



**Quarterly Report**  
**March 31, 2020 (Un-audited)**



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# Company Information

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## Board of Directors

**Chief Justice (R) Mahboob Ahmed**  
Chairman - Non- Executive

**Suleman Lalani**  
Chief Executive Officer

**Ali Raza Siddiqui**  
Director - Non-Executive

**Shahid Hussain Jatoi**  
Director - Non-Executive

**Muhammad Ali**  
Director - Non-Executive

**Hina Athar Khan**  
Director - Non-Executive

**Saud Ahmed Mirza**  
Director - Independent, Non-Executive

**Hasib Navaid Malik**  
Director - Independent, Non-Executive

## Chief Financial Officer

**Najmul Hoda Khan**

## Company Secretary

**Syed Ali Hasham**

## Audit Committee

**Saud Ahmed Mirza**  
Chairman

**Ali Raza Siddiqui**  
Member

**Shahid Hussain Jatoi**  
Member

## Human Resource & Remuneration Committee

**Saud Ahmed Mirza**  
Chairman

**Chief Justice (R) Mahboob Ahmed**  
Member

**Suleman Lalani**  
Member

## Executive Committee

**Ali Raza Siddiqui**  
Chairman

**Shahid Hussain Jatoi**  
Member

**Suleman Lalani**  
Member

## External Auditors

**EY Ford Rhodes**  
Chartered Accountants

## Internal Auditors

**Grant Thornton Anjum Rahman**  
Chartered Accountants

## Legal Advisor

**Bawaney & Partners**

## Share Registrar

**CDC Share Registrar Services Limited**  
CDC House, 99-B, Block-B S.M.C.H.S.  
Main Shahrah-e-Faisal  
Karachi - 74400  
Tel: 0800-23275  
Fax: (92-21) 34326053  
Email: info@cdcsrsl.com  
Website: www.cdcsrsl.com

## Registered Office

20th Floor, The Center  
Plot No. 28, SB - 5  
Abdullah Haroon Road  
Saddar, Karachi- 74400  
Pakistan  
UAN: +92 21 111 574 111  
Fax: (+92-21) 35632575

## Website

[www.js.com](http://www.js.com)



# Directors' Review

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## Dear Shareholders

The Board of Directors of Jahangir Siddiqui & Co. Ltd. (the "Company") has reviewed the performance of the Company for the quarter ended March 31, 2020. We are pleased to present the report on the performance of the Company along with consolidated performance of the Company with its subsidiaries for the period under review.

The first quarter of the year 2020 proved to be challenging due to the outbreak of Novel Coronavirus in Pakistan and the subsequent lockdown in the Country. On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic and alerted the world that this pandemic will infect large populations and will claim many lives across the world. The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan.

In order to control virus propagation, several countries including Pakistan implemented a serious lockdown and took economically intrusive measures. Government in Pakistan responded to the crisis and implemented a carefully crafted lockdown phase.

To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The State Bank of Pakistan has also responded to the crisis by cutting the Policy Rate by 225 basis points to 11% in March 2020 and again by 200 basis points to 9% on April 16, 2020. Moreover, few schemes *inter alia* covering principal deferments and loan restructuring have also been announced to provide overall relief to borrowers in these testing times.

The management has taken necessary measures to ensure long term sustainability and actively monitoring and managing the developing situation across our businesses with regards to the pandemic.

## Financial Performance

The Company has reported a net loss after tax of PKR (29.33) million for the quarter ended March 31, 2020. The overall revenues for the period under review increased to PKR 456 million from the corresponding period last year mainly due to dividend income from strategic investments. The breakup value per share of the Company as on March 31, 2020 was PKR 23.04.

Stock Exchanges all over the globe, alongside Pakistan Stock Exchange ("PSX"), witnessed an abrupt decline due to outbreak of this Novel Coronavirus. At the end of the first quarter of the year 2020, KSE-100 index closed at 29,231.63 points resulting into a 28.24% decline during the quarter. Owing to this decline, the underlying marketable securities of a subsidiary of the Company faced steep devaluation and resultantly, provision for impairment on investment in subsidiary amounting to PKR 228 million was recorded. This accounted for the major reason for reporting net loss for the quarter.

The basic and diluted loss per share is PKR (0.03) for the quarter ended March 31, 2020.

## Consolidated Financial Statements

In its consolidated financial statements, the Group has reported a net profit after tax of PKR 365.48 million for the quarter ended March 31, 2020 as compared to a net loss of PKR (150.47) million for the corresponding period last year.

The basic and diluted earnings per share is PKR 0.40 for the quarter ended March 31, 2020.

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## Credit Rating

The Directors are pleased to inform you that the Pakistan Credit Rating Agency ("PACRA") has maintained a long term credit rating of AA (Double A) and short term rating of A1+ (A one plus) for the Company. Further, the ratings for the Company's 9th, 10th and 11th (listed on PSX) TFC issues of PKR 1,000 million, PKR 1,500 million and PKR 1,500 million respectively are also maintained at AA+ (Double A plus) by PACRA.

These ratings denote a very low expectation of credit risk, the strong capacity for timely payment of financial commitments and strong risk absorption capacity.

## Future Outlook

The impact of COVID-19 on our economy is expected to be daunting as World Bank forecast suggests GDP contraction of 1.3-2.2% in FY 2020 and growth of 0.3-0.9% in FY2021. Despite improvement appearing on the macroeconomic front during the first two months of the year 2020, the remaining year may pose new challenges for the economy of Pakistan as a result of this virus. The main issues that the government has to tackle are the containment of the disease in the country and minimization of economic losses owing to the shutdown of the businesses in the country. The persisting lockdown in Pakistan and major economies across the world is expected to have a negative impact on the projected GDP growth of Pakistan. Other contributors of downward growth projections include decline in imports and exports, reduction in remittances, loss in FBR's revenue, and disruption in food supplies.

The Company strives for enhancement in shareholders' value in these challenging times through prudently managing its strategic investments in banking and insurance sectors, along with other holdings in telecommunication, energy, technology, media and infrastructural sectors.

## Acknowledgement

The Directors greatly value the continued support and patronage of our clients and business partners. We also wish to appreciate our employees and management for their dedication and hard work and to the Securities and Exchange Commission of Pakistan for its efforts to strengthen the financial markets, guidance on good corporate governance and other measures to safeguard investor rights.

For and on behalf of the  
Board of Directors

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

Karachi: May 28, 2020



۳۱ مارچ ۲۰۲۰ء کو ختم ہونے والی سہ ماہی میں کمپنی کا Basic اور Diluted منافع فی حصص ۴۰ پیسے رہا۔

## کریڈٹ ریٹنگ:

ڈائریکٹرز اس بات کی اطلاع دینے پر مسرت محسوس کر رہے ہیں کہ پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کے لیے طویل مدتی کریڈٹ ریٹنگ AA (Double A) اور مختصر مدتی کریڈٹ ریٹنگ A1+ (A One Plus) کو برقرار رکھا ہے۔ مزید یہ کہ PACRA نے کمپنی کے ۱،۰۰۰ ملین روپے کے نوٹس، ۵۰۰ ملین روپے کے دسویں اور ۵۰۰ ملین روپے کے گیارہویں TFCs کی ریٹنگ کو بھی AA+ (Double A Plus) پر برقرار رکھا ہے۔

یہ ریٹنگ Credit Risk میں انتہائی کم خطرہ کے امکانات، مالیاتی وعدوں کی بروقت ادائیگی اور زیادہ خطرات کو جذب کرنے کی صلاحیت کو ظاہر کرتی ہے۔

## مستقبل کے امکانات:

اس COVID-19 سے ہماری معیشت پر شدید اثرات مرتب ہونے کا امکان ہے اور ورلڈ بینک نے مالی سال ۲۰۲۰ء میں ملکی جی ڈی پی (GDP) سکرکر ۱.۳ سے ۲.۲ فیصد تک رہ جانے کی پیش گوئی کے ساتھ مالی سال ۲۰۲۱ء میں ۰.۳ سے ۰.۹ فیصد تک مزید کم ہونے کی پیش گوئی کی ہے۔ سال ۲۰۲۰ء کے پہلے دو ماہ کے عرصہ کے دوران کئی معاشیاتی محاذ پر بہتری اور مثبت پیش رفت کے باوجود پاکستان کی معیشت، سال کے باقی حصہ میں اس وائرس کے پھیلاؤ کے باعث نئی مشکلات کا شکار ہے۔ حکومت کو جن اہم امور کا سامنا ہے ان میں ملک میں اس بیماری کے پھیلاؤ کو روکنا اور ملک میں کاروبار کے شٹ ڈاؤن کی وجہ سے ہونے والے معاشی نقصانات کو انکی کم ترین سطح پر رکھنا شامل ہیں۔ پاکستان اور دنیا بھر میں تمام اہم معیشتوں میں جاری لاک ڈاؤن کی وجہ سے پاکستان کی متوقع جی ڈی پی (GDP) کی نمو میں منفی اثرات آنے کی توقع ہے۔ نمو اس متوقع تطہیر کے دیگر عوامل میں درآمدات و برآمدات میں کمی، ترسیلات زر کا گرنا، ایف بی آر کی آمدنی کا نقصان اور اشیاء خورد و نوش کی رسد میں رکاوٹیں شامل ہیں۔

کمپنی ان مشکل حالات میں اپنی سرمایہ کاری بالخصوص بینکنگ اور انشورنس کے شعبوں کے علاوہ توانائی، ٹیلی مواصلات، میڈیا اور ٹیکنالوجی کے شعبوں میں اپنی مکمل ملکیتی ذیلی اداروں کو محتاط طریقہ سے منظم کرنے سے حصص یافتگان کو سرمایہ کی قدر میں اضافے کے لیے کوشاں ہیں۔

## قدر شناسی:

ڈائریکٹرز اپنے کلائنٹس اور کاروباری شراکت داروں کی مسلسل حمایت کی بہت قدر افزائی کرتے ہیں۔ ہم اپنے ملازمین اور انتظامیہ کو ان کی لگن اور سخت محنت پر اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو کمپنٹل مارکیٹس کو مستحکم کرنے کے لیے کوششوں، اچھی کارپوریٹ گورننس پر ہنمائی اور سرمایہ کاروں کے حقوق کے تحفظ کیلئے اقدامات کرنے پر داد و تحسین پیش کرتے ہیں۔

برائے اور منجانب  
بورڈ آف ڈائریکٹرز

چیف جسٹس (ریٹائرڈ) محبوب احمد  
چئیرمین

سلیمان لالانی  
چیف ایگزیکٹو آفسر

کراچی۔ ۲۸ مئی ۲۰۲۰ء

# ڈائریکٹرز کا جائزہ

## معزز حصص یافتگان

جہانگیر صدیقی اینڈ کمپنی لمیٹڈ، (کمپنی) کے بورڈ آف ڈائریکٹرز نے ۳۱ مارچ ۲۰۲۰ء کو ختم ہونے والی سہ ماہی پر کمپنی کی کارکردگی کا جائزہ لیا ہے۔ ہم جائزہ کی مدت کے دوران کمپنی کی انفرادی اور جمعہ ذیلی اداروں کے مجموعی کارکردگی کی رپورٹ پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

سال ۲۰۲۰ء کی پہلی سہ ماہی پاکستان میں نول کرونا وائرس کے پھیلاؤ اور اس کے نتیجے میں ہونے والے ملک گیر لاک ڈاؤن کے باعث مشکلات کا سبب رہا۔ ۱۱ مارچ ۲۰۲۰ء کو ورلڈ ہیلتھ آرگنائزیشن (WHO) نے COVID-19 کو عالمی وباء قرار دیتے ہوئے خبردار کیا کہ اس عالمی وباء سے دنیا کی اکثریت متاثر ہوگی اور اس سے دنیا بھر میں لا تعداد اموات بھی ہوں گی۔ COVID-19 کی عالمگیر وباء نے تمام معیشتوں کو متاثر کیا ہے اور پوری دنیا بشمول پاکستان پر ایک وبائی خطرے کے طور پر نمودار ہوئی ہے۔

اس وائرس کے پھیلاؤ کو روکنے کی غرض سے، کئی ممالک بشمول پاکستان نے ایک سخت قسم کے لاک ڈاؤن پر عمل کیا ہے اور اقتصادی امداد کے اقدامات اٹھائے ہیں۔ حکومت پاکستان نے ان مشکل حالات میں بہترین حکمت عملی کے ساتھ محتاط انداز میں ایک مربوط لاک ڈاؤن پر عمل کیا۔

کاروبار اور معیشتوں پر عمومی طور پر اس کے اثرات کو کم کرنے کے لیے پوری دنیا کی انتظامیہ / حکومتوں نے ضوابط اور معاشی دونوں محاذوں پر کئی اقدامات اٹھائے ہیں۔ اسٹیٹ بینک آف پاکستان نے بھی اس بحران کے جواب میں ۳۱ مارچ ۲۰۲۰ء میں پالیسی ریٹ میں ۲۲۵ بیس پوائنٹس کی کٹوتی کے ساتھ ۱۱ فیصد کی شرح اور پھر ۱۱۶ اپریل ۲۰۲۰ء کو مزید ۲۰۰ بیس پوائنٹس کی کمی کے ساتھ اس کی شرح ۹ فیصد پر متعین کی ہے۔ علاوہ ازیں، بشمول چند اور اسکیمیں اور سہولتیں بھی متعارف کروائی ہیں جن میں قرض کی اصل رقم کو موخر کرنے اور قرضوں کی تشکیل نو کا بھی اعلان شامل ہے تاکہ اس مشکل گھڑی میں قرض خواہوں کو مجموعی طور پر آسانی فراہم کی جاسکے۔

کمپنی کی انتظامیہ نے طویل مدتی استحکام کو یقینی بنانے کے لیے ضروری اقدامات کیے ہیں اور اس وبائی صورتحال کے حوالے سے تمام بزنسز پر مرتب ہونے والے اثرات کا جائزہ لے کر احکامات اور انتظامات کر رہی ہے۔

## مالیاتی کارکردگی:

۳۱ مارچ ۲۰۲۰ء کو ختم ہونے والی سہ ماہی کے دوران کمپنی کا خالص نقصان (۲۹.۳۳) ملین روپے رہا۔ اس سہ ماہی کے دوران مجموعی آمدنی پچھلے سال تقابلی مدت سے بڑھ کر ۲۵۶ ملین روپے ہوگئی جس کی بنیادی وجہ سٹرٹیجک سرمایہ کاری سے حاصل ہونے والی تقسیم شدہ آمدنی میں زیادتی ہے۔ ۳۱ مارچ ۲۰۲۰ء کو فی حصص بریک اپ ویلیو ۲۳.۰۴ روپے رہی۔

اس نول کرونا وائرس کے پھیلاؤ کی وجہ سے دنیا بھر کے اسٹاک ایکسچینج بشمول پاکستان اسٹاک ایکسچینج نے شدید مندی کا جھکاؤ دیکھا۔ سال ۲۰۲۰ء کی سہ ماہی کے اختتام پر KSE-100 انڈیکس ۶۳، ۲۳۱، ۲۹۰ پوائنٹس پر بند ہوا جو کہ ۲۸.۲۴ فیصد کمی تھی۔ اس مندی کی وجہ سے کمپنی کی ایک ذیلی کمپنی کے خالص اثاثوں کی قدر میں کمی ہوئی اور نتیجتاً ۲۲۸ ملین روپے کا امپائرمنٹ کا پروویژن (Provision for Impairment) ریکارڈ کیا گیا۔ یہ پروویژن، اس سہ ماہی کے خالص نقصان کی بنیادی وجہ بنا۔

۳۱ مارچ ۲۰۲۰ء کو ختم ہونے والی سہ ماہی میں کمپنی کا Basic اور Diluted فی حصص (۳) پیسے رہا۔

## مجموعی مالیاتی گوشوارے:

۳۱ مارچ ۲۰۲۰ء کو ختم ہونے والی سہ ماہی کے دوران مجموعی مالیاتی گوشواروں میں گروپ نے ۳۶۵.۴۸ ملین روپے کا خالص منافع حاصل کیا ہے جو کہ پچھلے سال کی تقابلی مدت میں (۱۵۰.۴۷) ملین روپے کا خالص نقصان تھا۔



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**UNCONSOLIDATED  
CONDENSED  
INTERIM  
FINANCIAL  
INFORMATION**



# Unconsolidated Condensed Interim Statement Of Financial Position

As at March 31, 2020

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
	Note	(Rupees in '000)	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	6	253,703	259,532
Investment property		1,510	1,540
Long term investments	7	22,445,450	25,641,462
Long term loans and advances		4,998	5,109
Long term security deposits		2,959	2,959
		22,708,620	25,910,602
<b>Current Assets</b>			
Short term loans and advances	8	57,746	772
Short term prepayments and other receivables		14,427	13,810
Interest accrued		1,337	2,559
Other financial assets - short term investments	9	1,892,345	3,177,131
Taxation - net		111,057	109,533
Cash and bank balances		424,215	232,440
		2,501,127	3,536,245
		25,209,747	29,446,847
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Share Capital</b>			
Authorised capital		65,000,000	65,000,000
Issued, subscribed and paid-up capital		9,159,424	9,159,424
Reserves		11,945,983	15,868,851
		21,105,407	25,028,275
<b>Non-Current Liabilities</b>			
Long term financing	10	2,241,500	2,738,746
Lease liability	11	135,503	131,018
Deferred tax liability		-	990
<b>Current Liabilities</b>			
Trade and other payables	12	195,879	284,245
Unclaimed dividend		10,543	10,543
Accrued interest on borrowings		76,915	179,356
Short term borrowing	13	119,494	-
Current portion of long term financing	10	1,300,534	1,049,702
Current maturity of lease liability	11	23,972	23,972
		1,727,337	1,547,818
		25,209,747	29,446,847
<b>Contingencies and commitment</b>			
	14		

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer



# Unconsolidated Condensed Interim Statement of Profit or Loss

For the quarter ended March 31, 2020 (Un-audited)

		March 31, 2020	(Restated) March 31, 2019
	Note	----- (Rupees in '000) -----	-----
<b>INCOME</b>			
Return on investments	15	462,527	45,024
Gain on sale of investments - net	16	548	62,085
Income from long term loans and fund placements	17	5,568	9,198
Other income		6,404	10,668
(Loss) / gain on remeasurement of investments at fair value through profit or loss - net		(19,182)	69,969
		<u>455,865</u>	<u>196,944</u>
<b>EXPENDITURE</b>			
Operating and administrative expenses		39,188	66,067
Finance cost		147,785	126,156
Provision for Sindh Workers' Welfare Fund	12	818	5,806
Provision for / (reversal of) impairment - net		228,009	(15,868)
		<u>415,800</u>	<u>182,161</u>
<b>PROFIT BEFORE TAXATION</b>		<b>40,065</b>	<b>14,783</b>
<b>Taxation</b>			
Current		69,391	5,836
<b>(LOSS) / PROFIT FOR THE PERIOD</b>		<b>(29,326)</b>	<b>8,947</b>
<b>(LOSS) / EARNINGS PER SHARE</b>			
		<b>----- (Rupees) -----</b>	
Basic and diluted	18	(0.03)	0.01

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

Chief Justice (R) Mahboob Ahmed  
Chairman

Suleman Lalani  
Chief Executive Officer

Najmul Hoda Khan  
Chief Financial Officer

## Unconsolidated Condensed Interim Statement of Comprehensive Income

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	(Restated) March 31, 2019
	----- (Rupees in '000) -----	
<b>(LOSS) / PROFIT FOR THE PERIOD</b>	(29,326)	8,947
<b>OTHER COMPREHENSIVE INCOME:</b>		
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>		
Unrealised (loss) / gain on revaluation of investments at fair value through OCI during the period - net of deferred tax	(3,893,542)	193,271
<b>Items that may be reclassified subsequently to statement of profit or loss</b>		
	-	-
<b>TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD</b>	<u><u>(3,922,868)</u></u>	<u><u>202,218</u></u>

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer

# Unconsolidated Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2020 (Un-audited)

	Reserves				Sub-total	Total
	Issued, subscribed and paid-up capital	Ordinary share premium	Unrealised gain / (loss) on revaluation of investments at fair value through OCI - net	Revenue reserve  Unappropriated profit		
----- (Rupees in '000) -----						
<b>Balance as at December 31, 2018 (audited)</b>	9,159,424	4,497,894	7,803,459	2,333,734	14,635,087	23,794,511
Impact of initial application of IFRS 9	-	-	211,321	(46,546)	164,775	164,775
<b>Adjusted balance as at January 01, 2019</b>	9,159,424	4,497,894	8,014,780	2,287,188	14,799,862	23,959,286
Profit for the period	-	-	-	8,947	8,947	8,947
Other comprehensive income	-	-	193,271	-	193,271	193,271
Total comprehensive income	-	-	193,271	8,947	202,218	202,218
Reclassification of net revaluation gain on equity instrument upon derecognition	-	-	(269,705)	269,705	-	-
<b>Balance as at March 31, 2019 (un-audited) (restated)</b>	9,159,424	4,497,894	7,938,346	2,565,840	15,002,080	24,161,504
<b>Balance as at December 31, 2019 (audited)</b>	9,159,424	4,497,894	8,456,311	2,914,646	15,868,851	25,028,275
Loss for the period	-	-	-	(29,326)	(29,326)	(29,326)
Other comprehensive loss	-	-	(3,893,542)	-	(3,893,542)	(3,893,542)
Total comprehensive loss	-	-	(3,893,542)	(29,326)	(3,922,868)	(3,922,868)
Reclassification of net revaluation loss on equity instrument upon derecognition	-	-	2,481	(2,481)	-	-
<b>Balance as at March 31, 2020 (un-audited)</b>	9,159,424	4,497,894	4,565,250	2,882,839	11,945,983	21,105,407

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer

## Unconsolidated Condensed Interim Statement of Cash Flows

For the quarter ended March 31, 2020 (Un-audited)

	Note	March 31, 2020	(Restated) March 31, 2019
		----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation for the period		40,065	14,783
<b>Adjustment for non cash charges and other items:</b>			
Depreciation		8,345	4,870
Gain on sale of property and equipment		(726)	-
Interest income		(5,568)	(20,876)
Loss / (gain) on remeasurement of investments at fair value through profit or loss - net		19,182	(69,969)
Provision for / (reversal of) impairment - net		228,009	(15,868)
Dividend income		(453,726)	(33,346)
Finance cost		147,785	126,156
		<u>(56,699)</u>	<u>(9,033)</u>
<b>Operating (loss) / profit before working capital changes</b>		<b>(16,634)</b>	<b>5,750</b>
<b>(Increase) / decrease in current assets:</b>			
Short term loans and advances		26	20,899
Short term prepayments and other receivables		1,194	(25,371)
Long term loans, advances and security deposits		111	(3,341)
		<u>1,331</u>	<u>(7,813)</u>
<b>Decrease in trade and other payables</b>		<b>(88,366)</b>	<b>(185,590)</b>
		<u>(103,669)</u>	<u>(187,653)</u>
Investments - net		34,900	758,622
Dividend received		451,915	23,419
Finance cost paid		(242,154)	(149,552)
Taxes paid		(70,915)	(5,262)
Interest income received		6,789	16,173
		<u>76,866</u>	<u>455,747</u>
<b>Net cash generated from operating activities</b>		<b>76,866</b>	<b>455,747</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure incurred		(2,560)	(9,783)
Proceeds from sale of property and equipment		800	-
<b>Net cash used in investing activities</b>		<b>(1,760)</b>	<b>(9,783)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Redemption of term finance certificates		(187,500)	(188,631)
Long term loan repaid to bank - net		(62,500)	437,058
<b>Net cash (used in) / generated from financing activities</b>		<b>(250,000)</b>	<b>248,427</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(174,894)</b>	<b>694,391</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>677,054</b>	<b>296,059</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	19	<b>502,160</b>	<b>990,450</b>

The annexed notes 1 to 23 form an integral part of this unconsolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer



# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

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## 1. THE COMPANY AND ITS OPERATIONS

Jahangir Siddiqui & Co. Ltd. (the Company) was incorporated under the repealed Companies Ordinance, 1984 (the Ordinance) on May 04, 1991 as a public unquoted company. The Company is presently listed on Pakistan Stock Exchange Limited. The registered office and geographical location of the Company is situated at 20th Floor, The Centre, Plot No. 28, SB-5, Saddar, Karachi. The principal activities of the Company are managing strategic investments, trading of securities, consultancy services, etc.

## 2. STATEMENT OF COMPLIANCE

This unconsolidated condensed interim financial information is un-audited and has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Such standards 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 (the Act);
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

SECP vide Circular No. 06 of 2020, granted general relaxation to the companies for holding Annual General Meetings (AGM), considering the on going COVID-19 pandemic. Further, SECP vide Circular No. 10 of 2020, has extended the aforesaid relaxation for laying the annual financial statements in the AGM. In this regard, the Company has applied to SECP seeking extension for filing of 1st quarterly financial statements of the Company for the quarter ended March 31, 2020 under the second proviso to Section 237 of the Companies Act, 2017. In response, SECP has granted extension to the Company for 30 days i.e. upto May 30, 2020 to file the financial statements for the quarter ended March 31, 2020.

## 3. BASIS OF PREPARATION

- 3.1 This unconsolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Rule Book of the Pakistan Stock Exchange Limited.
- 3.2 This unconsolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements; therefore should be read in conjunction with the Company's unconsolidated financial statements for the year ended December 31, 2019.
- 3.3 This unconsolidated condensed interim financial information is separate financial information of the Company in which investments in subsidiaries and associates (if any) are stated at cost less impairment, if any, and have not been accounted for on the basis of reported results and net assets of the investee companies.
- 3.4 This unconsolidated condensed interim financial information is prepared in Pak Rupees, which is also the functional and presentation currency of the Company, and rounded off to rupees in thousand.

## 4. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this unconsolidated condensed interim financial information is consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2019.

# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

## 4.1 New / Revised Standards, Interpretations and Amendments

The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current period:

### Standard or Interpretation

IFRS 14 - Regulatory Deferral Accounts

IFRS 3 - Definition of a Business (Amendments)

IAS 1 / IAS 8 - Definition of Material (Amendments)

The adoption of the above standard and amendments to accounting standards did not have any material effect on these unconsolidated condensed interim financial information.

## 5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of unconsolidated condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the annual unconsolidated financial statements for the year ended December 31, 2019.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
<b>6. PROPERTY AND EQUIPMENT</b>			
Operating assets - Owned	6.1	100,249	103,792
Right-of-use asset	6.2	149,748	154,562
Capital work-in-progress		3,706	1,178
		<u>253,703</u>	<u>259,532</u>
<b>6.1 Operating assets - Owned</b>			
Opening written down value		103,792	5,696
Addition during the period		33	109,221
Disposal during the period		(75)	(4)
Depreciation for the period		(3,501)	(11,121)
		<u>100,249</u>	<u>103,792</u>
<b>6.2 Right-of-use asset</b>			
As at January 01		154,562	173,869
Depreciation expense		(4,814)	(19,307)
As at March 31		<u>149,748</u>	<u>154,562</u>





## Notes to the Unconsolidated Condensed Interim Financial Information

### For the quarter ended March 31, 2020 (Un-audited)

7.1.1 The net assets of JS Infocom Limited mainly comprise of listed equity securities. Due to the current economic situation and significant decline in PSX Index, the net assets of JS Infocom Limited have decreased at the reporting date resulting in provision for impairment amounting to Rs. 228.48 million.

7.1.2 The net assets of Quality Energy Solutions (Private) Limited mainly comprise of bank deposits and debt securities. Due to interest income on bank deposits and debt securities, net assets value (NAV) increased at the reporting date. Therefore, reversal in provision of impairment of Rs. 0.47 million is recognized during the period.

#### 7.2 Other related parties

##### At fair value through OCI

These shares are Ordinary shares of Rs. 10 each, unless stated otherwise.

Number of shares				Holding			
March 31, 2020 (Un-audited)	December 31, 2019 (Audited)		Activity	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
				%	%	----- (Rupees in '000) -----	
<b>Quoted - at fair value</b>							
42,191,152	42,191,152	EFU General Insurance Limited	General Insurance	21.10	21.10	3,304,410	4,653,684
20,047,708	20,047,708	EFU Life Assurance Limited	Life Assurance	20.05	20.05	4,280,988	4,642,448
<b>Un-quoted - at fair value</b>							
750,000	750,000	EFU Services (Private) Limited	Investment company	37.50	37.50	10,553	10,553
						<b>7,595,951</b>	<b>9,306,685</b>

7.2.1 The Company has not accounted for investment in these companies as associates under IAS 28 "Investment in Associates and Joint Ventures", as management has concluded that the Company does not have significant influence in these companies.

7.2.2 Included herein are equity securities having average cost of Rs. 1,445.67 (December 31, 2019: Rs. 1,286.75) million and having market value of Rs. 3,712.51 (December 31, 2019: Rs. 4,124.68) million pledged with trustee of Term Finance Certificates issued by the Company.

#### 7.3 Other investments

##### At fair value through OCI

These shares are ordinary shares of Rs. 10/- each, unless stated otherwise.

Number of shares					
March 31, 2020 (Un-audited)	December 31, 2019 (Audited)			March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
			Note	----- (Rupees in '000) -----	
<b>Quoted - at fair value</b>					
235,684,306	235,684,306	BankIslami Pakistan Limited	7.2.1	2,125,872	2,613,739
89,690,363	89,690,363	Azgard Nine Limited		756,987	1,122,026
152,932,638	153,406,638	Pakistan International Bulk Terminal Limited		1,266,283	1,658,326
11,622,000	11,622,000	Hum Network Limited (Ordinary Shares of Rs. 1 each)		24,987	37,307
<b>Un-quoted - at fair value</b>					
2,399,454	2,399,454	Security General Insurance Company Limited		424,823	424,823
				<b>4,598,952</b>	<b>5,856,221</b>

\* These are sponsor shares which are blocked for trading as per the requirements of the State Bank of Pakistan.



# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

7.3.1 Included herein are equity securities having average cost of Rs. 1,174.24 (December 31, 2019: Rs. 849.24) million and having market value of Rs. 989.56 (December 31, 2019: Rs. 945.28) million pledged with trustee of Term Finance Certificates issued by the Company and with a Bank against Term Loans obtained by the Company.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
<b>8. SHORT TERM LOANS AND ADVANCES</b>			
Advances to staff		98	122
Current maturity of long term loans to employees		648	650
Advance against subscription of right shares		57,000	-
		<u>57,746</u>	<u>772</u>

## 9. OTHER FINANCIAL ASSETS - SHORT TERM INVESTMENTS

### Assets at fair value through OCI

Listed equity securities		1,636,955	2,572,782
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### Assets at fair value through profit or loss

Listed equity securities		57,951	159,735
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### At amortized cost

Government Securities	9.1	<u>197,439</u>	<u>444,614</u>
	9.2	<u>1,892,345</u>	<u>3,177,131</u>

### 9.1 Government Securities - Amortized Cost

Name of security	Issue Date	Face Value			As at March 31, 2020	Balances as at March 31, 2020
		As at Jan 01, 2020	Purchased during the period	Matured during the period		Carrying Value
----- (Un-audited) -----						
----- (Rupees in '000) -----						
Market Treasury Bills - 3 months	24-Oct-19	150,000	-	150,000	-	-
Market Treasury Bills - 3 months	7-Nov-19	150,000	-	150,000	-	-
Market Treasury Bills - 3 months	5-Dec-19	150,000	-	150,000	-	-
Market Treasury Bills - 3 months	30-Jan-20	-	100,000	-	99,217	99,217
Market Treasury Bills - 3 months	27-Feb-20	-	100,000	-	98,222	98,222
<b>Total as at March 31, 2020</b>						<u>197,439</u>
<b>Total as at December 31, 2019</b>						<u>444,614</u>

## Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

9.1.1 These treasury bills carry effective interest rate 13.38% per annum approximately and will be matured by May 21, 2020.

9.2 Included herein are equity securities having average cost of Rs. 2,042.21 (December 31, 2019: Rs. 1,287.66) million and having market value of Rs. 1,220.08 (December 31, 2019: Rs. 1,180.54) million and government securities having amortized cost of Rs. 197.44 (December 31, 2019: Rs. 246.67) million and having face value of Rs. 200 (December 31, 2019: Rs. 250) million pledged with trustee of Term Finance Certificates issued by the Company and with Banks against Term Loans and Running Finance Facility obtained by the Company.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
		----- (Rupees in '000) -----	
<b>10. LONG TERM FINANCING</b>	<b>Note</b>		
<b>Term Finance Certificates (TFCs)</b>			
Ninth issue - Privately Placed		373,647	373,211
Tenth issue - Privately Placed		931,672	1,118,015
Eleventh issue - listed on Pakistan Stock Exchange Limited		1,489,980	1,488,534
	10.1	<u>2,795,299</u>	<u>2,979,760</u>
<b>Term Loan</b>			
Term Loan 2	10.2	247,941	310,057
Term Loan 3	10.2	498,794	498,631
		<u>3,542,034</u>	<u>3,788,448</u>
Less: Current portion shown under current liability		<u>1,300,534</u>	<u>1,049,702</u>
		<u><u>2,241,500</u></u>	<u><u>2,738,746</u></u>

10.1 These TFCs are secured against lien over designated accounts with the Central Depository Company of Pakistan Limited. The accounts contain marketable securities having market value aggregating to Rs. 4,533.87 (December 31, 2019: Rs. 4,854.82) million to secure the outstanding principal with 35% margin.

10.2 These loans are secured by pledge of marketable securities having market value of Rs. 1,341.94 (December 31, 2019: Rs. 1,642.31) million with margin ranging from 7.5% to 50%.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
		----- (Rupees in '000) -----	
<b>11. LEASE LIABILITY</b>			
<b>As at January 01</b>			
Interest expense		154,990	155,659
Payments		4,485	18,451
		-	(19,120)
<b>As at March 31</b>			
Less: Current Maturity		<u>159,475</u>	<u>154,990</u>
		<u>(23,972)</u>	<u>(23,972)</u>
		<u><u>135,503</u></u>	<u><u>131,018</u></u>

11.1 This represents lease arrangement with JS Land (Pvt.) Ltd., a related party, for office premises at 20th Floor, The Centre, Saddar, Karachi.



# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

## 12. TRADE AND OTHER PAYABLES

This includes payable against Sindh Workers' Welfare Fund (WWF) amounting to Rs. 120.04 (December 31, 2019: Rs. 119.22) million.

## 13. SHORT TERM BORROWING

During the period, the Company obtained new running finance facility of Rs. 500 million from a scheduled bank. The mark-up on this facility is payable quarterly, based on the three months KIBOR plus 125 basis points per annum. This loan is secured by pledge of marketable securities having market value of Rs. 244.19 million with margin ranging from 30% to 40%.

## 14. CONTINGENCIES AND COMMITMENTS

### 14.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual unconsolidated financial statements for the year ended December 31, 2019.

### 14.2 Commitment

There are no significant commitments at the reporting date.

## 15. RETURN ON INVESTMENTS

This includes dividend income on investments in related parties aggregating to Rs. 442.55 (March 31, 2019: Rs. 23.42) million.

	March 31, 2020	(Restated) March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
16. <b>GAIN ON SALE OF INVESTMENTS - net</b>		
Financial assets at fair value through profit or loss	548	62,085
	<u>548</u>	<u>62,085</u>

## 17. INCOME FROM LONG TERM LOANS AND FUND PLACEMENTS

This includes interest of Rs. 5.04 (March 31, 2019: Rs. 7.04) million on bank balances maintained with JS Bank Limited, a related party.

	March 31, 2020	(Restated) March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
18. <b>BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE</b>		
(Loss) / profit after taxation attributable to ordinary shareholders	(29,326)	8,947
	<u>(29,326)</u>	<u>8,947</u>
	----- (Numbers in '000) -----	
Weighted average number of ordinary shares outstanding during the period	915,942	915,942
	<u>915,942</u>	<u>915,942</u>
	----- (Rupees) -----	
<b>(Loss) / Earnings per share:</b>		
- Basic and diluted	(0.03)	0.01
	<u>(0.03)</u>	<u>0.01</u>

## Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
<b>19. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	424,240	304,258
Government securities	197,439	686,192
Less: Short term borrowing	(119,494)	-
	<u>502,185</u>	<u>990,450</u>

### 20. RELATED PARTY TRANSACTIONS

The Company has related party relationship with its subsidiaries, associates, companies having common directorship, employee benefit plan, substantial shareholder and its key management personnel (including their associates).

Contributions to the account in respect of staff retirement benefit are made in accordance with terms of the contribution plan. Remuneration of the key management personnel is in accordance with the terms of their employment. Other transactions are at agreed terms.

	March 31, 2020	March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
<b>TRANSACTIONS</b>		
<b>Subsidiary and Sub-subsidiary Companies</b>		
Brokerage expense paid	140	801
Bank charges paid	6	-
Dividend received	-	23,419
Capital gain tax paid for onward submission to NCCPL	1	113
Capital gain tax tariff paid	-	40
Mark-up paid on TFCs issued by the Company	1,846	1,014
Rent income received	966	9,252
Profit received on deposit accounts	6,279	10,745
Reimbursement of expenses by the Company	2,506	46
Reimbursement of expenses to the Company	-	4,027
Loan repaid including interest	-	4,500
Purchase of government securities	-	683,437
Sale of government securities	200,000	-
<b>Common Directorship</b>		
Rent income received	5,409	5,151
Reimbursement of expenses by the Company	188	-
Dividend income	442,552	-
Insurance premium paid	750	2,198
Security deposit repaid	468	-
Security deposit received	488	468



# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
<b>Common Substantial Shareholder</b>		
Rent income received	6,729	3,766
Reimbursement of expenses to the Company	1,755	-
Reimbursement of expenses by the Company	591	-
Rent Expense	-	22,257
Security deposit received	-	342
<b>Post-employment Benefit Funds</b>		
Contribution to staff provident fund	1,648	1,733
<b>Controlling Person</b>		
Advisory fee paid	1,000	1,500
Royalty paid	2,500	5,000
<b>Key Management Personnel</b>		
Remuneration paid to Chief Executive Officer	16,627	16,214
Fee paid to directors for attending directors / committee meetings	1,175	1,425
Remuneration paid to executives	6,218	10,318
Interest received on long term loans to executives	-	549
Loan and advances repayments from executives	-	204
Reimbursement of expenses to directors	191	4,022
	March 31, 2020	December 31, 2019
	(Un-audited)	(Audited)
	----- (Rupees in '000) -----	
<b>BALANCES</b>		
<b>Subsidiary and Sub-subsidiary Companies</b>		
Mark-up payable on TFCs issued by the Company	250	480
Outstanding principal of TFCs issued by the Company	24,000	29,250
Mark-up receivable on loan issued by the Company	-	1,563
Outstanding principal of loan issued by the Company	-	42,500
Profit receivable on deposit accounts	1,196	3,826
Receivable against expenses incurred on their behalf	3,008	5,032
Rent Receivable	375	-
Unearned Rent	344	-
Cash at bank accounts	410,921	291,629

## Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
	----- (Rupees in '000) -----	
<b>Common Directorship</b>		
Donation Payable	5,000	9,629
Receivable against expenses incurred on their behalf	116	-
Prepaid insurance	1,614	468
Security deposit	488	1,682
Unearned Rent	4,426	4,683
<b>Common Substantial Shareholder</b>		
Receivable against expenses incurred on their behalf	241	-
Security deposit	1,003	342
Prepaid rent	6,374	12,140
Unearned Rent	4,623	3,424
<b>Post-employment Benefit Funds</b>		
Mark-up payable on TFCs issued by the Company	-	515
Outstanding principal of TFCs issued by the Company	-	9,975
<b>Key Management Personnel</b>		
Loans and advances	-	24,729

### 21. FAIR VALUE OF FINANCIAL INSTRUMENT

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

**Level 1:** Quoted prices in active markets for identical assets or liabilities.

**Level 2:** Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;

**Level 3:** Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).



# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020			
	Level 1	Level 2	Level 3	Total
	----- (Un-audited) -----			
	----- (Rupees in '000) -----			
<b>Investments at fair value through OCI</b>				
Listed equity securities	13,396,482	-	-	13,396,482
Unquoted equity securities*	-	-	435,376	435,376
<b>Investments at fair value through profit or loss</b>				
Listed equity securities	57,951	-	-	57,951
	<u>13,454,433</u>	<u>-</u>	<u>435,376</u>	<u>13,889,809</u>
	December 31, 2019			
	Level 1	Level 2	Level 3	Total
	----- (Audited) -----			
	----- (Rupees in '000) -----			
<b>Investments at fair value through OCI</b>				
Listed equity securities	17,300,312	-	-	17,300,312
Unquoted equity securities*	-	-	435,376	435,376
<b>Investments at fair value through profit or loss</b>				
Listed equity securities	159,735	-	-	159,735
	<u>17,460,047</u>	<u>-</u>	<u>435,376</u>	<u>17,895,423</u>

\* As at December 31, 2019, the Company's long term investments in unquoted securities of EFU Services (Private) Limited and Security General Insurance Company Limited (see note 7) are carried at fair value. The fair values of these investment are determined by the management after applying appropriate haircut to the carrying values of the net assets of investee companies as the net assets of investee companies mainly comprise of marketable securities and other assets having carrying value approximately equal to their fair value.

## 22. GENERAL

**22.1** The SECP vide S.R.O. 229(I)/2019 dated February 14, 2019, announced the effective date for applicability of IFRS 9 (Financial Instruments) in place of IAS 39 (Financial Instruments: Recognition and Measurement) as "Reporting period / year ending on or after June 30, 2019". Therefore, in case of the Company, IFRS 9 was applicable from January 01, 2019 but it was initially applied on the financial statements prepared for the half year ended June 30, 2019. Since IFRS 9 is effective and applied accordingly in these unconsolidated condensed interim financial information for the period ended March 31, 2020, comparative figures for the period ended March 31, 2019 in the statement of profit or loss, statement of other comprehensive income and statement of changes in equity have been restated to fairly present these financial information as per IFRS 9 and in accordance with the new accounting policies.

**22.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial information other than those described above.

**22.3** Figures have been rounded off to the nearest thousand rupees.



# Notes to the Unconsolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

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## 23. DATE OF AUTHORISATION

These unconsolidated condensed interim financial information were authorised for issue by the Board of Directors in their meeting held on May 28, 2020.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer



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# CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

# Consolidated Condensed Interim Statement of Financial Position

As at March 31, 2020

	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
(Rupees in '000)		
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property and equipment	9,805,587	10,131,782
Intangible assets	847,229	839,406
Investment property	1,510	1,540
Long term investments	108,920,163	71,195,640
Long term loans, advances, prepayments and other receivables	88,182,650	86,756,481
Assets repossessed	1,086,443	1,088,682
Long term deposits	21,381	21,381
Deferred taxation	832,873	1,006,908
	<b>209,697,836</b>	<b>171,041,820</b>
<b>Current Assets</b>		
Short term investments	90,294,002	93,364,833
Trade debts	472,726	750,421
Loans and advances	147,402,385	156,603,553
Accrued markup	8,708,742	8,824,961
Short-term prepayments, deposits, and other receivables	5,185,549	5,602,529
Other financial assets - fund placements	3,844,651	30,320,540
Taxation - net	699,160	924,949
Cash and bank balances	28,858,722	26,074,326
	<b>285,465,937</b>	<b>322,466,112</b>
Assets held for sale	374,000	374,000
	<b>495,537,773</b>	<b>493,881,932</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Share Capital and Reserves</b>		
Share capital	9,159,424	9,159,424
Reserves	17,581,275	21,598,023
Equity attributable to equity holders' of the parent	<b>26,740,699</b>	<b>30,757,447</b>
Non-controlling interests	5,477,166	5,405,258
<b>Total equity</b>	<b>32,217,865</b>	<b>36,162,705</b>
<b>Non-Current Liabilities</b>		
Long term financing	9,149,189	10,207,546
Lease liabilities	3,309,194	3,592,921
Long term deposits and other accounts	7,863,177	9,911,600
Long term borrowings	5,204,116	4,535,252
Deferred liability - employee benefit	205,420	151,881
	<b>25,731,096</b>	<b>28,399,200</b>
<b>Current Liabilities</b>		
Trade and other payables	15,519,172	14,764,464
Unclaimed Dividend	23,511	21,072
Dividend payable	-	38,149
Accrued interest / mark-up on borrowings	6,391,620	4,340,342
Current portion of long term borrowings	45,310,142	50,186,015
Current deposits and current portion of long term liabilities	370,344,367	359,969,985
	<b>437,588,812</b>	<b>429,320,027</b>
	<b>495,537,773</b>	<b>493,881,932</b>
<b>Contingencies and Commitments</b>		

The annexed notes 1 to 20 form an integral part of this consolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer



# Consolidated Condensed Interim Statement of Profit or Loss

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	(Restated) March 31, 2019
Note	----- (Rupees in '000) -----	
<b>INCOME</b>		
Return on investments	4,771,997	2,148,673
Gain on sale of investments - net	95,116	15,515
Income from long term loans and fund placements	8,760,295	7,261,790
Fee, commission and brokerage	1,023,255	784,953
Other income	260,984	202,740
(Loss) / gain on remeasurement of investments through profit and loss - net	(252,622)	72,817
	14,659,025	10,486,488
<b>EXPENDITURE</b>		
Administrative and other expenses	3,375,633	3,143,567
Finance cost	10,515,269	7,479,606
Provision for Sindh Workers' Welfare Fund	7,185	5,791
Provision / (reversal of) impairment on investments - net	16,568	(32,678)
	13,914,655	10,596,286
<b>SHARE OF (LOSS) / PROFIT FROM ASSOCIATES</b>	(14,387)	5,584
<b>PROFIT / (LOSS) BEFORE TAXATION</b>	729,983	(104,214)
<b>Taxation</b>		
- Current	340,013	159,994
- Prior	-	2,471
- Deferred	24,493	(116,212)
	364,506	46,253
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	365,477	(150,467)
<b>Attributable to:</b>		
Equity holders' of the parent	363,154	(118,819)
Non-controlling interests	2,323	(31,648)
	365,477	(150,467)
<b>EARNINGS / (LOSS) PER SHARE</b>		
	----- (Rupees) -----	
Basic and diluted	13	0.04
	0.04	(0.13)

The annexed notes 1 to 20 form an integral part of this consolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer

## Consolidated Condensed Interim Statement of Comprehensive Income

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	(Restated) March 31, 2019
	----- (Rupees in '000) -----	
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	365,477	(150,467)
<b>OTHER COMPREHENSIVE (LOSS) / INCOME</b>		
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>		
Unrealised (loss) / gain on revaluation of investments at fair value through OCI during the period - net of deferred tax	(4,629,332)	291,550
<b>Items that may be reclassified subsequently to statement of profit or loss</b>		
Fair value gain on revaluation of available-for-sale investments during the period - net of deferred tax	291,656	542,479
Exchange difference on translation of net assets in foreign branches of a subsidiary	27,359	4,005
	319,015	546,484
<b>Total comprehensive (loss) / income for the period</b>	<b>(3,944,840)</b>	<b>687,567</b>
<b>Attributable to:</b>		
Equity holders of the parent	(4,016,748)	574,427
Non-controlling interests	71,908	113,140
	<b>(3,944,840)</b>	<b>687,567</b>

The annexed notes 1 to 20 form an integral part of this consolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer

# Consolidated Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2020 (Un-audited)

## ATTRIBUTABLE TO EQUITY HOLDERS' OF THE PARENT

	Reserves								TOTAL
	Issued, subscribed and paid-up share capital	Ordinary share premium	Foreign exchange translation reserve	Unrealised gain / (loss) on revaluation of available-for-sale / fair value through other comprehensive income investments - net	Statutory	Revenue reserve Unappropriated profit / (accumulated loss)	Sub-total	Non-controlling interests	
	(Rupees in '000)								
<b>Balance as at December 31, 2018 (audited)</b>	9,159,424	4,497,894	70,394	5,584,452	1,160,931	7,632,483	28,105,578	6,009,183	34,114,761
Impact of initial application of IFRS 9	-	-	-	(13,728)	-	35,790	22,062	111,424	133,486
<b>Adjusted balance as at January 01, 2019</b>	9,159,424	4,497,894	70,394	5,570,724	1,160,931	7,668,273	28,127,640	6,120,607	34,248,247
<b>Total comprehensive income / (loss) for the period</b>									
Loss for the period	-	-	-	-	-	(118,819)	(118,819)	(31,648)	(150,467)
Other comprehensive income	-	-	4,005	689,241	-	-	693,246	144,788	838,034
<b>Total comprehensive income / (loss) for the period</b>	-	-	4,005	689,241	-	(118,819)	574,427	113,140	687,567
Transfer to statutory reserves	-	-	-	-	(9,454)	9,454	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(745)	(745)
Reclassification of net revaluation gain on equity instrument upon derecognition	-	-	-	(270,287)	-	270,287	-	-	-
<b>Balance as at March 31, 2019 (un-audited) (restated)</b>	<b>9,159,424</b>	<b>4,497,894</b>	<b>74,399</b>	<b>5,989,678</b>	<b>1,151,477</b>	<b>7,829,195</b>	<b>28,702,067</b>	<b>6,233,002</b>	<b>34,935,069</b>
<b>Balance as at December 31, 2019 (audited)</b>	9,159,424	4,497,894	102,965	7,611,000	1,164,630	8,221,534	30,757,447	5,405,258	36,162,705
Profit for the period	-	-	-	-	-	363,154	363,154	2,323	365,477
Other comprehensive income / (loss)	-	-	27,359	(4,407,261)	-	-	(4,379,902)	69,585	(4,310,317)
<b>Total comprehensive income / (loss) for the period</b>	-	-	27,359	(4,407,261)	-	363,154	(4,016,748)	71,908	(3,944,840)
Transfer to statutory reserves	-	-	-	-	57,396	(57,396)	-	-	-
Reclassification of net revaluation gain on equity instrument upon derecognition	-	-	-	2,362	-	(2,362)	-	-	-
<b>Balance as at March 31, 2020 (un-audited)</b>	<b>9,159,424</b>	<b>4,497,894</b>	<b>130,324</b>	<b>3,206,101</b>	<b>1,222,026</b>	<b>8,524,930</b>	<b>26,740,699</b>	<b>5,477,166</b>	<b>32,217,865</b>

The annexed notes 1 to 20 form an integral part of this consolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer

# Consolidated Condensed Interim Statement of Cash Flows

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	(Restated) March 31, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	729,983	(104,214)
<b>Non-cash adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation	442,341	437,982
Amortisation of intangible assets	28,305	23,363
Loss / (gain) on sale of property and equipment	47,784	(23,711)
Charge for defined benefit plan	53,539	49,033
Loss / (gain) on remeasurement of investments at fair value through profit or loss - net	252,622	(72,817)
Provision for doubtful debts, loans and advances	83,402	261,195
Provision for / (reversal of) impairment on investments - net	16,568	(32,678)
Effect of translation of net investment in foreign branches	27,359	4,005
Finance cost	10,515,269	7,479,606
	<u>11,467,189</u>	<u>8,125,978</u>
<b>Operating profit before working capital changes</b>	<b>12,197,172</b>	<b>8,021,764</b>
<b>Decrease / (Increase) in operating assets :</b>		
Loans and advances	9,117,766	(4,241,334)
Trade debts	277,695	94,732
Long term loans, advances, prepayments, deposits and other receivables	(1,426,169)	280,103
Other financial assets - fund placements	26,475,889	(57,038,297)
Prepayments, deposits, accrued mark-up and other receivables	533,200	(685,781)
	<u>34,978,381</u>	<u>(61,590,577)</u>
<b>(Decrease) / Increase in operating liabilities:</b>		
Trade and other payables	754,707	722,995
Deposits and other accounts	8,053,169	(1,919,906)
Borrowings	(1,311,705)	(836,200)
	<u>54,671,724</u>	<u>(55,601,924)</u>
<b>Net cash generated from / (used in) operations</b>	<b>54,671,724</b>	<b>(55,601,924)</b>
Finance cost paid	(8,460,405)	(7,131,170)
Taxes paid	(114,224)	(162,133)
Dividend paid (including non-controlling interests)	(35,710)	(745)
	<u>46,061,385</u>	<u>(62,895,972)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(90,769)	(788,547)
Intangible assets acquired	(36,128)	(78,442)
Proceeds from sale of property and equipment	18,892	41,180
Proceeds from disposal of assets repossessed	2,239	30
Investments (purchased) / sold - net	(39,111,016)	31,844,035
	<u>(39,216,782)</u>	<u>31,018,256</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Redemption of term finance certificates	(187,500)	(187,500)
Long term loan (repaid to) / obtained from bank	(62,500)	435,927
Repayment of lease liability	(353,792)	-
Securities (purchased) / sold under repurchase agreements - net	(2,839,754)	19,610,993
	<u>(3,443,546)</u>	<u>19,859,420</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>3,401,057</b>	<b>(12,018,296)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>25,184,350</b>	<b>32,623,147</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>28,585,407</b>	<b>20,604,851</b>

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The annexed notes 1 to 20 form an integral part of this consolidated condensed interim financial information.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

## 1. THE GROUP AND ITS OPERATIONS

1.1 Jahangir Siddiqui & Co. Ltd. (the Holding Company) and its subsidiary companies (together the Group) are involved in managing strategic investments, trading of securities, investment advisory, asset management, agency telecommunication, commercial banking and other businesses. The Group is mainly operating in Pakistan but also provides services in Bahrain and Cayman Islands.

The Holding Company was incorporated under the repealed Companies Ordinance, 1984 (the Ordinance) on May 4, 1991 as a public unquoted company. The Holding Company is presently listed on Pakistan Stock Exchange Limited. The registered office and geographical location of the Holding Company is situated at 20th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi. The principal activities of the Holding Company are managing strategic investments, trading of securities, consultancy services, etc.

### 1.2 Composition of the Group

The Group comprises of the Holding Company and the following subsidiary companies that have been consolidated in these financial statements on the line by line basis. All material inter-company balances, transactions and resulting unrealised profits / losses have been eliminated:

Subsidiary Companies	Nature of Business	Date of Acquisition	Effective Holding	
			March 31, 2020	December 31, 2019
JS Bank Limited (JSBL)	Commercial Banking	December 30, 2006	75.02%	75.02%
JS Investments Limited (JSIL) (Sub-subsidiary)	Investment Advisor and Asset Manager	November 1, 2012	63.43%	63.43%
JS Global Capital Limited (Sub-subsidiary)	Brokerage, advisory and consultancy services	December 21, 2011	62.66%	62.66%
JS ABAMCO Commodities Limited (Sub-subsidiary)	Commodity brokerage	November 1, 2012	63.43%	63.43%
JS Infocom Limited	Telecom, Media and Technology	August 25, 2003	100.00%	100.00%
JS International Limited	Investment Advisory Services	July 14, 2005	100.00%	100.00%
Quality Energy Solutions (Private) Limited	Power generation	May 9, 2016	100.00%	100.00%
Khairpur Solar Power (Private) Limited (Sub-subsidiary)	Power generation	May 18, 2017	100.00%	100.00%
Energy Infrastructure Holding (Private) Limited	Investment Company in Energy, Petroleum and Infrastructure sectors	July 07, 2008	100.00%	100.00%
JS Petroleum Limited (Sub-subsidiary)	Oil and Gas Storage	October 9, 2017	51.00%	51.00%
JS Fuel (Private) Limited (Sub-subsidiary)	Oil Marketing	November 24, 2017	100.00%	100.00%
JS Engineering Investments 1 (Private) Limited (Sub-subsidiary)	Engineering Infrastructure	November 23, 2017	100.00%	100.00%



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

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## 2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited. This consolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. This consolidated condensed interim financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual audited consolidated financial statements for the year December 31, 2019.

This consolidated condensed interim financial information has been prepared under the accrual basis of accounting except for statement of cash flows.

The comparative statement of financial position presented in this consolidated condensed interim financial information has been extracted from the audited consolidated financial statements of the Group for the year ended December 31, 2019, whereas the comparative profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are extracted from the un-audited consolidated condensed interim financial information for the quarter ended March 31, 2019.

### 2.1 Statement of compliance

This consolidated condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Such standards 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 (the Act);
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed. This consolidated condensed interim financial information do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the audited consolidated annual financial statements of the Company as at December 31, 2019.

SECP vide Circular No. 06 of 2020, granted general relaxation to the companies for holding Annual General Meetings (AGM), considering the on going COVID-19 pandemic. Further, SECP vide Circular No. 10 of 2020, has extended the aforesaid relaxation for laying the annual financial statements in the AGM. In this regard, the Holding Company has applied to SECP seeking extension for filing of first quarterly financial statements for the quarter ended March 31, 2020 under the second proviso to Section 237 of the Companies Act, 2017. In response, SECP has granted extension to the Holding Company for 30 days i.e. upto May 30, 2020 to file the consolidated financial statements for the quarter ended March 31, 2020.

## 3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this consolidated condensed interim financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2019.



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

## 3.1 New / Revised Standards, Interpretations and Amendments

The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current period:

### Standard or Interpretation

IFRS 14 – Regulatory Deferral Accounts

IFRS 3 - Definition of a Business (Amendments)

IAS 1 / IAS 8 - Definition of Material (Amendments)

The adoption of the above standard and amendments to accounting standards did not have any material effect on these unconsolidated condensed interim financial information.

## 4. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Company for the year ended December 31, 2019.

## 5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2019.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
	Note	----- (Rupees in '000) -----	
<b>6. PROPERTY AND EQUIPMENT</b>			
Operating assets - owned	6.1	5,186,535	5,308,343
Capital work-in-progress		598,877	552,208
Right-of-use asset	6.2	4,020,175	4,271,231
		<u>9,805,587</u>	<u>10,131,782</u>
<b>6.1 Movement in operating assets - owned</b>			
Book value at beginning of the period		5,308,343	5,554,252
Cost of additions / transfers from			
CWIP during the period	6.1.1	135,733	1,819,986
Book value of deletions during the period	6.1.2	(66,676)	(1,234,234)
Depreciation charge for the period		(190,865)	(831,661)
Book value at end of the period		<u>5,186,535</u>	<u>5,308,343</u>

## Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
----- (Rupees in '000) -----		
<b>6.1.1 Details of additions during the period:</b>		
Capital work-in-progress - net transfers		
Office premises - leasehold	-	41,929
Land - freehold	-	27,164
Land - leasehold	-	5,415
Office equipment	71,372	626,457
Leasehold improvements	44,032	637,030
Office furniture and fixtures	20,281	126,809
Motor vehicle	48	355,182
	<u>135,733</u>	<u>1,819,986</u>
<b>6.1.2 Book value of deletions/ (adjustments) during the period</b>		
Office premises - leasehold	-	374,000
Office equipment	3,826	8,846
Leasehold improvements	43,687	3,753
Office furniture and fixtures	4,824	1,149
Motor vehicle	14,339	846,486
	<u>66,676</u>	<u>1,234,234</u>
<b>6.2 Right-of-use asset</b>		
As at January 01	4,271,231	5,241,945
Additions	390	52,040
Depreciation expense	(251,446)	(1,006,744)
Deletion	-	(16,010)
As at March 31	<u>4,020,175</u>	<u>4,271,231</u>
<b>7. INTANGIBLE ASSETS</b>		
Opening written down value	732,150	657,667
Addition during the period	83,212	176,638
Disposal during the period	-	(3,227)
Amortization for the period	(28,305)	(98,928)
	<u>787,057</u>	<u>732,150</u>
Capital work-in-progress	60,172	107,256
	<u>847,229</u>	<u>839,406</u>



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
<b>8. LONG TERM INVESTMENTS</b>	<b>Note</b>	----- (Rupees in '000) -----	
<b>Investment in associates</b>	8.1	239,827	213,386
<b>Related parties:</b>			
- at fair value through OCI		8,440,759	10,496,449
<b>Other investments</b>			
- available for sale		58,570,591	22,608,704
- at amortised cost		36,364,285	31,418,387
- at fair value through OCI		4,684,701	5,883,714
<b>Advance against investment</b>		620,000	575,000
		108,920,163	71,195,640

## 8.1 Investment in associates

Carrying value / cost of investment		213,386	186,674
Cost of investment - acquired during the period	8.1.1	40,828	21,239
Share of (loss) / profit from associates		(14,387)	5,473
		239,827	213,386

**8.1.1** During the period, Veda Transit Solutions Private Limited, an associate of the Subsidiary Bank, has issued shares against advance subscription of Rs. 40.828 million made by the Subsidiary Bank. Resultantly, shareholding of the Subsidiary Bank increased to 9.12% (December 31, 2019: 8%). The Subsidiary Bank has classified the investment as associate on account of its significant influence over the investee company.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
<b>9. SHORT TERM INVESTMENTS</b>	<b>Note</b>	----- (Rupees in '000) -----	
Assets at fair value through profit or loss	9.1	30,400,975	58,165,015
Available for sale	9.1	57,155,407	29,381,056
Assets at fair value through OCI	9.1	2,490,697	3,786,625
Held to maturity / At amortised cost		246,923	2,032,137
		90,294,002	93,364,833

**9.1** These include investments in equity securities and mutual funds of related parties having aggregate market value of Rs. 5,590 million (December 31, 2019: Rs. 970.77 million).

## Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
<b>10. ASSETS HELD FOR SALE</b>	<b>Note</b> ----- (Rupees in '000) -----	
Building on leasehold land	10.1 <u>374,000</u>	<u>374,000</u>

**10.1** In 2019, the Subsidiary Bank had entered into an agreement to sell its property located at 13th floor of Ocean Tower, plot No. G-3, Khayaban-e-Iqbal, Block 9, KDA Scheme No. 5, Clifton Karachi, Pakistan ("Property"). The Subsidiary Bank has initiated the necessary legal proceedings which are expected to be completed in next quarter, accordingly, the property is measured as a non-current asset held for sale.

	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
<b>11. CURRENT DEPOSITS AND CURRENT PORTION OF LONG TERM LIABILITIES</b>	----- (Rupees in '000) -----	
Term finance certificates	1,116,910	866,156
Term loans	185,624	185,546
Deposits and other accounts	368,189,910	358,088,318
Lease liabilities	851,923	829,965
	<u>370,344,367</u>	<u>359,969,985</u>

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the year ended December 31, 2019.

### 12.2 Transaction-related Contingent Liabilities

Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions:

	March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
	Note ----- (Rupees in '000) -----	
- Financial guarantees	2,753,174	2,464,411
- Performance guarantees	21,052,052	21,483,841
- Other guarantees	22,673,243	21,702,551
12.2.1	<u>46,478,469</u>	<u>45,650,803</u>



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

**12.2.1** Included herein are outstanding guarantees of Rs. 1,824.13 million (December 31, 2019: Rs. 14.22 million) issued by subsidiary companies in respect of related parties.

		March 31, 2020 (Un-audited)	December 31, 2019 (Audited)
<b>12.3 Commitments</b>	Note	----- (Rupees in '000) -----	
<b>Documentary credits and short-term trade-related transactions</b>			
- letters of credit	12.3.1	<u>16,081,747</u>	<u>13,965,258</u>
<b>Commitments in respect of:</b>			
Forward exchange contracts:			
- Purchase	12.3.2	<u>37,150,341</u>	<u>33,104,108</u>
- Sale	12.3.2	<u>32,818,219</u>	<u>22,007,258</u>
Undrawn formal standby facilities, credit lines and other commitments to lend	12.3.3	<u>160,693</u>	<u>72,183</u>
<b>Other Commitments</b>			
Forward commitments in respect of sale of securities		<u>-</u>	<u>493,103</u>
Commitments in respect of capital expenditure		<u>242,559</u>	<u>220,771</u>
Bank Guarantee from a commercial bank in favor of NCCPL		<u>400,000</u>	<u>400,000</u>
Interest rate swaps		<u>3,530,752</u>	<u>4,199,350</u>
Options		<u>4,870,582</u>	<u>499,622</u>
Outstanding settlements against margin financing contracts - net		<u>4,068</u>	<u>5,305</u>

**12.3.1** Included herein are the outstanding letter of credits of Rs. 51.007 million (December 31, 2019: Rs.44.368 million) of related parties.

**12.3.2** The Subsidiary Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk. At year end, all foreign exchange contracts have a remaining maturity of less than one year.

**12.3.3** These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Subsidiary Bank without the risk of incurring significant penalty or expense.

## Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	(Restated) March 31, 2019
	----- (Un-audited) -----	
<b>13. BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE</b>	----- (Rupees in '000) -----	
Profit / (loss) after taxation attributable to equity holders' of the parent:	365,898	(118,819)
	----- (Number in '000) -----	
Weighted average number of Ordinary shares outstanding during the period	915,942	915,942
	----- (Rupees) -----	
<b>Earnings / (loss) per share:</b>		
Basic and Diluted	0.40	(0.13)

	March 31, 2020	(Restated) March 31, 2019
	----- (Un-audited) -----	
<b>14. CASH AND CASH EQUIVALENTS</b>	----- (Rupees in '000) -----	
Cash and bank balances	28,858,722	21,139,210
Overdrawn nostro accounts	(273,315)	(534,359)
	28,585,407	20,604,851

### 15. RELATED PARTY TRANSACTIONS

Related parties comprise of associates, companies under common directorship, joint ventures, directors, key management personnel and provident fund schemes.



## Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

Significant transactions with related parties during the period ended are as follows:

	March 31, 2020	March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
Dividend received	485,378	5,289
Brokerage and commission expense	-	280
Brokerage / commission / service income	9,060	5,895
Purchase of money market instruments	-	683,437
Sale / Maturity of money market instruments	200,000	673,096
Letter of credits (Contingencies and Commitments)	51,007	94,829
Letter of guarantees (Contingencies and Commitments)	24,125	15,401
Rental income	12,138	11,953
Rent Expense	12,753	23,596
Interest / markup earned	39,380	5,014
Interest / markup paid	312,148	301,098
Principal redemptions made against TFCs	9,975	7,125
Royalty paid	5,000	10,000
Advisory fee paid	4,750	20,250
Insurance premium paid	215,738	12,109
Insurance claim received	214	3
Investments matured / disposed off in funds under management - at cost	1,167,522	445,482
Investments made in funds under management	850,000	369,518
Purchase of shares	582,748	879
Sale of shares	-	1,112
Remuneration and commission income from funds	56,962	52,855
Commission income	58,287	76,118
Donation paid	4,746	7,000
Contribution to provident fund	64,118	59,918
Contribution to gratuity fund	53,539	79,033
Preference dividend paid	-	199
Loan repayment from executives / others	60,216	24,158



## Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	March 31, 2020	March 31, 2019
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
Interest received on long term loans to executives	21,268	5,651
Loan disbursed to executives / others	111,762	12,387
Security deposit paid	-	811
Security deposit received	488	-
Security deposit repaid	468	-
Reimbursement of expenses to company	1,755	-
Reimbursement of expenses by Company	779	-
Reimbursement of expenses to directors	191	4,022
Remuneration paid to Chief Executive Officer	4,502	-
Fee paid to directors for attending directors / committee meetings	5,650	5,250
Remuneration to key management personnel	185,583	214,334

### 16. SEGMENT INFORMATION

For management purposes the Group is organised into following major business segments:

<b>Capital market &amp; brokerage</b>	Principally engaged in trading of equity securities, managing strategic and trading portfolios and earning share brokerage and money market, forex and commodity brokerage, advisory, underwriting, book running and consultancy services.
<b>Banking</b>	Principally engaged in providing investment and commercial banking.
<b>Investment advisor / assets manager</b>	Principally providing investment advisory and asset management services to different mutual funds and unit trusts.
<b>Energy, Infrastructure and Petroleum</b>	Principally engaged in investment in oil marketing sector and storage of petroleum, LPG and allied products.
<b>Others</b>	Other operations of the Group comprise of telecommunication, media, information technology and power generation.

# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

The following tables present revenue and profit information for the Group's operating segments for the three months period ended March 31, 2020 and 2019 respectively.

	Capital Market & Brokerage	Banking	Investment Advisor/ Assets Manager	Energy, Infrastructure and Petroleum	Others	TOTAL SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
(Rupees in '000)								
<b>Three months period ended March 31, 2020</b>								
<b>Revenue</b>								
Segment revenues	651,826	14,115,902	(172,292)	83,505	8,695	14,687,636	(42,998)	14,644,638
Inter-segment revenues	(30,307)	(5,297)	(1,452)	(4,552)	(1,390)	(42,998)	42,998	-
<b>Total revenue</b>	<b>621,519</b>	<b>14,110,605</b>	<b>(173,744)</b>	<b>78,953</b>	<b>7,305</b>	<b>14,644,638</b>	<b>-</b>	<b>14,644,638</b>
<b>Results</b>								
Net profit for the period	(23,147)	372,787	(279,134)	24,954	5,351	100,811	269,046	369,857
<b>Three months period ended March 31, 2019</b>								
<b>Revenue</b>								
Segment revenues	358,559	10,112,278	79,148	19,880	1,967	10,571,832	(79,760)	10,492,072
Inter-segment revenues	(68,688)	(573)	(2,186)	(7,567)	(746)	(79,760)	79,760	-
<b>Total revenue</b>	<b>289,871</b>	<b>10,111,705</b>	<b>76,962</b>	<b>12,313</b>	<b>1,221</b>	<b>10,492,072</b>	<b>-</b>	<b>10,492,072</b>
<b>Results</b>								
Net profit for the period	(57,553)	(52,846)	(33,766)	(44,193)	(683)	(189,041)	38,574	(150,467)

The following tables present assets and liabilities information for the Group's operating segments for the three months period ended March 31, 2020 and year ended December 31, 2019 respectively.

	Capital Market & Brokerage	Banking	Investment Advisor/ Assets Manager	Energy, Infrastructure and Petroleum	Others	TOTAL SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
(Rupees in '000)								
<b>Assets</b>								
March 31, 2020	29,537,083	476,728,215	1,501,470	4,651,745	509,921	512,928,434	(17,392,402)	495,536,032
December 31, 2019	33,537,712	468,693,927	2,061,831	5,369,971	736,123	510,399,564	(16,517,632)	493,881,932
<b>Liabilities</b>								
March 31, 2020	6,170,397	459,824,728	464,564	132,637	6,374	466,598,700	(3,284,913)	463,313,787
December 31, 2019	6,275,884	452,487,539	747,238	386,419	6,106	459,903,186	(2,183,959)	457,719,227

# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

## 17. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

### Fair value hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- **Level 1** Quoted prices in active markets for identical assets or liabilities.
- **Level 2** Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;
- **Level 3** Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	As at March 31, 2020 (Un-audited)			Total
	Level 1	Level 2	Level 3	
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>At fair value through profit or loss</b>				
Open end Mutual Funds	-	1,121,740	-	1,121,740
Term finance certificates	-	125,000	-	125,000
Listed equity securities	164,721	-	-	164,721
Government Securities	-	28,989,514	-	28,989,514
<b>At fair value through OCI</b>				
Listed equity securities	15,094,735	-	-	15,094,735
Unquoted equity securities *	-	-	435,376	435,376
Sukuk and term finance certificates	-	86,046	-	86,046
<b>Available for sale investments</b>				
Listed equity securities	1,830,751	-	-	1,830,751
Sukuk and term finance certificates	-	505,312	2,435,184	2,940,496
Government Securities	-	108,171,864	-	108,171,864
	<b>17,090,206</b>	<b>138,999,476</b>	<b>2,870,560</b>	<b>158,960,242</b>



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	As at March 31, 2020 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>Off balance sheet financial instruments</b>				
<b>Forward exchange contracts</b>				
Purchase	-	38,893,052	-	38,893,052
Sale	-	34,119,733	-	34,119,733
<b>Forward government securities</b>				
Purchase	-	874,776	-	874,776
Sale	-	6,222,462	-	6,222,462
<b>Interest rate swaps</b>				
Purchase	-	2,622,255	-	2,622,255
Sale	-	2,622,255	-	2,622,255
<b>Options (notional principal)</b>				
Purchase	-	1,675,271	-	1,675,271
Sale	-	3,215,357	-	3,215,357

\* As at March 31, 2020, the Holding Company's long term investments in unquoted securities of EFU Services (Private) Limited and Security General Insurance Company Limited are carried at fair value. The fair values of these investment are determined by the management after applying appropriate haircut to the carrying values of the net assets of investee companies as the net assets of investee companies mainly comprise of marketable securities and other assets having carrying value approximately equal to their fair value.

	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>At fair value through profit or loss</b>				
Open end Mutual Funds	-	1,678,841	-	1,678,841
Term Finance Certificates	-	125,000	-	125,000
Listed equity securities	762,705	-	-	762,705
Government Securities	-	55,598,469	-	55,598,469
<b>At fair value through OCI</b>				
Listed equity securities	19,731,412	-	-	19,731,412
Unquoted equity securities *	-	-	435,376	435,376
Sukuk and term finance certificates	-	96,672	-	96,672
<b>Available for sale investments</b>				
Listed equity securities	1,965,753	-	-	1,965,753
Sukuk and term finance certificates	-	540,303	2,423,192	2,963,495
Government Securities	-	47,019,373	-	47,019,373
	22,459,870	105,058,658	2,858,568	130,377,096

# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

	As at December 31, 2019			Total
	Level 1	Level 2	Level 3	
----- Rupees in '000 -----				
<b>Off balance sheet financial instruments</b>				
<b>Forward exchange contracts</b>				
Purchase	-	32,885,546	-	32,885,546
Sale	-	21,722,741	-	21,722,741
<b>Forward government securities</b>				
Purchase	-	499,818	-	499,818
Sale	-	-	-	-
<b>Interest rate swaps</b>				
Purchase	-	1,474,016	-	1,474,016
Sale	-	2,738,661	-	2,738,661
<b>Options (notional principal)</b>				
Purchase	-	1,024,638	-	1,024,638
Sale	-	1,030,868	-	1,030,868

17.1 During the period ended March 31, 2020, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

## 18. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Subsequent to the period end, Energy Infrastructure Holding (Private) Limited ("EIHPL"), a wholly owned subsidiary of the Holding Company has acquired 100% shareholding of Quality 1 Petroleum (Private) Limited.

## 19. GENERAL

19.1 The SECP vide S.R.O. 229(I)/2019 dated February 14, 2019, announced the effective date for applicability of IFRS 9 (Financial Instruments) in place of IAS 39 (Financial Instruments: Recognition and Measurement) as "Reporting period / year ending on or after June 30, 2019". Therefore, in case of the Group except the Subsidiary Bank, IFRS 9 was applicable from January 01, 2019 but it was initially applied on the financial statements prepared for the half year ended June 30, 2019. Since IFRS 9 is effective and applied accordingly in these consolidated condensed interim financial information for the period ended March 31, 2020, comparative figures for the period ended March 31, 2019 in the statement of profit or loss, statement of other comprehensive income and statement of changes in equity have been restated to fairly present these financial information as per IFRS 9 and in accordance with the new accounting policies.

19.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial statements other than those described above.

19.3 Figures have been rounded off to the nearest thousand rupees.



# Notes to the Consolidated Condensed Interim Financial Information

For the quarter ended March 31, 2020 (Un-audited)

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## 20. DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue by the Board of Directors of the Holding Company in its meeting held on May 28, 2020.

**Chief Justice (R) Mahboob Ahmed**  
Chairman

**Suleman Lalani**  
Chief Executive Officer

**Najmul Hoda Khan**  
Chief Financial Officer

# Quarterly Report March 31, 2020 (Un-audited)



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