



**PAK BRUNEI INVESTMENT COMPANY LTD.**

**FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE PERIOD ENDED MARCH 31, 2021**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2021**

(Audited)		(Audited)	
March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
----- USD in '000 -----		----- Rupees in '000 -----	
<b>ASSETS</b>			
626	1,099	6	95,734
2,511	2,760	7	384,044
46	3,320	8	7,000
177,787	114,305	9	27,192,447
114,046	125,099	10	17,443,309
696	755	11	106,482
21	26	12	3,239
2,399	2,298	13	366,665
8,626	9,723	14	1,319,374
3,540	3,796	15	541,509
310,298	263,181		47,459,803
<b>LIABILITIES</b>			
-	-	16	-
233,385	181,520	17	35,696,188
3,269	5,427		500,000
-	-		-
-	-		-
-	-		-
5,646	6,063	18	863,485
242,300	193,010		37,059,673
67,998	70,171		29,520,838
<b>NET ASSETS</b>			
			10,400,130
			10,732,575
<b>REPRESENTED BY</b>			
39,229	39,229		6,000,000
12,064	11,270		1,845,127
(3,479)	(2,569)	19	(532,093)
20,184	22,241		3,087,096
67,998	70,171		10,400,130
			10,732,575
<b>CONTINGENCIES AND COMMITMENTS</b>			
		20	

The annexed notes 1 to 36 forms an integral part of these financial statements.

\_\_\_\_\_  
**President/Chief Executive**

\_\_\_\_\_  
**Chief Financial Officer**

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**Director**

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**Director**

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**Director**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

<b>Period Ended</b>			<b>Quarter Ended</b>		<b>Period Ended</b>		
<b>March 31, 2021</b>	<b>March 31, 2020</b>		<b>March 31, 2021</b>	<b>March 31, 2020</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>	
<b>----- USD in '000 -----</b>			<b>----- Rupees in '000 -----</b>				
4,379	9,193	Mark-up / return / interest earned	21	669,774	1,406,116	669,774	1,406,116
2,874	7,901	Mark-up / return / interest expensed	22	439,607	1,208,424	439,607	1,208,424
1,505	1,292	Net mark-up / interest income		230,167	197,692	230,167	197,692
		<b>Non mark-up / interest income</b>					
105	116	Fee and commission income	23	16,136	17,667	16,136	17,667
1	61	Dividend income		175	9,398	175	9,398
71	639	(Loss) / gain on securities	24	10,830	97,785	10,830	97,785
-	-	Other income	25	-	12	-	12
177	816	Total non-markup / interest income		27,141	124,862	27,141	124,862
1,682	2,108	Total income		257,308	322,554	257,308	322,554
		<b>Non mark-up / interest expenses</b>					
673	585	Operating expenses	26	102,899	89,525	102,899	89,525
-	22	Sindh Workers' Welfare Fund	27	-	3,341	-	3,341
673	607	Total non mark-up / interest expenses		102,899	92,866	102,899	92,866
1,010	1,501	Profit before provisions		154,409	229,688	154,409	229,688
16	431	Provisions and write offs - net	28	2,510	65,969	2,510	65,969
-	-	Extraordinary / unusual items		-	-	-	-
993	1,070	<b>Profit before taxation</b>		151,899	163,719	151,899	163,719
295	310	Taxation	29	45,171	47,478	45,171	47,478
698	759	<b>Profit after taxation</b>		106,728	116,241	106,728	116,241
<b>----- USD -----</b>				<b>----- Rupees -----</b>			
0.00116	0.00127	<b>Basic and diluted earnings per share</b>	30	0.18	0.19	0.18	0.19

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**Chief Financial Officer**

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**Director**

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**Director**

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**Director**

PAK BRUNEI INVESTMENT COMPANY LIMITED  
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED MARCH 31, 2021

Period Ended			Quarter Ended		Period Ended	
March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
----- USD in '000 -----			----- Rupees in '000 -----			
698	759	Profit after taxation for the year	106,728	116,241	106,728	116,241
<b>Other comprehensive loss</b>						
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>						
(910)	579	Movement in deficit on revaluation of investments - net of tax	(139,173)	88,618	(139,173)	88,618
<i>Items that will not be reclassified to profit and loss account in subsequent periods:</i>						
-	-	Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-
<u>(212)</u>	<u>1,338</u>	<b>Total comprehensive (loss) / income</b>	<u>(32,445)</u>	<u>204,859</u>	<u>(32,445)</u>	<u>204,859</u>

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**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

	Share capital	Reserves		Deficit on revaluation of investments	Unappropriated profit	Total
		Statutory reserve	General reserve			
----- Rupees in '000 -----						
<b>Opening Balance as at January 01, 2020</b>	6,000,000	1,480,107	-	(150,898)	3,220,186	10,549,395
<b>Comprehensive income for the year</b>						
Profit after taxation for the period ended March 31, 2020	-	-	-	-	116,241	116,241
<b>Other comprehensive loss</b>						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-
- Movement in deficit on revaluation of investments - net of tax	-	-	-	88,618	-	88,618
	-	-	-	88,618	116,241	204,859
Transfer to statutory reserve	-	23,248	-	-	(23,248)	-
<b>Opening Balance as at April 01, 2020</b>	<u>6,000,000</u>	<u>1,503,355</u>	<u>-</u>	<u>(62,280)</u>	<u>3,313,179</u>	<u>10,754,254</u>
<b>Comprehensive income for the year</b>						
Profit after taxation (December 31, 2020)	-	-	-	-	602,132	602,132
<b>Other comprehensive loss</b>						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	6,829	6,829
- Movement in deficit on revaluation of investments - net of tax	-	-	-	(330,640)	-	(330,640)
	-	-	-	(330,640)	608,961	278,321
Transfer to statutory reserve	-	120,426	-	-	(120,426)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
<b>Transactions with owners, recorded directly in equity</b>						
Final cash dividend paid for the year ended December 31, 2019 @ Re. 0.50 per share	-	-	-	-	(300,000)	(300,000)
<b>Opening Balance as at January 01, 2021</b>	<u>6,000,000</u>	<u>1,623,782</u>	<u>100,000</u>	<u>(392,920)</u>	<u>3,401,713</u>	<u>10,732,575</u>
<b>Comprehensive income for the year</b>						
Profit after taxation for the period ended March 31, 2021	-	-	-	-	106,728	106,728
<b>Other comprehensive loss</b>						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-
- Movement in deficit on revaluation of investments - net of tax	-	-	-	(139,173)	-	(139,173)
	-	-	-	(139,173)	106,728	(32,445)
Transfer to statutory reserve	-	21,346	-	-	(21,346)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
<b>Transactions with owners, recorded directly in equity</b>						
Final cash dividend paid for the year ended December 31, 2020 @ Re. 0.50 per share	-	-	-	-	(300,000)	(300,000)
<b>Closing Balance as at March 31, 2021</b>	<u><u>6,000,000</u></u>	<u><u>1,645,127</u></u>	<u><u>200,000</u></u>	<u><u>(532,093)</u></u>	<u><u>3,087,096</u></u>	<u><u>10,400,130</u></u>

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**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020
----- USD in '000 -----			----- Rupees in '000 -----	
		<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
993	1,070	Profit before taxation	151,899	163,719
1	61	Less: Dividend income	175	9,398
<u>992</u>	<u>1,009</u>		<u>151,724</u>	<u>154,321</u>
		<b>Adjustments:</b>		
73	78	Depreciation	11,128	11,937
4	2	Amortisation	680	295
-	22	Provision for Sindh Workers' Welfare Fund	-	3,341
16	431	Provision and write-offs	2,510	65,969
-	-	Gain on sale of fixed assets	-	(12)
10	-	Unrealized loss/(gain) on revaluation of investments classified as held for trading - net	1,482	-
<u>103</u>	<u>533</u>		<u>15,800</u>	<u>81,530</u>
<u>1,095</u>	<u>1,542</u>		<u>167,524</u>	<u>235,851</u>
		<b>(Increase) / decrease in operating assets</b>		
3,274	1,830	Lendings to financial institutions	500,800	279,919
(13)	-	Held-for-trading securities	(2,042)	-
10,996	10,928	Advances	1,681,863	1,671,383
1,479	2,627	Others assets (excluding advance taxation)	226,163	401,768
<u>15,736</u>	<u>15,385</u>		<u>2,406,784</u>	<u>2,353,070</u>
		<b>Increase/ (decrease) in operating liabilities</b>		
51,865	(71,718)	Borrowings from financial institutions	7,932,776	(10,969,298)
(2,158)	(785)	Deposits	(330,000)	(120,000)
(416)	(1,348)	Other liabilities (excluding current taxation)	(63,592)	(206,183)
49,291	(73,851)		7,539,184	(11,295,481)
(522)	(1,519)	Income tax paid	(79,879)	(232,331)
<u>65,600</u>	<u>(58,443)</u>	Net cash flow generated from / (used in) operating activities	<u>10,033,613</u>	<u>(8,938,891)</u>
		<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(64,630)	60,576	Net investments in available-for-sale securities	(9,884,649)	9,265,079
279	32	Net investments in held-to-maturity securities	42,742	4,908
-	56	Dividends received	-	8,562
(14)	(10)	Investments in operating fixed assets	(2,139)	(1,471)
-	(5)	Investments in operating intangible assets	-	(841)
-	-	Proceeds from sale of fixed assets	-	12
<u>(64,365)</u>	<u>60,649</u>	Net cash flow (used in) / generated from investing activities	<u>(9,844,046)</u>	<u>9,276,249</u>
		<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(1,961)	-	Dividend paid	(300,000)	-
<u>(1,961)</u>	<u>-</u>	Net cash flow used in financing activities	<u>(300,000)</u>	<u>-</u>
(726)	2,206	<b>Decrease in cash and cash equivalents</b>	(110,433)	337,358
3,859	1,919	Cash and cash equivalents at beginning of the year	590,211	293,480
<u>3,133</u>	<u>4,125</u>	<b>Cash and cash equivalents at end of the year</b>	<u>479,778</u>	<u>630,838</u>

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Chief Financial Officer

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Director

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Director

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**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED MARCH 31, 2021**

**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 (now repealed) Companies Ordinance, 1984. 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 (March 31, 2020: 2) one located in Karachi and the other in Lahore.

**2 BASIS OF PRESENTATION**

**2.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the 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 IFRS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No.5 dated March 22, 2019 and IAS 34. These condensed interim financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2020

**2.2 US dollar equivalent**

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. For the purpose of conversion to US Dollars, the rate of Rs. 152.95 to US Dollars has been used as it was the prevalent rate as on March 31, 2021.

**2.3 Standards and amendments to existing accounting and reporting standards that are not yet effective**

As per the SBP's BPRD Circular Letter no. 4 dated October 23, 2019, the applicability of IFRS 9 to banks/DFIs in Pakistan was deferred to accounting periods beginning on or after January 1, 2021 and detailed guidelines are awaited regarding the same

**3 SIGNIFICANT ACCOUNTING POLICIES**

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

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim unconsolidated financial information is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2020.

#### 5 FINANCIAL RISK MANAGEMENT

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

6 CASH AND BALANCES WITH TREASURY BANKS	Note	(Audited)	
		March 31, 2021	December 31, 2020
		----- Rupees in '000 -----	

With State Bank of Pakistan in:			
Local currency current account	6.1	<u>95,734</u>	<u>168,090</u>

6.1 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.

7 BALANCES WITH OTHER BANKS	Note	(Audited)	
		March 31, 2021	December 31, 2020
		----- Rupees in '000 -----	

In Pakistan			
In deposit accounts	7.1	<u>384,044</u>	<u>422,121</u>

7.1 These carry mark-up at rate of 5.50% per annum (2020: 9.54% to 11.25% per annum).

8 LENDINGS TO FINANCIAL INSTITUTIONS	Note	(Audited)	
		March 31, 2021	December 31, 2020
		----- Rupees in '000 -----	

Repurchase agreement lendings (reverse repo)	8.1	7,000	507,800
Term deposit receipts (TDRs)		-	-
		<u>7,000</u>	<u>507,800</u>

8.1 These carried mark-up at rate of 7.25% (2020: 10.50% to 12.70%) and will mature within 1 month (2020: 1 month).

8.2 Particulars of lending	(Audited)	
	March 31, 2021	December 31, 2020
		----- Rupees in '000 -----

In local currency	7,000	507,800
In foreign currencies	-	-
	<u>7,000</u>	<u>507,800</u>

#### 8.3 Securities held as collateral against lendings to financial institutions

	(Audited)			(Audited)		
	March 31, 2021			December 31, 2020		
	Held by Company	Further given as collateral	Total	Held by Company	Further given as collateral	Total
----- Rupees in '000 -----						
Market Treasury Bills	-	-	-	-	-	-
Pakistan Investment Bonds	7,000	(7,000)	-	507,800	(507,800)	-
<b>Total</b>	<u>7,000</u>	<u>(7,000)</u>	<u>-</u>	<u>507,800</u>	<u>(507,800)</u>	<u>-</u>



**9 INVESTMENTS**

**9.1 Investments by type:**

	March 31, 2021				December 31, 2020			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----								
<b>Held-for-trading securities</b>								
Ordinary shares	2,108	-	(66)	2,042	-	-	-	-
	2,108	-	(66)	2,042	-	-	-	-
<b>Available-for-sale securities</b>								
Federal government securities	22,157,255	-	(705,783)	21,451,472	12,434,784	-	(553,286)	11,881,498
Ordinary shares	1,254,046	(71,571)	18,838	1,201,313	809,168	(77,837)	(3,252)	728,079
Non-government debt securities	2,745,849	(269,172)	750	2,477,427	2,851,129	(269,110)	12,563	2,594,582
Units of mutual funds	25,000	-	3,217	28,217	240,020	-	(7,344)	232,676
Modaraba certificates	36,118	-	(7,514)	28,604	-	-	-	-
	26,218,268	(340,743)	(690,492)	25,187,033	16,335,101	(346,947)	(551,319)	15,436,835
<b>Held-to-maturity securities</b>								
Commercial paper	-	-	-	-	42,742	-	-	42,742
	-	-	-	-	42,742	-	-	42,742
<b>Subsidiaries</b>	2,003,372	-	-	2,003,372	2,003,372	-	-	2,003,372
<b>Total investments</b>	<b>28,223,748</b>	<b>(340,743)</b>	<b>(690,558)</b>	<b>27,192,447</b>	<b>18,381,215</b>	<b>(346,947)</b>	<b>(551,319)</b>	<b>17,482,949</b>

**9.1.1 Investments given as collateral**

	March 31, 2021			December 31, 2020		
	Cost / amortised	Surplus / (deficit)	Carrying value	Cost / amortised cost	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----						
Market Treasury Bills	3,857,419	3,157	3,860,576	1,193,232	932	1,194,164
Pakistan Investment Bonds	14,803,017	(560,578)	14,242,439	8,706,074	(39,944)	8,666,130
Term finance / sukuks certificates	741,500	-	741,500	739,824	-	739,824
	19,401,936	(557,421)	18,844,515	10,639,130	(39,012)	10,600,118

**9.2 Provision for diminution in value of investments**

	(Audited)	
	March 31, 2021	December 31, 2020
----- Rupees in '000 -----		
Opening balance	346,947	342,385
Charge / reversals		
Charge for the year	296	94,842
Reversal on disposals	(6,500)	(90,280)
	(6,204)	4,562
Closing balance	340,743	346,947

**Particulars of provision against debt securities**

Category of classification	Audited			
	March 31, 2021		December 31, 2020	
	Non-performing investments	Provision	Non-performing investments	Provision
----- (Rupees in '000) -----				
<b>Domestic</b>				
Loss	269,172	269,172	269,110	269,110

**10 ADVANCES**

Note	Performing		Non-performing		Total	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	----- Rupees in '000 -----					
Loans, cash credits, running finances, etc.	16,894,142	18,573,440	981,323	983,888	17,875,465	19,557,328
Advances - gross	16,894,142	18,573,440	981,323	983,888	17,875,465	19,557,328
Provision against advances						
- Specific	-	-	432,156	423,442	432,156	423,442
- General	-	-	-	-	-	-
	-	-	432,156	423,442	432,156	423,442
Advances - net of provision	16,894,142	18,573,440	549,167	560,446	17,443,309	19,133,886

**(Audited)**  
**March 31, 2021**    **December 31, 2020**  
----- Rupees in '000 -----

**10.1 Particulars of advances (gross)**

In local currency	17,875,465	19,557,328
In foreign currencies	-	-
	<u>17,875,465</u>	<u>19,557,328</u>

**10.2** Advances include Rs. 981.323 million (2019: Rs. 983.888 million) which have been placed under the non-performing status as detailed below:

Category of classification	Note	(Audited)			
		March 31, 2021		December 31, 2020	
		Non Performing Loans	Provision	Non Performing Loans	Provision
		----- Rupees in '000 -----			
<b>Domestic</b>					
Other Assets Especially Mentioned	10.2.1	2,279	228	285	28
Substandard		414,307	592	415,489	888
Doubtful		5,448	2,724	11,832	5,916
Loss		559,289	428,612	556,282	416,610
Total		<u>981,323</u>	<u>432,156</u>	<u>983,888</u>	<u>423,442</u>

**10.2.1** The 'Other Assets Especially Mentioned' category pertains to small enterprise finance.

**10.3 Particulars of provision against advances**

	March 31, 2021			December 31, 2020		
	Specific	General	Total	Specific	General	Total
	----- Rupees in '000 -----					
Opening balance	423,442	-	423,442	394,034	-	394,034
Charge for the year	12,082	-	12,082	54,768	-	54,768
Reversals	(3,368)	-	(3,368)	(25,360)	-	(25,360)
	8,714	-	8,714	29,408	-	29,408
Amounts written off	-	-	-	-	-	-
Closing balance	<u>432,156</u>	<u>-</u>	<u>432,156</u>	<u>423,442</u>	<u>-</u>	<u>423,442</u>

**10.3.1** 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. 542.615 million (December 31, 2020: Rs. 242.656 million). The FSV benefit availed - net of tax is not available for the distribution as either cash or stock dividend to the shareholders.

		(Audited)	
	Note	March 31, 2021	December 31, 2020
----- Rupees in '000 -----			
<b>11</b>	<b>FIXED ASSETS</b>		
	Property and equipment	23,920	24,491
	Right-of-use of asset	82,562	90,980
		<u>106,482</u>	<u>115,471</u>
<b>12</b>	<b>INTANGIBLE ASSETS</b>		
	Computer Software	901	1,580
	Capital work-in-progress	2,338	2,338
		<u>3,239</u>	<u>3,918</u>
<b>12.1</b>	<b>Capital work-in-progress</b>		
	Software	<u>2,338</u>	<u>2,338</u>
<b>13</b>	<b>DEFERRED TAX ASSETS</b>		
	Deductible temporary differences on		
	- Post retirement employee benefits	-	-
	- Provision for diminution in the value of investments	91,157	91,157
	- Provision against advances, other assets, etc.	122,798	122,798
	- Deficit on revaluation of investments	173,589	158,399
	- Lease liability against right-of-use asset	21,945	21,945
	- Carry forward of alternate corporate tax		
	- Capital loss on investments		
	- Accelerated tax depreciation	4,552	4,552
	- Provision for bonus	11,600	11,600
		425,641	410,451
	Taxable temporary differences on		
	- Net investment in finance lease	(20,189)	(20,189)
	- Post retirement employee benefits	(2,541)	(2,541)
	- Right-of-use assets	(26,384)	(26,384)
	- Amortization of discount on investments	(9,862)	(9,862)
		(58,976)	(58,976)
		<u>366,665</u>	<u>351,475</u>
<b>14</b>	<b>OTHER ASSETS</b>		
	Income/ mark-up accrued in local currency	556,033	593,580
	Advances, deposits, advance rent and other prepayments	9,704	8,494
	Advance taxation (payments less provisions)	673,202	653,684
	Advance against subscription of TFC		150,000
	Receivable against sale of shares	71,977	65,406
	Receivable from related parties	880	3,613
	Lease receivable under IFRS-16	1,168	2,092
	Dividend receivable	175	-
	Receivable from defined benefit plan	6,235	10,238
		<u>1,319,374</u>	<u>1,487,107</u>
	Less: Provision held against other assets	-	-
		<u>1,319,374</u>	<u>1,487,107</u>
<b>14.1</b>	<b>Receivable from related parties</b>		
	Receivable from Awwal Modaraba (subsidiary)	-	1,024
	Receivable from Primus Leasing Company Limited (subsidiary)	368	2,589
	Receivable from KASB Modarabas	512	-
		<u>880</u>	<u>3,613</u>
<b>15</b>	<b>NON-CURRENT ASSETS CLASSIFIED AS HELD-FOR-SALE</b>		
	Non-current assets classified as held-for-sale	<u>541,509</u>	<u>580,596</u>

This relates to land, building and machinery which have been classified as 'Non-current assets held for sale' as at March 31, 2021. The Company has entered into an agreement with a buyer to dispose of these properties. It is expected that the process of sale of these properties will be completed in the near future.

16 BORROWINGS		(Audited)	
		March 31, 2021	December 31, 2020
---- Rupees in '000 ----			
<b>Secured</b>			
Borrowings from State Bank of Pakistan			
- Long-Term Finance Facility (LTFF) scheme	16.1	5,347,185	5,249,794
- Power Plants Using Renewable Energy (PPRE) scheme		93,227	104,562
- Temporary Economic Refinance Facility (TERF)		207,384	156,759
- Finance for Storage of Agriculture Produce (FSAP) scheme		213,492	213,492
- Finance under Credit Guarantee		39,109	20,999
- Special Persons (SP) Scheme		2,300	2,425
- COVID 19 scheme		9,500	-
- Balancing, Modernization & Replacement (BMR) Scheme		46,776	20,602
		5,958,973	5,768,633
Repurchase agreement borrowings	16.2	18,028,069	7,391,858
Borrowings from banks	16.3	6,349,878	12,162,316
<b>Total secured</b>		<u>30,336,920</u>	<u>25,322,807</u>
<b>Unsecured</b>			
Letters of placement:			
- Primus Leasing Limited (subsidiary)	16.4	35,192	132,982
- Awwal Modaraba (subsidiary)	16.5	200,000	200,000
- Staff retirement funds (related party)	16.6	66,015	72,722
- Others	16.6	5,058,061	2,034,901
		<u>35,696,188</u>	<u>27,763,412</u>

16.1 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 0.00% to 6.00% per annum (2020: 2.00% to 6.00% per annum). These are secured against demand promissory notes and are repayable within 9 years (2020: 9 years).

16.2 These represent borrowings from various financial institutions at mark-up rates ranging from 7.05% to 7.90% per annum (2020: 11.20% to 11.25% per annum). Market Treasury Bills and Pakistan Investment Bonds having a face value of Rs. 3,980 million (2020: Rs. 2,500 million) and Rs. 14,580 million (2020: Rs. 4,000 million) respectively have been given as collateral against these borrowings.

16.3 These carry mark-up at rates ranging from 7.50% to 8.13% per annum (2020: 11.41% to 14.08% per annum) and are repayable within 3 year (2020: 3 years). These are secured against hypothecation of receivables and floating charge over term finance certificates and Market Treasury Bills .

16.4 These carry mark-up at the rate of 7.00% per annum (2020: 11.00% per annum) and are repayable within 1 months (2020: 3 months).

16.5 These carry mark-up at the rate of 6.50% per annum (2020: 11.00% per annum) and are repayable within 7 months (2020: 1 year).

16.6 These carry mark-up at rates ranging from 6.50% to 14.00% per annum (2020: 12.40% to 14.00% per annum) and are repayable within 2 years (2020: 2 years).

## 17 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2021			December 31, 2020		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- Rupees in '000 -----					
<b>Customers</b>						
- Certificate of investments (COIs)	500,000	-	500,000	830,000	-	830,000
<b>Financial Institutions</b>						
- Certificate of investments (COIs)	-	-	-	-	-	-
	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>830,000</u>	<u>-</u>	<u>830,000</u>

18 OTHER LIABILITIES		(Audited)	
		March 31, 2021	December 31, 2020
---- Rupees in '000 ----			
Mark-up / return / interest payable in local currency		193,111	164,436
Unearned commission and income on bills discounted		28,241	30,085
Accrued expenses		31,424	61,150
Brokerage / commission payable		2,774	1,401
Payable against purchase of shares		75,876	100,456
Lease liability against right-of-use assets		77,054	111,119
Security deposits against advances		263,644	253,450
Provision for Sindh Worker's Welfare Fund		122,662	122,662
Advance from customers		56,039	63,596
Payable to defined benefit plan - related party		-	10,706
Payable to subsidiary		6,203	-
Others		6,457	8,365
		<u>863,485</u>	<u>927,426</u>

	Note	March 31, 2021	(Audited) December 2020
----- Rupees in '000 -----			
<b>19 DEFICIT ON REVALUATION OF ASSETS</b>			
Deficit on revaluation of			
- Available-for-sale securities	9.1	(690,492)	(551,319)
Deferred tax on deficit on revaluation of:			
- Available-for-sale securities		158,399	158,399
		<u>(532,093)</u>	<u>(392,920)</u>
<b>20 CONTINGENCIES AND COMMITMENTS</b>			
- Guarantees	20.1	655,364	980,103
- Commitments	20.2	22,867,513	11,244,892
- Other contingent liabilities	20.3	-	-
		<u>23,522,877</u>	<u>12,224,995</u>
<b>20.1 Guarantees</b>			
Financial guarantees		<u>655,364</u>	<u>980,103</u>
<b>20.2 Commitments</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		760,605	323,157
Commitments in respect of:			
- government securities	20.2.1	-	-
- repo transactions	20.2.2	18,130,037	7,908,009
- forward lendings	20.2.3	3,976,871	2,263,726
Other commitments		-	750,000
		<u>22,867,513</u>	<u>11,244,892</u>
<b>20.2.1 Commitments in respect of government securities</b>			
Sale		-	-
<b>20.2.2 Commitments in respect of repo transactions</b>			
Repurchase of government securities		18,130,037	7,399,831
Reverse repurchase of government securities		-	508,178
		<u>18,130,037</u>	<u>7,908,009</u>
<b>20.2.3 Commitments in respect of forward lendings</b>			
Forward repurchase agreement lending		27,608	-
Undrawn formal standby facilities, credit lines and other commitments to lend		3,949,263	2,263,726
		<u>3,976,871</u>	<u>2,263,726</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.

### 20.3 Other contingent liabilities

**20.3.1** 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.

**20.3.2** The returns of income of the Company from tax years 2008 to 2020 had been filed with the tax authorities. From tax year 2008 upto tax year 2019, these returns have been revised and additional tax demands have been raised of which Rs. 649.390 million are outstanding as at March 31, 2021. 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 (note 14). 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 currently being claimed by it.

**20.3.3** 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). The Company has received a notice of demand for indemnification from AWT Investments Limited (AWTIL) under the aforesaid agreement for an amount of Rs. 34.362 million. The Company has also received a notice of demand for indemnification from AWT on December 13, 2019. The Company, through its legal counsel has responded to the said notice on January 28, 2020. As per advice of the legal counsel, the Company has a strong case in this matter and chances of any successful claim against the Company appear to be unlikely.

	Note	March 31, 2021	March 31, 2020
----- Rupees in '000 -----			
<b>21</b>	<b>MARK-UP / RETURN / INTEREST EARNED</b>		
	On:		
	a) Loans and advances	299,988	491,998
	b) Investments	357,863	852,002
	c) Lendings to financial institutions	10,753	59,359
	d) Balances with banks	1,170	2,757
		<u>669,774</u>	<u>1,406,116</u>
<b>22</b>	<b>MARK-UP / RETURN / INTEREST EXPENSED</b>		
	Deposits	12,234	17,707
	Borrowings	427,373	1,190,717
		<u>439,607</u>	<u>1,208,424</u>
<b>23</b>	<b>FEE AND COMMISSION INCOME</b>		
	Advisory / arrangement fee	-	-
	Processing fee income	512	488
	Commitment fee	1,653	2,770
	Commission on letters of credit	-	-
	Trustee fee	13,945	14,293
	Front end fee	26	116
		<u>16,136</u>	<u>17,667</u>
<b>24</b>	<b>(LOSS) / GAIN ON SECURITIES</b>		
	Realised	9,348	97,785
	Unrealised - held for trading	1,482	-
		<u>10,830</u>	<u>97,785</u>
<b>24.1</b>	Realised (loss) / gain on:		
	Federal government securities	3,571	82,204
	Shares	1,353	15,770
	Mutual funds	4,307	(189)
	Immovable property	111	-
	Non-government debt securities	6	-
		<u>9,348</u>	<u>97,785</u>

	March 31, 2021	March 31, 2020
	----- Rupees in '000 -----	
<b>25 OTHER INCOME</b>		
Rent on property	-	-
Gain on sale of fixed assets - net	-	12
Others	-	-
	<u>-</u>	<u>12</u>
<b>26 OPERATING EXPENSES</b>		
<b>Total compensation expense</b>	62,554	50,311
<b>Property expense</b>		
Rent and taxes	-	-
Insurance	1,310	774
Security	421	421
Utilities cost	660	1,349
Repairs and maintenance (including janitorial charges)	1,370	1,394
Depreciation	8,629	9,378
	12,390	13,316
<b>Information technology expenses</b>		
Software maintenance	191	1,052
Hardware maintenance	219	212
Depreciation	796	717
Amortisation	680	295
	1,886	2,276
<b>Other operating expenses</b>		
Directors' fees and allowances	1,200	1,800
Fees and subscription	952	597
Legal and professional charges	4,546	1,694
Outsourced services costs	1,377	1,481
Travelling and conveyance	10,052	7,590
Brokerage commission	3,736	5,279
Depreciation	1,703	1,842
Training and development	125	473
Postage and courier charges	157	246
Communication	464	594
Stationery and printing	230	273
Marketing, advertisement and publicity	20	207
Auditors' remuneration	619	74
Others	888	1,472
	26,069	23,622
	<u>102,899</u>	<u>89,525</u>

	Note	March 31, 2021	March 31, 2020
		----- Rupees in '000 -----	
<b>27 PROVISION FOR SINDH WORKERS' WELFARE FUND</b>			
Provision for Sindh Workers' Welfare Fund	27.1	-	3,341
<b>27.1</b>	As a consequence of the 18th amendment to the Constitution of Pakistan, the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh in May 2015 as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. Accordingly, as a matter of abundant caution, the management has maintained a provision for SWWF in the unconsolidated financial statements amounting to Rs 122.662 million.		
	Note	March 31, 2021	March 31, 2020
		----- Rupees in '000 -----	
<b>28 PROVISIONS AND WRITE OFFS - NET</b>			
Provision for diminution in value of investments - net	9.2	(6,204)	58,541
Provisions against loans and advances	10.3	8,714	7,428
Other provisions / write offs		-	-
		<u>2,510</u>	<u>65,969</u>
<b>29 TAXATION</b>			
Current		60,361	81,440
Prior years		-	-
Deferred		<u>(15,190)</u>	<u>(33,962)</u>
		<u>45,171</u>	<u>47,478</u>
		March 31, 2021	March 31, 2020
		----- Rupees -----	
<b>30 BASIC EARNINGS PER SHARE</b>			
Profit for the year		<u>106,728</u>	<u>116,241</u>
Weighted average number of ordinary shares		<u>600,000</u>	<u>600,000</u>
Basic earnings per share		<u>0.18</u>	<u>0.19</u>
<b>30.1 Diluted earnings per share</b>			

Diluted earnings per share has not been presented separately as the Company does not have any convertible instruments in issue.



### 31 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.

#### 31.1 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:

	March 31, 2021			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal government securities	-	21,451,472	-	21,451,472
Shares	1,201,313	-	-	1,201,313
Non-Government debt securities	-	2,477,427	-	2,477,427
Modaraba certificates	28,604	-	-	28,604
Units of mutual funds	28,217	-	-	28,217
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Commitments in respect of repo transactions	-	18,130,037	-	18,130,037
<b>Audited</b>				
<b>December 31, 2020</b>				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal government securities	-	11,881,498	-	11,881,498
Shares	728,079	-	-	728,079
Non-Government debt securities	-	2,594,582	-	2,594,582
Units of mutual funds	-	232,676	-	232,676
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Commitments in respect of repo transactions	-	7,399,831	-	7,399,831

	March 31, 2021			
	Corporate finance	Trading and sales	Commercial banking	Total
<b>Profit and Loss Account</b>				
Net mark-up / return / profit	-	130,112	100,055	230,167
Non mark-up / return / interest income	16,136	11,005	-	27,141
Total income	16,136	141,117	100,055	257,308
Segment direct expenses	6,453	56,434	40,012	102,899
Total expenses	6,453	56,434	40,012	102,899
Provisions	-	2,918	(408)	2,510
Profit before tax	9,683	81,765	60,451	151,899
<b>Statement of Financial Position</b>				
Cash and bank balances	30,087	263,128	186,563	479,778
Lendings to financial institutions	-	7,000	-	7,000
Investments	-	27,192,447	-	27,192,447
Advances - performing	-	683,529	16,210,613	16,894,142
- non-performing	-	4,379	544,788	549,167
Others	6,881	1,356,305	974,083	2,337,269
<b>Total assets</b>	<b>36,968</b>	<b>29,506,788</b>	<b>17,916,047</b>	<b>47,459,803</b>
Borrowings	-	20,886,958	14,809,230	35,696,188
Deposits and other accounts	-	292,566	207,434	500,000
Others	-	497,974	365,511	863,485
<b>Total liabilities</b>	<b>-</b>	<b>21,677,498</b>	<b>15,382,175</b>	<b>37,059,673</b>
Equity	36,968	7,829,290	2,533,872	10,400,130
<b>Total equity and liabilities</b>	<b>36,968</b>	<b>29,506,788</b>	<b>17,916,047</b>	<b>47,459,803</b>
<b>Contingencies and commitments</b>	<b>-</b>	<b>22,867,513</b>	<b>655,364</b>	<b>23,522,877</b>
<b>March 31, 2020</b>				
	Corporate finance	Trading and sales	Commercial banking	Total
<b>Profit and Loss Account</b>				
Net mark-up / return / profit	-	142,457	55,234	197,691
Non mark-up / return / interest income	17,668	107,195	-	124,863
Total income	17,668	249,652	55,234	322,554
Segment direct expenses	5,087	71,877	15,902	92,866
Total expenses	5,087	71,877	15,902	92,866
Provisions	-	66,111	(142)	65,969
Profit before tax	12,581	111,664	39,474	163,719
<b>Statement of Financial Position</b>				
Cash and bank balances	34,554	488,260	108,024	630,838
Investments	-	4,220,081	-	4,220,081
Lendings to financial institutions	-	22,335,067	-	22,335,067
Advances - performing	-	347,302	16,515,948	16,863,250
- non-performing	-	38,670	190,639	229,309
Others	1,828	1,771,702	391,977	2,165,507
<b>Total assets</b>	<b>36,382</b>	<b>29,201,082</b>	<b>17,206,588</b>	<b>46,444,052</b>
Borrowings	-	27,990,082	6,192,620	34,182,702
Deposits and other accounts	-	409,419	90,581	500,000
Others	-	1,022,826	226,293	1,249,119
<b>Total liabilities</b>	<b>-</b>	<b>29,422,327</b>	<b>6,509,494</b>	<b>35,931,821</b>
Equity	36,382	(221,245)	10,697,094	10,512,231
<b>Total equity and liabilities</b>	<b>36,382</b>	<b>29,201,082</b>	<b>17,206,588</b>	<b>46,444,052</b>
<b>Contingencies and commitments</b>	<b>-</b>	<b>11,372,940</b>	<b>3,268,825</b>	<b>14,641,765</b>
<b>December 31, 2020</b>				
	Corporate finance	Trading and sales	Commercial banking	Total

### 33 RELATED PARTY TRANSACTIONS

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 '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 year and balances with them as at year end, other than those which have been disclosed elsewhere in these unconsolidated financial statements, are as follows:

	March 31, 2021				December 31, 2020			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
(Rupees in '000)								
<b>Investments</b>								
Opening balance	-	-	2,003,372	-	-	-	2,003,372	-
Investment made during the year	-	-	-	36,118	-	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	-	-	-	-
Transfer to available-for-sale securities on recharacterisation of investment	-	-	-	-	-	-	-	-
Transfer in / (out)	-	-	-	-	-	-	-	-
Classified as held-for-sale	-	-	-	-	-	-	-	-
Closing balance	-	-	2,003,372	36,118	-	-	2,003,372	-
<b>Advances</b>								
Opening balance	-	94,365	40,792	-	-	81,077	17,320	-
Addition during the year	-	7,903	7,193	150,000	-	4,345	30,776	-
Repaid during the year	-	(14,717)	(496)	-	-	(18,300)	(7,304)	-
Transfer in / (out) - net	-	3,073	-	-	-	27,243	-	-
Closing balance	-	90,624	47,489	150,000	-	94,365	40,792	-
<b>Lending to financial institutions</b>								
Opening balance	-	-	-	-	-	-	-	-
Addition during the year	-	-	-	7,800	-	-	2,092	-
Repaid during the year	-	-	-	(800)	-	-	-	10,238
Closing balance	-	-	-	7,000	-	-	2,589	-
	-	-	-	7,000	-	-	4,681	10,238
<b>Other assets</b>								
Interest / mark-up accrued	-	-	956	-	-	-	-	-
Lease receivable under IFRS-16	-	-	1,168	-	-	-	2,092	-
Receivable from defined benefit plan	-	-	-	8,806	-	-	-	10,238
Others	-	-	3,087	-	-	-	2,589	-
	-	-	5,211	8,806	-	-	4,681	10,238
<b>Borrowings</b>								
Opening balance	-	-	332,982	72,722	-	-	460,000	66,014
Borrowings during the year	-	-	187,939	29,208	-	-	1,430,428	68,893
Settled during the year	-	-	(285,729)	(35,916)	-	-	(1,557,446)	(62,185)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	235,192	66,014	-	-	332,982	72,722
<b>Other Liabilities</b>								
Interest / mark-up payable	-	-	9,398	3,886	-	-	6,035	1,209
Other liabilities	-	-	-	2,500	-	-	10,706	-
	-	-	9,398	6,386	-	-	16,741	1,209
(Rupees in '000)								
	March 31, 2021				March 31, 2019			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
<b>Income</b>								
Mark-up / return / interest earned	-	835	3,158	-	-	964	638	-
Dividend income	-	-	-	-	-	-	-	-
Net gain on sale of securities	-	-	-	-	-	-	-	-
Gain on sale of intangibles	-	-	-	-	-	-	-	-
<b>Expense</b>								
Mark-up / return / interest paid	-	-	4,950	2,278	-	-	10,514	-
Operating expenses	1,200	52,904	-	-	1,200	38,973	-	-
Reimbursement of expenses	-	2,021	-	-	-	2,376	-	-
Expenses charged	32.1	-	8,174	-	-	-	6,752	-

33.1 These denote administrative expenses charged by the Company under the cost sharing agreement entered into between the Company and its subsidiaries (namely Primus Leasing Limited, Awwal Modaraba Management Limited and Awwal Modaraba).

34 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	March 31, 2021	(Audited) December 31, 2020
	----- Rupees in '000 -----	
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	6,000,000	6,000,000
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	8,187,401	7,811,318
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,187,401	7,811,318
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	8,187,401	7,811,318
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	21,810,480	20,567,982
Market Risk	7,729,355	4,051,529
Operational Risk	1,883,003	1,756,822
Total	31,422,838	26,376,333
Common Equity Tier 1 Capital Adequacy ratio	26.06%	29.61%
Tier 1 Capital Adequacy Ratio	26.06%	29.61%
Total Capital Adequacy Ratio	26.06%	29.61%
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	8,187,401	7,811,318
Total Exposures	50,556,907	47,310,096
Leverage Ratio - percentage	16.19%	16.51%
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	6,180,041	10,233,661
Total Net Cash Outflow	7,059,744	8,308,901
Liquidity Coverage Ratio - percentage	87.54%	123.17%
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	19,885,042	22,518,062
Total Required Stable Funding	19,062,795	19,652,787
Net Stable Funding Ratio - percentage	104.31%	114.58%

**35 GENERAL**

- 35.1** Figures in these unconsolidated financial statements have been rounded off to the nearest thousand Rupees unless otherwise stated.
- 35.2** Comparative information has been re-classified, re-arranged or additionally incorporated in these unconsolidated financial statements, wherever necessary, to facilitate comparison and better presentation.

**36 DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated financial statements were authorised for issue on April 26, 2021 by the Board of Directors of the Company.

\_\_\_\_\_  
President/Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director