



PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED

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

For the half year ended June 30, 2019



**Building a better
working world**

**PAKISTAN KUWAIT INVESTMENT
COMPANY (PRIVATE) LIMITED**

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

EY Ford Rhodes
Chartered Accountants
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TO THE MEMBERS OF PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan Kuwait Investment Company (Private) Limited** (the Company) as at **30 June 2019** and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement and notes to the financial statement for the six-month's period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months ended 30 June 2019 and 30 June 2018 have not been reviewed, as we are required to review only the cumulative figures for the six month's period ended 30 June 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The financial statements for the Company for the six-month's period ended 30 June 2018 and for the year ended 31 December 2018 were reviewed and audited by another firm of chartered accountants who have expressed unmodified conclusion and unmodified opinion vide their review report and audit report issued on 05 September 2018 and 28 February 2019 respectively.

The engagement partner on the audit resulting in this independent auditor's review report is **Omer Chughtal**.


Chartered Accountants

Karachi

Date: 04 September 2019

Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Statement of Financial Position
As at June 30, 2019


	Note	June 30, 2019 (Un -audited)	December 31, 2018 (Audited)
------(Rupees in '000)-----			
ASSETS			
Cash and balances with treasury banks	6	51,417	60,901
Balances with other banks	7	12,926	9,690
Lendings to financial institutions	8	5,772,930	1,071,204
Investments	9	22,991,001	25,815,300
Advances	10	2,004,927	2,698,181
Fixed assets	11	197,246	204,172
Intangible assets	12	18,735	13,210
Deferred tax assets		-	-
Other assets	13	205,403	104,568
		31,254,585	29,977,226
LIABILITIES			
Bills payable		-	-
Borrowings	14	1,393,366	1,371,474
Deposits and other accounts	15	-	35,000
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities	16	1,590,362	1,462,940
Other liabilities	17	620,856	558,503
		3,604,584	3,427,917
NET ASSETS		27,650,001	26,549,309
REPRESENTED BY			
Share capital		6,000,000	6,000,000
Reserves		8,193,002	8,193,002
Surplus on revaluation of assets - net	18	31,770	167,303
Unappropriated profit		13,425,229	12,189,004
		27,650,001	26,549,309
CONTINGENCIES AND COMMITMENTS	19		


The annexed notes 1 to 35 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 half year ended June 30, 2019

	Note	Quarter ended		Half year ended	
		June 30, 2019	June 30, 2018 <i>Restated</i>	June 30, 2019	June 30, 2018 <i>Restated</i>
------(Rupees in '000)-----					
Mark-up / return / interest earned	20	298,575	294,084	569,701	484,817
Mark-up / return / interest expensed	21	7,134	24,697	15,035	49,946
Net mark-up / interest income		291,441	269,387	554,666	434,871
NON MARK-UP / INTEREST INCOME					
Fee and commission income	22	2,650	150	2,650	2,300
Dividend income		45,643	46,712	101,091	81,197
Foreign exchange income		-	-	-	-
Income / (loss) from derivatives		-	-	-	-
(Loss) / gain on securities	23	(71,305)	(15,472)	(24,812)	127,697
Share in results of associates - net		1,121,713	613,001	2,110,460	1,466,437
Other income	24	2,362	118,785	2,860	119,283
Total non-markup / interest income		1,101,063	763,176	2,192,249	1,796,914
Total income		1,392,504	1,032,563	2,746,915	2,231,785
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	25	114,551	156,851	268,359	269,385
Workers Welfare Fund		18,429	16,780	41,969	37,642
Other charges	26	1,045	-	1,045	-
Total non-markup / interest expenses		134,025	173,631	311,373	307,027
Profit before provisions		1,258,479	858,932	2,435,542	1,924,758
Provision - net	27	337,046	19,912	337,099	42,632
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		921,433	839,020	2,098,443	1,882,126
Taxation	28	225,378	213,691	415,940	388,393
PROFIT AFTER TAXATION		696,055	625,329	1,682,503	1,493,733
------(Rupees)-----					
Basic and diluted earnings per share (on share of Rs. 25,000 each)	29	2,900	2,606	7,010	6,224


The annexed notes 1 to 35 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 half year ended June 30, 2019


	Quarter ended		Half year ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
	(Rupees in '000)			
Profit after taxation for the period	696,055	625,329	1,682,503	1,493,733
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	(107,878)	(299,421)	(69,089)	(111,336)
Movement in deficit on revaluation of 'available-for-sale' securities of associates - net of tax	(97,639)	(58,177)	(63,993)	(100,950)
	(205,517)	(357,598)	(133,082)	(212,286)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Share of deficit on revaluation of non - banking assets of associates - net of tax	-	-	(2,451)	-
Share of remeasurement of defined benefit obligation of associates - net of tax	3,722	(16,640)	3,722	(16,640)
	3,722	(16,640)	1,271	(16,640)
Total comprehensive income	494,260	251,091	1,550,692	1,264,807


The annexed notes 1 to 35 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 Changes in Equity - (Un-audited)
For the half year ended June 30, 2019

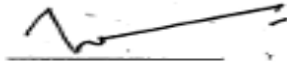
	Share Capital	Non-distributable Reserve	Statutory Reserve	Capital Market Equalization Reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
					Investments	Non banking assets of associates		
----- (Rupees in '000)-----								
Balance as at January 1, 2018 - Restated	6,000,000	935,264	5,515,229	980,896	679,262	-	10,696,759	24,807,410
Profit after taxation for the half year ended June 30, 2018	-	-	-	-	-	-	1,493,733	1,493,733
Other comprehensive income - net of tax	-	-	-	-	(212,286)	-	(16,640)	(228,926)
Total comprehensive income	-	-	-	-	(212,286)	-	1,477,093	1,264,807
Transactions with owners recorded directly in equity								
Final dividend for the year ended December 31, 2017 @ Rs. 2,083.3 per share	-	-	-	-	-	-	(500,000)	(500,000)
Balance as at June 30, 2018 - Restated	6,000,000	935,264	5,515,229	980,896	466,976	-	11,673,852	25,572,217
Profit after taxation for the half year ended December 31, 2018	-	-	-	-	-	-	1,274,687	1,274,687
Other comprehensive income - net of tax	-	-	-	-	(305,322)	5,649	2,078	(297,595)
Total comprehensive income	-	-	-	-	(305,322)	5,649	1,276,765	977,092
Transfer to statutory reserve	-	-	484,771	-	-	-	(484,771)	-
Transfer to capital market equalization reserve	-	-	-	276,842	-	-	(276,842)	-
Balance as at December 31, 2018	6,000,000	935,264	6,000,000	1,257,738	161,654	5,649	12,189,004	26,549,309
Profit after taxation for the half year ended June 30, 2019	-	-	-	-	-	-	1,682,503	1,682,503
Other comprehensive income - net of tax	-	-	-	-	(133,082)	(2,451)	3,722	(131,811)
Total comprehensive income	-	-	-	-	(133,082)	(2,451)	1,686,225	1,550,692
Transactions with owners recorded directly in equity								
Final dividend for the year ended December 31, 2018 @ Rs. 1,875 per share	-	-	-	-	-	-	(450,000)	(450,000)
Balance as at June 30, 2019	6,000,000	935,264	6,000,000	1,257,738	28,572	3,198	13,425,229	27,650,001

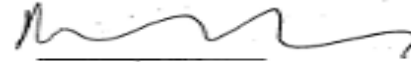
The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.


Chief Executive


Chief Financial Officer


Director


Director


Director

Pakistan Kuwait Investment Company (Private) Limited
Condensed Interim Cash Flow Statement - (Un-audited)
For the half year ended June 30, 2019


	Note	Half year ended June 30, 2019	Half year ended June 30, 2018 (Restated)
------(Rupees in '000)-----			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		2,098,443	1,882,126
Less: Dividend income		<u>(101,091)</u>	<u>(81,197)</u>
		1,997,352	1,800,929
Adjustments for:			
Depreciation		7,822	5,474
Amortization		1,958	2,497
Provisions - net	26	337,099	42,632
Unrealized gain on revaluation of 'held for trading' securities	23	(992)	(440)
Share in results of associates - net		<u>(2,110,460)</u>	<u>(1,466,437)</u>
Dividend Payable		-	-
		<u>(1,764,573)</u>	<u>(1,416,274)</u>
		232,779	384,655
(Increase) / decrease in operating assets			
Lendings to financial institutions		<u>(4,701,726)</u>	2,404,782
Held-for-trading securities		74,281	113,007
Advances		703,770	659,498
Others assets (excluding advance taxation)		<u>(83,894)</u>	<u>14,921</u>
		<u>(4,007,569)</u>	3,192,208
Increase / (decrease) in operating liabilities			
Borrowings		<u>21,892</u>	<u>(1,090,222)</u>
Deposits		<u>(35,000)</u>	-
Other liabilities (excluding current taxation)		<u>72,717</u>	<u>94,119</u>
		<u>59,609</u>	<u>(996,103)</u>
		<u>(3,715,181)</u>	2,580,760
Income tax paid		<u>(253,396)</u>	<u>(99,257)</u>
<i>Net cash (outflow) / inflow from operating activities</i>		<u>(3,968,577)</u>	2,481,503
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		<u>3,284,285</u>	<u>(2,481,024)</u>
Dividends received		1,136,423	514,578
Investments in operating fixed assets		<u>(8,379)</u>	<u>(28,994)</u>
Proceeds from sale of fixed assets		-	-
<i>Net cash inflow / (outflow) from investing activities</i>		<u>4,412,329</u>	<u>(1,995,440)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		<u>(450,000)</u>	<u>(500,000)</u>
<i>Net cash used in financing activities</i>		<u>(450,000)</u>	<u>(500,000)</u>
Decrease in cash and cash equivalents		<u>(6,248)</u>	<u>(13,937)</u>
Cash and cash equivalents at beginning of the period		<u>70,591</u>	<u>79,878</u>
Cash and cash equivalents at end of the period		<u><u>64,343</u></u>	<u><u>65,941</u></u>


The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.


 Chief Executive


 Chief Financial Officer


 Director


 Director


 Director

Pakistan Kuwait Investment Company (Private) Limited
Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)
For the half year ended June 30, 2019

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 SECP, through SRO 229(I)/2019 dated February 14, 2019, has notified that IFRS 9 'Financial Instruments', is applicable for accounting periods ending on or after June 30, 2019. However, the SBP vide its email dated July 23, 2019 has clarified that IFRS 9 is not applicable on financial information of the Company for period ending June 30, 2019. Further, the Company considers that as the Prudential Regulations and other SBP directives currently provide the accounting framework for the measurement and valuation of investments and provision against non-performing financing, the implementation of IFRS 9 may require changes in the regulatory regime. Therefore, the Company expects that the SBP would issue suitable guidance and instruction on the application of IFRS 9 for the banking sector of Pakistan

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, 2018.

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

There are certain new amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2019 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these financial statements, except as follows:

IFRS 16 "Leases"

During the current year, the Company has adopted IFRS 16 as issued by the International Accounting Standards Board (IASB) in January 2016.

IFRS 16 supersedes IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases-Incentives" and SIC-27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The adoption of IFRS does not have any material impact on the Company's financial statements.

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

There are certain standards, amendments and interpretations with respect to the approved accounting standards that are not yet effective and are not expected to have any material impact on the Company's financial statements in the period of their initial application.

The following new standards and amendments to existing accounting standards will be effective from dates mentioned below against respective standards or amendments.

	Effective date (annual periods beginning on or after)
IFRS 3, Business Combinations (Amendments)	January 1, 2020
IAS 1, Presentation of Financial Statements (Amendments)	January 1, 2020
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2020

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, 2018.

3.1 Changes in Reporting Format

State Bank of Pakistan through BPRD Circular Letter No. 05 dated March 22, 2019 prescribed a new format for condensed interim financial statements of banks / DFIs. All banks / DFIs are directed to prepare their quarterly and half yearly financial statements on the revised format effective from accounting year starting from January 1, 2019. Accordingly, these condensed interim financial statements are prepared in accordance with the new format.

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, 2018.

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, 2018.

6. CASH AND BALANCES WITH TREASURY BANKS	Note	June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited) ------(Rupees in '000)-----
In hand - local currency		50	50
With State Bank of Pakistan in - local currency current account	6.1	51,260	60,738
With National Bank of Pakistan in - local currency current account		107	113
		<u>51,417</u>	<u>60,901</u>

6.1 This includes Rs. 50 million (December 31, 2018: Rs.50 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	June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited) ------(Rupees in '000)-----
In Pakistan - current account - deposit account	175 12,751 <u>12,926</u>	166 9,524 <u>9,690</u>

8. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	<u>5,772,930</u>	<u>1,071,204</u>
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This represents lendings to financial institutions against purchase and resale of government securities. Market value of these securities as at June 30, 2019 amounted to Rs. 5,757 million (December 31, 2018: 1,070 million). The markup rate on these lending are between 12.35 and 12.40 (December 31, 2018: 10.10) percent per annum with maturities between two to five days (December 31, 2018: two days).

9. INVESTMENTS

9.1 Investments by type:

	June 30, 2019 (Un-audited)				December 31, 2018 (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	38,477	-	992	39,469	112,758	-	(6,626)	106,132
Available-for-sale securities								
Federal Government Securities	2,181,570	-	(5,713)	2,175,857	5,396,869	-	2,290	5,399,159
Shares	3,853,552	(974,344)	17,269	2,896,477	3,753,959	(706,208)	56,673	3,104,424
Non Government Debt Securities	1,746,295	(33,638)	(15,077)	1,697,580	2,000,980	(33,638)	41,107	2,008,449
	7,781,417	(1,007,982)	(3,521)	6,769,914	11,151,808	(739,846)	100,070	10,512,032
Associates	16,181,618	-	-	16,181,618	15,197,136	-	-	15,197,136
Total Investments	<u>24,001,512</u>	<u>(1,007,982)</u>	<u>(2,529)</u>	<u>22,991,001</u>	<u>26,461,702</u>	<u>(739,846)</u>	<u>93,444</u>	<u>25,815,300</u>

9.1.1 Movement in investments in associates

	June 30, 2019 (Un-audited) ------(Rupees in '000)-----	June 30, 2018 (Audited) ------(Rupees in '000)-----
Investments at beginning of the period	15,197,136	13,660,400
Share in deficit on revaluation of 'available-for-sale' securities of associates	(75,286)	(118,748)
Share in remeasurement of defined benefits plans of associates	4,464	(19,925)
Share of deficit on revaluation of non - banking assets of associates	(2,883)	-
Share of profit from associates recognized in profit and loss account	2,110,460	1,466,437
Dividend received from associates	(1,052,273)	(518,588)
Investments at end of the period	<u>16,181,618</u>	<u>14,469,576</u>

The cost of investments in associates as at June 30, 2019 amounted to Rs.2,895 million (December 31, 2018: 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. 890 million (June 30, 2018: Rs. 812 million).

9.1.2 Investments given as collateral

	June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited) ------(Rupees in '000)-----
Pakistan Investment Bonds	<u>49,897</u>	<u>50,421</u>

9.2 Provision for diminution in value of investments	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)
	------(Rupees in '000)-----	
9.2.1 Opening balance	739,846	455,168
Charge / reversals		
Charge for the period / year	347,615	353,972
Reversal on disposals for the period / year	(79,479)	(69,294)
	268,136	284,678
Closing balance	<u>1,007,982</u>	<u>739,846</u>

9.2.2 Particulars of provision against debt securities

Category of classification

Domestic

Other assets especially mentioned
Substandard
Doubtful
Loss

	June 30, 2019 (Un-audited)		December 31, 2018 (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>
	-	-	-	-
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

	Performing		Non Performing		Total	
	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)
	------(Rupees in '000)-----					
Loans, cash credits, running finances, etc.	1,963,437	2,656,298	1,102,834	1,113,743	3,066,271	3,770,041
Provision against advances						
- Specific	-	-	(1,061,344)	(1,071,860)	(1,061,344)	(1,071,860)
- General	-	-	-	-	-	-
	-	-	(1,061,344)	(1,071,860)	(1,061,344)	(1,071,860)
Advances - net of provision	<u>1,963,437</u>	<u>2,656,298</u>	<u>41,490</u>	<u>41,883</u>	<u>2,004,927</u>	<u>2,698,181</u>

10.1 Particulars of advances (Gross)

	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)
	------(Rupees in '000)-----	
In local currency	<u>3,066,271</u>	<u>3,770,041</u>

10.2 Advances include Rs. 1,102.834 million (2018: Rs 1,113.743 million) which have been placed under non-performing status as detailed below:

Category of Classification	June 30, 2019 (Un-audited)		December 31, 2018 (Audited)	
	Non Performing Loans (Un-audited)	Provision	Non Performing Loans (Audited)	Provision
	------(Rupees in '000)-----			
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	1,102,834	1,061,344	1,113,743	1,071,860
Total	<u>1,102,834</u>	<u>1,061,344</u>	<u>1,113,743</u>	<u>1,071,860</u>

Provision is recorded net of security deposit of Rs. 41.49 millions (December 31, 2018: 41.88 millions).

10.3 Particulars of provision against advances

	June 30, 2019 (Un-audited)			December 31, 2018 (Audited)		
	Specific	General	Total	Specific	General	Total
	------(Rupees in '000)-----					
Opening balance	1,071,860	-	1,071,860	1,152,703	-	1,152,703
Charge for the period / year	-	-	-	-	-	-
Reversals for the period / year	(10,516)	-	(10,516)	(80,843)	-	(80,843)
	(10,516)	-	(10,516)	(80,843)	-	(80,843)
Closing balance	<u>1,061,344</u>	-	<u>1,061,344</u>	<u>1,071,860</u>	-	<u>1,071,860</u>

11. FIXED ASSETS	Note	June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited)
Property and equipment		<u>197,246</u>	<u>204,172</u>
11.1 Additions to fixed assets		Half year ended	
		June 30, 2019 (Un-audited) ------(Rupees in '000)-----	June 30, 2018 (Audited)
The following additions have been made to fixed assets during the period:			
Property and equipment			
Leasehold land		404	-
Electrical, office and computer equipment		493	15,413
		<u>897</u>	<u>15,413</u>
12. INTANGIBLE ASSETS		June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited)
Computer Software		<u>18,735</u>	<u>13,210</u>
Additions to intangible assets		Half year ended	
		June 30, 2019 (Un-audited) ------(Rupees in '000)-----	June 30, 2018 (Audited)
The following additions have been made to intangible assets during the period:			
Directly purchased		<u>7,482</u>	<u>13,581</u>
13. OTHER ASSETS		June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited)
Income / Mark-up accrued in local currency - net		187,031	83,191
Advances, deposits, advance rent and other prepayments		11,346	14,322
Other receivable		42,404	42,433
Non-current asset 'held for sale'	13.1	<u>135,000</u>	135,000
		375,781	274,946
Less: Provision held against other assets	13.2	<u>(170,378)</u>	<u>(170,378)</u>
		<u>205,403</u>	<u>104,568</u>
13.1 Non-current assets 'held-for-sale'			
In 2015, the Board of Directors decided to divest the Company's interest in one of its associate, 'Pak-Kuwait Takaful Company Limited' (PKTCL) (30%). In this regard, efforts to sell the associate have been initiated. Based on the Company's intention this associate has accordingly been classified as 'non-current asset held-for-sale'. As at June 30, 2019, this non-current asset held-for-sale is stated at the lower of carrying amount and fair value less costs to sell. Other assets includes receivable from Pakistan Kuwait Takaful Company Limited amounting Rs. 9.890 million (2018: Rs. 9.890 million) that has been fully provided.			
13.2 Provision held against other assets	Note	June 30, 2019 (Un-audited) ------(Rupees in '000)-----	December 31, 2018 (Audited)
Non-current asset held-for-sale		135,000	135,000
Other receivables		35,378	35,378
		<u>170,378</u>	<u>170,378</u>
14. BORROWINGS			
Secured			
Borrowings from State Bank of Pakistan			
Under Long Term Finance Facility (LTFF)	14.1	<u>1,393,366</u>	<u>1,371,474</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, 2018 to June 30, 2019 is Rs. 1.000 million.

15. DEPOSITS AND OTHER ACCOUNTS

June 30, 2019 (Un-audited)			December 31, 2018 (Audited)		
In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
------(Rupees in '000)-----					
Customers					
Term deposits (COI)	-	-	35,000	-	35,000

16. DEFERRED TAX LIABILITIES

June 30, 2019 (Un-audited)			
At January 1, 2019	Recognised in P&L A/C	Recognised in OCI	At June 30, 2019
------(Rupees in 000)-----			

Deductible temporary differences on

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

17,594	2,806	-	20,400
310,839	(3,049)	-	307,790
328,433	(243)	-	328,190

Taxable temporary differences on

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

107,691	(1,142)	34,502	141,051
(35,919)	646	-	(35,273)
(109,124)	(4,100)	-	(113,224)
(1,754,021)	(168,068)	10,983	(1,911,106)
(1,791,373)	(172,664)	45,485	(1,918,552)
(1,462,940)	(172,907)	45,485	(1,590,362)

December 31, 2018 (Audited)			
At January 1, 2018	Recognised in P&L A/C	Recognised in OCI	At December 31, 2018
------(Rupees in 000)-----			

Deductible temporary differences on

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

17,218	815	(439)	17,594
345,811	(34,972)	-	310,839
363,029	(34,157)	(439)	328,433

Taxable temporary differences on

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

24,495	991	82,205	107,691
(35,708)	(211)	-	(35,919)
(107,478)	(1,646)	-	(109,124)
(1,528,264)	(267,729)	41,972	(1,754,021)
(1,646,955)	(268,595)	124,177	(1,791,373)
(1,283,926)	(302,752)	123,738	(1,462,940)

17. OTHER LIABILITIES

- Mark-up / return / interest payable in local currency
- Accrued expenses
- Current taxation (provisions less payments)
- Payable to defined benefit obligation
- Security deposits against lease
- Employees' compensated absences
- Payable to share brokers on account of purchase of marketable securities
- Others

June 30, 2019 (Un-audited)	December 31, 2018 (Audited)
------(Rupees in '000)-----	
7,068	8,091
407,689	372,402
55,925	66,288
59,902	48,747
45,094	45,487
10,442	11,922
31,271	2,180
3,465	3,386
620,856	558,503

18. SURPLUS ON REVALUATION OF ASSETS

(Deficit) / surplus on revaluation of:

- Available for sale securities
- Associates

(3,521)	100,070
(128,282)	(50,113)
(131,803)	49,957

Deferred tax on surplus / (deficit) on revaluation of:

- Available for sale securities
- Associates

102,007	67,505
61,566	49,841
163,573	117,346
31,770	167,303

19. CONTINGENCIES AND COMMITMENTS

19.1 Commitments

	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)
	------(Rupees in '000)-----	
Undisbursed sanctions for financial assistance in the form of:		
- Equity participation	250,000	-
- Loans and advances	800,000	150,000
	<u>1,050,000</u>	<u>150,000</u>

19.2 Commitments for operating leases

Aggregate commitments for operating leases are as follows:

Not later than one year	-	<u>2,307</u>
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19.3 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 amounts to Rs. 7,981 million.

In 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'. Subsequently, the action of the Taxation Officer in 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 directions which have been maintained by the ATIR in the subsequent departmental appeal.

Relying on the above decision of ATIR, the CIR(A) through orders dated October 29, 2018, September 23, 2011, November 30, 2012 and June 15, 2015 and September 8, 2017, March 6, 2018 and March 7, 2018 for tax year year 2003, for tax years 2004 to 2007, tax year 2010, tax years 2011 to 2013, tax year 2015, tax year 2014 and 2017 and tax year 2016 respectively, directed for the application of provision of section 124A of the Ordinance. The action was, however, maintained by the CIR(A) in the tax years 2008 and 2009 and appeals are currently pending before the ATIR. The department has preferred appeals against the order of the CIR(A) in the years 2004 to 2007 and 2010 to 2017 which are currently pending before the ATIR.

Appeal effect orders for the years 2003 to 2007 and 2010 have been issued. These are to attain finality once the departmental appeals before the ATIR / High Court as the case may be, are decided. However, in the tax order for the tax year 2003, the Officer has not followed the directions of the CIR(A) and allocated expenses on the basis of turnover for which the Company has preferred an appeal which was recently decided in the Company's favour through the order dated October 29, 2018.

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. 1,374 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.

20. MARK-UP / RETURN / INTEREST EARNED	Note	Half year ended	
		June 30, 2019	June 30, 2018
		(Un-audited)	
		------(Rupees in '000)-----	
On:			
Loans and advances		90,312	178,975
Investments		297,279	245,495
Lendings to financial institutions		181,657	60,182
Balances with banks		453	165
		<u>569,701</u>	<u>484,817</u>
21. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		614	72
Borrowings		14,352	49,874
Securities sold under repurchase agreements - government securities		69	-
		<u>15,035</u>	<u>49,946</u>
22. FEE & COMMISSION INCOME			
Participation Fee		2,025	2,000
Underwriting Commission		625	-
Arrangement Fee		-	300
		<u>2,650</u>	<u>2,300</u>
23. (LOSS) / GAIN ON SECURITIES			
Realised (loss) / gain on shares		(25,804)	127,257
Unrealised gain - held for trading	9.1	992	440
		<u>(24,812)</u>	<u>127,697</u>
24. OTHER INCOME			
Late payment charges		716	117,123
Nominee directors fee		2,135	2,160
Others		9	-
		<u>2,860</u>	<u>119,283</u>

25. OPERATING EXPENSES

Note

	Half year ended	
	June 30, 2019	June 30, 2018
	(Un-audited)	
	------(Rupees in '000)-----	
Total compensation expense	166,396	172,395
Property expense		
Rent & taxes	5,219	6,948
Insurance	189	171
Utilities cost	2,548	2,513
Security expense	276	305
Repairs & maintenance	13,364	10,363
Depreciation	3,068	3,068
	24,664	23,368
Information technology expenses		
Software maintenance	141	145
Hardware maintenance	28	22
Depreciation	3,670	1,280
Amortisation	1,958	2,497
Network charges	770	733
	6,567	4,677
Other operating expenses		
Directors' fees and allowances	23,449	24,873
Legal & professional charges	15,136	18,363
Outsourced services costs	8,126	7,936
Travelling & conveyance	8,123	5,032
Depreciation	1,084	1,126
Training & development	1,113	48
Postage & courier charges	135	161
Communication	2,990	2,417
Stationery & printing	604	594
Marketing, advertisement & publicity	539	277
Auditors' Remuneration	2,448	2,443
Newspaper, periodicals and subscription dues	833	838
Repairs & maintenance (others)	609	467
Bank charges	112	89
Entertainment expense	1,071	835
Others	4,360	3,446
	70,732	68,945
	268,359	269,385
26. OTHER CHARGES		
Penalties imposed by State Bank of Pakistan	1,045	-
27. PROVISIONS / (REVERSAL OF PROVISION) & WRITE OFFS - NET		
Provisions for diminution in value of investments	9.2 347,615	29,762
Reversal of provisions against loans & advances	10.3 (10,516)	(12,618)
Provision for impairment in other assets	-	25,488
	337,099	42,632
28. TAXATION		
Current	243,033	255,715
Deferred	172,907	132,678
	415,940	388,393
29. BASIC / DILUTED EARNINGS PER SHARE		
Profit for the year	1,682,503	1,493,733
	------(Numbers in '000)-----	
Weighted average number of ordinary shares	240	240
	------(Rupees)-----	
Basic / diluted earnings per share	7,010	6,224

30. 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:

30.1 On balance sheet financial instruments

As at June 30, 2019 (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	-	-	-	-	-	-	-	-	-
- Pakistan investment bonds	-	2,175,857	-	-	2,175,857	-	2,175,857	-	2,175,857
- Shares of listed companies	39,469	2,859,642	-	-	2,899,111	2,899,111	-	-	2,899,111
- Listed preference shares	-	36,050	-	-	36,050	36,050	-	-	36,050
- Listed sukuk / term finance certificates	-	1,235,545	-	-	1,235,545	-	1,235,545	-	1,235,545
- Unlisted sukuk / term finance certificates	-	462,035	-	-	462,035	-	462,035	-	462,035
Financial assets not measured at fair value									
Cash and balances with treasury banks	-	-	51,417	-	51,417	-	-	-	-
Balances with other banks	-	-	12,926	-	12,926	-	-	-	-
Investments									
- Shares of listed associates	-	15,021,330	-	-	15,021,330	35,425,096	-	-	35,425,096
- Shares in unlisted companies	-	785	-	-	785	-	-	-	-
- Shares of unlisted associates	-	1,160,288	-	-	1,160,288	-	-	-	-
Advances	-	-	2,004,927	-	2,004,927	-	-	-	-
Other assets	-	-	166,150	-	166,150	-	-	-	-
Financial liabilities not measured at fair value									
Borrowings	-	-	-	(1,393,366)	(1,393,366)	-	-	-	-
Deposits and other accounts	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	(560,954)	(560,954)	-	-	-	-
39,469	22,951,532	-	2,235,420	(1,954,320)	23,272,101				

As at December 31, 2018 (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	-	4,995,787	-	-	4,995,787	-	4,995,787	-	4,995,787
- Pakistan investment bonds	-	403,372	-	-	403,372	-	403,372	-	403,372
- Shares of listed companies	106,132	3,067,550	-	-	3,173,682	3,173,682	-	-	3,173,682
- Listed preference shares	-	36,050	-	-	36,050	36,050	-	-	36,050
- Listed sukuk / term finance certificates	-	1,506,739	-	-	1,506,739	-	1,506,739	-	1,506,739
- Unlisted sukuk / term finance certificates	-	501,711	-	-	501,711	-	501,711	-	501,711
Financial assets not measured at fair value									
Cash and balances with treasury banks	-	-	60,901	-	60,901	-	-	-	-
Balances with other banks	-	-	9,690	-	9,690	-	-	-	-
Investments									
- Shares of listed associates	-	14,086,706	-	-	14,086,706	35,132,152	-	-	35,132,152
- Shares in unlisted companies	-	825	-	-	825	-	-	-	-
- Shares of unlisted associates	-	1,110,430	-	-	1,110,430	-	-	-	-
Advances	-	-	2,698,181	-	2,698,181	-	-	-	-
Other assets	-	-	79,251	-	79,251	-	-	-	-
Financial liabilities not measured at fair value									
Borrowings	-	-	-	(1,371,474)	(1,371,474)	-	-	-	-
Deposits and other accounts	-	-	-	(35,000)	(35,000)	-	-	-	-
Other liabilities	-	-	-	(509,756)	(509,756)	-	-	-	-
106,132	25,709,170	-	2,848,023	(1,916,230)	26,747,095				

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).

31. SEGMENT INFORMATION

31.1 Segment Details with respect to Business Activities

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

Half year ended June 30, 2019 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					
Profit & Loss					
Net mark-up / return / profit	180,881	372,231	-	-	554,666
Non mark-up / return / interest income	716	-	1,762,352	427,036	2,192,249
Total Income	181,597	372,231	1,762,352	427,036	2,746,915
Segment direct expenses	(24,643)	(11,048)	(4,148)	(6,381)	(147,395)
Segment indirect expenses	(23,851)	(8,944)	(5,963)	(119,257)	(163,978)
Total expenses	(48,494)	(19,992)	(10,111)	(12,344)	(311,373)
Reversal / (Provisions)	10,516	-	(40)	(347,575)	(337,099)
Profit before tax	143,619	352,239	1,752,201	67,117	2,098,443

As at June 30, 2019 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					

Balance Sheet

Cash & Bank balances	-	64,293	-	-	50	64,343
Investments	1,697,581	2,175,857	16,182,402	2,935,161	-	22,991,001
Lendings to financial institutions	-	5,772,930	-	-	-	5,772,930
Advances - performing	1,874,869	-	-	-	88,568	1,963,437
Advances - non-performing	41,490	-	-	-	-	41,490
Others	80,313	85,837	-	20,882	234,352	421,384
Total Assets	3,694,253	8,098,917	16,182,402	2,956,043	322,970	31,254,585
Borrowings	1,393,366	-	-	-	-	1,393,366
Deposits & other accounts	-	-	-	-	-	-
Others	55,506	(19)	1,401,435	(12,392)	766,688	2,211,218
Total liabilities	1,448,872	(19)	1,401,435	(12,392)	766,688	3,604,584
Equity	129,673	308,099	(66,757)	223,689	27,055,297	27,650,001
Total Equity & liabilities	1,578,545	308,080	1,334,678	211,297	27,821,985	31,254,585
Contingencies & Commitments	1,050,000	-	-	-	-	1,050,000

Half year ended June 30, 2018 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					

Profit & Loss

Net mark-up / return / profit	187,293	246,006	-	-	1,572	434,871
Non mark-up / return / interest income	120,173	-	1,768,614	(94,033)	2,160	1,796,914
Total Income	307,466	246,006	1,768,614	(94,033)	3,732	2,231,785
Segment direct expenses	(14,380)	(9,672)	(3,911)	(7,005)	(89,533)	(124,501)
Segment indirect expenses	(22,816)	(9,778)	(6,519)	(6,519)	(136,894)	(182,526)
Total expenses	(37,196)	(19,450)	(10,430)	(13,524)	(226,427)	(307,027)
Reversal / (Provisions)	12,618	-	-	(29,762)	(25,488)	(42,632)
Profit before tax	282,888	226,556	1,758,184	(137,319)	(248,183)	1,882,126

As at December 31, 2018 (Audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
------(Rupees in '000)-----					

Balance Sheet

Cash & Bank balances	-	70,541	-	-	50	70,591
Investments	2,008,449	5,399,159	15,197,961	3,209,731	-	25,815,300
Lendings to financial institutions	-	1,071,204	-	-	-	1,071,204
Advances - performing	2,570,810	-	-	-	85,488	2,656,298
Advances - non-performing	41,883	-	-	-	-	41,883
Others	61,088	18,162	-	6,140	236,560	321,950
Total Assets	4,682,230	6,559,066	15,197,961	3,215,871	322,098	29,977,226
Borrowings	1,371,474	-	-	-	-	1,371,474
Deposits & other accounts	-	35,000	-	-	-	35,000
Others	56,552	80	1,401,435	(42,590)	605,966	2,021,443
Total liabilities	1,428,026	35,080	1,401,435	(42,590)	605,966	3,427,917
Equity	546,163	449,079	(288)	187,541	25,366,814	26,549,309
Total Equity & liabilities	1,974,189	484,159	1,401,147	144,951	25,972,780	29,977,226
Contingencies & Commitments	150,000	-	-	-	2,307	152,307

31.2 Segment details with respect to geographical locations

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

32. 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 June 30, 2019 (Un-audited)				As at December 31, 2018 (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	-	-	10,204	-	-	-	7,623	-
Investments								
Opening balance	-	-	15,197,136	500	-	-	13,660,400	500
Equity method accounting adjustments	-	-	984,482	-	-	-	1,536,736	-
Closing balance	-	-	16,181,618	500	-	-	15,197,136	500
Advances								
Opening balance	-	48,324	-	-	-	46,441	-	-
Addition during the period / year	-	6,192	-	-	-	16,000	-	-
Repaid during the period / year	-	(2,309)	-	-	-	(10,580)	-	-
Transfer in / (out) - net	-	-	-	-	-	(3,537)	-	-
Closing balance	-	52,207	-	-	-	48,324	-	-
Other Assets								
Interest / mark-up accrued	-	-	54	-	-	-	45	-
Receivable from NCCPL	-	-	-	-	-	-	30	-
Receivable from Pak Kuwait Takaful Company	-	-	-	9,890	-	-	-	9,890
Non-current asset held for sale	-	-	-	135,000	-	-	-	135,000
Provision against other assets	-	-	-	(144,890)	-	-	-	(144,890)
	-	-	54	-	-	-	75	-
Deposits and other accounts								
Opening balance	-	-	-	-	-	-	-	2,500
Withdrawn during the period / year	-	-	-	-	-	-	-	(2,500)
Closing balance	-	-	-	-	-	-	-	-
Other Liabilities								
Payable to NCCPL	-	-	36	-	-	-	46	-
	-	-	36	-	-	-	46	-
----- (Rupees in '000) -----								
	Half year ended June 30, 2019 (Un-audited)				Half year ended June 30, 2018 (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	-	966	309	-	-	848	134	-
Dividend income	-	-	1,052,273	-	-	-	518,588	-
Other income								
- Nominee Director Fee	-	-	4,005	80	-	-	4,190	70
Expense								
Mark-up / return / interest paid	-	-	-	-	-	-	-	72
Operating expenses								
- Directors Fee	9,026	-	-	-	9,269	-	-	-
- Remuneration to key management personnel (including retirement benefits)	-	93,281	-	-	-	85,153	-	-
- Nominee Director Fee payment	-	-	-	1,950	-	-	-	2,100
- NCCPL Charges	-	-	319	-	-	-	221	-
- FMCL Office Maintenance Charges	-	-	-	13,216	-	-	-	12,171
- Contribution made to Staff Provident Fund	-	-	-	9,262	-	-	-	8,153
- Contribution made to Staff Gratuity Fund	-	-	-	11,155	-	-	-	8,988

33. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	June 30, 2019 (Un-audited)	December 31, 2018 (Audited)
	----- (Rupees in '000) -----	
Minimum Capital Requirement (MCR):		
Paid-up capital	6,000,000	6,000,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	15,449,550	14,934,164
Eligible Tier 2 Capital	31,770	98,800
Total Eligible Capital (Tier 1 + Tier 2)	15,481,320	15,032,964
Risk Weighted Assets (RWAs):		
Credit Risk	21,755,437	21,692,625
Market Risk	6,138,525	6,550,608
Operational Risk	7,089,787	7,089,787
Total	34,983,749	35,333,020
Common Equity Tier 1 Capital Adequacy ratio		
Tier 1 Capital Adequacy Ratio	44.16%	42.27%
Total Capital Adequacy Ratio	44.25%	42.55%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	15,449,550	14,934,164
Total Exposures	20,183,163	18,800,049
Leverage Ratio	76.55%	79.44%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	5,222,739	6,672,303
Total Net Cash Outflow	292,768	937,519
Liquidity Coverage Ratio	1784%	712%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	30,852,681	29,354,456
Total Required Stable Funding	22,608,142	21,896,979
Net Stable Funding Ratio	136%	134%

34. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue in the Board of Directors' meeting held on September 04, 2019.

35. GENERAL


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

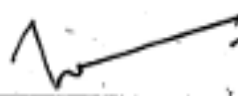
35.2 Corresponding figures

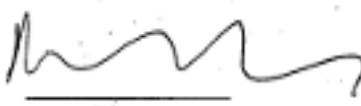
Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim financial statements wherever necessary to facilitate comparison and better presentation in accordance with the new format prescribed by the State Bank of Pakistan vide BPRD Circular Letter No. 05 dated March 22, 2019.



Chief Executive

Chief Financial Officer

Director

Director

Director