ZARAI TARAQIATI BANK LIMITED

UNCONSOLIDATED CONDENSED INTERIM

FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED

30 SEPTEMBER 2024

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
		...... Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	3,077,291	3,661,179
Balances with other banks	7	9,936,305	31,925,573
Lendings to financial institutions	8	47,079,885	6,560,700
Investments	9	481,372,226	372,212,120
Advances	10	106,004,196	105,507,660
Property and equipment	11	1,554,692	1,538,612
Right-of-use assets	12	801,450	856,939
Intangible assets	13	175,539	255,925
Deferred tax assets	14	12,978,187	12,730,814
Other assets	15	60,336,500	27,126,949
		723,316,271	562,376,471
LIABILITIES			
Bills payable	17	449,735	2,605,372
Borrowings	18	557,417,219	399,877,699
Deposits and other accounts	19	51,967,899	57,169,073
Lease liabilities	20	928,725	983,391
Sub-ordinated loan		-	-
Deferred tax liabilities		-	-
Other liabilities	21	32,463,730	27,576,255
		643,227,308	488,211,790
NET ASSETS		80,088,963	74,164,681
REPRESENTED BY			
Share capital		52,678,432	52,678,432
Reserves		10,836,008	9,520,922
Surplus on revaluation of assets	22	2,923,816	1,622,051
Accumulated profit		13,650,707	10,343,276
		80,088,963	74,164,681
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements (un-audited).

President **Chief Financial Officer** **Director** **Director** **Director**

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	Note	Quarter ended		Period ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		...... Rupees in '000			
Mark-up / return / interest earned	24	32,400,863	46,298,480	86,222,032	110,019,888
Mark-up / return / interest expensed	25	24,085,508	38,922,334	69,718,078	92,596,819
Net mark-up / interest income		8,315,355	7,376,146	16,503,954	17,423,069
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	69,324	299,065	203,277	915,084
Dividend income		47,792	52,097	55,972	112,911
Foreign exchange income		-	-	-	-
Income / (loss) from derivatives		-	-	-	-
Net gains/(loss) on derecognition of financial assets measured at amortised cost					
Gain on securities	27	1,025,698	173,053	1,544,056	188,804
Other income	28	685,630	154,239	1,430,014	439,861
Total non-mark-up / interest income		1,828,444	678,454	3,233,319	1,656,660
Total income		10,143,799	8,054,600	19,737,273	19,079,729
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	3,635,776	3,525,146	10,607,648	9,961,855
Workers welfare fund		-	-	-	-
Other charges	30	-	261	1,469	38,594
Total non mark-up / interest expenses		3,635,776	3,525,407	10,609,117	10,000,449
Profit before credit loss allowance		6,508,023	4,529,193	9,128,156	9,079,280
Credit loss allowance and write offs - net	31	(392,728)	(581,410)	(3,248,916)	(4,228,466)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		6,900,751	5,110,603	12,377,072	13,307,746
Taxation	32	3,040,056	1,473,716	5,801,644	6,424,562
PROFIT AFTER TAXATION		3,860,695	3,636,887	6,575,428	6,883,184
Basic earning per share (Rupees)	33	0.73	0.69	1.25	1.31
Diluted earning per share (Rupees)	33	0.73	0.69	1.25	1.31

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements (un-audited).

President | Chief Financial Officer | Director | Director | Director

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	Quarter ended		Period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	... Rupees in '000 ...			
Profit after taxation for the period	3,860,695	3,636,887	6,575,428	6,883,184
Other Comprehensive Income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	1,197,641	421,286	1,301,765	608,366
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-
Total Comprehensive Income	5,058,336	4,058,173	7,877,193	7,491,550

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements (un-audited).

President **Chief Financial Officer** **Director** **Director** **Director**

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	Share capital	Statutory reserve	Contingencies reserve	Surplus on revaluation of investments	Un-appropriated profit / (loss)	Total
	……………… Rupees in '000 ………………					
Balance as at January 1, 2023	52,678,432	7,264,095	60,000	913,828	(1,203,782)	59,712,573
Profit after taxation for the nine months ended September 30, 2023	-	-	-	-	6,883,184	6,883,184
Other comprehensive income for the nine months ended September 30, 2023	-	-	-	608,366	-	608,366
Total comprehensive income for the nine months ended September 30, 2023	-	-	-	608,366	6,883,184	7,491,550
Transferred to statutory reserve	-	1,376,637	-	-	(1,376,637)	-
Balance as at September 30, 2023	52,678,432	8,640,732	60,000	1,522,194	4,302,765	67,204,123
Profit after taxation for three months period ended December 31, 2023	-	-	-	-	4,100,950	4,100,950
Other comprehensive income for three months ended December 31, 2023	-	-	-	99,857	2,759,751	2,859,608
Total comprehensive income for three months ended December 31, 2023	-	-	-	99,857	6,860,701	6,960,558
Transferred to statutory reserve		820,190			(820,190)	-
Balance as at December 31, 2023	52,678,432	9,460,922	60,000	1,622,051	10,343,276	74,164,681
Impact of adoption of IFRS 9 - net of tax (Note 3.3.2)	-	-	-	-	(1,952,911)	(1,952,911)
Profit after taxation for the nine months ended September 30, 2024	-	-	-	-	6,575,428	6,575,428
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	1,301,765	-	1,301,765
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	1,301,765	6,575,428	7,877,193
Transferred to statutory reserve	-	1,315,086	-	-	(1,315,086)	-
Balance as at September 30, 2024	52,678,432	10,776,008	60,000	2,923,816	13,650,707	80,088,963

Statutory reserves represent reserve maintained as per requirement of Section 21 of the Banking Companies Ordinance, 1962.

The Bank has set aside contingencies resereve for insurance of cash, building and vehicles.

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements (un-audited).

President | Chief Financial Officer | Director | Director | Director

ZARAI TARAQIATI BANK LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	Note	Period ended September 30, 2024	Period ended September 30, 2023
		...... Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating profit before working capital changes	34	16,453,053	18,049,004
(Increase) / decrease in operating assets:			
Lendings to financial institutions		(40,519,185)	31,646,842
Securities classified as FVPL		-	(761,220)
Advances		(5,448,862)	(10,338,785)
Other assets - net (excluding advance taxation)		(32,311,824)	(13,213,096)
		(78,279,871)	7,333,741
Increase / (decrease) in operating liabilities:			
Bills payable		(2,155,637)	2,267,726
Borrowings from financial institutions		157,539,520	253,767,130
Deposits and other accounts		(5,201,174)	1,801,144
Other liabilities		1,573,566	8,415,820
		151,756,275	266,251,820
Employees' benefits paid		(717,532)	(702,177)
Income tax paid		(6,318,482)	(4,313,482)
Net cash generated from operating activities		82,893,443	286,618,906
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		(106,607,627)	(287,134,158)
Realised gain on sales of securities		1,544,056	180,998
Dividend received		55,972	112,911
Investments in operating fixed assets		(196,503)	(119,783)
Proceeds from sale of fixed assets		21,543	52,166
Net cash used in investing activities		(105,182,559)	(286,907,866)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets		(284,040)	(248,470)
Decrease in cash and cash equivalents		(22,573,156)	(537,430)
Cash and cash equivalents at beginning of the period		35,586,752	15,195,778
Cash and cash equivalents at end of the period	35	13,013,596	14,658,348

The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements (un-audited).

President | Chief Financial Officer | Director | Director | Director

ZARAI TARAQIATI BANK LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

1 STATUS AND NATURE OF BUSINESS

1.1 Reorganization and conversion

The Federal Government in its cabinet meeting held on August 28, 2002 decided for the reorganization and conversion of Agricultural Development Bank of Pakistan (ADBP) into a public limited company for the purposes of ensuring good governance, autonomy, delivering high quality and viable financial services to a greater number of rural clientele and adequate returns to stakeholders. Accordingly, the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002 was promulgated for taking over the entire undertaking of ADBP and for matters connected therewith or incidental thereto.

1.2 Status

As required under section 3 of the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002, Zarai Taraqiati Bank Limited ("the Bank") was incorporated as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on October 23, 2002. Consequently, under SRO 823(1)/2002 dated November 18, 2002, all the assets, contracts, liabilities, proceedings and undertakings of ADBP were transferred to, and vested in Zarai Taraqiati Bank Limited on December 14, 2002, the effective date specified by the Federal Government, on the basis of net worth determined at Rs. 8.7 billion. The Bank is domiciled in Pakistan and its registered office is situated at 1-Faisal Avenue (Zero Point), Islamabad. The Bank operates 501 (December 31, 2023: 501) branches including 25 (December 31, 2023: 25) Islamic banking branches in Pakistan as at the close of the period.

1.3 Nature of business

The main purpose of the Bank is to provide sustainable rural finance and services particularly to small farmers and low-income households to strengthen the rural and agricultural sector, mitigate poverty, capital market and investment activities and other banking business.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

These unconsolidated condensed interim financial statements (un-audited) have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. These comprise of:

- International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;

- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP).

In case requirements of the Companies Act, 2017, the Banking Companies Ordinance, 1962, or the provisions of and directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Companies Act, 2017, Banking Companies Ordinance, 1962, and the said directives shall prevail.

The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements (un-audited).

The disclosures made in these unconsolidated condensed interim financial statements (un-audited) have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 9, 2023 and IAS34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of annual financial statements, and should be read in conjunction with the annual unconsolidated financial statements (audited) of the Bank for the year ended December 31, 2023, except for IFRS 9 Financial Instruments adopted w.e.f January 1, 2024.

2.2 These unconsolidated condensed interim financial statements represent un-audited separate condensed interim financial information of the Bank. The consolidated condensed interim financial information of the Bank and its subsidiary company is presented separately.

2.3 The financial results of the Islamic banking branches have been consolidated in these unconsolidated condensed interim financial statements for reporting purposes, after eliminating interbranch transactions/balances. Key financial figures of the Islamic banking branches are disclosed in note 38 to these unconsolidated condensed interim financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements (un-audited) are consistent with those applied in the preparation of the unconsolidated annual financial statements (audited) of the Bank for the year ended December 31, 2023 except for the adoption of IFRS 9 Financial Instruments w.e.f January 1, 2024.

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

During the period, there are certain new and amended standards, interpretations and improvements to accounting standards that became effective. However, these are considered either not to be relevant or not to have any material effect on the financial statements of the Bank and, therefore, are not disclosed

3.2 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that are not effective in the current period. The Bank expects that adoption of the same will not affect its financial statements in the period of initial application.

3.3 Changes in accounting policies and transition disclosures

3.3.1 Impact of IFRS 9 - Financial Instruments

As permitted by the transitional provisions of IFRS9, the Bank has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings at the beginning of the current year without restating the comparative figures.

The adoption of IFRS9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'.

3.3.2 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

The following table reconciles the carrying amounts of financial assets, from their previous measurement category in accordance with existing local regulations to their new measurement categories upon transition to IFRS 9 on January 01, 2024;

	Classification under IFRS 9					
	Carrying amount as per current accounting policy as at Jan 1, 2024	At FVOCI - without recycling	At FVOCI - with recycling	At Amortised Cost	Remeasurement under IFRS 9	IFRS 9 carrying amount as at Jan 1, 2024
	.... Rupees in '000					
Cash and cash equivalents	35,586,752	-	-	35,586,752	-	35,586,752
Lendings to financial institutions	6,560,700	-	-	6,560,700	-	6,560,700
Advances	105,507,660	-	-	105,507,660	(2,057,526)	103,450,134
Investments in financial assets						
Available for sale	372,112,120	3,531,810	368,580,310	-	-	372,112,120
Other assets	27,126,949	-	-	27,126,949	-	27,126,949
Other liabilities	27,576,255	-	-	27,576,255	1,771,710	29,347,965

3.3.3 The following explains how applying the new classification requirements of IFRS 9 led to changes in classification of certain financial assets held by the Bank as shown in the table above:

(A) Designation of equity instruments at FVOCI

The Bank has elected to irrevocably designate strategic investments of Rs. 10.523 million in unquoted securities as permitted under IFRS 9. These securities were previously classified as available for sale. The changes in fair value of such securities will no longer be reclassified to profit or loss when they are disposed of.

The Bank has elected to irrevocably designate Rs. 3,531.810 million in listed securities as permitted under IFRS 9. These securities were previously classified as available for sale. The changes in fair value of such securities will no longer be reclassified to profit or loss when they are disposed of.

(B) Reclassification from retired categories with no change in measurement

In addition to the above, the debt instruments previously classified as available for sale and now classified as measured at FVOCI under IFRS 9, as their previous categories under existing local regulations were 'retired', with no changes to their measurement basis.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements are the same as that applied in the preparation of the audited annual unconsolidated financial statements for the year ended December 31, 2023.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the unconsolidated financial statements of the Bank for the year ended December 31, 2023.

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Rupees in '000	

6 CASH AND BALANCES WITH TREASURY BANKS

In hand		
Local currency	668,353	911,540
With State Bank of Pakistan in:		
Local currency current account	1,912,641	1,834,020
With National Bank of Pakistan in:		
Local currency current account	183,089	393,638
Local currency deposit account	311,472	520,283
	494,561	913,921
Prize bonds	1,736	1,698
Less: Credit loss allowance held against cash and balances with treasury banks	-	-
	3,077,291	3,661,179

7 BALANCES WITH OTHER BANKS

In Pakistan		
In current accounts	85,237	99,618
In deposit accounts	9,851,068	31,825,955
	9,936,305	31,925,573
Less: Credit loss allowance held against balances with other banks	-	-
	9,936,305	31,925,573

8 LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings	20,200,000	3,000,000
Musharakah lending	1,000,000	600,000
Repurchase agreement lendings (reverse repo)	25,879,885	2,960,700
	47,079,885	6,560,700
Less: Credit loss allowance held against lending to financial	-	-
	47,079,885	6,560,700

8.1 Lending to financial institutions - Particulars of credit loss allowance

		September 30, 2024 (Un-audited)	
		Lending	Credit loss allowance held
		Rupees in '000	
Domestic			
Performing	Stage 1	47,079,885	-
Under performing	Stage 2	-	-
Non-performing	Stage 3		
Substandard		-	-
Doubtful		-	-
Loss		-	-
		-	-
Total		47,079,885	-

9 INVESTMENTS

9.1 Investments by types

	September 30, 2024 (Un-audited)				December 31, 2023 (Audited)			
	Cost / amortised cost	Credit Loss Allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
	Rupees in '000							
FVOCI								
Federal Government securities	473,068,728	-	2,899,899	475,968,627	-	-	-	-
Shares	99,819	(10,523)	2,838,451	2,927,747	-	-	-	-
Corporate sukuk	382,345		1,715	384,060	-		-	-
Term Finance Certificates	1,998,885	-	(7,093)	1,991,792	-	-	-	-
	475,549,777	(10,523)	5,732,972	481,272,226	-	-	-	-
Available-for-sale securities								
Federal Government securities	-	-	-	-	366,386,675	-	(255,564)	366,131,111
Shares	-	-	-	-	99,819	(10,523)	3,442,514	3,531,810
Corporate sukuk	-	-	-	-	456,681	-	1,919	458,600
Term Finance Certificates	-	-	-	-	1,998,975	-	(8,376)	1,990,599
	-	-	-	-	368,942,150	(10,523)	3,180,493	372,112,120
Subsidiary	100,000	-	-	100,000	100,000	-	-	100,000
Total investments	475,649,777	(10,523)	5,732,972	481,372,226	369,042,150	(10,523)	3,180,493	372,212,120

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Rupees in '000	

9.1.1 Information related to subsidiary company

Country of incorporation	Pakistan	
Percentage of Holding (%)	100	100
Assets	1,940,381	1,727,771
Liabilities	556,925	519,214
Revenue	165,917	196,868
Profit after tax	174,900	166,714
Total comprehensive income	174,900	196,336

9.1.2 Investments given as collateral

Market Treasury Bills	117,239,402	213,753,317
Pakistan Investment Bonds	350,500,000	130,584,346
	467,739,402	344,337,663

9.2 Credit loss allowance for diminution in value of investments

Opening balance	10,523	10,523
Exchange adjustments	-	-
Charge / reversals		
Charge for the period / year	-	-
Reversals for the period / year	-	-
Reversal on disposals	-	-
	-	-
Transfers - net	-	-
Amounts written off	-	-
Closing Balance	10,523	10,523

9.3 Particulars of credit loss allowance against debt securities

		September 30, 2024 (Un-audited)	
		Outstanding amount	Credit loss allowance held
		Rupees in '000	
Domestic			
Performing	Stage 1	481,261,703	-
Under performing	Stage 2	-	-
Non-performing	Stage 3		
Substandard		-	-
Doubtful		-	-
Loss		10,523	10,523
		10,523	10,523
		481,272,226	10,523

10 ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) September 30, 2024	(Audited) December 31, 2023	(Un-audited) September 30, 2024	(Audited) December 31, 2023	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Rupees in '000					
Loans, cash credits, running finance, etc.	93,281,200	85,398,098	30,254,103	34,584,173	123,535,303	119,982,271
Islamic financing and related assets	3,354	-	-	-	3,354	-
Advances - gross	93,284,554	85,398,098	30,254,103	34,584,173	123,538,657	119,982,271
Credit loss allowance against advances:						
-Stage 1	64,934	-	-	-	64,934	-
-Stage 2	2,096,872	-	-	-	2,096,872	-
-Stage 3	-	-	-	-	-	-
- against agriculture advance	-	-	12,330,946	11,434,335	12,330,946	11,434,335
- against staff advances	-	-	41,709	40,276	41,709	40,276
- general	3,000,000	3,000,000	-	-	3,000,000	3,000,000
	5,161,806	3,000,000	12,372,655	11,474,611	17,534,461	14,474,611
Advances - net of credit loss allowance	88,122,748	82,398,098	17,881,448	23,109,562	106,004,196	105,507,660

10.1 Particulars of advances (gross)

In local currency	123,538,657	119,982,271

10.2 Advances include Rs. 30,205.238 million (December 31, 2023: Rs. 34,539.382 million) relating to agricultural financing which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2024 (Un-audited) Non performing loans	September 30, 2024 (Un-audited) Credit loss allowance / provision	December 31, 2023 (Audited) Non performing loans	December 31, 2023 (Audited) Credit loss allowance / provision
	Rupees in '000			
Domestic				
Other assets especially mentioned	7,432,758	-	15,801,372	-
Substandard	9,869,566	1,973,913	6,965,643	1,393,129
Doubtful	5,091,769	2,545,888	3,462,327	1,731,165
Loss	7,811,145	7,811,145	8,310,040	8,310,040
	30,205,238	12,330,946	34,539,382	11,434,334

10.3 Particulars of credit loss allowance against advances

	September 30, 2024 (Un-audited)						December 31, 2023 (Audited)		
	Stage 3	Stage 2	Stage 1	Specific	General	Total	Specific	General	Total
	.... Rupees in '000								
Opening balance	-	-	-	11,434,334	3,000,000	14,434,334	14,126,561	3,000,000	17,126,561
Impact on adoption of IFRS 9	11,434,334	1,713,434	344,092	(11,434,334)	-	2,057,526			
Charge for the period	6,657,990	2,030,878	62,314	-	-	8,751,182	7,586,093	-	7,586,093
Reversals	(3,868,900)	(1,647,440)	(341,472)	-	-	(5,857,812)	(3,154,764)	-	(3,154,764)
	2,789,090	383,438	(279,158)	-	-	2,893,370	4,431,329	-	4,431,329
Amounts charged off	(1,892,478)			-	-	(1,892,478)	(7,123,556)	-	(7,123,556)
Closing balance	12,330,946	2,096,872	64,934	-	3,000,000	17,492,752	11,434,334	3,000,000	14,434,334

10.3.1 The credit loss allowance as per PR's requirements is Rs. 12,330.946 million (December 31, 2023: Rs. 11,434.334 million), higher than the IFRS-9, ECL i-e Rs. 11,832.900 million (December 31, 2023: Rs. 6,944.290 million) therefore stage 3 is taken as per the PR's requirements.

10.3.2 Regulations R-11, R-12, R-13 and R-15 of the Prudential Regulations for Agriculture Financing prescribe minimum standards for classification and provisioning of non-performing loans. As per the time based criteria given in the aforesaid Regulations, provision against non-performing loans is to be made at a given percentage of the difference resulting from the outstanding balance of principal less the amount of realizable liquid assets and a given percentage of the value of mortgaged lands and buildings at the time of sanction of the loans. However, the Bank has yet not availed the benefit of allowed value of mortgaged lands and buildings while computing the provision against non-performing loans.

10.3.3 In addition to the time based criteria, the Bank has further classified loans and advances amounting to Rs. 2,031.146 million (December 31, 2023: Rs. 4,603.142 million) and further de-graded the category of classified loans and advances amounting to Rs. 5,160.135 million (December 31, 2023: Rs. 5,366.175 million) on the basis of credit worthiness of the borrowers in accordance with the subjective criteria of the Prudential Regulations for Agriculture Financing.

10.4 Advances - Particulars of credit loss allowance

	September 30, 2024 (Un-audited)		
	Stage 1	Stage 2	Stage 3
	.... Rupees in '000		
10.4.1 Opening Balances	344,092	1,713,434	6,944,290
New advances	34,938	58,188	-
Advances derecognised or repaid	(230,014)	(387,453)	(1,380,521)
Transfer to stage 1	(89,401)	89,402	1,101,285
Transfer to stage 2	139,426	(1,240,711)	(46,190)
Transfer to stage 3	110,100	46,190	(110,100)
	(34,951)	(1,434,384)	(435,526)
Amounts written off / charged off	-	-	(917,051)
Changes in risk parameters (PDs/LGDs/EADs)	(244,207)	1,817,822	6,241,187
Other changes (to be specific)	-	-	-
Closing balance	64,934	2,096,872	11,832,900

10.4.2 Advances - Category of classification

		September 30, 2024 (Un-audited)	
Domestic		Outstanding amount	Credit loss allowance held
		...... Rupees in '000	
Performing	Stage 1	84,572,344	64,934
Under perform	Stage 2	18,450,796	2,096,872
Non-Performin	Stage 3		
Substandard		11,270,518	6,427,068
Doubtful		5,187,146	3,056,592
Loss		2,461,924	2,349,240
		18,919,588	11,832,900
Total		121,942,728	13,994,706

	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
		Rupees in '000	

11 PROPERTY AND EQUIPMENT

	Note		
Capital work-in-progress	11.1	77,605	69,326
Property and equipment	11.2	1,477,087	1,469,286
		1,554,692	1,538,612

11.1 Capital work-in-progress

	Note		
Civil works		51,947	61,385
Equipment		16,550	-
Consultancy charges		8,694	7,618
Others	11.1.1	414	323
		77,605	69,326

11.1.1 This includes soil testing and other charges incurred at sites.

11.2 Additions to property and equipment

The following additions have been made during the period:

	(Un-audited) September 30, 2024	September 30, 2023
	... Rupees in '000 ...	
Capital work-in-progress	8,279	2,369
Property and equipment:		
Buidling on freehold land	7,826	11,575
Buidling on leasehold land	9,556	4,909
Furniture and fixture	8,488	5,429
Electrical, office and computer equipment	124,263	81,204
Vehicles	26,805	6,125
Total	185,217	111,611

11.3 Disposal of property and equipment

The net book value of fixed assets disposed off is as follows:

Furniture and fixture	47	-
Electrical, office and computer equipment	8	-
Vehicles	12,059	25,808
Total	12,114	25,808

12 RIGHT-OF-USE ASSETS

	(Un-audited) September 30, 2024			(Audited) December 31, 2023		
	Buildings	Others	Total	Buildings	Others	Total
	Rupees in '000					
At January 1						
Cost	1,450,311	-	1,450,311	1,321,952	-	1,321,952
Accumulated Depreciation	593,372	-	593,372	510,874	-	510,874
Net opening carrying amount	856,939	-	856,939	811,078	-	811,078
Additions during the period / year	186,185	-	186,185	324,023	-	324,023
Deletions during the period / year	45,097	-	45,097	21,193	-	21,193
Depreciation charge for the period / year	196,577	-	196,577	256,969	-	256,969
Net closing carrying amount	801,450	-	801,450	856,939	-	856,939

13 INTANGIBLE ASSETS

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Rupees in '000	
Computer Software	175,539	255,925

		... (Un-audited) ...	
		September 30, 2024	September 30, 2023
		Rupees in '000	
13.1	**Additions to intangible assets**		
	Additions made during the period:		
	Directly purchased	8,860	9,474

		Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
			Rupees in '000	
14	**DEFERRED TAX ASSETS**			
	Deductible temporary differences on:			
	Defined benefit plans		(2,518,298)	(2,518,298)
	Unearned loan processing fee		833,215	-
	Credit loss allowance against non-performing loans and advances		17,225,414	16,874,015
			15,540,331	14,355,717
	Taxable temporary differences on:			
	Accelerated tax depreciation		247,012	(66,461)
	Surplus on revaluation of investments		(2,809,156)	(1,558,442)
			(2,562,144)	(1,624,903)
			12,978,187	12,730,814
15	**OTHER ASSETS**			
	Income / mark-up accrued in local currency on :			
	- advances - net of provision		14,422,830	11,235,916
	- securities		33,941,367	6,702,050
	- deposits		64,888	446,626
	Amount recoverable from Federal Government		2,872,966	2,853,635
	Tax recoverable		422,652	422,652
	Branch adjustment accout		3,401,490	1,626,582
	Taxation (payments less provision)		2,572,131	1,677,055
	Receivable from gratuity scheme - SR 2005		1,261,985	1,140,994
	Non banking assets acquired in satisfaction of claims		413,176	420,731
	Stationery and stamps in hand		177,347	147,042
	Stock of farm machinery		11,237	11,237
	Advances against salary and expenses		68,014	60,339
	Security deposits		7,199	7,199
	Advances and other prepayments		1,347,455	644,944
	Clearing and settlement		-	589,903
	Others		337,782	128,713
			61,322,519	28,115,618
	Credit loss allowance held against other assets	15.1	(986,019)	(988,669)
	Other assets - net of credit allowance		60,336,500	27,126,949
15.1	**Credit loss allowance held against other assets**			
	Tax recoverable		422,652	422,652
	Non banking assets acquired in satisfaction of claims		413,176	420,731
	Amount recoverable from Federal Government		66,234	66,234
	Stock of farm machinery		11,237	11,237
	Accrued interest on advances of ex-employees		16,813	15,595
	Amount deposited with courts / legal charges recoverable		55,907	52,220
			986,019	988,669
15.1.1	**Movement in credit loss allowance held against other assets**			
	Opening balance		988,669	939,492
	Charge for the period / year		27,939	99,530
	Reversals		(30,589)	(50,353)
			(2,650)	49,177
	Closing balance		986,019	988,669

16 CONTINGENT ASSETS

16.1 There is a contingency of an amount of Rs. 297.149 million and Rs. 54.828 million on account of minimum income tax levied by the Income Tax authorities under section 80-D of the Income Tax Ordinance, 1979, and various tax refunds pertaining to assessment years 1991-92 to 1998-99 and assessment year 1999-2000 respectively despite the income of the Bank being exempt from tax up to income year ended 30 June 1999. The Bank paid, under protest, these disputed tax demands and also filed writ petition in this respect in the Honourable Lahore High Court, Rawalpindi Bench, Rawalpindi. Later on, the Bank withdrew the said petition on the directions of the Federal Government and the case was referred to the Law and Justice Division of the Government of Pakistan (GoP) which decided the reference in the Bank's favour. The Federal Board of Revenue (FBR), disagreed with the aforesaid decision, further took up the matter with Federal Cabinet for its review. Federal Cabinet referred the case to the Attorney General of Pakistan (AGP) for final decision which was received on March 12, 2011 whereby the AGP decided that Section 27-A of the ADBP Ordinance should prevail over the said section 80-D of the Income Tax Ordinance, 1979.

16.2 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 11.05.2019 for the period January 2012 to December 2012 creating a demand of Rs 6.42 million (Principle + Penalty). On 03.06.2019, payment of impugned tax Amounting Rs.6.6 million (Principle + 10% Surcharge) has been made, under protest, to avail the SRB Amnesty Scheme. Bank has filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favourable decision.

16.3 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 11.07.2019 for the period January 2013 to December 2013 creating a demand of Rs 2.75 million. On 03.06.2019, payment of impugned tax amounting to Rs. 2.75 million was made, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favourable decision.

16.4 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 24.01.2020 for the period of January 2014 to December 2014 which created a demand of Rs.54.6 million. On 03.06.2019 payment of impugned tax was made for Rs. 2.86 million, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favourable decision.

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
		Rupees in '000	
17	**BILLS PAYABLE**		
	In Pakistan	449,735	2,605,372
18	**BORROWINGS**		
	Secured		
	Borrowing from State Bank of Pakistan (SBP):		
	Redeemable preference shares	54,461,536	54,461,536
	Repurchase agreement borrowings	467,739,402	330,098,427
	Repurchase agreement borrowings - others	-	14,239,236
	Total secured	522,200,938	398,799,199
	Unsecured		
	Call borrowings	35,216,281	1,078,500
		557,417,219	399,877,699
19	**DEPOSITS AND OTHER ACCOUNTS**		
	Customers - local currency		
	Current deposits	6,533,063	6,104,401
	Saving deposits	10,802,408	13,078,871
	Term deposits	33,474,734	34,268,326
	Others	128,467	37,255
		50,938,672	53,488,853
	Financial Institutions - local currency		
	Current deposits	137,950	75,364
	Saving deposits	891,277	3,604,856
		1,029,227	3,680,220
		51,967,899	57,169,073
20	**LEASE LIABILITIES**		
	Outstanding amount at the start of the period / year	983,391	907,653
	Additions during the period / year	138,813	296,173
	Lease payments including interest	(248,121)	(304,542)
	Interest expense	88,286	118,859
	Remeasurement	(33,644)	(34,752)
	Outstanding amount at the end of the period / year	928,725	983,391

21 OTHER LIABILITIES

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Rupees in '000	
Mark-up / return / interest payable in local currency on:		
- borrowings	3,210,885	5,050,416
- deposits and other accounts	5,480,744	2,446,712
Accrued expenses	157,257	1,162,422
Net liabilities relating to Bangladesh	189	189
Payable to Ministry of Food Agriculture & Livestock	168,000	168,000
Provision for:		
- pension scheme	6,498,605	5,845,680
- employees' post retirement medical benefits	10,276,449	9,409,455
- employees' compensated absences	1,948,891	1,926,253
Payable to subsidiary company	165,707	154,910
Due to Islamic Banking	13,209	114,491
Security deposits	18,757	38,182
Deferred income	9,179	9,535
Clearing and settlement	487,578	-
Others	4,028,280	1,250,010
	32,463,730	27,576,255

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
		Rupees in '000	

22 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus / (deficit) on revaluation available-for-sale securities:		
Surplus on revaluation of available-for-sale securities	5,732,972	3,180,493
Deferred tax on surplus on revaluation of available-for-sale securities	(2,809,156)	(1,558,442)
	2,923,816	1,622,051

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingent liabilities

In respect of cases filed against the Bank:

23.1.1	by borrowers; 377 (December 31, 2023: 606) cases	348,835	402,962
23.1.2	by employees; 479 (December 31, 2023: 468) cases	274,315	271,387

23.2.1 The Bank contested taxation matters for Assessment Years 2002-2003 and Tax Years 2003-2009. Appellate Tribunal Inland Revenue, Islamabad favored the Bank, resulting in net refunds of Rs. 4,640.154 million. Reference applications filed by CIR were decided by Islamabad High Court, Islamabad. Due to this order only in Tax Year 2007, Assessment Officer created a Rs. 24.875 million demand based on High Court directives. The Bank appealed to CIR(A), who remanded the issues to assessment officer. These all cases are currently under litigation at the Supreme Court of Pakistan. Creating provision for income tax cases, around Rs. 9,917.854 million. Bank has not accounted for the demand as tax payable, as a favorable decision is expected.

23.2.2 The Deputy Commissioner Inland Revenue, u/s 122(5A), initially demanded Rs. 1,798.905 million for Tax Year 2008. However, following appeals and proceedings, the initial tax demand has now been reduced to Rs. 417.922 million. The matter is currently under litigation at the Alternate Dispute Resolution Committee. Bank has not accounted for the demand as tax payable, as a favorable decision is expected.

23.2.3 The Deputy Commissioner Inland Revenue, u/s 122(5A), initially demanded Rs. 1,057.652 million for Tax Year 2009. However, following appeals and proceedings, the initial tax demand has now been reduced to Rs. 113.706 million. The matter is currently under litigation at the Alternate Dispute Resolution Committee. Bank has not accounted for the demand as tax payable, as a favorable decision is expected.

23.2.4 Deputy Commissioner Inland Revenue, u/s 161/205, initially demanded Rs. 27.792 million for Tax Year 2009. However, after appeals and proceedings, the tax demand has now been converted into refund of Rs. 16.752 million. The matter is currently under litigation at the Islamabad High Court, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.5 The Additional Commissioner Inland Revenue u/s 122(5A) initially raised demands of Rs. 1,150.617 million for Tax Year 2010. However, following appeals and proceedings, the initial tax demand has now been reduced to Rs. 419.221 million. The matter is currently under litigation at the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.6 The Deputy Commissioner Inland Revenue, u/s 161/205, initially raised a demand of Rs. 429.747 million for Tax Year 2010. The matter is currently under litigation at the Islamabad High Court. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.7 The Additional Commissioner Inland Revenue, u/s 122(5A), initially demanded Rs. 2,922.881 million for Tax Year 2011. However, following appeals and proceedings, the current tax demand is Rs. 181.617 million. The matter is currently under litigation at the Honorable Islamabad High Court. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.8 The Deputy Commissioner Inland Revenue, u/s 161/205, initially raised a demand of Rs. 208.337 million for Tax Year 2011. However, following appeals and proceedings, ATIR cancelled the order in favour of the Bank, resulting in a demand reduction to Rs. 7.527 million. The matter is currently under litigation at the Islamabad High Court, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.9 The Additional Commissioner Inland Revenue, u/s 122(5A), initially raised demands of Rs. 2,037.114 million for Tax Year 2012. However, following appeals and proceedings, the tax liability has been converted into refund of Rs. 12.320 million. The matter is presently in litigation at Honorable Islamabad High Court. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.10 The Deputy Commissioner Inland Revenue, u/s 161/205, initially demanded Rs. 15.943 million for Tax Year 2012. However, following appeals and proceedings, the tax liability has been reduced to Rs. 3.892 million. The matter is currently awaiting appeal effects with the A.O. after the cancellation of the impugned order by the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.11 The Additional Commissioner Inland Revenue initially demanded Rs. 4,920.168 million under section 122(5A) for Tax Year 2013. However, following appeals and proceedings, the tax liability has been converted to refund Rs. 8.702 million. The matter is presently in litigation at both the Appellate Tribunal Inland Revenue, Islamabad and Islamabad High Court, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.12 The Deputy Commissioner Inland Revenue, under section 122(5A), initially demanded Rs. 3,058.732 million for Tax Year 2014. However, following appeals and proceedings, the tax liability has been reduced to Rs. 889.140 million. The matter is remanded back by the CIR(A) to the Assessment Officer. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.13 The Assessment Officer, u/s 161/205, initially demanded Rs. 3.076 million for Tax Year 2014. The matter is remanded back by the CIR(A) to the assessment officer. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.14 The Deputy Commissioner Inland Revenue, u/s 122(5A), initially demanded Rs. 5,549.706 million for Tax Year 2015. However, following appeals and proceedings, the tax liability has been raised to Rs. 6,780.480 million. The matter is presently in litigation at the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.15 The Assessment Officer, under sections 161/205, initially demanded Rs. 26.628 million for Tax Year 2015 under section 155 of the Income Tax Ordinance (ITO), 2001. After appeals, the reduced tax liability is now Rs. 14.183 million. The Bank has appealed to the Appellate Tribunal Inland Revenue, Islamabad. The second demand of Rs. 2.270 million under section 155. However, on appeal, the Commissioner of Inland Revenue (Appeals) subsequently remanded the case back to the Assessing Officer. The third demand of Rs. 0.412 million was raised under section 153(1)(b) of ITO, 2001. Subsequently, it has been cancelled by the Appellate Tribunal Inland Revenue (ATIR), but the appeal effect is awaited from the Assessing Officer. The fourth demand of Rs. 0.207 million was raised under section 153(1)(b). However, on appeal, the Commissioner of Inland Revenue (Appeals) subsequently remanded the case back to the Assessing Officer. The fifth demand of Rs. 9.495 million under section 149 has been annulled by the Commissioner of Inland Revenue (Appeals), but appeal effects are awaited from the Assessing Officer. The sixth demand of Rs. 63.469 million was raised under section 151. Following appeals and proceedings, the tax liability has been reduced to Rs. 27.155 million. However, the Bank filed a second appeal against this order. The Bank has not accounted for the demands as tax payables, as favourable decisions are expected.

23.2.16 The Additional Commissioner of Inland Revenue initially raised a demand u/s 122(5A) of Rs. 1,510.521 million for the Tax Year 2016. However, due to subsequent appeals and proceedings, the demand has been converted into a refund of Rs. 416.325 million. The matter is currently under litigation at the Appellate Tribunal Inland Revenue in Islamabad. The Additional Commissioner of Inland Revenue issued two assessments under sections 161/205 orders: one for Rs. 63.243 million under section 151 and another for Rs. 161.180 million under section 149 for Tax Year 2016. After appeals, the tax demand under section 151 was reduced to Rs. 60.377 million. Meanwhile, for the demand under section 149, the Commissioner annulled the orders, and the appeal effects are still pending. The bank filed a second appeal against the remaining demand of Rs. 60.377 million. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.17 The Assessment Officer, under section 122(5A), initially raised a demand of Rs. 361.752 million for Tax Year 2017, but this order was rectified under section 221(1), resulting in a tax refundable of Rs. 679.294 million. The matter is presently under litigation at the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected

23.2.18 The Assessment Officer, in accordance with section 122(5A), initially issued a demand of Rs. 12,870.191 million for Tax Year 2018. However, this order was subsequently revised due to an audit under section 177(1), resulting in a revised tax demand of Rs. 14,435.571 million. The matter is presently under litigation at both the Appellate Tribunal Inland Revenue, Islamabad and the alternate Dispute Resolution Committee. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.19 The Assessment Officer, under section 122(5A), initially raised a demand of Rs. 983.653 million for Tax Year 2019. However, following subsequent appeals and proceedings, the demand has been reduced to Rs. 591.975 million. The matter is presently under litigation at the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected

23.2.20 The Assessment Officer, under section 122(5A), initially raised a demand of Rs. 4,085.176 million for Tax Year 2020. The matter is presently under litigation at the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected

23.2.21 The Assessment Officer, under section 122(5A), initially raised a demand of Rs. 6,425.014 million for Tax Year 2021. The matter is presently under litigation at the Appellate Tribunal Inland Revenue, Islamabad. Bank has not accounted for the demand as tax payable, as a favourable decision is expected

23.2.22 The Assessment Officer, on May 4 and May 5, 2023, issued orders under section 4(B) and section 122(5A) of the Income Tax Ordinance, 2001, raising demands of Rs. 1,392.216 million and Rs. 3,384.615 million, respectively, for the Tax Year 2022. The Assessment Officer, subsequently issued a rectified order under section 221(l)/122(5A), increasing the demand from Rs. 3,384.615 to Rs. 4,175.031 million. These matters under sections 4(B) and 221(1)/122(5A) are presently under litigation at the Alternate Dispute Resolution Committee and Appellate Tribunal Inland Revenue, Islamabad respectively. Bank has not accounted for the demand as tax payable, as a favorable decision is expected.

23.2.23 The Assessment Officer, under section 122(5A), initially raised a demand of Rs. 6,208.164 million for the Tax Year 2023. The matter is presently under litigation at the Commissioner Appeal Inland Revenue, Islamabad. The Bank has not accounted for the demand as tax payable, as a favorable decision is expected.

23.2.24 The cases relating to Federal Excise Duties / Sales tax matters of the Bank for the Tax Years 2008, 2009, 2010, 2011 and 2012, consisting of Contingent Liabilities amounting to Rs.825.121, were contested by the Bank at various forums. No provision has been recognized as the Bank is confident for a favourable outcome. In the latest development, Islamabad High Court(IHC) vide order No.FERA No.03/2014 and FERA No.02/2014 both dated February 6, 2023 decided the case in favour of the Bank for the Tax Year 2011 and 2012 and deleted the alleged tax demand of Rs.343 million. No provision for balance contingent liabilities amounting to Rs. 482.121 million has been recognized as the Bank is confident for a favourable outcome.

23.2.25 DCIR passed orders relating to FED for the period January 2013 to December 2013 and January 2014 to December 2014 creating a demand of Rs. 738.892 million and Rs. 681.109 million respectively. The ATIR in its order cancelled the Assessment Orders but the department has filed reference application before Islamabad High Court, Islamabad. The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.26 DCIR passed orders relating to Sales Tax for the period January 2013 to December 2013 and January 2014 to December 2014 creating a demand of Rs. 4.470 million (Rs. 1.822 million on advertisement and Rs. 2.647 million on fixed assets) and Rs. 13.295 million (Rs. 2.273 million on advertisement and Rs. 11.122 million on fixed assets) respectively. ATIR deleted the addition on fixed assets on which tax amount of Rs. 13.768 million was involved and remanded back the advertisement expenses on which tax amount of Rs. 4.096 million was involved. However, the department has filed reference application before Islamabad High Court, Islamabad on the issue of fixed asset deletion. The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.27 Commissioner, Punjab Revenue Authority (PRA) passed order relating to the period ended December 2016 creating a demand of Rs. 10.06 million. The Appellate Tribunal, PRA, while addressing the Bank's appeal, remanded back the case to the Assessment Officer. The Learned DC (PRA) created demand of Rs.10.3 million. The Appellate Tribunal (PRA) upheld the order passed by the Commissioner Appeals. The Bank has filed reference application before the Honourable Lahore High Court. The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.28 ATIR, Sindh Revenue Board (SRB) passed the order for the Sales Tax on Services for the period July 2011 to December 2011 creating demand of Rs 4.69 million. ATIR passed the order in favour of the bank wherein addition to Sales Tax against Postal Charges were deleted. However, SRB filed reference application before SHC, U/S 151 CPC 1908. Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.29 Assistant Commissioner, Sindh Revenue Board (SRB) passed an order for the period of January 2015 to December 2015 creating a demand of Rs. 10.2 million. The appeal / case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I), being time barred at the Commissioner Appeals. The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.30 Assistant Commissioner, Sindh Revenue Board (SRB) passed as order for the period of January 2016 to December 2016 creating a demand of Rs. 6.68 million. The appeal / case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I), being time barred at the Commissioner Appeals. The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.31 Order was passed by Deputy Commissioner, FBR for Tax Year 2015/16 creating demand of Rs. 712 million. ATIR decided the case in favour of the bank. The department (FBR) has filed reference application before honourable Islamabad High Court. The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

23.2.32 An order was passed by Deputy Commissioner, IR (FBR) creating a demand of Rs. 29.121 million for Tax Year 2019 (Jan -2019 to Dec-2019). Both the bank and department (FBR) filed appeal before Appellate Tribunal (IR). The Bank has not accounted for the demand as tax payable, as a favourable decision is expected.

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
		Rupees in '000	
23.3	**Commitments against**		
	Capital expenditures	1,487,277	417,926
	Consultancy expenditures	5,504	5,628

		Note	(Un-audited) September 30, 2024	September 30, 2023
			Rupees in '000	
24	**MARK-UP / RETURN / INTEREST EARNED**			
	On:			
	Loans and advances		20,975,118	15,291,933
	Investments		61,864,928	90,210,438
	Securities purchased under resale agreement		446,092	1,595,344
	Call money lendings		591,165	800,705
	Balances with banks		2,344,729	2,121,468
			86,222,032	110,019,888
25	**MARK-UP / RETURN / INTEREST EXPENSED**			
	On:			
	Deposits		7,270,034	5,339,066
	Redeemable preference shares - SBP		3,063,461	3,063,461
	Securities sold under repurchased agreement		54,311,930	83,012,325
	Call borrowings		4,965,314	1,086,764
	Bank commission and other charges		19,053	11,425
	On lease liability against right-of-use assets		88,286	83,778
			69,718,078	92,596,819
26	**FEE & COMMISSION INCOME**			
	Branch banking customer fees		46,779	41,471
	Credit related fees		154,495	872,001
	Commission on remittances including home remittances		2,003	1,612
			203,277	915,084
27	**GAIN ON SECURITIES**			
	Realised	27.1	1,544,056	180,998
	Unrealised - held for trading	9.1	-	7,806
			1,544,056	188,804
27.1	Realised gain on:			
	Federal Government Securities		1,544,056	180,998
28	**OTHER INCOME**			
	Rent on property - KSSL - subsidiary company		3,651	4,938
	Rent on property - others		25,013	23,125
			28,664	28,063
	Gain on sale of fixed assets - net		9,429	26,358
	Gain on sale of non banking assets - net		26,395	7,390
	Deferred income amortization		358	378
	Discount income		1,297,418	294,127
	Others	28.1	67,750	83,545
			1,430,014	439,861

28.1 Other includes sale of scrap, sale of tender forms, recoveries against penalties imposed by SBP and private use of vehicle etc.

		Note	(Un-audited) September 30, 2024	September 30, 2023
			Rupees in '000	
29	**OPERATING EXPENSES**			
	Total compensation expense		6,326,179	6,752,132
	Property expense			
	Rent & taxes		12,558	8,815
	Insurance		46,112	35,024
	Utilities cost		361,472	246,754
	Repair and maintenance (including janitorial charges)		243,401	125,863
	Depreciation		27,347	27,355
	Depreciation - right of use assets		196,577	185,573
			887,467	629,384
	Information technology expenses			
	Software maintenance		184,624	21,676
	Hardware maintenance		66,708	46,168
	Depreciation		48,570	43,156
	Amortisation		89,246	34,419
	Network charges		76,338	52,783
			465,486	198,202
	Other operating expenses			
	Directors' fees and allowances		7,897	9,168
	Legal & professional charges		157,652	134,955
	Outsourced services costs		1,760,354	1,314,802
	Travelling & conveyance		72,186	83,683
	NIFT clearing charges		13,840	14,720
	Depreciation		81,008	90,929
	Training & development		31,110	27,377
	Postage & courier charges		27,174	21,043
	Communication		20,048	20,514
	Stationery & printing		60,910	51,921
	Marketing, advertisement & publicity		2,509	12,688
	Auditors Remuneration		431	500
	Motor vehicle expenses		528,638	508,513
	Others		164,759	91,324
			10,607,648	9,961,855
30	**OTHER CHARGES**			
	Penalties imposed by SBP		1,469	38,594
31	**CREDIT LOSS ALLOWANCE AND WRITE-OFFS - NET**			
	Credit loss allowance against loans & advances	10.3	2,894,800	1,919,792
	Fixed assets charged-off		2,524	1,043
	Reversal of credit loss allowance against other assets	15.1.1	(2,651)	(11,199)
	Recovery of written off / charged off bad debts		(6,143,589)	(6,138,102)
			(3,248,916)	(4,228,466)
32	**TAXATION**			
	Current		5,423,406	5,343,651
	Deferred		378,238	1,080,911
			5,801,644	6,424,562

	Note	(Un-audited) September 30, 2024	September 30, 2023

33 EARNING PER SHARE - BASIC AND DILUTED

	Note	September 30, 2024	September 30, 2023
Profit after tax for the period		6,575,428	6,883,184
Weighted average number of ordinary shares outstanding		5,267,843,241	5,267,843,241
Earning per share - basic and diluted (Rupees)		1.25	1.31

33.1 There is no dilutive effect on the basic earning per share of the Bank.

34 OPERATING LOSS BEFORE WORKING CAPITAL CHANGES

	Note	September 30, 2024	September 30, 2023
Profit before taxation		12,377,072	13,307,746
Less: Dividend income		(55,972)	(112,911)
		12,321,100	13,194,835
Adjustments:			
Depreciation		156,925	161,440
Depreciaiton on right-of-use assets		196,577	185,573
Amortization		89,246	34,419
Amortization of deferred income		(358)	(378)
Markup on lease liability on right-of-use assets		88,286	83,778
Credit loss allowance and write-offs	31	2,894,673	1,909,636
Provision for employees post retirement medical benefits		1,212,087	1,343,111
Charge for defined benefit plans - net		1,048,002	1,351,752
Gain on securities		(1,544,056)	(188,804)
Gain on sale of operating fixed assets	28	(9,429)	(26,358)
		4,131,953	4,854,169
		16,453,053	18,049,004

35 CASH AND CASH EQUIVALENTS

	Note	September 30, 2024	September 30, 2023
Cash and balances with treasury banks	6	3,077,291	3,636,576
Balances with other banks	7	9,936,305	11,021,772
		13,013,596	14,658,348

36 FAIR VALUE MEASUREMENT

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

36.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

36.2 Valuation technique used & key inputs

Revaluation rates for Treasury bills and Pakistan Investment Bonds are contributed by money market brokers on daily basis while for listed securities; daily prices announcement by Pakistan Stock Exchange.

Investment in subsidiary and other unlisted securities have not been carried out at fair value in accordance with the SBP guidelines.

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	September 30, 2024 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	.... Rupees in '000			
On balance sheet financial instruments				
Financial assets measured at fair value				
Investmnents				
- Federal Government Securities	-	475,968,627	-	475,968,627
- Shares	2,927,747	-	-	2,927,747
- Debt securities (TFCs, Sukuk)	2,375,852	-	-	2,375,852
	5,303,599	475,968,627	-	481,272,226
Financial assets not measured at fair value				
- Subsidiary company	-	100,000	-	100,000
	5,303,599	476,068,627	-	481,372,226

	December 31, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
	.... Rupees in '000			
On balance sheet financial instruments				
Financial assets measured at fair value				
Investmnents				
- Federal Government Securities	-	366,131,111	-	366,131,111
- Shares	3,531,810	-	-	3,531,810
- Debt securities (TFCs, Sukuk)	2,449,199	-	-	2,449,199
	5,981,009	366,131,111	-	372,112,120
Financial assets not measured at fair value				
- Subsidiary company	-	100,000	-	100,000
	5,981,009	366,231,111	-	372,212,120

37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities:

The segment analysis with respect to business activity is as follows:

	September 30, 2024 (Un-audited)			
	Branch banking & agri financing	Treasury	Islamic banking	Total
	.... Rupees in '000			
Profit & Loss				
Net mark-up/return/profit	9,800,761	6,499,663	203,530	16,503,954
Inter segment revenue - net	3,579,569	(3,579,569)	-	-
Non mark-up / return / interest income	1,630,256	1,600,028	3,035	3,233,319
Total Income	15,010,586	4,520,122	206,565	19,737,273
Segment direct expenses	10,388,562	51,373	169,182	10,609,117
Inter segment expense allocation	-	-	-	-
Total expenses	10,388,562	51,373	169,182	10,609,117
Credit loss allowance	(3,248,916)	-	-	(3,248,916)
Profit before tax	7,870,940	4,468,749	37,383	12,377,072
Balance Sheet				
Cash & Bank balances	2,993,671	9,835,306	184,619	13,013,596
Investments	-	479,668,265	1,703,961	481,372,226
Net inter segment lendings	25,576,673	-	-	25,576,673
Lendings to financial institutions	-	46,079,885	1,000,000	47,079,885
Advances - performing	93,281,200	-	3,354	93,284,554
- non-performing (net of credit loss allowance)	12,719,642	-	-	12,719,642
Others	39,899,996	35,116,746	829,627	75,846,368
Total Assets	174,471,182	570,700,202	3,721,561	748,892,945
Borrowings	54,461,536	501,955,683	1,000,000	557,417,219
Subordinated debt	-	-	-	-
Deposits & other accounts	50,529,475	-	1,438,424	51,967,899
Net inter segment borrowing	-	25,076,673	500,000	25,576,673
Others	30,211,873	2,920,250	710,067	33,842,190
Total Liabilities	135,202,884	529,952,606	3,648,491	668,803,981
Equity	77,165,147	2,919,477	4,339	80,088,963
Total Equity & Liabilities	212,368,031	532,872,083	3,652,830	748,892,944
Contingencies & Commitments	70,418,764	-	-	70,418,764

	September 30, 2023 (Un-audited)			
	Branch banking & agri financing	Treasury	Islamic banking	Total
	.... Rupees in '000			
Profit & Loss				
Net mark-up/return/profit	7,108,205	10,132,375	182,489	17,423,069
Inter segment revenue - net	1,932,400	(1,932,400)	-	-
Non mark-up / return / interest income	1,354,338	301,715	607	1,656,660
Total Income	10,394,943	8,501,690	183,096	19,079,729
Segment direct expenses	9,871,553	42,574	86,322	10,000,449
Inter segment expense allocation	-	-	-	
Total expenses	9,871,553	42,574	86,322	10,000,449
Credit loss allowance	(4,228,466)	-	-	(4,228,466)
Profit before tax	4,751,856	8,459,116	96,774	13,307,746

	December 31, 2023 (Audited)			
	Branch banking & agri financing	Treasury	Islamic banking	Total
	.... Rupees in '000			
Balance Sheet				
Cash & Bank balances	3,555,250	27,925,739	4,105,763	35,586,752
Investments	-	370,022,133	2,189,987	372,212,120
Net inter segment lending	31,022,666	-	-	31,022,666
Lendings to financial institutions	-	5,960,700	600,000	6,560,700
Advances - performing	85,398,098	-	-	85,398,098
- non-performing (net of credit loss allowance)	20,109,562	-	-	20,109,562
Others	34,772,201	7,500,019	237,019	42,509,239
Total Assets	174,857,777	411,408,591	7,132,769	593,399,137
Borrowings	54,461,536	344,337,663	1,078,500	399,877,699
Subordinated debt	-	-	-	-
Deposits & other accounts	52,062,200	-	5,106,873	57,169,073
Net inter segment borrowing	-	30,522,666	500,000	31,022,666
Others	27,351,520	3,730,261	83,237	31,165,018
Total Liabilities	133,875,256	378,590,590	6,768,610	519,234,456
Equity	72,517,467	1,622,051	25,163	74,164,681
Total Equity & Liabilities	206,392,723	380,212,641	6,793,773	593,399,137
Contingencies & Commitments	71,735,770	-	-	71,735,770

38 RELATED PARTY TRANSACTIONS AND BALANCES

The Bank has related party relationship with its subsidiary company, employee benefit plans, Agriculture Technology Development fund and the Bank's key management personnel.

The transactions between the Bank and its subsidiary, Kissan Support Services (Private) Limited, are carried out on "cost plus" method. There are no transactions with key management personnel other than under their terms of employment. Contributions to and accruals in respect of staff retirement and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan as at December 31, 2023. Remuneration to the executives are determined in accordance with the terms of their appointment. Details of transactions with related parties and balances with them are as under:

	Subsidiary company		Key management personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	.... Rupees in '000							
Investments	100,000	100,000	-	-	-	-	-	-
Advances								
Opening balance	-	-	54,997	34,458	-	-	-	-
Addition	-	-	65,965	78,570	-	-	-	-
Repaid	-	-	(16,751)	(58,031)	-	-	-	-
Closing balance	-	-	104,211	54,997	-	-	-	-
Other assets								
Interest / mark-up accrued	-	-	12,282	10,608	-	-	-	-
Receivable at the end of the period	-	-	-	-	1,261,985	1,140,994	-	-
Deposits and other accounts								
Opening balance	1,305,899	1,117,394	2,085	2,687	12,001,475	9,126,458	274,290	236,986
Received during the period / year	5,226,426	7,287,632	180,508	219,470	977,994	35,825,178	6,698	483,205
Withdrawn during the period / year	(5,041,874)	(7,099,127)	(173,187)	(220,072)	(1,931,153)	(32,950,161)	(874)	(445,901)
Closing balance	1,490,451	1,305,899	9,406	2,085	11,048,316	12,001,475	280,114	274,290
Other liablitites								
Interest / mark-up payable	104,977	109,644	-	-	1,763,581	430,719	54,287	14,979
Payable at the end of the period	165,707	154,910	-	-	18,723,945	17,181,388	-	-

	Subsidiary company		Key management personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	.... (Un-audited) Period ended September 30, ...							
	2024	2023	2024	2023	2024	2023	2024	2023
	.... Rupees in '000							
Income								
Mark-up / interest earned	-	-	2,155	1,723	-	-	-	-
Rental income	3,651	4,938	-	-	-	-	-	-
Expense								
Mark-up / interest paid	212,527	162,048	-	-	109,278	-	5,812	3,833
Compensation	-	-	181,869	141,077	-	-	-	-
Post retirement benefit	-	-	3,226	4,408	-	-	-	-
Contribution to defined benefit plan	-	-	635	913	-	-	-	-
Cost of services rendered	1,760,354	1,314,802	-	-	-	-	-	-

38.1 Transactions with Government related entities

The Federal Government through SBP holds controlling interest in the Bank and therefore entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the normal course of business enters into transaction with Government-related entities. Such transactions include deposits from and provision of other banking services to Government-related entities. However, these transactions have not been treated as related parties transactions for the purpose of this disclosure.

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	... Rupees in '000 ...	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	66,329,139	63,021,708
Capital Adequacy Ratio:		
Eligible Common Equity Tier 1 (CET 1) Capital	71,710,382	66,784,561
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	71,710,382	66,784,561
Eligible Tier 2 Capital	4,722,113	3,425,817
Total Eligible Capital (Tier 1 + Tier 2)	76,432,495	70,210,378
Risk Weighted Assets (RWAs):		
Credit Risk	143,863,730	144,301,307
Market Risk	15,527,738	7,063,625
Operational Risk	34,927,413	34,927,413
Total	194,318,881	186,292,345
Common Equity Tier 1 Capital Adequacy Ratio	36.90%	35.85%
Tier 1 Capital Adequacy Ratio	36.90%	35.85%
Total Capital Adequacy Ratio	39.33%	37.69%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	71,710,382	66,784,561
Total exposures	723,832,063	562,544,100
Leverage ratio	9.91%	11.87%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	87,720,678	43,825,505
Total Net Cash Outflow	45,918,737	5,314,602
Liquidity Coverage Ratio	191%	825%
Net Stable Funding		
Total Available Stable Funding	176,220,836	189,685,484
Total Required Stable Funding	153,159,345	156,982,972
Net Stable Funding Ratio	115%	121%

40 ISLAMIC BANKING BUSINESS

The bank is operating 25 (December 31, 2023: 25) Islamic banking branches and 0 (December 31, 2023: 10) Islamic Banking Windows as at September 30, 2024.

	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks		108,449	282,787
Balances with other banks		76,170	3,822,976
Due from financial institutions	40.1	1,000,000	600,000
Investments	40.2	1,703,961	2,189,987
Islamic financing and related assets - net	40.3	3,354	-
Property and equipment		118,155	121,463
Intangible assets		-	-
Due from Head Office		-	-
Other assets		711,472	115,556
Total Assets		**3,721,561**	**7,132,769**
LIABILITIES			
Bills payable		4,392	1,367
Due to financial institutions		1,000,000	1,078,500
Deposits and other accounts	40.4	1,438,424	5,106,873
Due to Head Office		624,946	338,996
Subordinated debt		-	-
Other liabilities		80,729	81,870
		3,148,491	6,607,606
NET ASSETS		**573,070**	**525,163**
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus / (deficit) on revaluation of assets		4,339	(23,039)
Unappropriated profit	40.5	68,731	48,202
		573,070	**525,163**
CONTINGENCIES AND COMMITMENTS	40.6		

The profit and loss account of the Bank's Islamic banking branches is as follows:

	Note	(Un-audited) September 30, 2024	September 30, 2023
		Rupees in '000	
Profit / return earned	40.7	1,578,837	845,435
Profit / return expensed	40.8	1,375,307	662,946
Net Profit / return		203,530	182,489
Other income			
Fee and Commission Income		3,035	586
Dividend Income		-	-
Foreign Exchange Income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities		-	21
Other Income		-	-
Total other income		3,035	607
Total Income		206,565	183,096
Other expenses			
Operating expenses		169,182	86,322
Workers Welfare Fund		-	-
Other charges		-	-
Total other expenses		169,182	86,322
Profit before credit loss allowance		37,383	96,774
Credit loss allowance and write offs - net		-	-
Profit before taxation		37,383	96,774
Taxation		16,854	46,292
Profit after taxation		20,529	50,482

40.1 Due from financial institutions

	September 30, 2024 (Un-audited)			December 31, 2023 (Audited)		
	In local currency	In foreign currency	Total	In local currency	In foreign currency	Total
	Rupees in '000					
Musharakah / Mudarabah	1,000,000		1,000,000	600,000	-	600,000
	1,000,000	-	1,000,000	600,000	-	600,000

40.2 Investments by segments

	September 30, 2024 (Un-audited)				December 31, 2023 (Audited)			
	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
	Rupees in '000							
Federal Government securities								
Ijarah sukuk	1,317,277	-	2,624	1,319,901	1,756,345	-	(24,958)	1,731,387
Non Government Debt Securities								
Listed securities	382,345	-	1,715	384,060	456,681	-	1,919	458,600
Total investments	1,699,622	-	4,339	1,703,961	2,213,026	-	(23,039)	2,189,987

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Rupees in '000	

40.3 Islamic financing and related assets

Diminishing Musharaka	3,354	-
Gross Islamic financing and related assets	3,354	-
Less: Credit loss allowance against Islamic financings		
- Specific	-	-
- General	-	-
	-	-
Islamic financing and related assets - net of credit loss allowance	3,354	-

40.4 Deposits

Customers - local currency		
Current deposits	228,880	223,294
Savings deposits	1,150,514	4,723,567
Term deposits	55,025	155,397
Others	4,005	4,615
	1,438,424	5,106,873
Financial Institutions		
Current deposits	-	-
Savings deposits	-	-
Term deposits	-	-
	-	-
	1,438,424	5,106,873

40.5 Islamic Banking Business Unappropriated Profit

Opening Balance	48,202	7,153
Add: Islamic Banking profit for the period	37,383	78,494
Less: Taxation	16,854	37,445
Closing Balance	68,731	48,202

40.6 Contingencies and Commitments

40.6.1 There are no contingencies outstanding against Islamic banking as the reporting date (December 31, 2023: nil)

40.6.2 There are no commitments made by the Islamic banking as the reporting date (December 31, 2023: nil)

		(Un-audited) September 30, 2024	September 30, 2023
		Rupees in '000	

40.7 Profit / return earned of financing, investments and placement

Profit earned on:		
Financing	226	0
Investments	273,151	294,683
Placements	1,305,460	550,752
	1,578,837	845,435

40.8 Profit on deposits and other dues expensed

Deposits and other accounts	193,636	338,303
Call borrowings	1,181,671	324,643
	1,375,307	662,946

41 CORRESPONDING FIGURES

Corresponding figures have been rearranged, reclassified or additionally incorporated in these unconsolidated condensed interim financial statements (un-audited) wherever necessary to facilitate comparison and better presentation.

42 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements (un-audited) were authorized for issue on 19 OCT 2024 by the Board of Directors of the Bank.

43 GENERAL

The figures in the unconsolidated condensed interim financial statements (un-audited) are rounded off to the nearest thousand rupees.

President Chief Financial Officer Director Director Director