



PAK BRUNEI INVESTMENT COMPANY LTD.

FINANCIAL STATEMENTS
(UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2019

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

September 30, 2019	December 31, 2018		(Un-audited) September 30, 2019	(Audited) December 31, 2018
----- USD in '000 -----			----- Rupees in '000 -----	
ASSETS				
611	1,029	Cash and balances with treasury banks	8 95,747	161,339
1,067	296	Balances with other banks	9 167,206	46,355
57,520	-	Lendings to financial institutions	10 9,016,220	-
194,358	166,615	Investments	11 30,465,644	26,116,936
116,343	129,695	Advances	12 18,236,704	20,329,737
950	75	Fixed assets	13 148,835	11,711
25	30	Intangible assets	14 3,876	4,739
2,713	2,027	Deferred tax assets	15 425,265	317,742
10,924	11,512	Other assets	16 1,712,301	1,804,568
384,511	311,279		60,271,798	48,793,127
LIABILITIES				
-	-	Bills payable	-	-
309,460	235,345	Borrowings	17 48,507,827	36,890,373
638	4,628	Deposits and other accounts	18 100,000	725,403
-	-	Liabilities against assets subject to finance lease	-	-
-	-	Subordinated debt	-	-
-	-	Deferred tax liabilities	-	-
11,188	7,762	Other liabilities	19 1,753,621	1,216,866
321,286	247,735		50,361,448	38,832,642
63,225	63,544	NET ASSETS	9,910,350	9,960,485
REPRESENTED BY				
38,278	38,278	Share capital	6,000,000	6,000,000
9,005	8,976	Reserves	1,411,456	1,406,994
(2,843)	(4,295)	Deficit on revaluation of assets	20 (445,653)	(673,212)
18,785	20,585	Unappropriated profit	2,944,547	3,226,703
63,225	63,544		9,910,350	9,960,485
CONTINGENCIES AND COMMITMENTS				
			21	

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

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD AND QUARTER ENDED SEPTEMBER 30, 2019

Period ended			Note	Period ended		Quarter ended	
September 30, 2019	September 30, 2018			September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
----- USD in '000 -----				----- Rupees in '000 -----			
22,408	10,092	Mark-up / return / interest earned	22	3,512,459	1,581,873	1,348,526	682,912
18,845	6,661	Mark-up / return / interest expensed	23	2,953,934	1,044,034	1,166,366	488,923
3,563	3,431	Net mark-up / interest income		558,525	537,839	182,160	193,989
		Non mark-up / interest income					
324	308	Fee and commission income	24	50,829	48,223	21,387	17,086
691	997	Dividend income		108,243	156,237	88,199	142,592
(2,939)	(83)	Loss on securities	25	(460,705)	(12,982)	(226,288)	6,282
51	1	Other income	26	8,051	199	4,005	153
(1,873)	1,223	Total non-markup / interest income		(293,582)	191,677	(112,697)	166,113
1,690	4,654	Total income		264,943	729,516	69,463	360,102
		Non mark-up / interest expenses					
1,423	1,484	Operating expenses	27	223,026	232,618	59,691	77,701
7	-	Sindh Workers' Welfare Fund	28	1,104	-	1,104	-
1,430	1,484	Total non mark-up / interest expenses		224,130	232,618	60,795	77,701
260	3,170	Profit / (loss) before provisions		40,813	496,898	8,668	282,401
(233)	1,909	Provisions and write offs - net	29	(36,574)	299,231	(262,658)	41,337
-	-	Extraordinary / unusual items		-	-	-	-
494	1,261	Profit / (Loss) before taxation		77,387	197,667	271,326	241,064
351	551	Taxation	30	55,081	86,410	24,262	61,739
142	710	Profit / (Loss) after taxation		22,306	111,257	247,064	179,325
----- USD -----				----- Rupees -----			
0.00024	0.00118	Basic and diluted earnings per share	31	0.04	0.19	0.41	0.30

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

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD AND QUARTER ENDED SEPTEMBER 30, 2019

<u>Half year ended</u>			<u>Period ended</u>		<u>Quarter ended</u>	
<u>September 30,</u>	<u>September 30,</u>		<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>
<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
----- USD in '000 -----			----- Rupees in '000 -----			
142	710	Profit / (loss) after taxation for the period	22,306	111,257	247,064	179,325
Other comprehensive income / (loss)						
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>						
1,452	(856)	Movement in deficit on revaluation of investments - net of tax	227,559	(134,106)	82,888	20,175
<u>1,594</u>	<u>(146)</u>	Total comprehensive profit / (loss)	<u>249,865</u>	<u>(22,849)</u>	<u>329,952</u>	<u>199,500</u>

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

President/Chief Executive

Chief Financial Officer

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PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2019

	Share capital	Statutory reserve (a)	Deficit on revaluation of investments	Unappropriated profit	Total
	Rupees in '000				
Balance as at January 1, 2018 (audited)	6,000,000	1,351,812	(201,744)	3,306,156	10,456,224
Comprehensive income / (loss) for the period					
Profit after taxation for the period ended September 30, 2018	-	-	-	111,257	111,257
Other comprehensive loss					
- Movement in deficit on revaluation of investments - net of tax	-	-	(134,106)	-	(134,106)
	-	-	(134,106)	111,257	(22,849)
Transfer to statutory reserve	-	22,251	-	(22,251)	-
Transactions with owners, recorded directly in equity					
Final cash dividend paid for the year ended December 31, 2017 @ Re. 0.50 per share	-	-	-	(300,000)	(300,000)
Balance as at September 30, 2018 (un-audited)	<u>6,000,000</u>	<u>1,374,063</u>	<u>(335,850)</u>	<u>3,095,162</u>	<u>10,133,375</u>
Comprehensive income / (loss) for the period					
Profit after taxation from October 1, 2018 to December 31, 2018	-	-	-	164,657	164,657
Other comprehensive loss					
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	(185)	(185)
- Movement in deficit on revaluation of investments - net of tax	-	-	(337,362)	-	(337,362)
	-	-	(337,362)	164,472	(172,890)
Transfer to statutory reserve	-	32,931	-	(32,931)	-
Balance as at December 31, 2018 (audited)	<u>6,000,000</u>	<u>1,406,994</u>	<u>(673,212)</u>	<u>3,226,703</u>	<u>9,960,485</u>
Comprehensive income / (loss) for the period					
Loss after taxation for the period ended September 30, 2019	-	-	-	22,306	22,306
Other comprehensive income					
- Movement in deficit on revaluation of investments - net of tax	-	-	227,559	-	227,559
	-	-	227,559	22,306	249,865
Transfer to statutory reserve	-	4,461	-	(4,461)	-
Transactions with owners, recorded directly in equity					
Final cash dividend paid for the year ended December 31, 2018 @ Re. 0.50 per share	-	-	-	(300,000)	(300,000)
Balance as at September 30, 2019 (un-audited)	<u>6,000,000</u>	<u>1,411,456</u>	<u>(445,653)</u>	<u>2,944,547</u>	<u>9,910,350</u>

(a) This represents reserve created under section 21(i)(a) of the Banking Companies Ordinance, 1962.

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

President/Chief Executive

Chief Financial Officer

Director

Director

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PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2019

Period ended		Period ended	
September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
----- USD in '000 -----		----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
494	1,261	77,387	197,667
691	997	108,243	156,237
(197)	264	(30,856)	41,430
Profit / (Loss) before taxation			
Less: Dividend income			
Adjustments:			
179	36	28,051	5,624
5	5	852	824
(233)	1,909	(36,574)	299,231
(11)	-	(1,790)	(27)
7	-	1,104	-
(39)	114	(6,098)	17,860
(92)	2,064	(14,455)	323,512
(289)	2,328	(45,311)	364,942
Depreciation			
Amortisation			
Provision and write-offs			
Gain on sale of fixed assets			
Provision for Sindh SWWF			
Unrealised loss / (gain) on revaluation of investments classified as held for trading - net			
(Increase) / decrease in operating assets			
(57,520)	5,920	(9,016,220)	927,961
(56,181)	(644)	(8,806,432)	(100,956)
12,963	3,336	2,032,004	522,870
1,721	(4,538)	269,726	(711,405)
(99,017)	4,074	(15,520,922)	638,470
Lendings to financial institutions			
Held-for-trading securities			
Advances			
Others assets (excluding advance taxation)			
Increase/ (decrease) in operating liabilities			
74,115	142,580	11,617,454	22,349,374
(3,990)	(19,848)	(625,403)	(3,111,164)
3,433	1,493	538,058	234,024
73,558	124,225	11,530,109	19,472,234
(2,126)	(893)	(333,247)	(139,990)
(27,874)	129,734	(4,369,371)	20,335,656
Borrowings from financial institutions			
Deposits			
Other liabilities (excluding current taxation)			
Income tax paid			
Net cash flow generated from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
32,399	(128,635)	5,078,990	(20,163,522)
(1,865)	382	(292,396)	59,812
647	114	101,427	17,793
(1,064)	(29)	(166,705)	(4,600)
22	-	3,314	44
30,139	(128,168)	4,724,630	(20,090,473)
Net investments in available-for-sale securities			
Net investments in held-to-maturity securities			
Dividends received			
Investments in operating fixed assets			
Proceeds from sale of fixed assets			
Net cash flow used in investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
(1,914)	(1,914)	(300,000)	(300,000)
(1,914)	(1,914)	(300,000)	(300,000)
Dividend paid			
Net cash flow used in financing activities			
Increase / (decrease) in cash and cash equivalents			
351	(348)	55,259	(54,817)
1,325	1,353	207,694	212,158
Cash and cash equivalents at beginning of the period			
1,676	1,005	262,953	157,341
Cash and cash equivalents at end of the period			

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

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2019

1 STATUS AND NATURE OF BUSINESS

Pak Brunei Investment Company Limited (the Company) is a Development Finance Institution (DFI) which was incorporated in Pakistan as an unlisted public limited company on November 28, 2006 under the Companies Ordinance, 1984 (now Companies Act, 2017). The State Bank of Pakistan (SBP) granted the approval for commencement of business with effect from August 20, 2007. The Company is a joint venture between the Government of Pakistan (GoP) and the Brunei Investment Agency (BIA). The Company's objectives inter alia include making investments in the industrial and agro-based industrial fields in Pakistan on a commercial basis through carrying out industrial and agro-based industrial projects and marketing of their products in Pakistan and abroad and to undertake other feasible business and to establish and acquire companies to conduct various businesses. The registered office of the Company is situated at Horizon Vista, Plot no. Commercial 10, Block 4, Scheme 5, Clifton, Karachi, Pakistan. The Company is in operation with 2 offices (December 31, 2018: 2) one located in Karachi and the other in Lahore.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of IAS 34, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

- 2.2** These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and are limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 05 dated March 22, 2019 and IAS 34, and should be read in conjunction with the audited annual unconsolidated financial statements for the financial year ended December 31, 2018.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES ³

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Company for the year ended December 31, 2018 except for the following:

3.1 Changes in Accounting Policies

3.1.1 Impact of IFRS 16: 'Leases'

During the period, IFRS 16: 'Leases' became applicable to the Company. IFRS 16 replaces existing guidance on accounting for leases, including IAS 17: 'Leases', IFRIC 4: 'Determining whether an arrangement contains a lease', SIC 15: 'Operating leases - incentive', and SIC 27: 'Evaluating the substance of transactions involving the legal form of a lease'. IFRS 16 introduces an on balance sheet lease accounting model for leases entered by the lessee. A lessee recognises a right-of-use asset representing its right of using the underlying asset and a corresponding lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as either finance or operating

The Company has adopted IFRS 16 from January 1, 2019, using the modified retrospective approach and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.

On adoption of IFRS 16, the associated right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognised in the condensed interim unconsolidated statement of financial position immediately before the date of initial application.

The right-of-use assets recognised subsequent to the adoption are measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use assets are depreciated on a straight line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use assets are reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

4 BASIS OF MEASUREMENT

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention, except that certain investments which have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits are carried at present value.

5 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim unconsolidated financial statements have been presented in Pakistani Rupees, which is the functional and presentational currency of the Company.

The US dollar amounts shown in the condensed interim unconsolidated statement of financial position, condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income and condensed interim unconsolidated cash flow statement are stated as additional information solely for the convenience of readers and are not audited. For the purpose of conversion to US Dollars, the rate of Rs. 156.75 to US Dollars has been used as it was the prevalent rate as on September 30, 2019.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31,

7 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2018.

	Note	(Un-audited) September 30, 2019	(Audited) December 31, 2018
----- Rupees in '000 -----			
8 CASH AND BALANCES WITH TREASURY BANKS			
With State Bank of Pakistan in:			
Local currency current account	8.1	95,747	161,339

8.1 This includes the minimum cash reserve required to be maintained with the SBP in accordance with the requirement of BSD Circular No. 04 dated May 22, 2004.

	Note	(Un-audited) September 30, 2019	(Audited) December 31, 2018
----- Rupees in '000 -----			
9 BALANCES WITH OTHER BANKS			
In Pakistan			
In deposit accounts	9.1	167,206	46,355

9.1 These carry mark-up at rates ranging from 11.25% to 11.33% per annum (December 31, 2018: 6.50% to 8.30% per annum).

		(Un-audited) September 30, 2019	(Audited) December 31, 2018
----- Rupees in '000 -----			
10 LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (reverse repo)		9,016,220	-
		<u>9,016,220</u>	<u>-</u>

10.1 These carried mark-up at rate of 13.05% to 13.30% (December 31, 2018: Nil) and will mature within 1 month.

10.2 Particulars of lending

In local currency	9,016,220	-
In foreign currencies	-	-
	<u>9,016,220</u>	<u>-</u>

10.3 Securities held as collateral against lendings to financial institutions

	September 30, 2019			December 31, 2018		
	Held by Company	Further given as collateral	Total	Held by Company	Further given as collateral	Total
----- Rupees in '000 -----						
Pakistan Investment Bonds	-	8,020,000	8,020,000	-	-	-
Market Treasury Bills	1,000,000	-	1,000,000	-	-	-
Total	<u>1,000,000</u>	<u>8,020,000</u>	<u>9,020,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

11 INVESTMENTS
11.1 Investments by type:

Note	(Un-audited)				(Audited)			
	September 30, 2019				December 31, 2018			
	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								
Federal government securities	8,806,432	-	3,708	8,810,140	-	-	-	-
	8,806,432	-	3,708	8,810,140	-	-	-	-
Available-for-sale securities								
Federal government securities	14,582,976	-	26,586	14,609,562	19,817,801	-	(326,260)	19,491,541
Ordinary shares	1,976,742	(70,025)	(443,271)	1,463,446	2,140,824	(210,979)	(391,638)	1,538,207
Non-government debt securities	2,849,878	(269,076)	(16,433)	2,564,369	2,635,582	(225,725)	(3,684)	2,406,173
Units of mutual funds	908,040	-	(185,681)	722,359	802,419	-	(124,776)	677,643
Preference shares	3,250	(3,250)	-	-	3,250	(3,250)	-	-
	20,320,886	(342,351)	(618,799)	19,359,736	25,399,876	(439,954)	(846,358)	24,113,564
Held-to-maturity securities								
Commercial paper	292,396	-	-	292,396	-	-	-	-
	292,396	-	-	292,396	-	-	-	-
Subsidiaries								
Fully paid up ordinary shares of:								
- Awwal Modaraba Management Company Limited	105,000	-	-	105,000	105,000	-	-	105,000
- Primus Leasing Limited	1,000,000	-	-	1,000,000	1,000,000	-	-	1,000,000
Certificates of Awwal Modaraba	898,372	-	-	898,372	898,372	-	-	898,372
Total investments	31,423,086	(342,351)	(615,091)	30,465,644	27,403,248	(439,954)	(846,358)	26,116,936

(Un-audited) (Audited)
September 30, 2019 December 31, 2018
----- Rupees in '000 -----

11.1.1 Investments given as collateral

Pakistan Investment Bonds	2,838,267	16,927,851
Market Treasury Bills	10,784,231	-
Term finance / sukuks certificates	739,824	739,824
	<u>14,362,322</u>	<u>17,667,675</u>

11.2 Provision for diminution in value of investments

Opening balance	439,954	364,171
Charge / reversals		
Charge for the period / year	292,355	103,144
Reversal on disposals during the period / year	(389,958)	(27,361)
	<u>(97,603)</u>	<u>75,783</u>
Closing balance	<u>342,351</u>	<u>439,954</u>

11.2.1 Particulars of provision against debt securities

Category of classification	(Un-audited)		(Audited)	
	September 30, 2019		December 31, 2018	
	Non-performing investments	Provision	Non-performing investments	Provision
----- (Rupees in '000) -----				
Domestic				
Loss	269,076	269,076	269,366	225,725

11.3 The market value of securities classified as held to maturity as at September 30, 2019 amounted to Rs. 292.396 million (December 31, 2018: Nil).

12 ADVANCES

	(Un-audited)		(Audited)		(Un-audited)		(Audited)	
	Performing		Non-performing		Total			
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
----- Rupees in '000 -----								
Loans, cash credits, running finances, etc.	17,996,149	20,046,892	611,268	592,529	18,607,417	20,639,421	18,607,417	20,639,421
Advances - gross	17,996,149	20,046,892	611,268	592,529	18,607,417	20,639,421	18,607,417	20,639,421
Provision against advances								
- Specific	-	-	370,713	309,684	370,713	309,684	370,713	309,684
- General	-	-	-	-	-	-	-	-
	-	-	370,713	309,684	370,713	309,684	370,713	309,684
Advances - net of provision	17,996,149	20,046,892	240,555	282,845	18,236,704	20,329,737	18,236,704	20,329,737
					(Un-audited)	(Audited)		
					September 30, 2019	December 31, 2018		
					----- Rupees in '000 -----			

12.1 Particulars of advances (gross)

In local currency	18,607,417	20,639,421
In foreign currencies	-	-
	<u>18,607,417</u>	<u>20,639,421</u>

12.2 Advances include Rs. 611.268 million (2018: Rs. 592.529 million) which have been placed under the non-performing status as detailed below:

Category of classification	Note	(Un-audited)		(Audited)	
		September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
		Non performing loans	Provision	Non performing loans	Provision
----- Rupees in '000 -----					
Domestic					
Other assets especially mentioned	12.2.1	22,186	2,219	12,451	1,245
Substandard		11,628	2,908	-	-
Doubtful		7,840	3,921	81,477	29,739
Loss		569,614	361,665	498,601	278,700
Total		<u>611,268</u>	<u>370,713</u>	<u>592,529</u>	<u>309,684</u>

12.2.1 The 'Other assets especially mentioned' category pertains to small enterprise finance.

12.3 Particulars of provision against advances

	(Un-audited)			(Audited)		
	September 30, 2019			December 31, 2018		
	Specific	General	Total	Specific	General	Total
----- Rupees in '000 -----						
Opening balance	309,684	-	309,684	287,826	1,248	289,074
Charge for the period / year	69,916	-	69,916	193,853	-	193,853
Reversals during the period / year	(8,887)	-	(8,887)	(171,995)	(1,248)	(173,243)
	61,029	-	61,029	21,858	(1,248)	20,610
Amounts written off	-	-	-	-	-	-
Closing balance	<u>370,713</u>	<u>-</u>	<u>370,713</u>	<u>309,684</u>	<u>-</u>	<u>309,684</u>

12.3.1 The Company has availed the benefit of Forced Sale Value (FSV) of certain mortgaged properties held as collateral against non-performing advances as allowed under BSD Circular 1 of 2011. Had the benefit under the said circular not been taken, the specific provision against non-performing advances would have been higher by Rs. 207.943 million (December 31, 2018: Rs. 230.901 million). The additional profit arising from availing FSV benefit availed - net of tax is not available for the distribution as either cash or stock dividend to the shareholders.

		(Un-audited) September 30, 2019	(Audited) December 31, 2018
	Note	----- Rupees in '000 -----	
13	FIXED ASSETS		
		33,876	11,711
		114,959	-
	13.1	148,835	11,711
13.1	These represent right-of-use assets recognised due to adoption of IFRS 16 as more fully described in note 3.1.1 of these condensed interim unconsolidated financial statements.		
		Un-audited	
		September 30,	September 30,
		2019	2018
13.2	Additions to fixed assets	----- Rupees '000 -----	
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	-	2,922
	Property and equipment		
	Leasehold improvements	2,975	388
	Furniture and fixtures	1,219	435
	Electrical, office and computer equipment	5,785	1,712
	Vehicles	19,350	-
		29,329	2,536
	Right-of-use assets due to adoption of IFRS 16	147,389	-
	Total	176,718	5,458
		(Un-audited)	(Audited)
		September 30,	December 31,
		2019	2018
14	INTANGIBLE ASSETS	----- Rupees in '000 -----	
	Computer software	2,422	3,285
	Capital work-in-progress	1,454	1,454
		3,876	4,739
14.1	Capital work-in-progress		
	Software	1,454	1,454
15	DEFERRED TAX ASSETS		
	Deductible temporary differences on:		
	- Post retirement employee benefits	671	671
	- Provision for diminution in the value of available for sale investments	172,489	99,035
	- Provision against advances, other assets etc.	107,306	89,809
	- Deficit on revaluation of investments	175,741	173,146
	- Accelerated tax depreciation	-	3,284
	- Lease liability on right-of-use assets	40,546	-
	- Provision for bonus	2,810	9,926
		499,563	375,871
	Taxable temporary differences on:		
	- Net investment in finance lease	(29,988)	(52,802)
	- Accelerated tax depreciation	(36,758)	-
	- Unrealised gain on revaluation of held for trading investments	(19)	-
	- Amortisation of discount on investments	(7,533)	(5,327)
		(74,298)	(58,129)
		425,265	317,742

Income / mark-up accrued in local currency - net of provision		691,279	891,736
Advances, deposits, advance rent and other prepayments		6,319	77,467
Advance taxation (payments less provisions)		440,083	269,440
Advance against subscription of term finance certificates		-	350,000
Receivable against sale of shares		160,588	164,044
Receivable from related parties	16.1	112,223	22,598
Non-banking asset acquired in satisfaction of claims	16.2	294,235	28,525
Dividend receivable		7,574	758
		<u>1,712,301</u>	<u>1,804,568</u>
Less: Provision held against other assets		-	-
		<u>1,712,301</u>	<u>1,804,568</u>
16.1 Receivable from related parties			
Receivable from Awwal Modaraba Management Limited (subsidiary)		29,953	4,712
Receivable from Awwal Modaraba (subsidiary)		81,014	9,192
Receivable from Primus Leasing Company Limited (subsidiary)		1,256	8,694
		<u>112,223</u>	<u>22,598</u>
16.2 Non-banking asset acquired in satisfaction of claims			
Opening balance		28,525	-
Additions during the period / year		265,710	28,525
Disposals during the period / year		-	-
Closing balance		<u>294,235</u>	<u>28,525</u>

17	BORROWINGS	Note	(Un-audited) September 30, 2019	(Audited) December 31, 2018
			----- Rupees in '000 -----	
	Secured			
	Borrowings from State Bank of Pakistan:			
	- Long-Term Finance Facility (LTFF) scheme	17.1	4,983,284	5,347,670
	- Power Plants Using Renewable Energy (PPRE) scheme		159,822	183,156
	- Finance for Storage of Agriculture Produce (FSAP) scheme		256,614	320,981
	- Working capital scheme		2,000	-
			5,401,720	5,851,807
	Repurchase agreement borrowings	17.2	13,608,170	4,954,100
	Borrowings from banks	17.3	26,608,021	16,301,946
	Total secured		45,617,911	27,107,853
	Unsecured			
	Letters of placement:			
	- Primus Leasing Limited (subsidiary)	17.4	387,502	583,174
	- Awwal Modaraba (subsidiary)	17.5	200,000	-
	- Others	17.6	2,302,414	9,199,346
			48,507,827	36,890,373

- 17.1** The Company has entered into agreements for financing with the SBP for Long-Term Financing under Export Oriented Projects to customers. According to the terms of the respective agreements, the SBP has the right to receive the outstanding amount from the Company at the due date by directly debiting the current account maintained by the Company with SBP. The rate of return ranges from 2.00% to 8.40% per annum (December 31, 2018: 2.00% to 8.40% per annum). These are secured against demand promissory notes and are repayable within 9 years (December 31, 2018: 10 years).
- 17.2** These represent borrowings from various financial institutions at mark-up rates ranging from 13.60% to 13.75% per annum (December 31, 2018: 5.49% to 10.51% per annum). Pakistan Investment Bonds having a face value of Rs. 2,850 million (December 31, 2018: Rs. 5,000 million) and Treasury Bills having a face value of Rs. 11,900 million (December 31, 2018: Nil) have been given as collateral against these borrowings.
- 17.3** These carry mark-up at rates ranging from 13.02% to 14.41% per annum (December 31, 2018: 6.09% to 10.94% per annum) and are repayable within 4 years (December 31, 2018: 5 years). These are secured against hypothecation of receivables and floating charge over term finance certificates and Pakistan Investment Bonds having a face value of Rs. 740 million (2018: 740 million) and Rs. 16,701 million (December 31, 2018: Rs. 12,122 million) respectively.
- 17.4** These carry mark-up at the rate of 13.50% per annum (December 31, 2018: 10.00% per annum) and are repayable within 1 month (December 31, 2018: 3 months).
- 17.5** This carries mark-up at the rate of 12% per annum (December 31, 2018: Nil) and is repayable on July 2, 2020 (December 31, 2018: Nil).
- 17.6** These carry mark-up at rates ranging from 13.40% to 14.00% per annum (December 31, 2018: 10.50% to 11.30% per annum) and are repayable within 4 months (December 31, 2018: 2 months).

18 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)			(Audited)		
	September 30, 2019			December 31, 2018		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- Rupees in '000 -----						
Customers						
- Certificate of investments (COIs)	100,000	-	100,000	725,403	-	725,403
Financial Institutions						
- Certificate of investments (COIs)	-	-	-	-	-	-
	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>725,403</u>	<u>-</u>	<u>725,403</u>

(Un-audited) **(Audited)**
September 30, **December 31,**
2019 **2018**
----- Rupees in '000 -----

19 OTHER LIABILITIES

Mark-up / return / interest payable in local currency	841,735	283,901
Unearned commission and income on bills discounted	22,426	25,976
Accrued expenses	15,552	54,707
Brokerage / commission payable	3,315	1,613
Payable against purchase of shares	236,091	362,031
Security deposits against advances	396,680	382,649
Provision for Sindh Worker's Welfare Fund	95,571	94,467
Payable to defined benefit plan - related party	6,342	261
Lease liability against right-of-use assets	92,818	-
Others	43,091	11,261
	<u>1,753,621</u>	<u>1,216,866</u>

20 DEFICIT ON REVALUATION OF ASSETS - NET OF TAX

Deficit on revaluation of:			
- Available-for-sale securities	11.1	(618,799)	(846,358)
Deferred tax on deficit on revaluation of:			
- Available-for-sale securities		173,146	173,146
		<u>(445,653)</u>	<u>(673,212)</u>

21 CONTINGENCIES AND COMMITMENTS

- Guarantees	21.1	602,446	765,541
- Commitments	21.2	34,868,138	7,234,311
- Other contingent liabilities	21.3	-	-
		<u>35,470,584</u>	<u>7,999,852</u>

21.1 Guarantees

Financial guarantees		<u>602,446</u>	<u>765,541</u>
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21.2 Commitments

Documentary credits and short-term trade-related transactions			
- letters of credit		783,850	335,802
Commitments in respect of:			
- repo transactions	21.2.1	14,352,802	5,004,044
- forward lendings	21.2.2	19,731,486	1,894,465
		<u>34,868,138</u>	<u>7,234,311</u>

21.2.1 Commitments in respect of repo transactions

Repurchase of government securities		<u>14,352,802</u>	<u>5,004,044</u>
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21.2.2 Commitments in respect of forward lendings

Forward repurchase agreement lending		17,870,508	-
Undrawn formal standby facilities, credit lines and other commitments to lend		<u>1,860,978</u>	<u>1,894,465</u>

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Company without the risk of incurring significant penalty or expense.

21.3 Other contingent liabilities

21.3.1 In 2009, Burj Bank Limited (formerly Dawood Islamic Bank Limited) filed a legal suit amounting to Rs 200 million for damages against the Company for alleged non-performance of underwriting commitment in respect of issue of shares at a premium. The legal advisors of the Company are of the opinion that the Company has a strong case and that the matter will most likely be decided in favour of the Company.

21.3.2 The returns of income of the Company from tax years 2008 to 2018 had been filed with the tax authorities. From tax year 2008 upto tax year 2017, these returns have been revised and additional tax demands have been raised of which Rs. 559.245 million are outstanding as at June 30, 2019. The matters which have been raised in these demands mainly included allocation of common expenses to dividend income, taxation of discount income, additions on account of concessional loans to employees and deletion of the charge pertaining to the Workers' Welfare Fund. The Company is contesting these demands and appeals have been filed by the Company against the same which are pending adjudication at various legal and appellate forums. The Company has made partial payments against some of these demands which are being shown as refundable from tax authorities. The management is confident that the matters will eventually be decided in favour of the Company and that the Company will be able to adjust amounts in respect of matters decided against the Company (if any) against the tax refunds

21.3.3 In 2018, the Company signed an agreement with Army Welfare Trust (AWT) which included an indemnity in favour of AWT for a period of 3 years from December 14, 2016 against any financial liability which may arise out of any fraudulent act carried out during the tenure of the Company's management of Primus Investment Management Limited (PIML) which was upto April 18, 2017. During the year ended December 31, 2018, the Company had received a notice of demand for indemnification from AWT Investments Limited (AWTIL) under the aforesaid agreement for an amount of Rs. 34.362 million. As per the advice of the legal counsel of the Company, the Company has a strong case in this matter and chances of any successful claim against the Company appear to be unlikely.

		(Un-audited)	
		September 30, 2019	September 30, 2018
		----- Rupees in '000 -----	
22	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	a) Loans and advances	1,438,508	944,283
	b) Investments	1,915,367	606,810
	c) Lendings to financial institutions	153,561	29,619
	d) Sub-lease of premises	1,036	-
	e) Balances with banks	3,987	1,161
		<u>3,512,459</u>	<u>1,581,873</u>
23	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits	108,004	148,720
	Interest expense on lease liability	8,229	-
	Borrowings	2,837,701	895,314
		<u>2,953,934</u>	<u>1,044,034</u>
24	FEE AND COMMISSION INCOME		
	Advisory / arrangement fee	638	3,791
	Processing fee income	400	4,694
	Commitment fee	10,778	1,092
	Commission on letters of credit	-	3,703
	Trustee fee	38,514	34,619
	Front end fee	499	324
		<u>50,829</u>	<u>48,223</u>
25	(LOSS) / GAIN ON SECURITIES		
	Realised	(466,803)	4,878
	Unrealised - held for trading	6,098	(17,860)
		<u>(460,705)</u>	<u>(12,982)</u>
25.1	Realised (loss) / gain on:		
	Federal government securities	63,336	(5,981)
	Ordinary shares	(530,779)	10,804
	Non-government debt securities	640	55
		<u>(466,803)</u>	<u>4,878</u>
26	OTHER INCOME		
	Rent on property	4,925	150
	Gain on sale of fixed assets - net	1,790	27
	Others	1,336	22
		<u>8,051</u>	<u>199</u>

		(Un-audited)	
		September 30, 2019	September 30, 2018
		----- Rupees in '000 -----	
27	OPERATING EXPENSES		
	Total compensation expense	117,559	126,130
	Property expense		
	Rent and taxes	-	22,425
	Insurance	2,846	4,999
	Security	1,214	1,073
	Utilities cost	2,405	3,150
	Repairs and maintenance (including janitorial charges)	3,727	2,637
	Depreciation	880	170
		<u>11,072</u>	<u>34,454</u>
	Information technology expenses		
	Software maintenance	6,508	4,270
	Hardware maintenance	2,214	537
	Depreciation	1,557	1,534
	Amortisation	852	823
		<u>11,131</u>	<u>7,164</u>
	Other operating expenses		
	Directors' fees and allowances	3,516	1,922
	Fees and subscription	1,059	488
	Legal and professional charges	9,062	10,902
	Outsourced services costs	4,915	4,791
	Travelling and conveyance	23,255	23,906
	Brokerage commission	6,939	6,969
	Depreciation	25,614	3,919
	Training and development	420	436
	Postage and courier charges	239	298
	Communication	2,779	1,592
	Stationery and printing	999	543
	Marketing, advertisement and publicity	270	9
	Donations	-	1,540
	Auditors' remuneration	763	3,948
	Others	3,434	3,607
		<u>83,264</u>	<u>64,870</u>
		<u><u>223,026</u></u>	<u><u>232,618</u></u>
28	PROVISION FOR SINDH WORKERS' WELFARE FUND		
	Provision for Sindh Workers' Welfare Fund	<u>1,104</u>	<u>-</u>
29	PROVISIONS AND WRITE OFFS - NET	Note	
	Provision for diminution in value of investments - net	11.2	(97,603) 53,184
	Provisions against loans and advances	12.3	61,029 246,047
			<u>(36,574)</u> <u>299,231</u>
30	TAXATION		
	Current	162,604	116,392
	Prior years	-	31,000
	Deferred	(107,523)	(60,982)
		<u>55,081</u>	<u>86,410</u>
31	BASIC / DILUTED EARNINGS PER SHARE		
	Profit for the period	<u>22,306</u>	<u>111,257</u>
		----- Number of shares -----	
	Weighted average number of ordinary shares	<u>600,000</u>	<u>600,000</u>
		----- Rupees -----	
	Basic / diluted earnings per share	<u>0.04</u>	<u>0.19</u>

32 FAIR VALUE MEASUREMENT

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

32.1 Fair value of financial assets

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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
Fully paid-up ordinary shares	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the stock exchange.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates (Reuters page).
Term finance / sukuk certificates	Investments in listed debt securities (comprising term finance certificates, bonds, sukuk certificates 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 prices announced by the Pakistan Stock Exchange Limited.
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices as at the close of the business day.

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:

Un-audited					
September 30, 2019					
Carrying / notional value	Level 1	Level 2	Level 3	Total	
----- Rupees in '000 -----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal government securities	23,419,702	-	23,419,702	-	23,419,702
Shares	1,463,446	1,463,446	-	-	1,463,446
Non-Government debt securities	2,564,369	-	2,564,369	-	2,564,369
Units of mutual funds	722,359	-	722,359	-	722,359
Off-balance sheet financial instruments - measured at fair value					
Commitments in respect of repo transactions	14,352,802	-	14,352,802	-	14,352,802
Commitments in respect of forward lendings	19,731,486	-	19,731,486	-	19,731,486
Audited					
December 31, 2018					
Carrying / notional value	Level 1	Level 2	Level 3	Total	
----- Rupees in '000 -----					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal government securities	19,491,541	-	19,491,541	-	19,491,541
Shares	1,514,207	1,514,207	-	-	1,514,207
Non-Government debt securities	2,406,173	-	2,406,173	-	2,406,173
Units of mutual funds	677,643	-	677,643	-	677,643
Off-balance sheet financial instruments - measured at fair value					
Commitments in respect of repo transactions	5,004,044	-	5,004,044	-	5,004,044

Unconsolidated profit and loss account for the period ended September 30, 2019 (un-audited)

September 30, 2019				
Corporate finance	Trading and sales	Commercial banking	Total	
----- Rupees in '000 -----				
Net mark-up / return / profit	-	335,059	223,466	558,525
Non mark-up / return / interest income	50,828	(344,410)	-	(293,582)
Total income	<u>50,828</u>	<u>(9,351)</u>	<u>223,466</u>	<u>264,943</u>
Segment direct expenses	3,539	122,737	97,854	224,130
Total expenses	<u>3,539</u>	<u>122,737</u>	<u>97,854</u>	<u>224,130</u>
Provisions	-	(95,174)	58,600	(36,574)
Profit / (loss) before tax	<u>47,289</u>	<u>(36,914)</u>	<u>67,012</u>	<u>77,387</u>

Unconsolidated statement of financial position (un-audited)

September 30, 2019				
Corporate finance	Trading and sales	Commercial banking	Total	
----- Rupees in '000 -----				
Cash and bank balances	-	157,745	105,209	262,954
Investments	-	30,465,641	-	30,465,641
Lending to Financial Institution	-	9,016,220	-	9,016,220
Advances - performing	-	431,342	17,194,094	17,625,436
- non-performing	-	30,461	580,807	611,268
Others	2,411	1,365,947	921,921	2,290,279
Total assets	<u>2,411</u>	<u>41,467,356</u>	<u>18,802,031</u>	<u>60,271,798</u>
Borrowings	-	33,375,009	15,132,818	48,507,827
Deposits and other accounts	-	68,803	31,197	100,000
Others	-	1,206,550	547,071	1,753,621
Total liabilities	<u>-</u>	<u>34,650,362</u>	<u>15,711,086</u>	<u>50,361,448</u>
Equity	2,411	6,816,994	3,090,945	9,910,350
Total equity and liabilities	<u>2,411</u>	<u>41,467,356</u>	<u>18,802,031</u>	<u>60,271,798</u>
Contingencies and commitments	<u>-</u>	<u>32,223,310</u>	<u>3,247,274</u>	<u>35,470,584</u>

Unconsolidated profit and loss account for the period ended September 30, 2018 (un-audited)

September 30, 2018				
Corporate finance	Trading and sales	Commercial banking	Total	
Net mark-up / return / profit	-	329,558	208,281	537,839
Non mark-up / return / interest income	48,223	143,454	-	191,677
Total income	<u>48,223</u>	<u>473,012</u>	<u>208,281</u>	<u>729,516</u>
Segment direct expenses	6,325	145,946	80,347	232,618
Total expenses	<u>6,325</u>	<u>145,946</u>	<u>80,347</u>	<u>232,618</u>
Provisions	-	54,430	244,801	299,231
Profit before tax	<u>41,898</u>	<u>272,636</u>	<u>(116,867)</u>	<u>197,667</u>

	December 31, 2018			
	Corporate finance	Trading and sales	Commercial banking	Total
Unconsolidated statement of financial position (audited)				
Cash and bank balances	-	107,413	100,281	207,694
Investments	-	26,116,936	-	26,116,936
Advances - performing	-	484,405	19,562,487	20,046,892
- non-performing	-	11,304	271,541	282,845
Others	1,301	530,673	1,606,786	2,138,760
Total assets	<u>1,301</u>	<u>27,250,731</u>	<u>21,541,095</u>	<u>48,793,127</u>
Borrowings	-	18,579,125	18,311,248	36,890,373
Deposits and other accounts	-	365,335	360,068	725,403
Others	-	612,851	604,015	1,216,866
Total liabilities	-	<u>19,557,311</u>	<u>19,275,331</u>	<u>38,832,642</u>
Equity	1,301	7,693,420	2,265,764	9,960,485
Total equity and liabilities	<u>1,301</u>	<u>27,250,731</u>	<u>21,541,095</u>	<u>48,793,127</u>
Contingencies and commitments	-	<u>5,004,044</u>	<u>2,995,808</u>	<u>7,999,852</u>

The Company has related party relationship with subsidiary companies (namely Primus Leasing Limited, Awwal Modaraba and Awwal Modaraba Management Limited), employees' defined benefit and defined contribution plan and its key management personnel.

There are no transactions with key management personnel other than those carried out as per their terms of employment. Contributions to approved defined benefit and contribution plans are made in accordance with the actuarial valuations / terms of scheme. Transactions with owners have been disclosed in 'Condensed Interim Unconsolidated Statement of Changes in Equity'. All other transactions between the Company and its related parties are carried out under normal course of business except employee staff loans that are as per terms of employment. The details of transactions with related parties during the period and balances with them as at period end, other than those which have been disclosed elsewhere in these condensed interim unconsolidated financial statements, are as follows:

34.1 Balances with related parties

	Un-audited				Audited			
	September 30, 2019				December 31, 2018			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
----- (Rupees in '000) -----								
Investments								
Opening balance	-	-	2,003,372	-	-	-	2,003,372	-
Investment made during the period / year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-
Transfer to available-for-sale securities on recharacterisation of investment	-	-	-	-	-	-	-	-
Transfer in / (out)	-	-	-	-	-	-	-	-
Classified as held-for-sale	-	-	-	-	-	-	-	-
Closing balance	-	-	2,003,372	-	-	-	2,003,372	-
Advances								
Opening balance	-	75,591	-	-	-	58,252	-	-
Addition during the period / year	-	4,507	-	-	-	29,803	-	-
Repaid during the period / year	-	(26,382)	-	-	-	(12,464)	-	-
Transfer in / (out) - net	-	30,483	-	-	-	-	-	-
Closing balance	-	84,199	-	-	-	75,591	-	-
Other assets								
Interest / mark-up accrued	-	-	2,299	-	-	-	990	-
Others	-	-	109,923	-	-	-	21,608	-
	-	-	112,222	-	-	-	22,598	-
Borrowings								
Opening balance	-	-	583,174	14,346	-	-	-	-
Borrowings during the period / year	-	-	3,391,472	204,788	-	-	1,921,857	428,564
Settled during the period / year	-	-	(3,387,144)	(212,538)	-	-	(1,338,683)	(414,218)
Closing balance	-	-	587,502	6,596	-	-	583,174	14,346
Deposits and other accounts								
Opening balance	-	-	-	-	-	-	-	-
Received during the period / year	-	-	-	-	-	-	1,580,000	-
Withdrawal during the period / year	-	-	-	-	-	-	(1,580,000)	-
Closing balance	-	-	-	-	-	-	-	-
Other Liabilities								
Interest / mark-up payable	-	-	6,820	10	-	-	3,994	114
Other liabilities	-	-	-	6,341	-	-	-	261
	-	-	6,820	6,351	-	-	3,994	375

34.2 Transactions with related parties

Un-audited				Un-audited			
September 30, 2019				September 30, 2018			
Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
----- (Rupees in '000) -----							

Income

Mark-up / return / interest earned

- 2,852 1,309 - - 2,745 - -

Dividend Income

- - 79,905

Expense

Mark-up / return / interest paid

- - 44,460 1,783 - - 25,907 1,738

Operating expenses

3,516 78,587 19,648 - 1,952 62,017 25,999 -

Reimbursement of expenses

- 5,821 - - - 7,129 - -

35 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Un-audited **Audited**
September 30, **December 31,**
2019 **2018**
 ----- 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

	6,871,405	7,316,166
--	-----------	-----------

Eligible Additional Tier 1 (ADT 1) Capital

	-	-
--	---	---

Total Eligible Tier 1 Capital

	6,871,405	7,316,166
--	-----------	-----------

Eligible Tier 2 Capital

	-	-
--	---	---

Total Eligible Capital (Tier 1 + Tier 2)

	6,871,405	7,316,166
--	-----------	-----------

Risk Weighted Assets (RWAs):

Credit Risk

	22,874,499	23,817,108
--	------------	------------

Market Risk

	4,836,986	4,381,901
--	-----------	-----------

Operational Risk

	1,664,869	1,664,869
--	-----------	-----------

Total

	29,376,354	29,863,878
--	------------	------------

Common Equity Tier 1 Capital Adequacy ratio

	23.39%	24.50%
--	--------	--------

Tier 1 Capital Adequacy Ratio

	23.39%	24.50%
--	--------	--------

Total Capital Adequacy Ratio

	23.39%	24.50%
--	--------	--------

Leverage Ratio (LR):

Eligible Tier-1 Capital

	6,871,405	7,316,166
--	-----------	-----------

Total Exposures

	61,222,721	49,144,614
--	------------	------------

Leverage Ratio - percentage

	11.22%	14.89%
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Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

	3,064,687	5,625,751
--	-----------	-----------

Total Net Cash Outflow

	3,970,511	8,561,213
--	-----------	-----------

Liquidity Coverage Ratio - percentage

	77.19%	65.71%
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Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

	24,951,757	19,869,638
--	------------	------------

Total Required Stable Funding

	22,604,430	21,364,065
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Net Stable Funding Ratio - percentage

	110.38%	93.00%
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36 GENERAL

36.1 Figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest thousand Rupees unless otherwise stated.

37 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue on **October 28, 2019** by the Board of Directors of the Company.

President/Chief Executive_____
Chief Financial Officer_____
Director_____
Director_____
Director