

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION [UN-AUDITED]
 AS AT MARCH 31, 2013


(In Pak Rupees)

	Note	MARCH 31, 2013	DECEMBER 31, 2012
ASSETS			
Cash and balances with treasury banks	6	45,358,121	65,538,416
Balances with other banks	7	106,416,211	366,097,455
Non-current asset classified as held for sale	8	38,389,716	46,089,659
Lendings to financial institutions and others	9	495,000,000	250,000,000
Investments	10	6,135,245,990	6,496,892,685
Advances	11	4,386,079,726	4,961,664,693
Other Assets	12	1,359,939,027	1,334,466,215
Operating fixed assets	13	2,357,432,197	2,383,745,356
Deferred tax assets		-	-
		14,923,860,988	15,904,494,479
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	14	4,705,678,730	5,925,528,990
Deposits and other accounts	15	930,349,140	685,000,000
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		881,284,505	895,678,172
Other liabilities	16	136,233,450	191,059,299
		6,653,545,825	7,697,266,461
NET ASSETS		8,270,315,163	8,207,228,018
REPRESENTED BY			
Share capital		6,000,000,000	6,000,000,000
Reserves		536,440,467	536,440,467
Unappropriated profit/(loss)		89,818,243	-
		6,626,258,710	6,536,440,467
Surplus on revaluation of securities - net of tax		209,677,530	222,186,833
Surplus on revaluation of fixed assets		1,434,378,923	1,448,600,718
		8,270,315,163	8,207,228,018

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


 General Manager/Chief Executive


 Director


 Director


 Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE QUARTER ENDED MARCH 31, 2013

(Figures in Pak Rs)

	Note	CURRENT YEAR PERIOD JAN - MAR 2013	CURRENT YEAR PERIOD ENDED MARCH 31, 2013	PRIOR YEAR PERIOD JAN - MAR 2012	PRIOR YEAR PERIOD ENDED MARCH 31, 2012
Mark-up/Return/Interest Earned	18	243,486,581	243,486,581	285,822,839	285,822,839
Mark-up/Return/Interest Expensed	19	126,764,789	126,764,789	200,987,992	200,987,992
Net mark-up/Interest Income		116,721,792	116,721,792	84,834,847	84,834,847
Provision against non-performing loans and advances		77,546,261	77,546,261	27,894,187	27,894,187
Provisions for diminution in the value of investments - TFCs		(3,812,500)	(3,812,500)	(7,968)	(7,968)
Provisions for diminution in the value of investments - Unquoted		-	-	-	-
Bad debts written off directly		-	-	-	-
Net Mark-up/ Interest Income after provisions		42,988,031	42,988,031	56,948,628	56,948,628
NON MARK-UP/INTEREST INCOME					
Fee, Commission and Brokerage income		894,259	894,259	291,523	291,523
Dividend Income		6,391,634	6,391,634	25,606,773	25,606,773
Gain on dealing in quoted securities		56,198,974	56,198,974	75,953,490	75,953,490
Gain on dealing in mutual funds		-	-	2,562,463	2,562,463
Income from trading in government securities		-	-	-	-
Unrealized loss on revaluation of held for trading investments - net		(291,251)	(291,251)	-	-
Gain/(loss) from dealing in foreign currencies		369,518	369,518	16,126,798	16,126,798
Fair value adjustment on non-current asset classified as held for sale		1,750,057	1,750,057	1,057,793	1,057,793
Other income		15,355,234	15,355,234	7,998,935	7,998,935
Total non mark-up/interest Income		80,668,425	80,668,425	129,597,775	129,597,775
		123,656,456	123,656,456	186,546,403	186,546,403
NON MARK-UP/INTEREST EXPENSES					
Administrative expenses		49,248,880	49,248,880	49,420,367	49,420,367
Impairment loss on quoted securities		-	-	-	-
Other provisions/write offs		-	-	-	-
Other charges - penalties imposed by SBP		1,327,000	1,327,000	-	-
Total non mark-up/interest expenses		50,575,880	50,575,880	49,420,367	49,420,367
		73,080,576	73,080,576	137,126,036	137,126,036
Extra ordinary / unusual items		-	-	-	-
PROFIT/(LOSS) BEFORE TAXATION		73,080,576	73,080,576	137,126,036	137,126,036
Taxation - Current		5,142,018	5,142,018	13,871,722	13,871,722
- Prior years		-	-	29,711,660	29,711,660
- Deferred		(7,657,890)	(7,657,890)	(7,456,599)	(7,456,599)
		(2,515,872)	(2,515,872)	36,126,783	36,126,783
PROFIT/(LOSS) AFTER TAXATION		75,596,448	75,596,448	100,999,253	100,999,253
Earning / (Loss) Per Share - basic and diluted (Rupees)		0.13	0.13	0.17	0.17

The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director


Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
 FOR THE QUARTER ENDED MARCH 31, 2013

(Figures in Pak Rs)

	CURRENT YEAR PERIOD JAN - MAR 2013	CURRENT YEAR PERIOD ENDED MARCH 31, 2013	PRIOR YEAR PERIOD JAN - MAR 2012	PRIOR YEAR PERIOD ENDED MARCH 31, 2012
Profit/(loss) after tax for the period	75,596,448	75,596,448	100,999,253	100,999,253
Comprehensive income transferred to equity	<u>75,596,448</u>	<u>75,596,448</u>	<u>100,999,253</u>	<u>100,999,253</u>
(Deficit)/Surplus on revaluation of securities	(19,245,080)	(19,245,080)	267,183,889	267,183,889
Deferred tax relating to available for sale securities	6,735,778	6,735,778	(93,514,361)	(93,514,361)
Component of comprehensive income not reflected in equity	<u>(12,509,302)</u>	<u>(12,509,302)</u>	<u>173,669,528</u>	<u>173,669,528</u>
	<u>63,087,146</u>	<u>63,087,146</u>	<u>274,668,781</u>	<u>274,668,781</u>

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 General Manager/Chief Executive


 Director


 Director


 Chairman

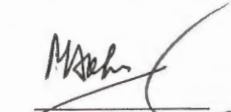
SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT [UN-AUDITED]
FOR THE QUARTER ENDED MARCH 31, 2013


	March 31, 2013	March 31, 2012
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	73,080,576	137,126,036
Less: Dividend income	(6,391,634)	(25,606,773)
	<u>66,688,942</u>	<u>111,519,263</u>
Adjustments for non-cash charges		
Depreciation	27,298,884	28,190,756
Provision Against Non-performing Advances	77,546,261	27,894,187
Provision for diminution in value of investments - TFCs	(3,812,500)	(7,968)
Loss/ (Gain) on sale of fixed assets	-	(79,479)
Provision for gratuity	1,185,954	1,386,516
Reversal of impairment loss on asset classified as held for sale and its fair value	(1,750,057)	(1,057,793)
Reversal of impairment on AFS securities	(83,469,661)	(304,636,947)
Unrealized loss on revaluation of held for trading investments - net	291,251	-
	<u>17,290,132</u>	<u>(248,310,728)</u>
	83,979,074	(136,791,465)
(Increase)/ Decrease in operating assets		
Lendings to financial institutions and others	(245,000,000)	(102,991,790)
Held for trading securities	(27,878,734)	-
Advances	498,038,706	415,634,666
Other assets (excluding current taxation)	787,746	10,566,070
	<u>225,947,718</u>	<u>323,208,946</u>
Increase/ (Decrease) in operating liabilities		
Borrowings from financial institutions	(1,219,850,260)	(476,017,685)
Deposits	245,349,140	100,000,000
Other liabilities (excluding current taxation)	(41,771,151)	19,146,447
	<u>(1,016,272,271)</u>	<u>(356,871,238)</u>
	(706,345,479)	(170,453,757)
Payment of provision against off-balance sheet obligations		
Gratuity paid	(14,240,652)	(3,970,325)
Income tax paid	(31,707,576)	(13,820,771)
<i>Net cash flow from operating activities</i>	<u>(45,948,228)</u>	<u>(17,791,096)</u>
	(752,293,707)	(188,244,853)
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	389,788,883	172,968,421
Net investments in held to maturity securities	67,482,376	170,635,054
Receipt against sale of shares in SPIC	9,450,000	10,000,000
Dividend received	6,696,634	4,451,924
Investment in operating fixed assets	(985,725)	(392,460)
Sale proceeds of property and equipment disposed-off	-	83,277
<i>Net cash flow from investing activities</i>	<u>472,432,168</u>	<u>357,746,216</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Dividend paid	-	-
<i>Net cash flow from financing activities</i>	<u>-</u>	<u>-</u>
Increase/(Decrease) in cash and cash equivalents	(279,861,539)	169,501,363
Cash and cash equivalents at beginning of the year	431,635,871	151,799,989
Cash and cash equivalents at the end of the year	<u>151,774,332</u>	<u>321,301,352</u>

The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director


Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
 FOR THE QUARTER ENDED MARCH 31, 2013

	<i>Issued, subscribed and paid up capital Rupees</i>	<i>Reserve fund Rupees</i>	<i>General Reserve Rupees</i>	<i>Accumulated Profit/(loss) Rupees</i>	<i>Total Rupees</i>
Balance as at December 31, 2011 - Audited	6,000,000,000	1,513,182,102	-	(1,412,718,297)	6,100,463,805
Profit for the period ended March 31, 2012	-	-	-	100,999,253	100,999,253
Appropriation from reserve fund	-	(1,412,718,297)	-	1,412,718,297	-
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	13,847,970	13,847,970
Balance as at March 31, 2012 - Unaudited	6,000,000,000	100,463,805	-	114,847,223	6,215,311,028
Profit for the period ended December 31, 2012	-	-	-	279,585,529	279,585,529
Transfer to reserve fund	-	76,116,956	-	(76,116,956)	-
Transfer to general reserve	-	-	359,859,706	(359,859,706)	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	41,543,910	41,543,910
Balance as at December 31, 2012 - Audited	6,000,000,000	176,580,761	359,859,706	-	6,536,440,467
Profit for the period ended March 31, 2013	-	-	-	75,596,448	75,596,448
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	14,221,795	14,221,795
Balance as at March 31, 2013 - Unaudited	6,000,000,000	176,580,761	359,859,706	89,818,243	6,626,258,710

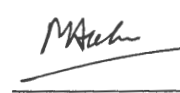
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General Manager/Chief Executive



Director



Director



Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE QUARTER ENDED MARCH 31, 2013

1. LEGAL STATUS AND OPERATIONS

Saudi Pak Industrial and Agricultural Investment Company Limited ("the Company") is a public limited company incorporated in Pakistan jointly sponsored by the Kingdom of Saudi Arabia and the Government of Islamic Republic of Pakistan. The principal activity of the Company is to invest in the industrial and agro-based industrial projects in Pakistan on commercial basis and market their products in Pakistan and abroad.

The registered office of the Company is situated at Saudi Pak Tower , Jinnah Avenue, Islamabad.

2. BASIS OF PRESENTATION

- 2.1 This condensed interim unconsolidated financial information is presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.
- 2.2 This condensed interim unconsolidated financial information is unaudited and should be read in conjunction with the financial statements of the Company for the period ended 31 March 2013. Comparative balance sheet is extracted from the annual audited financial statements for the year ended 31 December 2012 whereas comparative profit and loss account, statement of changes in equity, cash flow statement and statement of comprehensive income are stated from unaudited condensed interim financial information for the three months period ended 31 March 2012.

3. STATEMENT OF COMPLIANCE

- 3.1 This condensed interim unconsolidated financial information of the Company for the period ended March 31, 2013 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and the requirements of BSD Circular Letter No. 2 dated 12 May 2004 and provisions of and directives issued under the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 and the Banking Companies Ordinance, 1962, and the directives issued by SBP shall prevail.
- 3.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated 26 August 2002. Further, according to the notification of the SECP dated 28 April 2008, the International Financial Reporting Standard (IFRS) - 7 "Financial Instruments: Disclosures" has not been applicable for Banks and DFIs. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim unconsolidated financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

4. ACCOUNTING POLICIES AND ESTIMATES

- 4.1 Accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended 31 December 2012.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2012.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE QUARTER ENDED MARCH 31, 2013

	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
6. CASH AND BALANCES WITH TREASURY BANKS		
Balance with State Bank of Pakistan	45,099,136	65,404,446
Cash in hand	258,985	133,970
	<u>45,358,121</u>	<u>65,538,416</u>
7. BALANCES WITH OTHER BANKS		
Current Account	5,989,993	4,448,072
Saving Account FCY	29,860,631	29,778,548
PLS Account LCY	70,565,587	331,870,835
	<u>106,416,211</u>	<u>366,097,455</u>
8. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE		
Balance as at January 01	75,000,000	175,000,000
Fair value adjustment during the year	(6,300,000)	(60,000,000)
Less: Amounts received	(9,450,000)	(40,000,000)
Ending balance	<u>59,250,000</u>	<u>75,000,000</u>
Less: Impairment on asset classified as held for sale at its fair value	8.1 (20,860,284)	(28,910,341)
	<u>38,389,716</u>	<u>46,089,659</u>
8.1 Particulars of impairment on assets classified as held for sale at its fair value		
Balance as at January 01	28,910,341	104,211,199
Impairment loss on asset classified as held for sale at its fair value	-	-
Reversal of Impairment on asset classified as held for sale at its fair value	(8,050,057)	(75,300,858)
Ending balance	<u>20,860,284</u>	<u>28,910,341</u>
9. LENDINGS TO FINANCIAL INSTITUTIONS		
Money market placements	495,000,000	200,000,000
Reverse repo Treasury Bills/PIBs	-	50,000,000
Certificate of Investments (COIs)	-	-
	<u>495,000,000</u>	<u>250,000,000</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE QUARTER ENDED MARCH 31, 2013

10. INVESTMENTS	Note	Held by company Rupees	Given as collateral Rupees	Total Rupees
As on 31 March 2013 (Unaudited)	10.1	4,251,736,274	1,883,509,716	6,135,245,990
As on 31 December 2012 (Audited)	10.1	3,994,578,385	2,502,314,300	6,496,892,685
			Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
10.1 INVESTMENTS BY TYPE				
Held-for-trading securities			27,878,734	-
Available-for-sale securities			4,439,370,405	4,829,159,288
Held-to-maturity securities			1,734,527,998	1,802,010,374
			<u>6,201,777,137</u>	<u>6,631,169,662</u>
Subsidiaries				
Saudi Pak Leasing Company Limited				
-Investment in shares			243,467,574	243,467,574
-Subordinated loan	10.2		333,208,501	333,208,501
Saudi Pak Real Estate Company Limited			500,000,000	500,000,000
			<u>7,278,453,212</u>	<u>7,707,845,737</u>
Provision for diminution in value of un-quoted investments			(246,170,491)	(246,170,491)
Provision against subsidiaries			(576,676,075)	(576,676,075)
Provision against held-to-maturity securities-TFCs			(195,843,892)	(199,656,392)
			<u>(1,018,690,458)</u>	<u>(1,022,502,958)</u>
			<u>6,259,762,754</u>	<u>6,685,342,779</u>
Revaluation surplus on quoted securities - AFS			322,580,817	341,825,897
Revaluation on quoted securities - HFT			(291,251)	-
Revaluation on quoted securities - HTM			-	-
Impairment loss on quoted securities			(446,806,330)	(530,275,991)
Impairment loss on mutual funds			-	-
			<u>(124,516,764)</u>	<u>(188,450,094)</u>
Investments (Net of Provisions)			<u>6,135,245,990</u>	<u>6,496,892,685</u>

10.2 To support Saudi Pak Leasing Company Limited (SPLC) in addressing its adverse financial position and minimum capital requirement; after approval of its Board of Directors, the Company has converted balance of clean placement amounting to Rs. 150 million and long term finance facilities amounting to Rs. 183.208 million to SPLC into an interest free subordinated loan with effect from 28 May 2009. However, due to conflicting regulations as applicable to NBFC's and DFI's relating to subordinated debt, the Board in its meeting held on January 12, 2011 decided to convert the same into preference shares. The SBP vide its letter no BPRD/BRD/SPIAICO/2013/3549 dated March 22, 2013 has granted extension for conversion of subordinated loan into equity till June 30, 2013.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
 FOR THE QUARTER ENDED MARCH 31, 2013

11. ADVANCES	Note	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
Loans, cash, credits, running finances, etc.			
In Pakistan		6,588,965,638	7,072,682,614
Outside Pakistan		-	-
		<u>6,588,965,638</u>	<u>7,072,682,614</u>
Net investment in finance lease			
In Pakistan		200,139,748	210,392,271
Outside Pakistan		-	-
		<u>200,139,748</u>	<u>210,392,271</u>
		<u>6,789,105,386</u>	<u>7,283,074,885</u>
Provision for non-performing advances	11.1	2,418,591,707	2,341,045,446
		<u>4,370,513,679</u>	<u>4,942,029,439</u>
Staff Loans & Advances		15,566,047	19,635,254
		<u>4,386,079,726</u>	<u>4,961,664,693</u>

11.1 Advances include Rs.2,810,609,071 (31 December 2012: Rs. 2,871,723,031) which have been placed under non-performing status as detailed below:-

31 March 2013					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	56,880,000	-	56,880,000	-	-
Doubtful	317,099,997	-	317,099,997	133,228,752	133,228,752
Loss	2,436,629,074	-	2,436,629,074	2,285,362,955	2,285,362,955
	<u>2,810,609,071</u>	<u>-</u>	<u>2,810,609,071</u>	<u>2,418,591,707</u>	<u>2,418,591,707</u>

31 December 2012					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	94,130,000	-	94,130,000	-	-
Doubtful	283,609,862	-	283,609,862	121,806,809	121,806,809
Loss	2,493,983,169	-	2,493,983,169	2,219,238,637	2,219,238,637
	<u>2,871,723,031</u>	<u>-</u>	<u>2,871,723,031</u>	<u>2,341,045,446</u>	<u>2,341,045,446</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE QUARTER ENDED MARCH 31, 2013

12. OTHER ASSETS	Note	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
Deposits, prepayments and other receivables	12.1	1,150,084,443	1,115,412,198
Income accrued and other receivables	12.2	209,854,584	219,054,017
		<u>1,359,939,027</u>	<u>1,334,466,215</u>
12.1 Deposits, prepayments and other receivables			
Advances to suppliers		19,675,220	17,474,146
Advances for purchase of shares		256,792	256,792
Security deposits		6,588,245	6,588,245
Prepayments		13,536,991	5,968,102
Non banking assets acquired in satisfaction of claims	12.1.1	413,102,345	413,102,345
Amounts receivable from stock brokers		2,772,591	4,435,867
Advance tax		843,307,321	816,741,763
		<u>1,299,239,505</u>	<u>1,264,567,260</u>
Less: Provision against other assets		<u>(149,155,062)</u>	<u>(149,155,062)</u>
		<u>1,150,084,443</u>	<u>1,115,412,198</u>

12.1.1 Market value of Non banking assets acquired in satisfaction of claims amounts to Rs. 268,133,000.

12.2 Income accrued and other receivables	Note	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
Dividend		-	305,000
Mark up/interest on long term loans and finances		954,919,100	976,583,502
Appraisal and other fees		6,679,171	6,697,942
Income from short term investments		254,746,428	249,375,633
Income from lease financing		68,983,913	69,110,430
Rental income		5,847,286	3,645,970
		<u>1,291,175,898</u>	<u>1,305,718,477</u>
Less: Suspense Account		<u>977,759,644</u>	<u>983,102,790</u>
Less: Provision for doubtful income receivables		<u>103,561,670</u>	<u>103,561,670</u>
		<u>1,081,321,314</u>	<u>1,086,664,460</u>
		<u>209,854,584</u>	<u>219,054,017</u>

13 OPERATING FIXED ASSETS

Carrying amount at beginning of the period		2,383,745,356	2,082,589,824
Additions during the period	13.1	985,724	40,758,556
Revaluation surplus		-	372,337,074
Book value of disposals	13.2	-	(244,562)
Transfer during the period		-	(2,500,000)
Depreciation for the period		<u>(27,298,883)</u>	<u>(109,195,536)</u>
Carrying amount at the end of the period		<u>2,357,432,197</u>	<u>2,383,745,356</u>

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	Note	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
13.1 Additions during the period / year represents the following:-			
Office equipments		619,068	3,172,893
Electrical appliances		25,400	1,174,283
Building		-	10,552,795
Security systems		-	72,000
Fire fighting equipment		-	642,045
Furniture, fixture & fittings		-	1,343,595
Motor vehicles		-	22,713,285
Elevators		-	370,500
Telephone installation		95,220	44,000
Intangible assets		246,036	673,160
		<u>985,724</u>	<u>40,758,556</u>
13.2 Book value of disposals			
Office equipments		-	3,831
Motor vehicles		-	240,222
Furniture, fixture & fittings		-	7
Electrical appliances		-	502
		<u>-</u>	<u>244,562</u>

14 BORROWINGS FROM FINANCIAL INSTITUTIONS

Against book debts / receivables	2,100,000,000	2,600,000,000
Against SBP refinance schemes	679,176,951	746,233,060
Against PIBs / T-bill repos	1,906,501,779	2,559,295,930
Against clean / letter based financing	20,000,000	20,000,000
	<u>4,705,678,730</u>	<u>5,925,528,990</u>

15 DEPOSITS AND OTHER ACCOUNTS

Certificate of investments (COIs)	15.1	<u>930,349,140</u>	<u>685,000,000</u>
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15.1 These represent certificate of investments issued to various institutions. The mark up is charged at varying rates ranging from 9.50% to 12.00% per annum. These are repayable in period ranging from May 2013 to July 2013.

	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
16 OTHER LIABILITIES		
Staff gratuity payable	21,468,097	34,522,795
Advance Rental-Saudipak Tower	52,631,310	51,865,543
Interest/markup accrued on borrowings	46,121,858	47,890,857
Directors' remuneration	3,800,994	2,916,294
Other payable and expenses accrued	12,211,191	53,863,810
	<u>136,233,450</u>	<u>191,059,299</u>

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17 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments of the Company from the status given in the preceeding annual published financial statements for the year ended 31 December 2012 except for the following:

	Unaudited March 31, 2013 Rupees	Audited December 31, 2012 Rupees
Direct credit substitutes - Letter of comfort / guarantees	207,385,000	207,385,000
Non disbursed commitment for term and working capital finance	669,781,000	1,016,363,000
Commitments for the acquisition of operating fixed assets	31,279,305	31,550,741
	908,445,305	1,255,298,741

18 MARK-UP/RETURN/INTEREST EARNED

	Unaudited March 31, 2013 Rupees	Unaudited March 31, 2012 Rupees
Income from investments	73,945,792	102,993,987
Income from advances	131,903,756	149,547,280
Income from lending to financial institutions	37,637,033	33,281,572
	243,486,581	285,822,839

19 MARK-UP/RETURN/INTEREST EXPENSED

Short Term Borrowings	45,758,659	73,348,059
Long Term Borrowings	59,032,405	81,069,541
Borrowing cost on Repos	21,196,189	42,142,584
Amortization of PIBs purchased on premium	547,876	4,231,998
Brokerage Fee & Commission	229,660	195,810
	126,764,789	200,987,992

20 RELATED PARTY TRANSACTIONS

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

Except for the matters reported in note 10.2 to the financial statements, transactions with the related parties are executed substantially on the same terms, including markup rates and collaterals, as those prevailing at the time for comparable transactions with the unrelated parties and do not involve more than a normal risk (i.e. under the comparable Uncontrolled Price Method).

Other than those transactions which are made under the terms of employment, majority of the transactions with related parties comprise of loans and advances, deposits etc.

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

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20.2 Following are the transactions and balances with related parties:


Nature of balances / transactions	Name of the Entity	Unaudited	Audited
		March 31, 2013 Rupees	December 31, 2012 Rupees
<u>Outstanding balances at the period / year end</u>			
Subsidiary/Associated companies			
Investments	Saudi Pak Real Estate Company Ltd	500,000,000	500,000,000
Subordinated loan	Saudi Pak Leasing Company Ltd	333,208,501	333,208,501
Investments	Saudi Pak Leasing Company Ltd	243,467,574	243,467,574
Fair value of shares classified as held for sale	Saudi Pak Insurance Company Ltd	38,389,716	46,089,659
Borrowing	Saudi Pak Leasing Company Ltd	20,000,000	20,000,000
Interest payable	Saudi Pak Leasing Company Ltd	84,822	94,740
Prepaid insurance	Saudi Pak Insurance Company Ltd	1,457,115	1,936,121
Employee funds			
Deposits against COIs	Employee Funds	10,000,000	10,000,000
Interest payable	Employee Funds	1,008,657	712,767
<u>Transactions during the period</u>			
Subsidiary/Associated companies			
Borrowing availed	Saudi Pak Leasing Company Ltd	-	20,000,000
Maturity of borrowing	Saudi Pak Real Estate Company Ltd	-	50,000,000
Maturity of deposits	Saudi Pak Real Estate Company Ltd	-	50,000,000
Deposits against COIs	Saudi Pak Real Estate Company Ltd	-	50,000,000
Interest expensed	Saudi Pak Real Estate Company Ltd	-	2,305,000
Interest expensed	Saudi Pak Leasing Company Ltd	427,671	94,740
Rent received	Saudi Pak Leasing Company Ltd	115,500	441,000
Rent received	Saudi Pak Real Estate Company Ltd	-	3,339,360
Rent received	Saudi Pak Insurance Company Ltd	499,500	1,887,000
Claims received	Saudi Pak Insurance Company Ltd	-	668,262
Premium paid	Saudi Pak Insurance Company Ltd	-	2,206,791
Expenses paid	Saudi Pak Real Estate Company Ltd	-	2,211,068
Fair value of shares classified as held for sale	Saudi Pak Insurance Company Ltd	1,750,057	15,300,858
Installment received	Saudi Pak Insurance Company Ltd	9,450,000	40,000,000
Key management personnel			
Advances to executives		1,455,750	10,128,850
Repayment of advances		1,412,808	5,918,694
Employee funds			
Maturity of deposits against COIs		-	4,500,000
Contribution to the employees provident fund		856,295	4,050,538
Interest expensed		295,890	1,788,668

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21 GENERAL

21.1 This condensed interim unconsolidated financial information was authorized for issue by the Board of Directors of the Company in the meeting held on _____.

21.2 Figures in these accounts have been rounded off to the nearest rupee.



General Manager/Chief Executive



Director



Director



Chairman