

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

	<i>Note</i>	December 31, 2018	June 30, 2018
		<i>Rupees '000'</i>	
		<i>(Un-audited)</i>	<i>(Audited)</i>
ASSETS			
Cash and balances with treasury banks		1,607,361	1,218,756
Balances with other banks		1,079,571	805,565
Investments	5	3,561,053	2,911,628
Advances	6	9,510,621	10,207,775
Fixed assets	7	7,183,168	7,176,161
Intangible Assets		2,856	3,935
Deferred Tax Asset	12.2	-	-
Other assets	8	879,202	857,475
		23,823,832	23,181,295
LIABILITIES			
Bills payable		27,829	55,502
Deposits and other accounts	9	5,923,197	5,324,183
Other liabilities	10	3,687,340	3,569,088
		9,638,366	8,948,773
NET ASSETS		14,185,466	14,232,522
REPRESENTED BY			
Share capital		7,885,474	7,885,556
Reserves		741,948	742,108
Unappropriated loss		(1,690,634)	(1,780,620)
		6,936,788	6,847,044
Surplus on revaluation of assets		7,248,678	7,385,478
		14,185,466	14,232,522
Contingencies and commitments	11	-	-

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

MUNIR AHMED
Acting President/CEO

ZAHID MANSOOR
Chief Financial Officer

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018

	Note	Six months ended December 31		Three months ended December 31	
		2018	2017	2018	2017
<i>Rupees '000'</i>					
Mark-up / return / interest earned		896,986	904,406	536,984	530,529
Mark-up / return / interest expensed		<u>(83,465)</u>	<u>(68,186)</u>	<u>(42,243)</u>	<u>(37,627)</u>
Net mark-up / interest income		<u>813,521</u>	836,220	<u>494,741</u>	492,902
NON MARK-UP /INTEREST INCOME					
Fee, commission and brokerage income		<u>7,451</u>	8,859	<u>3,854</u>	4,448
Dividend income		<u>34,144</u>	34,041	<u>104</u>	7
Other income		<u>50,864</u>	48,720	<u>29,992</u>	30,535
Total non-markup/interest Income		<u>92,459</u>	91,620	<u>33,950</u>	34,990
Total Income		<u>905,980</u>	927,840	<u>528,691</u>	527,892
NON MARK-UP/INTEREST EXPENSES					
Operating expenses		<u>(783,467)</u>	(738,580)	<u>(470,845)</u>	(436,362)
Total non- markup/interest expenses		<u>(783,467)</u>	(738,580)	<u>(470,845)</u>	(436,362)
Profit Before Provisions		<u>122,513</u>	189,260	<u>57,846</u>	91,530
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		<u>122,513</u>	189,260	<u>57,846</u>	91,530
TAXATION					
Current year	12.1	<u>(32,527)</u>	(12,388)	<u>(32,527)</u>	(10,000)
Prior years		-	-	-	-
Deferred	12.2	-	-	-	-
		<u>(32,527)</u>	(12,388)	<u>(32,527)</u>	(10,000)
PROFIT AFTER TAXATION		<u>89,986</u>	<u>176,872</u>	<u>25,319</u>	<u>81,530</u>
Earnings per share - basic and diluted (Rupees)	13	<u>1.14</u>	<u>2.24</u>	<u>0.32</u>	<u>1.03</u>

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

MUNIR AHMED
Acting President/CEO

ZAHID MANSOOR
Chief Financial Officer

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018**

	Share capital	Reserves			Un-appropriated profit / (loss)	Total
		Statutory reserve	Common good fund	Total reserves		
<i>Rupees '000'</i>						
Balance as at July 01, 2017 - Audited	7,885,482	707,659	5,214	712,873	(1,486,922)	7,111,433
Medical aid to staff	-	-	(430)	(430)	-	(430)
Profit after taxation	-	-	-	-	176,872	176,872
Other comprehensive income	-	-	-	-	-	-
Balance as at December 31, 2017 - Un-audited	<u>7,885,482</u>	<u>707,659</u>	<u>4,784</u>	<u>712,443</u>	<u>(1,310,050)</u>	<u>7,287,875</u>
Balance as at January 01, 2017 - Un-audited	7,885,482	707,659	4,784	712,443	(1,310,050)	7,287,875
Transfer to statutory reserve	-	29,963	-	29,963	(29,963)	-
Transfer to common good fund	-	-	-	-	-	-
Reissuance of shares	74	-	-	-	-	74
Medical aid to staff	-	-	(298)	(298)	-	(298)
Adjustment of Defined benefit plan	-	-	-	-	28,526	28,526
Other comprehensive income	-	-	-	-	(469,133)	(469,133)
Balance as at June 30, 2018 - Audited	<u>7,885,556</u>	<u>737,622</u>	<u>4,486</u>	<u>742,108</u>	<u>(1,780,620)</u>	<u>6,847,044</u>
Balance as at July 01, 2018 - Audited	7,885,556	737,622	4,486	742,108	(1,780,620)	6,847,044
Refund of shares	(82)	-	-	-	-	(82)
Medical aid to staff	-	-	(160)	(160)	-	(160)
Profit after taxation	-	-	-	-	89,986	89,986
Other comprehensive income	-	-	-	-	-	-
Balance as at December 31, 2018 - Un-audited	<u>7,885,474</u>	<u>737,622</u>	<u>4,326</u>	<u>741,948</u>	<u>(1,690,634)</u>	<u>6,936,788</u>

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THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UN-AUDITED)**

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018

	Six months ended December 31		Three months ended December 31	
	2018	2017	2018	2017
	<i>Rupees '000'</i>			
Profit after taxation	89,986	176,872	25,319	81,530
Other comprehensive income	-	-	-	-
Total comprehensive income	89,986	176,872	25,319	81,530

Surplus / (deficit) on revaluation of 'available for sale' securities is presented under a separate head below equity as 'surplus / (deficit) on revaluation of assets in accordance with the requirements specified by State Bank of Pakistan vide its BSD Circular No. 20 dated August 04, 2000 and BSD Circular No. 10 dated July 13, 2004 respectively.

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

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THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018

	Six months ended	
	December 31, 2018	December 31, 2017
	<i>Rupees '000'</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	122,513	189,260
Less: Dividend income	(34,144)	(34,041)
	88,369	155,219
Adjustments		
Depreciation	9,816	8,489
Amortization	1,079	609
Provision for employees retirement benefits	181,143	160,154
	192,038	169,252
(Increase) / Decrease in operating assets		
Advances	697,154	(218,129)
Other Assets	(21,727)	(67,744)
	675,427	(285,873)
Increase/ (Decrease) in operating liabilities		
Bills payable	(27,673)	16,433
Deposits	599,014	440,881
Other liabilities	(81,138)	(39,099)
	490,203	418,215
Income tax paid	(14,280)	(14,538)
Net cash flow from operating activities	1,431,757	442,275
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in operating fixed assets	(16,823)	(14,142)
Cost incurred on capital work in progress	-	-
Net investment in of 'held-to-maturity' securities	(786,225)	(579,203)
Dividend received	34,144	34,041
Net cash used in investing activities	(768,904)	(559,304)
CASH FLOWS FROM FINANCING ACTIVITIES		
Medical aid to employees from common good fund	(160)	(430)
Refund of share money	(82)	
Net cash flow from financing activities	(242)	(430)
Effects of exchange rate changes on cash and cash equivalents		
Increase / (Decrease) in cash and cash equivalents	662,611	(117,459)
Cash and cash equivalents at beginning of the period	2,024,321	2,610,537
Cash and cash equivalents at end of the period	2,686,932	2,493,078

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

MUNIR AHMED
Acting President/CEO

ZAHID MANSOOR
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018

1 STATUS AND NATURE OF BUSINESS

The Punjab Provincial Cooperative Bank Limited ('the Bank') was incorporated in 1924 as a Cooperative Bank under the Cooperative Societies Act, 1912 (repealed). It was given the status of a Scheduled Bank by the State Bank of Pakistan ('the SBP') with effect from November 07, 1955. The Bank is operating under the supervision of the Cooperative Department, Government of Punjab and the SBP. The objects for which the Bank is established are to carry out the business of agricultural credit and other activities as defined in the Cooperative Societies Act, 1925 and its Rules. The Bank operates through its 151 (June 30, 2018 : 151) branches in the province of Punjab. The Registered Office of the Bank is located at Bank Square, The Mall, Lahore, Pakistan.

2 BASIS OF PRESENTATION

The financial information contained in this interim financial report is un-audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the bank for the year ended June 30, 2018.

This condensed interim financial information has been prepared in conformity with the format of financial statements prescribed by the SBP vide BSD Circular No. 04 dated February 17, 2006 and has been subjected to limited scope review by the auditors of the bank. The comparative interim balance sheet as at June 30, 2018 and the related notes to the condensed interim financial information are based on audited financial statements. The comparative interim profit and loss account, interim statement of profit or loss and other comprehensive income, interim cash flow statement, interim statement of changes in equity and related notes to the condensed interim financial information for the six months period ended December 31, 2017 are based on unaudited, reviewed interim financial information. The interim profit and loss account and interim statement of profit or loss and other comprehensive income for the three months period ended September 30, 2018 and December 31, 2018 are neither audited nor reviewed.

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Banking Companies Ordinance, 1962 ('the Ordinance'), the Cooperative Societies Act, 1925 ('the Act') and the Cooperative Societies Rules, 1927 ('the Rules'). In case where requirements differ, the provisions of and directives issued under the Ordinance, the Act and the Rules have been followed.

This condensed interim financial information comprises of the condensed interim balance sheet of the Bank as at December 31, 2018 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the noted forming part thereof.

The SBP has deferred the applicability of IAS - 39, 'Financial Instruments: Recognition and Measurement' and IAS - 40, 'Investment Property' for Banking Companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has also deferred the applicability of IFRS - 7, 'Financial Instruments: Disclosures' through its S.R.O. 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of this financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

2.2 Basis of measurement

The financial information contained in this interim report has been prepared under the historical cost convention except for certain operating fixed assets at revalued amounts, certain investments at fair value and defined benefit obligations at present value. In this financial information, except for the amounts reflected in the cash flow statement, all transactions have been accounted for on accrual basis.

2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018

2.4 Functional currency

This financial information is prepared in Pak Rupees which is the Bank's functional currency.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS.

3.1 IFRS 9 – Financial Instruments: Classification and Measurement (2014)

IFRS 9 replaces IAS 39 - Financial Instruments: *Recognition and Measurement*. The standard contains requirements in the following areas:

- **Classification and measurement:** Financial assets are classified by reference to the business model within which they are held and their cash flow characteristics. The standard introduces a 'fair value through comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to measurement of entity's own credit risk.
- **Impairment:** IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit loss to have occurred before a credit loss is recognized.
- **Hedge accounting:** IFRS 9 introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposure.
- **Derecognition:** The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

Adoption of this IFRS 9 may result in material adjustment to carrying amounts of financial assets and liabilities. However, the financial impact of the same cannot be estimated with reasonable certainty at this stage.

3.2 Banking Companies Ordinance, 1962 (Amendments to Second Schedule)

4 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual financial statements of the Bank for the year ended June 30, 2018.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018**

5 INVESTMENTS

	December 31, 2018 (Un-audited)		
	Held by bank	Given as collateral	Total
	<i>Rupees '000'</i>	<i>Rupees '000'</i>	<i>Rupees '000'</i>
Available-for-sale securities			
Shares of listed companies	7,023	-	7,023
Shares of cooperative institutions	3,551	-	3,551
	10,574	-	10,574
Held-to-maturity securities			
Treasury bills	3,172,164	-	3,172,164
Pakistan Investment Bonds	-	-	-
Investment with NBFC	88,059	-	88,059
	3,260,223	-	3,260,223
	3,270,797	-	3,270,797
Provision for diminution in value of investments	(89,648)	-	(89,648)
Investments (net of provisions)	3,181,149	-	3,181,149
Surplus on revaluation of available-for-sale securities	379,904	-	379,904
	3,561,053	-	3,561,053
	June 30, 2018 (Audited)		
	Held by bank	Given as collateral	Total
	<i>Rupees '000'</i>	<i>Rupees '000'</i>	<i>Rupees '000'</i>
Available-for-sale securities			
Shares of listed companies	7,023	-	7,023
Shares of cooperative institutions	3,551	-	3,551
	10,574	-	10,574
Held-to-maturity securities			
Treasury bills	2,385,939	-	2,385,939
Pakistan Investment Bonds	-	-	-
Investment with NBFC	88,059	-	88,059
	2,473,998	-	2,473,998
	2,484,572	-	2,484,572
Provision for diminution in value of investments	(89,648)	-	(89,648)
Investments (net of provisions)	2,394,924	-	2,394,924
Surplus on revaluation of available-for-sale securities	516,704	-	516,704
	2,911,628	-	2,911,628

	December 31, 2018	June 30, 2018
	<i>Rupees '000'</i>	
	<i>(Un-Audited)</i>	<i>(Audited)</i>

6 ADVANCES

Loans, cash credits, running finances, etc. in Pakistan	11,116,708	11,813,862
Bills discounted and purchased (excluding treasury bills) payable in Pakistan	184	184
	11,116,892	11,814,046
Provisions against non-performing advances		
Specific	(1,605,893)	(1,605,893)
General	(378)	(378)
	9,510,621	10,207,775

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018**

- 6.1 Advances include Rs. 2,419,292 thousand (June 30, 2018: Rs. 2,288,968 thousand) which have been placed under non-performing status as detailed below:

	December 31, 2018 (Un-audited)				
	Classified advances			Provision required	Provision held
	Domestic	Overseas	Total		
Rupees '000'					
Other Assets Especially Mentioned	441,807	-	441,807	40	40
Substandard	277,788	-	277,788	4,250	4,250
Doubtful	157,097	-	157,097	15,021	15,021
Loss	1,542,600	-	1,542,600	1,495,819	1,586,582
	2,419,292	-	2,419,292	1,515,130	1,605,893

	June 30, 2018 (Audited)				
	Classified advances			Provision required	Provision held
	Domestic	Overseas	Total		
Rupees '000'					
Other Assets Especially Mentioned	389,235	-	389,235	124	-
Substandard	229,901	-	229,901	2,604	3,788
Doubtful	173,751	-	173,751	14,803	9,702
Loss	1,496,081	-	1,496,081	1,447,417	1,592,403
	2,288,968	-	2,288,968	1,464,948	1,605,893

- 6.2 The Bank has not adjusted its non-performing loans amounting to Rs. 674,284 thousands including mark-up thereon, against properties decreed in favor of Bank due to their pending possession disputes.

	December 31, 2018	June 30, 2018
	Rupees '000'	
	(Un-Audited)	(Audited)

7 OPERATING FIXED ASSETS

Capital work in progress	33,984	33,984
Property and equipment	7,149,184	7,142,177
	7,183,168	7,176,161

7.1 Capital work in progress

As at beginning of the period/year	33,984	33,984
Additions during the period/year	-	-
As at end of the period/year	33,984	33,984

7.2 Property and equipment

Net book value at the beginning of the period/year	7,142,177	7,132,520
Surplus on revaluation during the period/year	-	-
Additions during the period/year	16,823	29,190
	7,159,000	7,161,710
Net book value of assets disposed during the period/year	-	(11,091)
Depreciation for the period/year	(9,816)	(8,442)
Net book value at end of the period/year	7,149,184	7,142,177

- 7.2.1 Operating fixed assets include land and buildings comprising properties under litigation / disputes amounting to Rs. 175,687 thousand (June 30, 2018: Rs. 101,183 thousand) for which legal title has been acquired but the physical possession is under dispute.

7.3 Intangible assets

Net book value at beginning of the period/year	3,935	6,092
Additions during the period/year	-	-
Amortization for the period/year	(1,079)	(2,157)
Net book value at end of the period/year	2,856	3,935

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018**

	<i>Note</i>	December 31,	June 30, 2018
		2018	
		<i>Rupees '000'</i>	
		<i>(Un-Audited)</i>	<i>(Audited)</i>
8 OTHER ASSETS			
Income / markup accrued on loans and advances in local currency		690,499	681,018
Advances, deposits, advance rent and other prepayments		2,458	14,953
Advance tax		-	-
Sundry debtors		2,548	2,440
Profit receivable from banks		9,464	4,658
Crop insurance recoverable		132,471	107,338
Live stock insurance recoverable		15,997	20,429
Branch adjustment account		-	-
Others		92,244	93,118
		945,681	923,954
Provisions held against other assets		(66,479)	(66,479)
		<u>879,202</u>	<u>857,475</u>

9 DEPOSIT AND OTHER ACCOUNTS

Fixed deposits		723,508	773,606
Savings deposits		3,506,935	3,124,543
Current accounts - non-remunerative		1,630,793	1,364,272
Call deposits		2,077	10,010
Other deposits	9.1	59,884	51,752
		<u>5,923,197</u>	<u>5,324,183</u>

9.1 Others deposits include staff security deposits and employees' provident fund deposits.

	<i>Note</i>	December 31,	June 30, 2018
		2018	
		<i>Rupees '000'</i>	
		<i>(Un-Audited)</i>	<i>(Audited)</i>
10 OTHER LIABILITIES			
Mark-up/ Return/ Interest payable in local currency		46,908	45,490
Accrued expenses		4,702	6,593
Provision for salary payable / VSS package		164,285	164,285
Sundry creditors		63,148	66,845
Advance taxation (payments less provision)		62,064	43,817
Dissolved bank payable		37,427	37,427
Provision for employees' gratuity		92,910	89,161
Provision for employees' pension fund		2,919,645	2,755,956
Provision for employees' compensated absences		256,386	245,946
Withholding tax payable		8,173	10,710
Branch adjustment account		9,313	17,895
Others	10.1	22,379	84,963
		<u>3,687,340</u>	<u>3,569,088</u>

10.1 This includes amount of Rs. 6,274 thousand payable on account of Rahwali Sugar Mills and Bid Money of Rs. 12,300 thousand that was forfeited by the Bank as per settled agreement with respect to auction of land in 1999 on failure of the purchaser to deposit the remaining purchase money. However, the purchaser has filed a suit in the court against the Bank for recovery of the above said amounts that is pending for adjudication.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018**

11 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments since June 30, 2018, with the exception of the following:

	December 31, 2018	June 30, 2018
	<i>Rupees '000'</i>	
	<i>(Un-Audited)</i>	<i>(Audited)</i>
The Bank has total of 119 (June 30, 2018 : 119) cases under litigation in different courts. The total amount involved in such outstanding cases aggregate to:	237,892	248,971

12 TAXATION

12.1 Tax has been charged under the prevailing Income Tax Ordinance, 2001.

12.2 Deferred tax assets amounting to Rs. 1,668,128 thousand (June 30, 2018: Rs. 1,519,298 thousand) has not been recognized as sufficient taxable profits are not expected to be available in future against which the related deductible temporary differences could be utilized.

13 EARNINGS PER SHARE - BASIC

13.1 The calculation is given as under:

	Six months ended		Three months ended	
	December 31		December 31	
	2018	2,017	2018	2,017
Profit for the year (Rupees in Thousands)	89,986	176,872	25,319	81,530
Weighted average number of ordinary shares (Numbers)	78,854,740	78,868,421	78,854,740	78,868,421
Basic earnings per share (Rupees)	1.14	2.24	0.32	1.03

There is no dilutive effect on earnings per share during the year.

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Bank's perspective comprise key management personnel, pension fund trust and the Government of Punjab. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Bank.

Transactions with key management personnel are limited to payment of employee benefits and disbursement and recoveries of advances, including interest / mark-up thereon.

Details of transactions with related parties are as follows:

	Six months ended	
	December 31	
	2018	2017
	<i>Rupees '000'</i>	
	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>

14.1 Transactions with related parties

Nature of relationship	Nature of transaction		
Key management personnel	Short term employee benefits	17,738	16,271
	Advances disbursed	1,535	2,600
	Advances recovered	1,912	389
Pension fund trust	Contribution for the period	27,945	24,679

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2018

14.2 Balances with related parties

Nature of relationship	Nature of transaction		
Key management personnel	Advances recoverable	6,684	4,238
Pension fund trust	Payable to pension fund trust	2,919,645	2,393,547

There are no balances due to/from related parties as at the reporting date.

15 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in this condensed interim financial report.

16 THE ADMINISTRATOR

At present, the Secretary Co-operatives, Government of the Punjab is the Administrator of the Bank, having powers and duties of the Board of Directors.

17 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in this condensed interim financial information.

18 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Administrator of the Bank and authorized for issue on 07.03.2019.

19 GENERAL

19.1 There are no other significant activities since June 30, 2018 affecting the interim financial information.

19.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.

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

MUNIR AHMED
Acting President/CEO

ZAHID MANSOOR
Chief Financial Officer