

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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

The Group consists of Saudi Pak Industrial and Agricultural Investment Company Limited, (the Holding Company) and its subsidiary company namely Saudi Pak Real Estate Limited (the subsidiary company) and associate company namely Saudi Pak Leasing Company Limited (the associate company).

Saudi Pak Real Estate Limited (the subsidiary company)

The subsidiary company was incorporated in Pakistan as an unlisted public limited company on November 14, 2006 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The subsidiary company is wholly owned subsidiary of the Holding Company. The principal place of business of the subsidiary company is Pakistan. The principal business of the subsidiary company is investment in properties (both for investment and development purposes), property management services, investment in joint ventures and other related services. The registered office of the subsidiary company is situated at Saudi Pak Tower, 61-A, Jinnah Avenue, Islamabad.

Saudi Pak Leasing Company Limited (the associate company)

The Holding Company has 35.06% (2021: 35.06%) investment in ordinary share capital and 63% (2021: 63%) of the issued non-redeemable / convertible preference shares of the associate company. The license of associate company to carry out business of leasing expired on March 18, 2010, and is non-operational. However, the Board of Directors of the Holding Company approved disposal of investment in Saudi Pak Leasing Company Limited. Consequent to the approval the investment has been classified as held for sale as per the requirements of IFRS 5 'Non-current asset classified as held for sale and discontinued operations'. Prior to the decision of disposal, the Group has accounted for the investment in the associate using the equity accounting of investments as per the requirements of IAS-28.

2. BASIS OF PRESENTATION

These consolidated financial statements have been presented in accordance with the requirements of format prescribed by the State Bank of Pakistan's BPRD Circular No.2 dated January 25, 2018.

2.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and the financial statements of subsidiary company from the date on which control of the subsidiary by the Holding Company commences until the date control ceases. Subsidiary company are those enterprises in which the Holding Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has the power to elect and appoint more than 50% of its directors. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in consolidated profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. The financial statements of the subsidiary company are incorporated on a line-by-line basis and the investment held by the Holding Company is eliminated against the corresponding share capital and pre-acquisition reserve of subsidiary company in the consolidated financial statements.

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The financial statements of subsidiary company are prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company. However, Non-banking subsidiary company in Pakistan follows the requirements of International Financial Reporting Standard (IFRS) 9, Financial Instruments, Recognition and Measurement as applicable to the subsidiary company, IAS 40, Investment Property and IFRS 7, Financial Instruments: Disclosures. Intra-group balances and transactions are eliminated.

Associate company is an entity in which the Group has significant influence, but not control, over the financial and operating policies. Interests in associate company is accounted for using the equity method. It is initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the consolidated profit or loss and consolidated comprehensive income of equity accounted investee, until the date on which significant influence or control ceases.

2.2 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pak. Rupee, which is the Group's functional and presentation currency.

3. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (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.

3.2 The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property, for banking companies and DFIs till further instructions. Further, the SBP, vide its BSD Circular Letter no. 10 dated September 11, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instrument; recognition and measurement and IFRS 10, Consolidated Financial Statement was made applicable from period beginning on or after January 01, 2015 vide S.R.O. 663(1)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O. 56(1)/2016 dated January 28, 2016, that the requirement of consolidation under section 2018 of Companies Act, 2017 and IFRS 10 is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated financial statements. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks and DFIs.

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3.3 Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current year:

There are certain amendments to existing accounting and reporting standards that have become applicable to the Company for the accounting periods beginning on or after January 1, 2022. These are considered either not to be relevant or not to have any significant impact on these unconsolidated financial statements.

3.4 Standards, interpretations of and amendments to published accounting and reporting standards that are not yet effective:

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023 and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

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- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods will have no material impact on these consolidated financial statements other than in presentation / disclosures.

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2023 but are considered either not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these unconsolidated financial statements except the IFRS 9 Financial instruments: classification and measurement that will have significant effect on unconsolidated financial statements on its application as detailed below:

SBP vide its BPRD Circular Letter no. 03 of 2022 dated July 05, 2022 has conveyed the implementation date of IFRS-9 for DFIs as January 01, 2023 and has also issued detailed application guidance for its implementation. The standard IFRS 9 "financial Instruments" addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'expected credit losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The total estimated adjustment at the adoption of IFRS 9 will decrease opening balance of the Holding Company's equity at 01 January 2023 by Rs. 853.928 million due to recognition of ECL on related financial assets and also increase related deferred tax asset by Rs. 281.796 million. The adjusted Capital Adequacy Ratio of the Holding Company after absorbing referred adjustments will be 43.96%.

4. BASIS OF MEASUREMENT

These consolidated financial statements have been prepared under the historical cost convention except for:

- certain items of fixed assets and non-banking assets acquired in satisfaction of claims which are shown at revalued amounts;
- certain investments which are carried at fair value in accordance with directives of the SBP; and
- staff retirement benefit which is stated at present value of defined benefit obligation net of fair value of plan assets.
- investment properties which are carried at fair value.

Critical accounting estimates and judgments

The preparation of consolidated financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. The Group uses estimates and assumptions concerning the future. The resulting accounting estimate will, by definition, seldom equals the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these consolidated financial statements are as follows:

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- i) Classification of investments (note 5.4)
- ii) Provision against investments (note 5.16), advances (note 5.5) and other assets (note 14)
- iii) Valuation and impairment of available for sale securities (note 5.4(b))
- iv) Valuation, useful life and depreciation of fixed assets (note 5.6) and non-banking assets acquired in satisfaction of claims (note 5.8)
- v) Useful life of intangibles (note 5.7)
- vi) Taxation (note 5.11)
- vii) Present value of staff retirement benefits (note 5.12)
- viii) Net realizable value of development properties (note 5.9)

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

5.1 Cash and cash equivalents

Cash and cash equivalents comprise of cash and balances with treasury banks, balances with other banks and call money lendings.

5.2 Non-current asset classified as held for sale

The Group classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for sale in its present condition and its sale must be probable. For sale to be probable, the appropriate level of management must be committed to a plan to sell the asset and an active programme to locate a buyer and complete plan must have been initiated. Assets designated as held for sale are carried at lower of carrying amount at designation and fair value less cost to sell, if fair value can reasonably be determined.

5.3 Sale and repurchase agreements

Securities sold under repurchase agreement (repo) are retained in the consolidated financial statements as investments and a liability for consideration received is included in borrowings. Conversely, consideration for securities purchased under resale agreement (reverse repo) are included in lendings to financial institutions. The difference between sale and repurchase / purchase and resale price is recognised as mark-up / return expensed and earned respectively on a time proportion basis as the case may be. Repo and reverse repo balances are reflected under borrowings from and lendings to financial institutions respectively.

5.4 Investments

Investments are classified as follows:

(a) Held-For-Trading (HFT)

These represent securities acquired with the intention to trade by taking advantage of short-term market / interest rate movements. These are marked to market and surplus / deficit arising on revaluation of 'held for trading' investments is taken to consolidated profit and loss account in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

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(b) Available-For-Sale (AFS)

These represent securities which do not fall under 'held for trading' or 'held to maturity' categories. In accordance with the requirements of the SBP's BSD Circular No. 20 dated August 04, 2000 and BPRD Circular No. 06 dated June 26, 2014, available for sale securities for which ready quotations are available on Reuters Page (PKRV) or Stock Exchanges, are valued at market value and the resulting surplus / deficit on revaluation, net of deferred tax, is taken through "Statement of Comprehensive Income" and is shown in the shareholders' equity in the consolidated statement of financial position. Where the decline in prices of available for sale securities is significant and prolonged, it is considered impaired and included in consolidated profit and loss account. Impairment loss on available for sale debt securities is determined in accordance with the requirements of prudential regulations issued by SBP.

Unquoted equity securities are valued at the lower of cost and break-up value. Break-up value of equity securities is calculated with reference to the net assets of the investee companies as per their latest available financial statements.

Investments in other unquoted securities are valued at cost less impairment losses, if any.

(c) Held-To-Maturity (HTM)

These represent securities acquired with the intention and ability to hold them upto maturity. These are carried at amortized cost less impairment, if any, in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

5.5 Advances

Advances are stated net of provision. Provision for non-performing advances is determined in accordance with the requirements of the Prudential Regulations issued by SBP from time to time.

The provision against non-performing advances are charged to the consolidated profit and loss account. Advances are written off when there is no realistic prospect of recovery.

5.6 Fixed assets and depreciation

(a) Property and equipment (owned and leased)

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any, except for freehold land which is stated at cost and lease hold land, buildings and certain other items which are carried at revalued amount less depreciation.

Certain items of fixed assets are revalued by professionally qualified valuers with sufficient regularity to ensure that the net carrying amount does not differ materially from their fair value. Surplus / (deficit) arising on revaluation of fixed assets is credited / (debited) to the surplus on revaluation of assets account and is shown in the shareholders' equity in the consolidated statement of financial position.

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In making estimates of the depreciation / amortization, the management uses useful life and residual value which reflects the pattern in which economic benefits are expected to be consumed by the Group. The useful life and the residual value are reviewed at each financial year end and any change in these estimates in future years might effect the carrying amounts of the respective item of operating fixed assets with the corresponding effect on depreciation / amortization charge.

Depreciation is provided on straight line method at rates specified in note 12.2 to the consolidated financial statements so as to write off the cost of the assets over their estimated useful lives. Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of the date when the asset is classified as held for sale and the date that the asset is derecognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

Maintenance and normal repairs are charged to consolidated profit and loss account as and when incurred. Major renewals and improvements are capitalized. Gains and losses on disposal of operating fixed assets are taken to the consolidated profit and loss account.

(b) Capital work in progress

Capital work in progress is stated at cost less accumulated impairment losses, if any, and is transferred to the respective item of fixed assets when available for intended use.

5.7 Intangibles

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Amortization is charged to consolidated profit and loss account. Amortization is computed from the date of purchase to date of disposal / write off using the straight line method in accordance with the rates specified in note 13 to these consolidated financial statements to write off cost of the assets over their estimated useful life.

5.8 Non banking assets acquired in satisfaction of claims

In accordance with the BPRD Circular No. 1 of 2016 dated January 1, 2016 issued by SBP, the non-banking assets acquired in satisfaction of claims are carried at revalued amounts. Surplus arising on revaluation of such properties is credited to the 'surplus on revaluation of non banking assets' account and any deficit arising on revaluation is taken to profit and loss account directly. Legal fees, transfer costs and direct costs of acquiring title to property is charged to profit and loss account and are not capitalised. These assets are depreciated as per Group's policy.

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5.9 Development properties

Development properties include acquisition or development of properties for sale in the ordinary course of business. These are carried in the consolidated statement of financial position at lower of cost and net realizable value. Cost includes all direct costs attributable to the acquisition, design and construction of the properties.

The cost of development properties recognized in consolidated profit and loss account on sale is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold. Net realizable value represents the selling price in the ordinary course of business less cost of completion and estimated cost necessarily to be incurred for sale. The management reviews the carrying values of the development properties on an annual basis.

5.10 Deposits

Deposits are recorded at the fair value of proceeds received. Markup accrued on deposits is recognised separately as part of other liabilities and is charged to consolidated profit and loss account on a time proportion basis.

5.11 Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated profit and loss account, except to the extent that it relates to items recognised directly in other comprehensive income or in equity, in which case it is recognised in other comprehensive income or in equity.

(a) Current

Provision for current tax is the expected tax payable on the taxable income for the year using tax rates applicable at the date of consolidated statement of financial position. The charge for the current tax also includes adjustments, where considered necessary relating to prior years, arising from assessments made during the year for such years.

(b) Deferred

Deferred tax is provided for by using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the date of consolidated statement of financial position, and applicable at the time of its reversal. A deferred tax asset is recognised only to the extent that it is probable that the future taxable profit will be available and credits can be utilized. Deferred tax assets are reduced to the extent it is no longer probable that the related tax benefit will be realised.

The Group recognizes deferred tax asset / liability on (deficit) / surplus on revaluation of securities and revaluation of fixed assets as an adjustment to deficit / surplus on revaluation of securities and revaluation of fixed assets.

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5.12 Staff retirement benefits

(a) Defined benefit plan

The Group operates an approved gratuity fund for its permanent employees as disclosed in note 36. Contributions to the fund are made on the basis of actuarial recommendations. The actuarial valuation is carried out periodically using "projected unit credit method".

(b) Defined contribution plan

The Group also operates a recognized provident fund for all of its employees. Equal monthly contributions at the rate of 10% of basic salary are made both by the Group and the employees, which are transferred to the provident fund.

(c) Compensated absences

As per its service rules, the Group grants compensated absences to all of its permanent employees. The provision for compensated absences is made on the basis of last drawn basic salary.

5.13 Revenue recognition

- Mark-up / interest on advances and return on investments is recognized on accrual basis except on classified advances and investments which is recognized on receipt basis in compliance with Prudential Regulations issued by the SBP. Fines / penalties on delayed payments are recorded in the consolidated profit and loss account on receipt basis.
- Markup / interest on rescheduled / restructured advances and return on investment is recognized in accordance with the directives of the SBP.
- Fees, commission and brokerage income is recognised at the time of performance of service.
- Dividend income is recognized when the Group's right to receive income is established.
- The Group follows the finance method to recognize income from lease financing. Under this method, the unearned lease income (excess of the sum of total lease rentals and estimated residual value over the cost of the leased assets) is deferred and taken to income over the term of lease period so as to produce a constant periodic rate of return on the outstanding net investment in lease. Gains / losses on termination of lease contracts are recognized as income / expense on realization. Unrealized lease income on classified lease is held in suspense account, where necessary, in accordance with the requirements of SBP guidelines and recognized as income on receipt basis.
- Gains and losses on sale of investments are taken to the consolidated profit and loss account.
- Rental income is recognized on systematic basis.
- Gains and losses on disposal of fixed assets are taken to the consolidated profit and loss account.
- Revenue from sale of properties recognized on accrual basis.

5.14 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak. Rupee at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated to Pak. Rupee at the exchange rates prevailing at the date of consolidated statement of financial position. Exchange gains and losses are included in consolidated profit and loss account of the Group.

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5.15 Impairment

The carrying amount of the Group's assets are reviewed at the date of consolidated statement of financial position to determine whether there is any indication of impairment. If such indications exist, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recognised as expense in the consolidated profit and loss account. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

5.16 Provisions

Provisions are recognised when there are present, legal or constructive obligations as a result of past events and it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amounts can be made. Provision for guarantee claims and other off balance sheet obligations is recognized when intimated and reasonable certainty exists to settle the obligations. Expected recoveries are recognized by debiting customer accounts. Charge to consolidated profit and loss account is stated net off expected recoveries.

5.17 Financial instruments

Financial assets and liabilities

Financial assets and financial liabilities are recognized at the time when the Group becomes a party to the contractual provision of the instrument. Financial assets are de-recognized when the contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of the asset. Financial liabilities are de-recognized when obligation specific in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial asset and liability is recognized in the profit and loss account of the current period. The particular recognition and subsequent measurement methods adopted for significant financial assets and financial liabilities are disclosed in the individual policy statements associated with them.

5.18 Off-setting of financial instruments

Financial assets and financial liabilities are only set-off and net amount is reported in the consolidated financial statements when there is legally enforceable right to set-off the recognized amount and the Group either intends to settle on net basis or to settle the liabilities and realize the assets simultaneously.

5.19 Statutory reserve

According to BPD Circular No. 15 dated May 31, 2004 issued by the SBP, an amount not less than 20% of the after tax profits shall be transferred to create a reserve fund till such time the reserve fund equals the amount of the paid-up capital and after that a sum not less than 5% of profit after tax shall be credited to the statutory reserve.

5.20 Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing differentiated products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), subject to risks and rewards that are different from those of other segments. Segment information is presented as per the Group's functional structure and the guidance of State Bank of Pakistan. The Group's primary format of reporting is based on business segments. The Group comprises of the following main business segments:

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(a) Business Segment

– **Corporate finance**

This includes investment activities such as underwriting, Initial Public Offers (IPOs) and corporate financing.

– **Trading and Sales**

Trading and sales includes the Group's treasury and money market activities.

– **Building Rental Services & Real State**

This segment undertakes the purchase, development and sale of properties, property management services, investment in joint ventures and other related services and also undertakes the rental services of Saudi Pak Tower and its allied activities.

(b) Geographical Segment

The Group conducts all its operations in Pakistan.

	Note	2022 ----- Rupees -----	2021 -----
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		288,648	343,708
With State Bank of Pakistan in			
Local currency current accounts	6.1	<u>116,151,462</u>	<u>101,612,867</u>
		<u>116,440,110</u>	<u>101,956,575</u>

6.1 These represent current accounts maintained with the SBP to comply with the statutory cash reserve requirements.

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		2022	2021
		----- Rupees -----	----- Rupees -----
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		84,439,991	6,946,411
In deposit accounts	7.1 & 7.2	53,427,001	172,208,951
		<u>137,866,992</u>	<u>179,155,362</u>

7.1 Deposit accounts include local currency accounts amounting to Rs. 23,551,283 (2021: Rs. 148,455,340) held in local currency accounts. These accounts carry markup at the rates ranging from 3.75% to 14.50% (2021: 2.25% to 9.75%) per annum.

7.2 Deposit accounts include USD 132,006.24 (2021: USD 134,619.50) held in foreign currency accounts. These accounts carry markup at the rate of 0.25% (2021: 0.25%) per annum.

	Note	2022	2021
		----- Rupees -----	----- Rupees -----
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (Reverse Repo)	8.1	-	-
Less: provision held against Lending to Financial Institutions		-	-
Lending to Financial Institutions - net of provision		<u>-</u>	<u>-</u>

8.1 Particulars of lending		2022	2021
		----- Rupees -----	----- Rupees -----
In local currency		-	-

8.2 Securities held as collateral against lending to financial institutions

		2022			2021		
		Held by the Group	Further given as collateral	Total	Held by the Group	Further given as collateral	Total
Note		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Pakistan Investment Bonds	8.2.1	-	-	-	-	-	-
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

8.2.1 Market value of securities held as collateral at December 31, 2022 is Nil (2021: Nil).

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9. INVESTMENTS		2022				2021			
9.1 Investments by type:	Note	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		-	-	-	-	66,105,488	-	1,822,511	67,927,999
Open end mutual fund		187,981,492	-	1,347,140	189,328,632	35,000,000	-	37,858	35,037,858
		187,981,492	-	1,347,140	189,328,632	101,105,488	-	1,860,369	102,965,857
Available-for-sale securities									
Federal Government Securities									
-Pakistan Investment Bonds (PIBs)		32,994,355,755	-	(1,800,587,455)	31,193,768,300	26,156,748,679	-	(988,367,679)	25,168,381,000
		32,994,355,755	-	(1,800,587,455)	31,193,768,300	26,156,748,679	-	(988,367,679)	25,168,381,000
Shares- quoted securities		3,265,391,260	(941,511,580)	(98,873,281)	2,225,006,399	3,208,180,629	(720,924,974)	(32,280,058)	2,454,975,597
Non Government Debt Securities									
-Term Finance Certificates (TFCs) / Sukuk		969,651,845	(80,266,424)	2,340,000	891,725,421	1,171,060,447	(81,675,026)	14,458,400	1,103,843,821
-Commercial paper		-	-	-	-	-	-	-	-
Un-quoted securities		783,833,048	(273,833,040)	-	510,000,008	786,333,048	(273,833,040)	-	512,500,008
		38,013,231,908	(1,295,611,044)	(1,897,120,736)	34,820,500,128	31,322,322,803	(1,076,433,040)	(1,006,189,337)	29,239,700,426
Held-to-maturity securities									
Federal Government Securities									
-Market treasury bills		143,666,166	-	-	143,666,166	166,634,489	-	-	166,634,489
Non Government Debt Securities									
-Term Finance Certificates (TFCs)	9.1.1	1,529,701,077	(529,186,077)	-	1,000,515,000	1,867,317,203	(544,249,203)	-	1,323,068,000
-Certificate of Investment (COI)		-	-	-	-	65,284,933	-	-	65,284,933
		1,673,367,243	(529,186,077)	-	1,144,181,166	2,099,236,625	(544,249,203)	-	1,554,987,422
Total Investments		39,874,580,643	(1,824,797,121)	(1,895,773,596)	36,154,009,926	33,522,664,916	(1,620,682,243)	(1,004,328,968)	30,897,653,705

9.1.1 Installments of Rs.14.310 million and Rs.18.728 million were due on February 10, 2022 & August 10, 2022 respectively against unsecured subordinated TFCs of Rs. 299.760 million issued by Silk Bank Limited (the Issuer). Delay in payments is due to "lock in event" that has restricted the Issuer to make payment without the approval of the State Bank of Pakistan (SBP) to avoid the Issuer's noncompliance of minimum capital requirement and capital adequacy ratio. In view of the fact that the Issuer is continuing as a going concern without any restriction on its operations, the debt obligation is duly recognized and that the application for allowing the payment is pending with SBP, the management of the Holding Company believes that no provisions is required to be made in the financial statements pursuant to clause 2.8 of the trust deed, the delay in payment does not constitute a breach of the issuer's redemption obligations as per the independent legal opinion provided by the trustee to all the participating financial institutions.

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	2022				2021			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
9.2 Investments by segments:	-----Rupees-----				-----Rupees-----			
Federal Government Securities:								
Market treasury bills	143,666,166	-	-	143,666,166	166,634,489	-	-	166,634,489
Pakistan Investment Bonds	32,994,355,755	-	(1,800,587,455)	31,193,768,300	26,156,748,679	-	(988,367,679)	25,168,381,000
	33,138,021,921	-	(1,800,587,455)	31,337,434,466	26,323,383,168	-	(988,367,679)	25,335,015,489
Shares:								
Listed companies	3,265,391,260	(941,511,580)	(98,873,281)	2,225,006,399	3,274,286,117	(720,924,974)	(30,457,547)	2,522,903,596
Unlisted companies	783,833,048	(273,833,040)	-	510,000,008	786,333,048	(273,833,040)	-	512,500,008
	4,049,224,308	(1,215,344,620)	(98,873,281)	2,735,006,407	4,060,619,165	(994,758,014)	(30,457,547)	3,035,403,604
Non Government Debt Securities								
Listed TFCs / Sukuk	1,231,098,389	(41,712,968)	2,340,000	1,191,725,421	2,095,099,899	(322,765,478)	14,458,400	1,786,792,821
Unlisted TFCs / Sukuk	1,268,254,533	(567,739,533)	-	700,515,000	943,277,751	(303,158,751)	-	640,119,000
Commercial paper	-	-	-	-	-	-	-	-
	2,499,352,922	(609,452,501)	2,340,000	1,892,240,421	3,038,377,650	(625,924,229)	14,458,400	2,426,911,821
Other investments								
Mutual funds	187,981,492	-	1,347,140	189,328,632	35,000,000	-	37,858	35,037,858
Certificate of Investment (COI)	-	-	-	-	65,284,933	-	-	65,284,933
	187,981,492	-	1,347,140	189,328,632	100,284,933	-	37,858	100,322,791
Total Investments	39,874,580,643	(1,824,797,121)	(1,895,773,596)	36,154,009,926	33,522,664,916	(1,620,682,243)	(1,004,328,968)	30,897,653,705

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	2022	2021
	----- Rupees -----	
9.2.1 Investments given as collateral		
Pakistan Investment Bonds (PIBs)	27,399,908,300	21,908,529,525
	<u>27,399,908,300</u>	<u>21,908,529,525</u>
9.3 Provision for diminution in value of investments		
9.3.1 Opening balance	1,620,682,243	1,519,406,251
Charge / reversals		
Charge for the year	264,524,009	207,601,400
Reversals for the year	(16,471,728)	(3,757,789)
Reversal on disposals	(43,937,403)	(102,567,619)
	204,114,878	101,275,992
Transfers - net	-	-
Amounts written off	-	-
Closing balance	<u>1,824,797,121</u>	<u>1,620,682,243</u>
9.3.2 Particulars of provision against debt securities		
Category of classification	2022	2021
	NPI Provision	NPI Provision
	----- Rupees -----	----- Rupees -----
Domestic		
Substandard	- -	- -
Doubtful	- -	- -
Loss	643,202,501 609,452,501	659,674,229 625,924,229
	<u>643,202,501</u> <u>609,452,501</u>	<u>659,674,229</u> <u>625,924,229</u>
Overseas	- -	- -
Total	<u>643,202,501</u> <u>609,452,501</u>	<u>659,674,229</u> <u>625,924,229</u>

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9.4 Quality of Available for Sale Securities

2022 2021
 ----- Cost in Rupees -----

Details regarding quality of Available for Sale (AFS) securities are as follows

Federal Government Securities - Government guaranteed

Pakistan Investment Bonds	32,994,355,755	26,156,748,679
	<u>32,994,355,755</u>	<u>26,156,748,679</u>

Shares:

Listed Companies

Cement	109,775,900	109,775,900
Chemical	417,127,705	417,127,705
Close-end Mutual Fund	37,745,634	37,745,634
Commercial Banks	860,941,393	647,875,278
Fertilizer	-	233,487,301
Insurance	145,952,935	100,820,544
Oil & Gas Marketing Companies	255,976,980	211,761,553
Oil & Gas Exploration Companies	517,973,984	517,973,844
Power Generation and Distribution	885,925,664	897,641,805
Technology and Communication	33,971,065	33,971,065
	<u>3,265,391,260</u>	<u>3,208,180,629</u>

	2022		2021	
	Cost	Breakup Value	Cost	Breakup Value
	-----Rupees-----		-----Rupees-----	
Unlisted Companies				
Al Hamra Avenue Private Limited	50,000,000	-	50,000,000	-
Alhamra Hills Private Limited	50,000,000	-	50,000,000	-
Ali Paper Board Industries Limited	5,710,000	-	5,710,000	-
Bela Chemical Industries Limited	6,500,000	-	6,500,000	-
Fruit Sap Limited	4,000,000	-	4,000,000	-
Innovative Investment Bank Limited	37,623,048	-	37,623,048	-
ISE Towers - REIT Management Company Limited	-	-	2,500,000	48,580,204
Pace Barka Properties Limited	168,750,000	193,302,602	168,750,000	210,367,051
Pak Kuwait Takaful Company	40,000,000	283,222	40,000,000	(2,485,549)
Pakistan Textile City Limited	50,000,000	5,047,010	50,000,000	5,047,010
Pakistan GasPort Consortium Limited	330,000,000	621,580,218	330,000,000	737,382,277
Saudi Pak Kalabagh Livestock Company Limited	10,000,000	-	10,000,000	-
Taurus Securities Limited	11,250,000	24,090,707	11,250,000	24,651,223
Trust Investment Bank Limited	20,000,000	-	20,000,000	-
	<u>783,833,048</u>	<u>844,303,759</u>	<u>786,333,048</u>	<u>1,023,542,216</u>

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Breakup value has been calculated using latest available audited financial statements, except for the parties for which no breakup value is mentioned above due to non-availability of latest audited financial statements because of litigation or liquidation proceedings.

	2022	2021
	-----Cost in Rupees-----	
Non Government Debt Securities		
Listed		
- AA+, AA, AA-	860,000,000	1,060,000,000
- CCC and below	29,385,421	29,385,421
- Unrated	23,009,084	24,417,686
	912,394,505	1,113,803,107
Unlisted		
- A+, A, A-	-	-
- Unrated	57,257,340	57,257,340
	57,257,340	57,257,340
	<u>969,651,845</u>	<u>1,171,060,447</u>

9.5 The Group does not have any investments in foreign securities as at December 31, 2022 (2021: Nil).

	Note	2022	2021
		-----Cost in Rupees-----	
9.6 Particulars relating to Held to Maturity securities are as follows:			
Federal Government Securities - Government guaranteed			
- Market Treasury Bills		143,666,166	166,634,489
Non Government Debt Securities			
Listed			
- AA+, AA, AA-		300,000,000	600,000,000
- Unrated		18,703,884	19,617,792
	9.6.1	318,703,884	619,617,792
Unlisted			
- AA+, AA, AA-		267,005,000	289,558,000
- A+, A, A-		100,000,000	100,000,000
- BBB+, BBB, BBB-		-	299,760,000
- B+, B, B-		299,760,000	
- Unrated		544,232,193	558,381,411
		1,210,997,193	1,247,699,411
Others			
- Unrated		-	65,284,933
		<u>1,529,701,077</u>	<u>1,932,602,136</u>

9.6.1 Market value of held-to-maturity securities other than non performing investments as at December 31, 2022 is Rs. 576 million (2021: Rs. 1,193 million).

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	Note	2022 Performing	2021	2022 Non Performing	2021	2022 Total	2021
Rupees							
10. ADVANCES							
Loans, leases, running finances - gross	10.1	8,696,455,188	6,722,162,869	2,778,130,890	2,387,298,720	11,474,586,078	9,109,461,589
Provision against advances							
- Specific		-	-	(2,268,864,901)	(2,241,352,677)	(2,268,864,901)	(2,241,352,677)
- General		(86,383,617)	-	-	-	(86,383,617)	-
		(86,383,617)	-	(2,268,864,901)	(2,241,352,677)	(2,355,248,518)	(2,241,352,677)
Advances - net of provision		<u>8,610,071,571</u>	<u>6,722,162,869</u>	<u>509,265,989</u>	<u>145,946,043</u>	<u>9,119,337,560</u>	<u>6,868,108,912</u>

10.1 Includes Net Investment in Finance Lease as disclosed below:

	2022				2021			
	Not later than one year	Later than one and less than five years	Over five years	Total	Not later than one year	Later than one and less than five years	Over five years	Total
Rupees								
Lease rentals receivable	95,208,694	-	-	95,208,694	95,208,694	-	-	95,208,694
Residual value	-	-	-	-	-	-	-	-
Minimum lease payments	95,208,694	-	-	95,208,694	95,208,694	-	-	95,208,694
Financial charges for future periods	(28,746,708)	-	-	(28,746,708)	(28,746,708)	-	-	(28,746,708)
Present value of minimum lease payments	<u>66,461,986</u>	<u>-</u>	<u>-</u>	<u>66,461,986</u>	<u>66,461,986</u>	<u>-</u>	<u>-</u>	<u>66,461,986</u>

10.2 Particulars of advances (Gross)

	2022	2021
Rupees		
In local currency	11,474,586,078	9,109,461,589
In foreign currencies	-	-
	<u>11,474,586,078</u>	<u>9,109,461,589</u>

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10.3 Advances include Rs. 2,778,130,890 (2021: Rs. 2,387,298,720) which have been placed under non-performing status as detailed below:-

Category of Classification	2022		2021	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	-----Rupees-----		-----Rupees-----	
Domestic				
Substandard	-	-	-	-
Doubtful	270,000,000	-	291,892,086	145,946,043
Loss	2,508,130,890	2,268,864,901	2,095,406,634	2,095,406,634
Total	<u>2,778,130,890</u>	<u>2,268,864,901</u>	<u>2,387,298,720</u>	<u>2,241,352,677</u>

10.4 Particulars of provision against advances

Note	2022			2021		
	Specific	General	Total	Specific	General	Total
	-----Rupees-----			-----Rupees-----		
Opening balance	2,241,352,677	-	2,241,352,677	2,533,847,014	-	2,533,847,014
Charge for the year	146,592,629	86,383,617	232,976,246	176,878,680	-	176,878,680
Reversals	(119,080,405)	-	(119,080,405)	(418,438,954)	-	(418,438,954)
	27,512,224	86,383,617	113,895,841	(241,560,274)	-	(241,560,274)
Amounts written off	-	-	-	(50,934,063)	-	(50,934,063)
Closing balance	<u>2,268,864,901</u>	<u>86,383,617</u>	<u>2,355,248,518</u>	<u>2,241,352,677</u>	<u>-</u>	<u>2,241,352,677</u>

10.4.1 During the year, the Holding Company provided general provisioning of Rs.86.384 Million, i.e. 1% of regular loan portfolio other than staff advances on the anticipation that challenging economic conditions may have an adverse impact on regular loans and risk of increase in NPLs cannot be precluded.

10.4.2 Particulars of provision against advances

	2022			2021		
	Specific	General	Total	Specific	General	Total
	-----Rupees-----			-----Rupees-----		
In local currency	2,268,864,901	86,383,617	2,355,248,518	2,241,352,677	-	2,241,352,677
In foreign currencies	-	-	-	-	-	-
	<u>2,268,864,901</u>	<u>86,383,617</u>	<u>2,355,248,518</u>	<u>2,241,352,677</u>	<u>-</u>	<u>2,241,352,677</u>

10.4.3 The net FSV benefit already availed has been increased by Rs. 374.266 million, which has resulted reduction 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 decreased by Rs. 374.266 million (December 31, 2021: nil) and Rs. 265.729 million (December 31, 2021: nil) respectively. Further, at December 31, 2022, cumulative net of tax benefit availed for Forced Sale Value (FSV) was Rs. 265.729 million (December 31, 2021: Rs. Nil) 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.

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	Note	2022	2021
		-----Rupees-----	
10.5 Particulars of write offs:			
10.5.1 Against provisions	10.4	-	50,934,063
Directly charged to Profit & Loss account		-	607,822
		-	51,541,885
10.5.2 Write Offs of Rs. 500,000 and above	10.6		
- Domestic		-	51,493,885
- Overseas		-	-
Write Offs of Below Rs. 500,000		-	48,000
		-	51,541,885

10.6 Details of loan write off of Rs. 500,000/- and above

In terms of sub-section (3) of Section 33A of the Banking Companies Ordinance, 1962 the statement in respect of written off loans or any other financial relief of rupees five hundred thousand or above allowed to a person(s) during the year ended December 31, 2022 is given at Annexure I.

10.7 Particulars of loans and advances to staff included in advances

	2022	2021
	-----Rupees-----	
Opening balance	56,778,465	64,036,392
Amount disbursed during the year	28,536,481	17,877,546
Amount received during the year	(27,221,463)	(24,539,953)
Amount written off	-	(595,520)
Closing balance	58,093,483	56,778,465

11. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

	2022	2021
	-----Rupees-----	
Cost of investment reclassified from investments		
- Investment in ordinary 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 December	-	-
	-	-

- 11.1 The Holding Company's investment in Saudi Pak Leasing Company Limited (the "associate company") has been classified as non-current asset held for sale in accordance with International Financial Reporting Standards 5 "Non-current Assets Held for Sales and Discontinued Operations" and measured at lower of carrying amount at designation and fair value less cost to sell. The potential buyer had submitted its binding offer to Saudi Pak against which letter of intent was issued and the company submitted request to SECP for sale of its stake in SPLC. After completion of necessary formalities as sought by SECP from the potential buyer, the outcome of request submitted is awaited.

	Note	2022	2021
		-----Rupees-----	
12. FIXED ASSETS			
Capital work-in-progress	12.1	40,256,613	3,204,338
Property and equipment	12.2	4,344,297,739	4,465,441,541
		4,384,554,352	4,468,645,879
12.1 Capital work-in-progress			
Civil works		38,359,113	-
Advances to suppliers		1,897,500	3,204,338
		40,256,613	3,204,338

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12.2 Property and equipment

	2022											
	Leasehold land	Building - Karachi office	Other buildings	Building on Leasehold land	Furniture and fixture	Office equipment	Vehicles	Heating and air conditioning	Elevators	Security systems *	Electrical fittings, fire fighting equipment and others **	Total
	Rupees											
At January 1, 2022												
Cost / Revalued amount	2,578,050,000	52,282,000	233,620,000	1,244,411,875	15,619,117	59,001,950	103,181,243	101,608,491	51,800,000	4,431,722	162,778,926	4,606,785,324
Accumulated depreciation	-	-	-	-	14,217,999	46,410,800	64,824,621	-	-	53,703	15,836,660	141,343,783
Net book value	2,578,050,000	52,282,000	233,620,000	1,244,411,875	1,401,118	12,591,150	38,356,622	101,608,491	51,800,000	4,378,019	146,942,266	4,465,441,541
Year ended December 31, 2022												
Opening net book value	2,578,050,000	52,282,000	233,620,000	1,244,411,875	1,401,118	12,591,150	38,356,622	101,608,491	51,800,000	4,378,019	146,942,266	4,465,441,541
Additions / revaluation	-	-	9,593,000	867,460	937,311	10,412,512	7,229,594	719,780	-	718,283	16,178,522	46,656,462
Disposals												
- Cost / Revalued amount	-	-	-	(28,289)	(204,916)	(6,763,024)	(29,775,720)	(62,951)	-	(82,857)	(1,130,554)	(38,048,311)
- Accumulated depreciation	-	-	-	757	204,883	6,653,016	27,030,975	6,339	-	8,342	1,093,582	34,997,894
	-	-	-	(27,532)	(33)	(110,008)	(2,744,745)	(56,612)	-	(74,515)	(36,972)	(3,050,417)
Depreciation charge	(43,122,244)	(2,094,616)	-	(49,862,442)	(702,770)	(7,597,108)	(13,425,744)	(15,186,005)	(7,782,413)	(718,507)	(24,257,998)	(164,749,847)
Revaluation adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Closing net book value	2,534,927,756	50,187,384	243,213,000	1,195,389,361	1,635,626	15,296,546	29,415,727	87,085,654	44,017,587	4,303,280	138,825,818	4,344,297,739
At December 31, 2022												
Cost / Revalued amount	2,578,050,000	52,282,000	243,213,000	1,245,251,046	16,351,512	62,651,438	80,635,117	102,265,320	51,800,000	5,067,148	177,826,894	4,615,393,475
Accumulated depreciation	43,122,244	2,094,616	-	49,861,685	14,715,886	47,354,892	51,219,390	15,179,666	7,782,413	763,868	39,001,076	271,095,736
Net book value	2,534,927,756	50,187,384	243,213,000	1,195,389,361	1,635,626	15,296,546	29,415,727	87,085,654	44,017,587	4,303,280	138,825,818	4,344,297,739
Rate of depreciation (percentage)	1.67	4	-	4	20	33.33	20	15	15	15	15	
	2021											
	Leasehold land	Building - Karachi office	Other buildings	Building on Leasehold land	Furniture and fixture	Office equipment	Vehicles	Heating and air conditioning	Elevators	Security systems *	Electrical fittings, fire fighting equipment and others **	Total
	Rupees											
At January 1, 2021												
Cost / Revalued amount	1,743,975,000	36,597,000	215,874,000	996,414,324	15,269,542	54,667,127	107,921,188	101,520,389	48,090,798	5,325,558	183,585,637	3,509,240,563
Accumulated depreciation	55,458,402	2,927,756	-	79,695,506	13,543,098	45,447,180	62,645,857	30,047,348	14,160,838	1,609,252	55,773,390	361,308,627
Net book value	1,688,516,598	33,669,244	215,874,000	916,718,818	1,726,444	9,219,947	45,275,331	71,473,041	33,929,960	3,716,306	127,812,247	3,147,931,936
Year ended December 31, 2021												
Opening net book value	1,688,516,598	33,669,244	215,874,000	916,718,818	1,726,444	9,219,947	45,275,331	71,473,041	33,929,960	3,716,306	127,812,247	3,147,931,936
Additions / revaluation	-	-	17,746,000	477,844	428,075	9,942,213	13,890,479	3,991,318	-	92,728	15,898,410	62,467,067
Movement in surplus on assets revalued during the year	917,262,603	20,076,634	-	367,079,645	-	-	-	41,518,234	25,083,655	1,374,996	30,246,450	1,402,642,217
Revaluation adjustment	(83,187,603)	(4,391,634)	-	(119,559,938)	-	-	-	(45,421,450)	(21,374,453)	(2,361,560)	(66,681,940)	(342,978,578)
Disposals												
- Cost / Revalued amount	-	-	-	-	(78,500)	(5,607,390)	(18,630,424)	-	-	-	(269,631)	(24,585,945)
- Accumulated depreciation	-	-	-	-	78,500	5,544,042	12,005,685	-	-	-	269,626	17,897,853
	-	-	-	-	-	(63,348)	(6,624,739)	-	-	-	(5)	(6,688,092)
Depreciation charge	(27,729,201)	(1,463,878)	-	(39,864,432)	(753,401)	(6,507,662)	(14,184,449)	(15,374,102)	(7,213,615)	(806,011)	(27,014,836)	(140,911,587)
Revaluation adjustment	83,187,603	4,391,634	-	119,559,938	-	-	-	45,421,450	21,374,453	2,361,560	66,681,940	342,978,578
Closing net book value	2,578,050,000	52,282,000	233,620,000	1,244,411,875	1,401,118	12,591,150	38,356,622	101,608,491	51,800,000	4,378,019	146,942,266	4,465,441,541
At December 31, 2021												
Cost / Revalued amount	2,578,050,000	52,282,000	233,620,000	1,244,411,875	15,619,117	59,001,950	103,181,243	101,608,491	51,800,000	4,431,722	162,778,926	4,606,785,324
Accumulated depreciation	-	-	-	-	14,217,999	46,410,800	64,824,621	-	-	53,703	15,836,660	141,343,783
Net book value	2,578,050,000	52,282,000	233,620,000	1,244,411,875	1,401,118	12,591,150	38,356,622	101,608,491	51,800,000	4,378,019	146,942,266	4,465,441,541
Rate of depreciation (percentage)	1.59	4	-	4	20	33.33	20	15	15	15	15	

* This represents security system at Islamabad and Karachi office of Holding Company. Security system of Islamabad office are revalued only, as they form an integral part of building structure.

** This represents electrical fittings, fire fighting equipment, telephone installation, leasehold improvements, electrical appliances, loose tools & miscellaneous item at Islamabad, Lahore and Karachi office of Holding Company and office of subsidiary company. The Group revalues electrical fittings, fire fighting equipment and telephone installation for its Islamabad office only, as they form an integral part of building structure.

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12.3 Details of disposal of operating fixed assets

Particulars of assets	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	Mode of disposal	Particulars of buyer
Rupees						
Building on leasehold land						
Building items - Islamabad office	28,289	757	27,532	29,000	Auction	Suleman Khan
Furniture and fixture						
Furniture items - Islamabad office	127,791	127,772	19	48,500	Auction	Suleman Khan
Furniture items - Lahore office	10,400	10,398	2	2,000	Auction	Golden Interior
Furniture items - BCP Site	41,725	41,713	12	15,000	Auction	Golden Interior
Furniture and fixture - Subsidiary Company	25,000	25,000	-	25,000	Auction	Wood & Wood
	204,916	204,883	33	90,500		
Office equipment						
Samsung S 8 Plus	67,500	67,499	1	1	As per policy *	Zafar Iqbal
IT Equipment - Islamabad office	2,134,956	2,134,934	22	72,000	Auction	Arif Masih
Iphone Xs Max	100,000	51,365	48,635	48,635	As per policy *	Kashif Suhail
Samsung S 10 Lite	100,000	67,260	32,740	32,740	As per policy *	Shaikh Aftab Ahmed
HP Elitebook 850 G6	252,913	238,047	14,866	14,866	As per policy *	Shaikh Aftab Ahmed
HP Elitebook 850 G6	252,914	239,201	13,713	13,713	As per policy *	Zafar Iqbal
HP Elitebook 850 G6	252,913	252,912	1	1	As per policy *	Yawar Khan Afridi
HP Elitebook 850 G6	252,914	252,913	1	12,646	As per policy *	Arif Majeed Butt
HP Elitebook 850 G6	252,914	252,913	1	1	As per policy *	M. Ghairat Hayat
HP Elitebook 850 G6	252,914	252,913	1	1	As per policy *	Safdar Abbas Zaidi
HP Elitebook 850 G6	252,914	252,913	1	1	As per policy *	Ali Imran
IT Equipment - Islamabad office	338,287	338,282	5	14,545	Auction	Syed Azhar Ud Din Shah
IT Equipment - Karachi office	1,141,460	1,141,450	10	25,455	Auction	Ghulam Mustafa
IT Equipment - Lahore office	705,129	705,120	9	9,000	Auction	Golden Interior
IT Equipment - BCP Site	156,086	156,084	2	2,000	Auction	Golden Interior
Photocopy machine - Subsidiary Company	249,210	249,210	-	27,000	Auction	Ghalib Traders
	6,763,024	6,653,016	110,008	272,605		
Vehicles						
Suzuki Cultus - AQC 893	2,008,162	841,776	1,166,386	1,166,386	As per policy *	Mohammad Aslam
Honda CD-70	63,500	63,499	1	38,909	Auction	Rizwan Mazhar
Honda Civic i-Vtech Oriol - AJS 802	2,718,178	2,196,881	521,297	521,297	As per policy *	Kashif Suhail
Suzuki Cultus - AEV 729	1,406,560	1,406,559	1	1	As per policy *	Tayyaba Yamin
Honda Civic 1.8 - AGC 479	2,699,400	2,699,399	1	3,527,786	Auction	Nasir Iqbal Rana
Toyota Land Crusier ZX-V8 - CX 422	18,818,700	18,818,699	1	18,681,818	Auction	Sultan M Bahadar Aziz
Kia Picanto - LE 20 5839	2,061,220	1,004,162	1,057,058	1,057,058	As per policy *	Gohar Ayub Marth
	29,775,720	27,030,975	2,744,745	24,993,255		
Heating and air-conditioning						
Heating and air-conditioning items - Islamabad office	62,951	6,339	56,612	62,000	Auction	Suleman Khan
Security systems						
Security Items - Islamabad office	82,857	8,342	74,515	77,100	Auction	Suleman Khan

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Particulars of assets	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	Mode of disposal	Particulars of buyer
-----Rupees-----						
Electrical fittings, fire fighting equipment and others						
Diesel Generator 16-KVA	1	-	1	90,455	Auction	System And Power Engineering
Fire fighting equipment Items - Islamabad office	12,930	1,295	11,635	18,000	Auction	Suleman Khan
Telephone installation Items - Islamabad office	43	5	38	1,000	Auction	Suleman Khan
Telephone Exchange - Karachi office	139,028	139,027	1	18,000	Auction	Muhammad Nauman
Electrical Appliances - Islamabad office	421,962	400,419	21,543	64,036	Auction	Suleman Khan
Electrical Appliances - Karachi office	522,750	518,997	3,753	80,000	Auction	Muhammad Nauman
Misc Items - Islamabad office	33,840	33,839	1	8,000	Auction	Suleman Khan
	1,130,554	1,093,582	36,972	279,491		
	<u>38,048,311</u>	<u>34,997,894</u>	<u>3,050,417</u>	<u>25,803,951</u>		

* These items were sold to employees including key management personnel in accordance with policy of the Group.

12.4 Revaluation of property and equipment

The property and equipment of the Holding Company were revalued by independent professional valuer on the estimated value on market / depreciated basis as at December 31, 2021. The revaluation was carried out by M/s Impulse (Pvt) Limited; member of Pakistan Engineering Council and on panel of Pakistan Banking Association; on the basis of professional assessment of present market values and resulted in increase in surplus by Rs. 1,402.642 million. The total surplus arising against revaluation of fixed assets as at December 31, 2021 amounted to Rs. 3,968.328 million. Had there been no revaluation, the carrying amount of the revalued assets as at December 31, 2021 would have been as follows:

	2022	2021
	-----Rupees-----	
Leasehold Land	27,337,889	27,787,623
Building - Karachi office	1,519,155	2,137,391
Building	21,553,367	22,173,408
Heating and air-conditioning system	5,602,685	6,254,276
Elevators	12,730,421	19,373,192
Security system	772,616	178,939
Electrical fittings, fire fighting equipment and others	59,435,792	59,753,380
	<u>128,951,925</u>	<u>137,658,209</u>

12.5 Cost / revalued amount of fully depreciated assets that are still in use:

Furniture and fixture	12,412,624	10,513,608
Office equipment	35,896,885	36,251,129
Vehicles	9,791,193	27,129,060
Electrical fittings, fire fighting equipment and others	7,984,146	8,386,490
	<u>66,084,848</u>	<u>82,280,287</u>

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	Note	2022 ----- Rupees ----- Computer software	2021 ----- Rupees ----- Computer software
13. INTANGIBLE ASSETS			
At January 1			
Cost		30,203,584	26,731,503
Accumulated amortisation and impairment		24,094,534	19,502,063
Net book value		<u>6,109,050</u>	<u>7,229,440</u>
Year ended December 31			
Opening net book value		6,109,050	7,229,440
Additions - directly purchased		4,705,478	3,472,081
Amortisation charge		4,422,525	4,592,471
Closing net book value		<u>6,392,003</u>	<u>6,109,050</u>
At December 31			
Cost		34,909,062	30,203,584
Accumulated amortisation and impairment		28,517,059	24,094,534
Net book value		<u>6,392,003</u>	<u>6,109,050</u>
Rate of amortisation (percentage)		<u>33.33</u>	<u>33.33</u>
Useful life (years)		<u>3</u>	<u>3</u>
13.1	Cost of fully amortized intangible assets still in use amount to Rs. 23,843,854 (2021: Rs. 18,444,698).		
14. OTHER ASSETS	Note	2022 ----- Rupees -----	2021 ----- Rupees -----
Income/ mark-up accrued in local currency - net of provision			
On investments		1,678,229,864	842,458,570
On advances		530,155,076	311,550,059
On saving bank accounts		1,148,561	14,414
		<u>2,209,533,501</u>	<u>1,154,023,043</u>
Advances, deposits, advance rent and other prepayments		22,212,185	11,314,549
Advance taxation (payments less provisions)		1,278,268,117	855,962,478
Excise duty		78,817,895	78,817,895
Non-banking assets acquired in satisfaction of claims	14.1	51,651,432	53,803,576
Dividend receivable		34,641,773	42,867,904
Other receivables		4,896,126	684,959
		<u>3,680,021,029</u>	<u>2,197,474,404</u>
Less: Provision held against other assets	14.2	(256,792)	(256,792)
Other assets (net of provision)		<u>3,679,764,237</u>	<u>2,197,217,612</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	14.1	22,893,624	23,847,524
Other assets - total		<u>3,702,657,861</u>	<u>2,221,065,136</u>
14.1	Market value of non-banking assets acquired in satisfaction of claims		
		<u>77,651,100</u>	<u>77,651,100</u>

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The non-banking asset acquired from Irfan Textile represents office area on 1st floor of Famous Mall, Lahore and was initially recorded in the financial statements in June 2007. This asset was last revalued by independent professional valuers M/s Amir Evaluators & Consultants on the basis of assessment of Present Market Value on 31 December 2021 at Rs. 77.651 million. M/s Impulse (Pvt) Limited is member of Pakistan Engineering Council and also on panel of Pakistan Banking Association.

Business activity could not be started since the building was constructed due to pending approval of building map and the issuance of completion certificate from Lahore Development Authority (LDA). Management is hopeful to dispose off the same once the NOC is arranged and provided by the plaza owners.

	2022	2021
	-----Rupees-----	
14.1.1 Non-banking assets acquired in satisfaction of claims		
Opening balance	77,651,100	163,229,557
Revaluation during the year	-	14,712,840
Disposals during the year	-	(97,369,951)
Depreciation	(3,106,044)	(2,921,346)
Closing balance	<u>74,545,056</u>	<u>77,651,100</u>

14.1.2 Gain on disposal of non-banking assets acquired in satisfaction of claims

Disposal proceeds	-	158,000,000
less: carrying value	-	(97,369,951)
Gain realized on disposal	<u>-</u>	<u>60,630,049</u>

	Note	2022	2021
		-----Rupees-----	
14.2 Provision held against other assets			
Advances, deposits, advance rent & other prepayments	14.2.1	<u>256,792</u>	<u>256,792</u>

14.2.1 Movement in provision held against other assets

Opening balance	256,792	256,792
Charge for the year	-	-
Reversals / transfer	-	-
Amount Written off	-	-
Closing balance	<u>256,792</u>	<u>256,792</u>

15. DEVELOPMENT PROPERTIES

Balance at beginning of the year	198,210,163	198,210,163
Additions during the year	-	-
Cost of plots / house sold during the year	(5,476,135)	-
Balance at end of the year	<u>192,734,028</u>	<u>198,210,163</u>

15.1 This represents cost of 34 - eight marla plots situated at Royal Residencia Housing Scheme, Lahore held by subsidiary Company.

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16. BORROWINGS

BORROWINGS		2022	2021
		-----Rupees-----	
Secured			
Borrowings from State Bank of Pakistan under refinance scheme			
Long term financing facility	16.1	2,195,224,199	845,810,022
Temporary economic relief facility	16.2	491,424,500	491,424,500
		2,686,648,699	1,337,234,522
Repurchase agreement borrowings	16.3	27,775,718,150	21,831,884,450
Against book debts/receivables	16.4	4,812,500,000	3,287,500,000
Total secured		35,274,866,849	26,456,618,972
Unsecured			
Call borrowings	16.5	1,500,000,000	-
Total unsecured		1,500,000,000	-
		36,774,866,849	26,456,618,972

- 16.1** These represent facilities obtained against State Bank of Pakistan refinance schemes under LTFF. The mark up is charged at the rates ranging from 2.00% to 7.00% (2021: 2.00%) per annum. These facilities will mature during January 2023 to June 2032 (2021: January 2022 to January 2029).
- 16.2** These represent facilities obtained against State Bank of Pakistan refinance schemes under TERF. The mark up is charged at the rate of 1.00% (2021: 1.00%) per annum. These facilities will mature during April 2023 to January 2031 (2021: April 2023 to January 2031).
- 16.3** These facilities were secured against government securities (PIBs). These carry markup at rates ranging from 15.34% to 16.60% (2021: 10.25% to 10.65%) per annum having maturity during January 2023 to March 2023 (2021: during January 2022).
- 16.4** These represent facilities obtained from various banks against charge on book debts/receivables valuing Rs. 10,267 million (2021: Rs. 10,267 million). The mark up is charged at varying rates ranging from 15.86% to 17.31% (2021: 7.96% to 11.79%) per annum. These facilities will mature during January 2023 to December 2027 (2021: January 2022 to April 2025).
- 16.5** These facilities were unsecured and carrying markup at rate of 16.25% (2021: nil) per annum having maturity in January 2023 (2021: nil).

	Note	2022	2021
		-----Rupees-----	
16.6 Particulars of borrowings with respect to Currencies			
In local currency		36,774,866,849	26,456,618,972
In foreign currencies		-	-
		36,774,866,849	26,456,618,972

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17. DEPOSITS AND OTHER ACCOUNTS

Customers

- Term deposits (local currency)	17.1	<u>1,953,000,000</u>	<u>2,911,587,775</u>
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17.1 Composition of deposits

- Public Sector Entities	17.2	1,343,000,000	2,701,587,775
- Non-Banking Financial Institutions	17.3	10,000,000	10,000,000
- Private Sector	17.4	<u>600,000,000</u>	<u>200,000,000</u>
		<u>1,953,000,000</u>	<u>2,911,587,775</u>

17.2 These Certificate of Investments (COIs) carry mark up at the rates ranging from 16.80% to 16.88% (2021: 8.00% to 10.55%) per annum with maturity on November 2023 (2021: January 2022 to November 2022).

17.3 These Certificate of Investments (COIs) carry mark up at the rate of 16.12% (2021: 7.75%) per annum with maturity on March 2023 (2021: March 2022).

17.4 These Certificate of Investments (COIs) carry mark up at the rates ranging from 15.67% to 17.06% (2021: 11.14%) per annum with maturity during July 2023 to December 2023 (2021: December 2022).

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18. DEFERRED TAX LIABILITIES / (ASSETS)

Note	2022				
	At January 1 2022	Recognised in P&L A/C	Recognised in Equity	Recognised in OCI	At December 31 2022
	Rupees				
Deductible Temporary Differences on					
Actuarial loss on defined benefit plan	(5,853,874)	-	-	(1,346,383)	(7,200,257)
Unused tax losses	(17,218,138)	5,973,247	-	-	(11,244,891)
Surplus / (deficit) on revaluation of securities - AFS	(125,773,667)	-	-	(483,962,085)	(609,735,752)
Provision on non-performing loans	(549,082,000)	(107,885,000)	-	-	(656,967,000)
Impairment loss on available for sale quoted securities	(67,767,173)	(38,573,703)	-	-	(106,340,876)
	(765,694,852)	(140,485,456)	-	(485,308,468)	(1,391,488,776)
Taxable Temporary Differences on					
Accelerated tax depreciation	25,428,722	12,624,138	-	-	38,052,860
Dividend receivable	10,716,976	(670,862)	-	-	10,046,114
Net investment in leases	-	-	-	-	-
Surplus on revaluation of securities - HFT	273,377	(273,377)	-	-	-
Surplus on revaluation of operating fixed assets	1,150,815,223	(35,084,488)	153,893,895	-	1,269,624,630
Short term investment - COI & T Bill	503,014	(445,009)	-	-	58,005
	1,187,737,312	(23,849,598)	153,893,895	-	1,317,781,609
Excess deferred tax asset of the subsidiary company not recognized	18.1 16,506,876	(4,181,293)	-	59,818	12,385,401
	<u>438,549,336</u>	<u>(168,516,347)</u>	<u>153,893,895</u>	<u>(485,248,650)</u>	<u>(61,321,766)</u>
	2021				
	At January 1 2021	Recognised in P&L A/C	Recognised in Equity	Recognised in OCI	At December 31 2021
	Rupees				
Deductible Temporary Differences on					
Actuarial loss on defined benefit plan	(5,087,885)	-	-	(765,989)	(5,853,874)
Unused tax losses	(8,513,171)	(8,704,967)	-	-	(17,218,138)
Surplus / (deficit) on revaluation of securities - AFS	(87,557,285)	-	-	(38,216,382)	(125,773,667)
Provision on non-performing loans	(592,956,000)	43,874,000	-	-	(549,082,000)
Impairment loss on available for sale quoted securities	(91,939,258)	24,172,085	-	-	(67,767,173)
	(786,053,599)	59,341,118	-	(38,982,371)	(765,694,852)
Taxable Temporary Differences on					
Accelerated tax depreciation	21,720,964	3,707,758	-	-	25,428,722
Dividend receivable	5,255,702	5,461,274	-	-	10,716,976
Net investment in leases	18,670,058	(18,670,058)	-	-	-
Surplus on revaluation of securities - HFT	241,065	32,312	-	-	273,377
Surplus on revaluation of operating fixed assets	770,771,780	(26,722,800)	-	406,766,243	1,150,815,223
Short term investment - COI & T Bill	679,099	(176,085)	-	-	503,014
	817,338,668	(36,367,599)	-	406,766,243	1,187,737,312
Excess deferred tax asset of the subsidiary company not recognized	18.1 9,012,206	7,549,013	-	(54,343)	16,506,876
	<u>40,297,275</u>	<u>30,522,532</u>	<u>-</u>	<u>367,729,529</u>	<u>438,549,336</u>

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- 18.1 Deferred tax asset to the extent of Rs. 12,385,401 (2021: Rs. 16,506,876) related to the subsidiary company has not been recognized by its management in view of uncertainty related to taxable profits in foreseeable future.
- 18.2 At current year end, the Group had net deferred tax assets of Rs. 61.322 Million (2021: nil). Management believes that is probable that the Group will be able to achieve the profits and consequently, the deferred tax assets will either be realized in future or adjusted against the taxable temporary differences on net basis. Deferred tax assets and liabilities on temporary differences are measured at the rate of 33% (2021: 29%).

	Note	2022	2021
		Rupees	
19. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		378,356,147	149,516,538
Accrued expenses		33,069,012	62,594,158
Advance rental income	19.1	158,377,284	126,425,325
Security deposits against rented properties		42,827,182	37,225,579
Payable to defined benefit plan	36.4	10,015,734	8,015,251
Provision for compensated absences		10,021,723	9,913,246
Directors' remuneration		-	5,293,500
Payable to stock brokers - net		76,825,002	119,060
Dividend Payable to Foreign Shareholder		82,500,000	-
Others		18,498,131	24,891,114
		<u>810,490,215</u>	<u>423,993,771</u>

- 19.1 This represents rent received in advance for premises let out in the Saudi Pak Tower, Jinnah Avenue, Blue Area, Islamabad and Tricon Plaza, Lahore

20. SHARE CAPITAL

20.1 Authorized Capital

2022	2021		2022	2021
Number of shares			Rupees	
<u>1,000,000,000</u>	<u>1,000,000,000</u>	Ordinary shares of Rs. 10 each	<u>10,000,000,000</u>	<u>10,000,000,000</u>

20.2 Issued, subscribed and paid up share capital

2022	2021		2022	2021
Number of shares			Rupees	
400,000,000	400,000,000	<u>Ordinary shares</u>		
276,500,000	260,000,000	Fully paid in cash	4,000,000,000	4,000,000,000
		Issued as bonus shares (note 19.4)	2,765,000,000	2,600,000,000
<u>676,500,000</u>	<u>660,000,000</u>		<u>6,765,000,000</u>	<u>6,600,000,000</u>

- 20.3 State Bank of Pakistan on behalf of the Government of Pakistan and Ministry of Finance, KSA on behalf of Kingdom of Saudi Arabia are equal shareholders of the Holding Company.

- 20.4 This includes 16,500,000 (2021: nil) bonus shares of Rs. 165,000,000 (2021: nil) transferred from unappropriated profits after approval of the shareholders in the Annual General Meeting held on March 26, 2022. These shares rank pari passu with the existing shares.

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	2022	2021
Note	Rupees	
21. SURPLUS ON REVALUATION OF ASSETS		
Surplus / (deficit) on revaluation of		
- Available for sale securities	9.1 (1,897,120,736)	(1,006,189,337)
- Fixed assets	21.1 3,847,347,375	3,968,328,363
- Non-banking assets acquired in satisfaction of claims	21.2 22,893,624	23,847,524
	1,973,120,263	2,985,986,550
Deferred tax on surplus / (deficit) on revaluation of:		
- Available for sale securities	609,735,752	125,773,667
- Fixed assets	21.1 (1,269,624,630)	(1,150,815,223)
- Non-banking assets acquired in satisfaction of claims	-	-
	(659,888,878)	(1,025,041,556)
	1,313,231,385	1,960,944,994
21.1 Surplus on revaluation of fixed assets		
Surplus on revaluation of fixed assets as at January 1	3,968,328,363	2,657,833,730
Recognised during the year	-	1,402,642,217
Realised on disposal during the year - net of deferred tax	-	-
Related deferred tax liability on surplus realised on disposal	-	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	(85,896,500)	(65,424,784)
Related deferred tax liability on incremental depreciation charged during the year	(35,084,488)	(26,722,800)
Surplus on revaluation of fixed assets as at December 31	3,847,347,375	3,968,328,363
Less: related deferred tax liability on:		
- revaluation as at January 1	1,150,815,223	770,771,780
- revaluation recognised during the year	-	406,766,243
- surplus realised on disposal during the year	-	-
- Impact of change in tax rate	153,893,895	-
- incremental depreciation charged during the year	(35,084,488)	(26,722,800)
	1,269,624,630	1,150,815,223
	2,577,722,745	2,817,513,140
21.2 Surplus on revaluation of non-banking assets acquired in satisfaction of claims		
Surplus on revaluation as at January 1	23,847,524	23,920,343
Recognised during the year	-	14,712,840
Realized on disposal during the year	-	(14,361,521)
Incremental depreciation	(953,900)	(424,138)
Surplus on revaluation as at December 31	22,893,624	23,847,524
22. CONTINGENCIES AND COMMITMENTS		
-Guarantees	22.1 70,000,000	-
-Commitments	22.2 759,115,718	1,342,595,377
	829,115,718	1,342,595,377
22.1 Guarantees:		
Financial guarantees	70,000,000	-
22.2 Commitments:		
Commitment for the acquisition of:		
- Operating fixed assets	8,935,734	5,527,051
- Intangible assets	2,525,000	3,940,759
	11,460,734	9,467,810
Non disbursed commitment for term and working capital finance	747,654,984	1,333,127,567
	759,115,718	1,342,595,377

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22.3 Other contingent liabilities

22.3.1 Tax contingencies- Holding Company

- i) The Appellate Tribunal Inland Revenue (ATIR) Islamabad did not accept the Holding Company's contention on certain matters in appeals relating to tax years 2004 to 2006, 2008 to 2010 and 2012 to 2014. These issues mainly relate to disallowance of provision for non performing loans and apportionment of expenses between income subject to final tax regime and normal tax regime. The Holding Company has filed tax references before the Islamabad High Court that are pending adjudication. The Holding Company however, accounted for the impact of tax of Rs. 617.237 million on provision for non performing loans & advances by routing it through Profit & Loss in the year 2018.

The related tax demands for all the aforesaid tax years aggregate to Rs 1,091.694 million, out of which Rs 635.194 million has been paid by / recovered from the Holding Company.

- ii) For the tax years 2015 to 2018, the assessing officer amended the Holding Company's assessment under section 122(5A) of the Income Tax Ordinance 2001 and created an aggregate tax demand of Rs. 1,463.932 million by making various add backs and disallowances. The Holding Company preferred appeals before Commissioner Inland Revenue - Appeals [CIR(A)] who in terms of separate appellate orders remanded majority of the matters to the assessing officer and on certain matters upheld the actions of assessing officer. The Holding Company has preferred separate appeals before ATIR for aforesaid cases which are pending adjudication.

- iii) For tax years 2015 to 2017 proceedings under section 161 were initiated and cumulative demand of Rs. 276.482 million was created on account of alleged default in withholding of tax out of which Rs 26.034 million has been paid by / recovered from the Holding Company. The Holding Company preferred appeal before the CIR(A) who remanded certain issues and upheld certain matters. The Holding Company preferred further appeal before ATIR which is pending adjudication.

The management, based on the opinion of its legal counsels, believes that the above mentioned matters are likely to be decided in favour of the Holding Company at superior appellate forums and therefore no further charge is required to be recognised in these consolidated financial statements.

22.3.2 Tax contingencies- subsidiary company

- 22.3.2.1 The subsidiary company was selected for tax audit under section 177 of the Income Tax Ordinance 2001 for the tax year 2014 and a tax demand of Rs 4,787,629 was raised. The subsidiary company filed an appeal against the aforesaid assessment order before the CIR(A). The CIR(A) has remanded back the case.

- 22.3.2.2 The subsidiary company was selected for tax audit under section 177 of the Income Tax Ordinance 2001 for the tax year 2015 and a tax demand of Rs 9,022,333 was raised. The subsidiary company filed an appeal against the aforesaid assessment order before the CIR(A). A potential outcome of this proceedings cannot be ascertained at this stage.

- 22.3.2.3 The assessment in respect of tax year 2016 was amended by Additional Commissioner Inland Revenue vide assessment order bearing bar code No. 100000125720901 dated June 13, 2022 under Section 122 (5A) of the Income Tax Ordinance 2001 creating an aggregate demand amounting Rs. 183,642. The subsidiary company filed an appeal against the aforesaid assessment order before the CIR(A). The CIR(A) has remanded back the case.

- 22.3.2.4 The subsidiary company was selected for tax audit under section 177 of the Income Tax Ordinance 2001 for the tax year 2015 and a tax demand of Rs 19,256,487 was raised. The subsidiary company filed an appeal against the aforesaid assessment order before the CIR(A). A potential outcome of this proceedings cannot be ascertained at this stage.

- 22.3.2.5 The subsidiary company has received an order dated December 29, 2022, creating an aggregate demand amounting Rs 18,256,487 under section 161(1A) of the Ordinance. The subsidiary company filed an appeal before Commissioner Inland Revenue Appeals CIR(A) against the said order on January 05, 2023 which has not been fixed for hearing.

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22.3.3 Other contingencies

i) MACPAC Films Limited (Suit No. B-24/2014 of Rs. 1,040.623 million)

MACPAC Films Limited Karachi ("Customer") availed a Term Finance of Rs. 125 million in 2003/04 and then defaulted. In 2011, a settlement package was approved by Holding Company which contained waiver/write-off of Rs. 72.659 million on account of Markup and Liquidated Damages subject to payment of Rs. 100.141 million. The Customer accepted and paid Rs. 100.141 million. The write off/waiver was reported to the Credit Information Bureau of the State Bank of Pakistan (SBP) in compliance with regulatory requirements. Customer requested Holding Company and SBP to remove its name from CIB as it was allegedly reflecting bad on its business. Neither SBP nor Holding Company agreed however, the Customer filed the subject suit in 2014 in the Sindh High Court, Karachi which is being contested on merits. On the Court's direction, SBP has also filed comments endorsing regulatory compliance by Holding Company. So far, the Customer's evidence has been recorded. Now, it is fixed for recording of Holding Company's evidence (Defendant). Holding Company is confident that there is no substance in the present suit and liable to be dismissed after due process of law.

ii) Muhammad Zafar Sultan Paracha vs. Saudi Pak, Federation of Pakistan, DHA, Mukhtiarkar Gadap Town, Karachi (Suit No.1065/2014 of Rs. 200 million)

On April 27, 2014, the Holding Company invited bids for the sale of four properties i.e. farm house at Gadap Town and three plots (DHA Plots No.9-C, 17-C, 20-C) at Karachi. Highest bid of Rs. 134.500 million offered by Mr. Mudassir for only three plots at DHA was accepted, down payment was received and sale agreement dated June 2, 2014 was executed between Holding Company and the highest bidder through his nominee. Mr. Zafar Sultan Paracha had offered a lower bid of Rs. 93 million against all the four properties therefore his bid was rejected. He filed the subject suit in the Sindh High Court, Karachi and obtained an interim stay on July 5, 2014 restraining transfer of the above mentioned plots. Holding Company contested and got the stay vacated through Court as a result, three plots at DHA were transferred to the successful bidder/buyer after receipt of balance sale consideration. Mr. Piracha then filed an Appeal in the Court against the Stay Vacation Order which was also contested by Holding Company, separately. While vacating the stay order, the learned Judge of the Sindh High Court had observed that remaining suit to the extent of damages claimed against alleged loss of business opportunity etc, will separately be heard and decided. Appeal was fixed for hearing on 20 April 2022 but neither the counsel nor the Appellant attended the hearing, therefore, the Division Bench of the Sindh High Court dismissed the Appeal for non-prosecution. Holding Company has filed its reply in the suit proceeding and filed Application for rejection of Plaintiff being without any merits having no cause of action. Hearing is now scheduled on 06 March 2023 for settling issues for evidence of parties and arguments on Holding Company's application seeking out-right rejection of the plaintiff. Prima facie, the suit is baseless, as no cause of action is accrued to the Plaintiff, therefore, it is expected that it will be dismissed after due process of law.

iii) Kohinoor Spinning Mills Limited and its Guarantors vs. Saudi Pak (Suite No.258676/2018 of Rs. 600 million)

The Customer had availed Term Finance Facility (TFF) of Rs. 400 million from the Holding Company in 2014 but defaulted after part payments whereof the Holding Company filed a recovery suit of Rs. 396.085 million against the Customer and its directors/guarantors in the Lahore High Court, Lahore in which proceedings still continue. In 2018, the Customer filed a Suit of for Declaration and damages of Rs. 600 million against Holding Company in the same court. The Customer alleged that TFF of Rs. 400 million approved by the Holding Company was not disbursed to the Customer and due to non-disbursement of the approved TFF, the Customer suffered business losses of Rs. 200 million. Its reply was filed by the Holding Company. The Suit is at evidence stage. Recording of Customer's evidence is in process and Holding Company's evidence will be recorded after completion of customer's evidence. Holding Company believes that the suit of the Customer is a counterblast against Holding Company's initiated litigation. Holding Company has denied all allegations vehemently by filing reply to this. The management believes there is no substance in this suit and will be dismissed on merits after due process of law.

23. Presently, the Group does not deal in derivative products.

	2022	2021
	----- Rupees -----	
24. MARK-UP / RETURN / INTEREST EARNED		
On loans and advances	1,062,279,338	1,131,054,292
On investments	4,088,857,074	2,597,861,136
On lendings to financial institutions	26,062,611	4,686,802
On balances with banks	9,691,975	9,462,062
	<u>5,186,890,998</u>	<u>3,743,064,292</u>

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	Note	2022 ----- Rupees -----	2021 ----- Rupees -----
25. MARK-UP / RETURN / INTEREST EXPENSED			
Deposits	25.1	347,353,169	197,052,381
Borrowings			
Securities purchased under repurchase agreements		3,444,840,982	1,522,641,882
Other short term borrowings		486,422,628	281,373,700
Long term finance for export oriented projects from SBP		40,187,941	21,758,569
Long term borrowings		337,890,358	257,058,285
		4,309,341,909	2,082,832,436
Brokerage fee		4,666,899	9,156,371
		<u>4,661,361,977</u>	<u>2,289,041,188</u>
25.1 The markup expensed amounting to Rs. 1,225,668 (2021: Rs. 771,746) relates to Saudi Pak Employees Contributory Fund.			
26. FEE & COMMISSION INCOME			
Credit related fees		8,775,000	3,860,000
Commission on guarantees		175,000	-
		<u>8,950,000</u>	<u>3,860,000</u>
27. (LOSS) / GAIN ON SECURITIES			
Realised	27.1	66,148,755	(301,980,100)
Unrealised - held for trading	9.1	1,347,140	1,860,369
		<u>67,495,895</u>	<u>(300,119,731)</u>
27.1 Realised (loss) / gain on:			
Federal Government Securities		51,000	(345,070,665)
Mutual funds		-	9,173
Shares- listed		37,493,074	43,081,392
Shares - unlisted		28,604,681	-
		<u>66,148,755</u>	<u>(301,980,100)</u>
28. OTHER INCOME			
Rent on property - net	28.1	237,770,603	209,539,229
(Loss) / gain on sale of fixed assets - net		22,753,534	(1,324,399)
Gain on sale of non banking assets		-	60,630,049
Others		12,552,675	20,122,185
		<u>273,076,812</u>	<u>288,967,064</u>

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		2022	2021
	Note	Rupees	Rupees
28.1 Rent on property - net			
Rental income		469,137,177	407,881,489
Less: property expense			
Salaries, allowances and employee benefits		34,718,943	28,861,689
Traveling and conveyance		2,700	3,100
Medical		1,228,016	500,424
Janitorial services		12,624,321	11,681,103
Security services		24,523,502	23,533,773
Insurance		2,170,994	1,817,391
Postage, telegraph, telegram and telephone		41,632	97,321
Printing and stationery		124,541	46,132
Utilities		13,067,191	14,424,300
Consultancy and professional charges		-	100,000
Repairs and maintenance		16,287,578	11,076,469
Rent, rates and taxes		2,656,870	2,735,184
Depreciation		122,185,410	102,131,308
Office general expenses		1,734,876	1,334,066
		<u>231,366,574</u>	<u>198,342,260</u>
		<u>237,770,603</u>	<u>209,539,229</u>
29. OPERATING EXPENSES			
Total compensation expense	29.1	279,547,285	309,522,453
Property expense			
Rent & taxes		526,106	537,895
Insurance		310,142	259,627
Utilities cost		26,029,722	16,844,118
Security (including guards)		4,892,041	4,608,168
Repair and maintenance (including janitorial charges)		4,130,272	3,251,082
Depreciation		17,455,058	14,590,187
		<u>53,343,341</u>	<u>40,091,077</u>
Information technology expenses			
Software maintenance		7,550,749	6,241,842
Hardware maintenance		1,911,398	1,457,324
Amortisation		4,422,525	4,592,471
Network charges		4,324,979	4,032,596
		<u>18,209,651</u>	<u>16,324,233</u>
Other operating expenses			
Shareholders' fee		(5,293,500)	5,293,500
Directors' fees and allowances		25,250,000	22,790,000
Legal and professional charges		5,708,367	8,733,533
Consultancy, custodial and rating services		9,379,323	9,036,366
Outsourced services costs		40,668,689	40,121,512
Travelling and conveyance		36,723,947	13,367,063
Depreciation		28,215,423	27,111,438
Training and development		2,819,548	2,786,747
Postage and courier charges		419,168	688,466
Communication		4,085,899	3,813,302
Stationery and printing		5,451,222	5,757,294
Marketing, advertisement and publicity		2,672,104	2,855,166
Donations	29.2	3,000,000	1,000,000
Auditors' remuneration	29.3	3,200,250	2,825,000
Repair and maintenance		4,438,299	4,954,829
Insurance		1,879,022	2,530,678
Office and general expenses		16,199,043	16,580,100
Bank charges		254,813	299,155
		<u>185,071,617</u>	<u>170,544,149</u>
		<u>536,171,894</u>	<u>536,481,912</u>

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	2022	2021
Note	Rupees	
29.1 Total compensation expense		
Fees and allowances etc.	-	-
Managerial remuneration		
i) Fixed	119,285,632	120,757,046
ii) Variable		
of which;		
a) Cash bonus / awards etc.	11,200,000	50,000,000
b) Bonus & awards in shares etc.	-	-
Charge for defined benefit plan	10,887,223	5,385,748
Contribution to defined contribution plan	10,589,261	10,008,653
Compensated absences	7,694,770	6,821,564
Leave fare assistance	4,434,247	4,486,970
Exgratia	9,128,662	8,342,846
Rent & house maintenance	52,492,716	50,934,136
Utilities	11,169,873	10,609,962
Medical	19,250,912	21,114,232
Conveyance	20,181,714	16,556,309
Grant to employee	-	2,500,000
Others	3,232,275	2,004,987
Sub-total	279,547,285	309,522,453
Sign-on bonus	-	-
Severance allowance	-	-
Grand total	279,547,285	309,522,453
29.1.1 This includes mainly group life insurance for permanent employees.		
29.2 Donations		
Prime Minister's Flood Relief Fund Account 2022	2,000,000	-
Make-A-Wish Foundation Pakistan	400,000	-
Cancer Foundation Hospital	300,000	-
Aziz Jehan Begum Trust For The Blind	300,000	-
Behbud Association Of Pakistan	-	400,000
Sundas Foundation	-	300,000
Sahil	-	300,000
	3,000,000	1,000,000
29.3 Auditors' remuneration		
Grant Thornton Anjum Rahman		
Audit fee	1,700,000	-
Half yearly review	750,000	-
Fee for other statutory certifications	200,000	-
Out of pocket expenses	175,000	-
	2,825,000	-
KPMG Taseer Hadi & Co.		
Audit fee	-	1,700,000
Half yearly review	-	750,000
Fee for other statutory certifications	-	200,000
Out of pocket expenses	-	175,000
	-	2,825,000
Fee for other certifications	375,250	-
Tax services	-	-
	3,200,250	2,825,000

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		2022	2021
	Note	Rupees	Rupees
30. OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		30,000	130,429
		<u>30,000</u>	<u>130,429</u>
31. PROVISIONS & WRITE OFFS - NET			
Provisions for diminution in value of investments- net	9.3.1	204,114,878	101,275,992
(Reversal) / provisions against loans & advances- net	10.4	113,895,841	(241,560,274)
Bad debts written off directly		-	607,822
		<u>318,010,719</u>	<u>(139,676,460)</u>
32. TAXATION			
Current tax			
Current year		211,252,963	389,087,844
Prior years		47,537,381	(1,057,879)
		<u>258,790,344</u>	<u>388,029,965</u>
Deferred tax			
Current year		(168,516,347)	30,522,532
Prior year		-	-
		<u>(168,516,347)</u>	<u>30,522,532</u>
	32.1	<u>90,273,997</u>	<u>418,552,497</u>
32.1 Relationship between tax expense and accounting profit			
Accounting profit for the year		443,075,339	1,371,602,056
Tax rate		29%	29%
Tax on accounting profit		128,491,848	397,764,596
Tax effect on income subject to lower rate of taxation		(73,641,008)	42,263,200
Tax effect of prior years		47,537,381	(1,057,879)
Impact of super tax for current year		31,327,256	-
Impact of change of rate on deferred tax		(99,581,727)	-
Reversal of deferred tax asset for prior year		-	-
Minimum tax of subsidiary company		7,644,770	2,621,668
Permanent differences on			
Reversal of provision against investment		47,113,204	53,542,123
Expenses not claimable against rental income		(2,089,590)	(2,110,090)
Right of use asset under IFRS - 16 Leases		-	-
Others		3,471,863	(74,471,121)
		<u>90,273,997</u>	<u>418,552,497</u>
33. BASIC / DILUTED EARNINGS PER SHARE			
		2022	2021
Profit for the year - Rupees		<u>352,801,342</u>	<u>953,049,559</u>
			Restated
Weighted average number of ordinary shares		<u>676,500,000</u>	<u>676,500,000</u>
Basic / diluted earnings per share - Rupee		<u>0.522</u>	<u>1.409</u>
34. CASH AND CASH EQUIVALENTS			
		2022	2021
		Rupees	Rupees
Cash and Balance with Treasury Banks		116,440,110	101,956,575
Balance with other banks		137,866,992	179,155,362
		<u>254,307,102</u>	<u>281,111,937</u>

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35. STAFF STRENGTH

	2022	2021
	(Number)	(Number)
Permanent	73	71
On Group's contract	1	3
Group's own staff strength at the end of the year	<u>74</u>	<u>74</u>

35.1 In addition to the above, 85 (2021: 92) employees of outsourcing services companies were assigned to the Company as at the end of the year to perform services other than security and janitorial services. No employee was working abroad.

36. DEFINED BENEFIT PLAN

36.1 General description

The Group operates an approved funded gratuity scheme for all its regular employees and GM/CEO. Contributions are made in accordance with the actuarial recommendations. The benefits under the gratuity fund are payable in lump sum on retirement at the age of 60 years or earlier cessation of service, subject to minimum service period of three years. The benefit is equal to month's last drawn basic salary for each completed year of eligible service and on pro-rata basis for the incomplete year. The latest actuarial valuation of defined benefit plan was conducted at December 31, 2022 using the projected unit credit method. Detail of the defined benefit plan are:

36.2 Number of employees under the scheme

The number of employees covered under the following defined benefit scheme are:

	2022	2021
	(Number)	(Number)
Gratuity fund	<u>74</u>	<u>72</u>

36.3 Principal actuarial assumptions

The latest actuarial valuations was carried out as at December 31, 2022 using the following significant assumptions:

	2022	2021
Discount rate - (the Holding Company)	14.50% per annum	11.75% per annum
Discount rate - (the subsidiary company)	11.75% per annum	9.75% per annum
Expected rate of return on plan assets	12.57% per annum	8.02% per annum
Expected rate of salary increase - (the Holding Company)	12.50% per annum	9.75% per annum
Expected rate of salary increase - (the subsidiary company)	N/A	N/A
Mortality rates	SLIC (2001-05)-1	SLIC (2001-05)-1
Rate of employee turnover	Moderate	Moderate

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	2022	2021
	Rupees	
36.4 Reconciliation of payable to defined benefit plans		
Present value of obligations	78,318,840	67,985,232
Fair value of plan assets	(68,303,106)	(60,397,842)
Payable to Member	-	427,861
Net liability payable	<u>10,015,734</u>	<u>8,015,251</u>
36.5 Movement in defined benefit obligations		
Obligations at the beginning of the year	67,985,232	67,900,973
Current service cost	7,947,441	7,067,466
Interest cost	7,958,153	6,142,339
Benefits paid by the Group	(9,439,947)	(12,371,018)
Past service cost / (Plan Curtailment)	2,108,206	(2,141,006)
Benefits Payable	-	(427,861)
Re-measurement loss	1,759,755	1,814,339
Obligations at the end of the year	<u>78,318,840</u>	<u>67,985,232</u>
36.6 Movement in fair value of plan assets		
Fair value at the beginning of the year	60,397,842	59,587,414
Interest income on plan assets	7,126,577	5,683,051
Contributions by Group - net	10,308,832	8,693,217
Benefits paid by the Fund to the Group	(9,867,808)	(12,371,018)
Re-measurements: net return on plan assets		
over interest income - loss	36.8.2 337,663	(1,194,822)
Fair value at the end of the year	<u>68,303,106</u>	<u>60,397,842</u>
36.7 Movement in payable under defined benefit schemes		
Opening balance	8,015,251	8,313,559
Charge for the year	10,887,223	5,385,748
Benefits paid to outgoing members	(9,439,947)	(12,371,018)
Contribution by the Group - net	(10,308,832)	(8,693,217)
Re-measurement loss recognised in OCI		
during the year	36.8.2 1,422,092	3,009,161
Amount paid by the fund to the Group	9,439,947	12,371,018
Closing balance	<u>10,015,734</u>	<u>8,015,251</u>
36.8 Charge for defined benefit plans		
36.8.1 Cost recognised in profit and loss		
Current service cost	7,947,441	7,067,466
Past service cost (credit) arising on plan curtailment	2,108,206	(2,141,006)
Net interest on defined benefit liability	831,576	459,288
	<u>10,887,223</u>	<u>5,385,748</u>

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36.8.2 Re-measurements recognised in OCI during the year

	2022	2021
	----- Rupees -----	
Loss / (gain) on obligation	-	-
- Demographic assumptions	920,363	526,828
- Financial assumptions	839,392	1,287,511
- Experience adjustments		
Total actuarial loss on obligation	1,759,755	1,814,339
Return on plan assets over interest income - loss	(337,663)	1,194,822
Total re-measurements recognised in OCI	1,422,092	3,009,161

36.9 Components of plan assets

Cash and cash equivalents - net	5,390,951	5,356,645
Term deposit receipts (TDR) / Certificate of Investment	60,448,597	52,828,325
Investment in mutual funds	2,463,558	2,212,872
	68,303,106	60,397,842

36.9.1 There is no significant risk associated with the plan assets, as it consists of fixed interest rate bearing TDR's, saving accounts with financial institutions and investment in mutual funds having satisfactory credit ratings.

36.10 Sensitivity analysis

A sensitivity analysis is performed by varying one assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations under the gratuity scheme. The increase in the present value of defined benefit obligations as a result of change in each assumption is summarised below:

	2022	2021
	----- Rupees -----	
Discount rate +0.5%	74,156,278	65,239,549
Discount rate -0.5%	78,443,112	68,964,370
Long term salary increase +0.5%	78,647,254	69,095,674
Long term salary increase -0.5%	73,944,945	65,097,947
		2023
		----- Rupees -----

36.11 Expected contributions to be paid to the fund in the next financial year 10,180,984

36.12 Expected charge for next financial year

Current service cost	8,777,376
Net interest on defined benefit asset / liability	1,403,608
	<u>10,180,984</u>

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2022 2021
 ----- Rupees -----

36.13 Maturity profile

Distribution of timing of benefit payments (years)

- 1	5,790,920	8,008,153
- 2	42,119,346	31,549,238
- 3	11,911,730	7,575,835
- 4	3,517,027	10,754,397
- 5	5,335,696	2,862,200
- 6-10	103,796,055	48,122,888

Weighted average duration of the PBO (years) - (the Holding Company)	5.27	5.45
Weighted average duration of the PBO (years) - (the subsidiary company)	6.00	6.00

36.14 Funding Policy

An implicit, though not formally expressed objective is that the liabilities under the scheme in respect of members in service on the valuation date on a going concern basis and having regard to projected future salary increases, should be covered by the Fund on the valuation date, the total book reserve as of the valuation date, future contributions to the Fund, future additions to the book reserve and future projected investment income of the Fund.

36.15 Significant risk associated with the staff retirement benefit schemes

Asset volatility	The risk of the investment underperforming and not being sufficient to meet the liabilities.
Changes in bond yields	Not applicable as underlying interest rate on bonds is fixed.
Inflation risk	The investment and bank balances may loose its value due to the increase of general inflation rate.
Life expectancy	The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service/age distribution and the benefit.
Withdrawal rate	The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service/age distribution and the benefit.

37. DEFINED CONTRIBUTION PLAN

The Group operates a recognized provident fund scheme for all its regular employees for which equal monthly contributions are made both by the Group and by the employees to the Fund at the rate of 10% of basic salary of the employee. Payments are made to the employees as specified in the rules of the Fund. As per latest available unaudited financial statements of the Fund, total assets of the Fund as at December 31, 2022 were Rs. 141,427,906 (2021: Rs. 124,256,264).

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38. COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

38.1 Total compensation expense

Items	2022				
	Directors			GM / CEO	Key Management Personnel
	Chairman	Executives (other than CEO)	Non-Executives		
Fees and allowances etc.	4,650,000	-	20,600,000	320,000	-
Managerial remuneration					
i) Fixed	-	-	-	28,127,115	42,721,964
ii) Total variable	-	-	-	-	-
of which					
a) Cash bonus / awards	-	-	-	300,000	3,743,965
b) Bonus & awards in shares	-	-	-	-	-
Charge for defined benefit plan	-	-	-	2,576,121	2,989,289
Contribution to defined contribution plan	-	-	-	2,634,736	3,585,443
Compensated absences	-	-	-	3,806,660	1,446,742
Leave fare assistance	-	-	-	2,196,150	2,238,097
Exgratia	-	-	-	2,344,464	3,474,132
Rent & house maintenance	-	-	-	7,560,000	19,960,774
Utilities	-	-	-	3,532,665	3,474,897
Medical	-	-	-	408,000	6,093,434
Conveyance	-	-	-	3,938,787	9,348,944
Others	-	-	-	-	-
Total	4,650,000	-	20,600,000	57,744,698	99,077,681
Number of persons	1	0	5	2	15

In addition to above, the GM / CEO of the Holding Company and certain other key management personnel are provided with Group maintained vehicles and club membership in accordance with their terms of employment.

For the purposes of the foregoing, the term "Key Management Personnel" as per BPRD Circular No. 2 dated January 25, 2018 means the following functional responsibilities:

- Any executive or key executive, acting as second to GM, by whatever name called, and including the Chief Operating Officer (COO) and Deputy Managing Director.
- Any executive or key executive reporting directly to the GM / Chief Executive or the person mentioned in (a) above.

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Items	2021				
	Directors			GM / CEO	Key Management Personnel
	Chairman	Executives (other than CEO)	Non-Executives		
Rupees					
Fees and Allowances etc.	3,240,000	-	19,550,000	220,000	-
Managerial Remuneration					
i) Fixed	-	-	-	25,658,395	46,304,760
ii) Total Variable	-	-	-	-	-
of which					
a) Cash Bonus / Awards	-	-	-	8,500,000	11,850,000
b) Bonus & Awards in Shares	-	-	-	-	-
Charge for defined benefit plan	-	-	-	2,117,039	2,061,558
Contribution to defined contribution plan	-	-	-	2,395,215	3,171,025
Compensated absences	-	-	-	1,996,500	2,104,543
Leave fare assistance	-	-	-	1,996,500	2,490,470
Exgratia	-	-	-	2,121,500	2,582,765
Rent & house maintenance	-	-	-	7,560,000	17,639,083
Utilities	-	-	-	3,263,519	3,057,245
Medical	-	-	-	411,810	5,595,669
Conveyance	-	-	-	3,576,344	6,469,873
Others	-	-	-	-	2,500,000
Total	3,240,000	-	19,550,000	59,816,822	105,826,991
Number of Persons	1	0	5	2	20

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38.2 Remuneration paid to Directors for participation in Board and Committee Meetings

Sr. No.	Name of Directors	2022					Total Amount Paid
		Meeting Fees and Allowances Paid					
		For Board Meetings	For Annual General Meeting	For Board Committees			
				Audit Committee	Risk Management Committee	Human Resource Committee	
				-----Rupees-----			
1	Sultan Mohammed Hasan Abdulrauf	3,600,000	150,000	-	-	900,000	4,650,000
2	Majid Misfer J.Alghamdi	2,400,000	80,000	950,000	450,000	450,000	4,330,000
3	Ghanem Alghanem	2,400,000	80,000	900,000	450,000	250,000	4,080,000
4	Zafar Hasan	3,000,000	80,000	-	500,000	500,000	4,080,000
5	Qumar Sarwar Abbasi	2,700,000	80,000	950,000	500,000	-	4,230,000
6	Mohammad Tanvir Butt	2,400,000	80,000	700,000	-	700,000	3,880,000
	Total Amount Paid	16,500,000	550,000	3,500,000	1,900,000	2,800,000	25,250,000

In addition to the above, boarding/lodging expenses of the Directors' for attending meetings are borne by the Group and are included in traveling expenses under other operating expenses.

Sr. No.	Name of Directors	2021					Total Amount Paid
		Meeting Fees and Allowances Paid					
		For Board Meetings	For Annual General Meeting	For Board Committees			
				Audit Committee	Risk Management Committee	Human Resource Committee	
				-----Rupees-----			
1	Sultan Mohammed Hasan Abdulrauf	2,640,000	150,000	-	-	450,000	3,240,000
2	Majid Misfer J.Alghamdi	2,200,000	80,000	950,000	450,000	450,000	4,130,000
3	Ghanem Alghanem	2,200,000	80,000	950,000	450,000	-	3,680,000
4	Zafar Hasan	2,500,000	80,000	-	500,000	500,000	3,580,000
5	Qumar Sarwar Abbasi	2,500,000	80,000	1,000,000	500,000	-	4,080,000
6	Mohammad Tanvir Butt	2,500,000	80,000	1,000,000	-	500,000	4,080,000
	Total Amount Paid	14,540,000	550,000	3,900,000	1,900,000	1,900,000	22,790,000

In addition to the above, boarding/lodging expenses of the Directors' for attending meetings are borne by the Group and are included in traveling expenses under other operating expenses.

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39. FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Group 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 Group's accounting policy as stated in note 5.5.

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.

39.1 Fair value of financial assets

The Group 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 financial instruments carried at fair values, by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Carrying / Notional Value	2022			
		Level 1	Level 2	Level 3	Total
		Rupees			
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	31,193,768,300	-	31,193,768,300	-	31,193,768,300
Shares	2,225,006,399	2,225,006,399	-	-	2,225,006,399
Open end Mutual Fund	189,328,632	-	189,328,632	-	189,328,632
Non-Government Debt Securities	891,725,421	-	891,725,421	-	891,725,421
Financial assets - disclosed but not measured at fair value					
Investments					
Non-Government Debt Securities	1,000,515,000	-	-	1,000,515,000	1,000,515,000
Federal Government Securities	143,666,166	-	-	143,666,166	143,666,166
Certificate of Investment	-	-	-	-	-
Cash and balances with treasury banks	116,440,110	-	-	-	-
Balances with other banks	137,866,992	-	-	-	-
Advances	9,119,337,560	-	-	-	-
Other assets	2,249,071,400	-	-	-	-
Off-balance sheet financial instruments - measured at fair value	-	-	-	-	-
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
		Rupees			
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	25,168,381,000	-	25,168,381,000	-	25,168,381,000
Shares	2,522,903,596	2,522,903,596	-	-	2,522,903,596
Open end Mutual Fund	35,037,858	-	35,037,858	-	35,037,858
Non-Government Debt Securities	1,103,843,821	-	1,103,843,821	-	1,103,843,821
Financial assets - disclosed but not measured at fair value					
Investments					
Non-Government Debt Securities	1,323,068,000	-	-	1,323,068,000	1,323,068,000
Federal Government Securities	166,634,489	-	-	166,634,489	166,634,489
Certificate of Investment	65,284,933	-	-	65,284,933	65,284,933
Cash and balances with treasury banks	101,956,575	-	-	-	-
Balances with other banks	179,155,362	-	-	-	-
Advances	6,868,108,912	-	-	-	-
Other assets	1,197,575,906	-	-	-	-
Off-balance sheet financial instruments - measured at fair value	-	-	-	-	-

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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.
Non-Government Debt Securities	Investment in Non-Government Debt Securities determined in Rupees are valued on the basis of rates announced by MUFAP. These are classified in level 2. Where market rates of these securities are not available on MUFAP as at December 31, 2022, therefore, these securities are classified under level 3.

39.2 The Group'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.

39.3 Fair value of non-financial assets

In case of non-financial assets, the Group has adopted revaluation model (as per IAS 16) in respect of leasehold land, building and non-banking assets acquired in satisfaction of claims.

The property and equipment of the Holding Company were recently revalued by independent professional valuer as at December 31, 2021. 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 Irfan Textile were last revalued by independent professional valuer in December 2021. The revaluation was carried out by M/s Amir Evaluators and consultants on the basis of professional assessment of recent market values.

	2022			
	Level 1	Level 2	Level 3	Total
	Rupees			
Non-financial assets				
Operating fixed assets				
Property and equipment (lease hold land, building)	-	-	4,292,468,333	4,292,468,333
Other assets				
Non banking assets acquired in satisfaction of claims	-	-	74,545,056	74,545,056

	2021			
	Level 1	Level 2	Level 3	Total
	Rupees			
Non-financial assets				
Operating fixed assets				
Property and equipment (lease hold land, building)	-	-	4,407,777,516	4,407,777,516
Other assets				
Non banking assets acquired in satisfaction of claims	-	-	77,651,100	77,651,100

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 consolidated financial statements.

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40. SEGMENT INFORMATION

40.1 Segment details with respect to business activities

	2022			
	Corporate Finance	Trading and sales	Building rental services	Total
	Rupees			
Profit & loss				
Net mark-up/return/profit	211,295,942	289,277,732	24,955,347	525,529,021
Non mark-up / return / interest income	8,950,000	495,858,711	266,950,220	771,758,931
Total income	220,245,942	785,136,443	291,905,567	1,297,287,952
Segment direct expenses	112,356,245	400,529,436	23,316,213	536,201,894
Total expenses	112,356,245	400,529,436	23,316,213	536,201,894
Provisions	97,424,113	220,586,606	-	318,010,719
Profit before tax	10,465,584	164,020,401	268,589,354	443,075,339
Balance sheet				
Cash & bank balances	-	244,312,890	9,994,212	254,307,102
Investments	1,000,515,000	34,820,500,128	332,994,798	36,154,009,926
Lendings to financial institutions	-	-	-	-
Advances - performing	8,610,024,073	-	47,498	8,610,071,571
Advances - non-performing net of provision	509,265,989	-	-	509,265,989
Others	1,686,531,797	3,607,102,073	3,054,026,140	8,347,660,010
Total assets	11,806,336,859	38,671,915,091	3,397,062,648	53,875,314,598
Borrowings	9,633,924,998	27,140,941,851	-	36,774,866,849
Deposits & other accounts	511,628,107	1,441,371,893	-	1,953,000,000
Others	138,698,706	467,570,571	204,220,938	810,490,215
Total liabilities	10,284,251,811	29,049,884,315	204,220,938	39,538,357,064
Equity	-	-	-	14,336,957,534
Total equity & liabilities	10,284,251,811	29,049,884,315	204,220,938	53,875,314,598
Contingencies & commitments	818,555,809	2,537,828	8,022,081	829,115,718
	2021			
	Corporate Finance	Trading and sales	Building rental services	Total
	Rupees			
Profit & loss				
Net mark-up/return/profit	521,321,315	910,670,360	22,031,429	1,454,023,104
Non mark-up / return / interest income	3,860,000	81,226,517	229,428,316	314,514,833
Total income	525,181,315	991,896,877	251,459,745	1,768,537,937
Segment direct expenses	178,905,730	337,894,798	19,811,813	536,612,341
Total expenses	178,905,730	337,894,798	19,811,813	536,612,341
Provisions / (reversals)	(99,795,278)	(39,929,182)	48,000	(139,676,460)
Profit before tax	446,070,863	693,931,261	231,599,932	1,371,602,056
Balance sheet				
Cash & bank balances	-	236,426,396	44,685,541	281,111,937
Investments	1,323,068,000	29,307,628,425	266,957,280	30,897,653,705
Lendings to financial institutions	-	-	-	-
Advances - performing	6,721,837,122	-	325,747	6,722,162,869
Advances - non-performing net of provision	145,946,043	-	-	145,946,043
Others	853,566,301	1,640,160,148	4,400,303,779	6,894,030,228
Total assets	9,044,417,466	31,184,214,969	4,712,272,347	44,940,904,782
Borrowings	7,055,296,406	19,401,322,566	-	26,456,618,972
Deposits & other accounts	776,445,198	2,135,142,577	-	2,911,587,775
Others	(473,173,933)	29,638,884	1,306,078,156	862,543,107
Total liabilities	7,358,567,671	21,566,104,027	1,306,078,156	30,230,749,854
Equity	-	-	-	14,710,154,928
Total equity & liabilities	7,358,567,671	21,566,104,027	1,306,078,156	44,940,904,782
Contingencies & commitments	1,334,205,547	2,964,330	5,425,500	1,342,595,377

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40.2 Segment details with respect to geographical locations

GEOGRAPHICAL SEGMENT ANALYSIS

	2022	
	In Pakistan	Outside Pakistan
	Rupees	
Profit & loss		
Net mark-up/return/profit	525,529,021	-
Inter segment revenue - net	-	-
Non mark-up / return / interest income	771,758,931	-
Total income	1,297,287,952	-
Segment direct expenses	536,201,894	-
Inter segment expense allocation	-	-
Total expenses	536,201,894	-
Provisions	318,010,719	-
Profit before tax	443,075,339	-
Balance sheet		
Cash & bank balances	254,307,102	-
Investments	36,154,009,926	-
Net inter segment lendings	-	-
Lendings to financial institutions	-	-
Advances - performing	8,610,071,571	-
Advances - non-performing net of provision	509,265,989	-
Others	8,286,338,244	-
Total assets	53,813,992,832	-
Borrowings	36,774,866,849	-
Deposits & other accounts	1,953,000,000	-
Net inter segment borrowing	-	-
Others	810,490,215	-
Total liabilities	39,538,357,064	-
Equity	14,336,957,534	-
Total equity & liabilities	53,875,314,598	-
Contingencies & commitments	829,115,718	-
	2021	
	In Pakistan	Outside Pakistan
Profit & loss		
Net mark-up/return/profit	1,454,023,104	-
Inter segment revenue - net	-	-
Non mark-up / return / interest income	314,514,833	-
Total Income	1,768,537,937	-
Segment direct expenses	536,612,341	-
Inter segment expense allocation	-	-
Total expenses	536,612,341	-
Provisions	(139,676,460)	-
Profit before tax	1,371,602,056	-
Balance sheet		
Cash & bank balances	281,111,937	-
Investments	30,897,653,705	-
Net inter segment lendings	-	-
Lendings to financial institutions	-	-
Advances - performing	6,722,162,869	-
Advances - non-performing net of provision	145,946,043	-
Others	6,894,030,228	-
Total assets	44,940,904,782	-
Borrowings	26,456,618,972	-
Deposits & other accounts	2,911,587,775	-
Net inter segment borrowing	-	-
Others	862,543,107	-
Total liabilities	30,230,749,854	-
Equity	14,710,154,928	-
Total equity & liabilities	44,940,904,782	-
Contingencies & commitments	1,342,595,377	-

41 RELATED PARTY TRANSACTIONS

The Government of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan each own 50% shares of the Holding Company. Therefore, all entities owned by and controlled by these Governments are related parties of the Group. Other related parties comprise of entities over which the Group 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 Group in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan. Contributions to and accruals in respect of Staff Gratuity Fund are made in accordance with the actuarial valuation. The Group 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 Group have been provided with Group 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:

	2022					2021				
	Shareholders	Directors	Key management personnel	Associates	Other related parties	Shareholders	Directors	Key management personnel	Associates	Other related parties
	Rupees					Rupees				
Lendings to financial institutions										
Opening balance	-	-	-	-	-	-	-	-	-	-
Addition during the year	-	-	-	-	19,492,212,383	-	-	-	-	4,386,994,540
Repaid during the year	-	-	-	-	(19,492,212,383)	-	-	-	-	(4,386,994,540)
Closing balance	-	-	-	-	-	-	-	-	-	-
Investments										
Opening balance	-	-	-	-	199,720,000	-	-	-	-	199,600,000
Investment made during the year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	(60,000)	-	-	-	-	(60,000)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	199,640,000	-	-	-	-	199,720,000
Provision for diminution in value of investments	-	-	-	-	-	-	-	-	-	-
Advances										
Opening balance	-	-	26,026,934	-	-	-	-	22,314,624	-	-
Addition during the year	-	-	10,412,718	-	-	-	-	8,034,694	-	-
Repaid during the year	-	-	(12,894,098)	-	-	-	-	(12,347,584)	-	-
Transfer in / (out) - net	-	-	1,018,517	-	-	-	-	8,025,000	-	-
Closing balance	-	-	24,564,071	-	-	-	-	26,026,934	-	-
Provision held against advances	-	-	-	-	-	-	-	-	-	-
Non-current asset classified as held for sale										
Opening balance	-	-	-	576,676,075	-	-	-	-	576,676,075	-
Addition during the year	-	-	-	-	-	-	-	-	-	-
Repaid during the year	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	576,676,075	-	-	-	-	576,676,075	-
Provision for Non-current asset classified as held for sale	-	-	-	576,676,075	-	-	-	-	576,676,075	-
Other assets - Income / markup accrued	-	-	-	-	6,511,442	-	-	-	-	3,826,416
Other assets - security deposit	-	-	-	-	-	-	-	-	-	-
Provision against other assets	-	-	-	-	-	-	-	-	-	-
Borrowings										
Opening balance	-	-	-	-	6,670,000,000	-	-	-	-	13,000,000,000
Borrowings during the year	-	-	-	-	142,563,911,654	-	-	-	-	94,074,973,235
Settled during the year	-	-	-	-	(149,233,911,654)	-	-	-	-	(100,404,973,235)
Closing balance	-	-	-	-	-	-	-	-	-	6,670,000,000
Deposits and other accounts										
Opening balance	-	-	-	-	2,711,587,775	-	-	-	-	2,445,800,000
Received during the year	-	-	-	-	356,073,379	-	-	-	-	406,587,775
Withdrawn during the year	-	-	-	-	(1,714,661,154)	-	-	-	-	(140,800,000)
Closing balance	-	-	-	-	1,353,000,000	-	-	-	-	2,711,587,775
Other Liabilities										
Interest / mark-up payable	-	-	-	-	10,786,083	-	-	-	-	43,413,083
Payable to defined benefit plan	-	-	-	-	10,015,734	-	-	-	-	8,015,251
Security deposit	-	-	-	-	2,366,908	-	-	-	-	1,697,850
Dividend Payable to Foreign Shareholder	82,500,000	-	-	-	-	-	-	-	-	-
Rent received in advance	-	-	-	-	24,773,648	-	-	-	-	22,596,961
Income										
Mark-up / return / interest earned	-	-	754,186	-	42,924,206	-	-	1,536,707	-	20,277,364
Rental income	-	-	-	-	26,226,209	-	-	-	-	24,166,462
Expense										
Mark-up / return / interest expensed	-	-	-	-	781,514,882	-	-	-	-	577,049,331
Contribution to employees' funds	-	-	-	-	10,925,207	-	-	-	-	10,396,764
Directors' fees and allowances	-	25,250,000	-	-	-	-	22,790,000	-	-	-
Shareholders' fee	-	-	-	-	(5,293,500)	-	-	-	-	5,293,500
Operating expenses	-	-	156,822,379	388,780	-	-	-	165,643,813	369,875	-

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	2022	2021
	Rs '000'	
42. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,765,000	6,600,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	12,253,559	11,993,920
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	12,253,559	11,993,920
Eligible Tier 2 Capital	1,124,774	1,662,546
Total Eligible Capital (Tier 1 + Tier 2)	13,378,333	13,656,466
Risk Weighted Assets (RWAs):		
Credit Risk	22,217,420	18,537,351
Market Risk	6,111,660	7,191,165
Operational Risk	2,876,520	3,238,102
Total	31,205,600	28,966,618
Common Equity Tier 1 Capital Adequacy ratio	39.27%	41.41%
Tier 1 Capital Adequacy Ratio	39.27%	41.41%
Total Capital Adequacy Ratio	42.87%	47.15%
As of December 2022, the Holding Company is required to 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.		
Leverage Ratio (LR):		
Eligible Tier-1 Capital	12,253,559	11,993,920
Total Exposures	53,966,116	45,532,808
Leverage Ratio	22.71%	26.34%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	4,639,985	5,109,796
Total Net Cash Outflow	3,295,451	2,266,280
Liquidity Coverage Ratio	140.80%	225.47%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	36,098,612	30,780,826
Total Required Stable Funding	21,362,298	18,385,334
Net Stable Funding Ratio	168.98%	167.42%

42.1 The link to the full disclosures for capital adequacy, leverage and liquidity ratios will be available at <https://www.saudipak.com/financial/>

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43. RISK MANAGEMENT

The Group defines risk as the possibility that an action or event could have adverse outcomes, which could either result in a direct loss of earnings / capital, or the imposition of constraints on the ability to meet objectives. In the normal course of business, the Group is exposed to various risks, including, but not limited to, credit, market, liquidity, and operational risks. The Group recognizes that management of these risks is essential for maintaining financial viability and achieving objectives. In this regard, the Group's approach to risk management is to ensure the ongoing alignment of its risk levels with its risk appetite through a coordinated set of activities that direct and control the Group with regard to risk.

The Group's overall appetite for risk is governed by its Board of Directors (Board) approved "Risk Management Policy", which delineates key definitions, roles and responsibilities, risk appetite / risk limits, and principles for managing risk across the Group. The Group's Risk Management Framework, comprising of the Risk Management Policy, other Board-approved policies, procedural manuals, sound management information system (MIS) and reporting, and clearly articulated roles, responsibilities and accountabilities, is fundamental to the Group's overall risk management culture and awareness.

The Group recognizes that responsibility for risk management resides at all levels, since the risk management processes rely on individual responsibility and independent oversight. The Board, duly supported by its Risk Management Committee, is accountable for ensuring that adequate and sound structures and policies are in place for risk management. The Management's role is to transform strategic decisions and risk appetite set by the Board into effective processes and systems, and to institute an appropriate hierarchy to execute and implement the approved policies and procedures. In this regard, the Group has implemented a three-line-of-defense approach, wherein as a first line of defense, risk management activities are performed in the business units and functional support units, with the Divisional Heads being accountable for managing risk in their area of operations in accordance with the Risk Management Framework, as well as for the results (both positive and negative) of taking these risks.

To assist in discharge of these responsibilities and accountabilities, various cross-functional committees have been constituted at the Senior Management level, and delegation of authority in financial / operational powers for the Divisions / Regional Offices has been clearly defined. The Risk Management Division (RMD) and Compliance Division (CD) serve as second-line of defense by providing independent oversight of the Group's risk-taking activities and regulatory compliance respectively. The RMD's responsibilities include the design of a clear, transparent and well-aligned Risk Management Policy, independent pre-approval risk reviews of proposals and policies, and ongoing assessment, monitoring and reporting of risks at the portfolio and enterprise level through a broad spectrum of techniques.

The second-line-of-defense is further strengthened through the presence of cross-functional committees such as Credit Risk Management Committee, Operational Risk Management Committee and Compliance Committee. The Internal Audit Division functions as the third-line-of-defense, with direct reporting to the Audit Committee of the Board and independently carrying out internal audits in line with its approved roles and responsibilities.

On an enterprise level, risk monitoring results for the year revealed that the Group's Capital Adequacy Ratio (CAR) remained well above both the internal as well as the regulatory requirements throughout the year, and that the capital and liquidity position remained resilient even under stress.

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43.1 Credit Risk

Credit risk is the risk of loss to the Group's earnings or capital arising from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform on such obligation is impaired. Credit risk arises primarily from the Group's advances / debt investments portfolio and lending to financial institutions (FIs) portfolio. Credit risk may also arise at the portfolio level in case of inadequate diversification of the advances portfolio, in terms of industrial sectors, regions, products, or clients.

Pursuit of credit risk is essential to fulfilling the corporate objectives of the Group, and is a primary source of income, conversely, also constituting one of the greatest risk of losses. In this regard, focus is primarily on bankable transactions, offering adequate risk & reward relationship with satisfactory security support. The Group's credit risk management process encompasses identification, assessment, monitoring and control of credit risk exposures. As part of this process, obligor risk, facility risk and environmental risk are carefully evaluated using internal risk rating methodologies, as articulated in the Group's Internal Credit Risk Rating Policy.

Advances exposures are invariably secured by credit risk mitigants in the form of various types of collateral / security with adequate margins. Readily marketable / liquid securities / urban properties are preferred over other forms of collateral. Credit risk stress testing is regularly carried out to identify vulnerable areas for initiating corrective action, if necessary. Regular assessment, monitoring and reporting of the performing & non-performing credit risk portfolio in terms of trends & concentrations, is made by the Risk Management Division (RMD) to the Credit Risk Management Committee and Risk Management Committee of the Board. Board-approved Credit Policy, Credit Risk Policy, Credit Administration Policy, and Special Asset Management Policy are in place, clearly establishing relevant roles and responsibilities, selection criteria, principles and limits for credit risk.

Specific norms for appraisal, sanctioning, documentation, inspections and monitoring, maintenance, rehabilitation and management of assets have been stipulated. Internal controls and processes in place for credit risk management also include:

- Well-defined credit approval and disbursement mechanism, with deliberation at cross-functional committee, and review by independent functions;
- Post-disbursement credit administration, monitoring and review, including review of credit ratings;
- Board-approved borrower / group limits well within those prescribed in terms of Prudential Regulations, along with other limits on portfolio concentration, e.g. sectoral limits;
- Board-approved counterparty limits for lendings to FIs in place and regularly reviewed;
- Clear lines of authority for Treasury transactions, and independent Back Office / Settlement Division in place to process deals;
- Independent Middle Office in place at RMD to monitor lending to FIs limit compliance;
- Credit Risk Management Committee-approved insurer-wise limits and eligible valuers in place and reviewed annually;
- Policies & procedures circulated amongst concerned functionaries through the Group's intranet; and
- Various training initiatives to enhance credit risk knowledge for concerned personnel.

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Dedicated Special Asset Management Division (SAMD) and Law Division (LD) are in place to manage past due and impaired assets through litigation, workout or other remedial measures, as appropriate. The Group adheres to the SBP instructions for definitions of past due and impaired assets in the Corporate / Commercial, SME-Medium Enterprise, and SME-Small Enterprise categories respectively.

In addition, the Group may consider subjective criteria in determining account classification. The Group determines provisioning requirements for non-performing advances in accordance with the requirements of the Prudential Regulations issued by SBP. Write-offs are made when there is no realistic prospect of recovery.

The Group employs the Basel Standardized Approach to determine capital requirements for credit risk. As per SBP Guidelines, the Group recognizes VIS and PACRA as approved rating agencies and applies their ratings where available to determine appropriate risk weight by using mapping criteria prescribed by SBP. In absence of external ratings, the exposures are treated as unrated and relevant risk weights are applied. The Group follows Simple Approach for credit risk mitigation in its Basel capital calculation. Under Simple Approach, the risk weight of the mitigant is substituted for the risk weight of the counterparty to the extent coverage is provided by the mitigant, provided the former risk weight is lower than the latter.

The Group is presently not involved in securitization activities.

The Group's maximum credit risk exposure as at December 31, 2022 amounted to:

	2022 Without benefit of collateral	2022 With benefit of collateral
	-----Rupees-----	
Lending to financial institutions	-	-
Debt investments		
(excluding Government of Pakistan local currency denominated debt)	-	1,892,240,421
Advances	-	9,119,337,560
	<u>-</u>	<u>11,011,577,981</u>

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Particulars of Group's significant on-balance sheet and off-balance sheet credit risk in various sectors are analysed as follows:

43.1.1 Lendings to financial institutions

Credit risk by public / private sector	2022	2021	2022	2021	2022	2021
	Gross lendings		Non-performing lendings		Provision held	
	Rupees					
Public / Government	-	-	-	-	-	-
Private	-	-	-	-	-	-
	-	-	-	-	-	-

43.1.2 Investment in debt securities

Credit risk by industry sector	2022	2021	2022	2021	2022	2021
	Gross investments		Non-performing investments		Provision held	
	Rupees					
Textile	329,355,000	329,355,000	329,355,000	329,355,000	295,605,000	295,605,000
Chemical and Pharmaceuticals	272,134,533	286,283,751	272,134,533	286,283,751	272,134,533	286,283,751
Power (electricity), Gas, Water, Sanitary	500,000,000	1,000,000,000	-	-	-	-
Transport, Storage and Communication	37,964,468	40,286,978	37,964,468	40,286,978	37,964,468	40,286,978
Financial	1,359,898,921	1,447,736,854	3,748,500	3,748,500	3,748,500	3,748,500
	<u>2,499,352,922</u>	<u>3,103,662,583</u>	<u>643,202,501</u>	<u>659,674,229</u>	<u>609,452,501</u>	<u>625,924,229</u>
Credit risk by public / private sector						
Public / Government	199,640,000	265,004,933	-	-	-	-
Private	2,299,712,922	2,838,657,650	643,202,501	659,674,229	609,452,501	625,924,229
	<u>2,499,352,922</u>	<u>3,103,662,583</u>	<u>643,202,501</u>	<u>659,674,229</u>	<u>609,452,501</u>	<u>625,924,229</u>

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43.1.3 Advances

Credit risk by industry sector

Credit risk by industry sector	2022	2021	2022	2021	2022	2021
	Gross advances		Non-performing advances		Provision held	
	Rupees					
Textile	3,218,986,672	3,452,666,967	1,345,653,567	1,166,887,577	1,106,387,578	1,020,941,534
Chemical and Pharmaceuticals	-	-	-	-	-	-
Cement	1,118,795,322	141,075,041	116,206,923	116,206,923	116,206,923	116,206,923
Sugar	243,114,473	243,114,473	243,114,473	243,114,473	243,114,473	243,114,473
Automobile and transportation equipment	403,000,000	153,000,000	153,000,000	153,000,000	153,000,000	153,000,000
Electronics and electrical appliances	951,375,492	871,447,933	-	-	-	-
Construction	196,080,094	200,044,160	196,080,094	200,044,160	196,080,094	200,044,160
Power (electricity), Gas, Water, Sanitary	1,010,710,571	1,194,574,207	165,028,752	165,028,752	165,028,752	165,028,752
Transport, Storage and Communication	1,700,000,000	800,000,000	-	-	-	-
Financial	123,500,000	123,500,000	73,500,000	73,500,000	73,500,000	73,500,000
Services	901,000,000	275,530,294	101,000,000	133,030,294	101,000,000	133,030,294
Paper board and products	4,203,851	26,143,311	4,203,851	26,143,311	4,203,851	26,143,311
Rubber and plastic products	270,000,000	270,000,000	270,000,000	-	-	-
Basic metals	178,920,566	204,781,184	69,093,230	69,093,230	69,093,230	69,093,230
Dairy & Poultry	1,055,555,554	1,055,555,554	-	-	-	-
Others	99,343,483	98,028,465	41,250,000	41,250,000	41,250,000	41,250,000
	11,474,586,078	9,109,461,589	2,778,130,890	2,387,298,720	2,268,864,901	2,241,352,677

Credit risk by public / private sector

	2022	2021	2022	2021	2022	2021
Credit risk by public / private sector	Gross advances		Non-performing advances		Provision held	
	Rupees					
Public/ Government	-	-	-	-	-	-
Private	11,474,586,078	9,109,461,589	2,778,130,890	2,387,298,720	2,268,864,901	2,241,352,677
	11,474,586,078	9,109,461,589	2,778,130,890	2,387,298,720	2,268,864,901	2,241,352,677

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	2022	2021
	-----Rupees-----	
43.1.4 Contingencies and Commitments		
Commitments: credit risk by industry sector		
Textile	378,000,000	8,575,500
Cement	5,264,695	1,000,000,000
Sugar	112,000,000	-
Electronics and electrical appliances	52,390,289	124,552,067
Power (electricity), Gas, Water, Sanitary	70,000,000	-
Financial	200,000,000	200,000,000
Others	11,460,734	9,467,810
	<u>829,115,718</u>	<u>1,342,595,377</u>
Credit risk by public / private sector		
Public/ Government	-	-
Private	829,115,718	1,342,595,377
	<u>829,115,718</u>	<u>1,342,595,377</u>

43.1.5 Concentration of Advances

Top 10 exposures of the Group on the basis of total (funded and non-funded exposures) aggregated to Rs. 7,153 million (2021: Rs. 5,752 million) as follows:

	2022	2021
	-----Rupees-----	
Funded	7,153,388,076	5,751,975,737
Non Funded	-	-
Total Exposure	<u>7,153,388,076</u>	<u>5,751,975,737</u>

The sanctioned limits against these top 10 exposures aggregated to Rs. 8,025,000,000 (2021: Rs. 6,901,341,120).

	2022		2021	
	Amount	Provision held	Amount	Provision held
	-----Rupees-----			
Total funded classified therein				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	719,909,649	719,909,649
Total	-	-	<u>719,909,649</u>	<u>719,909,649</u>

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43.1.6 Advances - Province/Region-wise Disbursement & Utilization

Province/Region	2022						
	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
Punjab	-	-	-	-	-	-	-
Sindh	-	-	-	-	-	-	-
KPK including FATA	-	-	-	-	-	-	-
Baluchistan	-	-	-	-	-	-	-
Islamabad	3,756,229,305	2,511,494,000	1,244,735,305	-	-	-	-
AJK including Gilgit-Baltistan	-	-	-	-	-	-	-
Total	<u>3,756,229,305</u>	<u>2,511,494,000</u>	<u>1,244,735,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Province/Region	2021						
	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
Punjab	-	-	-	-	-	-	-
Sindh	-	-	-	-	-	-	-
KPK including FATA	-	-	-	-	-	-	-
Baluchistan	-	-	-	-	-	-	-
Islamabad	3,024,787,500	2,483,363,000	541,424,500	-	-	-	-
AJK including Gilgit-Baltistan	-	-	-	-	-	-	-
Total	<u>3,024,787,500</u>	<u>2,483,363,000</u>	<u>541,424,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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43.2 Market Risk

Market risk is the risk of loss to the Group's earnings or capital arising from potential movements in market risk factors, such as interest rates, equity prices and foreign exchange rates. The Group is exposed to market risk from its banking book as well as trading book exposures, the latter of which includes HFT & AFS investments in debt & listed equity instruments. The Group uses Basel Standardized Approach to assess the market risk for its trading book exposures. The portfolios covered under the approach include the Held for Trading (HFT) and Available for Sale (AFS) investments in debt and listed equity instruments. The capital charge required there against is presented in Note 41.

The market risk strategy of the Group is to maximize returns while keeping exposure to market risk at or below the approved levels, provided in the shape of market risk limits. Board-approved Treasury Policy, PMD Investment Policy and Market Risk Policy are in place with defined market risk management parameters / limits to control market risk levels. The Treasury Division (TD) and Portfolio Management Division (PMD) consider economic and market conditions, along with the Group's portfolio mix, diversification and expertise when setting and executing annual business strategy and reviewing policy.

Assets / Liability Management Committee (ALCO) meets monthly, and evaluates liquidity, market and interest rate risk as part of its approved Terms of Reference. An independent Market & Liquidity Risk /Middle Office Unit housed in RMD is tasked to, inter alia, independently monitor, measure and analyze market risk of the Group on daily basis, perform risk review of day-to-day PMD & TD activities, escalate any limit breaches or exceptions on the same working day of identification, review the Group's interest rate risk management framework & methodology, and prepare risk reports for ALCO and RMCB, including review of performance of the investment portfolio.

The Group uses a comprehensive suite of risk measurement techniques to assess market risk in the trading book, which includes monitoring levels and trends in mark-to-market, price value of basis point (PVBP), beta, and Value-at-Risk (VaR) metrics, as well as stress tests and sensitivity analyses based on these measures. VaR is calculated for all trading book positions and portfolios on a daily basis, and measures the estimated maximum loss over a defined horizon based on historical simulation.

The Group calculates its VaR with a 1-day, 10-day and 30-day horizon period using a one-tail, 99% confidence interval in accordance with Basel specifications. The 1-day VaR is further back tested on daily basis against next day's P&L based on actual observed movements in market risk factors. Back testing results suggest that the model is currently providing an appropriate estimate of the risk. For interest rate risk in the banking book, the Group primarily relies on gap analysis & static simulation model. Stress tests are carried out for traded & non-traded market risks on the basis of extreme, yet plausible, stress scenarios. Results produced by the aforementioned models are included in management and Board-committee reporting.

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43.2.1 Balance sheet split by trading and banking books

	2022			2021		
	Banking book	Trading book	Total	Banking book	Trading book	Total
	Rupees			Rupees		
Cash and balances with treasury banks	116,440,110	-	116,440,110	101,956,575	-	101,956,575
Balances with other banks	137,866,992	-	137,866,992	179,155,362	-	179,155,362
Lendings to financial institutions	-	-	-	-	-	-
Investments	2,735,235,227	33,418,774,699	36,154,009,926	3,206,369,109	27,691,284,596	30,897,653,705
Advances	9,119,337,560	-	9,119,337,560	6,868,108,912	-	6,868,108,912
Fixed assets	4,384,554,352	-	4,384,554,352	4,468,645,879	-	4,468,645,879
Intangible assets	6,392,003	-	6,392,003	6,109,050	-	6,109,050
Deferred tax assets	61,321,766	-	61,321,766	-	-	-
Other assets	3,702,657,861	-	3,702,657,861	2,221,065,136	-	2,221,065,136
Development Properties	192,734,028	-	192,734,028	198,210,163	-	198,210,163
	<u>20,456,539,899</u>	<u>33,418,774,699</u>	<u>53,875,314,598</u>	<u>17,249,620,186</u>	<u>27,691,284,596</u>	<u>44,940,904,782</u>

43.2.2 Foreign Exchange Risk

The Group does not actively deal in foreign currency. Its aggregate foreign currency exposure is limited to USD-denominated bank balance, as represented in the table below. As such, the Group's direct exposure to foreign currency risk is minimal, with a favourable impact in case of PKR depreciation.

The foreign exchange exposures during the year of the Group is given as follows:

	2022				2021			
	Foreign Currency Assets	Foreign Currency Liabilities	Off-balance sheet items	Net foreign currency exposure	Foreign Currency Assets	Foreign Currency Liabilities	Off-balance sheet items	Net foreign currency exposure
	Rupees				Rupees			
United States Dollar	<u>29,875,718</u>	<u>-</u>	<u>-</u>	<u>29,875,718</u>	<u>23,753,611</u>	<u>-</u>	<u>-</u>	<u>23,753,611</u>

	2022		2021	
	Banking book	Trading book	Banking book	Trading book
	Rupees		Rupees	
Impact of 1% change in foreign exchange rates on				
- Profit and loss account	298,757	-	237,536	-
- Other comprehensive income	-	-	-	-

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43.2.3 Equity position Risk

The Group's objective regarding trading in equities is to maximize the return on equity investment by acquiring fundamentally strong shares at appropriate levels and maintaining such a balance between short term and long term investment that can provide maximum possible opportunities to avail both capital gains and dividend income. The Group's maximum exposure to the stock market is constrained in terms of the single-stock and aggregate limits prescribed under the SBP Prudential Regulations. Prime responsibility for managing the Group's equity positions rests with the Portfolio Management Division (PMD). The Board of Directors has approved sectoral limits, as well as portfolio limits that fall within the SBP-prescribed aggregate limit for DFIs. Senior Management's Quoted Securities Monitoring Committee reviews investment climate and stock market investment strategy & portfolio, and reviews & approves listed stock investment / divestment recommendations by PMD, and stop loss decision where required. Unquoted Investments Monitoring Committee is also in place to monitor and manage investments in unquoted companies. The Market & Liquidity Risk / Middle Office Unit housed in RMD independently monitors PMD deals, policy / limit compliance, broker usage, realized/unrealized gain/loss, and generates market risk metrics such as beta, Value-at-Risk, sensitivity analyses and stress tests. The Unit is responsible for escalation of any limit breaches to concerned authorities, and also provides monthly summary reports to ALCO and periodic performance reports to the Risk Management Committee of the Board. PMD performance is also regularly reviewed by ALCO through regular reporting by the former, with the latter also serving as approving authority for the broker panel.

	2022		2021	
	Banking book	Trading book	Banking book	Trading book
	-----Rupees-----		-----Rupees-----	
Impact of 5% change in equity prices on				
- Profit and loss account	-	-	-	3,396,400
- Other comprehensive	-	111,250,320	-	122,748,780

43.2.4 Yield / Interest Rate Risk in the Banking Book (IRRBB)-Basel II Specific

The Group's interest rate risk arises from its trading book and banking book. Interest rate risk in the trading book is a result of HFT & AFS investments in debt instruments that are reported at fair value, and whose value is influenced by prevailing interest rates. The Group's interest rate risk exposures in the banking book originate from financial assets & liabilities that are exposed to different points in the yield curve, and are not matched in terms of repricing / maturity dates or interest rate basis. Since the Group does not take non-maturity deposits and bulk of its loans are floating-rate in nature, optionality/prepayment-related interest rate risk is insignificant.

The primary objective of interest rate risk management is to control exposure to interest rate risk, within approved limits. The Group has Board-approved Treasury Policy and Interest Rate Risk Management Framework in place that govern the interest rate risk management process. The Treasury Division directly functions to manage interest rate risks through diversification of exposures and structuring matching asset/liability transactions. The ALCO provides oversight of interest rate risk, including articulating interest rate view, deciding on future business strategy, monitoring interest rate risk and deliberating on mitigation measures. To control interest rate risk in the trading book, duration limits are in place for the fixed income investment portfolio, in terms of the Treasury Policy. To control interest rate risk in the banking book, target levels have been established on the repricing/ maturity gaps in each time band, as determined through slotting of interest-rate sensitive assets and liabilities according to contractual repricing / maturity dates, whichever is earlier, and ALCO-approved earnings at risk tolerance limit is also in place. The Market & Liquidity Risk / Middle Office Unit monitors limit compliance, reviews the interest rate risk management framework, develops interest rate risk measurement methodology, and provides monthly & quarterly reports to ALCO. Interest rate risk measurement methodology currently employed by the Group for the trading book includes marking-to-market, price value of basis point (PVBp), sensitivity analyses / stress testing and Value-at-Risk. For the banking book, methodology is based on gap analysis and static simulation, with an earnings and economic value perspective, as well as stress testing.

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		2022		2021	
		Banking book	Trading book	Banking book	Trading book
		Rupees		Rupees	
Impact of 1% change in interest rates on		36,408,226	-	54,993,234	-
- Profit and loss account		-	-	-	-
- Other comprehensive income		-	-	-	-

43.2.5 Mismatch of Interest Rate Sensitive Assets and Liabilities		2022										Non-interest bearing financial instruments
Effective Yield/ Interest rate	Total	Exposed to Yield/ Interest risk										
		Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Above 10 Years		
Rupees												
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	-	116,440,110	-	-	-	-	-	-	-	-	116,440,110	
Balances with other banks	12.25	137,866,992	53,427,001	-	-	-	-	-	-	-	84,439,991	
Lending to financial institutions	-	-	-	-	-	-	-	-	-	-	-	
Investments	14.58	36,154,009,926	7,308,100,000	17,893,500,000	440,056,587	5,578,040,800	-	-	1,976,227,500	-	2,958,085,039	
Advances	13.89	9,119,337,560	2,320,631,187	4,953,112,892	1,787,499,998	2,295,976	4,767,101	-	51,030,406	-	-	
Other assets	-	2,249,071,400	-	-	-	-	-	-	-	-	2,249,071,400	
		47,776,725,988	9,682,158,188	22,846,612,892	2,227,556,585	2,295,976	5,582,807,901	-	2,027,257,906	-	5,408,036,540	
Liabilities												
Borrowings	15.32	36,774,866,849	11,089,130,590	19,407,917,842	3,674,187,297	98,374,594	314,603,970	353,845,068	707,690,136	1,129,117,352	-	
Deposits and other accounts	16.62	1,953,000,000	1,743,000,000	10,000,000	200,000,000	-	-	-	-	-	-	
Other liabilities	-	549,575,474	-	-	-	-	-	-	-	-	549,575,474	
		39,277,442,323	12,832,130,590	19,417,917,842	3,874,187,297	98,374,594	314,603,970	353,845,068	707,690,136	1,129,117,352	-	
On-balance sheet gap		8,499,283,665	(3,149,972,402)	3,428,695,050	(1,646,630,712)	(96,078,618)	5,268,203,931	(353,845,068)	(707,690,136)	898,140,554	4,858,461,066	
Off-balance sheet financial instruments												
Off-balance sheet gap		-	-	-	-	-	-	-	-	-	-	
Total Yield/Interest Risk Sensitivity Gap			(3,149,972,402)	3,428,695,050	(1,646,630,712)	(96,078,618)	5,268,203,931	(353,845,068)	(707,690,136)	898,140,554	4,858,461,066	
Cumulative Yield/Interest Risk Sensitivity Gap			(3,149,972,402)	278,722,648	(1,367,908,064)	(1,463,986,682)	3,804,217,249	3,450,372,181	2,742,682,045	3,640,822,599	-	

		2021										Non-interest bearing financial instruments
Effective Yield/ Interest rate	Total	Exposed to Yield/ Interest risk										
		Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Above 10 Years		
Rupees												
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	-	101,956,575	-	-	-	-	-	-	-	-	101,956,575	
Balances with other banks	5.50	179,155,362	172,208,951	-	-	-	-	-	-	-	6,946,411	
Lending to financial institutions	-	-	-	-	-	-	-	-	-	-	-	
Investments	8.72	30,897,653,705	505,226,378	18,886,061,444	318,943,421	-	5,926,611,000	-	2,190,370,000	-	3,070,441,462	
Advances	10.66	6,868,108,912	1,514,885,355	2,462,898,040	2,833,547,052	1,589,444	5,426,934	-	49,762,087	-	-	
Other assets	-	1,197,575,906	-	-	-	-	-	-	-	-	1,197,575,906	
		39,244,450,460	2,192,320,684	21,348,959,484	3,152,490,473	1,589,444	5,426,934	5,926,611,000	-	2,240,132,087	4,376,920,354	
Liabilities												
Borrowings	9.83	26,456,618,972	22,850,230,040	327,984,692	2,008,830,282	67,660,564	181,392,173	191,183,014	336,506,312	492,831,895	-	
Deposits and other accounts	10.16	2,911,587,775	2,404,927,231	306,660,544	200,000,000	-	-	-	-	-	-	
Other liabilities	-	279,639,949	-	-	-	-	-	-	-	-	279,639,949	
		29,647,846,696	25,255,157,271	634,645,236	2,208,830,282	67,660,564	181,392,173	191,183,014	336,506,312	492,831,895	279,639,949	
On-balance sheet gap		9,596,603,764	(23,062,836,587)	20,714,314,248	943,660,191	(66,071,120)	(175,965,239)	5,735,427,986	(336,506,312)	1,747,300,192	4,097,280,405	
Off-balance sheet financial instruments												
Off-balance sheet gap		-	-	-	-	-	-	-	-	-	-	
Total Yield/Interest Risk Sensitivity Gap			(23,062,836,587)	20,714,314,248	943,660,191	(66,071,120)	(175,965,239)	5,735,427,986	(336,506,312)	1,747,300,192	4,097,280,405	
Cumulative Yield/Interest Risk Sensitivity Gap			(23,062,836,587)	(2,348,522,339)	(1,404,862,148)	(1,470,933,268)	(1,646,898,507)	4,088,529,479	3,752,023,167	5,499,323,359	-	

43.2.6 Yield Risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates.

43.2.7 Assets do not include fixed assets of Rs. 4,384,554,352 (2021: Rs. 4,468,645,879), intangible assets of Rs. 6,392,003 (2021: Rs. 6,109,050), other assets consisting of Advances, deposits, advance rent and other prepayments, advance taxation, excise duty, non-banking assets acquired in satisfaction of claims of Rs. 1,453,586,461 (2021: Rs. 1,023,489,230) and development property of Rs. 192,734,028 (2021: Rs. 198,210,163)

43.2.8 Liabilities do not include other liabilities consisting of advance rental income, Payable to defined benefit plan, Provision for compensated absences of Rs. 260,914,741 (2021: Rs. 144,353,822)

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43.3 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or from external events. Types of events that can lead to operational risk include:

- Internal / external fraud events
- Employment practices & workplace safety events
- Clients, products & business practices events
- Damage to physical assets events
- Business disruption and system failures events
- Execution, delivery & process management events

Types of operational risk losses can include monetary, regulatory, client, or health & safety loss, or legal liability / inability to enforce legal claim, and measures that may be taken to mitigate losses include improving underlying processes through enhanced internal controls, having contingency plan / backup arrangements in place, and ensuring adequate insurance coverage.

The Group's operational risk management process is governed by the Operational Risk Management Framework ("ORMF") and Operational Risk Policy which have been duly approved by the Board of Directors. The operational risk management structure comprises the line management as first line of defense, an independent Operational Risk Management Unit ("ORMU") operating under the Risk Management Division ("RMD") as second line of defense, and independent Internal Audit as third line of defense. An organizational culture of integrity and discipline built through trainings and appropriate hiring, and separation of duties and principles of internal control as embedded in relevant policies and procedures, are key principles for operational risk management. Operational Risk Coordinators ("ORCs") that have been established from each division work with the ORMU to identify, analyze, explain and mitigate operational issues within their respective areas of expertise. The ORMU develops and updates the ORMF, implements operational risk measurement and reporting, and coordinates with ORCs to source necessary information and promote sound operational risk management. Senior management-level Operational Risk Management Committee ("ORMC") meets quarterly with the goal to assure that actions are being taken to meet the stated objective of operational risk management in the Group. Presently loss data, key risk indicators, risk & control self-assessments, and scenario analysis are being used to assess operational risk. Operational risk reports on the basis of these tools, along with suggested risk mitigants where required, are presented by ORMU to the ORMC. Operational risk reports are also discussed as part of the agenda of meetings of Risk Management Committee of the Board ("RMCB").

In order to ensure business continuity, resumption and recovery of critical business process after a disaster, the Group has a robust Business Continuity Plan / Disaster Recovery Plan in place, with off-site backup and regular testing carried out. The Group also has a Technology Governance Framework & IT Security Policy in place, addressing issues such as incident reporting, risk identification, IT controls and systems security, with added oversight provided by regular meetings of the IT Steering Committee of management. KYC / AML Policies are also in place for Credit and Treasury activities.

Basic Indicator Approach with capital charge of 15% of average gross income for previous 3 years has been applied for Operational Risk. Loss data process has been fully implemented, with ORCs providing details for events / near misses / potential losses through an in-house software.

43.4 Liquidity Risk

The liquidity risk strategy of the Group is to strive to maintain liquidity at an acceptable level over the short- and long-term, in order to settle financial obligations in a timely and economical manner. Liquidity Risk Policy, Treasury Policy and Contingency Funding Plan are in place to govern the liquidity risk management process. The prime responsibility for the management of liquidity risk lies with Treasury Division (TD) which ensures that the Group's operations can meet its current and future funding needs. Mix of Saudi Pak assets and liabilities is monitored by TD to ensure that gaps are efficiently managed, and target gap levels are in place. Regulatory limits (e.g. Statutory Liquidity Requirement [SLR], Net Stable Funding Ratio [NSFR]) are monitored and returns are submitted. Internal limit on liquid assets to total borrowings and deposits is also in place. TD further aims for effective diversification of sources of borrowing / liquidity. The Group's leverage also remains well within parameters allowed by SBP, ensuring a stable source of liquidity in the form of capital. ALCO provides additional oversight for liquidity risk management through its monthly meetings. The Market & Liquidity Risk / Middle Office Unit housed in RMD independently reviews liquidity risk policy, and monitors liquidity ratios, gaps and funding concentrations on daily basis, providing regular reporting on the same to ALCO along with stress testing, with timely escalation in case of any limit breach. The Group overall strives to maintain a strong market reputation and to keep credit risk and market risk within manageable limits so that these risks may not trigger any undesirable liquidity crunch.

43.4.1 **Maturities of Assets and Liabilities - based on contractual maturity of the assets and liabilities of the Group**

Total		2022												
		Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 Years	Over 5 Years
Rupees														
Assets														
Cash and balances with treasury banks	116,440,110	116,440,110	-	-	-	-	-	-	-	-	-	-	-	-
Balances with other banks	137,866,992	137,866,992	-	-	-	-	-	-	-	-	-	-	-	-
Lending to financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	36,154,009,926	-	60,000	-	-	250,030,000	223,078,632	166,161,166	250,030,000	2,276,886,820	10,520,475,800	2,260,260,000	660,160,000	19,546,867,508
Advances	9,119,337,580	167,212,404	352,051,245	21,193,875	36,263,497	35,541,891	69,610,546	494,675,645	239,983,500	450,554,723	1,622,546,511	1,752,777,788	2,504,674,056	1,372,251,879
Non-current asset classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed assets	4,384,554,352	414,069	2,484,415	2,898,484	6,625,108	12,422,077	12,422,076	77,522,842	37,266,230	37,266,229	149,064,917	139,882,490	457,246,473	3,449,038,942
Intangible assets	6,392,003	5,918	35,508	41,426	94,686	177,538	177,537	532,613	532,613	532,613	2,130,452	2,131,099	-	-
Deferred tax assets	61,321,766	140,172	295,120	17,767	30,399	483,432	966,865	1,450,297	966,841	1,933,682	5,801,117	5,801,117	14,912,970	28,521,987
Other assets	3,702,657,661	277,561,540	584,381,800	35,180,432	60,195,008	254,711,456	509,422,912	570,949,956	691,740,192	718,514,565	-	-	-	-
Development Properties	192,734,028	-	-	-	-	-	-	-	-	-	-	-	192,734,028	-
	53,875,314,598	699,641,205	939,308,088	59,331,984	103,208,698	553,366,394	815,678,568	1,311,292,519	1,220,519,376	3,485,688,632	12,300,018,797	4,160,852,494	3,829,727,527	24,396,680,316
Liabilities														
Bills payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	36,774,866,849	-	5,170,785,000	1,518,112,498	4,400,233,092	15,239,233,596	4,043,684,246	424,187,297	111,687,297	611,687,297	1,252,103,970	1,103,845,068	1,770,190,136	1,129,117,352
Deposits and other accounts	1,953,000,000	-	-	-	-	-	10,000,000	-	400,000,000	1,543,000,000	-	-	-	-
Liabilities against assets subject to finance lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	810,490,215	6,613,350	46,293,453	92,586,906	52,906,804	81,101,595	162,203,190	175,779,103	74,259,034	94,720,011	-	-	7,208,031	16,818,738
	39,538,357,064	6,613,350	5,217,078,453	1,610,699,404	4,453,139,896	15,320,335,191	4,215,887,436	599,966,400	585,946,331	2,249,407,308	1,252,103,970	1,103,845,068	1,777,398,167	1,145,936,090
Net assets	14,336,957,534	693,027,855	(4,277,770,365)	(1,551,367,420)	(4,349,931,198)	(14,766,968,797)	(3,400,208,868)	711,326,119	634,573,045	1,236,281,324	11,047,914,827	3,057,007,426	2,052,329,360	23,250,744,226
Share capital/ Head office capital account	6,765,000,000													
Reserves	1,790,149,151													
Unappropriated/ Unremitted profit	4,468,576,998													
Surplus/(Deficit) on revaluation of assets	1,313,231,385													
	14,336,957,534													

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Total		2021												
		Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 Years	Over 5 Years
Rupees														
Assets														
Cash and balances with treasury banks	101,956,575	101,956,575	-	-	-	-	-	-	-	-	-	-	-	-
Balances with other banks	179,155,362	179,155,362	-	-	-	-	-	-	-	-	-	-	-	-
Lending to financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	30,897,653,705	-	-	-	75,226,378	406,723,044	136,715,657	58,000	250,030,000	2,506,856,018	559,508,400	5,949,206,000	959,740,000	20,053,590,008
Advances	6,868,108,912	137,501,026	-	25,875,000	44,370,026	37,689,717	33,486,719	360,389,703	328,857,574	345,014,518	1,091,619,872	1,195,257,120	2,002,849,872	1,245,197,765
Non-current asset classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed assets	4,468,645,879	418,035	2,508,207	2,926,242	6,688,552	12,541,036	12,541,036	40,827,445	37,623,108	37,623,107	150,492,429	150,492,429	527,497,231	3,486,467,022
Intangible assets	6,109,050	5,656	33,936	39,592	90,495	169,678	169,679	509,036	509,036	509,036	2,036,144	2,036,762	-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	2,221,065,136	335,438,411	-	63,122,939	108,242,162	138,121,176	276,242,353	321,923,526	480,117,412	497,857,137	-	-	-	-
Development Properties	198,210,163	-	-	-	-	-	-	-	-	-	-	-	198,210,163	-
	44,940,904,782	754,475,065	2,542,143	91,963,773	234,617,633	595,244,651	459,155,644	743,707,710	1,097,137,130	3,397,859,816	1,803,656,845	7,296,992,311	3,688,297,266	24,785,254,795
Liabilities														
Bills payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	26,456,618,972	-	4,492,426,600	10,064,007,348	8,293,796,092	6,235,246	71,749,446	508,830,282	96,330,282	408,830,282	1,056,392,173	503,683,014	461,506,312	492,831,895
Deposits and other accounts	2,911,587,775	-	-	-	169,927,231	62,868,133	243,772,411	-	300,000,000	2,135,000,000	-	-	-	-
Liabilities against assets subject to finance lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	438,549,336	2,434,543	-	458,133	785,600	3,678,096	7,356,192	11,034,288	7,356,012	14,712,023	44,136,611	44,136,611	88,273,221	214,188,006
Other liabilities	423,993,771	1,935,781	13,550,464	27,100,928	15,486,245	38,715,612	77,431,223	99,461,983	62,082,848	96,608,215	-	-	6,486,142	15,134,330
	30,230,749,854	4,370,324	4,505,977,064	10,091,566,409	8,479,995,168	111,517,087	400,309,272	619,326,553	465,769,142	2,625,150,520	1,100,528,784	547,819,625	556,265,675	722,154,231
Net assets	14,710,154,928	750,104,741	(4,503,434,921)	(9,999,602,636)	(8,245,377,535)	483,727,564	58,846,372	124,381,157	631,367,988	762,709,296	703,128,061	6,749,172,686	3,132,031,581	24,063,100,564
Share capital/ Head office capital account														
Reserves	1,727,992,307													
Unappropriated/ Unremitted profit	4,421,217,627													
Surplus/(Deficit) on revaluation of assets	1,960,944,994													
	14,710,154,928													

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SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

43.4.2 Maturities of assets and liabilities - based on expected maturities of the assets and liabilities of the Group.

Total		2022								
		Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Above 10 Years
Rupees										
Assets										
Cash and balances with treasury banks	116,440,110	116,440,110	-	-	-	-	-	-	-	-
Balances with other banks	137,866,992	137,866,992	-	-	-	-	-	-	-	-
Lending to financial institutions	-	-	-	-	-	-	-	-	-	-
Investments	36,154,009,926	60,000	473,108,632	166,161,166	2,526,916,820	10,520,475,800	2,260,260,000	660,160,000	19,546,867,508	-
Advances	9,119,337,560	576,721,021	105,152,437	494,675,645	690,538,223	1,622,546,511	1,752,777,788	2,504,674,056	1,372,251,879	-
Non-current asset classified as held for sale	-	-	-	-	-	-	-	-	-	-
Fixed assets	4,384,554,352	12,422,076	24,844,153	77,522,842	74,532,459	149,064,917	139,882,490	457,246,473	468,421,553	2,980,617,389
Intangible assets	6,392,003	177,538	355,075	532,613	1,065,226	2,130,452	2,131,099	-	-	-
Deferred tax assets	61,321,766	483,458	1,450,297	1,450,297	2,900,523	5,801,117	5,801,117	14,912,970	25,981,253	2,540,734
Other assets	3,702,657,861	957,318,780	764,134,368	570,949,956	1,410,254,757	-	-	-	-	-
Development Properties	192,734,028	-	-	-	-	-	-	192,734,028	-	-
	53,875,314,598	1,801,489,975	1,369,044,962	1,311,292,519	4,706,208,008	12,300,018,797	4,160,852,494	3,829,727,527	21,413,522,193	2,983,158,123
Liabilities										
Bills payable	-	-	-	-	-	-	-	-	-	-
Borrowings	36,774,866,849	11,089,130,590	19,282,917,842	424,187,297	723,374,594	1,252,103,970	1,103,845,068	1,770,190,136	1,129,117,352	-
Deposits and other accounts	1,953,000,000	-	10,000,000	-	1,943,000,000	-	-	-	-	-
Liabilities against assets subject to finance lease	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-
Other liabilities	810,490,215	198,400,513	243,304,785	175,779,103	168,979,045	-	-	7,208,031	16,818,738	-
	39,538,357,064	11,287,531,103	19,536,222,627	599,966,400	2,835,353,639	1,252,103,970	1,103,845,068	1,777,398,167	1,145,936,090	-
Net assets	14,336,957,534	(9,486,041,128)	(18,167,177,665)	711,326,119	1,870,854,369	11,047,914,827	3,057,007,426	2,052,329,360	20,267,586,103	2,983,158,123
Share capital/										
Head office capital account	6,765,000,000									
Reserves	1,790,149,151									
Unappropriated/Unremitted profit	4,468,576,998									
Surplus/(Deficit) on revaluation of assets	1,313,231,385									
	14,336,957,534									

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SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
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FOR THE YEAR ENDED DECEMBER 31, 2022

Total		2021								
		Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Above 10 Years
Rupees										
Assets										
Cash and balances with treasury banks	101,956,575	101,956,575	-	-	-	-	-	-	-	-
Balances with other banks	179,155,362	179,155,362	-	-	-	-	-	-	-	-
Lending to financial institutions	-	-	-	-	-	-	-	-	-	-
Investments	30,897,653,705	75,226,378	543,438,901	58,000	2,756,886,018	559,508,400	5,949,206,000	959,740,000	20,053,590,008	-
Advances	6,868,108,912	207,746,052	71,176,436	380,389,703	673,872,092	1,091,619,872	1,195,257,120	2,002,849,872	1,242,429,434	2,768,331
Non-current asset classified as held for sale	-	-	-	-	-	-	-	-	-	-
Fixed assets	4,468,645,879	12,541,036	25,082,072	40,827,445	75,246,215	150,492,429	150,492,429	527,497,231	540,310,658	2,946,156,364
Intangible assets	6,109,050	169,679	339,357	509,036	1,018,072	2,036,144	2,036,762	-	-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
Other assets	2,221,065,136	506,803,532	414,363,529	321,923,526	977,974,549	-	-	-	-	-
Development Properties	198,210,163	-	-	-	-	-	-	198,210,163	-	-
	44,940,904,782	1,083,598,614	1,054,400,295	743,707,710	4,484,996,946	1,803,656,845	7,296,992,311	3,688,297,266	21,836,330,100	2,948,924,695
Liabilities										
Bills payable	-	-	-	-	-	-	-	-	-	-
Borrowings	26,456,618,972	22,850,230,040	77,984,692	508,830,282	505,160,564	1,056,392,173	503,683,014	461,506,312	492,831,895	-
Deposits and other accounts	2,911,587,775	169,927,231	306,660,544	-	2,435,000,000	-	-	-	-	-
Liabilities against assets subject to finance lease	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	438,549,336	3,678,276	11,034,288	11,034,288	22,068,035	44,136,611	44,136,611	88,273,221	100,796,393	113,391,613
Other liabilities	423,993,771	58,073,418	116,146,835	99,461,983	128,691,063	-	-	6,486,142	15,134,330	-
	30,230,749,854	23,081,908,965	511,826,359	619,326,553	3,090,919,662	1,100,528,784	547,819,625	556,265,675	608,762,618	113,391,613
Net assets	14,710,154,928	(21,998,310,351)	542,573,936	124,381,157	1,394,077,284	703,128,061	6,749,172,686	3,132,031,591	21,227,567,482	2,835,533,082
Share capital/										
Head office capital account	6,600,000,000									
Reserves	1,727,992,307									
Unappropriated/Unremitted profit	4,421,217,627									
Surplus/(Deficit) on revaluation of assets	1,960,944,994									
	14,710,154,928									

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SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

43.5 Derivative Risk

Presently the Group does not have exposure in derivative products, and consequently is not exposed to derivatives-related risk.

44. DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue by the Board of Directors of the Saudi Pak Industrial and Agricultural Investment Company Limited on 25 FEB 2023

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GM/Chief Executive

Chief Financial Officer

Director

Director

Director

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
STATEMENT SHOWING WRITTEN OFF LOANS OR ANY OTHER FINANCIAL RELIEF
OF FIVE HUNDRED THOUSAND RUPEES OR ABOVE,
PROVIDED DURING THE YEAR JANUARY - DECEMBER 31, 2022

(Rupee in million)

S. No.	Name and address	Name of individual / Partners / Directors	CNIC No.	Fathers' / Husband Nanme	Outstanding liabilities at the beginning of the year				Principal written off	Mark up waived	Other financial relief provided	Total
					Principal	Mark up	Others	Total				
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Plyfo Industries Limited 1095, A/117, Ward # 10, Gali Baba Ahmed Din Wali, Gujranwala Road, Alipur Chatta, Wazirabad, Gujranwala.	Abdul Waheed Gill Muhammad Rana Gill Sajjad Mehmood Gill Abdul Ghanni Gill	34104-2310743-5 34104-2261018-9 34104-2310745-5 34104-2287873-5	Imam Din Gill Imam Din Gill Muhammad Abdullah Gill Imam Din Gill	21.939	4.849	0.000	26.788	0.000	4.779	37.709	42.488
2	Dewan Salman Fiber Limited 2nd Floor, Block "A", Finance & Trade Centre, Shahrah-e- Faisal, Karachi	Mr. Zafar Asim Mr. Muhammad Irfan Ali Mr. Saleem-ul-Haque Mr. Asghar Iqbal Mr. Muhammad Wajid Syed Farhan Asdaque Ms. Momina Gul	42101-0140193-3 36302-2168721-7 41303-0223520-3 42101-6615857-3 42201-0361792-3 42101-1385134-1 42501-5495565-4	Mr. Muhammad Fahim Mr. Ali Daraz Mr. Nadeem-ul-Haque Mr. Muhammad Iqbal Ahmed Mr. Shafiq Ahmed Syed Mansoor Asdaque Syed Tahir Hussain	49.999	4.461	0.187	54.647	0.000	0.000	72.719	72.719
					71.938	9.310	0.187	81.435	0.000	4.779	110.428	115.207

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