SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION [UN-AUDITED]
AS AT MARCH 31, 2021

	Note	March 31, 2021	(Audited) December 31, 2020
		Rupees	
ASSETS			
Cash and balances with treasury banks	6	**93,010,410**	107,773,417
Balances with other banks	7	**164,443,811**	557,227,616
Non-current asset classified as held for sale	8	-	-
Lendings to financial institutions	9	**152,287,036**	119,988,000
Investments	10	**33,382,078,462**	35,556,859,445
Advances	11	**6,500,923,482**	6,810,990,427
Fixed assets	12	**2,923,157,538**	2,956,247,925
Intangible assets	13	**8,755,671**	7,229,440
Deferred tax assets		**39,023,995**	-
Other assets	14	**1,507,770,818**	2,119,368,511
		44,771,451,223	48,235,684,781
LIABILITIES			
Bills payable		-	-
Borrowings	15	**29,057,423,551**	32,319,679,434
Deposits and other accounts	16	**2,508,199,562**	2,445,800,000
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities	17	-	40,297,275
Other liabilities	18	**436,972,937**	517,769,021
		32,002,596,050	35,323,545,730
NET ASSETS		**12,768,855,173**	12,912,139,051
REPRESENTED BY			
Share capital		**6,600,000,000**	6,600,000,000
Statutory reserve		**1,184,865,766**	1,184,865,766
Revenue reserve		**358,662,940**	358,662,940
Surplus on revaluation of assets	19	**1,126,971,449**	1,414,824,343
Unappropriated / unremitted profit		**3,498,355,018**	3,353,786,002
		12,768,855,173	12,912,139,051

CONTINGENCIES AND COMMITMENTS 20

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director / Deputy Chairman	Director / Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2021

	Note	Quarter Ended		Period Ended	
		March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
		-------------(Rupees)-------------			
Mark-up / Return / Interest Earned	21	**762,013,933**	928,454,841	**762,013,933**	928,454,841
Mark-up / Return / Interest Expensed	22	**577,652,620**	734,729,673	**577,652,620**	734,729,673
Net Mark-up / Interest Income		**184,361,313**	193,725,168	**184,361,313**	193,725,168
NON MARK-UP / INTEREST INCOME					
Fee and Commission Income	23	**70,000**	906,724	**70,000**	906,724
Dividend Income		**92,762,452**	44,322,631	**92,762,452**	44,322,631
Foreign Exchange Income		**(945,034)**	1,444,114	**(945,034)**	1,444,114
Income / (loss) from derivatives		**-**	-	**-**	-
Gain / (loss) on securities	24	**(76,258,193)**	73,357,447	**(76,258,193)**	73,357,447
Other Income	25	**120,048,611**	54,024,071	**120,048,611**	54,024,071
Total Non-markup / Interest Income		**135,677,836**	174,054,987	**135,677,836**	174,054,987
Total Income		**320,039,149**	367,780,155	**320,039,149**	367,780,155
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	26	**107,481,830**	95,294,283	**107,481,830**	95,294,283
Workers Welfare Fund		**-**	-	**-**	-
Other charges		**-**	-	**-**	-
Total Non-markup / Interest Expenses		**107,481,830**	95,294,283	**107,481,830**	95,294,283
PROFIT BEFORE PROVISIONS		**212,557,319**	272,485,872	**212,557,319**	272,485,872
Provisions and write offs - net	27	**94,155,340**	163,176,176	**94,155,340**	163,176,176
Extra ordinary / unusual items		**-**	-	**-**	-
PROFIT BEFORE TAXATION		**118,401,979**	109,309,696	**118,401,979**	109,309,696
Taxation	28	**4,663,409**	23,957,046	**4,663,409**	23,957,046
PROFIT AFTER TAXATION		**113,738,570**	85,352,650	**113,738,570**	85,352,650
Basic Earnings per share	29	**0.172**	0.129	**0.172**	0.129
Diluted Earnings per share	30	**0.172**	0.129	**0.172**	0.129

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director / Deputy Chairman	Director / Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2021

	Quarter Ended		Period Ended	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
	-------------(Rupees)-------------			
Profit after taxation for the period	**113,738,570**	85,352,650	**113,738,570**	85,352,650
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of investments - net of tax	**(257,022,448)**	(271,632,564)	**(257,022,448)**	(271,632,564)
	(257,022,448)	(271,632,564)	**(257,022,448)**	(271,632,564)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Effect of change in rate	-	-	-	-
	-	-	-	-
Total comprehensive income	**(143,283,878)**	(186,279,914)	**(143,283,878)**	(186,279,914)

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director / Deputy Chairman	Director / Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2021

				Surplus/(Deficit) on revaluation of			
	Share capital	Statutory reserve	Revenue reserve	Investments	Fixed / Non Banking Assets	Unappropriated/ Unremitted profit	Total
	Rupees						
Balance as at January 1, 2020	6,600,000,000	1,061,615,726	358,662,940	210,388,808	1,976,929,397	2,795,778,454	13,003,375,325
Profit after taxation for the period ended March 31, 2020	-	-	-	-	-	85,352,650	85,352,650
Other comprehensive income - net of tax	-	-	-	(271,632,564)	-	-	(271,632,564)
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	(16,486,776)	16,486,776	-
Balance as at March 31, 2020	**6,600,000,000**	**1,061,615,726**	**358,662,940**	**(61,243,756)**	**1,960,442,621**	**2,897,617,880**	**12,817,095,411**
Profit after taxation for the year ended December 31, 2020	-	-	-	-	-	530,897,551	530,897,551
Other comprehensive income - net of tax	-	-	-	(434,914,194)	-	(939,717)	(435,853,911)
Transfer to statutory reserve	-	123,250,040	-	-	-	(123,250,040)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	(49,460,328)	49,460,328	-
Transactions with owners, recorded directly in equity							
Final dividend 2019: Re 0.0 per ordinary share	-	-	-	-	-	-	-
Balance as at December 31, 2020	**6,600,000,000**	**1,184,865,766**	**358,662,940**	**(496,157,950)**	**1,910,982,293**	**3,353,786,002**	**12,912,139,051**
Profit after taxation for the year ended March 31, 2021	-	-	-	-	-	113,738,570	113,738,570
Other comprehensive income - net of tax	-	-	-	(257,022,448)	-	-	(257,022,448)
Transfer to statutory reserve	-	-	-	-	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	(30,830,446)	30,830,446	-
Balance as at March 31, 2021	**6,600,000,000**	**1,184,865,766**	**358,662,940**	**(753,180,398)**	**1,880,151,847**	**3,498,355,018**	**12,768,855,173**

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer | GM/Chief Executive | Director | Director / Deputy Chairman | Director / Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2021

	Note	March 31, 2021	March 31, 2020
		Rupees	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**118,401,979**	109,309,696
Less: Dividend income		**(92,762,452)**	(44,322,631)
		25,639,527	64,987,065
Adjustments:			
Depreciation		**38,792,923**	37,678,887
Amortization		**1,268,042**	1,021,982
Provision and write-offs	27	**94,155,340**	163,176,176
Gain on sale of fixed assets		**-**	(1,934,977)
Gain on sale of non banking assets		**(60,630,049)**	-
Finance charges on leased assets		**488,721**	888,947
Charge for defined benefit plan		**1,870,026**	1,758,816
Unrealized loss/ (gain) - held for trading investments		**6,621,537**	(4,734,574)
		82,566,540	197,855,257
		108,206,067	262,842,322
(Increase) / decrease in operating assets			
Lendings to financial institutions		**(32,299,036)**	80,000,000
Held-for-trading securities		**(60,388,838)**	(70,959,426)
Advances		**139,751,575**	143,974,559
Others assets (excluding advance taxation)		**733,382,252**	696,648,060
		780,445,953	849,663,193
Increase/ (decrease) in operating liabilities			
Borrowings from financial institutions		**(3,262,255,883)**	(3,433,777,731)
Deposits		**62,399,562**	402,000,000
Other liabilities (excluding current taxation)		**(74,110,436)**	(46,775,411)
		(3,273,966,757)	(3,078,553,142)
Payments against off-balance sheet obligations		**-**	-
Payment to defined benefit plan		**(9,044,395)**	(7,161,736)
Income tax paid		**(195,394,079)**	(203,525,824)
Net cash flow generated from / (used in) operating activities		**(2,589,753,211)**	(2,176,735,187)
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		**2,002,298,963**	2,216,154,395
Net investments in held-to-maturity securities		**30,000**	30,000
Dividends received		**29,598,521**	32,519,919
Investments in operating fixed assets		**(8,619,932)**	(26,651,533)
Proceeds from sale of fixed assets		**898,847**	3,489,889
Proceeds from sale of non banking assets		**158,000,000**	-
Net cash flow (used in) / generated from investing activities		**2,182,206,399**	2,225,542,670
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		**-**	-
Net cash flow generated from / (used in) financing activities		**-**	-
Effects of exchange rate changes on cash and cash equivalents		**-**	-
Increase / (Decrease) in cash and cash equivalents		**(407,546,812)**	48,807,483
Cash and cash equivalents at beginning of the period		**665,001,033**	162,445,383
Cash and cash equivalents at end of the period	31	**257,454,221**	211,252,866

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director / Deputy Chairman	Director / Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE PERIOD ENDED MARCH 31, 2021

1. STATUS AND NATURE OF BUSINESS

Saudi Pak Industrial and Agricultural Investment Company Limited (the Company) was incorporated in Pakistan as a private limited company on December 23, 1981 and subsequently converted to public limited company on April 30, 2008. The Company is jointly sponsored by the Governments of Kingdom of Saudi Arabia (KSA) and the Islamic Republic of Pakistan. The Company is a Development Financial Institution (DFI) and principally engaged in investment in the industrial and agro-based industrial projects in Pakistan on commercial basis and markets its products in Pakistan and abroad. The Company was initially setup for a period of fifty years and upon mutual consent of the Government of Kingdom of Saudi Arabia (KSA) and Government of Pakistan the duration of Company has been further extended for another period of fifty years.

The registered office of the Company is situated at Saudi Pak Tower, Jinnah Avenue, Islamabad. The Company is also operating offices in Lahore and Karachi.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

2.2 This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of :

- International Financial Reporting Standards IFRS 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, the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

2.2 The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2020.

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 Bank for the year ended December 31, 2020.

Amendments and interpretations to approved accounting standards effective from January 1, 2021 are not expected to have a material impact on these unconsolidated condensed interim financial statements.

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 Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2020.

	March 31, 2021	Audited December 31, 2020
	Rupees	
6 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	**348,091**	241,599
With State Bank of Pakistan in		
Local currency current account	**92,662,319**	107,531,818
	93,010,410	107,773,417
7 BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	**38,051,550**	8,301,526
In deposit accounts	**126,392,261**	548,926,090
	164,443,811	557,227,616
8 NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE		
Cost of investment reclassified from investments		
- Investment in shares	243,467,574	243,467,574
- Investment in preference shares	333,208,501	333,208,501
Less: Provision on investment	(576,676,075)	(576,676,075)
	-	-
Less: Amounts received till 31 March 2021	-	-
	-	-
9 LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (Reverse Repo)	**152,287,036**	119,988,000
Letter based placement	-	-
	152,287,036	119,988,000
Less:Provision held against Lending to Financial Institutions	-	-
Lendings to Financial Institutions - net of provision	**152,287,036**	119,988,000

10 INVESTMENTS

10.1 Investments by type:

	Note	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				Rupees			
Held-for-trading securities									
Quoted shares		115,463,337	-	(6,621,537)	108,841,800	53,467,402	-	1,607,097	55,074,499
Available-for-sale securities									
Federal Government Securities									
-Pakistan Investment Bonds (PIBs)		28,618,167,767	-	(907,158,767)	27,711,009,000	30,643,940,823	-	(774,654,823)	29,869,286,000
-Market Treasury Bills		-	-	-	-	-	-	-	-
		28,618,167,767	-	(907,158,767)	27,711,009,000	30,643,940,823	-	(774,654,823)	29,869,286,000
Shares- Quoted securities		2,883,883,178	(684,694,126)	12,118,181	2,211,307,233	2,827,625,073	(760,854,156)	181,945,188	2,248,716,105
Non Government Debt Securities									
-Term Finance Certificates (TFCs) / Sukuk		1,171,612,766	(82,227,345)	8,946,000	1,098,331,421	1,171,612,766	(82,227,345)	8,994,400	1,098,379,821
-Commercial paper		-	-	-	-	32,784,012	-	-	32,784,012
Open end mutual fund		-	-	-	-	-	-	-	-
Un-quoted securities		786,333,048	(273,833,040)	-	512,500,008	786,333,048	(273,833,040)	-	512,500,008
		33,459,996,759	(1,040,754,511)	(886,094,586)	31,533,147,662	35,462,295,722	(1,116,914,541)	(583,715,235)	33,761,665,946
Held-to-maturity securities									
Non Government Debt Securities									
-Term Finance Certificates (TFCs) / Sukuk		1,642,580,710	(402,491,710)	-	1,240,089,000	1,642,610,710	(402,491,710)	-	1,240,119,000
Associates									
Saudi Pak Leasing Company Limited									
- Investment in shares		-	-	-	-	-	-	-	-
- Investment in preference shares		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	
Subsidiaries									
Saudi Pak Real Estate Company Limited		500,000,000	-	-	500,000,000	500,000,000	-	-	500,000,000
Total Investments		35,718,040,806	(1,443,246,221)	(892,716,123)	33,382,078,462	37,658,373,834	(1,519,406,251)	(582,108,138)	35,556,859,445

10.1.1 Investments given as collateral

	March 31, 2021	Audited December 31, 2020
	Rupees	
Treasury Bills (T-Bills)	-	-
Pakistan Investment Bonds (PIBs)	**27,711,009,000**	26,592,235,980
	27,711,009,000	26,592,235,980

10.2 Provision for diminution in value of investments

	March 31, 2021	Audited December 31, 2020
10.2.1 Opening balance	**1,519,406,251**	2,074,118,083
Charge / reversals		
Charge for the period / year	**10,099,738**	217,298,653
Reversals for the period / year	-	-
Reversal on disposals	**(86,259,768)**	(195,334,410)
	(76,160,030)	21,964,243
Transfers - net	-	(576,676,075)
Amounts written off	-	-
Closing Balance	**1,443,246,221**	1,519,406,251

10.2.2 Particulars of provision against debt securities

Category of classification	March 31, 2021		Audited December 31, 2020	
	NPI	Provision	NPI	Provision
	Rupees		Rupees	
Domestic				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	**535,344,055**	**484,719,055**	535,344,055	484,719,055
	535,344,055	**484,719,055**	535,344,055	484,719,055
Overseas	-	-	-	-
Total	**535,344,055**	**484,719,055**	535,344,055	484,719,055

10.3 The market value of listed TFCs classified as held-to-maturity as at March 31, 2021 and December 31, 2020 are not available and these are carried at amortised cost.

11 ADVANCES

	March 31, 2021	Audited December 31, 2020	March 31, 2021	Audited December 31, 2020	March 31, 2021	Audited December 31, 2020
	Performing		Non Performing		Total	
	Rupees					
Loans, leases, running finances- gross	**5,319,256,374**	5,450,132,635	**3,834,895,429**	3,894,704,806	**9,154,151,803**	9,344,837,441
Provision against advances						
- Specific	**-**	-	**(2,653,228,321)**	(2,533,847,014)	**(2,653,228,321)**	(2,533,847,014)
- General	**-**	-	**-**	-	**-**	-
	-	-	**(2,653,228,321)**	(2,533,847,014)	**(2,653,228,321)**	(2,533,847,014)
Advances - net of provision	**5,319,256,374**	5,450,132,635	**1,181,667,108**	1,360,857,792	**6,500,923,482**	6,810,990,427

11.1 Particulars of advances (Gross)

	March 31, 2021	Audited December 31, 2020
	Rupees	
In local currency	**9,154,151,803**	9,328,921,388
In foreign currencies	**-**	15,916,053
	9,154,151,803	9,344,837,441

11.2 Advances include Rs. 3,834,895,429 (December 31, 2020: Rs. 3,894,704,806) which have been placed under non-performing status as detailed below:-

	March 31, 2021		Audited December 31, 2020	
Category of Classificatioı	**Non Performing Loans**	**Provision**	Non Performing Loans	Provision
	Rupees		Rupees	
Domestic				
Substandard	**-**	**-**	-	-
Doubtful	**304,846,929**	**152,423,465**	309,470,937	154,735,469
Loss	**3,530,048,500**	**2,500,804,856**	3,585,233,869	2,379,111,545
	3,834,895,429	**2,653,228,321**	3,894,704,806	2,533,847,014
Overseas	**-**	**-**	-	-
Total	**3,834,895,429**	**2,653,228,321**	3,894,704,806	2,533,847,014

11.3 Particulars of provision against advances

	March 31, 2021			Audited December 31, 2020		
	Specific	**General**	**Total**	Specific	General	Total
	Rupees			Rupees		
Opening balance	**2,533,847,014**	-	**2,533,847,014**	2,240,160,842	-	2,240,160,842
Charge for the year	**176,878,680**	-	**176,878,680**	465,742,475	-	465,742,475
Reversals	**(6,563,310)**	-	**(6,563,310)**	(147,422,401)	-	(147,422,401)
	170,315,370	-	**170,315,370**	318,320,074	-	318,320,074
Amounts written off	**(50,934,063)**	-	**(50,934,063)**	(24,633,902)	-	(24,633,902)
Closing balance	**2,653,228,321**	-	**2,653,228,321**	2,533,847,014	-	2,533,847,014

11.3.1 The net FSV benefit already availed has been decreased by Rs. 176.879 million, which has resulted addition in specific provision for the year by the same amount. Had the FSV benefit not changed, before and after tax profit for the year would have been increased by Rs. 176.879 million (2020: higher by Rs. 9.745 million) and Rs. 125.584 million (2020: Rs. higher by 6.919 million) respectively. Further, at March 31, 2021, cumulative net of tax benefit availed for Forced Sale Value (FSV) was Rs. 730.763 million (2020: Rs. 856.347 million) under BSD circular No. 1 of 2011 dated October 21, 2011. Reserves and un-appropriated profit to that extent are not available for distribution by way of cash or stock dividend.

12 FIXED ASSETS

	March 31, 2021	Audited December 31, 2020
	Rupees	
Capital work-in-progress	**5,743,015**	3,366,482
Property and equipment	**2,897,365,992**	2,929,386,491
Right of use assets under IFRS-16 Leases	**20,048,531**	23,494,952
	2,923,157,538	2,956,247,925

12.1 Additions to fixed assets

The following additions have been made to fixed assets during the period:

	March 31, 2021	March 31, 2020
	Rupees	
Capital work-in-progress	**2,376,533**	8,865,910
Property and equipment		
Furniture and fixture	**-**	141,804
Office equipment	**2,625,196**	1,522,467
Vehicles	**-**	16,121,352
Electrical fitting, fire fighting equipment and others	**823,930**	-
	3,449,126	17,785,623
Total	**5,825,659**	26,651,533

12.2 Disposal of fixed assets

The net book value of fixed assets disposed off during the period is as follows:

	March 31, 2021	March 31, 2020
Office equipment	**4,525**	64,536
Vehicles	**894,322**	1,490,376
Total	**898,847**	1,554,912

13 INTANGIBLE ASSETS

	March 31, 2021	Audited December 31, 2020
	Rupees	
Computer Software	**8,755,671**	7,229,440
	8,755,671	7,229,440

13.1 Additions to intangible assets

The following additions have been made to intangible assets during the period:

	March 31, 2021	Audited December 31, 2020
Directly purchased	**2,794,273**	-
Total	**2,794,273**	-

14 OTHER ASSETS

	March 31, 2021	Audited December 31, 2020
Income/ Mark-up accrued in local currency - net of provision		
On investments	**306,416,946**	998,046,764
On advances	**85,309,293**	108,403,187
On lending to financial institutions	**31,758**	21,039
	391,757,997	1,106,470,990
Advances, deposits, advance rent and other prepayments	**25,946,399**	45,453,474
Advance taxation (payments less provisions)	**858,887,973**	702,121,670
Excise duty	**78,817,895**	78,817,895
Non-banking assets acquired in satisfaction of claims	**55,637,789**	139,309,214
Dividend receivable	**84,186,739**	21,022,808
Other receivables	**3,346,725**	2,508,909
	1,498,581,517	2,095,704,960
Less: Provision held against other assets	**(256,792)**	(256,792)
Other Assets (Net of Provision)	**1,498,324,725**	2,095,448,168
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	**9,446,093**	23,920,343
Other Assets - total	**1,507,770,818**	2,119,368,511

		March 31, 2021	Audited December 31, 2020
14.1	**Provision held against other assets**	Rupees	
	Advances, deposits, advance rent & other prepayments	**256,792**	256,792
		256,792	256,792

15	**BORROWINGS**			
	Secured			
	State Bank of Pakistan (SBP) refinance scheme			
	Long term financing facility (LTFF)		**1,351,202,049**	872,306,098
	Repurchase agreement borrowings		**23,981,221,500**	26,476,540,000
	Against book debts/receivables		**3,725,000,002**	4,970,833,336
	Total secured		**29,057,423,551**	32,319,679,434
	Unsecured			
	Call borrowings		**-**	-
	Total unsecured		**-**	-
			29,057,423,551	32,319,679,434
16	**DEPOSITS AND OTHER ACCOUNTS**			
	Customers			
	- Term deposits (local currency)	16.1	**2,508,199,562**	2,445,800,000
16.1	**Composition of deposits**			
	- Public Sector Entities	16.1.1	**2,498,199,562**	2,435,800,000
	- Non-Banking Financial Institutions	16.1.2	**10,000,000**	10,000,000
			2,508,199,562	**2,445,800,000**

16.1.1 These represent Certificate of Investments (COIs) issued to Port Qasim Authority & National Fertilizer Corporation of Pakistan for Rs. 2,498.20 million (2020: Rs. 2,435.80 million). These COIs carry mark up at the rates ranging from 7.15% to 7.60% (2020: 7.00% to 7.51%) per annum and is repayable during April 2021 to July 2021 (2020: January 2021 to June 2021).

16.1.2 These represent Certificate of Investments (COIs) issued to Saudi Pak Employees Contributory Provident Fund for Rs. 10 million (2020: Rs. 10 million). These COIs carry mark up at the rate of 7.87% (2020: 7.30%) per annum and is repayable in September 2021 (2020: March 2021).

16.2 All deposits are in local currency.

		March 31, 2021	Audited December 31, 2020
17	**DEFERRED TAX LIABILITIES**	Rupees	
	Deductible Temporary Differences on		
	Actuarial loss on defined benefit plan	**(5,094,609)**	(5,094,609)
	(Deficit) / Surplus on revaluation of securities - AFS	**(132,914,188)**	(87,557,285)
	Provision on non-performing loans	**(627,577,000)**	(592,956,000)
	Impairment loss on available for sale quoted securities	**(80,524,521)**	(91,939,258)
		(846,110,318)	(777,547,152)
	Taxable Temporary Differences on		
	Accelerated tax depreciation	**28,216,240**	22,905,822
	Dividend receivable	**15,772,233**	5,255,702
	Net investment in leases	**-**	18,670,058
	Surplus / (Deficit) on revaluation of securities - HFT	**(993,230)**	241,065
	Surplus on revaluation of operating fixed assets	**764,091,080**	770,771,780
		807,086,323	817,844,427
		(39,023,995)	40,297,275

		Note	March 31, 2021	Audited December 31, 2020
18	**OTHER LIABILITIES**		**Rupees**	
	Mark-up/ Return/ Interest payable in local currency		**236,145,819**	281,881,028
	Accrued expenses		**3,588,589**	35,106,627
	Advance rental income		**95,152,406**	128,652,468
	Security deposits against rented properties		**34,624,169**	28,816,242
	Payable to defined benefit plan		**1,870,026**	8,358,804
	Provision for compensated absences		**7,850,102**	8,535,693
	Directors' remuneration		**3,499,572**	4,647,610
	Payable to stock brokers - net		**27,121,170**	341,946
	Lease liability against ROU assets as per IFRS - 16 Leases		**14,220,476**	13,731,755
	Others		**12,900,608**	7,696,847
			436,972,937	517,769,021

		Note	March 31, 2021	December 31, 2020
19	**SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS**			
	Surplus / (deficit) on revaluation of			
	- Available for sale securities	10.1	**(886,094,586)**	(583,715,235)
	- Fixed Assets		**2,634,796,834**	2,657,833,730
	- Non-banking assets acquired in satisfaction of claims		**9,446,093**	23,920,343
			1,758,148,341	2,098,038,838
	Deferred tax on surplus / (deficit) on revaluation of:			
	- Available for sale securities		**132,914,188**	87,557,285
	- Fixed Assets		**(764,091,080)**	(770,771,780)
			(631,176,892)	(683,214,495)
			1,126,971,449	1,414,824,343

		Note	March 31, 2021	December 31, 2020
20	**CONTINGENCIES AND COMMITMENTS**			
	-Guarantees	20.1	**502,224,393**	502,224,393
	-Commitments	20.2	**1,810,543,381**	2,091,293,614
			2,312,767,774	2,593,518,007
20.1	**Guarantees:**			
	Financial guarantees		**502,224,393**	502,224,393
20.2	**Commitments:**			
	Commitments for acquisition of:			
	- Fixed assets		**2,116,505**	2,964,301
	- Intangible assets		**196,876**	2,329,313
			2,313,381	5,293,614
	Non disbursed commitment for term and working capital finance		**1,808,230,000**	2,086,000,000
			1,810,543,381	2,091,293,614

20.3 Other contingent liabilities

There is no change in the status of contingencies and commitments of the Company from the status given in the preceding audited annual financial statements for the year ended December 31, 2020, except for the following;

20.3.1 Tax contingencies

For tax year 2014, Deputy Commissioner Inland Revenue (DCIR) issued appeal effect under section 124/205 thereby created a demand of Rs 7.5 million. The company has filed an appeal before Commissioner Inland Revenue-Appeals (CIR-A) which is pending for adjudication.

For tax year 2019, Deputy Commissioner Inland Revenue (DCIR) amended the company's assessment under section 122(9) and created a demand of Rs 4.7 million. The company has submitted response with department and the matter is still pending for adjudication.

		Note	March 31, 2021	March 31, 2020
			Rupees	
21	**MARK-UP/RETURN/INTEREST EARNED**			
	On loans and advances		**121,322,020**	228,941,143
	On investments		**638,617,541**	693,232,203
	On lendings to financial institutions		**1,055,907**	5,323,870
	On balances with banks		**1,018,465**	957,625
			762,013,933	928,454,841
22	**MARK-UP/RETURN/INTEREST EXPENSED**			
	Deposits	22.1	**45,468,637**	26,685,703
	Borrowings			
	Securities purchased under repurchase agreements		**410,985,342**	481,278,612
	Other short term borrowings		**41,432,328**	57,331,852
	SBP refinance scheme - LTFF / TERF		**4,876,625**	3,647,691
	Long term borrowings		**72,412,748**	164,063,828
			529,707,043	706,321,983
	Interest expense on lease liability against ROU assets		**488,721**	888,947
	Brokerage fee		**1,988,219**	833,040
			577,652,620	734,729,673

22.1 The markup expensed amounting to Rs. 182,186 (2020: Rs. 341,773) relates to Saudi Pak Employees Contributory Provident Fund.

		Note	March 31, 2021	March 31, 2020
			Rupees	
23	**FEE & COMMISSION INCOME**			
	Credit related fees		**70,000**	906,724
	Commission on guarantees		**-**	-
	Others		**-**	-
			70,000	906,724
24	**GAIN / (LOSS) ON SECURITIES**			
	Realised	24.1	**(69,636,656)**	68,622,873
	Unrealised - held for trading		**(6,621,537)**	4,734,574
			(76,258,193)	73,357,447
24.1	**Realised gain / (loss) on:**			
	Federal Government Securities		**(81,030,125)**	19,439,357
	Shares- listed		**11,393,469**	49,183,516
			(69,636,656)	68,622,873
25	**OTHER INCOME**			
	Rent on property- net	25.1	**59,045,214**	51,494,418
	Gain on sale of fixed assets-net		**-**	1,934,977
	Gain on sale of non banking assets - net		**60,630,049**	-
	Others		**373,348**	594,676
			120,048,611	54,024,071

		Note	March 31, 2021	March 31, 2020
			Rupees	
25.1	**Rent on property - net**			
	Rental income		**103,094,288**	102,119,592
	Less: Property expense			
	Salaries, allowances and employee benefits		**6,701,837**	6,692,540
	Traveling and conveyance		**600**	9,008
	Medical		**125,106**	112,726
	Janitorial services		**1,946,851**	1,799,410
	Security services		**5,869,268**	5,466,157
	Insurance		**495,289**	565,133
	Postage, telegraph, telegram and telephone		**23,876**	-
	Printing and stationery		**-**	-
	Utilities		**871,002**	4,160,672
	Repairs and maintenance		**1,822,492**	4,918,487
	Rent, rates and taxes		**657,254**	2,257,135
	Depreciation		**25,368,864**	24,643,306
	Office general expenses		**166,635**	600
			44,049,074	50,625,174
			59,045,214	51,494,418
26	**OPERATING EXPENSES**			
	Total compensation expense		**57,109,553**	48,490,877
	Property expense			
	Rent & taxes		**93,894**	322,448
	Insurance		**70,755**	80,733
	Utilities cost		**2,873,531**	3,021,945
	Security (including guards)		**1,053,207**	980,786
	Repair & maintenance (including janitorial charges)		**538,477**	959,700
	Depreciation on ROU assets		**3,446,421**	3,446,420
	Depreciation		**3,624,124**	3,520,472
			11,700,409	12,332,504
	Information technology expenses			
	Software maintenance		**1,346,435**	391,420
	Hardware maintenance		**291,547**	95,940
	Amortisation		**1,268,042**	1,021,982
	Network charges		**598,364**	307,183
			3,504,388	1,816,525
	Other operating expenses			
	Shareholders' fee		**1,148,039**	1,244,495
	Directors' fees and allowances		**5,390,000**	2,833,313
	Legal & professional charges		**1,260,022**	1,598,011
	Consultancy, custodial and rating services		**1,399,757**	1,858,734
	Outsourced services costs		**9,456,693**	8,721,673
	Travelling & conveyance		**1,724,857**	3,148,905
	Depreciation		**6,353,514**	6,068,689
	Training & development		**569,633**	355,860
	Postage & courier charges		**158,907**	120,281
	Communication		**718,295**	463,037
	Stationery & printing		**585,621**	564,182
	Marketing, advertisement & publicity		**12,718**	1,062,391
	Donations		**-**	-
	Auditors remuneration		**500,001**	645,600
	Repair & maintenance		**776,951**	684,471
	Insurance		**536,593**	485,121
	Office and general expenses		**4,493,978**	2,750,647
	Bank charges		**81,901**	48,967
			35,167,480	32,654,377
			107,481,830	95,294,283

			March 31, 2021	March 31, 2020
			Rupees	
27	**PROVISIONS & WRITE OFFS - NET**			
	Provisions for diminution in value of investments- net	10.2.1	**(76,160,030)**	105,979,274
	Provisions / (reversals) against loans & advances- net	11.3	**170,315,370**	57,196,902
			94,155,340	163,176,176
28	**TAXATION**			
	Current tax			
	Current year		**38,627,776**	66,903,336
	Prior years		**-**	-
			38,627,776	66,903,336
	Deferred tax			
	Current year		**(33,964,367)**	(42,946,290)
	Prior year		**-**	-
			(33,964,367)	(42,946,290)
			4,663,409	23,957,046
29	**BASIC EARNINGS PER SHARE**			
	Profit for the period - Rupees		**113,738,570**	85,352,650
	Weighted average number of ordinary shares		**660,000,000**	660,000,000
	Basic earnings per share - Rupee		**0.172**	0.129

30 DILUTED EARNINGS/ (LOSS) PER SHARE

There are no dilutive instrument, hence basic & diluted earnings are same.

			March 31, 2021	March 31, 2020
31	**CASH AND CASH EQUIVALENTS**			
	Cash and Balance with Treasury Banks		**93,010,410**	127,419,477
	Balance with other banks		**164,443,811**	83,833,389
			257,454,221	211,252,866

32 FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Company as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Fair value of unquoted equity investments, other than subsidiary and associates, is determined on the basis of break up value of these investments as per the latest available audited financial statements. Further, financial statements of several unquoted equity investments are not available whether due to liquidation or litigation, hence, breakup value of these investments can not be determined.

Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Company's accounting policy.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

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 (Pakistan Stock Exchange) 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) available at MUFAP, Reuters page, redemption prices determined by valuers on the panel of Pakistan Bank's Association .

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

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Company has adopted revaluation model (as per IAS 16) in respect of leasehold land, building and non-banking assets acquired in satisfaction of claims.

	March 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
On balance sheet financial instruments	Rupees			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	**-**	**27,711,009,000**	**-**	**27,711,009,000**
Shares	**2,320,149,033**	**-**	**-**	**2,320,149,033**
Open end Mutual Fund	**-**	**-**	**-**	**-**
Non-Government Debt Securities	**-**	**1,098,331,421**	**-**	**1,098,331,421**
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government Debt Securities	**-**	**-**	**1,240,089,000**	**1,240,089,000**
Unquoted Securities	**-**	**-**	**512,500,008**	**512,500,008**
Off-balance sheet financial instruments - measured at fair value	**-**	**-**	**-**	**-**

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	Rupees			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	29,869,286,000	-	29,869,286,000
Shares	2,303,790,604	-	-	2,303,790,604
Open end Mutual Fund	-	-	-	-
Non-Government Debt Securities	-	1,131,163,833	-	1,131,163,833
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government Debt Securities	-	-	1,240,119,000	1,240,119,000
Unquoted Securities	-	-	512,500,008	512,500,008
Off-balance sheet financial instruments - measured at fair value	-	-	-	-

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Items	Valuation approach and input used
Federal Government securities	The fair values of Federal Government securities are determined on the basis of PKRV rates / prices sourced from Mutual Funds Association of Pakistan (MUFAP) and these securities are classified under level 2.
Debentures and corporate debt instruments	Market rates of these securities are not available on MUFAP as at March 31, 2021, therefore, these securities are classified level 3.
Unquoted Investment	There are no observable inputs in respect of fair market valuation of unquoted investment, hence these securities are valued at lower of cost or breakup value. These securities are classified under level 3.

32.2 The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date of the event or change in circumstances that caused such transfer. There were no transfers between levels 1 and 2 during the year.

32.3 Fair value of non-financial assets

32.4 The property and equipment of the Company were recently revalued by independent professional valuer as at December 31, 2018. The revaluation was carried out by M/s Impulse (Pvt) Limited on the basis of professional assessment of present market values.

The non-banking assets acquired from DJM AR Securities were last revalued by independent professional valuer in December 2019. The revaluation was carried out by M/s Surval on the basis of professional assessment of recent market values. The non banking assets acquired from Irfan Textile were last revalued by independent professional valuer in November 2018. The revaluation was carried out by M/s Amir Evaluators and consultants on the basis of professional assessment of recent market values.

	March 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
	---------- Rupees ----------			
Non-financial assets				
Operating fixed assets				
Property and equipment (lease hold land, building & others)	-	-	**2,841,045,825**	**2,841,045,825**
Other assets				
Non banking assets acquired in satisfaction of claims	-	-	**65,083,882**	**65,083,882**

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Non-financial assets				
Operating fixed assets				
Property and equipment (lease hold land, building & others)	-	-	2,870,223,977	2,870,223,977
Other assets				
Non banking assets acquired in satisfaction of claims	-	-	163,229,557	163,229,557

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Items	Valuation approach and input used
Operating fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and other fixed assets and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these unconsolidated financial statements.

33. Segment Details with respect to Business Activities

	March 31, 2021			
	Corporate Finance	Trading and sales	Building rental services	Total
	--Rupees--			
Profit & Loss				
Net mark-up/return/profit	46,098,396	138,262,917	-	184,361,313
Non mark-up / return / interest income	70,000	76,189,274	59,418,562	135,677,836
Total Income	46,168,396	214,452,191	59,418,562	320,039,149
Segment direct expenses	19,040,183	88,441,647	-	107,481,830
Total expenses	19,040,183	88,441,647	-	107,481,830
Reversals / (Provisions)	170,315,370	(76,160,030)	-	94,155,340
Profit before tax	(143,187,157)	202,170,574	59,418,562	118,401,979
Balance Sheet				
Cash & Bank balances	-	257,454,221	-	257,454,221
Investments	1,240,089,000	32,141,989,462	-	33,382,078,462
Lendings to financial institutions	-	152,287,036	-	152,287,036
Advances - performing	5,319,256,374	-	-	5,319,256,374
- non-performing net of provision	1,181,667,108	-	-	1,181,667,108
Others	1,016,579,457	1,490,812,898	1,971,315,667	4,478,708,022
Total Assets	8,757,591,939	34,042,543,617	1,971,315,667	44,771,451,223
Borrowings	7,018,464,129	22,038,959,422	-	29,057,423,551
Deposits & other accounts	605,824,829	1,902,374,733	-	2,508,199,562
Others	71,803,506	252,594,226	112,575,205	436,972,937
Total liabilities	7,696,092,464	24,193,928,381	112,575,205	32,002,596,050
Equity	-	-	-	12,768,855,173
Total Equity & liabilities	7,696,092,464	24,193,928,381	112,575,205	44,771,451,223
Contingencies & Commitments	2,312,749,211	819,005	2,179,791	2,315,748,007

	March 31, 2020			
	Corporate Finance	Trading and sales	Building rental services	Total
	--Rupees--			
Profit & Loss				
Net mark-up/return/profit	81,986,300	111,738,868	-	193,725,168
Non mark-up / return / interest income	906,724	121,059,169	52,089,094	174,054,987
Total Income	82,893,024	232,798,037	52,089,094	367,780,155
Segment direct expenses	25,022,030	70,272,253	-	95,294,283
Total expenses	25,022,030	70,272,253	-	95,294,283
Provisions	57,196,902	105,979,274	-	163,176,176
Profit before tax	674,091	56,546,511	52,089,094	109,309,696

	December 31, 2020			
	Corporate Finance	Trading and sales	Building rental services	Total
	--Rupees--			
Balance Sheet				
Cash & Bank balances	-	665,001,033	-	665,001,033
Investments	1,240,119,000	34,316,740,445	-	35,556,859,445
Lendings to financial institutions	-	119,988,000	-	119,988,000
Advances - performing	5,450,132,635	-	-	5,450,132,635
- non-performing	1,360,857,792	-	-	1,360,857,792
Others	428,988,192	1,939,861,131	2,713,996,553	5,082,845,876
Total Assets	8,480,097,619	37,041,590,609	2,713,996,553	48,235,684,781
Borrowings	7,410,154,237	24,909,525,197	-	32,319,679,434
Deposits & other accounts	560,765,315	1,885,034,685	-	2,445,800,000
Others	(486,366,654)	125,554,746	918,878,204	558,066,296
Total liabilities	7,484,552,898	26,920,114,628	918,878,204	35,323,545,730
Equity	-	-	-	12,912,139,051
Total Equity & liabilities	7,484,552,898	26,920,114,628	918,878,204	48,235,684,781
Contingencies & Commitments	2,590,507,027	835,791	2,175,189	2,593,518,007

34 RELATED PARTY TRANSACTIONS

The Government of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan each own 50% shares of the Company. Therefore, all entities owned by and controlled by these Governments are related parties of the Company. Other related parties comprise of entities over which the Company has control (subsidiaries), entities over which the directors are able to exercise significant influence (associated undertakings), entities with common directors, major shareholders, directors, key management personnel and employees' funds. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan. The Company has not extended any financing facilities to entities owned by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan.

Transactions which are made under the terms of employment with related parties mainly comprise of loans and advances, deposits etc.

Advances for the house building, conveyance and personal use have also been provided to staff and executives in accordance with the employment and pay policy. Facility of group life insurance and hospitalization facility is also provided to staff and executives. In addition to this, majority of executives of the Company have been provided with Company maintained car.

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

	March 31, 2021					December 31, 2020				
	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees					Rupees				
Non-current asset classified as held for sale										
Opening balance	-	-	-	576,676,075	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-	-	-	-	-
Repaid during the year	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	576,676,075	-
Closing balance	-	-	-	576,676,075	-	-	-	-	576,676,075	-
Provision for Non-current asset classified as held for :	-	-	-	576,676,075	-	-	-	-	576,676,075	-
Investments										
Opening balance	-	-	500,000,000	-	-	-	-	500,000,000	576,676,075	-
Investment made during the year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	(576,676,075)	-
Closing balance	-	-	500,000,000	-	-	-	-	500,000,000	-	-
Provision for diminution in value of investments	-	-	-	-	-	-	-	-	-	-
Advances										
Opening balance	-	22,314,824	-	-	-	-	21,788,773	-	-	-
Addition during the year	-	2,854,340	-	-	-	-	13,225,034	-	-	-
Repaid during the year	-	(2,524,878)	-	-	-	-	(12,698,983)	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	22,644,286	-	-	-	-	22,314,824	-	-	-
Provision held against advances	-	-	-	-	-	-	-	-	-	-
Other assets - security deposit	-	-	2,633,280	-	-	-	-	2,462,370	-	-
Provision against other assets	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts										
Opening balance	-	-	-	-	10,000,000	-	-	-	-	10,000,000
Received during the year	-	-	-	-	10,000,000	-	-	-	-	20,000,000
Withdrawn during the year	-	-	-	-	(10,000,000)	-	-	-	-	(20,000,000)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	10,000,000	-	-	-	-	10,000,000
Other Liabilities										
Interest / mark-up payable	-	-	-	-	30,186	-	-	-	-	210,000
Payable to defined benefit plan	-	-	-	-	1,870,026	-	-	-	-	8,358,804
Security deposit	-	-	401,960	-	-	-	-	401,960	-	-
Rent received in advance	-	-	905,555	-	-	-	-	905,555	-	-

	March 31, 2021					March 31, 2020				
	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Income	Rupees					Rupees				
Mark-up / return / interest earned	-	167,805	-	-	-	-	199,299	-	-	-
Rental income	-	-	1,086,666	-	-	-	-	1,393,533	-	-
Expense										
Mark-up / return / interest expensed	-	-	-	-	182,186	-	-	-	-	341,773
Contribution to employees' funds	-	-	-	-	2,438,282	-	-	-	-	2,274,731
Directors' fees and allowances	5,390,000	-	-	-	-	2,833,313	-	-	-	-
Shareholders' fee	-	-	-	-	1,148,039	-	-	-	-	1,244,495
Operating expenses	-	28,872,033	-	90,750	-	-	25,637,553	-	82,500	-

	31 March 2021	Audited 31 December 2020
	Rs '000'	

35 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	31 March 2021	31 December 2020
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,600,000	6,600,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	11,180,217	10,917,992
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	11,180,217	10,917,992
Eligible Tier 2 Capital	888,957	1,130,999
Total Eligible Capital (Tier 1 + Tier 2)	12,069,174	12,048,991
Risk Weighted Assets (RWAs):		
Credit Risk	18,396,997	20,099,834
Market Risk	8,801,676	8,777,126
Operational Risk	2,558,919	2,558,919
Total	29,757,592	31,435,879
Common Equity Tier 1 Capital Adequacy ratio	37.57%	34.73%
Tier 1 Capital Adequacy Ratio	37.57%	34.73%
Total Capital Adequacy Ratio	40.56%	38.33%

As of March 2021, the Bank must meet a Tier 1 to RWA ratio and CAR, including CCB, of 7.5% and 11.5% respectively.

Standardized Approach is used for calculating the Capital Adequacy for Market and Credit Risk while Basic Indicator Approach (BIA) is used for Operational Risk.

	31 March 2021	31 December 2020
Leverage Ratio (LR):		
Eligible Tier-1 Capital	11,180,217	10,917,992
Total Exposures	46,634,485	50,257,207
Leverage Ratio	23.97%	21.72%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	5,632,081	5,553,281
Total Net Cash Outflow	1,361,716	2,234,569
Liquidity Coverage Ratio	413.60%	248.52%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	30,274,596	31,845,109
Total Required Stable Funding	16,205,738	17,316,679
Net Stable Funding Ratio	186.81%	183.90%

36 DATE OF AUTHORIZATION

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Saudi Pak Industrial and Agricultural Investment Company Limited on 24 APR 2021

Chief Financial Officer	GM/Chief Executive	Director	Director / Deputy Chairman	Director / Chairman