



PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED


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

For the nine months period ended September 30, 2021

Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Statement of Financial Position
As at September 30, 2021

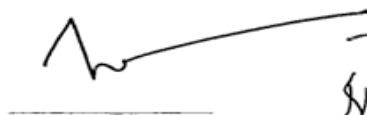
	Note	September 30, 2021 (Un -audited)	December 31, 2020 (Audited)
------(Rupees in '000)-----			
ASSETS			
Cash and balances with treasury banks	6	200,739	137,120
Balances with other banks	7	12,007	14,095
Lendings to financial institutions	8	170,038	-
Investments	9	111,442,146	90,458,932
Advances	10	16,589,715	14,256,847
Fixed assets	11	281,574	284,222
Intangible assets	12	10,018	13,790
Deferred tax assets		-	-
Other assets	13	2,378,706	1,660,636
		131,084,943	106,825,642
LIABILITIES			
Bills payable		-	-
Borrowings	14	82,345,463	62,152,972
Deposits and other accounts	15	1,560,000	2,820,000
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities	16	3,490,040	2,979,119
Other liabilities	17	1,563,113	1,156,329
		88,958,616	69,108,420
NET ASSETS		42,126,327	37,717,222
REPRESENTED BY			
Share capital	18	16,000,000	10,000,000
Reserves		10,812,156	10,812,156
Surplus on revaluation of assets - net	19	992,248	1,474,807
Unappropriated profit		14,321,923	15,430,259
		42,126,327	37,717,222
CONTINGENCIES AND COMMITMENTS	20		

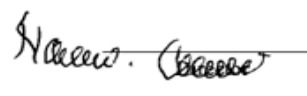
The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.


 Chief Executive


 Chief Financial Officer


 Director



 Director

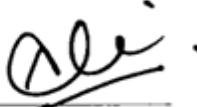

 Director

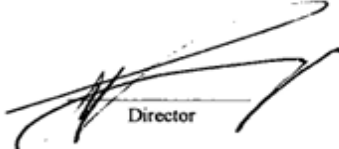
Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Profit and Loss Account (Un-audited)
For the nine months period ended September 30, 2021


	Note	Quarter Ended		Nine months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
-----Rupees in '000-----					
Mark-up / return / interest earned	21	1,981,269	1,700,586	5,213,816	5,127,915
Mark-up / return / interest expensed	22	1,371,126	1,179,600	3,515,360	3,532,923
Net mark-up / interest income		610,143	520,986	1,698,456	1,594,992
NON MARK-UP / INTEREST INCOME					
Fee and commission income	23	8,721	2,892	43,025	27,192
Dividend income		55,264	10,862	155,611	80,170
Foreign exchange income		-	-	-	-
Income / (loss) from derivatives		-	-	-	-
(Loss) / gain on securities	24	(63,366)	531,937	160,191	488,397
Share in results of associates - net	25	2,145,121	2,222,304	6,248,582	5,593,624
Other income	26	9,880	5,127	29,209	13,524
Total non-markup / interest income		2,155,620	2,773,122	6,636,618	6,202,907
Total income		2,765,763	3,294,108	8,335,074	7,797,899
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	27	331,136	197,746	1,031,721	552,985
Workers Welfare Fund		47,249	53,459	142,714	127,677
Other charges	28	-	220	-	250
Total non-markup / interest expenses		378,385	251,425	1,174,435	680,912
Profit before provisions		2,387,378	3,042,683	7,160,639	7,116,987
Provision - net	29	24,963	369,732	24,963	733,123
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		2,362,415	2,672,951	7,135,676	6,383,864
Taxation	30	418,685	483,500	1,243,494	1,280,489
PROFIT AFTER TAXATION		1,943,730	2,189,451	5,892,182	5,103,375
-----Rupees-----					
(Restated)					
Basic and diluted earnings per share (on share of Rs. 25,000 each)	31	3,037	3,421	9,207	7,974


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 Statement of Comprehensive Income - (Un-audited)
For the nine months period ended September 30, 2021

	Quarter ended		Nine months period ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Profit after taxation for the period	1,943,730	2,189,451	5,892,182	5,103,375
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	(684,694)	(304,932)	(530,229)	(221,780)
Movement in (deficit) / surplus on revaluation of 'available-for-sale' securities of associates - net of tax	(62,446)	403,948	47,983	(772,014)
	(747,140)	99,016	(482,246)	(993,794)
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	-	-	(313)	-
Share of remeasurement loss of defined benefit obligation of associates - net of tax	(3,395)	-	(518)	(4,893)
	(3,395)	-	(831)	(4,893)
Total comprehensive income	1,193,195	2,288,467	5,409,105	4,104,688

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


 Chief Executive


 Director


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Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Statement of Changes in Equity - (Un-audited)
For the nine months period ended September 30, 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 nine months period ended September 30, 2020	-	-	-	-	-	-	5,103,375	5,103,375
Other comprehensive income - net of tax	-	-	-	-	(993,794)	-	(4,893)	(998,687)
Total comprehensive income	-	-	-	-	(993,794)	-	5,098,482	4,104,688
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 September 30, 2020	10,000,000	935,264	6,948,688	1,659,468	1,833,485	4,027	15,458,409	36,839,341
Profit after taxation for the quarter ended December 31, 2020	-	-	-	-	-	-	1,240,307	1,240,307
Other comprehensive income - net of tax	-	-	-	-	(364,444)	1,739	279	(362,426)
Total comprehensive income	-	-	-	-	(364,444)	1,739	1,240,586	877,881
Transfer to statutory reserve	-	-	1,268,736	-	-	-	(1,268,736)	-
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 nine months period ended September 30, 2021	-	-	-	-	-	-	5,892,182	5,892,182
Other comprehensive income - net of tax	-	-	-	-	(482,246)	(313)	(518)	(483,077)
Total comprehensive income	-	-	-	-	(482,246)	(313)	5,891,664	5,409,105
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)
Issue of bonus shares 240,000 shares @ Rs. 25,000 each	6,000,000	-	-	-	-	-	(6,000,000)	-
Balance as at September 30, 2021	16,000,000	935,264	8,217,424	1,659,468	986,795	5,453	14,321,923	42,126,327

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 Chief Executive


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Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Cash Flow Statement - (Un-audited)
For the nine months period ended September 30, 2021

	Note		Nine months period ended	
			September 30, 2021	September 30, 2020
------(Rupees in '000)-----				
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation			7,135,676	6,383,864
Less: Dividend income			(155,611)	(80,170)
			<u>6,980,065</u>	<u>6,303,694</u>
Adjustments for:				
Depreciation			52,714	19,750
Amortization			3,772	4,093
Provisions - net			24,963	733,123
Gain on sale of fixed assets			(650)	(2,572)
Unrealized loss / (gain) on revaluation of 'held for trading' securities	24		1,780	(15,701)
Share in results of associates - net			(6,248,582)	(5,593,624)
			<u>(6,166,003)</u>	<u>(4,854,931)</u>
			<u>814,062</u>	<u>1,448,763</u>
(Increase) / decrease in operating assets				
Lendings to financial institutions			(170,038)	(10,904,284)
Held-for-trading securities			(91,115)	(106,802)
Advances			(2,332,868)	(2,725,776)
Others assets (excluding advance taxation)			(1,256,966)	478,089
			<u>(3,850,987)</u>	<u>(13,258,773)</u>
Increase / (decrease) in operating liabilities				
Borrowings			20,192,491	32,059,906
Deposits			(1,260,000)	1,500,000
Other liabilities (excluding current taxation)			409,707	144,926
			<u>19,342,198</u>	<u>33,704,832</u>
			<u>16,305,273</u>	<u>21,894,822</u>
Income tax paid			(103,894)	(397,108)
<i>Net cash inflow from operating activities</i>			<u>16,201,379</u>	<u>21,497,714</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Net investments in available-for-sale securities			(17,449,559)	(21,290,248)
Dividends received			2,362,051	889,441
Investments in operating fixed assets			(52,990)	(110,628)
Proceeds from sale of fixed assets			650	2,572
<i>Net cash used in investing activities</i>			<u>(15,139,848)</u>	<u>(20,508,863)</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid			(1,000,000)	(800,000)
<i>Net cash used in financing activities</i>			<u>(1,000,000)</u>	<u>(800,000)</u>
Increase in cash and cash equivalents			<u>61,531</u>	<u>188,851</u>
Cash and cash equivalents at beginning of the period			<u>151,215</u>	<u>77,971</u>
Cash and cash equivalents at end of the period			<u>212,746</u>	<u>266,822</u>

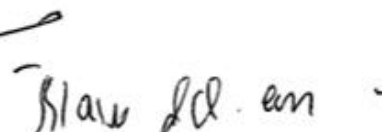
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Pakistan Kuwait Investment Company (Private) Limited
Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)
For the nine months period ended September 30, 2021

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.

SBP vide its BPRD circular Letter No. 24 dated July 05, 2021 has deferred the implementation of IFRS 9 for Banks / DFIs to accounting periods beginning on or after January 01, 2022. Further, the SBP will provide a timelines by December 2021 for absorption of "Expected Credit Loss" (ECL) for Capital Adequacy Ratio (CAR) purpose after the assesment / evaluation of pro forma financial statements.

- 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.

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for the accounting periods as stated below:

	Effective date (annual periods beginning on or after)
Covid-19-Related Rent Concessions - Amendment to IFRS 16	June 01, 2021
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2023
Reference to the Conceptual Framework – Amendments to IFRS 3	January 01, 2022
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	January 01, 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	January 01, 2022
Annual improvement process IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter	January 01, 2022
Annual improvement process IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities	January 01, 2022
Annual improvement process IAS 41 Agriculture – Taxation in fair value	January 01, 2022
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

	IASB Effective date (annual periods beginning on or after)
IFRS 1 – First time adoption of IFRSs	July 1, 2009
IFRS 17 – Insurance Contracts	January 1, 2023

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>	September 30, 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	200,179	135,906
	With National Bank of Pakistan in - local currency current account		480	1,164
			<u>200,739</u>	<u>137,120</u>

6.1 This includes Rs. 196.5 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		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
			------(Rupees in '000)-----	
	In Pakistan - current account - deposit account		853 11,154	1,806 12,289
			<u>12,007</u>	<u>14,095</u>

7.1 This represents balance maintained in saving accounts with banks. The profit rates on these accounts ranges between 2.89% and 5.50% (December 31, 2020: 2.76% and 5.50%)

8. LENDINGS TO FINANCIAL INSTITUTIONS

	Repurchase agreement lendings (Reverse Repo)	8.3	<u>170,038</u>	-
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8.1 Particulars of lending

	In local currency		<u>170,038</u>	-
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8.2 Securities held as collateral against lendings to financial institutions

	September 30, 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)-----					
Pakistan Investment Bonds	170,038	-	170,038	-	-	-

8.3 This represents lendings to financial institutions against purchase and resale of government securities. Market value of this security as at September 30, 2021 amounted to Rs. 172 million (December 31, 2021: Nil). The markup rate on this lending is 8.10 (December 31, 2020: Nil) percent per annum with maturity in one day (December 31, 2020: Nil).

9. INVESTMENTS

9.1 Investments by type:

	September 30, 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	91,115	-	(1,780)	89,335	-	-	-	-
Available-for-sale securities								
Federal Government Securities	72,465,981	-	(532,569)	71,933,412	57,721,705	-	115,699	57,837,404
Shares	3,222,926	(148,574)	(30,775)	3,043,577	2,832,708	(124,008)	(19,284)	2,689,416
Non Government Debt Securities	7,994,133	(33,638)	40,661	8,001,156	5,626,867	(33,638)	(5,264)	5,587,965
	<u>83,683,040</u>	<u>(182,212)</u>	<u>(522,683)</u>	<u>82,978,145</u>	<u>66,181,280</u>	<u>(157,646)</u>	<u>91,151</u>	<u>66,114,785</u>
Associates	28,374,666	-	-	28,374,666	24,344,147	-	-	24,344,147
Total Investments	<u>112,148,821</u>	<u>(182,212)</u>	<u>(524,463)</u>	<u>111,442,146</u>	<u>90,525,427</u>	<u>(157,646)</u>	<u>91,151</u>	<u>90,458,932</u>

9.1.1 PKIC after obtaining relevant approvals from competent authorities has disposed off 2.647% shareholding of NCCPL in order to comply with requirement of Clearing Houses (Licensing and Operations) Regulations, 2016 which requires that a single shareholder other than SECP, shall not hold more than 15% shares in the clearing house. Currently PKIC holds 15% shareholding in NCCPL and retains significant influence.

9.1.2 Movement in investments in associates

			September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
			------(Rupees in '000)-----	
	Investments at beginning of the period		24,344,147	21,092,192
	Disposal of investments in associates		(52,599)	-
	Share in surplus / (deficit) on revaluation of 'available-for-sale' securities of associates		56,452	(1,153,609)
	Share of surplus on revaluation of non - banking assets of associates		(368)	2,046
	Share of remeasurement of defined benefit plans of associates		(464)	6,750
	Share of profit from associates recognized in profit and loss account		6,248,582	7,050,046
	Dividend received from associates		(2,221,084)	(2,653,278)
	Investments at end of the period / year		<u>28,374,666</u>	<u>24,344,147</u>

The cost of investments in associates as at September 30, 2021 amounted to Rs.2,886 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. 3,420 million (September 30, 2020: Rs. 4,056 million).

9.1.3 Investments given as collateral

			September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
			------(Rupees in '000)-----	
	Pakistan Investment Bonds		40,148,487	32,182,514
	Market Treasury Bills		-	5,371,156
			<u>40,148,487</u>	<u>37,553,670</u>

9.2 Provision for diminution in the value of investments	September 30, 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	24,963	756,914
Reversal on disposals for the period / year	(397)	(911,159)
	24,566	(154,245)
Closing balance	<u>182,212</u>	<u>157,646</u>

9.2.2 Particulars of provision against debt securities

Category of classification

Domestic

Other assets especially mentioned
Substandard
Doubtful
Loss

Overseas

Total

* NPI stands for Non-Performing Investments.

	September 30, 2021 (Un-audited)		December 31, 2020 (Audited)	
	*NPI	Provision	*NPI	Provision
	------(Rupees in '000)-----			
	-	-	-	-
	-	-	-	-
	-	-	-	-
	33,638	33,638	33,638	33,638
	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>
	-	-	-	-
	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>

10. ADVANCES

Note

	Performing		Non Performing		Total	
	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----					
Loans, cash credits, running finances, etc.	16,848,942	14,516,074	1,065,341	1,065,341	17,914,283	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)
	(300,000)	(300,000)	(1,024,568)	(1,024,568)	(1,324,568)	(1,324,568)
Advances - net of provision	<u>16,548,942</u>	<u>14,216,074</u>	<u>40,773</u>	<u>40,773</u>	<u>16,589,715</u>	<u>14,256,847</u>

10.1 Particulars of advances (Gross)

In local currency

September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
------(Rupees in '000)-----	
17,914,283	15,581,415

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

Domestic

Other Assets Especially Mentioned
Substandard
Doubtful
Loss

Total

	September 30, 2021 (Un-audited)		December 31, 2020 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	------(Rupees in '000)-----			
	-	-	-	-
	-	-	-	-
	1,065,341	1,024,568	1,065,341	1,024,568
	<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

Opening balance

Charge for the period / year
Reversals for the period / year

Closing balance

	September 30, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
	------(Rupees in '000)-----					
	1,024,568	300,000	1,324,568	1,050,828	-	1,050,828
	-	-	-	-	300,000	300,000
	-	-	-	(26,260)	-	(26,260)
	-	-	-	(26,260)	300,000	273,740
	<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	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		------(Rupees in '000)-----	
Capital work-in-progress	11.1	-	27,403
Property and equipment		<u>281,574</u>	<u>256,819</u>
		<u>281,574</u>	<u>284,222</u>
11.1 Capital work-in-progress			
Civil works		-	17,413
Equipment		-	5,271
Furniture & Fixture		-	4,719
		<u>-</u>	<u>27,403</u>
11.2 Additions to fixed assets			
The following additions have been made to fixed assets during the period:			
		Nine months period ended	
		September 30, 2021	September 30, 2020
		(Un-audited)	
		------(Rupees in '000)-----	
Buidling on leasehold land		32,718	-
Furniture and fixture		13,330	1,288
Electrical, office and computer equipment		31,256	24,115
Vehicles		166	66,180
		<u>77,470</u>	<u>91,583</u>
12. INTANGIBLE ASSETS			
Computer Software		<u>10,018</u>	<u>13,790</u>
13. OTHER ASSETS			
Income / Mark-up accrued in local currency - net		1,137,004	1,370,249
Advances, deposits, advance rent and other prepayments		422,071	24,418
Advance taxation (payments less provisions)		812,484	258,944
Other receivable		53,406	53,284
		<u>2,424,965</u>	<u>1,706,895</u>
Less: Provision held against other assets	13.1	<u>(46,259)</u>	<u>(46,259)</u>
		<u>2,378,706</u>	<u>1,660,636</u>
13.1 Provision held against other assets			
Other receivables		<u>46,259</u>	<u>46,259</u>
		<u>46,259</u>	<u>46,259</u>
14. BORROWINGS			
<i>Secured</i>			
Borrowings from State Bank of Pakistan			
Under Long Term Finance Facility (LTFF)	14.1	4,752,515	3,550,202
Under Financing Scheme for Renewable Energy	14.2	1,421,638	693,622
Under Temperory Economic Refinance Facility (TERF)	14.3	1,295,732	292,633
		<u>7,469,885</u>	<u>4,536,457</u>
Bai Muajjal	14.4	40,547,617	37,653,706
Repurchase agreement borrowings		12,636,023	8,948,364
Term Finance Facility	14.5	14,000,000	5,000,000
Total secured		<u>74,653,525</u>	<u>56,138,527</u>
<i>Unsecured</i>			
Bai Muajjal	14.4	7,691,938	6,014,445
Total unsecured		<u>7,691,938</u>	<u>6,014,445</u>
Total		<u>82,345,463</u>	<u>62,152,972</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, 2021 to June 30, 2022 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, 2021 to June 30, 2022 is Rs. 2,730 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, 2022 is Rs.2,667 million.

14.4 Bai Muajjal

This represents borrowings from financial institutions at mark-up rates between 7.10 and 7.28 (December 31, 2020: 6.15 and 12.60) percent per annum and having maturities between October 04, 2021 and February 18, 2022 (December 31, 2020: January 04, 2021 and June 29, 2021).

14.5 Term Finance Facility

The Company has availed long term finance facilities from banks. The interest rates on these facilities are between 7.73 and 8.23 (December 31, 2020: 7.370) percent per annum and have maturities between September 30, 2025 and September 30, 2027 (December 31, 2020: September 30, 2025).

15. DEPOSITS AND OTHER ACCOUNTS

	September 30, 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)	910,000	-	910,000	2,820,000	-	2,820,000
Financial Institutions						
Term deposits (COI)	650,000	-	650,000	-	-	-
	1,560,000	-	1,560,000	2,820,000	-	2,820,000

15.1 Composition of deposits

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	------(Rupees in '000)-----	
- Public Sector Entities	600,000	2,120,000
- Non-Banking Financial Institutions	650,000	700,000
- Private Sector	310,000	-
	1,560,000	2,820,000

15.2 The profit rates on these COIs are between 6.95 and 7.56 (December 31, 2020: 6.95 and 7.35) percent per annum. These COIs have maturities between October 06, 2021 and August 30, 2022 (December 31, 2020: February 01, 2021 and September 07, 2021).

16 DEFERRED TAX LIABILITIES

	September 30, 2021 (Un-audited)			
	At January 1, 2021	Recognised in P&L A/C	Recognised in OCI	At September 30, 2021
	------(Rupees in 000)-----			
Deductible temporary differences on				
- Post retirement employee benefits	28,180	7,289	-	35,469
- Provision against non-performing advances	384,125	-	-	384,125
	412,305	7,289	-	419,594
Taxable temporary differences on				
- Surplus on revaluation of investments	(7,648)	266	83,608	76,226
- Accelerated tax depreciation	(47,973)	7,011	-	(40,962)
- Finance lease arrangements	(183,764)	7,161	-	(176,603)
- Share of profits from Associates	(3,152,039)	(607,788)	(8,468)	(3,768,295)
	(3,391,424)	(593,350)	75,140	(3,909,634)
	(2,979,119)	(586,061)	75,140	(3,490,040)
	December 31, 2020 (Audited)			
	At January 1, 2020	Recognised in P&L A/C	Recognised in OCI	At December 31, 2020
	------(Rupees in 000)-----			
Deductible temporary differences on				
- Post retirement employee benefits	17,843	5,878	4,459	28,180
- Provision against non-performing advances	304,740	79,385	-	384,125
	322,583	85,263	4,459	412,305
Taxable temporary differences on				
- Surplus on revaluation of investments	(26,333)	380	18,305	(7,648)
- Accelerated tax depreciation	(35,352)	(12,621)	-	(47,973)
- Finance lease arrangements	(132,868)	(50,896)	-	(183,764)
- Share of profits from Associates	(2,656,203)	(668,124)	172,288	(3,152,039)
	(2,850,756)	(731,261)	190,593	(3,391,424)
	(2,528,173)	(645,998)	195,052	(2,979,119)

17. OTHER LIABILITIES		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
------(Rupees in '000)-----			
Mark-up / return / interest payable in local currency		148,452	123,946
Accrued expenses		1,188,530	859,216
Payable to defined benefit obligation		89,539	64,404
Security deposits against lease		60,773	60,773
Employees' compensated absences		32,769	32,769
Payable to share brokers on account of purchase of marketable securities		26,987	-
Unearned Income		6,839	4,394
Others		9,224	10,827
		<u>1,563,113</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.			
18.1 Paid-up Capital			
The Board of Directors of Pakistan Kuwait Investment Company (Private) Limited in its 166th Board Meeting held on April 28, 2021 has approved the increase in Paid-up Capital of the Company by Rs. 6 billion in the form of issuance of 240,000 bonus shares to existing shareholders having face value of Rs.25,000 each. The paid-up capital of the Company has been subsequently increased from Rs.10 billion to Rs.16 billion.			
19. SURPLUS ON REVALUATION OF ASSETS	<i>Note</i>	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
------(Rupees in '000)-----			
(Deficit) / surplus on revaluation of:			
- Available for sale securities		(522,682)	91,151
- Available for sale securities of Associates		1,689,224	1,633,141
		<u>1,166,542</u>	<u>1,724,292</u>
Deferred tax on surplus on revaluation of:			
- Available for sale securities		36,767	(46,837)
- Available for sale securities of Associates		(211,061)	(202,648)
		<u>(174,294)</u>	<u>(249,485)</u>
		<u>992,248</u>	<u>1,474,807</u>
20. CONTINGENCIES AND COMMITMENTS			
-Guarantees	20.1	1,645,255	436,201
-Commitments	20.2	25,083,005	12,259,467
		<u>26,728,260</u>	<u>12,695,668</u>
20.1 Guarantees:			
Financial guarantees		1,145,255	436,201
Performance guarantees		500,000	-
		<u>1,645,255</u>	<u>436,201</u>
20.2 Commitments			
Undisbursed sanctions against:			
- Loans and advances		20,647,266	11,122,328
- TFC & Sukuks		245,000	-
Underwriting of shares		-	350,000
Letter of Comfort		4,190,739	787,139
		<u>25,083,005</u>	<u>12,259,467</u>

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)]. 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 in remand proceedings 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 were given to preferably decide the matter in sixty days. Notices to finalise the matter were issued, and the matter is still pending.

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.

Another issue which arises as a consequence of the appellate Order of the ATIR order dated March 10, 2021 for tax years 2010 to 2012 is the disallowance of the Tax loss on pre-mature lease terminations by holding that the provisions of section 77(4) of the Ordinance do not apply on the lease contracts terminated "pre-mature". An amount of Rs 67.224 million is involved and reference has been preferred before the High Court.

21. MARK-UP / RETURN / INTEREST EARNED	Note	Nine months period ended	
		September 30, 2021	September 30, 2020
		(Un-audited)	
		------(Rupees in '000)-----	
On:			
Loans and advances		667,792	664,548
Investments		4,437,076	4,402,565
Lendings to financial institutions		108,345	59,561
Balances with banks		603	1,241
		<u>5,213,816</u>	<u>5,127,915</u>
22. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		299,601	136,796
Borrowings		3,005,199	3,251,384
Securities sold under repurchase agreements - government securities		210,560	144,743
		<u>3,515,360</u>	<u>3,532,923</u>
23. FEE & COMMISSION INCOME			
On:			
Participation Fee		21,777	22,075
Underwriting commission		3,500	-
Commitment Fee		2,462	518
Commission on guarantees		10,286	4,599
Arrangement Fee		5,000	-
		<u>43,025</u>	<u>27,192</u>
24. GAIN ON SECURITIES - NET			
Realised gain	24.1	161,971	472,696
Unrealised (loss) / gain - held for trading		(1,780)	15,701
		<u>160,191</u>	<u>488,397</u>
24.1 Realised gain			
Shares		141,461	472,696
Federal Government Securities		3,697	-
Associates		16,813	-
		<u>161,971</u>	<u>472,696</u>
25. SHARE IN RESULTS OF ASSOCIATES - NET			
Quoted Associates		5,985,422	5,409,288
Un-quoted Associates		263,160	184,336
		<u>6,248,582</u>	<u>5,593,624</u>
26. OTHER INCOME			
Late payment charges		124	1,737
Nominee directors fee		8,425	6,985
Space / arrangement income		19,775	2,122
Gain on sale of fixed assets		650	2,572
Others		235	108
		<u>29,209</u>	<u>13,524</u>

27. OPERATING EXPENSES	Note	Nine months period ended	
		September 30, 2021	September 30, 2020
		(Un-audited)	
		------(Rupees in '000)-----	
Total compensation expense		712,290	338,070
Property expense			
Rent & taxes		7,835	10,073
Insurance		441	378
Utilities cost		6,065	3,179
Security expense		-	63
Repairs & maintenance		31,337	22,904
Depreciation		4,968	4,603
		50,646	41,200
Information technology expenses			
Software maintenance		1,865	972
Hardware maintenance		145	34
Depreciation		9,638	8,877
Amortisation		3,772	4,093
Network charges		1,801	3,693
		17,221	17,669
Other operating expenses			
Directors' fees and allowances		66,431	62,229
Legal & professional charges		79,731	25,795
Outsourced services costs		19,811	15,215
Travelling & conveyance		1,341	2,063
Depreciation		38,108	6,270
Training & development		1,997	2,814
Postage & courier charges		393	198
Communication		8,854	4,490
Stationery & printing		3,915	1,463
Marketing, advertisement & publicity		2,841	1,622
Donations		-	10,000
Auditors' Remuneration		3,733	3,398
Newspaper, periodicals and subscription dues		5,686	5,490
Repairs & maintenance (others)		1,558	2,515
Bank charges		215	187
Entertainment expense		3,850	1,363
Others		13,100	10,934
		251,564	156,046
		1,031,721	552,985
28. OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		-	250
29. PROVISIONS / (REVERSAL OF PROVISION) & WRITE OFFS - NET			
Provision for diminution in value of investments	9.2	24,963	756,914
Reversal of provision against loans & advances - net		-	(26,260)
Provision for impairment in other assets		-	2,469
		24,963	733,123
30. TAXATION			
Current		657,434	519,637
Deferred		586,060	760,852
		1,243,494	1,280,489
31. BASIC / DILUTED EARNINGS PER SHARE			
Profit for the period		5,892,182	5,103,375
		(Numbers in '000)	
		(Restated)	
Weighted average number of ordinary shares		640	640
		-----Rupees-----	
		(Restated)	
Basic / diluted earnings per share		9,207	7,974

31.1 The Company issued bonus shares, accordingly the number of shares and earnings per share for the comparative period have been restated.

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

September 30, 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	-	7,730,155	-	-	7,730,155	-	7,730,155	-	7,730,155
- Pakistan investment bonds	-	64,203,257	-	-	64,203,257	-	64,203,257	-	64,203,257
- Shares of listed companies	89,335	3,042,777	-	-	3,132,112	3,132,112	-	-	3,132,112
- Listed sukuk / term finance certificates	-	4,138,195	-	-	4,138,195	-	4,138,195	-	4,138,195
- Unlisted sukuk / term finance certificates	-	3,862,961	-	-	3,862,961	-	3,862,961	-	3,862,961
Financial assets not measured at fair value									
Cash and balances with treasury banks	-	-	200,739	-	200,739	-	-	-	-
Balances with other banks	-	-	12,007	-	12,007	-	-	-	-
Investments									
- Shares of listed associates	-	26,855,767	-	-	26,855,767	70,846,822	-	-	70,846,822
- Shares in unlisted companies	-	800	-	-	800	-	-	-	-
- Shares of unlisted associates	-	1,518,899	-	-	1,518,899	-	-	-	-
Advances	-	-	16,589,715	-	16,589,715	-	-	-	-
Other assets	-	-	1,091,511	-	1,091,511	-	-	-	-
Financial liabilities not measured at fair value									
Borrowings	-	-	-	(82,345,463)	(82,345,463)	-	-	-	-
Deposits and other accounts	-	-	-	(1,560,000)	(1,560,000)	-	-	-	-
Other liabilities	-	-	-	(1,473,576)	(1,473,576)	-	-	-	-
	89,335	111,352,811	-	17,893,972	(85,379,039)	43,957,079			

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).

32.2 Valuation techniques used in determination of fair value of financial instruments

Item	Valuation approach and input used
Market Treasury Bills(MTB) / Pakistan Investment Bonds(PIB)	The fair value of MTBs and PIBs are derived using PKRV rates.
Debt Securities - TFCs and Sukuks other than Government	Investment in Sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Ordinary shares – listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.

33. SEGMENT INFORMATION

33.1 Segment Details with respect to Business Activities

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

Nine months period ended September 30, 2021 (Un-audited)						
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total	
------(Rupees in '000)-----						
Profit & Loss						
Net mark-up / return / profit	685,740	1,009,179	-	-	3,537	1,698,456
Non mark-up / return / interest income	37,149	3,697	4,926,685	1,640,002	29,085	6,636,618
Total Income	722,889	1,012,876	4,926,685	1,640,002	32,622	8,335,074
Segment direct expenses	(64,278)	(28,032)	(8,273)	(11,650)	(225,320)	(337,553)
Segment indirect expenses	(180,948)	(33,928)	(33,928)	(22,618)	(565,460)	(836,882)
Total expenses	(245,226)	(61,960)	(42,201)	(34,268)	(790,780)	(1,174,435)
Provisions	-	-	-	(24,963)	-	(24,963)
Profit before tax	477,663	950,916	4,884,484	1,580,771	(758,158)	7,135,676

As at September 30, 2021 (Un-audited)						
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total	
------(Rupees in '000)-----						
Balance Sheet						
Cash & Bank balances	-	212,666	-	-	80	212,746
Investments	8,001,157	71,933,409	28,375,465	3,132,115	-	111,442,146
Lendings to financial institutions	-	170,038	-	-	-	170,038
Advances - performing	16,355,498	-	-	-	193,444	16,548,942
Advances - non-performing	40,773	-	-	-	-	40,773
Others	217,571	874,402	243,621	178,999	1,155,705	2,670,298
Total Assets	24,614,999	73,190,515	28,619,086	3,311,114	1,349,229	131,084,943
Borrowings	21,469,887	60,875,576	-	-	-	82,345,463
Deposits & other accounts	-	1,560,000	-	-	-	1,560,000
Others	(12,595)	(46,776)	3,768,293	13,199	1,331,032	5,053,153
Total liabilities	21,457,292	62,388,800	3,768,293	13,199	1,331,032	88,958,616
Equity	505,280	445,724	1,478,163	1,564,469	38,132,691	42,126,327
Total Equity & liabilities	21,962,572	62,834,524	5,246,456	1,577,668	39,463,723	131,084,943
Contingencies & Commitments	26,728,260	-	-	-	-	26,728,260

Nine months period ended September 30, 2020 (Un-audited)						
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total	
------(Rupees in '000)-----						
Profit & Loss						
Net mark-up / return / profit	1,076,714	515,947	-	-	2,331	1,594,992
Non mark-up / return / interest income	20,329	-	5,594,621	576,171	11,786	6,202,907
Total Income	1,097,043	515,947	5,594,621	576,171	14,117	7,797,899
Segment direct expenses	(50,603)	(22,287)	(9,059)	(10,671)	(215,399)	(308,019)
Segment indirect expenses	(59,189)	(17,757)	(11,838)	(11,838)	(272,271)	(372,893)
Total expenses	(109,792)	(40,044)	(20,897)	(22,509)	(487,670)	(680,912)
Reversal / (Provisions)	26,260	-	-	(756,914)	(2,469)	(733,123)
Profit before tax	1,013,511	475,903	5,573,724	(203,252)	(476,022)	6,383,864

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	582,273	1,958,648
Total Assets	20,002,748	59,091,364	24,344,947	2,698,787	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)	400,444	4,135,448
Total liabilities	53,767,667	11,796,002	3,152,038	(7,731)	400,444	69,108,420
Equity	796,569	729,527	1,430,493	64,023	34,696,610	37,717,222
Total Equity & liabilities	54,564,236	12,525,529	4,582,531	56,292	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 September 30, 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	-	-	4,075	-	-	-	6,341	-
Investments								
Opening balance	-	-	24,344,147	500	-	-	21,092,192	500
Investment redeemed / disposed off during the year	-	-	(52,599)	-	-	-	-	-
Equity method accounting adjustments	-	-	4,083,118	-	-	-	3,251,955	-
Closing balance	-	-	28,374,666	500	-	-	24,344,147	500
Advances								
Opening balance	-	62,310	-	-	-	50,383	-	-
Addition during the period / year	-	80,758	-	-	-	20,800	-	-
Repaid during the period / year	-	(11,131)	-	-	-	(8,836)	-	-
Transfer in / (out) - net	-	-	-	-	-	(37)	-	-
Closing balance	-	131,937	-	-	-	62,310	-	-
Other Assets								
Interest / mark-up accrued	-	-	41	-	-	-	45	-
Receivable from Pak Kuwait Takaful Company	-	-	-	20,214	-	-	-	20,771
Provision against other assets	-	-	-	(20,214)	-	-	-	(20,771)
	-	-	41	-	-	-	45	-
Borrowings								
Opening balance	-	-	37,653,706	4,840,227	-	-	25,692,879	-
Borrowings during the period / year	-	-	78,845,681	4,068,878	-	-	72,425,976	9,192,399
Settled during the period / year	-	-	(75,854,773)	(4,869,847)	-	-	(34,152,196)	(4,322,449)
Transfer in / (out) - net	-	-	(96,997)	(28,671)	-	-	(26,312,953)	(29,723)
Closing balance	-	-	40,547,617	4,010,587	-	-	37,653,706	4,840,227
Deposits and other accounts								
Opening balance	-	-	-	-	-	-	-	-
Received during the period / year	-	-	300,000	1,600,000	-	-	-	-
Withdrawn during the period / year	-	-	(300,000)	(1,100,000)	-	-	-	-
Closing balance	-	-	-	500,000	-	-	-	-
Other Liabilities								
Interest / mark-up payable	-	-	-	1,611	-	-	-	-
Payable to Staff Gratuity Fund	-	-	-	89,539	-	-	-	64,404
Payable to NCCPL	-	-	71	-	-	-	204	-
	-	-	71	91,150	-	-	204	64,404

	Nine months period ended September 30, 2021 (Un-audited)				Nine months period ended September 30, 2020 (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	-	2,811	438	-	-	1,390	546	-
Dividend income	-	-	2,221,084	-	-	-	809,270	-
Other income								
- Nominee Director Fee	-	-	11,575	300	-	-	10,120	215
Expense								
Mark-up / return / interest paid	-	-	2,207,018	93,280	-	-	2,496,653	361,371
Operating expenses								
- Directors Fee	13,475	-	-	-	16,900	-	-	-
- Remuneration to key management personnel (including retirement benefits)	-	322,411	-	-	-	239,303	-	-
- Nominee Director Fee payment	-	-	-	3,450	-	-	-	3,350
- NCCPL Charges	-	-	572	-	-	-	783	-
- FMCL Office Maintenance Charges	-	-	-	26,698	-	-	-	21,996
- Contribution made to Staff Provident Fund	-	-	-	26,081	-	-	-	23,871
- Contribution made to Staff Gratuity Fund	-	-	-	25,135	-	-	-	17,850

35. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital	<u>16,000,000</u>	<u>10,000,000</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	17,390,694	17,873,961
Eligible Tier 2 Capital	<u>1,292,247</u>	<u>1,774,806</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>18,682,941</u>	<u>19,648,767</u>
Risk Weighted Assets (RWAs):		
Credit Risk	46,654,359	39,303,393
Market Risk	6,729,542	5,814,020
Operational Risk	<u>12,635,318</u>	<u>12,635,318</u>
Total	<u>66,019,219</u>	<u>57,752,731</u>
Common Equity Tier 1 Capital Adequacy ratio		
Tier 1 Capital Adequacy Ratio	<u>26.34%</u>	<u>30.95%</u>
Total Capital Adequacy Ratio	<u>28.30%</u>	<u>34.02%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	17,390,694	17,873,961
Total Exposures	134,966,775	101,564,985
Leverage Ratio	<u>12.89%</u>	<u>17.60%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	21,833,932	10,719,565
Total Net Cash Outflow	7,853,554	5,176,924
Liquidity Coverage Ratio	<u>278%</u>	<u>207%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	67,446,173	49,953,650
Total Required Stable Funding	55,456,014	43,969,945
Net Stable Funding Ratio	<u>122%</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 October 27, 2021.

37 GENERAL

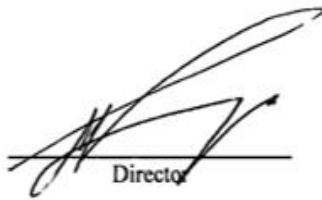
37.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.



Chief Executive



Chief Financial Officer



Director



Director



Director