

**ZARAI TARAQIATI BANK LIMITED**

**UNCONSOLIDATED CONDENSED INTERIM**

**FINANCIAL STATEMENTS**

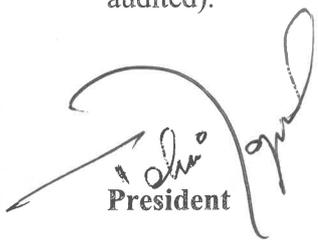
**FOR THE THREE MONTHS PERIOD ENDED**

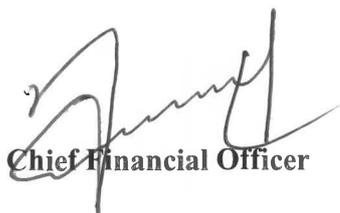
**MARCH 31, 2025**

**ZARAI TARAQIATI BANK LIMITED**  
**UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2025**

		(Un-audited)	(Audited)
	Note	March 31, 2025	December 31, 2024
..... Rupees in '000 .....			
<b>ASSETS</b>			
Cash and balances with treasury banks	6	2,630,065	3,125,812
Balances with other banks	7	2,826,148	7,492,526
Lendings to financial institutions	8	14,158,863	30,950,072
Investments	9	377,027,966	376,274,453
Advances	10	109,000,467	109,121,210
Property and equipment	11	1,852,759	1,844,619
Right-of-use assets	12	862,231	857,055
Intangible assets	13	163,745	172,425
Deferred tax assets	14	13,216,657	13,272,502
Other assets	15	35,528,652	34,428,323
<b>Total Assets</b>		<b>557,267,553</b>	<b>577,538,997</b>
<b>LIABILITIES</b>			
Bills payable	17	489,585	451,707
Borrowings	18	384,561,526	408,066,969
Deposits and other accounts	19	57,710,602	56,621,831
Lease liabilities	20	1,021,019	997,225
Sub-ordinated loan		-	-
Deferred tax liabilities		-	-
Other liabilities	21	28,833,332	29,023,447
<b>Total Liabilities</b>		<b>472,616,064</b>	<b>495,161,179</b>
<b>NET ASSETS</b>		<b>84,651,489</b>	<b>82,377,818</b>
<b>REPRESENTED BY</b>			
Share capital		52,678,432	52,678,432
Reserves		12,646,749	12,113,062
Surplus on revaluation of assets	22	1,850,063	2,244,829
Unappropriated profit		17,476,245	15,341,495
		<b>84,651,489</b>	<b>82,377,818</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	23		

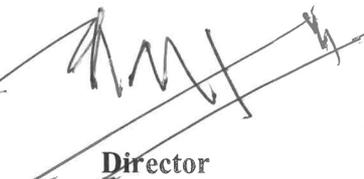
The annexed notes 1 to 42 form an integral part of these condensed interim financial statements (un-audited).

  
**President**

  
**Chief Financial Officer**

  
**Director**

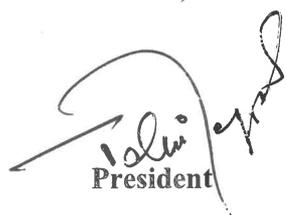
  
**Director**

  
**Director**

**ZARAI TARAQIATI BANK LIMITED**  
**UNCONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

	Note	Period ended	
		March 31, 2025	March 31, 2024
..... Rupees in '000 .....			
Mark-up / return / interest earned	24	17,954,565	25,547,046
Mark-up / return / interest expensed	25	11,443,644	20,999,898
Net mark-up / interest income		6,510,921	4,547,148
<b>NON MARK-UP / INTEREST INCOME</b>			
Fee and commission income	26	230,197	145,155
Dividend income		-	-
Foreign exchange income / (loss)		-	-
Income / (loss) from derivatives		-	-
Gain on securities	27	192,429	225,570
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	28	469,457	316,730
Total non-mark-up / interest income		892,083	687,455
Total income		7,403,004	5,234,603
<b>NON MARK-UP / INTEREST EXPENSES</b>			
Operating expenses	29	3,331,351	3,315,675
Workers welfare fund		-	-
Other charges		-	1,291
Total non mark-up / interest expenses		3,331,351	3,316,966
Profit before credit loss allowance		4,071,653	1,917,637
Credit loss allowance and write offs - net	30	(1,153,310)	539,659
Extra ordinary / unusual items		-	-
<b>PROFIT BEFORE TAXATION</b>		5,224,963	1,377,978
Taxation	31	2,556,526	369,872
<b>PROFIT AFTER TAXATION</b>		2,668,437	1,008,106
..... Rupees in '000 .....			
Basic earnings per share (Rupees)	32	0.51	0.19
Diluted earnings per share (Rupees)	32	0.51	0.19

The annexed notes 1 to 42 form an integral part of these 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 PERIOD ENDED MARCH 31, 2025**

	Period ended	
	March 31, 2025	March 31, 2024
	... Rupees in '000 ...	
<b>Profit after taxation for the period</b>	2,668,437	1,008,106
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus on revaluation of investments - net of tax	(394,766)	(915,288)
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>	-	-
<b>Total comprehensive income</b>	2,273,671	92,818

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**President**

  
**Chief Financial Officer**

  
**Director**

  
**Director**

  
**Director**

ZARAI TARAQIATI BANK LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2025

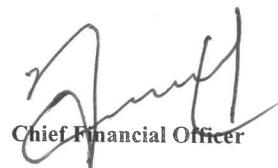
	Share capital	Statutory reserve	Contingencies reserve	Surplus on revaluation of investments	Un-appropriated profit	Total
..... Rupees in '000 .....						
<b>Balance as at January 1, 2024</b>	52,678,432	9,460,922	60,000	1,622,051	10,343,276	74,164,681
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	(5,498,565)	(5,498,565)
<b>Balance as at January 01, 2024 - as restated</b>	52,678,432	9,460,922	60,000	1,622,051	4,844,711	68,666,116
Profit after taxation for quarter ended March 31, 2024	-	-	-	-	1,008,106	1,008,106
Other comprehensive loss for quarter ended March 31, 2024	-	-	-	(915,288)	-	(915,288)
Total comprehensive income / (loss) for quarter ended March 31, 2024	-	-	-	(915,288)	1,008,106	92,818
Transferred to statutory reserve	-	201,621	-	-	(201,621)	-
<b>Balance as at March 31, 2024</b>	52,678,432	9,662,543	60,000	706,763	5,651,196	68,758,934
Profit after taxation for nine months period ended December 31, 2024	-	-	-	-	11,952,596	11,952,596
Other comprehensive income for nine months period ended December 31, 2024	-	-	-	1,538,066	128,222	1,666,288
Total comprehensive income for nine months period ended December 31, 2024	-	-	-	1,538,066	12,080,818	13,618,884
Transferred to statutory reserve	-	2,390,519	-	-	(2,390,519)	-
<b>Balance as at December 31, 2024</b>	52,678,432	12,053,062	60,000	2,244,829	15,341,495	82,377,818
Profit after taxation for the quarter ended March 31, 2025	-	-	-	-	2,668,437	2,668,437
Other comprehensive loss for the quarter ended March 31, 2025	-	-	-	(394,766)	-	(394,766)
Total comprehensive income / (loss) for the quarter ended March 31, 2025	-	-	-	(394,766)	2,668,437	2,273,671
Transferred to statutory reserve	-	533,687	-	-	(533,687)	-
<b>Balance as at March 31, 2025</b>	52,678,432	12,586,749	60,000	1,850,063	17,476,245	84,651,489

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

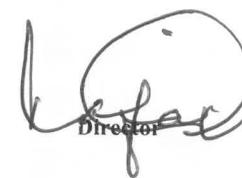
The Bank has set aside contingencies reserve for insurance of cash, building and vehicles.

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements (un-audited).

  
President

  
Chief Financial Officer

  
Director

  
Director

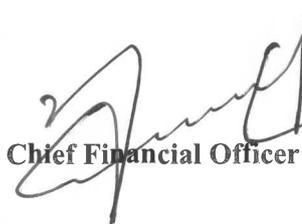
  
Director

**ZARAI TARAQIATI BANK LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2025**

	Note	Period ended	
		March 31, 2025	March 31, 2024
..... Rupees in '000 .....			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating profit before working capital changes	33	(34,131)	(237,997)
(Increase) / decrease in operating assets:			
Lendings to financial institutions		16,793,920	3,382,300
Securities classified as FVPL		3,420,389	(594,337)
Advances		(488,423)	177,599
Other assets (excluding advance taxation)		(1,070,688)	(1,499,223)
		18,655,198	1,466,339
Increase / (decrease) in operating liabilities:			
Bills payable		37,878	(2,096,951)
Borrowings from financial institutions		(23,505,443)	96,555,863
Deposits and other accounts		1,088,771	(7,915,816)
Other liabilities		178,162	1,105,041
		(22,200,632)	87,648,137
Interest received		17,375,855	1,973,179
Interest paid		(12,257,084)	(23,084,636)
Employees' benefits paid		(187,436)	(244,954)
Income tax paid		(1,426,812)	(1,682,521)
Net cash flow (used in) / generated from operating activities		(75,042)	65,837,547
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net Investments in securities classified as FVOCI		(5,095,836)	(93,115,380)
Realised gain on sales of securities		192,429	227,446
Investments in property and equipment		(97,438)	(10,326)
Proceeds from sale of property and equipment		1,499	6,852
Net cash used in investing activities		(4,999,346)	(92,891,408)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liability against right-of-use assets		(88,652)	(82,772)
Decrease in cash and cash equivalents		(5,163,040)	(27,136,633)
Cash and cash equivalents at beginning of the period		10,619,822	35,586,752
Cash and cash equivalents at end of the period	34	5,456,782	8,450,119

The annexed notes 1 to 42 form an integral part of these 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 PERIOD ENDED MARCH 31, 2025**

**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 Taraqati Bank Limited ("the Bank") was incorporated as a public limited Company under the repealed Companies Ordinance, 1984 (now 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 Taraqati 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, 2024: 501) branches including 25 (December 31, 2024: 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 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 Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40 'Investment Property' (IAS 40) for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 04, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard (IFAS) 3, Profit and loss sharing on Deposits. Further, according to a notification of Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, International Financial Reporting Standard 7 'Financial Instruments Disclosure' (IFRS 7), has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements (un-audited). However, investments have been classified and disclosed in accordance with the requirements prescribed by SBP through various circulars.

The disclosures made in these 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 financial statements (audited) of the Bank for the year ended December 31, 2024.

- 2.2 These condensed interim financial statements (un-audited) represents the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements 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 condensed interim financial statements for reporting purposes, after eliminating interbranch transactions / balances. Key financial figures of the Islamic banking branches are disclosed in note 37 to these condensed interim financial statements.

### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements (un-audited) are consistent with those applied in the preparation of the annual financial statements (audited) of the Bank for the year ended December 31, 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.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements (un-audited) are the same as that applied in the preparation of the financial statements (audited) for the year ended December 31, 2024.

**5 FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies are consistent with those disclosed in the financial statements (audited) of the Bank for the year ended December 31, 2024.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>6 CASH AND BALANCES WITH TREASURY BANKS</b>		
In hand		
Local currency	591,131	1,133,799
With State Bank of Pakistan in:		
Local currency current account	1,744,363	1,621,700
With National Bank of Pakistan in:		
Local currency current account	69,950	180,216
Local currency deposit account	222,771	188,231
	292,721	368,447
Prize bonds	1,850	1,866
	2,630,065	3,125,812
Less: credit loss allowance held against cash and balances with treasury banks	-	-
Cash and balances with treasury banks - net of credit loss allowance	<u>2,630,065</u>	<u>3,125,812</u>

**7 BALANCES WITH OTHER BANKS**

In Pakistan		
In current accounts	84,695	111,847
In deposit accounts	2,742,022	7,382,163
	2,826,717	7,494,010
Less: credit loss allowance held against balances with other banks	(569)	(1,484)
Balances with other banks - net of credit loss allowance	<u>2,826,148</u>	<u>7,492,526</u>

**8 LENDINGS TO FINANCIAL INSTITUTIONS**

Call money lendings	5,950,000	14,500,000
Musharakah lending	5,000,000	13,650,000
Repurchase agreement lendings (reverse repo)	3,210,780	2,804,700
	14,160,780	30,954,700
Less: credit loss allowance held against lending to financial institutions	(1,917)	(4,628)
Lendings to financial institutions - net of credit loss allowance	<u>14,158,863</u>	<u>30,950,072</u>

**8.1 Lending to financial institutions - Particulars of credit loss allowance**

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
Rupees in '000					
<b>Domestic</b>					
Performing	Stage 1	14,160,780	1,917	30,954,700	4,628
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
<b>Total</b>		<u>14,160,780</u>	<u>1,917</u>	<u>30,954,700</u>	<u>4,628</u>

9 INVESTMENTS

9.1 Investments by types

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / amortised cost	Credit Loss Allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
	..... Rupees in '000 .....							
<b>FVTPL</b>								
Federal Government securities	-	-	-	-	3,404,062	-	16,327	3,420,389
	-	-	-	-	3,404,062	-	16,327	3,420,389
<b>FVOCI</b>								
Federal Government securities	370,653,233	-	770,846	371,424,079	365,532,619	-	1,661,390	367,194,009
Shares	99,819	(10,523)	3,084,510	3,173,806	99,819	(10,523)	3,118,309	3,207,605
Non Government Debt securities	2,331,493	(353)	(1,059)	2,330,081	2,356,271	(354)	(3,467)	2,352,450
	373,084,545	(10,876)	3,854,297	376,927,966	367,988,709	(10,877)	4,776,232	372,754,064
<b>Subsidiary</b>	100,000	-	-	100,000	100,000	-	-	100,000
<b>Total investments</b>	<u>373,184,545</u>	<u>(10,876)</u>	<u>3,854,297</u>	<u>377,027,966</u>	<u>371,492,771</u>	<u>(10,877)</u>	<u>4,792,559</u>	<u>376,274,453</u>

(Un-audited)      (Audited)  
**March 31,**      **December 31,**  
**2025**              **2024**  
**Rupees in '000**

**9.1.1 Investments given as collateral**

Market Treasury bills	55,860,857	65,012,242
Pakistan Investment Bonds	259,147,550	199,571,000
	<u>315,008,407</u>	<u>264,583,242</u>

**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	<u>10,523</u>	<u>10,523</u>

**9.3 Particulars of credit loss allowance against debt securities**

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		Rupees in '000			
<b>Domestic</b>					
Performing	Stage 1	373,754,513	353	372,967,202	354
Under performing	Stage 2	-		-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		<u>373,754,513</u>	<u>353</u>	<u>372,967,202</u>	<u>354</u>

10 ADVANCES

	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
	..... Rupees in '000 .....					
Loans, cash credits, running finance, etc.	104,014,678	101,613,315	25,067,897	26,981,173	129,082,575	128,594,488
Islamic financing and related assets	8,368	8,032.00			8,368	8,032
Advances - gross	104,023,046	101,621,347	25,067,897	26,981,173	129,090,943	128,602,520
Credit loss allowance against advances:						
-Against agriculture advances						
-Stage 1	469,422	581,916	-	-	469,422	581,916
-Stage 2	2,486,576	2,588,742	-	-	2,486,576	2,588,742
-Stage 3	-	-	14,096,597	13,270,932	14,096,597	13,270,932
-Against Staff advances	353	387	37,528	39,333	37,881	39,720
-General	3,000,000	3,000,000	-	-	3,000,000	3,000,000
	5,956,351	6,171,045	14,134,125	13,310,265	20,090,476	19,481,310
Advances - net of credit loss allowance	98,066,695	95,450,302	10,933,772	13,670,908	109,000,467	109,121,210

10.1 Particulars of advances (gross)

In local currency

129,090,943      128,602,520

10.2 Advances include Rs. 25,027.189 million (December 31, 2024: Rs. 26,938.645 million) relating to agricultural financing which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification	March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
	..... Rupees in '000 .....			
Domestic				
Other assets especially mentioned	3,299,495	-	7,653,464	-
Substandard	11,710,118	7,018,873	12,265,726	7,958,480
Doubtful	6,142,612	3,217,354	4,419,491	2,717,418
Loss	3,874,964	3,860,369	2,599,964	2,595,034
	<u>25,027,189</u>	<u>14,096,596</u>	<u>26,938,645</u>	<u>13,270,932</u>

10.3 Particulars of credit loss allowance against advances

	March 31, 2025 (Un-audited)					December 31, 2024 (Audited)					
	Stage 3	Stage 2	Stage 1	General	Total	Stage 3	Stage 2	Stage 1	Specific	General	Total
	..... Rupees in '000 .....										
Opening balance	13,270,932	2,588,742	581,916	3,000,000	19,441,590				11,434,334	3,000,000	14,434,334
Impact on adoption of IFRS 9	-	-	-	-	-	14,387,176	5,171,698	1,335,082	(11,434,334)	-	9,459,622
Charge for the period	2,900,534	1,818,111	312,038	-	5,030,683	6,179,931	2,509,747	506,641	-	-	9,196,319
Reversals	(2,074,870)	(1,920,277)	(424,532)	-	(4,419,679)	(5,403,697)	(5,092,703)	(1,259,807)	-	-	(11,756,207)
	825,664	(102,166)	(112,494)	-	611,004	776,234	(2,582,956)	(753,166)	-	-	(2,559,888)
Amounts charged off	-	-	-	-	-	(1,892,478)	-	-	-	-	(1,892,478)
Closing balance	14,096,596	2,486,576	469,422	3,000,000	20,052,594	13,270,932	2,588,742	581,916	-	3,000,000	19,441,590

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, as a matter of prudence the Bank has 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. 1,484.788 million (December 31, 2024: 1,899.185 million) and further de-graded the category of classified loans and advances amounting to Rs. 2,803.264 million (December 31, 2024: Rs. 4,088.474 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

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	..... Rupees in '000 .....					
10.4.1 Opening Balances	581,916	2,588,742	13,270,932	1,335,082	5,171,698	14,387,176
New advances	59,003	1,760,744	437,291	402,982	2,672,162	4,510,399
Advances derecognised or repaid	(348,286)	(218,652)	(631,976)	(1,325,822)	(1,758,826)	(4,601,396)
Transfer to stage 1	253,546	(121,971)	(131,575)	1,057,090	(617,645)	(439,445)
Transfer to stage 2	(70,145)	116,486	(46,340)	(86,326)	131,154	(44,828)
Transfer to stage 3	(3,020)	(1,618,335)	1,621,356	(131,376)	(2,717,198)	2,848,574
	(108,902)	(81,728)	1,248,756	(83,452)	(2,290,353)	2,273,304
Amounts written off / charged off	-	-	-	-	-	(1,892,478)
Changes in risk parameters (PDs/LGDs/EADs)	(3,592)	(20,438)	(423,092)	(669,714)	(292,603)	(1,497,070)
Closing balance	469,422	2,486,576	14,096,596	581,916	2,588,742	13,270,932

10.4.2 Advances - Category of classification

Domestic

Performing Stage 1  
 Under performing Stage 2  
 Non-Performing Stage 3  
     Substandard  
     Doubtful  
     Loss

**Total**

March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
..... Rupees in '000 .....			
93,218,476	469,422	100,590,077	581,916
13,301,273	2,486,576	7,853,106	2,588,742
11,710,118	7,018,873	12,265,726	7,958,480
6,142,612	3,217,354	4,419,491	2,717,418
3,874,964	3,860,369	2,599,964	2,595,034
21,727,694	14,096,596	19,285,181	13,270,932
<b>128,247,443</b>	<b>17,052,594</b>	<b>127,728,364</b>	<b>16,441,590</b>

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			
<b>11 PROPERTY AND EQUIPMENT</b>			
Capital work-in-progress	11.1	230,784	181,928
Property and equipment		1,621,975	1,662,691
		<u>1,852,759</u>	<u>1,844,619</u>
<b>11.1 Capital work-in-progress</b>			
Civil works		49,809	55,146
Equipment		170,759	116,566
Consultancy charges		9,801	9,801
Others	11.1.1	415	415
		<u>230,784</u>	<u>181,928</u>

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

		... (Un-audited) ... March 31, 2025	March 31, 2024
Rupees in '000			
<b>11.2 Additions to property and equipment</b>			
The following additions have been made during the period:			
Capital work-in-progress		54,193	1,355
Property and equipment:			
Building on leasehold land		6,472	7,826
Building on freehold land		-	9,067
Furniture and fixture		990	1,163
Electrical, office and computer equipment		24,001	882
Vehicles		-	8,276
		<u>31,463</u>	<u>27,214</u>
Total		<u>85,656</u>	<u>28,569</u>

<b>11.3 Disposal of property and equipment</b>			
The net book value of fixed assets disposed off is as follows:			
Furniture and fixture		2	14
Vehicles		330	3,757
Total		<u>332</u>	<u>3,771</u>

	(Un-audited) March 31, 2025			(Audited) December 31, 2024		
	Buildings	Others	Total	Buildings	Others	Total
..... Rupees in '000 .....						
At January 1						
Cost	1,546,930	-	1,546,930	1,450,311	-	1,450,311
Accumulated Depreciation	689,875	-	689,875	593,372	-	593,372
Net opening carrying amount	857,055	-	857,055	856,939	-	856,939
Additions during the period / year	109,496	-	109,496	324,882	-	324,882
Deletions during the period / year	28,552	-	28,552	49,311	-	49,311
Depreciation charge for the period / year	75,768	-	75,768	275,455	-	275,455
Net closing carrying amount	862,231	-	862,231	857,055	-	857,055

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>13 INTANGIBLE ASSETS</b>		
Computer Software	163,745	172,425
	... (Un-audited) ...	
	March 31, 2025	March 31, 2024
	Rupees in '000	
<b>13.1 Additions to intangible assets</b>		
Additions made during the period:		
Directly purchased	17,140	-
	(Un-audited) (Audited)	
	March 31, 2025	December 31, 2024
	Rupees in '000	
	Note	
<b>14 DEFERRED TAX ASSETS</b>		
<b>Deductible temporary differences on:</b>		
Credit loss allowance against non-performing loans and advances	17,606,293	18,742,145
	17,606,293	18,742,145
<b>Taxable temporary differences on:</b>		
Accelerated tax depreciation	277,486	(275,352)
Defined benefit plans	(2,662,888)	(2,662,888)
Surplus on revaluation of investments	(2,004,234)	(2,531,403)
	(4,389,636)	(5,469,643)
	13,216,657	13,272,502
	22	
<b>15 OTHER ASSETS</b>		
Income / mark-up accrued in local currency on :		
- advances	10,704,634	13,421,515
- securities	15,528,077	12,218,003
- deposits	19,833	34,316
Amount recoverable from Federal Government	2,891,516	2,887,888
Tax recoverable	422,652	422,652
Branch adjustment account	1,620,307	1,625,809
Taxation (payments less provision)	907,183	1,453,883
Receivable from defined benefit plans:		
- Gratuity scheme - SR 2005	1,230,259	1,184,271
Non banking assets acquired in satisfaction of claims	404,216	407,301
Due from Islamic Banking	8,187	3,655
Stationery and stamps in hand	162,507	163,445
Stock of farm machinery	11,237	11,237
Advances against salary and expenses	68,500	60,882
Security deposits	7,938	7,899
Advances and other prepayments	1,824,622	1,656,453
Clearing and settlement	976,281	160,566
Others	208,144	173,621
	36,996,093	35,893,396
Provision held against other assets	(1,467,441)	(1,465,073)
Other assets - net of credit allowance	35,528,652	34,428,323
	15.1	

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
<b>15.1 Credit loss allowance held against other assets</b>		
Tax recoverable	422,652	422,652
Non banking assets acquired in satisfaction of claims	404,216	407,301
Amount recoverable from Federal Government	551,140	551,140
Stock of farm machinery	11,237	11,237
Accrued interest on advances of ex-employees	15,641	16,070
Amount deposited with courts / legal charges recoverable	62,555	56,673
	<u>1,467,441</u>	<u>1,465,073</u>

**15.1.1 Movement in credit loss allowance held against other assets**

Opening balance	1,465,073	988,669
Charge for the period / year	12,020	521,703
Reversals	(9,652)	(45,299)
	<u>2,368</u>	<u>476,404</u>
Closing balance	<u>1,467,441</u>	<u>1,465,073</u>

**16 CONTINGENT ASSETS**

15.1 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 Honorable 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 favor. 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.

15.2 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 favorable decision.

15.3 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 favorable decision.

15.4 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 favorable decision.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>17</b>	<b>BILLS PAYABLE</b>	
	In Pakistan	
	<u>489,585</u>	<u>451,707</u>
<b>18</b>	<b>BORROWINGS</b>	
	<b>Secured</b>	
	Borrowing from State Bank of Pakistan (SBP):	
	Redeemable preference shares	
	54,461,536	54,461,536
	Repurchase agreement borrowings	
	312,348,001	251,568,896
	Repurchase agreement borrowings - others	
	2,660,406	13,014,346
	Borrowings from other banks	
	-	19,385,015
	<u>369,469,943</u>	<u>338,429,793</u>
	<b>Total secured</b>	
	<b>Unsecured</b>	
	Call borrowings	
	15,091,583	69,637,176
	<u>384,561,526</u>	<u>408,066,969</u>

(Un-audited)      (Audited)  
**March 31,      December 31,**  
**2025              2024**  
**Rupees in '000**

**19 DEPOSITS AND OTHER ACCOUNTS**

**Customers - local currency**

Current deposits	5,210,517	10,175,082
Saving deposits	11,586,990	11,950,511
Term deposits	39,946,483	33,230,903
Others	56,127	187,903
	<b>56,800,117</b>	<b>55,544,399</b>

**Financial Institutions - local currency**

Current deposits	173,970	126,063
Saving deposits	736,515	951,369
Term deposits	-	-
	<b>910,485</b>	<b>1,077,432</b>
	<b>57,710,602</b>	<b>56,621,831</b>

**20 LEASE LIABILITIES**

Outstanding amount at the start of the period / year	997,225	983,391
Additions during the period / year	102,719	270,098
Lease payments including interest	(91,212)	(336,217)
Interest expense	31,502	126,658
Remeasurement	(19,215)	(46,705)
Outstanding amount at the end of the period / year	<b>1,021,019</b>	<b>997,225</b>

**20.1 Lease liabilities outstanding**

Not later than one year	133,076	82,572
Later than one year and upto five years	420,614	425,336
Over five years	467,329	489,317
Total lease liabilities	<b>1,021,019</b>	<b>997,225</b>

**21 OTHER LIABILITIES**

Mark-up / return / interest payable in local currency on:

- borrowings	1,815,553	3,407,005
- deposits and other accounts	3,864,705	2,647,688
Accrued expenses	1,307,760	1,746,765
Net liabilities relating to Bangladesh	190	189
Payable to Ministry of Food Agriculture & Livestock	168,000	168,000
Payable to defined benefit plans:		
- pension scheme	6,543,354	6,344,733
- employees' post retirement medical benefits	10,680,291	10,439,311
- employees' compensated absences	2,159,491	2,153,930
Payable to subsidiary company	249,423	162,044
Security deposits	24,424	21,559
Deferred income	9,058	9,058
Others	2,011,083	1,923,165
	<b>28,833,332</b>	<b>29,023,447</b>

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>22 SURPLUS ON REVALUATION OF ASSETS</b>		
Surplus on revaluation of:		
- securities measured at FVOCI - Debt	769,787	1,657,923
- securities measured at FVOCI - Equity	3,084,510	3,118,309
	3,854,297	4,776,232
Deferred tax on surplus on revaluation of:		
- securities measured at FVOCI - Debt	(400,289)	(878,699)
- securities measured at FVOCI - Equity	(1,603,945)	(1,652,704)
	(2,004,234)	(2,531,403)
	<u>1,850,063</u>	<u>2,244,829</u>

## 23 CONTINGENCIES AND COMMITMENTS

### 23.1 Contingent liabilities

In respect of cases filed against the Bank:

23.1.1	by borrowers; 465 (December 31, 2024: 402) cases	339,202	338,547
23.1.2	by employees; 415 (December 31, 2024: 417) cases	247,706	276,281

23.1.2.1 This include employees pension related litigations for addition of certain allowances in pensionable pay. These cases are under adjudication in the Honorable Supreme Court of Pakistan. The financial impact of these cases are not quantifiable at this point of time. In the opinion of the legal advisor favorable outcomes of these contingencies is expected, hence, no provision is incorporated in these financial statements.

### 23.2 Tax related contingencies

#### 23.2.1 Income tax

The Bank faces cumulative contingent liabilities amounting to Rs. 93,133.195 million under various sections of the Income Tax Ordinance, 2001, for tax years 2002 to 2024, which are under litigation at various forums including the Appellate Tribunal Inland Revenue, the Alternate Dispute Resolution Committee, the Honorable Islamabad High Court, and the Honorable Supreme Court of Pakistan. Key cases include Rs. 669.768 million u/s 161/205 for tax years 2009-2012, Rs. 19.528 million u/s 155 for tax year 2015, Rs. 74,621.732 million u/s 122(5A) for tax years 2010-2024, Rs. 0.619 million u/s 153 for tax year 2015, Rs. 170.675 million u/s 149 for tax years 2015-2016, Rs. 87.532 million u/s 151 for tax years 2015-2016, Rs. 1,565.379 million u/s 122(1) for tax year 2018, and Rs. 1,392.216 million u/s 4(B) for tax year 2022. Other cases include a demand of Rs. 712 million for tax year 2015/-2016, Rs. 29.121 million for tax year 2019, and Rs. 9,917.854 million from disputes covering assessment years 2002-2003 and tax years 2003-2009. In the opinion of the legal advisor favorable outcomes of these contingencies are expected, hence, no provision is incorporated in these financial statements.

### 23.2.2 Federal excise duties / Sales tax

For the tax years 2008-2016, the Bank is facing total contingent liabilities amounting to Rs. 1,951.757 million related to Federal Excise Duties and Sales Tax matters. These cases are currently under litigation at various forums, including the Honorable Islamabad High Court, the Appellate Tribunal Inland Revenue, and other relevant tribunals and authorities. For the years 2008-2012, contingent liabilities amounting to Rs. 825.121 million were contested, with Rs. 343 million decided in favor of the Bank, leaving Rs. 482.121 million still under dispute. For the periods January 2013 to December 2014, demands of Rs. 738.892 million and Rs. 681.109 million were raised for Federal Excise Duties, and Rs. 4.470 million and Rs. 13.295 million for Sales Tax. For December 2016, a demand of Rs. 10.3 million by the Punjab Revenue Authority was partially contested. The Sindh Revenue Board raised demands for July 2011 to December 2011 and January 2015 to December 2016, totaling Rs. 21.57 million. In the opinion of the legal advisor favorable outcomes of these contingencies are expected, hence, no provision is incorporated in these financial statements.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>23.3 Commitments against</b>		
Capital expenditures	1,234,312	1,253,127
Consultancy Expenditures	7,559	7,770
	(Un-audited) March 31, 2025	March 31, 2024
	Rupees in '000	
<b>24 MARK-UP / RETURN / INTEREST EARNED</b>		
Loans and advances	6,170,284	7,223,288
Investments	11,081,432	16,935,872
Securities purchased under resale agreement	91,283	59,282
Call money lendings	457,238	803,300
Balances with banks	154,328	525,304
	<u>17,954,565</u>	<u>25,547,046</u>
<b>25 MARK-UP / RETURN / INTEREST EXPENSED</b>		
Deposits	1,762,341	2,710,386
Redeemable preference shares - SBP	1,021,154	1,021,154
Securities sold under repurchased agreement	7,445,042	16,033,285
Call borrowings	1,164,104	1,201,031
Bank commission and other charges	19,501	5,193
On lease liability against right-of-use assets	31,502	28,849
	<u>11,443,644</u>	<u>20,999,898</u>
<b>26 FEE &amp; COMMISSION INCOME</b>		
Branch banking customer fees	11,905	13,980
Credit related fees	217,939	129,647
Commission on remittances including home remittances	353	1,528
	<u>230,197</u>	<u>145,155</u>

		(Un-audited)	
		March 31,	March 31,
		2025	2024
		Rupees in '000	
27	GAIN ON SECURITIES	Note	
	Realised	27.1	192,429
	Unrealised - Measured at FVPL		227,446
	Realised		-
			(1,876)
			<u>192,429</u>
			<u>225,570</u>
27.1	Realised gain on:		
	Federal Government Securities		192,429
			<u>227,446</u>
28	<b>OTHER INCOME</b>		
	Rent on property - KSSL - subsidiary company		945
	Rent on property - others		1,674
			<u>8,797</u>
			<u>7,781</u>
			9,742
			9,455
	Gain on sale of fixed assets - net		1,167
	Gain on sale of non banking assets - net		3,081
	Discount income		4,717
	Others	28.1	448,284
			291,520
			<u>5,547</u>
			<u>10,878</u>
			<u>469,457</u>
			<u>316,730</u>
28.1	Other includes sale of scrap, sale of tender forms and private use of vehicles etc.		

	Note	(Un-audited)	
		March 31, 2025	March 31, 2024
		Rupees in '000	
<b>29 OPERATING EXPENSES</b>			
<b>Total compensation expense</b>		2,001,138	1,946,210
<b>Property expense</b>			
Rent & taxes		1,354	1,215
Insurance		31,045	27,607
Utilities cost		78,826	83,020
Repair and maintenance (including janitorial charges)		54,775	58,689
Depreciation		9,067	8,231
Depreciation - right of use assets		75,768	64,370
		250,835	243,132
<b>Information technology expenses</b>			
Software maintenance		11,992	6,448
Hardware maintenance		6,096	8,014
Depreciation		34,801	11,412
Amortisation		25,819	30,254
Network charges		35,358	42,298
		114,066	98,426
<b>Other operating expenses</b>			
Directors' fees and allowances		4,767	6,146
Legal & professional charges		33,203	45,158
Outsourced services costs		613,221	695,921
Travelling & conveyance		30,006	17,915
NIFT clearing charges		13,926	5,849
Depreciation		27,960	26,077
Training & development		24,991	9,002
Postage & courier charges		10,520	11,522
Communication		5,423	6,404
Stationery & printing		15,055	16,633
Motor vehicle expenses		147,314	165,876
Others		38,926	21,404
		3,331,351	3,315,675
<b>30 OTHER CHARGES</b>			
Penalties imposed by SBP		-	1,291
<b>30 CREDIT LOSS ALLOWANCE AND WRITE-OFFS - NET</b>			
Reversal of credit loss allowance against balances with other banks		(915)	-
Reversal of credit loss allowance against lending to financial institutions		(2,710)	-
Reversal of credit loss allowance for diminution in value of investments		(1)	-
Credit loss allowance against loans & advances	10.3	609,166	2,240,116
Credit loss allowance against other assets	15.1.1	2,369	(2,819)
Recovery of written off / charged off bad debts		(1,761,219)	(1,697,638)
		(1,153,310)	539,659

		(Un-audited)	
	Note	March 31, 2025	March 31, 2024
<b>31</b>	<b>TAXATION</b>		
	Current	1,973,512	782,316
	Deferred	583,014	(412,444)
		<u>2,556,526</u>	<u>369,872</u>
<b>32</b>	<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>		
	Profit after tax for the period - Rupees in '000	2,668,437	1,008,106
	Weighted average number of ordinary shares outstanding	<u>5,267,843,241</u>	<u>5,267,843,241</u>
	Earnings per share - basic and diluted (Rupees)	<u>0.51</u>	<u>0.19</u>
<b>32.1</b>	There is no dilutive effect on the basic earnings per share of the Bank.		
<b>33</b>	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		
	Profit before taxation	5,224,963	1,377,978
	Adjustments:		
	Net mark-up / interest income	(6,510,921)	(4,547,148)
	Depreciation	71,827	45,719
	Depreciation on right-of-use assets	75,768	64,370
	Amortization	25,819	30,254
	Markup on lease liability on right-of-use assets	31,502	28,849
	Credit loss allowance and write-offs	607,909	2,237,297
	Provision for employees post retirement medical benefits	332,027	404,029
	Charge for defined benefit plans - net	300,571	349,306
	Gain on securities	(192,429)	(225,570)
	Gain on sale of operating fixed assets	(1,167)	(3,081)
		<u>(5,259,094)</u>	<u>(1,615,975)</u>
		<u>(34,131)</u>	<u>(237,997)</u>
<b>34</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and balances with treasury banks	6 2,630,065	2,759,628
	Balances with other banks	7 2,826,717	5,690,491
		<u>5,456,782</u>	<u>8,450,119</u>

## **35 FAIR VALUE MEASUREMENT**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

### **35.1 Fair value of financial assets**

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.

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).

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:

<b>March 31, 2025 (Un-audited)</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
..... Rupees in '000 .....				
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
Investments				
- Federal Government Securities	-	371,424,079	-	371,424,079
- Shares	3,173,806	-	-	3,173,806
Corporate sukuk	338,796	-	-	338,796
- Debt securities (TFCs, Sukuk)	1,991,285	-	-	1,991,285
	<u>5,503,887</u>	<u>371,424,079</u>	<u>-</u>	<u>376,927,966</u>
<b>Financial assets not measured at fair value</b>				
- Subsidiary company	-	100,000	-	100,000
	<u>5,503,887</u>	<u>371,524,079</u>	<u>-</u>	<u>377,027,966</u>
<b>December 31, 2024 (Audited)</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
..... Rupees in '000 .....				
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
Investments				
- Federal Government Securities	-	370,614,398	-	370,614,398
- Shares	3,207,605	-	-	3,207,605
- Debt securities (TFCs, Sukuk)	2,352,450	-	-	2,352,450
	<u>5,560,055</u>	<u>370,614,398</u>	<u>-</u>	<u>376,174,453</u>
<b>Financial assets not measured at fair value</b>				
- Subsidiary company	-	100,000	-	100,000
	<u>5,560,055</u>	<u>370,714,398</u>	<u>-</u>	<u>376,274,453</u>

### 35.2 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 are shared by Pakistan Stock Exchange. Investments in non Government debt securities are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP).

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

### 35.3 Fair value of non-financial assets

Property and equipment as well as non-banking assets, are measured at fair value under Level 2 of the fair value hierarchy.

### 35.4 There were no transfers between levels 1 and 2 during the year.

36 SEGMENT INFORMATION

36.1 Segment Details with respect to Business Activities:

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

	March 31, 2025 (Un-audited)			
	Branch banking & agri financing	Treasury	Islamic banking	Total
	..... Rupees in '000 .....			
<b>Profit &amp; Loss</b>				
Net mark-up/return/profit	2,960,886	3,497,193	52,842	6,510,921
Inter segment revenue - net	1,177,481	(1,177,481)	-	-
Non mark-up / return / interest income	698,998	192,429	656	892,083
<b>Total Income</b>	<b>4,837,365</b>	<b>2,512,141</b>	<b>53,498</b>	<b>7,403,004</b>
Segment direct expenses	3,244,197	20,549	66,605	3,331,351
Inter segment expense allocation	-	-	-	-
<b>Total expenses</b>	<b>3,244,197</b>	<b>20,549</b>	<b>66,605</b>	<b>3,331,351</b>
Credit loss allowance	(1,153,310)	-	-	(1,153,310)
<b>Profit / loss) before tax</b>	<b>2,746,478</b>	<b>2,491,592</b>	<b>(13,107)</b>	<b>5,224,963</b>
<b>Balance Sheet</b>				
Cash & Bank balances	1,662,379	1,513,154	2,280,680	5,456,213
Investments	-	373,898,591	3,129,375	377,027,966
Net inter segment lendings	75,887,671	-	-	75,887,671
Lendings to financial institutions	-	9,158,863	5,000,000	14,158,863
Advances - performing	104,014,678	-	8,368	104,023,046
- non-performing	4,977,421	-	-	4,977,421
Others	32,982,334	17,103,586	1,538,124	51,624,044
<b>Total Assets</b>	<b>219,524,483</b>	<b>401,674,194</b>	<b>11,956,547</b>	<b>633,155,224</b>
Borrowings	54,461,536	324,239,990	5,860,000	384,561,526
Subordinated debt	-	-	-	-
Deposits & other accounts	53,554,039	-	4,156,563	57,710,602
Net inter segment borrowing	-	74,073,275	1,814,396	75,887,671
Others	28,770,796	1,510,866	62,274	30,343,936
<b>Total Liabilities</b>	<b>136,786,371</b>	<b>399,824,131</b>	<b>11,893,233</b>	<b>548,503,735</b>
Equity	82,738,112	1,850,063	63,314	84,651,489
<b>Total Equity &amp; Liabilities</b>	<b>219,524,483</b>	<b>401,674,194</b>	<b>11,956,547</b>	<b>633,155,224</b>
<b>Contingencies &amp; Commitments</b>	<b>96,575,094</b>	<b>-</b>	<b>-</b>	<b>96,575,094</b>

**March 31, 2024 (Un-audited)**

	<b>Branch banking &amp; agri financing</b>	<b>Treasury</b>	<b>Islamic banking</b>	<b>Total</b>
..... Rupees in '000 .....				
<b>Profit &amp; Loss</b>				
Net mark-up/return/profit	3,576,420	899,659	71,069	4,547,148
Inter segment revenue - net	1,177,481	(1,177,481)	-	-
Non mark-up / return / interest income	460,819	225,570	1,066	687,455
<b>Total Income</b>	<b>5,214,720</b>	<b>(52,252)</b>	<b>72,135</b>	<b>5,234,603</b>
Segment direct expenses	3,242,972	19,086	54,908	3,316,966
Inter segment expense allocation	-	-	-	-
<b>Total expenses</b>	<b>3,242,972</b>	<b>19,086</b>	<b>54,908</b>	<b>3,316,966</b>
Credit loss allowance	539,659	-	-	539,659
<b>Profit / (loss) before tax</b>	<b>1,432,089</b>	<b>(71,338)</b>	<b>17,227</b>	<b>1,377,978</b>

**December 31, 2024 (Audited)**

	<b>Branch banking &amp; agri financing</b>	<b>Treasury</b>	<b>Islamic banking</b>	<b>Total</b>
..... Rupees in '000 .....				
<b>Balance Sheet</b>				
Cash & Bank balances	3,800,292	6,550,505	267,541	10,618,338
Investments	-	374,617,656	1,656,797	376,274,453
Net inter segment lending	68,561,115	-	-	68,561,115
Lendings to financial institutions	-	17,300,072	13,650,000	30,950,072
Advances - performing	101,613,315	-	8,032	101,621,347
- non-performing	7,499,863	-	-	7,499,863
Others	35,496,738	13,737,680	1,340,506	50,574,924
<b>Total Assets</b>	<b>216,971,323</b>	<b>412,205,913</b>	<b>16,922,876</b>	<b>646,100,112</b>
Borrowings	54,461,536	339,805,433	13,800,000	408,066,969
Subordinated debt	-	-	-	-
Deposits & other accounts	55,266,865	-	1,354,966	56,621,831
Net inter segment borrowing	-	68,061,115	500,000	68,561,115
Others	27,188,518	2,094,536	1,189,325	30,472,379
<b>Total Liabilities</b>	<b>136,916,919</b>	<b>409,961,084</b>	<b>16,844,291</b>	<b>563,722,294</b>
Equity	80,054,404	2,244,829	78,585	82,377,818
<b>Total Equity &amp; Liabilities</b>	<b>216,971,323</b>	<b>412,205,913</b>	<b>16,922,876</b>	<b>646,100,112</b>
<b>Contingencies &amp; Commitments</b>	<b>96,622,040</b>	<b>-</b>	<b>-</b>	<b>96,622,040</b>

### 37 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, 2024. 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	
	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)
	..... Rupees in '000 .....							
<b>Investments</b>	100,000	100,000	-	-	-	-	-	-
<b>Advances</b>								
Opening balance	-	-	98,550	54,997	-	-	-	-
Addition	-	-	-	74,572	-	-	-	-
Repaid	-	-	(5,998)	(31,019)	-	-	-	-
Closing balance	-	-	92,552	98,550	-	-	-	-
<b>Other assets</b>								
Interest / mark-up accrued	-	-	12,115	11,266	-	-	-	-
Receivable at the end of the period	-	-	-	-	1,230,259	1,184,271	-	-
<b>Deposits and other accounts</b>								
Opening balance	1,533,600	1,305,899	9,495	2,085	11,990,670	12,001,475	334,598	274,290
Received during the period / year	1,202,050	6,271,581	63,507	232,219	341,616	16,795,203	1,649	590,448
Withdrawn during the period / year	(1,265,324)	(6,043,880)	(65,000)	(224,809)	(1,005,876)	(16,806,008)	(247)	(530,140)
Closing balance	1,470,326	1,533,600	8,002	9,495	11,326,410	11,990,670	336,000	334,598
<b>Other liabilities</b>								
Interest / mark-up payable	177,339	132,001	-	-	370,594	288,217	20,018	11,090
Payable at the end of the period	249,423	162,044	-	-	19,383,136	18,937,974	-	-

### 37 RELATED PARTY TRANSACTIONS AND BALANCES

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	Subsidiary company		Key management personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)
	..... Rupees in '000 .....							
<b>Investments</b>	100,000	100,000	-	-	-	-	-	-
<b>Advances</b>								
Opening balance	-	-	98,550	54,997	-	-	-	-
Addition	-	-	-	74,572	-	-	-	-
Repaid	-	-	(5,998)	(31,019)	-	-	-	-
Closing balance	-	-	92,552	98,550	-	-	-	-
<b>Other assets</b>								
Interest / mark-up accrued	-	-	12,115	11,266	-	-	-	-
Receivable at the end of the period	-	-	-	-	1,230,259	1,184,271	-	-
<b>Deposits and other accounts</b>								
Opening balance	1,533,600	1,305,899	9,495	2,085	11,990,670	12,001,475	334,598	274,290
Received during the period / year	1,202,050	6,271,581	63,507	232,219	341,616	16,795,203	1,649	590,448
Withdrawn during the period / year	(1,265,324)	(6,043,880)	(65,000)	(224,809)	(1,005,876)	(16,806,008)	(247)	(530,140)
Closing balance	1,470,326	1,533,600	8,002	9,495	11,326,410	11,990,670	336,000	334,598
<b>Other liabilities</b>								
Interest / mark-up payable	177,339	132,001	-	-	370,594	288,217	20,018	11,090
Payable at the end of the period	249,423	162,044	-	-	19,383,136	18,937,974	-	-

	Subsidiary company		Key management personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Un-audited) Period ended March 31, .....							
	Rupees in '000 .....							
<b>Income</b>								
Mark-up / interest earned	-	-	949	635	-	-	-	-
Rental income	945	1,674	-	-	-	-	-	-
<b>Expense</b>								
Mark-up / interest paid	54,316	70,219	-	-	37,054	25,430	1,649	1,882
Compensation	-	-	81,106	57,051	-	-	-	-
Post retirement benefit	-	-	1,057	1,111	-	-	-	-
Contribution to defined benefit plan	-	-	208	220	-	-	-	-
Cost of services rendered	613,221	695,921	-	-	-	-	-	-

### 37.1 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.

38 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	... Rupees in '000 ...	
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	<u>52,678,432</u>	<u>52,678,432</u>
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	77,684,792	74,684,118
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	77,684,792	74,684,118
Eligible Tier 2 Capital	3,718,482	4,174,704
Total Eligible Capital (Tier 1 + Tier 2)	<u>81,403,274</u>	<u>78,858,822</u>
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	149,473,495	154,389,975
Market Risk	17,442,625	20,718,775
Operational Risk	43,898,575	43,898,575
Total	<u>210,814,695</u>	<u>219,007,325</u>
Common Equity Tier 1 Capital Adequacy Ratio	<u>36.85%</u>	<u>34.10%</u>
Tier 1 Capital Adequacy Ratio	<u>36.85%</u>	<u>34.10%</u>
Total Capital Adequacy Ratio	<u>38.61%</u>	<u>36.01%</u>
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	77,684,792	74,684,118
Total exposures	557,483,448	577,770,414
Leverage ratio	<u>13.93%</u>	<u>12.93%</u>
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	86,514,862	75,177,791
Total Net Cash Outflow	29,024,033	32,376,518
Liquidity Coverage Ratio	<u>298%</u>	<u>232%</u>
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	194,683,472	200,257,341
Total Required Stable Funding	148,960,410	162,878,163
Net Stable Funding Ratio	<u>131%</u>	<u>123%</u>

### 39 ISLAMIC BANKING BUSINESS

The bank is operating 25 (2024: 25) Islamic banking branches as at March 31, 2025.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			
<b>ASSETS</b>			
Cash and balances with treasury banks		255,895	141,150
Balances with other banks		2,024,785	126,391
Due from financial institutions	39.1	5,000,000	13,650,000
Investments	39.2	3,129,375	1,656,797
Islamic financing and related assets - net		8,368	8,032
Property and equipment		118,091	120,687
Intangible assets		-	-
Due from Head Office		-	-
Other assets		1,420,033	1,219,819
<b>Total Assets</b>		<b>11,956,547</b>	<b>16,922,876</b>
<b>LIABILITIES</b>			
Bills payable		3,953	4,435
Due to financial institutions		5,860,000	13,800,000
Deposits and other accounts	39.3	4,156,563	1,354,966
Due to Head Office		1,314,396	963,273
Subordinated debt		-	-
Other liabilities		58,321	221,617
		<u>11,393,233</u>	<u>16,344,291</u>
<b>NET ASSETS</b>		<b><u>563,314</u></b>	<b><u>578,585</u></b>
<b>REPRESENTED BY</b>			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus on revaluation of assets		7,828	11,953
Unappropriated profit	39.4	55,486	66,632
		<u>563,314</u>	<u>578,585</u>

### CONTINGENCIES AND COMMITMENTS

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

		(Un-audited)	
		March 31, 2025	March 31, 2024
	Note	Rupees in '000	
Profit / return earned	39.5	432,643	649,955
Profit / return expensed	39.6	379,801	578,886
Net profit / return		52,842	71,069
<b>Other income</b>			
Fee and commission income		656	1,066
Dividend income		-	-
Foreign exchange income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities		1,961	-
Other income		-	-
Total other income		2,617	1,066
Total income		55,459	72,135
<b>Other expenses</b>			
Operating expenses		66,605	54,908
Workers Welfare Fund		-	-
Other charges		-	-
Total other expenses		66,605	54,908
Profit / (loss) before provisions		(11,146)	17,227
Provisions and write offs - net		-	-
Profit / (loss) before taxation		(11,146)	17,227
Taxation		-	7,442
Profit / (loss) after taxation		(11,146)	9,785

**39.1 Due from Financial Institutions**

March 31, 2025 (Un-audited)			December 31, 2024 (Audited)			
In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total	
..... Rupees in '000 .....						
Musharakah / Mudarabah	5,000,000	-	5,000,000	13,650,000	-	13,650,000

**39.2 Investments**

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value
..... Rupees in '000 .....								
<b>Federal Government securities</b>								
Ijarah sukuk	2,788,758	-	1,746	2,790,504	1,287,277	-	8,343	1,295,620
<b>Non Government Debt Securities</b>								
Listed securities	332,788	-	6,083	338,871	357,566	-	3,611	361,177
<b>Total investments</b>	<b>3,121,546</b>	<b>-</b>	<b>7,829</b>	<b>3,129,375</b>	<b>1,644,843</b>	<b>-</b>	<b>11,954</b>	<b>1,656,797</b>

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
<b>39.3 Deposits</b>		
<b>Customers - local currency</b>		
Current deposits	168,327	392,796
Savings deposits	1,850,016	719,767
Term deposits receipts	28,745	242,165
Others	238	238
	2,047,326	1,354,966
<b>Financial Institutions</b>		
Term deposits	2,109,237	-
	4,156,563	1,354,966
<b>39.4 Islamic Banking Business Unappropriated Profit</b>		
Opening Balance	66,632	48,202
Add: Islamic Banking profit for the period	(11,146)	41,002
Less: Taxation	-	22,572
Closing Balance	55,486	66,632
	(Un-audited)	
	March 31, 2025	March 31, 2024
	Rupees in '000	
<b>39.5 Profit / return earned of financing, investments and placement</b>		
Profit earned on:		
Financing	419	-
Investments	84,681	633,576
Placements	347,543	16,379
	432,643	649,955
<b>39.6 Profit on deposits and other dues expensed</b>		
Call borrowings/ Funds acceptances	285,944	454,614
Commission and other charges	757	593
Deposits and other accounts	93,100	123,679
	379,801	578,886

#### 40 CORRESPONDING FIGURES

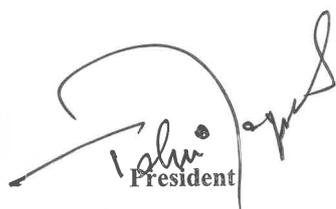
Corresponding figures have been rearranged, reclassified or additionally incorporated in these condensed interim financial statements wherever necessary to facilitate comparison and better presentation.

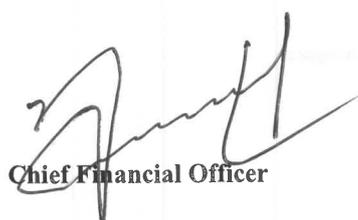
#### 41 DATE OF AUTHORIZATION FOR ISSUE

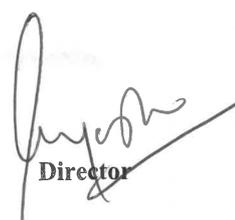
These condensed interim financial statements were authorized for issue on 27 APR 2025 by the Board of Directors of the Bank.

#### 42 GENERAL

The figures in the condensed interim financial statements are rounded off to the nearest thousand rupees.

  
President

  
Chief Financial Officer

  
Director

  
Director

  
Director