



QUARTERLY REPORT
SEPTEMBER 30, 2021

COMPANY INFORMATION

BOARD OF DIRECTORS

Haji Jan Muhammad (Chairman)
Mr. Muhammad Mehboob
Mr. Muhammad Shoaib
Mrs. Samreen Shoaib
Mr. Shaikh Abdullah
Mr. Karim Muhammad Munir
Mr. Faisal Zahid

PRESIDENT & CHIEF EXECUTIVE

Mr. Zafar .M. Sheikh

AUDIT COMMITTEE

Mr. Shaikh Abdullah (Chairman)
Haji Jan Muhammad
Mr. Karim Muhammad Munir
Mr. Faisal Zahid

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Faisal Zahid (Chairman)
Mr. Zafar .M. Sheikh
Mr. Muhammad Mehboob

RISK MANAGEMENT COMMITTEE

Mr. Karim Muhammad Munir (Chairman)
Mr. Muhammad Mehboob
Mr. Muhammad Shoaib
Mr. Zafar .M. Sheikh
Mr. Faisal Zahid

Chief Financial Officer

Mr. Shakeel Ahmed

AUDITORS

Bakers Tilly Mehmood Idrees Qamar,
Chartered Accountants

TAX ADVISORS

Grant Thoranton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS

Rehan Kayani (Barrister at Law)

SHARE REGISTRAR

M/s. C&K Management
Associates (Pvt) Limited
404, Trade Tower,
near Hotel Metropole, Karachi.

BANKERS

Habib Metropolitan Bank Limited.
United Bank Limited.
Summit Bank Limited.

REGISTERED OFFICE

Suite No. 1, 1st Floor, Junaid Plaza,
I-10, Markez, Islamabad.
Tel : (051) 4102920
Website : www.sibl.com.pk

KARACHI OFFICE

502, 5th Floor, Madina City Mall,
Abdullah Haroon Road, Saddar Karachi.
Tel: (021) 35659750-54
Fax: (021) 35659755
E-mail : sibl@sibl.com.pk

DIRECTORS' REPORT

The Board of Directors of **Security Investment Bank Limited (SIB)** are pleased to present the financial statement of the Company for the quarter ended 30 September 2021.

Economic Overview

Pakistan's economy is facing challenges: internationally, it is facing soaring prices of essential commodities; regionally, it is grappling with the economic and financial fallout of an extremely volatile situation in Afghanistan; and domestically, it is trying to come to grips with a falling rupee value and the lack of resources to keep the prices of utilities and oil in check.

The fiscal deficit in terms of GDP contained at 0.4 percent (Rs 237.8 billion) in July FY2022 against 0.5 percent (Rs 211.6 billion) in the comparable period of last year.

The Current Account posted a deficit of \$ 2.3 billion (4.1 percent of GDP) for Jul-Aug FY2022 as against a surplus of \$ 838 million (1.8 percent of GDP) last year.

The Monetary Policy Committee (MPC) keeping the view of overall economic situation decided to raise the policy rate by 25 basis points to 7.25 percent, in last Monetary Policy decision announced as on 20th September, 2021.

During the quarter under review, the Pakistan Stock Exchange Ltd (KSE-100 index) registered decreased 6.27% to 44,366 points as of 30 September 2021 compared to 47,336 points as of 30 June 2021.

However, the government is taking all possible measures to control inflationary pressures and provide relief to the masses in order to mitigate the impact of price hike. The government's pro-growth initiatives, as well as the building of strategic reserves, particularly in the food sector, will help the domestic economy by ensuring adequate supply. Further, measures taken by the government to enhance exports and ongoing workers' remittances performance will definitely mitigate associated risks.

Operating Results

Alhamdulillah, your company posted profit from its operation Rs. 38 million and incurred unrealized gain on re-measurement of investment Rs. 3 million, combining operating profit before taxes of Rs. 41 million for the quarter ended 30 September 2021 as compared to Rs. 69 million of the corresponding period. Your Company's EPS Rs. 0.705 as compared to Rs. 1.327 of the corresponding period.

Acknowledgement

The board wishes to place on record the gratitude to Pakistan Stock Exchange and Securities and Exchange Commission of Pakistan for their continued valued support, assistance and guidance. The board would also like to thank untiring efforts of the Management and staff.

On behalf of the Board

Haji Jan Muhammad
Chairman
Karachi, 27 October 2021

ڈائیکٹر رپورٹ

سیکیورٹی انویسٹمنٹ بینک لمیٹڈ (ایس آئی بی) کے بورڈ آف ڈائریکٹرز 30 ستمبر 2021 کو ختم ہونے والی تیسری سہ ماہی کے لئے کمپنی کا مالی بیان پیش کرنے پر خوش ہیں۔

معاشی جائزہ:-

پاکستان کی معیشت کو چیلنجز کا سامنا ہے: بین الاقوامی سطح پر اسے ضروری اشیاء کی بڑھتی قیمتوں کا سامنا ہے۔ علاقائی طور پر یہ افغانستان میں انتہائی غیر مستحکم صورتحال کے معاشی اور مالی نقصان سے دوچار ہے۔ اور مقامی طور پر یہ کوشش کر رہی ہے کہ گرتی ہوئی روپیہ کی قیمت اور وسائل کی کمی کے ساتھ افادیت اور تیل کی قیمتوں کو برقرار رکھا جاسکے۔

جولائی مالی سال 2022 میں جی ڈی پی کے لحاظ سے مالی خسارہ 0.4 فیصد (237.8 بلین روپے) تھا جو گذشتہ سال کی تقابلی مدت میں 0.5 فیصد (211.6 بلین روپے) تھا۔

کرنٹ اکاؤنٹ میں جولائی اگست مالی سال 2022 کے لئے 2.3 بلین ڈالر (جی ڈی پی کا 4.1 فیصد) کا خسارہ تھا جبکہ پچھلے سال 838 بلین ڈالر (جی ڈی پی کا 1.84 فیصد) کی اضافی رقم تھی۔

مائیٹری پالیسی کمیٹی (ایم پی سی) نے مجموعی معاشی صورتحال کو مد نظر رکھتے ہوئے 20 ستمبر 2021 کو اعلان کردہ آخری مائیٹری پالیسی کے فیصلے میں پالیسی کی شرح کو 25 بیس پوائنٹس بڑھا کر 7.25 فیصد کرنے کا فیصلہ کیا۔

زیر جائزہ سہ ماہی کے دوران پاکستان اسٹاک ایکسچینج لمیٹڈ (کے ایس آئی 100 انڈیکس) 30 ستمبر 2021 تک 6.27 فیصد کم ہو کر 44,366 پوائنٹس پر آ گیا جبکہ 30 جون 2021 تک یہ 47,336 پوائنٹس کے مقابلے میں ہے۔

تاہم، حکومت افراط زر کے دباؤ پر قابو پانے اور عوام کو امداد فراہم کرنے کے لئے ہر ممکن اقدامات کر رہی ہے تاکہ قیمتوں میں اضافے کے اثرات کو کم کیا جاسکے۔ حکومت کے ترقی کے حامی اقدامات کے ساتھ ساتھ اسٹریٹیجک ذخائر کی تعمیر خاص طور پر فوڈ سیکٹر میں مناسب فراہمی کو یقینی بناتے ہوئے ملکی معیشت میں مدد ملے گی۔ مزید یہ کہ برآمدات اور جاری کارکنوں کی ترسیلات زر کی کارکردگی کو بڑھانے کے لئے حکومت کی جانب سے اٹھائے گئے اقدامات یقینی طور پر وابستہ خطرات کو کم کریں گے۔

آپریٹنگ نتائج:-

الحمد للہ آپ کی کمپنی نے اپنے آپریٹنگ سے منافع 38 بلین پوسٹ کیا اور سرمایہ کاری کی دوبارہ پیکس پر غیر حقیقی فائدہ 3 بلین روپے حاصل کیا۔ ٹیکس سے پہلے آپریٹنگ منافع کو ملا کر 30 ستمبر 2021 کو ختم ہونے والی 9 ماہ کے لئے 41 بلین روپے کے مقابلے میں اسی مدت کے 69 بلین روپے، آپ کی کمپنی کا EPS 0.705 روپے کے مقابلے میں اسی مدت کا 1.327 ہے۔

اعتراف:-

بورڈ پاکستان اسٹاک ایکسچینج اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے ان کی مستقل قدر کی حمایت، مدد اور رہنمائی کے لئے شکریہ ادا کرنا چاہتا ہے۔ بورڈ انتظامیہ اور عملے کی انتھک کوششوں کا بھی شکریہ ادا کرنا چاہے گا۔

بورڈ کی جانب:

حاجی جان محمد

چیئرمین

کراچی 127 اکتوبر 2021

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT 30 SEPTEMBER 2021

		Sep 30 2021 (Un-audited)	Dec 31 2020 (Audited)
Note	-----	Rupees	-----
Non - Current Assets			
Property, plant and equipment	5	155,680,067	156,727,396
Intangible assets	6	2,810,843	3,043,340
Long term investments	7	-	45,941,799
Long term financing	8	4,339,589	5,017,015
Long term loans and advances	9	2,500,000	2,500,000
Deferred tax asset - net		941,809	941,809
		166,272,308	214,171,359
Current Assets			
Short term financing	10	59,840,154	53,968,338
Short term investments	11	449,978,839	391,990,545
Loans and advances	12	1,244,547	1,030,957
Deposits, prepayments and other receivables		2,981,259	8,065,351
Accrued interest		639,764	2,903,489
Tax refund due from Government	13	65,143,250	55,843,850
Cash and bank balances	14	11,728,947	7,293,874
		591,556,760	521,096,404
		757,829,068	735,267,763
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised Share Capital			
100,000,000 ordinary shares of Rs.10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital		514,335,580	514,335,580
Statutory reserves		193,510,879	186,259,883
Accumulated profit		44,400,916	15,396,933
		752,247,376	715,992,396
Non-Current Liabilities			
Current Liabilities			
Unclaimed dividend		2,090,749	2,090,749
Accrued and other liabilities		3,490,944	17,184,618
		5,581,693	19,275,367
Contingencies and commitments			
		757,829,068	735,267,763

The annexed notes form an integral part of these condensed interim financial information.

Statement under section 232 (1) of the Companies Act, 2017

At the time of the meeting of the board of directors, the Chief Executive Officer was not in Pakistan, as such these financial statements, as approved by the BOD, have been signed by two directors

SHAKEEL AHMED
CFO

MUHAMMAD SHOAIB
DIRECTOR

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**UNCONSOLIDATED CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	Nine months Ended		Quarter Ended	
	Sep 2021	Sep 2020	Sep 2021	Sep 2020
Income				
Income on financing and placements	6,153,523	9,531,356	2,186,954	405,333
Return on investments	9,487,999	7,576,029	6,116,983	(1,110,168)
Gain/ (Loss) on sale of shares	46,268,143	20,326,679	11,316,660	14,637,704
Profit on deposit with banks	403,934	431,641	94,018	194,729
Other income	1,040,493	787,027	581,612	430,742
	63,354,092	38,652,732	20,296,227	14,558,340
Expenditure				
Operating expenses	24,917,993	23,785,113	8,859,177	7,822,709
	24,917,993	23,785,113	8,859,177	7,822,709
Operating (loss)/profit before tax	38,436,099	14,867,619	11,437,050	6,735,631
Unrealized (loss)/gain on remeasurement of investments classified as fair value through profit or loss	2,762,233	54,182,293	(28,613,684)	72,026,731
(Loss)/profit before taxation	41,198,332	69,049,912	(17,176,634)	78,762,362
Taxation				
Deferred	-	-	-	-
Current	(4,943,353)	(800,339)	-	-
	(4,943,353)	(800,339)	-	-
Net (loss)/profit after tax	36,254,979	68,249,573	(17,176,634)	78,762,362
(Loss)/earning per share - basic and diluted	0.705	1.327	(0.334)	1.531

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DIRECTOR

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021**

	<u>Nine months Ended</u>		<u>Quarter Ended</u>	
	Sep 2021	Sep 2020	Sep 2021	Sep 2020
Net (loss)/profit after tax	36,254,979	68,249,573	(17,176,634)	78,762,362
Other Comprehensive loss for the period				
Deficit on revaluation of investments - net of tax	-	-	-	-
Total comprehensive (loss)/income	<u>36,254,979</u>	<u>68,249,573</u>	<u>(17,176,634)</u>	<u>78,762,362</u>

The annexed notes form an integral part of these condensed interim financial information.

Statement under section 232 (1) of the Companies Act, 2017

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CHAIRMAN/DIRECTOR

UNCONSOLIDATED CONDENSED CASH FLOW STATEMENT (UNAUDITED) FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021

	Sep 2021	Sep 2020
	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Operating profit before taxation	38,436,099	14,867,619
Adjustments for non-cash and other items		
Depreciation	1,359,598	1,462,781
Amortization	232,497	232,497
Gain on disposal of shares	(40,852,078)	(20,326,679)
Gain on disposal of fixed assets	(84,071)	-
	(39,344,054)	(18,631,401)
Cash flows from operating activities before working capital changes	(907,955)	(3,763,782)
 (Increase) / Decrease in operating assets		
Financing and placements	(5,871,816)	190,284,138
Loans and advances	(213,590)	326,243
Deposits, prepayment and other receivables	5,084,092	2,442,591
Accrued interest	2,263,725	6,387,209
	1,262,410	199,440,181
Increase / (Decrease) in operating liabilities		
Subordinated loan	-	-
Borrowings	-	-
Accrued and other liabilities	(13,693,674)	(2,350,868)
	(13,693,674)	(2,350,868)
Net changes in operating assets and liabilities	(12,431,264)	197,089,313
 Income tax paid	(14,242,753)	(1,821,267)
Net cash inflow from operating activities	(27,581,972)	191,504,264
 CASH FLOW FROM INVESTING ACTIVITIES		
Long term Investment	45,941,799	-
Purchase of fixed assets - net	(151,954)	(36,500)
Additions in intangible assets	-	-
Sale of Investment in TFC	5,836,219	-
Sale proceeds of quoted shares	193,688,035	112,513,625
Investments in quoted shares	(53,974,480)	(90,376,574)
Sale of Government securities	(160,000,000)	(31,000,000)
Long term financing	677,426	1,496,065
Net cash used in investing activities	32,017,045	(7,403,384)
 CASH FLOW FROM FINANCING ACTIVITIES		
Subordinated loan	-	(180,000,000)
Net cash used in financing activities	-	(180,000,000)
 Net increase in cash and cash equivalents	4,435,073	4,100,880
 Cash and cash equivalents at the beginning of the period	7,293,874	8,033,947
 Cash and cash equivalents at the end of the period	11,728,947	12,134,827

The annexed notes form an integral part of these condensed interim financial information.

Statement under section 232 (1) of the Companies Act, 2017

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CFO

MUHAMMAD SHOAIB
DIRECTOR

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021

	Share capital	Statutory reserve	Accumulated Profit / (losses)	Total
----- Rupees -----				
Balance as at January 01, 2020	514,335,580	170,798,844	(46,447,221)	638,687,203
Profit for the period	-	-	68,249,573	68,249,573
Other comprehensive loss	-	-		
Statutory reserves	-	13,649,915	(13,649,915)	
Balance as at September 30, 2020	514,335,580	184,448,759	8,152,437	706,936,776
Balance as at January 01, 2021	514,335,580	186,259,883	15,396,933	715,992,396
Profit for the period	-	-	36,254,979	36,254,979
Other comprehensive income	-	-	-	-
Statutory reserves	-	7,250,996	(7,250,996)	-
Balance as at September 30, 2021	514,335,580	193,510,879	44,400,916	752,247,376

The annexed notes form an integral part of these condensed interim financial information.

Statement under section 232 (1) of the Companies Act, 2017

At the time of the meeting of the board of directors, the Chief Executive Officer was not in Pakistan, as such these financial statements, as approved by the BOD, have been signed by two directors

SHAKEEL AHMED
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HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**NOTES TO THE UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2021****1. STATUS AND PRINCIPAL ACTIVITIES**

- 1.1 Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was incorporated in Pakistan on 23 May 1991 and started its commercial operation on 31 December 1991. Its shares are quoted on Pakistan Stock Exchange. The registered office of SIBL is situated at Office no:1, 1st Floor, Junaid Plaza, I-10 Markaz, Islamabad.
- 1.2 The Company is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1002 (I) /2015 dated October 15, 2015 and Non-Banking Finance Companies and Notified Entities Regulations 2008 as amended through SRO 1160(I) / 2015 dated November 25, 2015 (previously this was covered under SRO 585(1)/87 dated July 13, 1987, issued by the Ministry of Finance).
- 1.3 JCR - VIS Credit Rating Company Limited (VIS) has placed the rating of the Company for medium to the long-term rating at 'A-' (A minus) signifies adequate credit quality and the short-term rating of 'A-2' (A Two) signifies good certainty of timely payment. Outlook on the assigned rating is 'Stable'.
- 1.4 "In the year 2016, the Company made an investment in newly incorporated wholly owned subsidiary company namely Security Capital & Investment (Private) Limited amounting to Rs. 50 million.

Rahat Aziz, an advocate of High Court, had file an application on instruction of Security Capital & Investment (Private) Limited for striking off the name of the Company from the Register of Companies under Companies Easy Exit Scheme (CEES). And on 15 January 2020, via Letter No. CEER/MISC/1-1/2020 of Securities and Exchange Commission Of Pakistan, pursuant to the provisions of sub section (1) of section 426 of the Companies Act, 2017 (the Act) read with Companies (Easy Exit) Regulations, 2014 (the Regulations), same has been accepted and dissolution letter will be issued to the company after publication of company name under sub section 426(3) of the Companies Act, 2017. The management communicated to the registrar that management transferred its assets/liabilities into SIB books of accounts vide our letter dated May 18, 2021. Thereafter, books of accounts have been adjusted accordingly.

2. BASIS OF PRESENTATION

This unconsolidated condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations); directives issued by the Securities and Exchange Commission of Pakistan (SECP); and provisions of and directives issued under the Companies Act, 2017.

Where the provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) , Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations); directives issued by the Securities and Exchange Commission of Pakistan (SECP); and provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations), directives issued by the Securities and Exchange Commission of Pakistan (SECP), and provisions of and directives issued under the Companies Act, 2017 shall prevail.

This unconsolidated condensed interim financial information do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2020. Further, these accounts are being circulated to the shareholders in accordance with the requirements of Section 237 of the Companies Act, 2017 and Listing Regulations of Pakistan Stock Exchange.

The comparative statement of financial position presented in this unconsolidated condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31 ,2020, whereas, the comparative condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the half year ended June 30, 2021.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the preceding published annual financial statements of the Company for the year ended December 31, 2020.

4. ESTIMATES AND JUDGEMENTS

The preparation of unconsolidated condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2020.

Leasehold Property	Building	Furniture and fixtures	Computer and Office equipments	Vehicles	Generator	Total
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5. PROPERTY, PLANT AND EQUIPMENT

Year ended December 31, 2020

Net carrying value basis

Opening net book value	121,516,047	31,306,666	4,971,494	779,084	18,721	62,088	158,654,100
Additions (at cost)	-	-	-	36,500	-	-	36,500
Disposals (NBV)							
Cost	-	-	-	(77,400)	-	-	(77,400)
Accumulated depreciation	-	-	-	77,398	-	-	77,398
	-	-	-	(2)	-	-	(2)
Depreciation charge	-	(640,000)	(888,625)	(414,834)	(8,100)	(11,643)	(1,963,202)
Closing net book value	121,516,047	30,666,666	4,082,869	400,748	10,621	50,445	156,727,396

Gross carrying value basis

Cost	121,516,047	32,000,000	8,916,237	3,731,336	40,501	582,736	166,786,857
Accumulated depreciation / impairment	-	(1,333,334)	(4,833,368)	(3,330,588)	(29,880)	(532,291)	(10,059,461)
Net book value	121,516,047	30,666,666	4,082,869	400,748	10,621	50,445	156,727,396

Period ended Sep 30, 2021

Net carrying value basis

Opening net book value (NBV)	121,516,047	30,666,666	4,082,869	400,748	10,621	50,445	156,727,396
Additions (at cost)	-	-	-	312,304	-	-	312,304
Disposals (NBV)							-
Cost				(993,291)			(993,291)
Accumulated depreciation				993,256			993,256
	-	-	-	(35)			(35)
Depreciation charge	-	(479,994)	(666,482)	(198,318)	(6,074)	(8,730)	(1,359,598)
Closing net book value	121,516,047	30,186,672	3,416,387	514,699	4,547	41,715	155,680,067

Gross carrying value basis

Cost	121,516,047	32,000,000	8,916,237	3,050,349	40,501	582,736	166,105,870
Accumulated depreciation / impairment	-	(1,813,328)	(5,499,850)	(2,535,650)	(35,954)	(541,021)	(10,425,803)
Net book value	121,516,047	30,186,672	3,416,387	514,699	4,547	41,715	155,680,067

Depreciation rate per annum (%)

	-	20%	10%	20%	20%	10%
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6. INTANGIBLE ASSETS

September
2021
(Un-audited) Rupees December
2020
(Audited)

PMEX card	2,500,000	2,500,000
NBFC license	145,843	333,340
DHA membership	165,000	210,000
	2,810,843	3,043,340

7. INVESTMENT IN SUBSIDIARY

Investment- Subsidiary

5,000,000 ordinary shares of
Security Capital & Investments (Pvt) Ltd
@ Rs. 10/- each

-	45,941,799
-	45,941,799

This represents investment in wholly owned subsidiary of the Company as detailed in note 1 to this unconsolidated financial statements. Break up value per share on 30 June 2020 is Rs. 9.188 (2019: Rs. 9.188).

	September 2021 (Un-audited)	December 2020 (Audited)
8. LONG TERM FINANCING	Note -----	Rupees -----
Secured and considered good		
Murahaba Finance		
- Murahaba finance	64,808,104	60,371,151
- Deferred Murahaba income	(628,361)	(1,385,798)
Murahaba receiveable	8.1 64,179,743	58,985,353
Less: Current maturity	(59,840,154)	(53,968,338)
	<u>4,339,589</u>	<u>5,017,015</u>

8.1 These represent financing of vehicle on murahaba basis against hypothecation of vehicles for a period of 3 years to 5 years, carrying mark up 1 Year KIBOR + 3% per annum (2019: 1 Year KIBOR+3%).

	September 2021 (Un-audited)	December 2020 (Audited)
9. LONG TERM LOANS AND ADVANCES	Note -----	Rupees -----
Advances-secured		
- Staff	360,279	410,957
- Against expenses	884,268	620,000
- Against office premises	8.1 2,500,000	2,500,000
	3,744,547	3,530,957
Less: Current portion		
Staff	(360,279)	(410,957)
Against expenses	(884,268)	(620,000)
	(1,244,547)	(1,030,957)
	<u>2,500,000</u>	<u>2,500,000</u>

10. SHORT TERM FINANCING - Secured and considered good

Current maturity of associated companies	-	
Current maturity under Murahaba Finance	59,840,154	53,968,338
	<u>59,840,154</u>	<u>53,968,338</u>

These were secured by way of hypothecation and a charge on assets of customers. The mark-up rates are 13.5% per annum (2019: 13%).

	September 2021 (Un-audited)	December 2020 (Audited)
Note	----- Rupees -----	----- Rupees -----
11. SHORT TERM INVESTMENT		
Fair value through other comprehensive income		
Government Securities - T Bill	213,000,000	53,000,000
Term Finance Certificates	-	5,836,219
Quoted shares	236,978,839	333,154,326
	449,978,839	391,990,545
12. LOANS AND ADVANCES		
Current portion of staff advance	360,279	410,957
Current portion of against expenses	884,268	620,000
	1,244,547	1,030,957
13. TAX REFUND DUE FROM GOVERNMENT		
Advance tax	287,105,140	272,862,387
Less: Accumulated provisions for taxation	(221,961,890)	(217,018,537)
	65,143,250	55,843,850
14. CASH AND BANK BALANCES		
With State Bank of Pakistan in current account	4,009	4,009
With other banks in		
- Current accounts	1,805,810	1,805,810
- Deposit accounts	9,839,128	5,439,043
	11,644,938	7,244,853
Cash in hand	80,000	45,012
	11,728,947	7,293,874
15. CONTINGENCIES AND COMMITMENTS		
Contingencies		
Guarantees issued on behalf of customers:		
- Associated undertaking	-	-
Commitments		
There were no commitments as at balance sheet date.		
	-	-

16. TRANSACTION WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary company, associated companies with or without common directors, directors and major shareholder and their close family members, key management personnel and retirement benefit funds. The Bank has a policy whereby all transactions with related parties are entered into at arm's length prices using comparable uncontrolled price method and are in the normal course of business at contracted rates and terms determined in accordance with market rates. Transactions with related parties during the period are as follows:

	September 2021 (Un-audited)	September 2020 (Un-audited)
Note	----- Rupees -----	-----
Return on financing		
- Associated undertakings	-	-
- Others	6,153,523	8,236,329
"Contribution to staff retirement benefit plan"	339,413	234,442

16.1 PERIOD END BALANCES

	September 2021 (Un-audited)	December 2020 (Audited)
Note	----- Rupees -----	-----
Financing		
Balance at period end		
- Associated undertakings	-	-
- Other	56,223,576	50,000,000
Un funded Guarantee		
- Associated undertakings	-	-
Subordinated Loan	-	-
Investment in Subsidiary		
- Equity shares	-	45,941,799

17. DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue by the Board of Directors on 27 October 2021.

18. GENERAL

Figures have been rounded off to the nearest rupee.

Statement under section 232 (1) of the Companies Act, 2017

At the time of the meeting of the board of directors, the Chief Executive Officer was not in Pakistan, as such these financial statements, as approved by the BOD, have been signed by two directors

SHAKEEL AHMED
CFO

MUHAMMAD SHOAIB
DIRECTOR

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR