

HALF YEARLY REPORT

December 31, 2021



Pakistan International Bulk Terminal Limited

CONTENTS

■ Company Information	3	■
■ Directors' Report	4	■
■ بیانِ نظام	5	■
■ Condensed Interim Financial Statements	8	■

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 Il 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	Meezan Bank Limited
Allied Bank 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

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 December 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 4,567,069 tons cargo against 5,273,221 tons in the same period last year which is in line with the industry demand of imported coal. 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 loss after taxation primarily due to the impact of currency devaluation on USD denominated foreign loans. Financial highlights of the Company for the Half Year ended December 31, 2021 as compared to the same period last year is presented below:

PKR in '000

Particulars	Half Year 2021-2022	Half Year 2020-2021
Revenue	5,342,050	5,775,581
Gross profit	1,495,585	1,919,526
Net (loss) / profit	(2,626)	1,268,813
(Loss) / earnings per Share (Rs.)	(0.001)	0.71

GOING FORWARD

Corresponding to the business performance above which is consistent with the industry demand, your Company is committed to enhance shareholders' value while improving productivity of cargo handling operations with an overall vision to mitigate the environmental and proficiency concerns as at Country's port infrastructure and enhance our shareholders' value.

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: February 28, 2022

بیانِ نظماً

پاکستان انٹرنیشنل بلک ٹرمینل لمیٹڈ کے ناظمین عرصہ تختہ 31-دسمبر، 2021ء کے لیے کمپنی کے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

کاروباری جائزہ

بندرگاہ محمد بن قاسم برکولہ 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 کردہ کی بنیاد پر ایک معاہدہ کیا۔

اس عرصہ میں مستقل کاروباری سرگرمیوں کے ظاہر ہوتا ہے آپ کی کمپنی نے گزشتہ برس کے 5,273,221 ٹن کوئلے کے حجم کے مساوی عرصہ کے مقابلہ میں 4,567,069 ٹن کوئلہ کنارے لگایا ہے جو کہ درآمدی کوئلہ کی صنعتی مانگ کے عین مطابق ہے۔ کمپنی کی انتظامیہ اپنے گاہکوں 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 خسارہ بعد از ٹیکس کا اندراج کیا ہے جو بنیادی طور پر غیر ملکی قرضہ جات اور ڈالر کی قدر کی متعین شدہ قیمتوں میں تخفیف کی وجہ سے ہے۔

حالیہ عرصہ تختہ 31-دسمبر، 2021ء کا گزشتہ برس کی ششماہی سے موازنہ کیا جائے تو آپ کی کمپنی کی مالیاتی کارکردگی حسب ذیل ہے۔

روپوں میں '000

ششماہی 2020 - 2021	ششماہی 2021 - 2022	تفصیلات
5,775,581	5,342,050	آمدن
1,919,526	1,495,585	مجموعی منافع
1,268,813	(2,626)	کل (خسارہ)/منافع
0.71	(0.001)	کماٹی/(خسارہ) فی حصص (روپیہ)

آگے بڑھتے ہوئے

بیان کردہ تجارتی کارکردگی صنعتی مانگ کے عین مطابق ہے، آپ کی کمپنی ملک کی بندرگاہ کے بنیادی ڈھانچہ کی طرح ماحولیاتی اور استعدادی خدشات میں تخفیف اور اپنے شیئر ہولڈرز کی قدر میں اضافے کے لئے مجموعی وژن کے ساتھ کارگو ہینڈلنگ آپریشنز کی پیداواری صلاحیت کو بہتر بنانے کے لئے شیئر ہولڈرز کی قدر میں اضافہ کرنے کے لئے پرعزم ہے۔

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

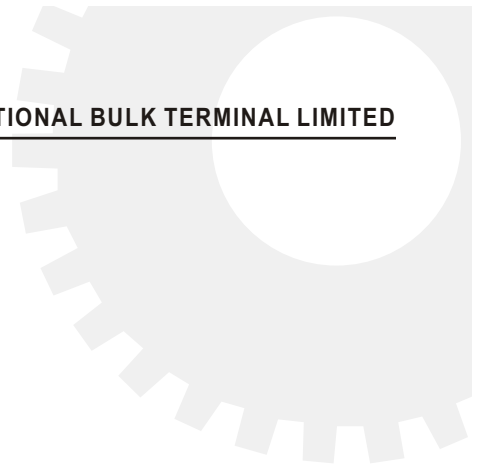
جس نے بین الاقوامی معیار پر پورا اترتے ہوئے ماحولیاتی آلودگی پر قابو پایا ہے اور ملک میں بندرگاہ کے بنیادی ڈھانچہ کو ایک نئی جدت اور ترقی سے ہمکنار کیا ہے۔

مخائب مجلسِ نظماً

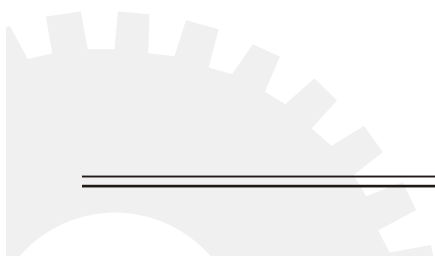
شارق عظیم صدیقی

چیف ایگزیکٹو آفیسر

کراچی، ۲۸- فروری ۲۰۲۲ء



CONDENSED INTERIM FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pakistan International Bulk Terminal Limited (the Company)

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan International Bulk Terminal Limited** (the Company) as at **31 December 2021** and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months ended 31 December 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 31 December 2021.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is **Arif Nazeer**.

EY Ford Rhodes
Chartered Accountants
Place: Karachi
Date: February 28, 2022

A member firm of Ernst & Young Global Limited

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

		December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	6	32,664,518	33,379,329
Intangible assets		310,841	321,943
		32,975,359	33,701,272
CURRENT ASSETS			
Stores and spares		602,758	591,298
Trade debts - unsecured		734,373	1,033,397
Advances, deposits, prepayments and other receivables		127,943	163,608
Taxation – net		2,299,683	1,876,784
Cash and bank balances		935,116	499,590
		4,699,873	4,164,677
TOTAL ASSETS		37,675,232	37,865,949
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorised capital			
2,000,000,000 (June 30, 2021: 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, 2021: 1,786,092,772) ordinary shares of Rs. 10/- each fully paid in cash			
		17,860,928	17,860,928
Surplus on revaluation of property, plant and equipment – net of tax		6,164,306	6,356,876
Revenue reserves - accumulated losses		(1,630,299)	(1,820,243)
Other component of equity		(7,771)	(7,771)
		22,387,164	22,389,790
NON-CURRENT LIABILITIES			
Long-term financing – secured		9,475,724	9,980,759
Deferred tax	7	2,280,654	2,130,317
Deferred liabilities		55,790	70,280
		11,812,168	12,181,356
CURRENT LIABILITIES			
Trade and other payables		1,255,521	1,262,940
Current maturity of long-term financing – secured		2,164,348	1,975,459
Sales tax payable		1,221	13,081
Current portion of deferred liability		2,948	4,254
Accrued interest		51,862	39,069
		3,475,900	3,294,803
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		37,675,232	37,865,949

The annexed notes from 1 to 14 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 HALF YEAR ENDED DECEMBER 31, 2021
(UN-AUDITED)**

	Note	Half-year ended		Quarter ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
----- (Rupees in '000) -----					
Revenue – net		5,342,050	5,775,581	2,203,373	3,171,219
Cost of services		(3,846,465)	(3,856,055)	(1,667,953)	(2,118,465)
Gross profit		1,495,585	1,919,526	535,420	1,052,754
Administrative and general expenses		(263,145)	(262,663)	(122,729)	(138,859)
Other income		158,582	45,196	140,295	30,442
Finance costs		(510,774)	(511,735)	(263,963)	(236,363)
Other (charge) / income – exchange (loss) / gain		(732,537)	341,620	(254,323)	231,205
Profit before taxation		147,711	1,531,944	34,700	939,179
Taxation	9	(150,337)	(263,131)	57,249	(132,149)
Net (loss) / profit for the period		(2,626)	1,268,813	91,949	807,030
Other comprehensive income		-	-	-	-
Total comprehensive (loss) / income for the period		(2,626)	1,268,813	91,949	807,030
----- (Rupees) -----					
(Loss) / earnings per share – basic and diluted	10	(0.001)	0.71	0.05	0.45

The annexed notes from 1 to 14 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 HALF YEAR ENDED DECEMBER 31, 2021
(UN-AUDITED)**

	December 31, 2021	December 31, 2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation for the period	147,711	1,531,944
Adjustments for non-cash items and other items:		
Depreciation on operating fixed assets	905,135	623,858
Amortisation	11,102	10,734
Finance costs	510,774	511,735
Exchange loss / (gain)	732,537	(341,620)
Staff compensated absences	4,264	10,456
Amortisation of government grant	(5,226)	(4,761)
Provision for employees' defined benefit scheme	16,267	13,587
Gain on disposal of operating fixed assets	(410)	(5,768)
Reversal of contractor's liability	(102,895)	-
Profit before working capital changes	2,071,548	818,221
Decrease in current assets		
Stores and spares	(11,460)	(102,067)
Trade debts – unsecured	299,024	172,949
Advances, deposits, prepayments and other receivables	35,665	48,390
Sales tax refundable	-	15,168
Bank balance under lien	(51,500)	-
	271,729	134,440
Increase / (decrease) in current liabilities		
Trade and other payables	95,476	(180,216)
Sales tax payable	(11,860)	-
	83,616	(180,216)
Cash generated from operations	2,574,604	2,304,389
Taxes paid	(422,899)	(463,277)
Contribution to defined benefit scheme	(30,000)	(28,062)
Finance costs paid	(497,981)	(546,987)
Staff compensated absences paid	(1,101)	(1,171)
Net cash generated from operating activities	1,622,623	1,264,892
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(190,324)	(273,241)
Proceeds from sale of operating fixed assets	410	6,873
Net cash used in investing activities	(189,914)	(266,568)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term financing - secured	(1,048,683)	(811,199)
Net cash used in financing activities	(1,048,683)	(811,199)
Net increase in cash and cash equivalents	384,026	187,125
Cash and cash equivalents at the beginning of the period	382,790	298,089
Cash and cash equivalents at the end of the period	766,816	485,214
Cash and cash equivalents comprise of:		
Cash and bank balances	935,116	620,081
Bank balance under lien	(168,300)	(134,867)
	766,816	485,214

The annexed notes from 1 to 14 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 HALF YEAR ENDED DECEMBER 31, 2021
(UN-AUDITED)**

	Issued, subscribed and paid-up capital	Capital reserves - surplus on revaluation of property, plant and equipment - net of tax	Revenue reserve – (accumulated losses)	Other component of equity – actuarial gain / (loss) on defined benefit obligation - net of tax	Total reserves	Total equity and reserves
	----- (Rupees in '000) -----					
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	-	-	1,268,813	-	1,268,813	1,268,813
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	1,268,813	-	1,268,813	1,268,813
Balance as at December 31, 2020 (Un – audited)	17,860,928	-	(2,602,849)	5,419	(2,597,430)	15,263,498
Balance as at July 01, 2021 (Audited)	17,860,928	6,356,876	(1,820,243)	(7,771)	4,528,862	22,389,790
Net loss for the period	-	-	(2,626)	-	(2,626)	(2,626)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(2,626)	-	(2,626)	(2,626)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	(192,570)	192,570	-	-	-
Balance as at December 31, 2021 (Un – audited)	17,860,928	6,164,306	(1,630,299)	(7,771)	4,526,236	22,387,164

The annexed notes from 1 to 14 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 HALF YEAR ENDED DECEMBER 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 12 to these condensed interim financial statements.

1.3 Impact of COVID-19 on these condensed interim financial statements

The Company's port operation being essential services have been permitted by the government to operate during COVID-19 lockdowns and the financial position and performance of the Company was not considerably affected by the pandemic. Accordingly, there is no material financial impact of COVID-19 in 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 12 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, however, have been subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. 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, 2021.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half years ended December 31, 2021 and December 31, 2020.

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

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2021.

4.2 Amendments to approved accounting standards adopted during the period

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) which became effective for the current period:

IFRS 9, IAS 39, IFRS 7, Interest Rate Benchmark Reform - Phase 2 (Amendments)

IFRS 4 & IFRS 16

IFRS 16

COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendments)

The adoption of above amendments to IFRSs did not have any material impact on the Company's condensed interim financial statements.

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, 2021.

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, 2021.

		December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	-----
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	32,484,434	33,193,930
Capital work-in-progress	6.2	180,084	185,399
		<u>32,664,518</u>	<u>33,379,329</u>
6.1 Operating fixed assets			
Written down value as at the beginning of the period / year		33,193,930	24,879,074
Transfers during the period / year	6.1.1	195,639	616,800
Revaluation surplus		-	9,224,572
		<u>33,389,569</u>	<u>34,720,446</u>
Less:			
Disposals during the period / year at written down value		-	(1,103)
Depreciation charged during the period / year		(905,135)	(1,525,413)
		<u>32,484,434</u>	<u>33,193,930</u>
6.1.1 Transfers during the period / year:			
Port infrastructure		33,270	301,816
Leasehold improvements		7,032	66,254
Buildings		2,505	2,181
Cargo handling equipment		99,781	99,792
Terminal equipment		150	12,809
Vehicles		49,147	116,422
Office equipment		2,413	12,810
Furniture and fixture		1,341	4,716
		<u>195,639</u>	<u>616,800</u>

December 31, June 30,
2021 2021
(Un-audited) (Audited)
----- (Rupees in '000) -----

6.2 Capital work-in-progress

Opening balance	185,399	320,545
Additions during the period / year	190,324	481,654
Transfers to operating fixed assets	(195,639)	(616,800)
Closing balance	180,084	185,399

7. DEFERRED TAX
Arising on taxable temporary difference

- accelerated tax depreciation	(2,594,228)	(2,702,890)
- revaluation surplus	(2,517,815)	(2,596,471)
- amortization	(14,238)	(10,567)
	(5,126,281)	(5,309,928)

Arising on deductible temporary differences

- tax losses	2,621,231	2,782,351
- alternate corporate tax (in excess of corporate tax)	210,544	369,714
- pre-commencement expenses	8,196	16,392
- government grant	3,419	4,935
- defined benefit obligation	2,237	6,219
	2,845,627	3,179,611
	(2,280,654)	(2,130,317)

8. CONTINGENCIES AND COMMITMENTS
8.1 Contingencies

There is no change in the status of the contingencies as disclosed in note 17.1 to the annual audited financial statements of the Company for the year ended June 30, 2021.

8.2 Commitments

There is no change in the status of the commitment as disclosed in note 17.2 to the annual audited financial statements of the Company for the year ended June 30, 2021 except for the unexecuted capital expenditure contracts amounting to Rs. 308.37 million (June 30, 2021: Rs. 468.5 million) and outstanding letter of credits amounting to Rs. 186.17 million (2021: Rs. 7.05 million).

Half-year ended		Quarter ended	
December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
----- (Un-audited) -----			
----- (Rupees in '000) -----			

9. TAXATION

Current	-	260,430	-	159,660
Deferred	150,337	2,701	(57,249)	(27,511)
	150,337	263,131	(57,249)	132,149

9.1 Provision for current tax is based on Corporate Tax after taking into account brought forward Alternate Corporate Tax available from prior years

9.2 During the period, on October 29, 2021, the Chief Commissioner Income Tax passed Order of refusal in a review application to grant exemption to the Company against withholding of income tax under section 153 of the Income Tax Ordinance, 2001. Subsequent to the period end, on January 07, 2022, the Company, being aggrieved, filed petition CP No. D-123 of 2022 before the High Court of Sindh challenging the above order and the applicability of withholding of income tax and the Court initiated proceedings on the case. The management believes that the Company is exempt from the provisions of withholding income tax and therefore had been making applications to the Income Tax department seeking exemption for the previous corresponding periods.

	Half-year ended		Quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
----- (Rupees in '000) -----				
10. (LOSS) / EARNINGS PER SHARE – basic and diluted				
(Loss) / profit after taxation	<u>(2,626)</u>	<u>1,268,813</u>	<u>91,949</u>	<u>807,030</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>
(Loss) / earnings per share – basic and diluted (Rupee)	<u>(0.001)</u>	<u>0.71</u>	<u>0.05</u>	<u>0.45</u>

11. TRANSACTIONS WITH RELATED PARTIES

11.1 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

Name of related party and relationship	Percentage of holding	Nature of transactions	December 31, 2021	December 31, 2020
			----- (Unaudited) ----- ---- (Rupees in '000) ----	
Associated companies				
Premier Mercantile Services (Private) Limited	43.30	Rent against office premises	1,391	1,391
Portlink International Services (Private) Limited	-	Consultancy services	19,840	18,037
EFU General Insurance Limited	-	Payment for insurance premium	101,324	93,681
Premier Software (Private) Limited	-	IT support services	600	600
Other related parties				
Key management personnel	-	Remuneration and benefits	126,126	116,899
Staff retirement contribution plan	-	Contribution	13,317	11,902
Defined benefit obligation	-	Contribution	30,000	28,062
Sponsors	50.48	Securities pledged for facilities	471,930	715,100

12. 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 and IAS 38, the effect on these condensed interim financial statements would have been as follows:

	December 31, 2021	December 31, 2020
----- (Unaudited) ----- ----- (Rupees in '000) -----		
Reclassification from property, plant and equipment to intangible assets (Port Concession Rights) – written down value	<u>32,664,520</u>	<u>24,813,712</u>
Reclassification from intangible assets to intangible assets (Port Concession Rights) – written down value	<u>310,871</u>	<u>333,086</u>

	December 31, 2021	December 31, 2020
	----- (Unaudited) -----	
	----- (Rupees in '000) -----	
Reclassification from stores and spares to intangible assets (Port Concession Rights) – written down value	<u>602,758</u>	560,091
Recognition of intangible assets (Port Concession Rights) on account of rent of backup and waterfront area (rent)	<u>62,305</u>	65,174
Recognition of present value of concession liability on account of intangible assets (rent)	<u>110,541</u>	107,897
Interest expense charged for the period / year on account of intangible assets (rent)	<u>5,119</u>	4,978
Amortisation expense charged for the period / year on account of intangible assets (rent)	<u>1,222</u>	1,230
Amortisation expense charged for the period / year on account of concession assets (Intangible assets)	<u>916,226</u>	649,244

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 28, 2022 by the Board of Directors of the Company.

14. 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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