



QUARTERLY REPORT

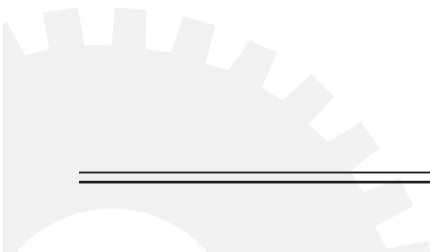
March 31, 2021



Pakistan International Bulk Terminal Limited

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Company Information

Board of Directors

Chairman	Capt. Haleem A. Siddiqui
Chief Executive Officer	Mr. Sharique Azim Siddiqui
Directors	Capt. Zafar Iqbal Awan Syed Nadir Shah Mr. Ali Raza Siddiqui Mr. M. Masood Ahmed Usmani Ms. Farah Agha
Chief Financial Officer	Mr. Arsalan I. Khan, FCA
Company Secretary	Mr. Karim Bux, ACA

Audit Committee

Chairman	Syed Nadir Shah
Members	Capt. Zafar Iqbal Awan Mr. Ali Raza Siddiqui Ms. Farah Agha
Chief Internal Auditor & Secretary	Mr. Noman Yousuf

Human Resource & Remuneration Committee

Chairman	Syed Nadir Shah
Members	Mr. Sharique Azim Siddiqui Mr. Ali Raza Siddiqui
Secretary	Mr. Arsalan I. Khan, FCA

Auditors

EY Ford Rhodes
Chartered Accountants
6th Floor, Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi-75530

Legal Advisors

Khalid Anwer & Co.
153-K , Sufi Street, Block-2, PECHS, Karachi 75400

Kabraji & Talibuddin
406-407, 4th Floor, The Plaza at II Talwar, Block-9, Clifton, Karachi.

H.B. Corporate - Legal Consulting
Suite # M-97, Mezzanine Floor, Glass Tower, Clifton Road, Karachi.

Bankers

Al-Baraka Bank (Pakistan) Limited	National Bank of Pakistan
Askari Bank Limited	Samba Bank Limited
Dubai Islamic Bank Limited	Sindh Bank Limited
Faysal Bank Limited	The Bank of Punjab
JS Bank Limited	Habib Bank Limited
MCB Bank Limited	United Bank Limited
Meezan Bank Limited	

Registrar / Transfer Agent

CDC Share Registrar Services Limited
CDC House, Main Shahrah-e-Faisal, Karachi

Registered Office

2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi-74000
Pakistan. Tel. 92-21-32400450-3 Fax. 92-21-32400281

Terminal Office

NWIZ/LL/02, North Western Industrial Zone, Port Qasim Authority,
Karachi, Pakistan. Tel: 92-21-34727428

Directors' Report

The Directors are pleased to present the Financial Statements of Pakistan International Bulk Terminal Limited (PIBT) (the Company) for the period ended March 31, 2021.

BUSINESS REVIEW

The Company has entered into a Build Operate Transfer (BOT) contract with Port Qasim Authority (PQA) on November 06, 2010 for construction, development, operations and management of a coal and clinker / cement terminal at Port Muhammad Bin Qasim for a period of thirty years.

During the period, your Company has handled 7,181,957 tons cargo against 6,581,546 tons in the same period last year depicting improved performance. The management of the Company is focusing on strategies to bring more efficiency in cargo handling operations, with the objective of providing unparalleled services to its customers.

During the period, the Company has posted net profit after taxation which also includes exchange gain on currency revaluation of USD denominated foreign loans. Financial highlights of the Company for the period ended March 31, 2021 as compared to the same period last year is presented below:

PKR in '000

Particulars	Nine Months 2020-2021	Nine Months 2019-2020
Revenue	7,798,853	7,142,393
Gross profit	2,335,235	2,213,580
Net profit	1,621,511	675,684
Earnings per Share (Rs.)	0.91	0.38

During the period, the Company changed its accounting policy to measure certain items of property, plant and equipment namely port infrastructure, leasehold improvements, buildings, cargo handling equipment, port power generation and terminal operations equipment using the revaluation model. The revised accounting policy has resulted in revaluation surplus of Rs. 9.22 billion which has been incorporated in these condensed interim financial statements.

GOING FORWARD

The Company has shown improvement in revenue, gross profit, EBITDA and profit after tax, and constantly endeavors to further optimize costs which improve shareholders' return in the future.

In the end, the Board of Directors of your Company would like to reiterate their commitment to operate efficiently Pakistan's first state-of-the-art mechanized bulk cargo terminal for the handling of Coal, Clinker & Cement, compliant with international standards of excellence which will curtail environment pollution and modernize the port infrastructure of the country.

For and on behalf of the Board of Directors

Sharique Azim Siddiqui
Chief Executive Officer
Karachi: April 26, 2021

بیانِ نظماً

پاکستان انٹرنیشنل بلک ٹرمینل لمیٹڈ کے نانلمین عرصہ تختہ 31۔ مارچ 2021ء کے لیے کمپنی کے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

کاروبار کا جائزہ

بندرگاہ محمد بن قاسم پر کونکہ اور سینٹ کے ٹرمینل کی تعمیر و ترقی، کاروبار اور انتظامات کے لئے کمپنی نے 06۔ نومبر 2010ء کو پورٹ قاسم اتھارٹی کے ساتھ 30 سالہ مدت کے لئے بناؤ، چلاؤ اور منتقل کرو کی بنیاد پر ایک معاہدہ کیا۔

اس عرصہ میں مستقل کاروباری سرگرمیوں سے ظاہر ہوتا ہے آپ کی کمپنی نے مختلف جہازوں کے ذریعے گزشتہ برس کے 6,581,546 ٹن کو نکلے کے حجم کے مساوی عرصہ کے مقابلہ میں 7,181,957 ٹن کونکہ کنارے لگایا ہے۔ کمپنی کی انتظامیہ اپنے گا کبول کو بے مثال خدمات کی فراہمی کے مقصد کے ساتھ کارگو کی بہتر انجام کاری میں مزید بہتری لانے کے لئے حکمت عملیوں پر پوری توجہ مرکوز کئے ہوئے ہے۔

اس عرصہ میں آپ کی کمپنی نے کل منافع بعد از ٹیکس کا اندراج کیا ہے جو خاص طور پر غیر ملکی قرضہ جات اور ڈالر کی قدر میں تخفیف کی متعین شدہ قیمتوں کی وجہ سے ہے۔

حالیہ عرصہ تختہ 31۔ مارچ 2021ء کا گزشتہ برس کی تیسری سہ ماہی سے موازنہ کیا جائے تو آپ کی کمپنی کی مالیاتی کارکردگی حسب ذیل ہے۔

پاکستانی روپوں میں '000

تفصیلات	تیسری سہ ماہی 2020-2021	تیسری سہ ماہی 2019-2020
آمدن	7,798,853	7,142,393
مجموعی منافع	2,335,235	2,213,580
کل منافع	1,621,511	675,684
کمائی فی حصص (روپیہ)	0.91	0.38

اس عرصہ میں کمپنی نے اپنی محاسبہ حکمت عملی میں تبدیلی کرتے ہوئے املاک، پلانٹ اور آلات کی بعض اشیاء جیسے پورٹ انفراسٹرکچر، اجارہ داری میں بہتری، عمارتیں، کارگو ہینڈلنگ آلات، پورٹ پاور جنریشن اور ٹرمینل آپریشنز آلات کی بیانیہ کی جس میں سرگرمیوں کی نمونہ استعمال کیا گیا۔ نظر ثانی شدہ محاسبہ حکمت عملی کے نتیجے میں 9.22 روپے کا کمر تشخصی کا اضافہ ہوا ہے جسے ان محمد عبوری مالیاتی گوشواروں میں شامل کر دیا گیا ہے۔

آگے بڑھتے ہوئے

کمپنی نے ٹیکس اور ایڈجسٹی کے بعد قابل آمدن میں مجموعی اور ایبدا کے منافع میں واضح بہتری ظاہر کی ہے اور اپنے حصص یافتگان کو مستقبل میں بہتر منافع کی فراہمی کے لئے لاگوں میں بہتری لانے پر پھر پورکوششیں جاری ہیں۔

آخر میں مجلسِ نظماً اپنے اس عزم کا اعادہ کرتی ہے کہ کونکے، بھنگر اور سینٹ کے انتظام و انصرام کے لیے پاکستان کے اس پہلے اور جدید ترین بلک کارگو ٹرمینل کو فعال رکھے گی

جس نے بین الاقوامی معیار پر پورا اترتے ہوئے ماحولیاتی آلودگی پر قابو پایا ہے اور ملک میں بندرگاہ کے بنیادی ڈھانچہ کو ایک نئی جدت اور ترقی سے ہمکنار کیا ہے۔

منجانب مجلسِ نظماً

شارق عظیم صدیقی

چیف ایگزیکٹو آفیسر

کراچی، 26۔ اپریل 2021ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021**

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Note	----- (Rupees in '000) -----	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	6 33,753,216	25,199,618
Intangible assets	327,494	344,247
Deferred tax	-	710,135
	34,080,710	26,254,000
CURRENT ASSETS		
Stores and spares	581,085	458,025
Trade debts - unsecured	606,645	884,172
Advances, deposits, prepayments and other receivables	107,723	150,425
Sales tax adjustable	52,379	54,450
Taxation – net	1,751,349	1,433,510
Cash and bank balances	1,186,393	432,956
	4,285,574	3,413,538
TOTAL ASSETS	38,366,284	29,667,538
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital		
2,000,000,000 (June 30, 2020: 2,000,000,000) ordinary shares of Rs. 10/- each	20,000,000	20,000,000
Issued, subscribed and paid-up capital		
1,786,092,772 (June 30, 2020: 1,786,092,772) ordinary shares of Rs. 10/- each fully paid in cash	17,860,928	17,860,928
Accumulated losses	(2,148,447)	(3,866,243)
Surplus on revaluation of property, plant and equipment – net of tax	6,453,161	-
	22,165,642	13,994,685
NON-CURRENT LIABILITIES		
Long-term financing - secured	10,835,451	12,324,685
Deferred tax	1,927,562	-
Staff compensated absences	58,562	50,201
Deferred government grant	14,879	11,621
Defined benefit obligation	5,758	23,118
	12,842,212	12,409,625
CURRENT LIABILITIES		
Trade and other payables	1,214,900	1,369,021
Current maturity of long-term financing – secured	1,850,024	1,841,075
Current portion of deferred government grant	4,960	3,874
Accrued interest	288,546	49,258
	3,358,430	3,263,228
CONTINGENCIES AND COMMITMENTS	9	
TOTAL EQUITY AND LIABILITIES	38,366,284	29,667,538

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2021
(UN-AUDITED)**

	Nine Months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note	----- (Rupees in '000) -----			
Revenue – net	7,798,853	7,142,393	2,023,272	2,292,562
Cost of services	(5,463,618)	(4,928,813)	(1,607,563)	(1,596,746)
Gross profit	2,335,235	2,213,580	415,709	695,816
Administrative and general expenses	(376,847)	(323,137)	(114,184)	(105,258)
Other income	65,046	334,856	19,850	273,033
Finance costs	(756,206)	(1,057,044)	(244,471)	(381,925)
Exchange gain / (loss)	639,207	(140,473)	297,587	(561,439)
Profit / (loss) before taxation	1,906,435	1,027,782	374,491	(79,773)
Taxation	10 (284,924)	(352,098)	(21,794)	(109,247)
Net profit / (loss) for the period	1,621,511	675,684	352,697	(189,020)
Other comprehensive income				
Revaluation surplus on property, plant and equipment	9,224,572	-	9,224,572	-
Related deferred tax	(2,675,126)	-	(2,675,126)	-
Other comprehensive income – net of tax	6,549,446		6,549,446	
Total comprehensive income / (loss) for the period	8,170,957	675,684	6,902,143	(189,020)
	----- (Rupees) -----			
Earnings / (loss) per share - basic and diluted	11 0.91	0.38	0.20	(0.11)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS MARCH 31, 2021
(UN-AUDITED)**

	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation for the period	1,906,435	1,027,782
Adjustments for non-cash items and other items:		
Depreciation on operating fixed assets	1,074,094	918,131
Amortisation	16,754	15,029
Finance costs	756,206	1,057,044
Exchange (gain) / loss	(639,207)	140,473
Staff compensated absences	11,862	12,908
Amortisation of government grant	(7,551)	-
Provision for employees' defined benefit scheme	20,367	-
Gain on disposal of operating fixed assets	(9,588)	(5,717)
Profit before working capital changes	1,222,937	2,137,868
(Increase) / decrease in current assets		
Stores and spares	(123,060)	(299,665)
Trade debts – unsecured	277,527	(145,852)
Advances, deposits, prepayments and other receivables	42,702	113,798
Sales tax adjustable	2,071	233,531
	199,240	(98,188)
Decrease in current liabilities		
Trade and other payables	(136,346)	(629,172)
Cash generated from operations	3,192,266	2,438,290
Taxes paid	(640,404)	(572,747)
Contribution to defined benefit scheme	(37,702)	-
Finance costs paid	(548,673)	(812,567)
Staff compensated absences paid	(3,502)	(707)
Net cash generated from operating activities	1,961,985	1,052,269
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(404,021)	(434,947)
Proceeds from sale of operating fixed assets	6,673	7,184
Net cash used in investing activities	(397,348)	(427,763)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term financing – secured (net)	(811,200)	(769,005)
Short-term borrowings acquired	-	509,000
Repayment of short term borrowing	-	(259,000)
Net cash used in from financing activities	(811,200)	(519,005)
Net increase in cash and cash equivalents	753,437	105,501
Cash and cash equivalents at the beginning of the period	432,956	430,686
Cash and cash equivalents at the end of the period	1,186,393	536,187

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2021
(UN-AUDITED)**

	Revenue reserves			Capital Reserve	Total reserves	Total equity and reserves
	Issued, subscribed and paid-up capital	Revenue reserve – accumulated losses	Other component of equity – Actuarial gain on defined benefit obligation	Revaluation surplus on property, plant and equipment (net of tax)		
----- (Rupees in '000) -----						
Balance as at July 01, 2019 (Audited)	17,860,928	(5,015,947)	-	-	(5,015,947)	12,844,981
Net profit for the period	-	675,684	-	-	675,684	675,684
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	675,684	-	-	675,684	675,684
Balance as at March 31, 2020 (Un – audited)	17,860,928	(4,340,263)	-	-	(4,340,263)	13,520,665
Balance as at July 01, 2020 (Audited)	17,860,928	(3,871,662)	5,419	-	(3,866,243)	13,994,685
Net profit for the period	-	1,621,511	-	-	1,621,511	1,621,511
Other comprehensive income, net of tax	-	-	-	6,549,446	6,549,446	6,549,446
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of tax	-	96,285	-	(96,285)	-	-
Total comprehensive income for the period	-	1,717,796	-	6,453,161	8,170,957	8,170,957
Balance as at March 31, 2021 (Un – audited)	17,860,928	(2,153,866)	5,419	6,453,161	4,304,714	22,165,642

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2021
(UN-AUDITED)**

1. THE COMPANY AND ITS OPERATIONS

- 1.1** Pakistan International Bulk Terminal Limited (the Company) was incorporated under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on March 22, 2010 as a private limited company. Subsequently, it was converted to an unquoted public limited company and later on, listed on the Pakistan Stock Exchange on December 23, 2013.

Geographical location and address of business units

Registered Office The Company's registered office is situated at 2nd floor, Business Plaza, Mumtaz Hassan Road, Karachi.

Terminal The Company's terminal is situated at NWIZ/LL/02, North Western Industrial Zone, Port Qasim Authority.

- 1.2** The Company has entered into a Build Operate Transfer (BOT) contract with Port Qasim Authority (PQA) on November 06, 2010 for the construction, development, operations and management of a coal and clinker / cement terminal at Port Muhammad Bin Qasim for a period of thirty years. After the expiry date, the Company will transfer all the concession assets to PQA as disclosed in note 13 to these condensed interim financial statements.

2. STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

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

The Securities and Exchange Commission of Pakistan (SECP) vide its SRO No. 24 (1) / 2012 dated January 16, 2012 has granted waiver in respect of application of IFRIC 12 "Service Concession Arrangements" due to the practical difficulties faced by the companies. The impact on the financial results of the Company due to application of IFRIC 12 is disclosed in note 13 to these condensed interim financial statements. Accordingly, the Company has not applied IFRIC 12 in preparation of these condensed interim financial statements.

3. BASIS OF PREPARATION

These condensed interim financial statements are un-audited and are being submitted to the shareholders as required under Section 237 of the Act. These condensed interim financial statements do not include all the information and disclosures required for complete set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2020.

These condensed interim financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those adopted in the preparation of the annual financial statements for the year ended June 30, 2020, except as mentioned below:

On Jan 01, 2021, the Company changed its accounting policy to measure port infrastructure, leasehold improvements, buildings, cargo handling equipment, port power generation and terminal operations equipment using the revaluation model. The revised accounting policy in respect of property, plant and equipment is as follows:

Property, plant and equipment

Operating fixed assets

Operating fixed assets (except for port infrastructure, leasehold improvements, buildings, cargo handling equipment, port power generation and terminal operations equipment) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Port infrastructure, leasehold improvements, buildings, cargo handling equipment, port power generation and terminal operations equipment are stated at revalued amount less subsequent accumulated depreciation and impairment losses, if any.

Depreciation is charged to statement of profit or loss using straight line method whereby costs of assets, less their residual values are written off over their estimated useful lives. Depreciation on additions is charged from the month in which the asset is available to use upto the month preceding the month of disposal. Assets residual values, useful lives and methods are reviewed, and adjusted, if appropriate, at each reporting date.

The carrying values of property, plant and equipment are reviewed at each reporting date for indication that an asset may be impaired and carrying values may not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is higher of fair value less cost to sell and value in use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Gains or losses on disposals are determined by comparing proceeds with the carrying amount of the relevant assets. These are included in the statement of profit or loss in the period in which they arise.

Valuations are performed frequently to ensure that the fair value of the revalued assets do not differ materially from their carrying value amount at the reporting date.

Increase in the carrying amounts arising on revaluation of port infrastructure, leasehold improvements, buildings, cargo handling equipment, port power generation and terminal operations equipment is recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss.

Decrease in the carrying amounts arising as a result of revaluation, that reverses previous increase of the same asset is first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decrease are charged to profit or loss.

The difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to unappropriated profit at each reporting date. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the assets and the net amount is restated to the revalued amount of the assets. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to unappropriated profit.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Company.

Capital work-in-progress

These are stated at cost less accumulated impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period, including advances to suppliers and contractors, are carried under this head. These are transferred to specific assets as and when these assets are available for use.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses, however, actual results may differ from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2020 except for the estimates and judgments for valuation of certain property, plant and equipment in line with change in accounting policy as described in note 4.

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 June 30, 2020.

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	6.1 33,619,757	24,879,073
Capital work-in-progress	6.2 133,459	320,545
	<u>33,753,216</u>	<u>25,199,618</u>

6.1 Following is the movement in tangible fixed assets:

Opening net book value	24,879,073	25,671,133
Additions during the period / year	591,107	439,956
Disposals during the year	(901)	(1,796)
Depreciation charged during the period / year	(1,074,094)	(1,230,220)
Surplus on revaluation of property, plant and equipment	9,224,572	-
Closing net book value	<u>33,619,757</u>	<u>24,879,073</u>

6.1.1 During the period, the Company has carried out the valuation exercise through an independent valuer which has resulted in revaluation surplus of Rs. 9,224 million. The fair values were determined with reference to market based evidence, based on relevant enquiries and information as considered necessary, and adjusted for any difference in nature, location or condition of the specific properties. The fair value of above assets falls under level 2 of fair value hierarchy (i.e. significant observable inputs).

6.1.2 Had there been no revaluation, the cumulative net book values of port infrastructure, leasehold improvements, buildings, cargo handling equipment, port power generation and terminal operations equipment as at March 31, 2021 would have been Rs. 24,346 million.

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
6.2 Capital work-in-progress		
Opening balance	320,545	237,345
Additions during the period / year	404,021	523,156
Transfers to operating fixed assets	(591,107)	(439,956)
Closing balance	<u>133,459</u>	<u>320,545</u>

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Note	----- (Rupees in '000) -----	
7. REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT		
Surplus on revaluation of property, plant and equipment - net	7.1 6,453,161	-
	<u>6,453,161</u>	<u>-</u>
7.1 Surplus on revaluation of property, plant and equipment		
Opening balance	-	-
Surplus on revaluation recognized during the period	9,224,572	-
Transfer to unappropriated profit in respect of incremental depreciation	(135,612)	-
	<u>9,088,960</u>	<u>-</u>
Related deferred tax liability in respect of:		
Opening balance	-	-
Surplus on revaluation recognized during the period	(2,675,126)	-
Incremental depreciation charged during the period	39,327	-
	<u>(2,635,799)</u>	<u>-</u>
	<u>6,453,161</u>	<u>-</u>
8 DEFERRED TAX		
Arising on taxable temporary difference		
- accelerated tax depreciation	(2,674,915)	(2,509,605)
- revaluation	(2,675,126)	-
- amortization	(8,731)	(3,254)
Arising on deductible temporary differences		
- tax losses	2,901,266	2,950,144
- ACT (in excess of corporate tax)	309,602	119,429
- pre-commencement expenses	20,489	32,782
- government grant	5,755	4,494
- minimum tax	192,428	109,441
- defined benefit obligation	1,670	6,704
	<u>(1,927,562)</u>	<u>710,135</u>

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There is no change in the status of the contingencies as disclosed in note 18.1 to the annual audited financial statements of the Company for the year ended June 30, 2020.

9.2 Commitments

There is no change in the status of the commitment as disclosed in note 18.2 to the annual audited financial statements of the Company for the year ended June 30, 2020 except for the unexecuted capital expenditure contracts amounting to Rs. 475.905 million (June 30, 2020: Rs. 304.9 million).

	Nine Months Ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----			
10 TAXATION				
Current	322,352	227,143	61,922	38,859
Deferred	(37,428)	124,955	(40,128)	70,388
	<u>284,924</u>	<u>352,098</u>	<u>21,794</u>	<u>109,247</u>

	Nine Months Ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
----- (Un-audited) -----				
----- (Rupees in '000) -----				
11 EARNINGS / (LOSS) PER SHARE - basic and diluted				
Profit / (loss) after taxation	<u>1,621,511</u>	<u>675,684</u>	<u>352,697</u>	<u>(189,020)</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>1,786,092,772</u>	<u>1,786,092,772</u>	<u>1,786,092,772</u>	<u>1,786,092,772</u>
Earnings / (loss) per share – basic and diluted (Rupee)	<u>0.91</u>	<u>0.38</u>	<u>0.20</u>	<u>(0.11)</u>

12 TRANSACTIONS WITH RELATED PARTIES

12.1 Related parties of the Company comprise companies with common directorship, retirement funds, directors and key management personnel. Detail of related parties with whom the Company has entered into transactions with or has arrangement / agreement in place during the period along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

Name of related party and relationship with the Company	Percentage of holding	Nature of transactions	March 31, 2021	March 31, 2020
			----- (Unaudited) -----	
----- (Rupees in '000) -----				
Associated companies				
Premier Mercantile Services (Private) Limited	43.30	Rent against office premises	2,086	2,086
Portlink International Services (Private) Limited	-	Consultancy services	27,055	24,595
EFU General Insurance Limited	-	Insurance premium	135,833	114,362
Premier Software (Private) Limited	-	IT support services	1,017	1,017
Other related parties				
Key management personnel	-	Remuneration and benefits	150,846	115,712
Staff retirement contribution plan	-	Contribution	17,856	14,898
Defined benefit obligation	-	Contribution	37,702	-
Sponsors	50.48	Securities pledged for facilities	638,416	1,029,100

12.2 Outstanding balance of Portlink International Services (Private) Limited as at March 31, 2021 was Rs. 10.19 million (June 30, 2020: Nil)

13. EXEMPTION FROM APPLICABILITY OF IFRIC 12 “SERVICE CONCESSION ARRANGEMENTS”

As explained in note 2, the required disclosure is as follows:

Under IFRIC 12, the consideration required to be made by operator (the Company) for the right to use the asset is to be accounted for as an intangible asset under IAS 38 “Intangible Assets”. Had the Company required to follow IFRIC 12, the effect on the condensed interim financial statements would have been as follows:

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	----- (Rupees in ‘000) -----	
Reclassification from property, plant and equipment to intangible assets (Port Concession Rights) – written down value	<u>33,431,937</u>	<u>24,861,900</u>
Reclassification from intangible assets to intangible assets (Port Concession Rights) – written down value	<u>327,511</u>	<u>343,861</u>
Reclassification from stores and spares to intangible assets (Port Concession Rights) – written down value	<u>581,085</u>	<u>458,025</u>
Recognition of intangible assets (Port Concession Rights) on account of rent of backup and waterfront area (rent)	<u>64,559</u>	<u>66,403</u>
Recognition of present value of concession liability on account of intangible assets (rent)	<u>105,775</u>	<u>106,571</u>
Interest expense charged for the period / year on account of intangible assets (rent)	<u>7,466</u>	<u>9,671</u>
Amortisation expense charged for the period / year on account of intangible assets (rent)	<u>1,845</u>	<u>2,459</u>
Amortisation expense charged for the period / year on account of concession assets (PPE)	<u>972,603</u>	<u>1,258,221</u>

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 26, 2021 by the Board of Directors of the Company.

15. GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

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