138%</u>	<u>207%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	51,342,284	49,953,650
Total Required Stable Funding	45,292,313	43,969,945
Net Stable Funding Ratio	<u>113%</u>	<u>114%</u>

36. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue in the Board of Directors' meeting held on April 28, 2021.

37. GENERAL


37.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.



Chief Executive



Chief Financial Officer



Director



Director



Director