



Taking
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NIB Bank Limited
Annual Report 2013



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Company Information

Board of Directors	Teo Cheng San, Roland Tejpal Singh Hora Chia Yew Hock, Wilson Ong Kian Ngee Asif Jooma Najmus Saquib Hameed Muhammad Abdullah Yusuf Badar Kazmi Yameen Kerai	Chairman Director Director Director Director Director Director Director & President / CEO President & CEO (Acting)
Board Audit Committee	Muhammad Abdullah Yusuf Chia Yew Hock, Wilson Najmus Saquib Hameed	Chairman Member Member
Board Risk Management Committee	Tejpal Singh Hora Asif Jooma Yameen Kerai	Chairman Member Member
Board Human Resource Committee	Teo Cheng San, Roland Ong Kian Ngee Asif Jooma Yameen Kerai	Chairman Member Member Member
Company Secretary	Ather Ali Khan	
Chief Financial Officer (Acting)	Rahim Valliani	
Registered Office	First Floor, Post Mall F-7 Markaz, Islamabad	
Head Office	PNSC Building M.T. Khan Road Karachi-74000 UAN: +9221 111 333 111	
Email & URL	Email: info@nibpk.com URL: www.nibpk.com	
Share Registrar Office	THK Associates (Pvt.) Limited State Life Building No. 3 Dr. Ziauddin Ahmed Road Karachi-75530 UAN: +9221 111 000 322	
Auditors	M/s. KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisor	M/s. Mandviwalla & Zafar Advocates	
Credit Rating	Long Term: AA- Short Term: A1+ Rating Agency: PACRA	

Notice of Annual General Meeting

Notice is hereby given that Eleventh Annual General Meeting of NIB Bank Limited ("the Bank") shall be held at 3.30 pm on Friday the 28th March 2014, at ICAP Auditorium, Institute of Chartered Accountants of Pakistan (ICAP) Building, G-10/4, Mauve Area, Islamabad to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the Extraordinary General Meeting held on 19th September 2013.
2. To receive, consider and adopt the Audited Accounts of the Bank for the year ended 31st December 2013 together with Directors' and Auditors' Reports thereon.
3. To appoint auditors and fix their remuneration. M/s. KPMG Taseer Hadi & Co., Chartered Accountants have offered themselves for the re-appointment.

SPECIAL BUSINESS:

4. To grant post facto approval to the payment of remuneration fixed by the Board for the Non-executive Directors, in terms of State Bank of Pakistan's Prudential Regulation # G-1(C)(2) for Corporate / Commercial Banking and to pass the following resolution:

RESOLVED that post facto approval for payment of remuneration fixed by the Board for Non-executive Directors in terms of State Bank of Pakistan's Prudential Regulation # G-1(C)(2) for Corporate / Commercial Banking is hereby granted.

5. Any other business with the permission of the Chair.

Statements as required under Section 160(1)(b) of the Companies Ordinance, 1984 setting forth all material facts concerning the special business contained in the Notice to be considered at the meeting are annexed to the Notice of the meeting being sent to the members.

By Order of the Board

Karachi
7th March 2014

Ather Ali Khan
Company Secretary

Notes:

1. Share Transfer Books of the Bank will remain closed from 20th March to 28th March 2014 (both days inclusive).
2. A shareholder entitled to attend and vote at this meeting may appoint another shareholder as his / her proxy to attend and vote. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted along with proxy form to the Bank.
3. Proxies, in order to be effective, must be received at the Head Office of the Bank situated at PNSC Building, M.T. Khan Road, Karachi (Pakistan) not later than 48 (forty eight) hours before the time of meeting, and must be duly stamped, signed and witnessed.
4. Shareholders are requested to notify any change in their addresses immediately to the Bank or Share Registrar, M/s. THK Associates (Pvt.) Limited, State Life Building No. 3, Dr. Ziauddin Ahmed Road, Karachi (Pakistan).
5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated the 26th January 2000 issued by the Securities and Exchange Commission of Pakistan:

For attending the meeting:

In case of individuals, the account holder or sub-account holder or investor account holder shall authenticate identity by showing his / her original computerized national identity card (CNIC) or original passport at the time of attending the meeting.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

Notice of Annual General Meeting

For appointing proxies:

In case of individuals, the account holder or sub-account holder or investor account holder shall submit the proxy form as per the above requirement.

The proxy form shall be witnessed by two persons whose names, addresses and CNIC Numbers shall be mentioned on the form.

Attested copy of CNIC or the Passport, of the account holder or sub-account holder or investor account holder shall be furnished with the proxy form.

The proxy shall produce his original CNIC or original Passport at the time of the meeting.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Bank.

Statement under Section 160(1) (b) of the Companies Ordinance, 1984

NIB Bank Limited was incorporated as a public limited company under the Companies Ordinance, 1984, to carry on the business of a banking company under the Banking Companies Ordinance, 1962.

1) REMUNERATION TO THE CHAIRMAN & NON-EXECUTIVE DIRECTORS:

As per State Bank of Pakistan's Prudential Regulation G-1(C)(2), the Banks / DFIs during a calendar year may pay a reasonable and appropriate remuneration for attending the Board or its Committee(s) meeting(s) to the Chairman and Non-executive Directors, which should be linked to the actual number of Board / Committee meetings attended by an individual Director / Chairman. Furthermore, the scale of remuneration to be paid to the Chairman and Non-executive Directors for attending the Board and / or Committee meetings shall be approved by the shareholders on a pre or post facto basis in the Annual General Meeting. The Board of Directors on 20th June 2013 had approved a fee per meeting of USD 3,500 for the Chairman of the Board and USD 3,000 per meeting for Independent / Non-executive Directors (USD 1,500 for sub-committee meetings).

During 2013 a fee amounting to Rs. 10.935 million was paid to the Chairman, Independent and Non-executive Directors.

For the purpose aforesaid it is proposed that the resolution set out in the notice convening the Annual General Meeting of the Bank be passed as and by way of a Special Resolution.

Directors' Report to the Shareholders

THE ECONOMY

The year under review was one of continuing macro-economic challenges whilst also being historic in terms of the first peaceful democratic transition of an elected government. Following a relatively benign first half ahead of the general elections, the elected PML(N) Government in the centre, entered a fresh deal with the IMF to address the precarious Balance of Payments position. In order to reduce its fiscal gap, the government introduced certain structural reforms which included an increase in GST and reduction in energy subsidies, driving average inflation up by 8.9% in the second half of 2013 from 6.4% in the first half. This in turn prompted the SBP to increase its policy rate by 100 bps during the second half of the year.

The external account remained under pressure with SBP reserves falling below USD 3.5 bn during December 2013. The downward pressure on the rupee was slightly abated with a 3% appreciation in December 2013, limiting the slide in its value to 8% during the calendar year. The balance of payments pressure was further exacerbated due to a heavy repayment to the IMF in the last quarter. Going forward the situation is expected to improve gradually with projected flows augmented by quarterly disbursements by the IMF under the new program. With imports continuing to outpace export growth and a slowdown in remittance growth, improvement in the existing level of reserves will remain dependent upon foreign inflows.

Despite the challenges, the Country met the IMF conditionalities for September 2013 with the exception of net international reserves. Further, the December 2013 targets were also met. The Country's GDP was significantly up in the Jul-Sep 2013 quarter, led by recovery in large scale manufacturing and improvement in energy supply following the settlement of the circular debt issue. Inflation has also started to ease after peaking in November 2013, primarily due to improved supply of food items.

BANKING SECTOR

Banking sector profitability in 2013 was mainly impacted by shrinking spreads attributable to raising of the minimum deposit rate coupled with mandatory averaging for deposit interest calculations. Per SBP provisional data, net interest income in 2013 declined by 2.24% year on year. Correspondingly, non-interest income grew by 1.71% in the same period, helping shore up the bottom line. During the year, total deposits increased by 13.9%, largely in line with growth in nominal GDP and last five years' average annual growth. On the asset side, stock of non-performing loans decreased by Rs 30 bn to Rs 585 bn during the year resulting in the NPL / Loan ratio reducing by 150 bps to reach 13% in December 2013. Going forward, private sector expansion will continue to depend upon geo-political stability and energy sector reforms. Sector profitability in 2014 will be largely dependent on credit volume as banking spreads are expected to remain stable.

OPERATING RESULTS

The Bank continued its journey of transformation by maintaining its momentum in enhancing operational performance. The Bank's operating margin improved further translating into after tax earnings (unconsolidated) of Rs 1.24 bn for the year ended December 2013 compared to Rs 0.04 bn in same period last year. On a consolidated basis, profit after tax was Rs 1.58 bn in 2013 compared to Rs 0.26 bn in 2012. This represents the highest after tax profit achieved by NIB Bank to date.

Between 2012 and 2013, despite higher deposit rates as a result of regulatory changes, net interest income grew by 15% driven by higher loan and deposit volumes as well as money market activities. Non-interest income grew by 20% on the back of higher foreign exchange and commission income, capital gains on fixed income securities and dividends from subsidiary and associates. As a result, year on year total revenue increased by 17% and operating profit increased from Rs 45 mn to Rs 774 mn.

The Bank uniformly grew its Corporate loan portfolio throughout the year with blue chip corporates and public sector entities, with the loan portfolio increasing by 26% during the year. The Bank's income stream was further embellished by leveraging high yielding cross sell opportunities to the corporate customers. Resultantly, foreign exchange, trade and advisory income grew by 65% in 2013 compared to 2012.

On the Commercial portfolio, the Bank targeted customers with high trade volume and seasonal finance needs, specific branches being earmarked in commercial / trade areas across its network to enhance customer service. Wherever necessary branch managers, trade specialists as well as risk managers were hired to serve the specific needs of customers. The impact of these changes is already apparent in the increased trade volumes booked in the last quarter of 2013.

Directors' Report to the Shareholders

On the Retail banking front, the Bank maintained its customer centric approach driven by identifying the needs of specific customer segments. This is helping not only in the bundling of products for cross-sell purposes but also in delivering a differentiated customer experience. During the year the Bank formally launched the "Exclusive Banking" proposition for its more affluent customers. A highly experienced and professional team of relationship managers will be driving this proposition to meet the specific needs of this segment. The Bank reached a milestone in its alternative distribution strategy by launching the first chip-based debit card and its "World Card" variant for Exclusive Banking customers.

In keeping with our customer centric approach, the Bank continues to invest in improving branch infrastructure and ambience in an attempt to enhance both its value proposition and customer experience. The NIB Bank brand was re-juvenated during the year through a number of initiatives. Branch fascia across the network was upgraded to impart a more refreshing and energy efficient design. Selected branches have been earmarked as "Branch of The Future" with upgraded furniture and fixtures as well as the latest technological tools. Coupled with the re-design of its Website and presence on social media platforms, NIB Bank is positioning itself as a progressive and technologically current institution. NIB Bank also co-sponsored two major cricket Series in the UAE to improve brand recognition. Investments aimed at enhancing safety and security in branches and other locations are also contributing towards improving the image of the Bank.

The spend on the above activities was mainly financed by savings through rationalization of space usage, re-engineering processes to optimize human capital and energy efficiency. As a consequence, administrative expenses between 2012 and 2013 increased by a mere 2.6% despite a strong cost push on the back of the higher inflation and increase in sales tax on goods and services.

The Bank has relentlessly continued its efforts in the recovery of cash / assets from its defaulting customers or restructuring outstandings wherever possible. At the same time pro-active collection efforts from paying customers have kept new non-performing loans (NPLs) in check as well as improved bucket flows within NPLs. As a result the Bank's stock of NPLs has reduced by Rs 3,017 mn between 2012 and 2013. 2013 also includes net credit provisioning reversals of Rs 751 mn as compared to net credit provisioning charge of Rs 117 mn in 2012.

At the centre of every business group's strategy is the Customer, with a clearly defined product and service delivery plan. By keeping its focus on the Customer and by investing in areas that will have a direct impact on revenue growth and maintaining its continued focus on collection of NPLs / bad debts, the Bank is maintaining its drives to deliver strong bottom line growth. With positive outcomes from efforts made over the past two years, there is a positive energy in the Bank helping it on its journey to become the most admired financial institution, known for its innovation and customer service.

CREDIT RATING

The Pakistan Credit Rating Agency (PACRA) has maintained the long term rating and short term rating of NIB Bank at **"AA-" (Double A minus)** and at **"A1+" (A one plus)** respectively in June 2013.

PACRA has assigned preliminary rating of **"A+" (Single A plus)** to the proposed listed, unsecured and subordinated TFC re-issue of upto Rs 5,000 mn.

The ratings denote very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments.

CORPORATE GOVERNANCE

During the year under review, the Bank was compliant with the provisions of the Code of Corporate Governance. Being aware of their responsibilities under the Code of Corporate Governance, the Board of Directors state that:

The Financial Statements prepared by the management of the Bank, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

Proper books of accounts of the Bank have been maintained.

Appropriate accounting policies have been consistently applied in preparation of financial statements except for change in accounting policy as mentioned in note No. 6.1 of the financial statements. Accounting estimates are based on reasonable and prudent judgment.

International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed and explained.

The system of internal control is sound in design and has been effectively implemented and monitored.

There are no significant doubts upon the Bank's ability to continue as a going concern.

Directors' Report to the Shareholders

In 2013, One director has completed the "Bank Governance Programme" offered by the Pakistan Institute of Corporate Governance, as required by the Code.

There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations of Stock Exchanges.

As of 31st December 2013, the value of investments of the Provident Fund was Rs 883.375 mn (unaudited).

Trading during the year, if any, in the shares of the Bank, carried out by Directors, Executives and their spouses and minor children, are disclosed in the pattern of shareholding.

Dividend has not been declared for the year due to the small amount of earnings.

Six years' financial data for NIB Bank on an unconsolidated basis is provided hereunder:

<i>Rs mn</i>	2013	2012	2011	2010	2009	2008
Advances	82,001	71,564	60,844	74,566	84,021	80,344
Deposits and other accounts	104,896	91,291	85,488	99,169	93,920	104,586
Total Assets	176,825	190,609	154,794	164,350	208,119	178,909
Net Assets	14,476	14,029	13,677	13,663	41,528	39,699
Share capital	103,029	103,029	103,029	40,437	40,437	28,437
Net Mark-up / Interest Income	3,286	2,856	2,079	2,949	5,400	4,402
Total Non Mark-up / Interest income	2,906	2,422	2,152	1,715	1,682	2,421
Total Non Mark-up / Interest expense	5,418	5,233	4,945	7,235	5,243	8,164
Profit / (Loss) before taxation	1,625	145	(3,480)	(12,622)	644	(10,998)
Profit / (Loss) after taxation	1,241	38	(2,044)	(10,112)	691	(7,475)
Basic / diluted earnings / (loss) per share (Rupees)	0.12	0.004	(0.34)	(2.50)	0.17	(2.63)

During 2013 the following Board and sub-committees meetings were held and were attended by the Directors as follows:

Name of Directors	Board Meetings		Audit Committee Meetings		Risk Management Committee		Human Resource Management Committee	
	Eligible to attend	Meetings Attended	Eligible to attend	Meetings Attended	Eligible to attend	Meetings Attended	Eligible to attend	Meetings Attended
Teo Cheng San, Roland	7	7	-	-	-	-	3	3
Syed Aamir Zahidi <i>Retired at AGM held on 29 Mar 2013</i>	1	1	1	1	-	-	-	-
Tejpal Singh Hora	7	6	-	-	6	6	-	-
Chia Yew Hock Wilson	7	7	3	2	-	-	1	1
Ong Kian Ngee	4	4	-	-	-	-	2	2
Asif Jooma	7	7	-	-	6	6	3	3
Muhammad Abdullah Yusuf	7	7	5	5	-	-	-	-
Najmus Saquib Hameed	7	6	5	4	-	-	-	-
Badar Kazmi	7	7	-	-	6	6	3	3

Leave of absence was granted in case the directors were not able to attend the meeting.

INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

The Board is pleased to endorse the statements made by the management relating to internal control and the risk assessment framework to meet the requirement of the State Bank of Pakistan (SBP) BSD Circular No. 7 of 2004, BSD Circular letter No. 2 of 2005 and Code of Corporate Governance issued by the Securities & Exchange Commission of Pakistan (SECP). The management's statements are included in the annual report.

Directors' Report to the Shareholders

CORPORATE SOCIAL RESPONSIBILITY

NIB Bank, as a responsible corporate citizen, plays an active role in supporting different social causes in Pakistan, through its Donations, Contributions and Corporate Social Responsibility (CSR) efforts.

The focus of our CSR activities is on the following areas:

- Education
- Community Health
- Disaster Response (Earthquakes, Floods etc.)
- Environmental projects and Initiatives directed at preserving
- Promoting Pakistan Culture

In 2013, two notable projects in this regard are our association with the Karachi Literature Festival and our sponsorship of less privileged students at LUMS through the NIB Endowment Fund created at LUMS.

AUDITORS

As per the SBP's BSD Circular, the Banks are allowed to continue with their existing auditors with partner rotation after the expiry of five years, if such auditors are also the auditors of the parent institution. Upon the application from the Bank, SBP has allowed NIB Bank to continue with M/s. KPMG Taseer Hadi & Co. The present auditors M/s. KPMG Taseer Hadi & Co., Chartered Accountants retire and, being allowed have offered themselves for re-appointment in the forthcoming Annual General Meeting. The Board of Directors on the suggestion of the Audit Committee recommends their appointment for the next term.

PATTERN OF SHAREHOLDING

The pattern of shareholding as at 31st December 2013 is included in the annual report.

ACKNOWLEDGEMENT

NIB Bank is grateful to Temasek Holdings, who through its subsidiaries Fullerton Financial Holdings Pte. Limited and Bugis Investments (Mauritius) Pte. Limited (the majority shareholder), for repeatedly demonstrating its commitment to the Bank. NIB Bank is also very grateful to its minority shareholders for their patience and perseverance and most of all to its customers who continue to demonstrate very strong loyalty to NIB Bank. The SBP, SECP and other regulatory bodies have, as always guided the Bank well and have given their full support which is highly appreciated. The Bank's impressive performance in the past year would not have been possible without the tireless efforts and dedication of its employees and for that they deserve a special thank you.

On behalf of the Board

Teo Cheng San, Roland
Chairman

Yameen Kerai
President & CEO (Acting)

Statement of Compliance with Code of Corporate Governance For the year ended December 31, 2013

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This statement is being presented to comply with Code of Corporate Governance (CCG) contained in Regulation # 35 of Listing Regulations of stock exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Bank has applied the principles contained in the Code of Corporate Governance (CCG) in the following manner:

1. The Bank encourages representation of independent Non-executive Directors on its Board including those representing minority interests. At present the Board includes:

Category	Name
Independent Directors	Teo Cheng San, Roland Asif Jooma Muhammad Abdullah Yusuf Najmus Saquib Hameed
Non-executive Directors	Tejpal Singh Hora Chia Yew Hock, Wilson Ong Kian Ngee
Executive Director	Badar Kazmi

The independent directors meet the criteria of independence under clause i(b) of the CCG.

2. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including the Bank.
3. All the resident directors of the Bank are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a Development Financial Institution or Non Banking Finance Institutions. None of the directors of the Bank are members of any Stock Exchange.
4. No casual vacancy occurred during 2013, however, election of directors was held on 29th March 2013.
5. The Bank has prepared a "Code of Conduct" and has ensured appropriate steps have been taken to disseminate it through the company along with its supporting policies and procedures.
6. The Bank has established a Strategic Intent, and agreed on brand Values which are expected to be demonstrated by all NIB Bank employees. Both, the Strategic Intent and Values, are duly approved by the Board. A complete record of particulars of significant policies along with the dates on which these were approved is being maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and Non-executive Directors have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman. The Board held seven meetings during the year (including the required quarterly meetings). Written notices of Board meetings, along with agenda, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated. The CFO and Company Secretary attended all the meetings of the Board of Directors during the year, except one meeting where CFO was on leave.
9. An orientation program was carried out for directors during 2012 on the Code of Corporate Governance. During 2013, a director has completed 'Bank Corporate Governance / Corporate Governance Leadership Skills' program offered by Pakistan Institute of Corporate Governance.
10. The Board had approved the appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit and the terms and conditions of their employment, determined by the CEO, are duly authorized by the Board of Directors. No new appointments during 2013.

11. The Directors' report has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Bank were duly endorsed by the CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Bank other than that disclosed in the pattern of shareholding.
14. The Bank has complied with all the corporate and financial reporting requirements of the CCG.
15. The Audit Committee comprises of three members, all of whom are Non-executive Directors (2 are independent including Chairman).
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Bank as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. During the year, the Risk Management sub-committee of the Board comprising of 3 members (1 independent 1 non-executive and 1 executive director) met 6 times, whereas the HR sub-committee of the Board comprising of 4 members (2 independent, 1 non-executive and 1 executive director) met 3 times.
18. The Bank has an effective Internal Audit department. An Internal Audit Policy is approved by the Board. The Internal Audit department has conducted audit of branches and various departments of the Bank during the year.
19. The statutory auditors of the Bank have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firms, their spouses and minor children do not hold shares of the Bank and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchanges.
22. Material / price sensitive information has been disseminated among all market participants at once through stock exchanges.
23. We confirm that all the material principles contained in the CCG have been complied with.

Yameen Kerai
President & CEO (Acting)

Statement on Internal Controls

For the year ended December 31, 2013

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Internal Control System

The management acknowledges its responsibility for establishing and maintaining a system of internal controls directly related to, and designed for, providing reasonable assurance to achieve the following objectives:

- Efficiency and effectiveness of operations
- Compliance with applicable laws and regulations
- Reliability of financial reporting

The Bank has strengthened its internal control system by enhancing the quality of processes, staff and IT infrastructure and will continue to do so as it grows its business volumes and activities.

The Bank is pleased to make the following disclosures on the components of the internal control system:

Control Environment

1. The Bank has written and implemented policies, procedures, manuals and other documents for most areas of the Bank's business.
2. The Bank has established a Strategic Intent, and agreed on brand Values which are expected to be demonstrated by all NIB Bank employees. Both, the Strategic Intent and Values, are duly approved by the Board.
3. A governance structure exists which supports clear lines of command, communication and three lines of controls.
4. The management has defined roles and responsibilities of key management personnel.
5. The Audit Committee, which comprises of non-executive directors, has written terms of reference and reports to the Board. It reviews the approach adopted by the Bank's internal audit group and the scope of, and the relationship with, the external auditors. It also regularly receives summary of reports from the internal audit group and the external auditors on the system of internal controls and any material control weaknesses that have been identified. The Audit Committee also discusses with the management any areas of concern.
6. An effective internal audit system exists which is responsible for evaluation of the internal control system on a continuous basis and reports directly to the Audit Committee.
7. The Bank has adopted a code of conduct that is required to be signed by all employees. Furthermore, the Directors have also signed the code of conduct.
8. Management has set up an effective compliance function to ensure ongoing monitoring of the Bank's adherence with all laws and regulations. Group Head of Compliance, Legal & Investigation (CLIG) directly reports to the CEO/President of the Bank as per regulatory requirements.
9. The Bank has also developed a Compliance Risk Management (CRM) tool whereby applicable regulations are tagged to the relevant stakeholders and specific controls are designed to mitigate regulatory risks. The underlying controls are periodically tested by means of a process of self assessment and assurance tests are also conducted by the Internal Audit Group.

Risk Assessment

10. The Bank is compliant with the risk management guidelines issued by the SBP.

Control Activities

11. The Bank has developed a Business Continuity Plan and tests the Plan at periodic intervals.
12. The Bank has strict Know Your Customer (KYC) / Anti Money Laundering (AML) and Fraud Management policies, and has an automated transaction monitoring system, anti-fraud training programs, and controls in place. The Bank continues to use an e-KYC form and automated transaction monitoring to further strengthen its KYC / AML regime.

Statement on Internal Controls For the year ended December 31, 2013

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13. During the year under review, the Bank has completed the SBP implementation Roadmap and other guidelines regarding Internal Controls over Financial Reporting (ICFR). The results of the internal control design assessment and testing of key controls leads management to conclude that ICFR are operating effectively.

Information and Communication

14. The Bank has a functioning Management Information System and has developed Key Performance Indicators for its businesses enabling it to monitor budget versus actual performance.

Monitoring

15. Internal Audit periodically carries out audits for branches and Head Office functions to monitor compliance with the Bank's standards.
16. Management gives due consideration to the recommendations made by the auditors, both internal and external, and the regulators especially for improvements in the internal control system. The Bank takes timely action to implement such recommendations.
17. Internal Audit has concluded their review of ICFR by firstly, validating the management testing, and secondly, by independently testing some of the controls. They have concluded satisfactorily on the ICFR process undertaken by the Bank.

Based on the results of an evaluation of the internal control system and key features of the control framework enumerated above, the management is of the view that the internal control system during the year was acceptable in design and has been effectively implemented throughout the year. Considering the past effectiveness of control activities in managing risk and the extent of ongoing monitoring within the associated processes, the Bank has, subsequent to the year-end, set up a Quality Assurance Unit within Operational Risk Management Unit to strengthen the second line of defence for conducting separate evaluation of specific processes and control activities as well as rectification of deficiencies.

The Bank, however, will continue to further strengthen the process by both raising the bar on acceptable performance and the consequence management process.

It is pertinent to state that development of an internal control system is an ongoing process through which management reviews and strengthens the internal control system, designed to manage and control risks, and recognize and eliminate inherent risks. As such, it can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management Framework

The acceptance and management of financial risk is inherent to banking business activities. It involves the identification, measurement, monitoring and controlling of Risk.

In accordance with the Risk Management guidelines issued by the SBP, an Integrated Risk Management Group in the Bank formulates risk management Policies and Procedures in line with the Bank's defined strategies and to monitor the following areas:

- a) Credit Risk Management
- b) Market and Liquidity Risk Management
- c) Operational Risk Management

Credit Risk Management (CRM)

CRM is viewed as an ongoing activity where credit risks are regularly identified, measured, assessed and controlled. Regular portfolio reviews determine the quality of the credit portfolio on an ongoing basis and assist in balancing risk and reward. To oversee and manage credit risks appropriately, the Credit Risk Committee has been established at the Head Office and comprises of members with credit, industry and business expertise.

Statement on Internal Controls For the year ended December 31, 2013

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In order to achieve earnings targets with a high degree of reliability and to avoid losses through a strong credit process, Credit Risk Policies have been developed and implemented. These Credit Policies are under constant review and updated, thereby establishing a robust credit control environment.

Market Risk Management (MRM)

MRM is a control function which allows management to closely supervise and monitor risks caused by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices, resulting in a potential loss to earnings and capital.

The Market and Liquidity Risk Unit under the supervision of Integrated Risk Management Group, is responsible for ensuring that market risk parameters are properly adhered to.

In order to ensure adequate controls for money market, foreign exchange and equity transactions, a comprehensive control mechanism has been implemented by restructuring the limit mechanism and introducing new notional as well as sensitivity based limits.

Operational Risk Management (ORM)

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems and from external events. The Bank has an Operational Risk Framework duly approved by the Board which is reviewed annually. During 2013 the Bank has acquired an Operational Risk System and implemented an Operational Risk Framework aligned to international best practices. The Bank is using Key Risk Indicators, Risk & Control Self Assessment and capturing Operational Incidents as tools for identification, monitoring, and management of operational risk. The Bank has further strengthened this area by emphasizing on training, adding experienced staff, focusing on building robust processes and introducing a strong monitoring system as part of the risk management process.

Yameen Kerai
President & CEO (Acting)

Auditors' Review Report to the Members on Statement of Compliance with Best Practices of Code of Corporate Governance

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We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of NIB Bank Limited ("the Bank") for the year ended 31 December 2013 to comply with Listing Regulation No. 35 of the Karachi, Lahore and Islamabad Stock Exchanges where the Bank is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Bank. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Bank's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Bank's personnel and review of various documents prepared by the Bank to comply with the Code.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Bank's corporate governance procedures and risks.

The Code requires the Bank to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance with this requirement to the extent of approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank's compliance, in all material respects, with the best practices contained in the Code as applicable to the Bank for the year ended 31 December 2013.

Date: 28 February 2014
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

Auditors' Report to the Members

We have audited the annexed unconsolidated statement of financial position of NIB Bank Limited (the Bank) as at 31 December 2013 and the related unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the 'financial statements') for the year then ended, in which are incorporated the unaudited certified returns from the branches except for 27 branches which have been audited by us and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Bank's Board of Directors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with approved accounting standards and the requirements of the Banking Companies Ordinance, 1962 (LVII of 1962), and the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion and after due verification, which in the case of loans and advances covered more than 60% of the total loans and advances of the Bank, we report that:

- a) in our opinion, proper books of accounts have been kept by the Bank as required by the Companies Ordinance, 1984 (XLVII of 1984), and the returns referred to above received from the branches have been found adequate for the purposes of our audit;
- b) in our opinion:
 - i) the statement of financial position and profit and loss account together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962 (LVII of 1962), and the Companies Ordinance, 1984 (XLVII of 1984), and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the change in accounting policy as disclosed in note 6.1 to the accompanying financial statements, with which we concur;
 - ii) the expenditure incurred during the year was for the purpose of the Bank's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Bank and the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- c) in our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement, and unconsolidated statement of changes in equity together with the notes forming part thereof conform with approved

Auditors' Report to the Members

accounting standards as applicable in Pakistan, and give the information required by the Banking Companies Ordinance, 1962 (LVII of 1962), and the Companies Ordinance, 1984 (XLVII of 1984), in the manner so required and respectively give a true and fair view of the state of the Bank's affairs as at 31 December 2013 and its true balance of profit, comprehensive income, its cash flows and changes in equity for the year then ended; and

- d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Date: 28 February 2014
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Amir Jamil Abbasi

NIB Bank Limited
Unconsolidated Statement of Financial Position
As at December 31, 2013

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	Note	2013	2012 Restated
(Rupees '000')			
ASSETS			
Cash and balances with treasury banks	7	8,006,105	7,672,866
Balances with other banks	8	692,177	960,850
Lendings to financial institutions	9	2,127,516	3,440,910
Investments	10	61,058,886	85,386,110
Advances	11	82,000,586	71,564,237
Operating fixed assets	12	2,836,105	2,708,498
Intangible assets	13	1,438,252	1,720,424
Deferred tax assets - net	14	11,249,886	10,881,284
Other assets	15	7,415,548	6,274,182
		176,825,061	190,609,361
LIABILITIES			
Bills payable	16	2,862,663	2,430,030
Borrowings	17	51,506,673	76,179,065
Deposits and other accounts	18	104,896,065	91,291,234
Sub-ordinated loans	19	-	3,992,800
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities	20	3,083,466	2,687,610
		162,348,867	176,580,739
NET ASSETS		<u>14,476,194</u>	<u>14,028,622</u>
REPRESENTED BY:			
Share capital	21	103,028,512	103,028,512
Reserves		474,123	225,889
Discount on issue of shares		(45,769,623)	(45,769,623)
Accumulated loss		(42,790,164)	(43,847,814)
Shareholders' equity		14,942,848	13,636,964
(Deficit) / Surplus on revaluation of assets - net	22	(466,654)	391,658
		<u>14,476,194</u>	<u>14,028,622</u>
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes from 1 to 42 and annexure - 1 form an integral part of these unconsolidated financial statements.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director

NIB Bank Limited
Unconsolidated Profit and Loss Account
For the year ended December 31, 2013

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	Note	2013	2012
(Rupees '000')			
Mark-up / Return / Interest earned	24	13,169,697	13,988,512
Mark-up / Return / Interest expensed	25	9,883,452	11,132,803
Net Mark-up / Interest Income		<u>3,286,245</u>	<u>2,855,709</u>
(Reversal) / Provision against non-performing loans and advances	11.5	(751,027)	116,533
(Reversal) / Provision for diminution in the value of investments	10.12	(105,001)	(231,969)
Bad debts written off directly		4,451	15,632
		<u>(851,577)</u>	<u>(99,804)</u>
Net Mark-up / Interest income after provisions		4,137,822	2,955,513
NON MARK-UP / INTEREST INCOME			
Fee, commission and brokerage income		1,271,045	891,618
Dividend income		522,888	448,906
Income from dealing in foreign currencies		543,436	469,247
Gain on sale of securities - net	26	493,513	539,578
Unrealized gain on revaluation of investments classified as held-for-trading		-	-
Other income	27	75,121	72,833
Total Non Mark-up / Interest income		<u>2,906,003</u>	<u>2,422,182</u>
		7,043,825	5,377,695
NON MARK-UP / INTEREST EXPENSES			
Administrative expenses	28	5,305,872	5,173,194
Other provisions / write offs		68,702	5,239
Other charges	29	43,984	54,142
Total Non-Mark-up / Interest expense		5,418,558	5,232,575
Extraordinary / Unusual items		-	-
PROFIT BEFORE TAXATION		1,625,267	145,120
Taxation - Current	30	160,757	82,054
- Prior years	30	148,339	25,000
- Deferred	30	75,000	-
		<u>384,096</u>	<u>107,054</u>
PROFIT AFTER TAXATION		1,241,171	38,066
Accumulated loss brought forward		(43,847,814)	(43,886,914)
ACCUMULATED LOSS CARRIED FORWARD		<u>(42,606,643)</u>	<u>(43,848,848)</u>
Basic / diluted earnings per share (Rupees)	31	<u>0.12</u>	<u>0.004</u>

The annexed notes from 1 to 42 and annexure - 1 form an integral part of these unconsolidated financial statements.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director



NIB Bank Limited
 Unconsolidated Statement of Comprehensive Income
 For the year ended December 31, 2013

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	2013	2012 Restated
	(Rupees '000')	
Profit after taxation for the year	1,241,171	38,066
Other comprehensive income	-	-
Items that will not be reclassified to profit or loss		
Effect of change in accounting policy with respect to accounting for actuarial gains and losses	3,153	8,647
Items that are or may be reclassified subsequently to profit or loss	-	-
Total comprehensive income for the year	<u>1,244,324</u>	<u>46,713</u>

Surplus / Deficit on Revaluation of "Available for Sale" securities is presented under a separate head below equity as "Surplus / Deficit on Revaluation of Assets" in accordance with the requirements specified by the Companies Ordinance, 1984, and the State Bank of Pakistan vide its BSD Circular 20 dated August 4, 2000 and BSD Circular 10 dated July 13, 2004.

The annexed notes from 1 to 42 and annexure - 1 form an integral part of these unconsolidated financial statements.

Yameen Kerai
 President / Chief Executive (Acting)

Teo Cheng San, Roland
 Chairman / Director

Tejpal Singh Hora
 Director

Muhammad Abdullah Yusuf
 Director

NIB Bank Limited
Unconsolidated Statement of Changes in Equity
For the year ended December 31, 2013

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	Share capital	Discount on issue of shares	Reserves		Total	
			Capital	Revenue		
			Statutory reserve (a)	General reserve	Accumulated loss	
(Rupees '000')						
Balance as at December 31, 2011 - as previously reported	103,028,512	(45,769,623)	212,804	5,472	(43,893,095)	13,584,070
Effect of retrospective change in accounting policy with respect to accounting for actuarial gains and losses	-	-	-	-	6,181	6,181
Balance as at December 31, 2011 - Restated	103,028,512	(45,769,623)	212,804	5,472	(43,886,914)	13,590,251
Total comprehensive income / (loss) for the year						
Effect of retrospective change in accounting policy with respect to accounting for actuarial gains and losses	-	-	-	-	8,647	8,647
Profit after taxation for the year	-	-	-	-	38,066	38,066
Transfer to statutory reserve	-	-	7,613	-	(7,613)	-
Balance as at December 31, 2012 - Restated	103,028,512	(45,769,623)	220,417	5,472	(43,847,814)	13,636,964
Total comprehensive income / (loss) for the year						
Effect of change in accounting policy with respect to accounting for actuarial gains and losses	-	-	-	-	3,153	3,153
Profit after taxation for the year	-	-	-	-	1,241,171	1,241,171
Contribution by and distribution to owners						
Share based payment transaction	-	-	-	-	61,560	61,560
Transfer to statutory reserve	-	-	248,234	-	(248,234)	-
Balance as at December 31, 2013	103,028,512	(45,769,623)	468,651	5,472	(42,790,164)	14,942,848

(a) This represents reserve created under section 21(1)(a) of the Banking Companies Ordinance 1962.

The annexed notes from 1 to 42 and annexure - 1 form an integral part of these unconsolidated financial statements.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director

NIB Bank Limited
Unconsolidated Statement of Cash Flows
For the year ended December 31, 2013

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	2013	2012
	(Rupees '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,625,267	145,120
Dividend income	(522,888)	(448,906)
	<u>1,102,379</u>	<u>(303,786)</u>
Adjustments for non-cash items		
Depreciation	282,169	228,148
Amortization	336,576	348,306
Share based payment	61,560	-
Gain on sale of securities	(493,513)	(539,578)
Gain on sale of operating fixed assets	(38,999)	(13,607)
Gain from insurance against loss of fixed assets	(7,416)	-
Provision against non-performing loans and advances	(751,027)	116,533
Bad debts written off directly	4,451	15,632
Fixed assets written off	805	72,890
(Reversal) for diminution in the value of investments	(105,001)	(231,969)
Other provisions / write offs	68,702	5,239
	<u>(641,693)</u>	<u>1,594</u>
	460,686	(302,192)
(Increase) / Decrease in operating assets		
Landings to financial institutions	1,313,394	11,226,008
Advances	(9,689,773)	(10,852,022)
Other assets (excluding advance taxation)	(1,261,881)	(1,796,692)
Increase / (Decrease) in operating liabilities		
Bills payable	432,633	691,608
Borrowings	(24,672,392)	28,797,034
Deposits and other accounts	13,604,831	5,802,966
Other liabilities	325,247	188,838
	<u>(19,487,255)</u>	<u>33,755,548</u>
Income tax paid	(257,283)	(127,375)
Net cash (used in) / from operating activities	<u>(19,744,538)</u>	<u>33,628,173</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Investments in available-for-sale securities	20,659,522	(34,721,052)
Net Investments in held-to-maturity securities	2,964,302	140,258
Net Investments in associates	(2,105,675)	-
Net Investments in Subsidiary	2,105,675	-
Dividend received	522,888	448,906
Payments for capital work in progress	(263,003)	(227,385)
Acquisition of property and equipment	(161,355)	(117,840)
Acquisition of intangible assets	(125)	-
Sale proceeds of property and equipment disposed off	72,610	28,787
Recovery from Insurance company against loss of assets	8,474	-
Net cash from / (used in) investing activities	<u>23,803,313</u>	<u>(34,448,326)</u>

NIB Bank Limited
 Unconsolidated Statement of Cash Flows
 For the year ended December 31, 2013

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	Note	2013	2012
		(Rupees '000')	
CASH FLOWS FROM FINANCING ACTIVITIES			
Redemption of sub-ordinated loans		(3,992,800)	(1,600)
Dividend paid		(1,409)	(405)
Net cash (used in) financing activities		<u>(3,994,209)</u>	<u>(2,005)</u>
Net increase / (decrease) in cash and cash equivalents		64,566	(822,158)
Cash and cash equivalents at beginning of the year		8,633,716	9,455,874
Cash and cash equivalents at end of the year	32	<u>8,698,282</u>	<u>8,633,716</u>

The annexed notes from 1 to 42 and annexure - 1 form an integral part of these unconsolidated financial statements.

Yameen Kerai
 President / Chief Executive (Acting)

Teo Cheng San, Roland
 Chairman / Director

Tejpal Singh Hora
 Director

Muhammad Abdullah Yusuf
 Director

1. STATUS AND NATURE OF BUSINESS

NIB Bank Limited "the Bank" is incorporated in Pakistan and its registered office is situated at first floor, Post Mall, F-7 Markaz, Islamabad. The Bank is listed on all the stock exchanges in Pakistan and has 179 branches (December 31, 2012: 179 branches). The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962.

NIB Bank Limited is a subsidiary of Bugis Investments (Mauritius) Pte. Limited which is a wholly owned subsidiary of Fullerton Financial Holdings Pte. Limited which in turn is a wholly owned subsidiary of Temasek Holdings, an investment arm of the Government of Singapore.

2. BASIS OF PRESENTATION

These unconsolidated financial statements represent separate financial statements of the Bank. The consolidated financial statements of the Bank, its subsidiary and associates are presented separately.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.

These unconsolidated financial statements have been presented in Pakistan Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees.

3. STATEMENT OF COMPLIANCE

3.1 These unconsolidated financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 and the directives issued by the SBP. In case the requirements differ, the provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 and the directives issued by the SBP shall prevail.

3.2 SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, "Financial Instruments: Recognition and Measurement" (IAS 39) and International Accounting Standard 40, Investment Property for banking companies till further instructions. Further, according to a notification of the Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, 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 financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after January 1, 2014:

- IFRIC 21- Levies 'an Interpretation on the accounting for levies imposed by governments' (effective for annual periods beginning on or after January 1, 2014). IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after January 1, 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 "Financial Instruments: Presentation". The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.
- Amendment to IAS 36 "Impairment of Assets" Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after January 1, 2014). These narrow-scope amendments to IAS 36 Impairment of Assets and address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.
- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" Continuing hedge accounting after derivative novations (effective for annual periods beginning on or after January 1, 2014). The amendments add a limited exception to IAS 39, to provide relief from discontinuing an existing hedging relationship when a novation that was not contemplated in the original hedging documentation meets specific criteria.
- Amendments to IAS 19 "Employee Benefits" Employee contributions – a practical approach (effective for annual periods beginning on or after July 1, 2014). The practical expedient addresses an issue that arose when amendments were made in 2011 to the previous pension accounting requirements. The amendments introduce a relief that will reduce the complexity and burden of accounting for certain contributions from employees or third parties. The amendments are relevant only to defined benefit plans that involve contributions from employees or third parties meeting certain criteria.

Annual Improvements 2010-2012 and 2011-2013 cycles (most amendments will apply prospectively for annual period beginning on or after July 1, 2014). The new cycle of improvements contain amendments to the following standards:

- IFRS 2 'Share-based Payment'. IFRS 2 has been amended to clarify the definition of 'vesting condition' by separately defining 'performance condition' and 'service condition'. The amendment also clarifies both: how to distinguish between a market condition and a non-market performance condition and the basis on which a performance condition can be differentiated from a vesting condition.
- IFRS 3 'Business Combinations'. These amendments clarify the classification and measurement of contingent consideration in a business combination. Further IFRS 3 has also been amended to clarify that the standard does not apply to the accounting for the formation of all types of joint arrangements including joint operations in the financial statements of the joint arrangement themselves.
- IFRS 8 'Operating Segments' has been amended to explicitly require the disclosure of judgments made by management in applying the aggregation criteria. In addition, this amendment clarifies that a reconciliation of the total of the reportable segment's assets to the entity assets is required only if this information is regularly provided to the entity's chief operating decision maker. This change aligns the disclosure requirements with those for segment liabilities.
- Amendments to IAS 16 'Property, plant and equipment' and IAS 38 'Intangible Assets'. The amendments clarify the requirements of the revaluation model in IAS 16 and IAS 38, recognizing that the restatement of accumulated depreciation (amortization) is not always proportionate to the change in the gross carrying amount of the asset.
- IAS 24 'Related Party Disclosure'. The definition of related party is extended to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity.
- IAS 40 'Investment Property'. IAS 40 has been amended to clarify that an entity should assess whether an acquired property is an investment property under IAS 40 and perform a separate assessment under IFRS 3 to determine whether the acquisition of the investment property constitutes a business combination.

The Bank expects that the above mentioned improvements will not have a material impact on the Bank's financial statements in the period of initial application.

4. BASIS OF MEASUREMENT

These unconsolidated financial statements have been prepared under the historical cost convention, except for the measurement of certain investments and commitments in respect of forward foreign exchange contracts and other forward contracts that are stated at revalued amounts / fair values, staff retirement benefits (Gratuity) which are stated at present value and certain financial assets that are stated net of provisions.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of unconsolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates that affect the reported amounts of assets, liabilities, income and expenses. It also requires the management to exercise its judgment in the process of applying the Bank's accounting policies. Estimates and judgments are evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Bank's financial statements or where judgment was exercised in application of accounting policies are as follows:

5.1 Classification of Investments

Held-to-maturity securities

As described in note 6.5, held-to-maturity securities are investments where the management has positive intent and ability to hold to maturity. The classification of these securities involves management judgment as to whether the financial assets are held-to-maturity investments.

Held-for-trading securities

Investments classified as held-for-trading are those which the Bank has acquired with an intention to trade by taking advantage of short term market / interest rate movements and are to be sold within 90 days.

Available-for-sale securities

Investments which are not classified as held-for-trading or held-to-maturity are classified as available-for-sale.

5.2 Impairment

Valuation and impairment of available-for-sale investments

The Bank determines that an available-for-sale equity investment and mutual funds are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of what is significant or prolonged requires judgment. In making this judgment, the Bank evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology and operational and financing cash flows.

Provision for diminution in the value of Term Finance Certificates, Bonds and Sukuk is made as per the Prudential Regulations issued by the SBP.

In case of impairment of available for sale securities, the loss is recognized in the profit and loss account.

Impairment of investments in associates and subsidiaries

The Bank considers that a significant or prolonged decline in the recoverable value of investments in associates and subsidiaries below their cost may be evidence of impairment. Recoverable value is calculated as the higher of fair value less costs to sell and value in use. An impairment loss is recognized when the recoverable value falls below the carrying value and is charged to the profit and loss account. Subsequent reversal of impairment loss, upto the cost of investments in associates and subsidiaries, are credited to the profit and loss account.

Impairment of non financial assets (excluding deferred tax and goodwill)

Non financial assets are subject to impairment review if there are events or changes in circumstances that indicate that the carrying amount may not be recoverable. If any such indication exists, the Bank estimates the recoverable amount of the asset and the impairment loss, if any. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of future cash flows from the asset discounted at a rate that reflects market interest rates adjusted for risks specific to the asset. If the recoverable amount of an intangible or tangible asset is less than its carrying value, an impairment loss is recognized immediately in the profit and loss account and the carrying value of the asset reduced by the amount of the loss. A reversal of an impairment loss on intangible assets (excluding goodwill) is recognized as it arises provided the increased carrying value does not exceed that which it would have been had no impairment loss been recognized.

Impairment of Goodwill

Impairment testing involves a number of judgmental areas which are subject to inherent significant uncertainty, including the preparation of cash flow forecasts for periods that are beyond the normal requirements of management reporting and the assessment of the discount rate appropriate to the business.

5.3 Provision against non-performing advances

Apart from the provision determined on the basis of time based criteria given in the Prudential Regulations of the SBP, management also applies subjective criteria of classification and accordingly the classification of an advance may be downgraded on the basis of evaluation of the credit worthiness of the borrower, its cash flows, operations in its account and adequacy of security in order to ensure accurate measurement of the provision.

5.4 Retirement Benefits

The key actuarial assumptions concerning the valuation of the defined benefit plan and the sources of estimation are disclosed in note 34.2 to these unconsolidated financial statements.

5.5 Operating fixed assets, depreciation and amortization

In making estimates of depreciation / amortization, the management uses method which reflects the pattern in which economic benefits are expected to be consumed by the Bank. The method applied is reviewed at each financial year end and if there is a change in expected pattern of consumption of the future economic benefits embodied in the assets, the method would be changed to reflect the change in pattern.

5.6 Income Taxes

In making the estimates for income taxes currently payable by the Bank, the management looks at the current income tax laws and the decisions of appellate authorities on certain issues in the past. In making the provision for deferred taxes, estimates of the Bank's future taxable profits are taken into account.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated financial statements have been applied consistently and are the same as those applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2012 (except for the change mentioned in note 6.1 below) and are enumerated as follows:

6.1 Change in accounting policy - Employee Benefits (Defined Benefit Plan)

During the current period (with effect from January 1, 2013), the Bank adopted revised IAS 19, "Employee Benefits" standard and changed its basis for recognition of actuarial gains and losses. The revised IAS 19 require actuarial gains and losses to be recognized immediately in other comprehensive income. Previously, actuarial gains and losses were recognized using the 10% corridor approach as allowed under the relevant provision of IAS 19.

Revised accounting policy of employee benefits - defined benefit plan is as follows:

Defined benefit plans

The Bank operates an unfunded gratuity scheme covering all eligible employees who have attained the minimum qualifying period of five years. Eligible employees are those employees who have joined the service of the Bank on or before March 31, 2006. Provision is made in accordance with actuarial recommendations. Actuarial valuation is carried out periodically using the "Projected Unit Credit Method". Actuarial gains and losses are recognized immediately in other comprehensive income with no subsequent recycling through profit and loss accounts.

Effect of change

This change in accounting policy has been accounted for retrospectively in accordance with International Accounting Standard - 8 "Accounting policies, Changes in Accounting Estimates and Errors", these have resulted in restatement in prior year financial statements.

Effects of retrospective application of change in accounting policy are as follows:

Un-recognized actuarial gains and losses of prior periods have been recognized in the statement of financial position through other comprehensive income. The cumulative balance for un-recognized actuarial gains that existed as at January 1, 2012 as well as the actual amounts recognized for the year 2012 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income is presented and disclosed as part of the Statement of Comprehensive income. The Statement of Financial Position also presents the prior year numbers as restated, due to the said change.

	As at December 31, 2012		
	As previously reported	Effect of change	As Restated
 (Rupees '000')		
Effect on statement of financial position			
Decrease in payable to gratuity fund	78,416	(14,828)	63,588
Decrease in accumulated loss	43,862,642	(14,828)	43,847,814
	2013	2012	Prior to January 01, 2012
Effect on other comprehensive Income			
Actuarial gains reclassified to other comprehensive income	3,153	8,647	6,181

6.2 Business combinations

Business combinations are accounted for using the purchase method. Under this method, identified assets acquired, liabilities and contingent liabilities assumed are fair valued at the acquisition date, irrespective of the extent of any minority interest. The excess of cost of acquisition over the fair value of identifiable net assets acquired is recorded as goodwill.

6.3 Revenue recognition

Mark-up / Return on performing loans / advances and investments is recognized on time proportionate basis. Where debt securities are purchased at a premium or discount, such premium / discount is amortized through the profit and loss account over the remaining period of maturity using the effective interest rate method so as to produce a constant rate of return. Interest or mark-up recovered on non-performing advances is recognized on a receipt basis in accordance with the requirements of the Prudential Regulations issued by the SBP as amended from time to time.

The financing method is used in accounting for income on finance leases and hire purchase transactions. Under this method, the unearned income, i.e. the excess of aggregate lease rentals and the estimated residual value over the net investment (cost of leased assets) is deferred and then amortized to income over the term of the lease on a pattern reflecting a constant periodic rate of return on the net investment in the lease. Unrealized lease income is suspended, where necessary, in accordance with the requirements of the Prudential Regulations issued by the SBP.

Rental income from assets given on operating lease is recognized on time proportionate basis over the lease period.

Gains / Losses on termination of lease contracts, documentation charges and other lease income are recognized as income when they are realized.

Fee, commission and brokerage income is recognized at the time of performance of the service.

Dividend income is recorded when the right to receive the dividend is established.

6.4 Grants and assistance

In terms of Kreditanstalt für Wiederaufbau (KfW) loan re-lent by the Government of Pakistan (GoP), the Bank was required to bear interest at 11 percent per annum and pay interest to the GoP at 10 percent per annum and transfer the remaining 1 percent per annum margin to a counter part fund to be used by the Bank for financing feasibility surveys, market surveys and similar investigations destined for the preparation of projects.

6.5 Investments

Investments of the Bank, other than investments in subsidiaries and associates are classified as held-to-maturity, held-for-trading and available-for-sale.

Held-to-maturity

These are securities with fixed or determinable payments and fixed maturity for which the Bank has the positive intent and ability to hold upto maturity.

Held-for-trading

These securities are either acquired for generating a profit from short-term fluctuations in market prices, interest rate movements, dealer's margin or are securities included in the portfolio for which there is evidence of a recent actual pattern of short-term profit taking.

Available-for-sale

These are securities which do not fall under the classification of held-for-trading or held-to-maturity securities.

Initial measurement

All "regular way" purchases and sales of investments are recognized on the trade date, i.e., the date that the Bank commits to purchase or sell the asset. Regular way purchases or sales of investments are those that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Investments are initially recognized at fair value which, in the case of investments other than held-for-trading, includes transaction costs associated with the investments.

Subsequent measurement

Held-to-maturity

These are measured at amortized cost using the effective interest rate method, less any impairment loss recognized to reflect irrecoverable amounts.

Held-for-trading

These are measured at subsequent reporting dates at fair value. Gains and losses on remeasurement are included in the profit and loss account.

Available-for-sale

Quoted-securities classified as available-for-sale investments are measured at subsequent reporting dates at fair value. Any surplus / deficit arising thereon is kept in a separate account shown in the balance sheet below equity and taken to the profit and loss account when actually realized upon disposal or when the investment is considered to be impaired.

Unquoted equity securities are valued at the lower of cost and break-up value. A decline in the carrying value is charged to the profit and loss account. The break-up value of these equity securities is calculated with reference to the net assets of the investee company as per the latest available audited financial statements. Investments in other unquoted securities are valued at cost less impairment losses.

Provision for diminution in the value of securities (except term finance certificates) is made for impairment, if any. Provision for diminution in the value of term finance certificates is made as per the criteria prescribed by the Prudential Regulations issued by the SBP.

Investment in Subsidiaries and Associates

Investments in subsidiaries and associates are valued at cost less impairment, if any. A reversal of an impairment loss on associates and subsidiaries is recognized as it arises provided the increased carrying value does not exceed that it would have been had no impairment loss been recognized.

Gain or loss on sale of investments in subsidiaries and associates is included in the profit and loss account for the year.

6.6 Lendings to / borrowings from financial institutions (including repurchase and resale agreements)

Securities sold subject to a repurchase agreement (repo) are retained in the financial statements as investments and the counter party liability is included in borrowings. Securities purchased under agreement to resale (reverse repo) are not recognized in the financial statements as investments and the amount extended to the counter party is included in lendings to financial institutions. In the case of the continuous funding system, transactions are shown under advances. The difference between sale and repurchase price is treated as mark-up / return expensed whereas difference between purchase and resale price is treated as mark-up / return earned.

Securities purchased with a corresponding commitment to resell at a specified future date are not recognized in the financial statements, unless these are sold to third parties, in which case the obligation to return them is recorded at fair value as a trading liability under borrowings from financial institutions.

6.7 Advances

Advances including continuous funding system and net investment in finance lease are stated net of provisions.

Provisions

Specific and general provisions are made based on an appraisal of the loan portfolio that takes into account Prudential Regulations issued by the State Bank of Pakistan from time to time. Specific provisions are made where the repayment of identified loans is in doubt and reflect an estimate of the amount of loss expected. The general provision is for the inherent risk of losses which are known from experience to be present in any loan portfolio. Provision made / reversed during the year is charged to the profit and loss account and accumulated provision is netted off against advances.

Advances are written off when there is no realistic prospect of recovery.

Net investment in finance lease

Leases include hire purchase where the Bank transfers substantially all the risks and rewards incidental to the ownership of an asset and are classified as finance leases. Net investment in finance lease is recognized at an amount equal to the aggregate of minimum lease payments and any guaranteed residual value less unearned finance income, if any.

6.8 Operating fixed assets and depreciation

Owned

Property and equipment except freehold and leasehold land is stated at cost less accumulated depreciation and accumulated impairment loss, if any. Freehold and leasehold land is stated at cost.

Depreciation is charged to income applying the straight line method over the estimated useful lives of the assets while taking into account any residual value, at the rates given in Note 12.2 to these unconsolidated financial statements. In respect of additions and deletions to assets during the year, depreciation is charged from the month of acquisition while depreciation on disposals during the year is charged up to the month of disposal.

Normal repairs and maintenance are charged to the profit and loss account for the year as and when incurred. Major repairs and improvements are capitalized and assets so replaced are retired.

Gains and losses on disposal of property and equipment if any, are taken to the profit and loss account for the year.

Assets held under Finance Lease

Leasehold land is stated at cost.

Assets held under finance lease are stated at cost less accumulated depreciation. The outstanding obligations under the lease agreements are shown as a liability net of finance charges allocable to future periods. Depreciation on assets held under finance lease is charged in a manner consistent with that for depreciable assets which are owned by the Bank.

Finance charges are allocated to accounting periods so as to provide a constant periodic rate of return on the outstanding liability.

Assets held under Operating Lease

Operating lease assets are stated at cost less accumulated depreciation and impairment, if any.

Repairs and maintenance are charged to the profit and loss account as and when incurred.

Capital work in progress

These assets are stated at cost. These are transferred to specific assets as and when assets are available for use.

6.9 Intangible assets

Intangible assets include the value of the brand, core deposit relationships, and core overdraft / working capital loan relationships and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged to the profit and loss account on a straight line basis over the assets' useful lives which are determined using methods that best reflect the pattern of economic benefits. The estimated useful lives are as follows:

Brand	5 years
Core deposit relationships	11 years
Core overdraft / working capital loan relationships	11 years

Computer software is stated at cost less accumulated amortization and accumulated impairment loss, if any. Amortization is carried out on the straight line method at the rates given in Note 13 to these unconsolidated financial statements.

6.10 Sub-Ordinated Loans

Sub-ordinated loans are initially recorded at the amount of proceeds received. Mark-up accrued on these loans is recognized separately as part of other liabilities and is charged to the profit and loss account over the period on an accrual basis.

6.11 Staff retirement benefits

Defined contribution plan

The Bank operates a defined contribution provident fund for all its permanent employees. Equal monthly contributions are made to the fund by both the Bank and the employees at the rate of 10% of basic salary.

6.12 Share based payment transactions

The share based payment awards granted to employees are recognized as personnel expenses at the fair value of these shares at the grant date with the corresponding increase in the equity over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non market performance conditions at the vesting date.

Grant date is the date at which the entity and the employee agree to a share based payment arrangement and required that the entity and the employee have a shared understanding of the terms and conditions of the arrangement.

6.13 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity.

Current

Provision for current taxation is based on taxable income at the current rates of taxation in accordance with the prevailing laws for taxation on income earned after taking into consideration tax credits and rebates available and any adjustments to tax payable in respect of previous years.

Deferred

Deferred tax is recognized using the balance sheet liability method on all major temporary differences as at the statement of financial position date between the amounts attributed to assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The Bank records deferred tax assets / liabilities using tax rates, enacted or substantially enacted at the statement of financial position date, that are expected to be applicable at the time of their reversal.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Bank recognizes a deferred tax asset / liability on deficit / surplus on revaluation of securities in accordance with the requirements of IAS 12 "Income Taxes". The related deferred tax asset / liability is adjusted against the related deficit / surplus.

The Bank recognizes a deferred tax asset for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilized in accordance with the requirements of IAS 12 "Income Taxes".

6.14 Provisions

Provisions are recognized when the Bank has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed quarterly and are adjusted to reflect the current best estimate.

6.15 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when there is a legally enforceable right to set-off the recognized amount and the Bank intends either to settle on a net

basis, or to realize the assets and to settle the liabilities simultaneously. Income and expense items relating to such assets and liabilities are also offset and the net amount is reported in the financial statements.

6.16 Dividend distribution

Dividend is recognized as a liability in the period in which it is declared.

6.17 Distributions of bonus shares and other appropriations to reserves

The Bank recognizes all appropriations, other than statutory appropriations, to reserves including those in respect of bonus shares made after the statement of financial position date, in the period in which such appropriations are approved.

6.18 Foreign currencies

Transactions in foreign currencies are translated to Rupees at the foreign exchange rates prevailing at the transaction date. Monetary assets and liabilities in foreign currencies are translated into Rupees at the rates of exchange prevailing at the statement of financial position date. Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

Commitments for outstanding forward foreign exchange contracts are disclosed in these unconsolidated financial statements at committed amounts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Rupee terms at the rates of exchange approximating those prevailing at the statement of financial position date.

Assets against which the constituents have exercised their option to transfer exchange risk to the Bank and liabilities for which the Bank has exercised its option to transfer exchange risk to the Government, are translated at the rates of exchange guaranteed by the Bank and the Government, respectively.

Assets, liabilities, commitments and contingent liabilities in respect of Bangladesh are translated at foreign exchange rates approximating those prevailing prior to August 15, 1971.

Exchange gains and losses are included in income currently except net unrealized exchange gain on long-term monetary items which, as a matter of prudence, is carried forward as unrealized gain in view of the uncertainty associated with its realization.

6.19 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash and balances with treasury banks and balances with other banks.

6.20 Financial instruments

All financial assets and liabilities are recognized at the time when the Bank becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the Bank loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income directly. Financial assets carried on the statement of financial position include cash and bank balances, lendings to financial institutions, investments, advances and certain receivables. Financial liabilities include borrowings, deposits, bills payable and other payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the individual policy statements associated with them.

6.21 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into and subsequently these instruments are marked to market and changes in fair values are taken to the profit and loss account. Fair values are obtained from quoted market prices in active markets.

6.22 Segment reporting

A segment is a distinguishable component of the Bank that is engaged in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Bank's primary format of reporting is based on business segments.

6.22.1 Business Segments

Corporate and Investment Banking

It represents all funded and non funded credit facilities of working capital financing including seasonal finance, trade finance, cash finance, running finance, guarantees and bills of exchange relating to corporate customers, as well as for long term expansion, BMR, Project financing, syndicated financing along with advisory, underwriting, transactional banking, and IPO related activities.

Retail

It represents banking services offered to individuals and small businesses through a retail branch banking and alternate distribution network. These banking services include lending, deposits and distribution of insurance products along with other financial products and services tailored for such customers.

Small & Medium Enterprises and Commercial

It represents all funded and non funded credit facilities, deposit products & transaction services offered by the Bank to small & medium enterprises and commercial businesses operating in the manufacturing, trading, wholesale and service sectors.

Treasury

Treasury manages the asset and liability mix of the Bank and provides customers with products that meet their demands for management of liquidity, cash flow, interest rate fluctuations and foreign exchange risk.

6.22.2 Geographical segments

The Bank operates in Pakistan only.

6.23 Assets acquired in satisfaction of claims

The Bank acquires assets in settlement of certain advances. These are recorded at the lower of the carrying value of the related advances and the current fair value of such assets.

6.24 Deposits

Deposits are initially recorded at the amount of proceeds received. Mark-up accrued on deposits is recognized separately as part of other liabilities and is charged to the profit and loss account on a time proportionate basis.

6.25 Earnings per share

The Bank presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the year.

6.26 Fiduciary Assets

Assets held in a fiduciary capacity are not treated as assets of the Bank in the statement of financial position.

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	Note	2013	2012
		(Rupees '000')	
7. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency	7.1	1,855,763	2,023,711
Foreign currencies		200,561	297,579
With State Bank of Pakistan in			
Local currency current accounts	7.2	4,146,277	3,736,944
Foreign currency current account	7.3	347,571	291,449
Foreign currency deposit accounts	7.4	1,131,305	932,339
With National Bank of Pakistan in local currency current accounts		324,628	390,844
		<u>8,006,105</u>	<u>7,672,866</u>

7.1 This includes National Prize Bonds of Rs. 5.495 million (2012: Rs. 6.627 million).

7.2 The current account is maintained under the requirements of Section 22 of the Banking Companies Ordinance, 1962.

7.3 This includes special cash reserve at Nil return (2012: Nil) required to be maintained with the SBP on deposits held under the new foreign currency accounts scheme.

7.4 This represents special cash reserve of 15% required to be maintained with the SBP on deposits held under the new foreign currency accounts scheme at Nil return (2012: Nil) per annum.

8. BALANCES WITH OTHER BANKS

In Pakistan in current accounts		88,949	103,742
Outside Pakistan in current accounts		609,969	857,108
		<u>698,918</u>	<u>960,850</u>
Provision against doubtful balances		(6,741)	-
		<u>692,177</u>	<u>960,850</u>

9. LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings		-	600,000
Repurchase agreement lendings (Reverse Repo)	9.2 & 9.3	2,127,516	2,840,910
		<u>2,127,516</u>	<u>3,440,910</u>

9.1 Particulars of lendings

In local currency		2,127,516	3,440,910
In foreign currencies		-	-
		<u>2,127,516</u>	<u>3,440,910</u>

9.2 These represent repurchase agreement lendings to financial institutions carrying mark-up rates ranging from 9.65% to 10.80% (2012: 7.75% to 10.35%) per annum and having remaining maturities upto twenty seven days (2012: twenty five days).

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9.3 Securities held as collateral against lendings to financial institutions

	2013			2012		
	Held by Bank	Further given as collateral / sold	Total	Held by Bank	Further given as collateral / sold	Total
(Rupees '000')						
Market Treasury Bills	1,962,550	–	1,962,550	984,963	329,306	1,314,269
Pakistan Investment Bonds	164,966	–	164,966	394,409	1,132,232	1,526,641
	<u>2,127,516</u>	<u>–</u>	<u>2,127,516</u>	<u>1,379,372</u>	<u>1,461,538</u>	<u>2,840,910</u>

9.3.1 The market value of securities held as collateral against lendings to financial institutions as at December 31, 2013 amounted to Rs. 2,141.872 million (2012: Rs. 2,854.713 million).

10. INVESTMENTS

10.1 (a) Investments by type:

Note	2013			2012			
	Held by Bank	Given as Collateral	Total	Held by Bank	Given as Collateral	Total	
(Rupees '000')							
Available-for-sale securities							
Market Treasury Bills	10.2	12,268,930	11,139,181	23,408,111	1,896,778	47,428,597	49,325,375
Pakistan Investment Bonds	10.2	9,698,609	18,213,372	27,911,981	367,876	12,547,372	12,915,248
GOP Ijara Sukuk Bonds		–	–	–	9,559,180	–	9,559,180
Defense Savings Certificates	10.3	–	2,730	2,730	–	2,730	2,730
Sukuk Bonds	10.4	461,976	–	461,976	502,117	–	502,117
Cumulative Preference shares	10.5	55,178	–	55,178	80,178	–	80,178
Ordinary shares / Certificates in listed companies / modarabas	10.6	59,614	–	59,614	167,232	–	167,232
Ordinary shares of unlisted companies	10.7	66,279	–	66,279	65,872	–	65,872
Term Finance Certificates	10.8 & 10.9	2,269,443	138,493	2,407,936	1,961,670	–	1,961,670
		<u>24,880,029</u>	<u>29,493,776</u>	<u>54,373,805</u>	<u>14,600,903</u>	<u>59,978,699</u>	<u>74,579,602</u>
Held-to-maturity securities							
Pakistan Investment Bonds	10.2	1,717,358	–	1,717,358	4,649,177	–	4,649,177
Term Finance Certificates	10.8 & 10.9	11,028	–	11,028	43,511	–	43,511
		<u>1,728,386</u>	<u>–</u>	<u>1,728,386</u>	<u>4,692,688</u>	<u>–</u>	<u>4,692,688</u>
Associates	10.10 & 10.15	3,679,507	–	3,679,507	1,573,832	–	1,573,832
Subsidiaries	10.11 & 10.15	2,479,066	–	2,479,066	4,584,741	–	4,584,741
Investments at cost		<u>32,766,988</u>	<u>29,493,776</u>	<u>62,260,764</u>	<u>25,452,164</u>	<u>59,978,699</u>	<u>85,430,863</u>
Provision for diminution in value of investments	10.12 & 10.13	(466,987)	–	(466,987)	(611,775)	–	(611,775)
Investments - net of provisions		<u>32,300,001</u>	<u>29,493,776</u>	<u>61,793,777</u>	<u>24,840,389</u>	<u>59,978,699</u>	<u>84,819,088</u>
(Deficit) / Surplus on revaluation of available-for-sale securities	22	(305,001)	(429,890)	(734,891)	150,708	416,314	567,022
Net Investments		<u>31,995,000</u>	<u>29,063,886</u>	<u>61,058,886</u>	<u>24,991,097</u>	<u>60,395,013</u>	<u>85,386,110</u>

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	Note	2013	2012
(Rupees '000')			
10.1 (b) Investments by segments:			
Federal Government Securities			
Market Treasury Bills	10.2	23,408,111	49,325,375
Pakistan Investment Bonds	10.2	29,629,339	17,564,425
GoP Ijara Sukuk Bonds		–	9,559,180
Defense Savings Certificates	10.3	2,730	2,730
Sukuk Bonds			
	10.4	461,976	502,117
Cumulative Preference Shares			
	10.5	55,178	80,178
Fully Paid-up Ordinary Shares & Modaraba Certificates			
Listed	10.6	59,614	167,232
Unlisted	10.7	66,279	65,872
Term Finance Certificates			
Listed	10.8	1,656,492	1,861,907
Unlisted	10.9	762,472	143,274
Associates			
	10.10 & 10.15	3,679,507	1,573,832
Subsidiaries			
	10.11 & 10.15	2,479,066	4,584,741
Total Investments at cost			
		62,260,764	85,430,863
Provision for diminution in value of investments	10.12 & 10.13	(466,987)	(611,775)
Investments - Net of Provisions			
		61,793,777	84,819,088
(Deficit) / Surplus on revaluation of available-for-sale securities	22	(734,891)	567,022
Net Investments			
		61,058,886	85,386,110

10.2 Market Treasury Bills and Pakistan Investment Bonds are eligible for rediscounting. Market Treasury Bills embody effective yields ranging from 9.14% to 10.50% (2012: 9.00% to 11.60%) with remaining maturities of 9 days to 177 days and Pakistan Investment Bonds carry mark-up ranging from 8% to 12% (2012: 8% to 12%) per annum on semi-annual basis with remaining maturities of 1.55 years to 8.55 years. Certain government securities are required to be maintained with the SBP to meet statutory liquidity requirements calculated on the basis of demand and time liabilities.

10.3 These DSCs of Rs. 2.730 million are pledged as security and carry interest rate at 12.15 % per annum.

10.4 These Sukuk Bonds of Liberty Power Tech Limited carry mark-up rate of 3 months KIBOR + 300 bps and have an original maturity of 12 years.

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10.5 Particulars of investment in Cumulative Preference Shares

Investee	Note	Number of Shares held		Total nominal value	
		2013	2012	2013	2012
				(Rupees '000')	
Pak Elektron Limited	10.5.1	2,500,000	2,500,000	25,000	25,000
Fazal Cloth Mills Limited	10.5.2	–	2,500,000	–	25,000
Galaxy Textile Mills Limited	10.5.3	3,017,800	3,017,800	30,178	30,178
				55,178	80,178

10.5.1 These preference shares carry fixed dividend of 9.5% on cumulative basis payable when and if declared by the Board of Directors. For redemption, the call option can be exercised by PEL upto 100% after three years of the issue date at 1% premium on the issue price.

10.5.2 These preference shares were redeemed by the company in the current year.

10.5.3 These preference shares are non voting and convertible into ordinary shares after 10 years. These preference shares bear a fixed return at the rate of 5% per annum that will be non cumulative for the first five years and thereafter will be cumulative from year to year.

10.6 Particulars of investment in Listed Shares / Certificates

		Number of Shares / Certificates held		Cost of Investment	
		2013	2012	2013	2012
				(Rupees '000')	
Available-for-sale					
Agritech Limited	605,138	605,138	21,180	21,180	
IGI Insurance Limited	770	770	–	–	
Lafarage Pakistan Cement Limited (formerly Pakistan Cement Limited)	–	250,000	–	2,819	
Millat Tractors Limited	–	260,892	–	97,674	
Tariq Glass Industries Limited	2,710,712	3,213,212	38,434	45,559	
Total Listed Shares / Certificates			59,614	167,232	

	Note	Percentage of holding	Number of Shares held		Cost of Investment	
			2013	2012	2013	2012
					(Rupees '000')	

10.7 Particulars of Unlisted Shares

Pakistan Export Finance Guarantee Agency Limited Chief Executive: Syed Mohammad Zaeem	10.7.1	5.26%	568,044	568,044	5,680	5,680
Central Depository Company of Pakistan Limited Chief Executive: Mr. Muhammad Hanif Jakhura	10.7.2	5.00%	3,250,000	3,250,000	5,000	5,000
Crescent Capital Management (Private) Limited Chief Executive: Mr. Mahmood Ahmed	10.7.3	4.88%	100,000	100,000	1,000	1,000
Pakistan Textile City (Private) Limited Chief Executive: Mr. Zaheer A. Hussain	10.7.4	4.00%	5,000,000	5,000,000	50,000	50,000

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	Note	Percentage of holding	Number of Shares held		Cost of Investment	
			2013	2012	2013	2012
Particulars of Unlisted Shares						
National Investment Trust Limited						
Chief Executive: Mr. Manzoor Ahmed	10.7.5	8.33%	*79,200	*79,200	100	100
Sunbiz (Private) Limited						
Chief Executive: Mr. Nisar Ahmed	10.7.6	4.65%	10,000	10,000	1,000	1,000
SWIFT						
Chief Executive: Mr. Lazaro Campos	10.7.7	0.01%	**9	**9	3,499	3,092
					<u>66,279</u>	<u>65,872</u>

10.7.1 This investment is fully provided in these unconsolidated financial statements.

10.7.2 Value of investment, based on the net assets stated in the audited financial statements of investee company as at June 30, 2013 amounts to Rs. 111.941 million (June 30, 2012: Rs. 109.794 million).

10.7.3 This investment is fully provided in these unconsolidated financial statements.

10.7.4 Value of investment, based on the net assets stated in the audited financial statements of investee company as at June 30, 2013 amounts to Rs. 27.241 million (June 30, 2012: Rs. 33.038 million).

10.7.5 Value of investment, based on the net assets stated in the audited financial statements of investee company as at June 30, 2013 amounts to Rs. 1,783.479 million (June 30, 2012: Rs. 1,110.902 million).

10.7.6 This investment is fully provided in these unconsolidated financial statements.

10.7.7 Value of investment, based on the net assets stated in the audited financial statements of investee company as at December 31, 2012 amounts to Rs. 2.970 million (December 31, 2011: Rs. 3.026 million).

	Number of Certificates held		Amortized cost	
	2013	2012	2013	2012
10.8 Particulars of investment in Listed Term Finance Certificates				
Investee				
Askari Bank Limited	30,000	33,184	151,336	167,432
Azgard Nine Limited	10,000	10,000	16,269	16,269
Bank Alfalah Limited	55,000	55,000	274,560	274,670
Engro Fertilizer Limited (formerly Engro Corporation Limited)	217,438	223,438	1,026,065	1,078,909
Escorts Investment Bank Limited	2,016	2,016	1,007	2,014
PACE Pakistan Limited	-	6,000	-	29,964
Pakistan Mobile Communications Limited	-	24,000	-	19,968
Soneri Bank Limited	-	6,000	-	7,482
Summit Bank Limited	10,000	10,000	49,954	49,977
Telecard Limited	74,888	74,888	137,301	137,454
United Bank Limited	-	16,500	-	77,768
			<u>1,656,492</u>	<u>1,861,907</u>

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	Note	Number of Certificates held		Amortized cost	
		2013	2012	2013	2012
10.9 Particulars of investment in Unlisted Term Finance Certificates					
Azgard Nine Limited	10.9.1	11,864	11,864	–	–
Avari Hotels Limited		30,400	30,400	56,590	129,070
New Khan Transport Company (Private) Limited		–	20,000	–	14,204
Pakistan Mobile Communications Limited		200,000	–	705,882	–
				762,472	143,274

10.9.1 Last year, the Bank received 11,864 Term Finance Certificates of Rs. 5,000 each, having total value of Rs. 59.32 million in respect of overdue mark-up of Azgard Nine Limited. These certificates have been recognized at nil value in the Bank's books as per the requirement of Prudential Regulations, whereby overdue interest on classified advance accounts can only be recognized once this is received in cash.

	Note	Number of Shares / Units / Certificates		Cost of Investment	
		2013	2012	2013	2012
10.10 Particulars of investment in Associates					
PICIC Energy Fund		31,825,782	11,130,160	336,710	83,476
PICIC Growth Fund		43,482,858	15,132,858	1,221,935	510,917
PICIC Income Fund		5,117,650	–	514,263	–
PICIC Insurance Limited		10,499,993	10,499,993	345,900	345,900
PICIC Investment Fund		96,703,821	41,544,649	1,260,699	633,539
				3,679,507	1,573,832

10.11 Particulars of investment in Subsidiaries

PICIC Asset Management Company Limited	10.15	29,999,993	299,999,993	2,478,342	4,584,017
Financial and Management Services (Private) Limited	*	88,850	88,850	724	724
				2,479,066	4,584,741

10.11.1 On December 31, 2013, the subsidiary of the Bank, PICIC Asset Management Company Limited reduced its paid up share capital from Rs. 3,000 million to Rs. 300 million as approved by the High Court of Sindh vide Misc. application No. 12 of 2013 in accordance with section 96 of the Companies Ordinance, 1984. The Subsidiary sold its investment in mutual funds to the Bank. The value of the units purchased were based on the market rate of the units as at December 31, 2013 amounting to Rs. 2,105.675 million. The units of the mutual funds purchased were those of funds managed by the PICIC Asset Management Company Limited and are all associates of the Bank.

Unless otherwise stated, holdings in modaraba certificates and ordinary shares are of Rs. 10 each.

* Shares / Modaraba Certificates of Face Value of Rs. 100 each

** Shares of Face Value of Euro 2,680 each

All Term Finance Certificates are of Original Face Value of Rs. 5,000 each

	2013	2012
	(Rupees '000')	
10.12 Particulars of provision for diminution in value of investments		
Opening balance	611,775	1,254,551
Charge for the year	117,399	41,566
Reversals for the year		
- Unlisted shares	-	(30,178)
- Term Finance Certificates	-	(26,572)
- Associates	(222,400)	(216,785)
	(105,001)	(231,969)
Reversal due to sale / write off / transfer to other assets	(39,787)	(410,807)
Closing balance	466,987	611,775

10.13 Particulars of Provision in respect of Type and Segment

Available-for-sale securities		
- Listed shares / Certificates / Units	30,325	36,148
- Unlisted shares	30,968	24,642
- Term Finance Certificates	153,570	76,461
	214,863	137,251
Associates		
- Listed shares / Certificates / Units	251,400	473,800
Subsidiaries		
- Unlisted shares (FMSL)	724	724
	466,987	611,775

2013		2012	
(Rupees '000')	Rating	(Rupees '000')	Rating

10.14 Quality of Available-for-Sale Securities

- at Market Value

Federal Government Securities

Market Treasury Bills	23,374,805	Unrated	49,469,121	Unrated
Pakistan Investment Bonds	27,137,317	Unrated	13,189,754	Unrated
GOP Ijara Sukuk	-	Unrated	9,611,019	Unrated
Defense Savings Certificates	2,730	Unrated	2,730	Unrated

Sukuk Bonds

461,976	Unrated	502,117	Unrated
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Cumulative Preference shares

Pak Elektron Limited	25,000	*	25,000	BBB/A3
Fazal Cloth Mills Limited	-	-	25,000	A-/A2
Galaxy Textile Mills Limited	30,178	*	30,178	*

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	2013		2012	
	(Rupees '000')	Rating	(Rupees '000')	Rating
Ordinary shares of Listed Companies				
Agritech Limited	7,667	D	7,062	D
IGI Insurance Limited	127	AA	74	AA
Lafarage Pakistan Cement Limited (formerly Pakistan Cement Limited)	–	*	1,268	*
Millat Tractors Limited	–	*	147,289	*
Tariq Glass Limited	65,600	*	67,767	*
Ordinary shares of Unlisted Companies				
Central Depository Company of Pakistan Limited	5,000	*	5,000	*
Crescent Capital Management (Private) Limited	1,000	*	1,000	*
National Investment Trust Limited	100	AM2-	100	AM2-
Pakistan Export Finance Guarantee Agency Limited	5,680	*	5,680	*
Pakistan Textile City (Private) Limited	50,000	*	50,000	*
Sunbiz (Private) Limited	1,000	*	1,000	*
SWIFT	3,499	*	3,092	*
Term Finance Certificates				
Askari Bank Limited	151,992	AA-	181,473	AA-
Avari Hotels Limited	56,590	A-	129,070	A-
Azgard Nine Limited	8,135	D	8,135	D
Bank Alfalah Limited	294,395	AA-	297,684	AA-
Engro Fertilizer Limited (formerly Engro Corporation Limited)	1,037,571	A	1,043,227	A
Escorts Investment Bank Limited	743	BB	1,485	BB
New Khan Transport Company (Private) Limited	–	–	14,204	*
PACE Pakistan Limited	–	–	29,964	*
Pakistan Mobile Communication Limited	705,883	AA-	20,051	AA-
Summit Bank Limited	47,193	A- (SO)	47,718	A- (SO)
Telecard Limited	134,407	*	134,552	D
United Bank Limited	–	–	58,661	AA
	<u>53,608,588</u>		<u>75,110,475</u>	

* Rating not available

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10.15 As per BSD circular No. 6 of 2007 dated September 6, 2007, investments in subsidiaries and associates are required to be reported separately and should be carried at cost. However, as per IAS 36, these need to be tested for impairment, if there is indication that such impairment may exist.

Management has tested the investment in its subsidiary, PICIC Asset Management Company Limited, for impairment using a 'value in use' calculation. The 'value in use' calculation indicates that the value of the investment in the subsidiary exceeds the cost of investment, therefore, no impairment was made during the year.

	Note	2013 (Rupees '000')	2012
11. ADVANCES			
Loans, cash credits, running finance, etc. - in Pakistan	11.1	97,018,316	88,990,934
Net investment in finance lease - in Pakistan	11.3	1,777,383	1,897,676
Bills discounted and purchased (excluding Treasury Bills)			
Payable in Pakistan		2,600,925	189,544
Payable outside Pakistan		3,161,906	3,779,947
Advances - Gross		104,558,530	94,858,101
Provision against non performing advances			
Specific	11.4	(22,488,805)	(23,214,941)
General		(69,139)	(78,923)
	11.5	(22,557,944)	(23,293,864)
Advances - Net of provision		82,000,586	71,564,237

11.1 This includes a sum of Rs. 72.337 million (2012: Rs. 72.337 million) representing unrealized exchange gain, which has not been recognized as income and deferred in these unconsolidated financial statements, in accordance with the policy of the Bank, as stated in note 6.18.

	2013 (Rupees '000')	2012
11.2 Particulars of advances		
11.2.1 In local currency	100,749,988	90,453,467
In foreign currencies	3,808,542	4,404,634
	104,558,530	94,858,101
11.2.2 Short term (for upto one year)	93,340,382	80,111,750
Long term (for over one year)	11,218,148	14,746,351
	104,558,530	94,858,101

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11.3 Net Investment in Finance Lease

	2013			
	Not later than one year	Later than one and less than five years	Over five years	Total
	(Rupees '000')			
Lease rentals receivable	1,645,136	61,750	–	1,706,886
Residual value	427,762	17,480	–	445,242
Minimum lease payments	2,072,898	79,230	–	2,152,128
Financial charges for future periods (including income suspended)	(365,024)	(9,721)	–	(374,745)
Present value of minimum lease payments	1,707,874	69,509	–	1,777,383

	2012			
	Not later than one year	Later than one and less than five years	Over five years	Total
	(Rupees '000')			
Lease rentals receivable	1,759,480	15,274	–	1,774,754
Residual value	489,195	–	–	489,195
Minimum lease payments	2,248,675	15,274	–	2,263,949
Financial charges for future periods (including income suspended)	(364,675)	(1,598)	–	(366,273)
Present value of minimum lease payments	1,884,000	13,676	–	1,897,676

11.3.1 Leases includes non performing loans of Rs. 1,721.768 million against which provision of Rs. 1,177.073 million has been held.

11.4 Advances include Rs. 29,904.747 million (2012: Rs. 32,921.495 million) which have been placed under non-performing status as detailed below:

Note	2013								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees '000')								
Category of Classification									
OAEM	42,632	–	42,632	6,648	–	6,648	6,648	–	6,648
Substandard	2,450,356	–	2,450,356	611,308	–	611,308	611,308	–	611,308
Doubtful	571,213	–	571,213	86,598	–	86,598	86,598	–	86,598
Loss	26,840,546	–	26,840,546	21,784,251	–	21,784,251	21,784,251	–	21,784,251
	29,904,747	–	29,904,747	22,488,805	–	22,488,805	22,488,805	–	22,488,805

Category of Classification	2012								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees '000')								
Substandard	2,521,821	-	2,521,821	342,199	-	342,199	342,199	-	342,199
Doubtful	1,949,958	-	1,949,958	519,348	-	519,348	519,348	-	519,348
Loss	28,449,716	-	28,449,716	22,353,394	-	22,353,394	22,353,394	-	22,353,394
	<u>32,921,495</u>	<u>-</u>	<u>32,921,495</u>	<u>23,214,941</u>	<u>-</u>	<u>23,214,941</u>	<u>23,214,941</u>	<u>-</u>	<u>23,214,941</u>

11.4.1 Included in the Provision required and held is an amount of Rs. 293.089 million (2012: Rs. 410.960 million) which represents provision in excess of the requirements of the State Bank of Pakistan.

11.4.2 In accordance with BSD Circular No. 1 dated October 21, 2011 issued by the State Bank of Pakistan, the Bank has availed the benefit of Forced Sale Value (FSV) against the non-performing advances. During the year ended December 31, 2013, total FSV benefit erosion resulted in decrease in profit before tax of Rs. 1,513.644 million. Had the benefit under the said circular not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 4,405.527 million (December 31, 2012: Rs. 5,919.171 million). The FSV benefit recognized will not be available for the distribution of cash and stock dividend to shareholders.

11.4.3 As per IH&SMEFD Circular No. 8 of 2013 dated May 07, 2013 issued by SBP, SME Prudential Regulations were revised and SME was broken into Small Enterprise (SE) and Medium Enterprise (ME). As a consequence, a new classification category of Other Assets Especially Mentioned (OAEM) was introduced. The circular also requires Banks to maintain General Provision against loans to SE. As a result, Bank's General provision increased by Rs. 6.355 million and Specific provision reduced by Rs. 11.883 million against SE as at December 31, 2013.

11.5 Particulars of provision against non-performing advances

Note	2013			2012			
	Specific	General	Total	Specific	General	Total	
	(Rupees '000')						
Opening balance	23,214,941	78,923	23,293,864	23,345,559	282,139	23,627,698	
Charge for the year	2,724,727	-	2,724,727	2,858,015	-	2,858,015	
Reversals	(3,465,970)	(9,784)	(3,475,754)	(2,538,266)	(203,216)	(2,741,482)	
	(741,243)	(9,784)	(751,027)	319,749	(203,216)	116,533	
Amounts written off - Net (includes recovery of earlier written-off Retail loans)	11.6	125,609	-	125,609	(450,367)	-	(450,367)
Amount transferred to Other Assets / Other Liabilities		(110,502)	-	(110,502)	-	-	-
Closing balance	<u>22,488,805</u>	<u>69,139</u>	<u>22,557,944</u>	<u>23,214,941</u>	<u>78,923</u>	<u>23,293,864</u>	

11.5.1 Particulars of provision against non-performing advances - currency wise

	2013			2012		
	Specific	General	Total	Specific	General	Total
	(Rupees '000')					
In local currency	22,488,805	69,139	22,557,944	23,214,941	78,923	23,293,864
In foreign currencies	-	-	-	-	-	-
	<u>22,488,805</u>	<u>69,139</u>	<u>22,557,944</u>	<u>23,214,941</u>	<u>78,923</u>	<u>23,293,864</u>

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	Note	2013	2012
(Rupees '000')			
11.6 Particulars of write offs / (write backs):			
11.6.1 Against provisions (includes recovery of earlier written-off Retail loans)		(125,609)	450,367
Directly charged to profit and loss account		4,451	15,632
		<u>(121,158)</u>	<u>465,999</u>
11.6.2 Write offs of Rs. 500,000 and above	11.7	210,840	345,504
Write offs of below Rs. 500,000 (includes recovery of earlier written-off Retail loans)	11.7	(331,998)	120,495
		<u>(121,158)</u>	<u>465,999</u>

11.7 Details of loan write offs of Rs. 500,000 and above

In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written off loans or any financial relief of five hundred thousand rupees or above allowed to person(s) during the year ended December 31, 2013 is given in Annexure 1. However, this write off does not affect the Bank's right to recover these debts from any of its customers.

	Note	2013	2012
(Rupees '000')			
11.8 Particulars of loans and advances to directors, associated companies etc.			
Debts due by directors, executives or officers of the Bank or any of them either severally or jointly with any other persons:			
Balance at the beginning of the year		1,393,791	1,200,987
Additions / granted during the year		740,346	667,081
Repayments / transferred during the year		(674,056)	(474,277)
Balance at the end of the year		<u>1,460,081</u>	<u>1,393,791</u>
Debts due by subsidiary companies, controlled firms, managed modarabas and other related parties:			
Balance at the beginning of the year		21,951	24,997
Loan granted during the year		5,326	1,069
Repayments during the year		(2,401)	(4,115)
Balance at the end of the year		<u>24,876</u>	<u>21,951</u>
12. OPERATING FIXED ASSETS			
Capital work in progress	12.1	248,527	115,187
Property and equipment	12.2	2,587,578	2,593,311
		<u>2,836,105</u>	<u>2,708,498</u>
12.1 Capital work in progress			
Civil works		64,359	7,971
Electrical, office and computer equipment		58,770	53,681
Advances to suppliers and contractors		51,048	5,394
Advance for computer software		74,350	48,141
		<u>248,527</u>	<u>115,187</u>

12.2 Property and Equipment
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Particulars	Note	C O S T		DEPRECIATION		Net Book value as at December 31, 2013	Rate of Depreciation % per annum
		As at January 01, 2013	As at December 31, 2013	Accumulated as at January 01, 2013	For the year / (on deletions) Adjustment (Write-offs)		
Freehold land		336,617	-	-	-	317,697	-
Leasehold land	12.2.3	1,064,456	-	15,634	-	1,048,822	-
Buildings on freehold land		584,330	-	247,258	-	374,518	5%
Buildings on leasehold land		162,573	-	48,595	(74,463)	106,817	5%
Furniture and fixtures		212,587	4,774	120,771	(710)	71,424	10%
Electrical, office and computer equipment		1,315,306	(10,465)	957,527	(7,005)	373,773	10% to 33%
Vehicles		28,951	6,160	22,700	4,358	7,300	20%
Leasehold improvements		774,426	32,337	473,450	45,035	287,227	10%
			(3,489)		(234)		
		4,479,246	237,664	1,865,935	282,169	2,587,578	
			(121,241)	(927)	(86,572)	2,003,594	
					(75,173)		

12.2.1 Included in cost of property and equipment are fully depreciated items still in use having cost of Rs. 900.008 million (2012: Rs. 837.893 million).

12.2.2 Carrying amount of temporarily idle property is Rs. 812.378 million (2012: Rs. 885.609 million).

12.2.3 This includes a plot of land costing Rs. 361 million in Block-6, KDA Scheme-5, Clifton, Karachi (the "Plot"), possession of which was taken by the Bank (formerly PICIC) in April 1983 pursuant to an allotment order by City District Government Karachi ("CDGK") (formerly Karachi Development Authority). All the legal dues in respect of the Plot including Non-utilization Fees have been paid. In 2000, CDGK cancelled the allotment unilaterally based on certain building and construction restrictions. The Bank filed a Civil Suit against CDGK before the High Court of Sindh in respect of the said unilateral cancellation of the allotment. Meanwhile, also in 2000, a dispute arose with KPT in respect of construction of a boundary wall on the Plot by KPT as KPT claimed that the ownership of the land had been reverted to KPT. The said claim by KPT was also challenged by way of Civil Suit before the High Court of Sindh. The High Court of Sindh initially issued restraining orders against CDGK and KPT in the respective suits in respect of cancellation of the allotment of the Plot. Subsequently, both the suits were decided in favor of the Bank. In the suit filed against CDGK, the High Court of Sindh held that the action of cancellation of the allotment by CDGK was improper and void, whereas, in the suit against KPT, the High Court of Sindh held that since allotment in favor of the Bank was valid therefore, KPT had no standing to claim that the ownership of the land had been reverted back to KPT. Both the decisions of the High Court of Sindh are currently being challenged in two separate High Court Appeals by CDGK and KPT and the same are still pending. Furthermore, in November 2008, KPT filed a Civil Suit seeking a declaration from the High Court of Sindh to the effect that the ownership of the Plot had been validly reverted to KPT. At present, the Bank is actively defending the cases.

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Particulars	C O S T		DEPRECIATION		Net Book value as at December 31, 2012	Rate of Depreciation % per annum
	As at January 01, 2012	Additions / (Deletions) Adjustment (Write - offs)	As at December 31, 2012	Accumulated as at January 01, 2012 (on deletions) Adjustment (Write-offs)		
Freehold land	336,617	-	336,617	-	336,617	-
Leasehold land	1,064,456	-	1,064,456	-	1,048,822	-
Buildings on freehold land	584,330	-	584,330	-	247,258	5%
Buildings on leasehold land	158,073	4,500	162,573	28,565	113,978	5%
Furniture and fixtures	228,337	29,665 (18,951)	212,587 (26,464)	17,599 (11,431)	91,816	10%
Electrical, office and computer equipment	1,400,757	230,827 (75,811)	1,315,306 (240,532)	131,199 (68,199)	357,779	10% to 33%
Vehicles	35,258	-	28,951	4,149 3	6,251	20%
Leasehold improvements	833,516	110,268 (235)	774,426 (169,123)	38,892 (219)	300,976	10%
	4,641,344	375,260 (100,845)	4,479,246 (436,578)	228,148 (85,665)	1,885,935 (366,501)	

12.2.4 Detail of disposal of property and equipment during the year

Items individually having cost more than Rs. 1 million or net book value exceeding Rs. 0.25 million

Description	Cost	Accumulated depreciation value	Book value	Sales proceeds	Mode of disposal	Particulars of buyer
Freehold land	18,920	-	18,920	46,790	Bid	Qari Khan Muhammad, Murda Karez, Chaman, District Killa Abdullah
Buildings on freehold land	13,157	3,947	9,210	9,210	Bid	Qari Khan Muhammad, Murda Karez, Chaman, District Killa Abdullah
Computer Equipment	2,618	-	2,618	3	Bid	Muhammad Farid / Kamran, Haji Haroon Trust Building, Lee Market, Karachi
Office Equipment	4,465	4,271	194	2,006	Bid	Atif Jawad, 30 Pooch Road, Islamia Park, Lahore
Vehicles	15,375	14,622	753	753	Employee Service Rules	
Vehicles	1,315	-	1,315	901	Bid	Khawaja Iqbal Hassan, Ex- President / Chief Executive
Vehicles	2,703	2,703	-	2,432	Bid	Asif Hameed, Plot No. 6, Sector E, Korangi Industrial Area, Karachi
	58,553	29,476	29,077	62,095		Noman Hassan Khan, A-908/12, Gulberg FB Area, Karachi

Items individually having cost less than Rs. 1 million or net book value not exceeding Rs. 0.25 million

Computer Equipment	23,495	23,493	2	17
Furniture and fixtures	9,790	6,508	3,282	6,114
Leasehold improvements	45	40	5	15
Office equipment	23,206	21,961	1,245	3,679
Vehicles	1,324	1,324	-	690
Sub Total	57,860	53,326	4,534	10,515

Items retired from the books and claimed from the insurance companies

Computer Equipment	1,679	1,318	361	1,568
Furniture and fixtures	674	497	177	2,173
Leasehold improvements	256	195	61	131
Office equipment	2,219	1,760	459	4,602
Sub Total	4,828	3,770	1,058	8,474
2013	121,241	86,572	34,669	81,084
2012	100,845	85,665	15,180	28,787

13. INTANGIBLE ASSETS

Particulars	C O S T		2013 AMORTIZATION / IMPAIRMENT			Rate of Amortization % per annum
	As at January 01, 2013	As at December 31, 2013	Accumulated as at January 01, 2013	Amortization for the year	Accumulated as at December 31, 2013	
	(Rupees '000')					
Core Deposit Relationships	2,489,453	2,489,453	1,244,726	226,314	1,471,040	9.09%
Core Overdraft/Working Capital Loan Relationships	124,149	124,149	87,339	6,693	94,032	8.31%
Brand	204,116	204,116	204,116	-	204,116	20%
Computer Software	850,777	905,182	411,890	103,569	515,459	10% to 50%
	3,668,495	3,722,900	1,948,071	336,576	2,284,647	

13.1 Included in cost of computer software are fully amortized items still in use having cost of Rs. 107.823 million (2012: Rs. 105.929 million.)

Particulars	C O S T		2012 AMORTIZATION / IMPAIRMENT			Rate of Amortization % per annum
	As at January 01, 2012	As at December 31, 2012	Accumulated as at January 01, 2012	Amortization for the year	Accumulated as at December 31, 2012	
	(Rupees '000')					
Core Deposit Relationships	2,489,453	2,489,453	1,018,412	226,314	1,244,726	9.09%
Core Overdraft / Working Capital Loan Relationships	124,149	124,149	80,646	6,693	87,339	8.31%
Brand	204,116	204,116	183,705	20,411	204,116	20%
Computer Software	836,473	850,777	317,002	94,888	411,890	10% to 50%
	3,654,191	3,668,495	1,599,765	348,306	1,948,071	

13.2 Annual test for impairment

Intangibles

In the current year, the Bank assessed the recoverable amount of core deposit relationships and determined that no impairment loss exists.

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	Note	2013 (Rupees '000')	2012
14. DEFERRED TAX ASSETS			
Deferred debits arising due to:			
Provision against loans and advances		7,527,506	8,432,590
Provision against other receivable		291,184	255,121
Provision against balances with other banks		2,359	-
Provision against Off Balances sheet Items		13,101	-
Unused tax losses		4,637,085	4,488,530
Surplus / (Deficit) on revaluation of securities		268,238	(175,364)
Excess of tax base of government securities / investments over accounting base		152,880	378,894
		12,892,353	13,379,771
Deferred credits arising due to:			
Excess of accounting base of leased asset over tax base		(169,599)	(159,787)
Accelerated tax depreciation on owned assets		(811,328)	(796,789)
Fair valuation of subsidiaries and associates		(300,467)	(532,758)
Accelerated tax amortization on intangible assets		(1,081)	8,843
Unrealized exchange gains	14.2	(2,377)	(2,377)
Unrealized exchange losses	14.3	(33,604)	(33,604)
		(1,318,456)	(1,516,472)
Deferred tax Assets		11,573,897	11,863,299
Unrecognized deferred tax assets	14.1	(324,011)	(982,015)
Recognized deferred tax assets		11,249,886	10,881,284

14.1 The deferred tax asset recognized in the books has been restricted to Rs. 11,250 million due to uncertainty of availability of future tax profits for utilization of the unrecognized deferred tax assets. The deductible differences available to the Bank are Rs. 11,574 million. Had these been taken completely, the profit after tax for the year would be higher by Rs. 324.011 million (2012: Rs. 982.015 million). Therefore, the accumulated amount of deferred tax asset not recognized as of December 31, 2013 amounted to Rs. 324.011 million.

The management has recorded deferred tax asset based on financial projections indicating realisability of deferred tax asset over a number of future years through reversals as a result of recoveries from borrowers and realisability of remaining deferred tax asset against future taxable profits. The financial projections involve certain key assumptions such as deposits composition, interest rates, growth of deposits and advances, investment returns and potential provision / reversals against assets. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset.

14.2 In 1987 and 1989, the Bank (formerly PICIC) exercised its option to avail the exchange risk coverage offered by the Government of Pakistan, Ministry of Finance and Economic Affairs (Economic Affairs Division), through Office Memo 1(16)/50/DM/86 dated July 8, 1987 and 1(12)/50/DM/89 dated June 1, 1989 respectively and, in turn the Bank (formerly PICIC) offered the risk coverage to its Borrowers.

14.3 The unrealized exchange losses of the Bank (formerly PICIC) as on April 21, 1987, the effective date of exercise of both the options arising on related borrowings as reduced by gains arising on related advances was claimed as loss for tax purposes.

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14.4 Movement in temporary differences during the year

	2013			Balance as at December 31, 2013
	Balance as at January 01, 2013	Recognized in profit and loss account	Recognized in equity	
(Rupees '000')				
Deferred debits arising due to:				
Provision against loans and advances	8,432,590	(905,084)	–	7,527,506
Provision against other receivables	255,121	36,063	–	291,184
Provision against balances with other banks	–	2,359	–	2,359
Provision against Off balance sheet item	–	13,101	–	13,101
Surplus / (Deficit) on revaluation of securities	(175,364)	–	443,602	268,238
Unused tax losses	4,488,530	148,555	–	4,637,085
Excess of tax base of government securities / investments over accounting base	378,894	(226,014)	–	152,880
Deferred credits arising due to:				
Excess of accounting base of leased asset over tax base	(159,787)	(9,812)	–	(169,599)
Accelerated tax depreciation on owned assets	(796,789)	(14,539)	–	(811,328)
Fair valuation of subsidiaries and associates	(532,758)	232,291	–	(300,467)
Accelerated tax amortization on intangible assets	8,843	(9,924)	–	(1,081)
Unrealized exchange gains	(2,377)	–	–	(2,377)
Unrealized exchange losses	(33,604)	–	–	(33,604)
Deferred tax assets	11,863,299	(733,004)	443,602	11,573,897
Unrecognized deferred tax assets	(982,015)	658,004	–	(324,011)
Recognized deferred tax assets	10,881,284	(75,000)	443,602	11,249,886
2012				
	Balance as at January 01, 2012	Recognized in profit and loss account	Recognized in equity	Balance as at December 31, 2012
(Rupees '000')				
Deferred debits arising due to:				
Provision against loans and advances	8,880,336	(447,746)	–	8,432,590
Provision against other receivables	259,790	(4,669)	–	255,121
Surplus / (Deficit) on revaluation of securities	(39,648)	–	(135,716)	(175,364)
Unused tax losses	3,699,934	788,596	–	4,488,530
Excess of tax base of government securities / investments over accounting base	429,189	(50,295)	–	378,894
Deferred credits arising due to:				
Excess of accounting base of leased asset over tax base	(140,383)	(19,404)	–	(159,787)
Accelerated tax depreciation on owned assets	(734,069)	(62,720)	–	(796,789)
Fair valuation of subsidiaries and associates	(511,079)	(21,679)	–	(532,758)
Accelerated tax amortization on intangible assets	25,911	(17,068)	–	8,843
Unrealized exchange gains	(2,377)	–	–	(2,377)
Unrealized exchange losses	(33,604)	–	–	(33,604)
Deferred tax assets	11,834,000	165,015	(135,716)	11,863,299
Unrecognized deferred tax assets	(817,000)	(165,015)	–	(982,015)
Recognized deferred tax assets	11,017,000	–	(135,716)	10,881,284

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	Note	2013 (Rupees '000')	2012
15. OTHER ASSETS			
Income / mark-up accrued			
Local currency	15.1 & 15.6	3,515,103	2,793,258
Foreign currencies		72,276	40,484
Advances, deposits, advance rent and other prepayments	15.2	476,586	489,157
Advance taxation - net		1,180,291	1,232,104
Non - banking assets acquired in satisfaction of claims	15.3	888,525	733,318
Non - banking assets acquired in satisfaction of claims with buy back option with customer	15.3	1,102,755	512,274
Unrealized gain on forward foreign exchange contracts - net		-	183,808
Stationery and stamps on hand		630	1,172
Advance for purchase of term finance certificates and Sukuk Bonds	15.7	1,185,000	1,226,176
Assets in respect of Bangladesh	15.4	425,409	425,409
Insurance claim		4,873	6,518
Others		167,121	68,089
		<u>9,018,569</u>	<u>7,711,767</u>
Liabilities in respect of Bangladesh	15.4	(342,416)	(342,416)
Rupee Borrowings from Government of Pakistan in respect of Bangladesh		(82,993)	(82,993)
Provisions held against other assets	15.5	<u>(1,177,612)</u>	<u>(1,012,176)</u>
Other assets - net of provisions		<u>7,415,548</u>	<u>6,274,182</u>

15.1 This includes Rs. 0.705 million (2012: Rs. 0.728 million) in respect of related parties.

15.2 Advances, deposits, advance rent and other prepayments

Advances	39,683	38,959
Deposits	33,723	33,275
Advance rent	266,873	296,864
Prepayments	136,307	120,059
	<u>476,586</u>	<u>489,157</u>

15.3 Represents cost of land and building acquired by the Bank against advances and held for resale. The market value of the subject assets as of December 31, 2013 was Rs. 2,037.041 million (2012: Rs. 1,203.436 million). Provision of Rs. 132.272 million (2012: Rs. 102.272 million) has been made against difference between cost and fair value. The above mentioned values include properties having market value of Rs. 1,219.752 million (2012: Rs. 534.733 million) acquired through settlement agreements, where the settlement agreement signed with borrowers entails a buy back option.

15.4 All the assets and liabilities as of November 30, 1971 clearly identifiable as being in or in respect of the areas now under Bangladesh and referred to above were segregated as of that date and in such segregation, for purposes of conversion of foreign currency amounts, generally speaking, the parity rates ruling prior to August 15, 1971 were used, and all income accrued or due in 1971 but not received in that year and interest accrued but not due on borrowings in 1971 was eliminated. Subsequently, consequent to the assuming by Bangladesh of certain foreign currency loan obligations as of July 1, 1974, including amounts previously identified by the Bank (formerly PICIC) as its foreign currency liabilities in respect of Bangladesh, such amounts were eliminated from the books of the Bank (formerly PICIC) by reducing an equivalent sum from its related foreign assets in that area.

Arising from advices received from the lenders and as a result of diversion of shipments and of the meeting of certain contingent liabilities, there have been certain modifications to the foreign currency advances relating to Bangladesh. Furthermore, the difference between the actual amount of rupees required to remit maturities of foreign currency borrowings in respect of Bangladesh and the figures at which they appeared in the books and the interest paid to foreign lenders has been treated as increasing the rupee assets in that area.

The Government of Pakistan, while initially agreeing to provide the rupee finance required for discharging current maturities of foreign currency borrowings and interest related to Bangladesh, did not accept any responsibility for PICIC's assets in that area. However, following an agreement reached between PICIC and the Government of Pakistan during 1976, the Government has agreed that it would continue to provide the funds for servicing PICIC's foreign currency liabilities relating to Bangladesh and has further agreed that an amount equivalent to the rupee assets in Bangladesh financed from PICIC's own funds not exceeding Rs. 82 million would be deemed to have been allocated out of the rupee loans by the Government and that such allocated amount together with the rupee finance being provided by the Government including any interest thereon would not be recovered from PICIC until such time as PICIC recovers the related assets from Bangladesh and only to the extent of such recovery.

Accordingly, such allocated amounts, together with the rupee finance being provided by the Government for discharging the current maturities of foreign currency borrowings (including the interest and charges thereon and any exchange difference between the final rupee payment and the amount at which the liability, commitment or contingent liability as appearing in the books relating to Bangladesh) have been treated as liabilities in respect of Bangladesh. Further, in view of the aforesaid agreement no interest is being accrued on the allocated amount of rupee loans or in respect of the rupee finance provided by the Government related to PICIC's assets in Bangladesh nor is it considered necessary to provide for any loss that may arise in respect of PICIC's assets in Bangladesh.

	2013	2012
	(Rupees '000')	
15.5 Particulars of provision against other assets		
Opening balance	1,012,176	1,021,625
Charge for the year	62,400	3,892
Reversals	-	(3,500)
Write offs	-	(9,841)
Transfer from Investments / Advances	103,036	-
Closing balance	<u>1,177,612</u>	<u>1,012,176</u>

15.6 This includes a sum of Rs. 30.466 million (2012: Rs. 30.466 million) representing unrealized exchange gain, which has not been recognized as income and deferred in the financial statements, in accordance with the policy of the Bank, as stated in note 6.18.

15.7 This includes Rs. 900 million in respect of advance paid by the Bank for purchase of Sukuk Bonds of Sui Southern Gas Company (SSGC). As per agreed repayment schedule mark-up has been received from SSGC which have been recorded as mark-up income of the Bank. These carry mark-up rate of 3 months KIBOR + 70 bps and have original maturity of 5 years. The Sukuk are in the process of issuance and is expected to complete in first half of 2014, upon issuance of the Bonds this advance will be reclassified as Investments.

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	Note	2013 (Rupees '000')	2012
16. BILLS PAYABLE			
In Pakistan		2,771,816	2,336,274
Outside Pakistan		90,847	93,756
		<u>2,862,663</u>	<u>2,430,030</u>
17. BORROWINGS			
In Pakistan		51,449,032	75,941,423
Outside Pakistan		57,641	237,642
		<u>51,506,673</u>	<u>76,179,065</u>
17.1 Particulars of borrowings with respect to currencies			
In local currency		51,449,032	75,941,423
In foreign currencies		57,641	237,642
		<u>51,506,673</u>	<u>76,179,065</u>
17.2 Details of borrowings - secured / unsecured			
Secured			
Borrowings from SBP under			
Export Refinance Scheme	17.3	11,536,922	9,074,523
Long Term Financing Facility	17.4	831,725	123,182
Long Term Finance for Export Oriented Projects	17.5	451,991	817,911
Repurchase agreement borrowings	17.6	28,658,485	61,763,521
Unsecured			
Call borrowings	17.7	9,807,623	4,000,000
Overdrawn nostro accounts		57,641	237,642
Foreign borrowings payable in local currency	17.8	162,286	162,286
		<u>51,506,673</u>	<u>76,179,065</u>

17.3 Borrowings from SBP under Export Refinance Scheme are subject to mark-up at rate of 8.4% (2012: 8.5% to 10%) per annum maturing within six months.

17.4 Borrowings from SBP under Long Term Financing Facility (LTFF) are subject to mark up ranging from 6.50% to 8.60% (2012: 6.50% to 8.60%) per annum with remaining maturity upto seven years.

17.5 Borrowings from SBP under Long Term Finance for Export Oriented Projects are subject to mark up at 5.00% (2012: 4.90% to 5.00%) per annum with remaining maturity upto two and half years.

17.6 These borrowings are subject to mark-up at rates ranging from 9.40% to 10% (2012: 7.75% to 8.85%) per annum with remaining maturity upto one month. Government securities have been given as collateral against these borrowings.

17.7 These borrowings are subject to mark-up at rates ranging from 9.00% to 10.50% (2012: 8.00% to 9.75%) per annum with remaining maturity upto one month.

17.8 The Government of Pakistan (GoP) has claimed an amount of Rs. 162.286 million in respect of liabilities against German credit representing principal amount of loan and Rs. 45.444 million as interest thereon till June 30, 2006. The principal amount has been accounted for and shown as payable to the GoP whereas interest has been accounted for in Other Liabilities (note 20). However, the Bank is contending that any amount of principal and interest is payable to the GoP only when recovered from the related sub-borrowers, who have availed the German credit. This also includes unrealized exchange loss of Rs. 96.011 million (2012: Rs. 96.011 million) which has been netted off against unrealized exchange gain (note 15) as it is payable when recovered from sub-borrowers, who have availed the related German credit.

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	2013	2012
	(Rupees '000')	
18. DEPOSITS AND OTHER ACCOUNTS		
Customers		
Fixed deposits	28,949,611	24,859,849
Savings deposits	40,747,664	33,574,896
Current accounts - Non remunerative	28,537,129	27,784,055
Margin accounts	534,933	749,733
Financial institutions		
Remunerative deposits	5,806,791	4,068,911
Non-remunerative deposits	319,937	253,790
	<u>104,896,065</u>	<u>91,291,234</u>
18.1 Particulars of deposits		
In local currency	97,895,681	85,623,878
In foreign currencies	7,000,384	5,667,356
	<u>104,896,065</u>	<u>91,291,234</u>
19. SUB-ORDINATED LOANS		
Term Finance Certificates - Quoted, Unsecured	<u>—</u>	<u>3,992,800</u>

The Bank has exercised call option on its Term Finance Certificates after completion of five years from the issue date and these were redeemed on September 5, 2013.

	Note	2013	2012
		(Rupees '000')	
20. OTHER LIABILITIES			
Mark-up / return / interest payable in:			
Local currency		795,598	696,488
Foreign currencies		4,784	1,914
Unearned income on inland bills		42,681	776
Accrued expenses		513,340	735,869
Insurance premium payable		47,311	33,002
Advance from lessees		319,614	252,242
Unclaimed dividend		43,151	44,560
Borrowing from Government of Pakistan		2,095	2,095
Branch adjustment account		186,682	68,742
Unrealized exchange loss - net		121,285	—
Security and other deposits		5,771	25,846
Payable to IBRD - Managed Fund		68,220	68,220
Payable to defined benefit plan	34.5	55,914	63,588
Security deposits against lease		455,042	486,655
Provision against Off Balance sheet Items		37,430	—
Revaluation on Forward purchase and sale of Government Securities		18,072	—
Others		366,476	207,613
		<u>3,083,466</u>	<u>2,687,610</u>

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21. SHARE CAPITAL

21.1 Authorized

2013 (Number of Shares)	2012 (Number of Shares)		2013 (Rupees '000')	2012 (Rupees '000')
<u>12,000,000,000</u>	<u>12,000,000,000</u>	Ordinary shares of Rs. 10 each	<u>120,000,000</u>	<u>120,000,000</u>

21.2 Issued, subscribed and paid up

Fully paid up ordinary shares of Rs. 10 each

3,278,902,659	3,278,902,659	Fully paid in cash	32,789,027	32,789,027
764,824,417	764,824,417	Issued for consideration other than cash (under schemes of amalgamation)	7,648,244	7,648,244
<u>6,259,124,088</u>	<u>6,259,124,088</u>	Issuance of shares on discount	<u>62,591,241</u>	<u>62,591,241</u>
<u>10,302,851,164</u>	<u>10,302,851,164</u>		<u>103,028,512</u>	<u>103,028,512</u>

21.2.1 The holding company Bugis Investments (Mauritius) Pte. Limited holds 9,105,728,598 (2012: 9,132,728,598) ordinary shares.

	2013 (Rupees '000')	2012 (Rupees '000')
22. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - Net Surplus / (Deficit) on revaluation of available-for-sale securities		
Market Treasury Bills	(33,302)	143,747
Pakistan Investment Bonds	(774,664)	274,507
Term Finance Certificates	28,973	4,553
GOP Ijara Sukuk	-	51,840
Investment in Shares of Listed Companies	44,102	92,375
	<u>(734,891)</u>	<u>567,022</u>
Related deferred tax asset / (liability)	268,237	(175,364)
	<u>(466,654)</u>	<u>391,658</u>

23. CONTINGENCIES AND COMMITMENTS

23.1 Direct credit substitutes

Contingent liability in respect of guarantees given favouring:

Government	-	-
Financial Institutions	-	2,200
Others	-	-
	-	2,200

23.2 Transaction-related contingent liabilities / commitments

Guarantees given in favour of:

Government	19,100,740	13,226,815
Financial Institutions	-	-
Others	793,108	796,509
	19,893,848	14,023,324

	2013	2012
	(Rupees '000')	
23.3 Trade-related contingent liabilities		
Letters of credit	23,287,063	20,248,003
Acceptances	5,237,186	3,055,764
	28,524,249	23,303,767
23.4 Other contingencies		
Claims against the Bank not acknowledged as debts	266,133	266,133
23.5 Commitments in respect of forward lending		
Commitments to extend credit	708,000	1,292,340
The Bank makes commitments to extend credit in the normal course of its business but none of these commitments are irrevocable and do not attract any significant penalty or expense if the facility is ultimately withdrawn except commitments mentioned above.		
23.6 Commitments in respect of forward exchange contracts		
Purchase	26,499,067	17,670,541
Sale	25,424,367	18,716,569
	51,923,434	36,387,110
23.7 Commitments for the acquisition of operating fixed assets	171,863	65,530
23.8 Commitments with respect to Government Securities		
Purchase	12,699,823	513,980
Sale	2,894,757	1,900,540

23.9 Other Contingencies

A penalty of Rs. 700 million was imposed by the Competition Commission of Pakistan ("the Commission") on all the member banks utilizing the 1 link Switch on account of uncompetitive behavior and imposing of uniform charges on cash withdrawal for off network ATM transactions. The Bank's share in this penalty is Rs. 50 million. The concerned banks filed a constitutional petition before the High Court of Sindh, which has suspended the order of the Commission. Consequently an appeal was filed with the Competition Appellate Tribunal ("Tribunal") which has set aside the order of the Commission. The Commission has preferred an appeal before the Supreme Court, which has been admitted for hearing and will be fixed by the concerned office of the Supreme Court.

The management in consultation with external legal counsel, representing the Bank, is confident that they have strong grounds to contest this penalty and are optimistic that the outcome will be decided in favour of the Bank.

23.10 The income tax returns of NIB Bank Limited have been filed up to and including tax year 2013 relevant to the financial year ended December 31, 2012. The tax authorities have made certain disallowances including additions on account of proration of expenses against dividends and capital gains, disallowances of interest and administrative expenses and renovation expenses incurred on rented premises (allowed historically) pertaining to tax years 2003 through 2008 for Ex-Pakistan Industrial Credit and Investment Corporation Limited (Ex-PICIC), from tax years 2004 through 2008 for Ex-PICIC Commercial Bank Limited (Ex-PCBL), tax years 2003 and 2004 for Ex-National Development Leasing Corporation Limited (Ex-NDLC) and from tax years 2004 through 2008 for NIB Bank Limited. During the year, a combined Appellate Order for Ex-PICIC pertaining to tax years 2003 through 2007 was issued by Commissioner Inland Revenue (Appeals) – CIR(A) in which the aforementioned expenses were allowed. However, the tax authorities have filed appeal with Income Tax Appellate Tribunal (ITAT) against above combined Appellate Order. These disallowances may result in additional tax aggregating to Rs. 1,370 million (2012: Rs. 1,370 million), which the management of the Bank in discussion with their tax consultants believes to be unjustified and not in accordance with the true interpretation of the law.

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Appeals filed against orders are pending at various appellate forums. Management is confident that the eventual outcome of the cases will be in favour of the Bank.

	2013	2012
	(Rupees '000')	
24. MARK-UP / RETURN / INTEREST EARNED		
On loans and advances to customers	7,335,763	6,871,570
On investments in:		
Held-for-trading securities	31,227	251,971
Available-for-sale securities	4,640,031	5,782,836
Held-to-maturity securities	338,736	461,316
On deposits with financial institutions	1,994	892
On securities purchased under resale agreements	753,025	569,679
On call money lendings	68,921	50,248
	<u>13,169,697</u>	<u>13,988,512</u>
25. MARK-UP / RETURN / INTEREST EXPENSED		
Deposits and other accounts	4,869,248	5,107,426
Securities sold under repurchase agreements	3,006,232	4,208,158
Other short term borrowings	1,639,826	1,214,083
Long term borrowings	368,146	603,136
	<u>9,883,452</u>	<u>11,132,803</u>
26. GAIN ON SALE OF SECURITIES		
Market Treasury Bills	64,618	116,194
Pakistan Investment Bonds	321,058	188,666
Term Finance Certificates	6,331	18,942
Ordinary Shares of Listed and Unlisted Companies	74,080	185,839
Units of Mutual Funds	-	5,144
Sukuk	27,426	24,793
	<u>493,513</u>	<u>539,578</u>
27. OTHER INCOME		
Gain on disposal of property and equipment	38,999	13,607
Service charges	-	3,957
Rent	5,976	7,802
Gain on trading liabilities	5,399	4,322
Recovery against written off Assets	34,643	25,553
Recovery against Branch relocation	-	4,000
Recovery from insurance company against loss of assets	8,176	13,592
(Loss) on revaluation of forward purchase and sale of Government Securities	(18,072)	-
	<u>75,121</u>	<u>72,833</u>

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	Note	2013	2012
(Rupees '000')			
28. ADMINISTRATIVE EXPENSES			
Salaries, allowances, etc.		2,643,248	2,381,554
Charge for defined benefit plan	34.4	14,843	16,902
Contribution to defined contribution plan		97,799	89,086
Non-executive directors' fees, allowances and other expenses		10,935	5,973
Brokerage and commission		45,645	27,525
Rent, taxes, insurance, electricity, etc.		827,272	873,046
Legal and professional charges		156,259	147,068
Communication		147,933	183,834
Repairs and maintenance		331,518	331,018
Stationery and printing		71,619	77,927
Advertisement and publicity		14,697	29,118
Fees and subscriptions		65,131	89,453
Auditor's remuneration	28.1	9,024	11,578
Depreciation	12.2	282,169	228,148
Amortization	13	336,576	348,306
Travelling, conveyance and vehicles running		56,262	49,497
Security services		118,825	128,637
Fixed assets written off		805	72,890
Others		75,312	81,634
		5,305,872	5,173,194
28.1 Auditors' remuneration			
Audit fee including fee for branch audit		4,300	4,300
Audit fee of consolidated financial statements		750	750
Review fee		1,100	1,100
Special certifications and sundry advisory services		2,168	4,752
Out-of-pocket expenses		706	676
		9,024	11,578
28.2	No donation was paid during the year in which any of the Directors or their spouses have any interest.		
29. OTHER CHARGES			
Penalties of the State Bank of Pakistan		266	23,760
Operational Loss / (Recovery)		43,718	30,382
		43,984	54,142
30. TAXATION			
For the year			
Current		160,757	82,054
Prior years	30.1	148,339	25,000
Deferred		75,000	-
		384,096	107,054
30.1	This represent charge of Rs. 148.339 million in respect of AJK branches.		

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	Note	2013	2012
(Rupees '000')			
31. BASIC / DILUTED EARNINGS PER SHARE			
Profit after taxation (Rs. '000')		1,241,171	38,066
Weighted average number of ordinary shares outstanding during the year (in '000')		10,302,851	10,302,851
Profit per share - basic / diluted (Rupees)		0.12	0.004
32. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks	7	8,006,105	7,672,866
Balances with other banks	8	692,177	960,850
		8,698,282	8,633,716
33. STAFF STRENGTH			
(Numbers)			
Permanent		2,387	2,419
Temporary / on contractual basis		23	37
Bank's own staff strength at the end of the year		2,410	2,456
Outsourced		629	312
Total staff strength		3,039	2,768

34. DEFINED BENEFIT PLAN

34.1 The Bank operates an unfunded gratuity scheme covering all eligible employees who have attained the minimum qualifying period of five years. Eligible employees are those employees who have joined the service of the Bank on or before March 31, 2006. The benefits under the gratuity scheme are payable in lump sum on retirement at the age of 60 years or earlier cessation of services. The benefit is equal to one month's last drawn basic salary for each year of confirmed service, subject to a minimum of five years of service.

34.2 Principal actuarial assumptions

The actuarial valuation is carried out periodically. The actuarial valuation was carried out for the year ended December 31, 2013 using the "Projected Unit Credit Method". The main assumptions used for actuarial valuation are as follows:

	Gratuity	
	2013	2012
- Valuation discount rate	12.75%	12.0%
- Salary increase rate	11.75%	11.0%
- Mortality rate	Based on State Life Insurance Corporation of Pakistan SLIC (2001-2005) Ultimate Mortality table	Based on LIC 1975-79 Ultimate Mortality table
- Withdrawal rate	Heavy Age - Wise withdrawal rates	Heavy (double of moderate) Age - Wise withdrawal rates

	Note	2013	2012 Restated
(Rupees '000')			
34.3 Reconciliation of (receivable from) / payable to defined benefit plan			
Present value of defined benefit obligations	34.6	55,914	63,588
Net actuarial gains / (loss) not recognized		–	–
Net liability / (receivable)		55,914	63,588
34.4 (Income) / Charge for defined benefit plan			
Current service cost		7,091	8,557
Interest cost		7,752	8,345
Cost recognized in the Profit and Loss Account		14,843	16,902
Actuarial (gain) / loss recognized on remeasurement on obligations		(3,153)	(8,647)
Total defined benefit cost for the year		11,690	8,255
34.5 Movement in balance (receivable) / payable			
Opening balance		63,588	71,098
Expense recognized		14,843	16,902
Benefits paid to outgoing members		(19,364)	(15,765)
Actuarial (Gain) / Loss on obligation		(3,153)	(8,647)
Closing balance		55,914	63,588
34.6 Reconciliation of present value of defined benefit obligations			
Opening balance		63,588	71,098
Current service cost		7,091	8,557
Interest cost		7,752	8,345
Benefits paid		(19,364)	(15,765)
Actuarial (gain) / loss on obligations		(3,153)	(8,647)
Closing balance		55,914	63,588

	2013	2012	2011	2010	2009
Restated					
(Rupees '000')					
34.7 Summary of valuation results for the current and previous periods					
Present value of defined benefit obligations	55,914	63,588	71,098	79,459	81,502
Fair value of plan assets	–	–	–	–	–
Deficit	55,914	63,588	71,098	79,459	81,502
Experience (gain) / loss on obligation	(3,153)	(8,647)	(8,139)	(4,427)	4,235

34.8 Expected contribution for the next one year

The Bank provides for gratuity as per the actuary's expected charge for the next one year. Based on actuarial advice, management estimates that the charge in respect of the defined benefit plan for the year ending December 31, 2014 would be Rs. 13.205 million.

35. DEFINED CONTRIBUTION PLAN

The Bank has established a provident fund scheme administered by the Board of Trustees for all permanent employees. Equal monthly contributions are made to the fund by both the Bank and the employees at the rate of 10% of basic salary.

36. COMPENSATION OF DIRECTORS AND EXECUTIVES

	President / Chief Executive		Directors		Executives	
	2013	2012	2013	2012	2013	2012
	(Rupees '000')					
Fees	-	-	10,935	5,973	-	-
Managerial remuneration	28,065	27,612	-	-	645,534	558,384
Share based payment arrangement **	61,560	-	-	-	-	-
Charge for defined benefit plan	-	-	-	-	7,367	9,747
Contribution to defined contribution plan	2,806	2,761	-	-	55,691	48,808
Rent and house maintenance	15,163	14,918	-	-	225,937	195,435
Utilities	2,806	2,761	-	-	64,554	55,838
Others	56,995	12,856	-	-	525,172	257,264
	<u>167,395</u>	<u>60,908</u>	<u>10,935</u>	<u>5,973</u>	<u>1,524,255</u>	<u>1,125,476</u>
Number of persons	<u>1</u>	<u>*2</u>	<u>5</u>	<u>5</u>	<u>692</u>	<u>597</u>

* Includes interim President and Chief Executive Officer for 6 days in 2012.

The Presidents / Chief Executives are provided with travel, medical insurance, security arrangements and reimbursements of household utilities, as per terms of their employment.

Directors fees represents fees paid to certain non executive directors of the Bank and no further benefits are paid to non executive directors.

** The Parent, Bugis Investments (Mauritius) Pte. Limited entered into a share incentive award arrangement for the President / Chief Executive, whereby a performance based incentive award was granted to the President / Chief Executive.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

37.1 On-balance sheet financial instruments

	2013		2012	
	Book value	Fair value	Book value	Fair value
(Rupees '000')				
Assets				
Cash and balances with treasury banks	8,006,105	8,006,105	7,672,866	7,672,866
Balances with other banks	692,177	692,177	960,850	960,850
Lending to financial institutions	2,127,516	2,126,128	3,440,910	3,441,040
Investments	61,058,886	60,763,777	85,386,110	85,432,128
Advances	82,000,586	82,000,586	71,564,237	71,564,237
Other assets	3,633,363	3,633,363	3,271,343	3,271,343
	<u>157,518,633</u>	<u>157,222,136</u>	<u>172,296,316</u>	<u>172,342,464</u>
Liabilities				
Bills payable	2,862,663	2,862,663	2,430,030	2,430,030
Borrowings	51,506,673	51,499,784	76,179,065	76,192,062
Deposits and other accounts	104,896,065	104,896,065	91,291,234	91,291,234
Sub-ordinated loans	–	–	3,992,800	4,002,822
Other liabilities	2,042,017	2,042,017	1,868,177	1,868,177
	<u>161,307,418</u>	<u>161,300,529</u>	<u>175,761,306</u>	<u>175,784,325</u>

37.2 Off-balance sheet financial instruments

Forward purchase of foreign exchange	<u>26,499,067</u>	<u>25,958,444</u>	<u>17,670,541</u>	<u>17,695,724</u>
Forward sale of foreign exchange	<u>25,424,367</u>	<u>25,063,988</u>	<u>18,716,569</u>	<u>18,702,296</u>
Forward purchase of Government Securities	<u>12,699,823</u>	<u>12,693,401</u>	<u>513,980</u>	<u>514,003</u>
Forward sale of Government Securities	<u>2,894,757</u>	<u>2,906,407</u>	<u>1,900,540</u>	<u>1,909,080</u>

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.

Fair values of held-to-maturity securities, sub-ordinated loans and investment in quoted associates have been stated at market values.

Fair value of unquoted equity securities have been stated at the lower of cost and Net Assets Value as per the latest available audited financial statements.

Except for investment in unquoted subsidiaries, fixed term advances of over one year, staff loans and fixed term deposits of over one year, the fair value of other on balance sheet financial assets and liabilities are not significantly different from their book value as these assets and liabilities are either short term in nature or are frequently re-priced.

The fair value of unquoted subsidiaries, fixed term advances, staff loans, fixed term deposits, other assets and other liabilities cannot be calculated with sufficient reliability due to non-availability of relevant active markets for similar assets and liabilities.

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38. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The Bank is organized into reportable segments as disclosed in note 6.22.1. These segments are managed by respective segment heads and the results of these segments are regularly reviewed by the Bank's President / Chief Executive, Executive Committee and the Board of Directors. Segment performance is reviewed on the basis of various factors including profit before taxation.

Transactions between reportable segments are carried out on an arms length basis.

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

For the Year ended December 31, 2013						
	Corporate and Investment Banking	Small & Medium Enterprises and Commercial	Retail	Treasury	Head Office / Other	*Adjustments
(Rupees '000')						
Net Interest Income	359,986	(502,162)	2,918,972	439,145	70,304	-
Non Mark-up Income	879,534	344,296	520,019	633,000	529,154	-
Net Interest and non mark-up Income	1,239,520	(157,866)	3,438,991	1,072,145	599,458	-
Total expenses including provisions (excluding Impairment)	(812,842)	1,356,345	3,816,006	295,123	17,350	-
Impairment against Investment	111,074	-	-	6,325	(222,400)	-
Total expenses including provisions	(701,768)	1,356,345	3,816,006	301,448	(205,050)	-
Segment Net income/ (loss) before tax	1,941,288	(1,514,211)	(377,015)	770,697	804,508	-
Segment Return on net assets (ROA) (%)	2.08%	(6.86%)	(0.31%)	1.47%	-	N/A
Segment Cost of funds (%)	8.38%	4.29%	4.60%	9.34%	-	N/A
For the Year ended December 31, 2012						
Net Interest Income	(274,288)	(607,080)	3,464,176	180,528	92,373	-
Non Mark-up Income	473,418	139,389	418,294	995,393	395,688	-
Net Interest and non mark-up Income	199,130	(467,691)	3,882,470	1,175,921	488,061	-
Total expenses including provisions (excluding Impairment)	248,294	684,872	4,158,465	229,192	43,917	-
Impairment against Investment	(42,632)	-	-	4,975	(194,312)	-
Total expenses including provisions	205,662	684,872	4,158,465	234,167	(150,395)	-
Segment Net income/ (loss) before tax	(6,532)	(1,152,563)	(275,995)	941,754	638,456	-
Segment Return on net assets (ROA) (%)	(0.02%)	(5.67%)	(0.44%)	1.22%	-	N/A
Segment Cost of funds (%)	10.04%	6.74%	5.45%	11.52%	-	N/A
As at December 31, 2013						
Segment Assets (Gross)	91,875,166	28,710,911	80,315,365	33,983,306	10,580,413	(46,082,156)
Segment Non Performing Loans	14,649,539	12,349,392	2,676,677	-	229,139	-
Segment Provision (including general provisions)	12,307,058	8,585,588	1,460,137	-	205,161	-
Segment Assets (Net)	79,568,108	20,125,323	78,855,228	33,983,306	10,375,252	(46,082,156)
Segment Liabilities	73,864,682	19,021,285	76,996,299	33,290,055	5,258,702	(46,082,156)
As at December 31, 2012						
Segment Assets (Gross)	74,436,950	28,055,858	83,903,677	75,683,089	8,616,481	(56,792,830)
Segment Non Performing Loans	16,898,687	12,565,891	3,193,076	-	263,841	-
Segment Provision (including general provisions)	13,819,614	7,839,657	1,421,070	-	213,523	-
Segment Assets (Net)	60,617,336	20,216,201	82,482,607	75,683,089	8,402,958	(56,792,830)
Segment Liabilities	58,188,964	19,568,333	80,760,809	74,638,327	217,136	(56,792,830)

* The respective segment assets and liabilities incorporate intersegment lending and borrowing, with appropriate transfer pricing. The adjustments column eliminates intersegment lending and borrowing.

39. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its holding company (refer note 1), subsidiaries (refer note 10.11), associated undertakings (refer note 10.10), employee benefit plans (refer note 34) and its key management personnel.

Transactions with related parties are executed on the same terms as those prevailing at the time for comparable transactions with unrelated parties except for staff loans which are on discounted rates as per industry practice.

The detail of transactions with related parties is given below:

	Holding company		Subsidiaries		Associates		Key Management Personnel			Other related parties		
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	
39.1 Balances outstanding as at the year end (Rupees '000)											
Advances												
At the beginning of the year	-	-	-	-	-	-	-	-	133,913	119,254	21,951	24,997
Addition during the year	-	-	-	-	-	-	-	-	73,686	85,308	5,326	1,069
Repaid during the year	-	-	-	-	-	-	-	-	(64,869)	(70,649)	(2,401)	(4,115)
At the end of the year	-	-	-	-	-	-	-	-	142,730	133,913	24,876	21,951
Deposits												
At the beginning of the year	32,823	42,653	196,787	16,038	611,316	298,751	33,433	42,013	54,126	54,126	94,200	94,200
Deposits during the year	175	904	3,635,411	4,854,627	30,007,012	22,039,707	203,510	321,388	1,714,272	1,197,079	1,197,079	1,197,079
Exchange difference	758	926	-	-	-	-	1,139	1,893	3,142	3,142	7,910	7,910
Withdrawal during the year	(13,859)	(11,660)	(3,823,865)	(4,673,878)	(30,254,501)	(21,727,142)	(207,074)	(331,861)	(1,720,919)	(1,245,063)	(1,245,063)	(1,245,063)
At the end of the year	19,897	32,823	8,333	196,787	363,827	611,316	31,008	33,433	50,621	50,621	54,126	54,126
Investment in shares / mutual funds - cost												
At the beginning of the year	-	-	4,584,741	4,584,741	1,573,832	1,573,832	-	-	-	-	149,705	149,705
Investments made during the year	-	-	-	-	2,105,675	-	-	-	-	-	50,000	-
Investments sold / share capital redeemed during the year	-	-	(2,105,675)	-	-	-	-	-	-	-	-	(149,705)
At the end of the year	-	-	2,479,066	4,584,741	3,679,507	1,573,832	-	-	-	-	50,000	-
Investment in Term Finance Certificates - cost												
At the end of the year	-	-	-	-	-	-	-	-	-	-	-	1,078,909
Receivables												
At the end of the year	171	171	-	-	442	-	-	-	-	-	29,562	-
Payables												
At the end of the year	-	-	3,134	3,134	-	-	-	-	-	-	-	5,958

	Holding company		Subsidiaries		Associates		Key Management Personnel			Other related parties		
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	
	(Rupees '000')											
39.2 Income / Expense for the year												
Mark-up / return / interest earned on advances	-	-	-	-	-	-	-	-	5,193	4,605	2,717	3,384
Mark-up / return / interest expensed on deposits	-	-	5,311	6,982	82,654	56,693	495	1,096	4,078	4,078	5,213	5,213
Mark-up / return / interest earned on Term Finance Certificates	-	-	-	-	-	-	-	-	-	-	-	153,293
Dividend income from shares / mutual funds	-	-	318,000	285,900	159,496	68,066	-	-	-	-	-	2,885
Directors remuneration	-	-	-	-	-	-	-	-	-	-	10,934	5,973
Directors travelling expense	2,337	5,732	-	-	-	-	-	-	4,044	4,044	517	517
Remuneration to key management personnel	-	-	-	-	-	-	-	344,358	241,384	-	-	-
Contribution to Provident Fund	-	-	-	-	-	-	-	-	-	-	96,981	88,788
Rent expense	-	-	-	1,606	-	-	-	-	-	-	-	-
Fees and subscription	-	-	-	-	-	-	-	-	-	-	450	-
Commission income	-	-	-	-	1,371	-	-	-	-	-	-	-

40. CAPITAL-ASSESSMENT AND ADEQUACY

40.1 Scope of Application

The Basel III Framework is applicable to the Bank on both at the consolidated level (comprising wholly owned subsidiaries and associates) and also on a stand alone basis. Capital Adequacy Ratio (CAR) has been calculated in accordance with the guidelines as stipulated by State Bank of Pakistan vide BPRD Circular No. 06 of August 15, 2013. The said circular has revised the Basel II Framework with Basel III Capital reforms to further strengthen the capital related rules. These instructions are effective from December 31, 2013 in a phased manner with full implementation intended by December 31, 2019.

40.2 Capital Management

The purpose of capital management at the Bank is to ensure efficient utilization of capital in relation to business requirements, growth, risk appetite, shareholders' returns and expectations.

The Bank manages its capital structure and makes adjustments to it in the light of changes in economic conditions, regulatory requirements and the risk profile of its activities. In order to maintain or adjust the capital structure, the Bank may issue capital / Tier 2 capital.

The Bank ensures adherence to SBP's requirements by monitoring its capital adequacy on a regular basis. The Bank also closely monitors the capital adequacy requirements by applying stressed conditions.

Banking operations are categorized as either Trading book or Banking book, and Risk-Weighted Assets are determined according to SBP requirements that seek to reflect the varying levels of risk attached to Bank's On and Off-balance sheet exposures.

Collateral, if any, is used as an outflow adjustment and applicable risk weights are applied to Net Adjusted Exposure.

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Cash and near Cash collateral includes Government of Pakistan Securities, Shares listed on the stock exchanges, Cash and Cash equivalents (deposits / margins, lien on deposits).

The Bank has complied with all regulatory capital requirements as at the reporting date.

The SBP has allowed the Bank to break its investment in PICIC Asset Management Company Limited (PICIC AMC) into tangible and other components for the purpose of calculating CAR on unconsolidated basis. The tangible assets of PICIC AMC may be treated as a single asset in the banking book and assigned 100% risk weight. The difference between cost of PICIC AMC and tangible portion would be required to be deducted from Tier 1 capital. This relaxation is granted from December 2010 up to and including March 31, 2014.

40.3 Capital Structure

The Bank's regulatory capital base comprise of:

(a) Tier 1 capital which includes fully issued, subscribed and paid up capital, balance in share premium account, reserves and accumulated profits / losses.

(b) Tier 2 capital consists of general provision for loan losses (subject to 1.25% of Risk Weighted Asset).

The issued, subscribed and paid up capital of the Bank is Rs.103,028,512 thousands as at December 31, 2013, comprising of 10,302,851,164 shares of Rs. 10 each.

Quoted, unsecured and eligible for Tier 2 Term Finance Certificates (TFCs) of Rs. 3,992,000 thousands were redeemed on September 5, 2013 by exercising call option. The Bank is in the process of issuing new TFCs during the financial year 2014 to further strengthen its capital base and increase its banking activities.

Detail of the Bank's eligible capital and risk weighted assets is as follows:

	2013	2012
	(Rupees '000')	
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital / Capital deposited with SBP	103,028,512	103,028,512
2 Balance in Share Premium Account	(45,769,623)	(45,769,623)
3 Reserve for issue of Bonus Shares	-	-
4 General / Statutory Reserves	474,123	225,889
5 Gain / (Losses) on derivatives held as Cash Flow Hedge	-	-
6 Unappropriated / Unremitted profits / (losses)	(42,790,164)	(43,847,814)
7 Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	-
8 CET 1 before Regulatory Adjustments	14,942,848	13,636,964
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	-	-
10 All other intangibles (net of any associated deferred tax liability)	1,512,602	1,768,564
11 Shortfall of provisions against classified assets	-	-
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
13 Defined-benefit pension fund net assets	-	-
14 Reciprocal cross holdings in CET1 capital instruments	-	-
15 Cash flow hedge reserve	-	-
16 Investment in own shares / CET1 instruments	-	-
17 Securitization gain on sale	-	-
18 Capital shortfall of regulated subsidiaries	-	-
19 Deficit on account of revaluation from bank's holdings of property / AFS	466,654	-

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	Note	2013	2012
		(Rupees '000')	
20			
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		-	-
21			
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)		-	-
22			
Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		-	-
23			
Amount exceeding 15% threshold		-	-
24			
of which: significant investments in the common stocks of financial entities		-	-
25			
of which: deferred tax assets arising from temporary differences		-	-
26			
National specific regulatory adjustments applied to CET1 capital		-	-
27			
Investment in TFCs of other banks exceeding the prescribed limit		-	-
28			
Any other deduction specified by SBP		-	-
29			
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions		1,752,087	900,113
30			
Total regulatory adjustments applied to CET1		3,731,343	2,668,677
	(a)	11,211,505	10,968,287
Common Equity Tier 1			
Additional Tier 1 (AT 1) Capital			
31			
Qualifying Additional Tier-1 instruments plus any related share premium		-	-
32			
of which: Classified as equity		-	-
33			
of which: Classified as liabilities		-	-
34			
Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)		-	-
35			
of which: instrument issued by subsidiaries subject to phase out		-	-
36			
AT1 before regulatory adjustments		-	-
Additional Tier 1 Capital: regulatory adjustments			
37			
Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)		-	-
38			
Investment in own AT1 capital instruments		-	-
39			
Reciprocal cross holdings in Additional Tier 1 capital instruments		-	-
40			
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		-	-
41			
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation		-	-
42			
Portion of deduction applied 50:50 to core capital and supplementary capital based on Pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier-1 capital		910,613	900,113
43			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		841,474	-
44			
Total of Regulatory Adjustment applied to AT1 capital		1,752,087	900,113

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	Note	2013 (Rupees '000')	2012
45 Additional Tier 1 capital		-	-
46 Additional Tier 1 capital recognized for capital adequacy	(b)	-	-
Tier 1 Capital (CET1 + admissible AT1)	(c=a+b)	11,211,505	10,968,287
Tier 2 Capital			
47 Qualifying Tier 2 capital instruments under Basel III		-	2,395,680
48 Capital instruments subject to phase out arrangement from Tier 2 (Pre-Basel III instruments)		-	-
49 Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group Tier 2)		-	-
50 of which: instruments issued by subsidiaries subject to phase out		-	-
51 General Provisions or general reserves for loan losses—up to maximum of 1.25% of Credit Risk Weighted Assets		69,139	78,923
52 Revaluation Reserves		-	176,246
53 of which: Revaluation reserves on Property		-	-
54 of which: Unrealized Gains / Losses on AFS		-	176,246
55 Foreign Exchange Translation Reserves		-	-
56 Undisclosed / Other Reserves (if any)		-	-
57 T2 before regulatory adjustments		69,139	2,650,849
Tier 2 Capital: regulatory adjustments			
58 Portion of deduction applied 50:50 to core capital and supplementary capital based on Pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier-2 capital		910,613	900,113
59 Reciprocal cross holdings in Tier 2 instruments		-	-
60 Investment in own Tier 2 capital instrument		-	-
61 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		-	-
62 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation		-	-
63 Amount of Regulatory Adjustment applied to T2 capital		910,613	900,113
64 Tier 2 capital (T2)		-	1,750,736
65 Tier 2 capital recognized for capital adequacy		-	1,750,736
66 Excess Additional Tier 1 capital recognized in Tier 2 capital		-	-
67 Total Tier 2 capital admissible for capital adequacy	(d)	-	1,750,736
TOTAL CAPITAL (T1 + admissible T2)	(e=c+d)	11,211,505	12,719,023
Total Risk Weighted Assets	(i=f+g+h)	101,131,277	98,058,376

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	Note	2013	2012	
		(Rupees '000')		
68	Total Credit Risk Weighted Assets	(f)	84,700,307	80,036,704
69	Risk weighted assets in respect of amounts subject to Pre-Basel III Treatment			
70	of which: recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity		-	-
71	of which: deferred tax assets		-	-
72	of which: Defined-benefit pension fund net assets		-	-
73	of which: others		-	-
74	Total Market Risk Weighted Assets	(g)	7,435,025	8,787,388
75	Total Operational Risk Weighted Assets	(h)	8,995,945	9,234,284
Capital Ratios and buffers (in percentage of risk weighted assets)				
76	CET1 to total RWA	(a/i)	11.09%	11.19%
77	Tier-1 capital to total RWA	(c/i)	11.09%	11.19%
78	Total capital to RWA	(e/i)	11.09%	12.97%
79	Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)		-	-
80	of which: capital conservation buffer requirement		-	-
81	of which: countercyclical buffer requirement		-	-
82	of which: D-SIB or G-SIB buffer requirement		-	-
83	CET1 available to meet buffers (as a percentage of risk weighted assets)		-	-
National minimum capital requirements prescribed by SBP				
84	CET1 minimum ratio		5.00%	-
85	Tier 1 minimum ratio		6.50%	-
86	Total capital minimum ratio		10.00%	-
Amounts below the thresholds for deduction (before risk weighting)				
87	Non-significant investments in the capital of other financial entities		-	-
88	Significant investments in the common stock of financial entities		-	-
89	Deferred tax assets arising from temporary differences (net of related tax liability)		-	-
Applicable caps on the inclusion of provisions in Tier 2				
90	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)		69,139	78,923
91	Cap on inclusion of provisions in Tier 2 under standardized approach		69,139	78,923
92	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		-	-
93	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		-	-

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40.4 Risk-Weighted Exposures

	Book Value		Risk Adjusted Value	
	2013	2012	2013	2012
	(Rupees '000')			
Credit Risk				
Balance Sheet Items				
Cash and other liquid Assets	8,698,282	8,633,716	331,733	351,919
Money at call	–	600,000	–	120,000
Lendings to financial institutions	2,127,516	2,840,910	94,998	588,765
Investments	61,058,886	85,386,110	1,893,301	4,886,335
Loans and Advances	82,000,586	71,564,237	49,203,580	45,486,412
Fixed Assets	2,836,105	2,708,498	2,761,755	2,660,356
Deferred tax assets	11,249,886	10,881,284	11,249,886	10,881,284
Other Assets	8,853,800	7,994,606	3,352,279	2,747,860
	176,825,061	190,609,361	68,887,532	67,722,931
Off Balance Sheet items				
Direct Credit Substitutes (i.e. Acceptances, general guarantees for indebtedness etc.)	7,248,352	4,904,338	5,666,340	4,573,990
Trade-related Contingent Liabilities (i.e. Letter of Credits)	23,287,063	20,248,003	2,468,404	2,248,890
Performance-related Contingent Liabilities (i.e. Guarantees)	17,882,682	12,176,950	6,304,701	3,916,034
Commitments for the acquisition of operating fixed assets	171,863	65,530	85,932	32,765
Other commitments/Contingencies	974,133	1,558,473	841,067	1,425,407
Commitments with respect to Government Securities				
-Purchase	12,699,823	513,980	–	–
-Sale	2,894,757	1,900,540	–	–
Outstanding Foreign Exchange Contracts				
-Purchase	26,499,067	17,670,541	91,993	43,384
-Sale	25,424,367	18,716,569	354,338	73,302
	117,082,107	77,754,924	15,812,775	12,313,772
Total Credit risk			84,700,307	80,036,703
Market Risk				
General Market Risk			3,688,812	7,161,977
Specific Market Risk			3,711,925	1,581,901
Foreign Exchange Risk			34,288	43,511
Total Market Risk			7,435,025	8,787,389
Operational Risk			8,995,945	9,234,284
Total Risk-Weighted Exposures			101,131,277	98,058,376

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40.5 Capital Structure Reconciliation

Step 1

	As per published financial statements 2013	Under regulatory scope of consolidation 2013
	(Rupees in '000')	
Assets		
Cash and balances with treasury banks	8,006,105	8,006,105
Balances with other banks	692,177	692,177
Lending to financial institutions	2,127,516	2,127,516
Investments	61,058,886	61,058,886
Advances	82,000,586	82,000,586
Operating fixed assets	2,836,105	2,836,105
Deferred tax assets	11,249,886	11,249,886
Other assets	8,853,800	8,853,800
Total assets	176,825,061	176,825,061
Liabilities & Equity		
Bills payable	2,862,663	2,862,663
Borrowings	51,506,673	51,506,673
Deposits and other accounts	104,896,065	104,896,065
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	3,083,466	3,083,466
Total liabilities	162,348,867	162,348,867
Share capital / Head office capital account	57,258,889	57,258,889
Reserves	474,123	474,123
Unappropriated / Unremitted profit / (losses)	(42,790,164)	(42,790,164)
Minority Interest	-	-
Surplus on revaluation of assets	(466,654)	(466,654)
Total equity	14,476,194	14,476,194
Total liabilities & equity	176,825,061	176,825,061

Step 2

	As per published financial statements 2013	Under regulatory scope of consolidation 2013	Reference
	(Rupees in '000')		
Assets			
Cash and balances with treasury banks	8,006,105	8,006,105	
Balances with other banks	692,177	692,177	
Lending to financial institutions	2,127,516	2,127,516	
Investments	61,058,886	61,058,886	
of which: Non-significant capital investments in capital of other financial institutions exceeding 10% threshold	-	-	a
of which: significant capital investments in financial sector entities exceeding regulatory threshold	-	-	b
of which: Mutual Funds exceeding regulatory threshold	-	-	c
of which: reciprocal crossholding of capital instrument	-	-	d
of which: others	-	-	e

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	As per published financial statements 2013	Under regulatory scope of consolidation 2013	Reference
	(Rupees in '000')		
Advances	82,000,586	82,000,586	
shortfall in provisions / excess of total EL amount over eligible provisions under IRB	-	-	f
general provisions reflected in Tier 2 capital	-	69,139	g
Fixed Assets	2,836,105	2,836,105	
of which: Intangibles	-	74,350	
Deferred Tax Assets	11,249,886	11,249,886	
of which: DTAs excluding those arising from temporary differences	-	-	h
of which: DTAs arising from temporary differences exceeding regulatory threshold	-	-	i
Other assets	8,853,800	8,853,800	
of which: Goodwill	-	-	j
of which: Intangibles	-	1,438,252	k
of which: Defined-benefit pension fund net assets	-	-	l
Total assets	176,825,061	176,825,061	
Liabilities & Equity			
Bills payable	2,862,663	2,862,663	
Borrowings	51,506,673	51,506,673	
Deposits and other accounts	104,896,065	104,896,065	
Sub-ordinated loans	-	-	
of which: eligible for inclusion in AT1	-	-	m
of which: eligible for inclusion in Tier 2	-	-	n
Liabilities against assets subject to finance lease	-	-	
Deferred tax liabilities	-	-	
of which: DTLs related to goodwill	-	-	o
of which: DTLs related to intangible assets	-	-	p
of which: DTLs related to defined pension fund net assets	-	-	q
of which: other deferred tax liabilities	-	-	r
Other liabilities	3,083,466	3,083,466	
Total liabilities	162,348,867	162,348,867	
Share capital	57,258,889	57,258,889	
of which: amount eligible for CET1	-	57,258,889	s
of which: amount eligible for AT1	-	-	t
Reserves	474,123	474,123	
of which: portion eligible for inclusion in CET1	-	474,123	u
of which: portion eligible for inclusion in Tier 2	-	-	v
Unappropriated profit / (losses)	(42,790,164)	(42,790,164)	w
Minority Interest	-	-	
of which: portion eligible for inclusion in CET1	-	-	x
of which: portion eligible for inclusion in AT1	-	-	y
of which: portion eligible for inclusion in Tier 2	-	-	z
Surplus on revaluation of assets	(466,654)	(466,654)	
of which: Revaluation reserves on Property	-	-	aa
of which: Unrealized Gains / Losses on AFS	-	-	
In case of Deficit on revaluation (deduction from CET1)	-	(466,654)	ab
Total Liabilities & Equity	176,825,061	176,825,061	

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	Component of regulatory capital reported by bank (Rupees in '000')	Source based on reference number from step 2
Step 3		
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital / Capital deposited with SBP	103,028,512	
2 Balance in Share Premium Account	(45,769,623)	(s)
3 Reserve for issue of Bonus Shares	-	
4 General / Statutory Reserves	474,123	(u)
5 Gain / (Losses) on derivatives held as Cash Flow Hedge	-	
6 Unappropriated / unremitted profits / (losses)	(42,790,164)	(w)
7 Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	(x)
8 CET 1 before Regulatory Adjustments	14,942,848	
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	-	(j) - (o)
10 All other intangibles (net of any associated deferred tax liability)	1,512,602	(k) - (p)
11 Shortfall of provisions against classified assets	-	(f)
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	{(h) - (r)} * x%
13 Defined-benefit pension fund net assets	-	{(l) - (q)} * x%
14 Reciprocal cross holdings in CET1 capital instruments	-	(d)
15 Cash flow hedge reserve	-	
16 Investment in own shares/ CET1 instruments	-	
17 Securitization gain on sale	-	
18 Capital shortfall of regulated subsidiaries	-	
19 Deficit on account of revaluation from bank's holdings of property/ AFS	466,654	(ab)
20 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(a) - (ac) - (ae)
21 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	(b) - (ad) - (af)
22 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	(i)
23 Amount exceeding 15% threshold	-	
24 of which: significant investments in the common stocks of financial entities	-	
25 of which: deferred tax assets arising from temporary differences	-	
26 National specific regulatory adjustments applied to CET1 capital	-	
27 Investment in TFCs of other banks exceeding the prescribed limit	-	
28 Any other deduction specified by SBP	-	
29 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	1,752,087	
30 Total regulatory adjustments applied to CET1	3,731,343	

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	Component of regulatory capital reported by bank (Rupees in '000')	Source based on reference number from step 2
Common Equity Tier 1	11,211,505	
Additional Tier 1 (AT 1) Capital		
31 Qualifying Additional Tier-1 instruments plus any related share premium	-	
32 of which: Classified as equity	-	(t)
33 of which: Classified as liabilities	-	(m)
34 Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-	(y)
35 of which: instrument issued by subsidiaries subject to phase out	-	
36 AT1 before regulatory adjustments	-	
Additional Tier 1 Capital: regulatory adjustments		
37 Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	
38 Investment in own AT1 capital instruments	-	
39 Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
40 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ac)
41 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
42 Portion of deduction applied 50:50 to core capital and supplementary capital based on Pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 1 capital	910,613	
43 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	841,474	
44 Total of Regulatory Adjustment applied to AT1 capital	1,752,087	
45 Additional Tier 1 capital	-	
46 Additional Tier 1 capital recognized for capital adequacy	-	
Tier 1 Capital (CET1 + admissible AT1)	11,211,505	
Tier 2 Capital		
47 Qualifying Tier 2 capital instruments under Basel III	-	
48 Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-	(n)
49 Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	-	(z)
50 of which: instruments issued by subsidiaries subject to phase out	-	

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	Component of regulatory capital reported by bank (Rupees in '000')	Source based on reference number from step 2
51 General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	69,139	(g)
52 Revaluation Reserves eligible for Tier 2	-	
53 of which: portion pertaining to Property	-	
54 of which: portion pertaining to AFS securities	-	portion of (aa)
55 Foreign Exchange Translation Reserves	-	(v)
56 Undisclosed / Other Reserves (if any)	-	
57 T2 before regulatory adjustments	69,139	
Tier 2 Capital: regulatory adjustments		
58 Portion of deduction applied 50:50 to core capital and supplementary capital based on Pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital	910,613	
59 Reciprocal cross holdings in Tier 2 instruments	-	
60 Investment in own Tier 2 capital instrument	-	
61 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ae)
62 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
63 Amount of Regulatory Adjustment applied to T2 capital	910,613	
64 Tier 2 capital (T2)	-	
65 Tier 2 capital recognized for capital adequacy	-	
66 Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
67 Total Tier 2 capital admissible for capital adequacy	-	
TOTAL CAPITAL (T1 + admissible T2)	<u>11,211,505</u>	

40.6 Main Features Template of Regulatory Capital Instruments

Sr.No.	Main Features	Common Shares
1	Issuer	NIB Bank Limited
2	Unique identifier (KSE Symbol)	NIB
3	Governing law(s) of the instrument	Capital Market Laws
	Regulatory treatment	
4	Transitional Basel III rules	Common equity Tier 1
5	Post-transitional Basel III rules	Common equity Tier 1
6	Eligible at solo/ group/ group & solo	Group & standalone
7	Instrument type	Ordinary Shares
8	Amount recognized in regulatory capital (Currency in PKR thousands)	PKR 103,028,512
9	Par value of instrument	PKR 10
10	Accounting classification	Shareholder equity
11	Original date of issuance	2003
12	Perpetual or dated	Perpetual
13	Original maturity date	Not applicable
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	Coupons / dividends	
17	Fixed or floating dividend / coupon	Not applicable
18	Coupon rate and any related index / benchmark	Not applicable
19	Existence of a dividend stopper	Not applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	Not applicable
22	Noncumulative or cumulative	Not applicable
23	Convertible or non-convertible	
24	If convertible, conversion trigger (s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	
31	If write-down, write-down trigger (s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable

40.7 Capital Adequacy

Objectives of Managing Capital

Capital Management aims to ensure that there is sufficient capital to meet the capital requirements of the Bank as determined by the underlying business strategy and the minimum regulatory requirements of the SBP.

Bank's capital management seeks:

- to comply with the capital requirements set by the regulators;
- to maintain a strong capital base so as to maintain investor, depositor and market confidence and to sustain future development of the business;
- to safeguard the Bank's ability to continue as a going concern so that it can continue to provide adequate return to shareholders;
- availability of adequate capital at a reasonable cost so as to enable the Bank to expand; and
- to protect the Bank against unexpected events.

Externally Imposed Capital Requirements

In order to strengthen the solvency of Banks, SBP vide BSD Circular No. 07 of 2009 dated April 15, 2009 has asked the Banks to raise their minimum paid up capital to Rs. 10 billion free of losses by the end of financial year 2013.

SBP through its BSD Circular No. 09 dated April 15, 2009 has asked Banks to achieve the minimum Capital Adequacy Ratio (CAR) of 10% on standalone as well as on consolidated basis latest by December 31, 2010.

The paid up capital and CAR of the Bank stands at Rs. 103 billion and 11.09% respectively of its risk weighted exposure as at December 31, 2013.

The Bank has complied with all externally imposed capital requirements as at year end.

The capital requirements for the banking group as per the major risk categories should be indicated in the manner given below:

	Capital Requirements		Risk Weighted Assets	
	2013	2012	2013	2012
	(Rupees '000')			
Credit Risk				
Portfolios subject to Simple Approach				
On-Balance Sheet				
Corporate	4,469,133	3,685,464	44,691,326	36,854,643
Sovereign	12,702	8,158	127,025	81,580
Retail	612,592	471,059	6,125,924	4,710,586
Banks	591,973	460,150	5,919,727	4,601,499
Public Sector Entities	77,399	117,499	773,993	1,174,992
Past Due Loans	743,086	1,035,368	7,430,857	10,353,682
Claims against Residential Mortgage	60,540	58,183	605,402	581,832
Investments in premises, plant and equipment and all other fixed assets	276,176	266,036	2,761,755	2,660,356
Other assets	1,560,884	1,746,874	15,608,839	17,468,744
	8,404,485	7,848,791	84,044,848	78,487,914
Off-Balance Sheet				
Market related	44,633	11,669	446,331	116,686
Non-market related	—	—	—	—
	44,633	11,669	446,331	116,686
Equity Exposure Risk in the Banking Book				
Listed	7,339	124,999	73,393	1,249,992
Unlisted	13,574	18,211	135,735	182,112
	20,913	143,210	209,128	1,432,104
Total Credit Risk	8,470,031	8,003,670	84,700,307	80,036,704

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	Capital Requirements		Risk Weighted Assets	
	2013	2012	2013	2012
	(Rupees '000')			
Market Risk				
Capital Requirement for portfolios subject to Standardized Approach				
Interest rate risk	170,946	874,388	1,709,463	8,743,878
Equity position risk etc.	569,128	–	5,691,275	–
Foreign exchange risk etc.	3,429	4,352	34,288	43,510
Total Market Risk	743,503	878,740	7,435,026	8,787,388
Operational Risk				
Capital Requirement for operational risks	899,594	923,428	8,995,944	9,234,284
Total	10,113,128	9,805,838	101,131,277	98,058,376
Capital Adequacy Ratio			2013	2012
Total eligible regulatory capital held		(e)	11,211,505	12,719,023
Total Risk Weighted Assets		(i)	101,131,277	98,058,376
Capital Adequacy Ratio		(e) / (i)	11.09%	12.97%

The Capital Adequacy Ratio of prior year is based on Basel II Framework as applicable on that date.

41. RISK MANAGEMENT

The risk management framework of NIB is approved by the Board of Directors ("BOD") and implemented by the senior management. The Bank's risk management policies are established to identify and analyze the risks faced by the Bank, to set standard and appropriate risk limits and controls to ensure quality of portfolio and credit process. Risk management policies are reviewed annually to reflect changes in economic environment, market conditions and products offerings. The BOD sets forth the vision and strategy of NIB and has entrusted the monitoring to the Board's Risk Management Committee ("BRMC"), which is an oversight committee and meets at least quarterly. Findings of the BRMC are escalated to the BOD. Terms and references of BRMC are documented and duly approved by the BOD and broadly includes oversight responsibility at the highest level under the Risk Management Governance Framework.

The BRMC has three sub-committees, namely the Asset Liability Committee ("ALCO"), the Credit Risk Committee ("CRC") and the Operational Risk Committee ("ORC"), to identify, manage and monitor risks.

Asset Liability Committee ("ALCO")

The ALCO functions as the top operational unit for managing the Statement of financial position within the performance / risk parameters laid down by the BOD. Its objective is to derive the most appropriate strategy for NIB in terms of mix of assets & liabilities given future expectations and potential consequence of interest rate movements, liability constraints, and foreign currency exchange exposure and capital adequacy.

Credit Risk Committee ("CRC")

In our normal business activities there is a need to manage effectively potential credit risk. To address this risk, Credit Risk Committee (CRC) is established under the leadership of the Chief Risk Officer (CRO) of the Bank and membership comprises the President and Senior Management of the Bank. The main objective of the CRC is to ensure effective and proactive management of Credit Risk throughout the Bank in accordance with the Risk Management Framework and related Risk Policies and Procedures. Terms and references of the CRC, which meets on a bi-monthly basis, broadly include the following:

To ensure that all relevant risk policies of the Bank are developed, implemented and are not in conflict with any of the applicable laws and regulations.

To oversee implementation of credit risk related policies and procedures relevant to all business units through review of standard MIS decks.

To ensure that all activities are in compliance with the Prudential Regulations and also with the policies and controls established by the relevant units of the Bank through periodic review of business issues highlighted in internal / external audit reports and SBP Inspection Report.

To review stress testing on portfolio considering the major factors like interest rate sensitivity, inflation, Rupee devaluation, fluctuation in oil prices and / or global meltdown etc.

To review the credit portfolio, primarily through Key Risk Indicators, and to assess:

- quality of the portfolio;
- recovery of remedial accounts;
- variance analysis of actual with plan and forecasts;
- portfolio exceptions

To advise business where activities are not aligned with control requirements or risk appetite and to recommend Risk Policies.

Operational Risk Committee (“ORC”)

In our normal business activities there is a need to effectively manage potential risk arising out of banking operation of the Bank. To address this risk, Operational Risk Committee (ORC) is established under the leadership of the President of the Bank and membership comprises the CRO and Senior Management of the Bank. The main objective of the ORC is to ensure effective and proactive management of Operational Risk throughout the Bank in accordance with the Risk Management Framework and related Risk Policies and Procedures. Terms and references of the ORC, which meets on a monthly basis, broadly include the following:

To ensure operational risk identification and measurement is objective and covers all activities / products / processes of the Bank, and compliant with the banks standards and applicable regulations, and that risk control and risk origination decisions are properly informed.

To develop, maintain and review a consolidated MIS of key operational risks in the Bank in the form of Risk & Control Assessment Matrix.

To monitor all material Operational Risk exposures and key external trends, through KRIs and appropriate management action as per defined thresholds, in accordance with Operational Risk policies and procedures.

To review Ops Loss Data (OLD) and take proactive measures to reduce Operational Losses.

To direct appropriate action in response to material events, risk issues or themes that come to the Committee's attention.

To ensure any areas of potential overlap with another entity or Risk Control Area, Business or Function are notified to the affected entity Risk Control Owner, Business or Function Head.

Risk Management Organization at NIB

The Chief Risk Officer (“CRO”) is responsible for enterprise wide risk management and implementation of the overall risk management framework of NIB. In this respect, the CRO has to ensure that the risk organization structure of NIB is equipped with the best people, policies and processes, which enable it to perform efficiently and effectively.

The CRO is supported by a Chief Operating Officer - Risk responsible for Risk Policies & Procedures, Portfolio Risk and Country Risk Assessment, and five Risk Heads, responsible for Corporate, Trade Finance, Commercial/SME and Consumer Finance businesses and Market, Liquidity and Operational Risks respectively and they are

responsible for ensuring the implementation of NIB's risk framework, Bank's policies and Central Bank regulations in their respective domains.

41.1 Credit Risk

Credit risk is the risk that a counterparty or customer will be unable to pay amounts in full when due. NIB's main credit exposure arises from the risk of failure by a client or counterparty to meet its contractual obligations. The risks are inherent in loans and bills receivable from non-bank customers, commitments to lend, repurchase agreements, securities borrowing and lending transactions and contingent liabilities. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed. Clean risk at liquidation or settlement risk occurs when items of agreed upon original equal value are not simultaneously exchanged between counterparties and / or when items are released without knowledge that counter-value items have been received by the Bank. Typically the duration is intra-day, overnight/over weekend, or in some situations even longer. The risk is that we deliver but do not receive delivery. In this situation 100% of the principal amount is at risk. The risk may be larger than 100% if in addition there was an adverse price fluctuation between the contract price and the market price. Cross-border risk is the risk that we will be unable to obtain payment from our customers or third parties on their contractual obligations as a result of certain actions taken by foreign governments, chiefly relating to convertibility and transferability of foreign currency. Cross-border assets comprise loans and advances, interest-bearing deposits with other banks, trade and other bills, acceptances, amounts receivable under finance leases, certificates of deposit and other negotiable paper, and formal commitments where the counterparty is resident in a country other than where the assets are recorded. Cross-border assets also include exposures to local residents denominated in currencies other than the local currency. NIB has established limits for cross-border exposure and manages exposures within these limits.

NIB has established an appropriate credit risk environment which is operating under a sound credit-granting process; maintaining an appropriate credit administration, measurement and monitoring process and ensuring adequate controls. For risk management reporting purposes the Bank considers and consolidates all elements of credit risk exposures.

There is a proper credit delegation matrix for review and approving credit applications. Businesses have no credit approving authority. All credit approvals are accorded by the Credit Officers / Senior Credit Officers in the Risk Management Group. Corporate Credit Risk Management also approves exposure to Financial Institutions and a separate dedicated FI unit, is housed under Corporate & Investment Banking Group (CIBG) for this purpose.

The concept of "three initial system" is very much in existence in NIB. Based upon regional considerations and availability of Credit Talent, any initiating unit has to have formal recommendation by the Relationship Manager, his/her Team Leader and Regional Head / Corporate Banking Head / Group Head. The essence here is that the credit proposal must not be left to the sole judgment of one person – rather, the application of minds must be diverse and independent of each other.

Further, in order to measure credit risk, an indigenously developed rating system is followed. This rating system is being continuously fine tuned to address regulatory and global benchmarks.

NIB manages credit risk through:

- Accurate and detailed information about the borrower, cash flows, production, service and operation of the company;
- Insights into the major factors influencing customer attrition and product cancellation;
- Credit and collections treated as a highly people-intensive business; and
- Establishment of acceptable risk levels.

NIB monitors exposure to credit risk through:

Post-disbursement maintenance of accounts is done through Credit Administration Department ("CAD") reporting into a CAD Head. The CAD Head has direct reporting line to the CRO;

Submission of regulatory returns pertaining to reporting of NIB's portfolio.

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Impaired financial assets

Impaired financial assets including loans and debt instruments are those which NIB determines that it is probable that it will not be able to collect all principal and interest due according to the contractual terms of the agreement(s) underlying the financial assets. Financial assets carried at fair value through profit or loss are not assessed for impairment since the measure of fair value reflects their credit qualities. For the monitoring of the credit quality of the financial assets not carried at fair value through profit or loss, NIB follows the guidelines issued by the State Bank of Pakistan. Credit quality is determined based on three pillars: namely business prospect, financial performance and repayment capacity.

Write offs

NIB's Write off Policy is laid out in line with the SBP rules. All credit write offs are approved under the approved delegation matrix. Writing off a loan in no way implies that the Bank has given up its claim on a borrower and does not impact the Bank's ability to legally collect written off credits from the customer(s).

41.1.1 Segmental Information

41.1.1.1 Segments by class of business

	2013					
	Advances (Gross)		Deposits		Contingencies and Commitments	
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Agriculture, Forestry, Hunting and Fishing	4,638	0.00	3,406,582	3.25	5,000	0.00
Automobile and Transportation Equipment	824,370	0.79	829,552	0.79	208,081	0.18
Cement, Glass and Ceramics	2,305,076	2.20	577,511	0.55	579,644	0.50
Chemicals and Pharmaceuticals	5,235,208	5.01	1,258,474	1.20	19,102,590	16.32
Construction	1,525,604	1.46	5,355,661	5.11	113,779	0.10
Electronics and Electrical Appliances	42,644	0.04	1,774,087	1.69	5,081	0.00
Engineering	5,127,175	4.90	588,515	0.56	9,321,263	7.96
Exports / Imports	64,453	0.06	926,026	0.88	1,000	0.00
Financial	1,719,791	1.64	6,299,154	6.01	56,310,941	48.10
Food and Beverages	27,445,533	26.25	2,550,239	2.43	5,487,007	4.69
Footwear and Leather Garments	30,261	0.03	270,429	0.26	18	0.00
Individuals	4,820,030	4.61	34,040,056	32.45	266,133	0.23
Insurance	-	-	311,160	0.30	-	-
Mining and Quarrying	10,000	0.01	3,924,853	3.74	3,500	0.00
Non Profit Organizations / Trusts	1,058	0.00	4,151,444	3.96	17,900	0.02
Oil and Gas	4,925,930	4.71	1,985,013	1.89	5,626,794	4.81
Paper and Printing	1,302,454	1.25	730,009	0.70	222,279	0.19
Power, Gas, Water, Sanitary	6,290,679	6.02	949,164	0.90	6,345,992	5.42
Services	973,256	0.93	6,268,517	5.98	467,425	0.40
Sugar	2,873,804	2.76	58,980	0.05	1,617	0.00
Textile	32,867,949	31.43	1,931,435	1.84	8,182,568	6.99
Transport, Storage and Communication	963,152	0.92	8,189,532	7.81	1,838,853	1.57
Wholesale and Retail Trade	1,017,814	0.97	7,346,530	7.00	161,666	0.14
Others	4,187,651	4.01	11,173,142	10.65	2,812,976	2.38
	<u>104,558,530</u>	<u>100.00</u>	<u>104,896,065</u>	<u>100.00</u>	<u>117,082,107</u>	<u>100.00</u>

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	2012					
	Advances (Gross)		Deposits		Contingencies and Commitments	
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Agriculture, Forestry, Hunting and Fishing	54,142	0.06	2,790,677	3.06	30,571	0.04
Automobile and Transportation Equipment	910,832	0.96	546,754	0.60	129,725	0.17
Cement, Glass and Ceramics	3,057,434	3.22	538,569	0.59	893,776	1.15
Chemicals and Pharmaceuticals	1,506,740	1.59	881,335	0.97	1,906,638	2.45
Construction	757,924	0.80	3,687,540	4.04	1,088,622	1.40
Electronics and Electrical Appliances	1,365,809	1.44	852,754	0.93	763,061	0.98
Engineering	797,607	0.84	621,864	0.68	921,705	1.19
Exports / Imports	2,591,352	2.73	1,187,871	1.30	1,843,071	2.37
Financial	1,050,732	1.11	4,383,102	4.80	44,452,505	57.17
Food and Beverages	18,874,877	19.90	745,543	0.82	5,155,637	6.63
Footwear and Leather Garments	897,252	0.95	279,624	0.31	27,650	0.04
Individuals	4,401,880	4.64	41,632,996	45.60	340,521	0.44
Insurance	-	-	158,118	0.17	-	-
Mining and Quarrying	1,035,569	1.09	300,144	0.33	123,628	0.16
Non Profit Organizations / Trusts	79,900	0.08	3,044,793	3.34	1,900	0.00
Oil and Gas	2,663,594	2.81	4,995,589	5.47	5,401,346	6.95
Paper and Printing	958,074	1.01	679,112	0.74	283,049	0.36
Power, Gas, Water, Sanitary	7,211,662	7.60	1,096,925	1.20	4,298,191	5.53
Services	2,377,779	2.51	3,893,436	4.26	261,695	0.34
Sugar	1,345,875	1.42	108,083	0.12	1,000	0.00
Textile	28,065,192	29.59	1,912,933	2.10	3,075,303	3.96
Transport, Storage and Communication	2,269,012	2.39	3,517,054	3.85	3,274,204	4.21
Wholesale and Retail Trade	5,916,173	6.24	5,926,041	6.49	417,594	0.54
Others	6,668,690	7.02	7,510,377	8.23	3,063,532	3.92
	<u>94,858,101</u>	<u>100.00</u>	<u>91,291,234</u>	<u>100.00</u>	<u>77,754,924</u>	<u>100.00</u>

41.1.1.2 Segment by sector

	2013					
	Advances (Gross)		Deposits		Contingencies and Commitments	
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Public / Government	23,184,744	22.17	12,648,127	12.06	9,610,997	8.21
Private	81,373,786	77.83	92,247,938	87.94	107,471,110	91.79
	<u>104,558,530</u>	<u>100.00</u>	<u>104,896,065</u>	<u>100.00</u>	<u>117,082,107</u>	<u>100.00</u>

	2012					
	Advances (Gross)		Deposits		Contingencies and Commitments	
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Public / Government	18,195,973	19.18	9,495,310	10.40	10,882,803	14.00
Private	76,662,128	80.82	81,795,924	89.60	66,872,121	86.00
	<u>94,858,101</u>	<u>100.00</u>	<u>91,291,234</u>	<u>100.00</u>	<u>77,754,924</u>	<u>100.00</u>

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	2013		2012	
	Classified Advances	Specific Provisions Held	Classified Advances	Specific Provisions Held
(Rupees '000')				
41.1.1.3 Details of non-performing advances and specific provisions by class of business segment				
Agriculture, Forestry, Hunting and Fishing	–	–	22,993	22,993
Automobile and Transportation Equipment	682,202	600,559	565,875	516,742
Cement, Glass and Ceramics	597,404	507,858	1,183,345	822,759
Chemicals and Pharmaceuticals	887,615	595,846	681,926	327,295
Construction	543,878	265,974	471,019	149,208
Electronics and Electrical Appliances	30,504	18,905	583,200	373,747
Engineering	2,302,985	1,677,639	432,748	302,688
Financial	286,376	249,896	129,168	92,628
Food and Beverages	3,264,991	2,455,027	1,087,681	652,098
Footwear and Leather Garments	22,785	12,013	411,242	337,694
Individuals	863,600	491,228	847,120	357,237
Mining and Quarrying	3,632	1,374	7,477	1,469
Oil and Gas	166,414	109,682	342,487	320,695
Paper and Printing	617,658	417,956	482,753	296,022
Power, Gas, Water, Sanitary	375,054	374,754	397,891	394,076
Services	643,672	375,590	1,469,435	792,777
Sugar	419,283	419,283	389,173	202,065
Textile	14,337,362	11,570,558	13,973,545	11,200,147
Transport, Storage and Communication	670,514	446,762	926,055	664,986
Wholesale and Retail Trade	663,900	334,452	3,489,701	2,065,904
Others	2,524,918	1,563,449	5,026,661	3,321,711
	<u>29,904,747</u>	<u>22,488,805</u>	<u>32,921,495</u>	<u>23,214,941</u>

	2013		2012	
	Classified Advances	Specific Provisions Held	Classified Advances	Specific Provisions Held
(Rupees '000')				
41.1.1.4 Details of non-performing advances and specific provisions by sector				
Public / Government	–	–	–	–
Private	29,904,747	22,488,805	32,921,495	23,214,941
	<u>29,904,747</u>	<u>22,488,805</u>	<u>32,921,495</u>	<u>23,214,941</u>

	2013			
	Profit before taxation	Total assets employed	Net assets employed	Contingencies and commitments
	(Rupees '000')			
41.1.1.5 Geographical Segment Analysis				
Pakistan	1,625,267	176,825,061	14,476,194	117,082,107
	2012			
Pakistan	145,120	190,609,361	14,028,622	77,754,924

41.2 Market Risk

Market risk refers to the potential loss that an entity may be exposed to due to market volatility. It is important for the Bank to put in place an effective market risk management framework to manage its market risk exposures. Market risk arises from all positions in financial instruments held by the Bank (Either in Trading or Banking book) which exposes the Bank to market risk factors namely interest rates, foreign exchange ("FX") rates and equity prices.

Bank has adopted a market risk management structure that commensurate with its size and the nature of its business activities and facilitates effective management oversight and execution of market risk management and control processes.

Currently Bank's risk appetite for market risk is a combination of notional and sensitivity based limits. Following are the regulatory and internal guidelines monitored by Market & Liquidity Risk Unit (MLRU).

- Foreign Exchange Exposure Limit
- Equity Exposure Limit
- Statutory Liquidity & Cash Reserve Requirement
- FX Tenor mismatch
- Dealer Limits
- DV01
- VaR

NIB also applies a Value-at-Risk (VaR) methodology to assess the market risk positions held. Currently NIB is using historical simulation model for calculating VaR numbers for FX and ALM book.

Interest rate risk

The principal risk to which NIB's portfolios are exposed is the risk of losses from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is measured through DV01, VaR and interest rate sensitivity analysis.

41.2.1 Foreign Exchange Risk

NIB has set the following objectives for managing the inherent risk on foreign currency exposures:

Maximize profitability with minimum risk by keeping the exposure at desirable levels in view of strict compliance of regulatory / international standards and the Bank's internal guidelines, which are being adopted from regulator and followed vigorously;

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Manage appropriate forward mismatch gaps;

Usage of different tools to manage the inherent risk of product and market, such as compliance of credit limit, monitoring of foreign exchange exposure limit, review of marked to market portfolio etc.

NIB takes steps to ensure that foreign currency exposures adhere to regulatory or international standards and NIB's internal guidelines. NIB uses tools such as Foreign Exchange Exposure Limit (FEEL), VaR and FX tenor gaps to monitor FX risk.

2013				
Assets	Liabilities	Off Balance sheet items	Net foreign currency exposure	
----- (Rupees '000') -----				
Pakistan Rupee	170,981,968	155,553,725	(956,169)	14,472,074
United States Dollar	5,340,863	4,907,018	(455,613)	(21,768)
Great Britain Pound	171,095	1,066,574	901,995	6,516
Euro	299,536	807,302	510,019	2,253
Japanese Yen	2,950	90	8,071	10,931
Swiss Franc	1,647	975	(2,368)	(1,696)
Others	27,002	13,183	(5,935)	7,884
	<u>176,825,061</u>	<u>162,348,867</u>	<u>-</u>	<u>14,476,194</u>
2012				
Assets	Liabilities	Off Balance sheet items	Net foreign currency exposure	
----- (Rupees '000') -----				
Pakistan Rupee	183,677,405	170,578,958	955,296	14,053,743
United States Dollar	5,955,067	4,510,454	(1,485,512)	(40,899)
Great Britain Pound	287,206	838,101	550,358	(537)
Euro	639,804	636,271	6,850	10,383
Japanese Yen	26,560	5	(25,274)	1,281
Swiss Franc	3,597	874	-	2,723
Others	19,722	16,076	(1,718)	1,928
	<u>190,609,361</u>	<u>176,580,739</u>	<u>-</u>	<u>14,028,622</u>

41.2.2 Equity price risk and Fixed Income rate risk

Equity price risk is the risk to earnings or capital that results from adverse changes in the value of equity related portfolios of NIB.

NIB conducts stress testing analysis over the equity portfolio, by anticipating changes/shocks of -30%, -40% and -50% on the current price of shares within a portfolio, thereby monitoring the effects of the predicted changes in the structure of shares portfolio on the Capital Adequacy Ratio ("CAR"). Further, NIB reviews new products to ensure that market risk aspects are properly quantified and mitigated.

41.2.3 Mismatch of Interest Rate Sensitive Assets and Liabilities

Effective Yield / Interest rate	Exposed to Yield / Interest rate risk										Non-interest bearing financial instruments	
	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years		
	(Rupees '000')											
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	8,006,105	-	-	-	-	-	-	-	-	-	-	8,006,105
Balances with other banks	692,177	609,969	-	-	-	-	-	-	-	-	-	82,208
Lendings to financial institutions	2,127,516	2,127,516	-	-	-	-	-	-	-	-	-	-
Investments	61,058,886	45,336	16,144,545	11,641,437	-	7,184,188	1,303,824	5,907,333	12,744,702	-	-	6,087,521
Advances	82,000,586	13,177,160	51,974,408	9,963,725	3,775,390	744,909	560,689	1,028,108	678,003	98,194	-	-
Other assets	3,633,363	-	900,000	-	-	-	-	-	-	-	-	2,733,363
	157,518,633	15,959,981	69,018,953	21,605,162	3,775,390	7,929,097	1,864,513	6,935,441	13,422,705	98,194	-	16,909,197
Liabilities												
Bills payable	2,862,663	-	-	-	-	-	-	-	-	-	-	2,862,663
Borrowings	51,506,673	37,967,316	6,151,491	5,935,237	1,290,343	-	-	-	-	-	-	162,286
Deposits and other accounts	104,896,065	7,278,461	14,810,672	47,935,431	5,441,602	13,225	1,880	22,795	-	-	-	29,391,999
Other liabilities	2,042,017	-	-	-	-	-	-	-	-	-	-	2,042,017
	161,307,418	45,245,777	20,962,163	53,870,668	6,731,945	13,225	1,880	22,795	-	-	-	34,458,965
On-balance sheet gap	(3,788,785)	(29,285,796)	48,056,790	(32,265,506)	(2,956,555)	7,915,872	1,862,633	6,912,646	13,422,705	98,194	-	(17,549,768)
Non financial net assets	18,264,979	-	-	-	-	-	-	-	-	-	-	-
Total net assets	14,476,194	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet financial instruments												
Foreign exchange contracts - purchase	26,499,067	16,543,481	8,061,936	1,893,650	-	-	-	-	-	-	-	-
Foreign exchange contracts - sale	25,424,367	13,341,936	8,730,588	2,629,162	722,681	-	-	-	-	-	-	-
Forward Government Securities - purchase	12,699,823	3,098,726	9,601,097	-	-	-	-	-	-	-	-	-
Forward Government Securities - sale	2,894,757	2,894,757	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap	10,879,766	3,405,514	8,932,445	(735,512)	(722,681)	-	-	-	-	-	-	-
Total Yield / Interest Rate Risk Sensitivity Gap	(25,880,282)	56,989,235	(33,001,018)	(3,679,236)	(3,679,236)	7,915,872	1,862,633	6,912,646	13,422,705	98,194	-	(17,549,768)
Cumulative Yield / Interest Rate Risk Sensitivity Gap	(25,880,282)	31,108,953	(1,892,065)	(5,571,301)	(5,571,301)	2,344,571	4,207,204	11,119,850	24,542,555	24,640,749	-	7,090,981

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Effective Yield / Interest rate	Total	Exposed to Yield / Interest rate risk										Non-interest bearing financial instruments	
		Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years			
On-balance sheet financial instruments													
Assets													
Cash and balances with treasury banks	7,672,866	-	-	-	-	-	-	-	-	-	-	-	7,672,866
Balances with other banks	960,850	857,108	-	-	-	-	-	-	-	-	-	-	103,742
Lendings to financial institutions	3,440,910	3,440,910	-	-	-	-	-	-	-	-	-	-	-
Investments	85,386,110	7,020,101	17,495,803	31,446,547	8,631,305	3,409,098	8,083,063	2,997,934	5,995,255	-	-	-	-
Advances	71,564,237	13,662,656	43,446,255	687,336	9,088,052	1,153,892	1,063,859	1,038,857	678,136	-	-	-	-
Other assets	3,271,343	-	941,176	-	-	-	-	-	-	-	-	-	2,330,167
	172,296,316	24,980,775	61,883,234	32,133,883	17,719,357	4,562,990	1,370,863	4,036,791	678,136	-	-	-	16,102,030
Liabilities													
Bills payable	2,430,030	-	-	-	-	-	-	-	-	-	-	-	2,430,030
Borrowings	76,179,065	63,741,399	6,681,670	939,957	4,653,753	-	-	-	-	-	-	-	162,286
Deposits and other accounts	91,291,234	15,855,670	8,326,885	5,225,060	33,040,582	19,837	13,225	22,397	-	-	-	-	28,787,578
Sub-ordinated loans	3,992,800	-	3,992,800	-	-	-	-	-	-	-	-	-	-
Other liabilities	1,868,177	-	-	-	-	-	-	-	-	-	-	-	1,868,177
	175,761,306	79,597,069	19,001,355	6,165,017	37,694,335	19,837	13,225	22,397	-	-	-	-	33,248,071
On-balance sheet gap	(3,464,990)	(54,616,294)	42,881,879	25,968,866	(19,974,978)	4,543,153	1,357,638	8,805,860	678,136	(17,146,041)	-	-	-
Non financial net assets													
Total net assets	17,493,612												
	14,028,622												
Off-balance sheet financial instruments													
Foreign exchange contracts - purchase	17,670,541	9,979,092	6,568,119	149,395	973,935	-	-	-	-	-	-	-	-
Foreign exchange contracts - sale	18,716,569	11,884,098	3,099,431	-	3,733,040	-	-	-	-	-	-	-	-
Forward Government Securities - purchase	513,980	14,992	498,988	-	-	-	-	-	-	-	-	-	-
Forward Government Securities - sale	1,900,540	1,900,540	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap	(2,432,588)	(3,790,554)	3,967,676	149,395	(2,759,105)	-	-	-	-	-	-	-	-
Total Yield / Interest Rate Risk Sensitivity Gap	(58,406,848)	46,849,555	(22,734,083)	26,118,261	1,357,638	4,543,153	8,805,860	4,036,791	678,136	(17,146,041)	-	-	(5,897,578)
Cumulative Yield / Interest Rate Risk Sensitivity Gap	(58,406,848)	(11,557,293)	(34,291,376)	(8,173,115)	(2,272,324)	(3,629,962)	6,533,536	10,570,327	11,248,463	(5,897,578)	-	-	-

41.3 Liquidity Risk

Liquidity risk is defined as the risk that a Bank, either does not have enough financial resources to meet its obligation and commitments as they fall due or can secure funds at an excessive cost; even when the Bank is solvent. Liquidity risk is due to the difference between the Bank's assets and liabilities generally known as mismatches. Liquidity management is important as the ultimate cost of a lack of liquidity is being out of business.

The liquidity risk policy is formulated keeping in view of the SBP's guidelines on risk management, Basel standards and best practices. NIB maintains its liquidity by keeping a level of liquid assets in such amount which is considered sufficient to anticipate payment of customers' deposits.

The Bank manages its liquidity risk through

- Controlling the cash flow mismatch between on and off balance sheet assets and liabilities;
- 5-Day stress testing on Bank's balance sheet carried out on daily basis assuming deposit run off;
- Maintaining stable and diversified sources of funding;
- Ensuring the Bank has the right asset portfolio mix and sufficient liquid assets on hand in relation to its daily cash flows;
- Certain periodic reports such as tenor maturity gaps and maximum cash outflows (MCO); and
- Stress testing on portfolio as required by local regulator

41.3.1 Maturities of Assets and Liabilities - Based on contractual maturity of the Assets and Liabilities of the Bank

2013

	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
Assets										
Cash and balances with treasury banks	8,006,105	8,006,105	-	-	-	-	-	-	-	-
Balances with other banks	692,177	692,177	-	-	-	-	-	-	-	-
Lendings to financial institutions	2,127,516	2,127,516	-	-	-	-	-	-	-	-
Investments	61,058,886	53,909	15,828,329	9,449,016	160,644	8,226,228	1,688,095	6,725,237	13,020,978	5,906,450
Advances	82,000,586	51,877,347	8,720,171	8,390,111	4,562,651	2,664,692	2,280,952	2,308,906	1,097,562	98,194
Operating fixed assets	2,836,105	34,630	67,794	100,972	194,241	326,632	130,711	185,889	305,204	1,490,032
Intangible assets	1,438,252	28,357	56,714	82,546	160,649	301,510	299,337	460,678	48,461	-
Deferred tax assets	11,249,886	117,395	234,789	352,184	704,367	1,937,086	2,655,286	5,248,779	-	-
Other assets	7,415,548	58,730	3,022,257	91,533	164,972	2,060,102	357,261	461,992	1,184,405	14,296
	176,825,061	62,996,166	27,930,054	18,466,362	5,947,524	15,516,250	7,411,642	15,391,481	15,656,610	7,508,972
Liabilities										
Bills payable	2,862,663	2,862,663	-	-	-	-	-	-	-	-
Borrowings	51,506,673	37,967,316	6,151,491	5,935,237	1,290,343	-	-	-	162,286	-
Deposits and other accounts	104,896,065	80,978,766	14,810,672	3,627,126	5,441,602	13,225	1,880	22,794	-	-
Other liabilities	3,083,466	1,847,890	973,450	49,784	44,835	46,250	40,006	62,371	4,164	14,716
	162,348,867	123,656,635	21,935,613	9,612,147	6,776,780	59,475	41,886	85,165	166,450	14,716
Net assets	14,476,194	(60,660,469)	5,994,441	8,854,215	(829,256)	15,456,775	7,369,756	15,306,316	15,490,160	7,494,256
Share capital	103,028,512									
Reserves	474,123									
Discount on issue of shares	(45,769,623)									
Accumulated loss	(42,790,164)									
Shareholders' equity	14,942,848									
Deficit on revaluation of assets - net	(466,654)									
	14,476,194									

The above maturity profile has been prepared in accordance with International Financial Reporting Standard 7. Financial Instruments: Disclosures, based on contractual maturities. Consequently all demand assets and liabilities such as running finance, current accounts and saving accounts are shown as having a maturity upto one month. However, based on historical behaviour, management is of the opinion that the possibility of these inflows / outflows actually occurring entirely within one month is remote, as these flows normally occur over a longer period of time.

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	2012									
	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
Assets										
Cash and balances with treasury banks	7,672,866	-	-	-	-	-	-	-	-	-
Balances with other banks	960,850	-	-	-	-	-	-	-	-	-
Lendings to financial institutions	3,440,910	-	-	-	-	-	-	-	-	-
Investments	85,386,110	7,027,364	7,802,179	6,786,584	31,740,465	3,495,579	8,632,732	3,669,150	5,684,050	
Advances	71,564,237	45,081,903	6,850,178	7,510,709	1,202,947	2,778,574	3,109,647	1,419,595	704,919	
Operating fixed assets	2,708,498	26,051	50,483	73,396	142,601	258,103	156,327	291,506	1,525,658	
Intangible assets	1,720,424	27,502	55,004	82,507	164,951	317,375	290,619	211,448	-	
Deferred tax assets	10,881,284	34,264	65,458	171,342	471,450	1,431,669	4,890,527	1,955,059	-	
Other assets	6,274,182	254,807	3,193,325	124,499	1,390,353	1,230,797	6,941	-	-	
	190,609,361	64,526,517	18,016,627	14,749,037	35,112,767	9,512,097	17,395,238	7,546,758	7,914,627	
Liabilities										
Bills payable	2,430,030	-	-	-	-	-	-	-	-	-
Borrowings	76,179,065	63,741,397	6,681,670	4,653,754	81,605	276,978	6,489	253,710	-	
Deposits and other accounts	91,291,234	73,612,638	8,326,885	4,071,192	5,225,060	19,837	22,397	-	-	
Sub-ordinated loans	3,992,800	-	800	-	665,336	1,330,672	665,328	-	-	
Other liabilities	2,687,610	1,155,179	835,817	249,320	381,336	2,370	-	63,588	-	
	176,580,739	140,939,244	15,845,172	8,974,266	6,353,337	1,629,857	1,827,351	317,298	-	
Net assets	14,028,622	(76,412,727)	2,171,455	5,774,771	28,759,430	7,882,240	16,701,024	7,229,460	7,914,627	
Share capital	103,028,512									
Reserves	225,889									
Discount on issue of shares	(45,769,623)									
Accumulated loss	(43,847,814)									
Shareholders' equity	13,636,964									
Surplus on revaluation of assets - net	391,658									
	14,028,622									

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41.3.2 Maturities of Assets and Liabilities - Based on historical pattern of the Assets and Liabilities of the Bank

2013

	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
Assets										
Cash and balances with treasury banks	8,006,105	8,006,105	-	-	-	-	-	-	-	-
Balances with other banks	692,177	692,177	-	-	-	-	-	-	-	-
Lendings to financial institutions	2,127,516	2,127,516	-	-	-	-	-	-	-	-
Investments	61,058,886	53,909	15,828,329	9,449,016	160,644	8,226,228	1,688,095	6,725,237	13,020,978	5,906,450
Advances	82,000,586	14,561,685	15,504,837	18,567,110	24,916,648	2,664,692	2,280,952	2,308,906	1,097,562	98,194
Operating fixed assets	2,836,105	34,630	67,794	100,972	194,241	326,632	130,711	185,889	305,204	1,490,032
Intangible assets	1,438,252	28,357	56,714	82,546	160,649	301,510	299,337	460,678	48,461	-
Deferred tax assets	11,249,886	117,395	234,789	352,184	704,367	1,937,086	2,655,286	5,248,779	-	-
Other assets	7,415,548	58,730	3,022,257	91,533	164,972	2,060,102	357,261	461,992	1,184,405	14,296
	176,825,061	25,680,504	34,714,720	28,643,361	26,301,521	15,516,250	7,411,642	15,391,481	15,656,610	7,508,972
Liabilities										
Bills payable	2,862,663	2,862,663	-	-	-	-	-	-	-	-
Borrowings	51,506,673	37,967,316	6,151,491	5,935,237	1,290,343	-	-	-	162,286	-
Deposits and other accounts	104,896,065	9,247,559	18,748,866	9,534,418	17,256,187	5,020,339	5,008,993	10,037,022	30,042,681	-
Other liabilities	3,083,466	1,847,890	973,450	49,784	44,835	46,250	40,006	62,371	4,164	14,716
	162,348,867	51,925,428	25,873,807	15,519,439	18,591,365	5,066,589	5,048,999	10,099,393	30,209,131	14,716
Net assets	14,476,194	(26,244,924)	8,840,913	13,123,922	7,710,156	10,449,661	2,362,643	5,292,088	(14,552,521)	7,494,256
Share capital	103,028,512									
Reserves	474,123									
Discount on issue of shares	(45,769,623)									
Accumulated loss	(42,790,164)									
Shareholders' equity	14,942,848									
Surplus on revaluation of assets - net	(466,654)									
	14,476,194									

Non-contractual assets and liabilities have been profiled by using Core / Non-core Balance Methodology. Core balances are defined as those which are expected to remain in our books for a longer period and thus placed in longer time buckets. Whereas, non-core balances are considered volatile and expected to attrite from our books in the short run.

In order to work out non-core balances, volatility is calculated using standard deviation and scaled for computing respective tenor volatility. Non-core and core balances are equally distributed in time buckets from 1 month till 1 year and from 2 year till the furthest available time bucket respectively. Similarly, non-core balances for Running Finance are placed in 1 month bucket and core balances are equally distributed in buckets 2 months till 1 year.

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	2012									
	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
Assets										
Cash and balances with treasury banks	7,672,866	7,672,866	-	-	-	-	-	-	-	-
Balances with other banks	960,850	960,850	-	-	-	-	-	-	-	-
Lendings to financial institutions	3,440,910	3,440,910	-	-	-	-	-	-	-	-
Investments	85,386,110	7,027,364	7,802,179	6,786,584	31,740,465	3,495,579	10,548,007	8,632,732	3,669,150	5,684,050
Advances	71,564,237	16,401,630	12,064,773	15,332,602	16,846,732	2,778,574	2,905,765	3,109,647	1,419,595	704,919
Operating fixed assets	2,708,498	26,051	50,483	73,396	142,601	258,103	156,327	184,373	291,506	1,525,658
Intangible assets	1,720,424	27,502	55,004	82,507	164,951	317,375	290,619	571,018	211,448	-
Deferred tax assets	10,881,284	34,264	65,458	171,342	471,450	1,431,669	1,861,515	4,890,527	1,955,059	-
Other assets	6,274,182	254,807	3,193,325	124,499	1,390,353	1,230,797	73,460	6,941	-	-
	190,609,361	35,846,244	23,231,222	22,570,930	50,756,552	9,512,097	15,835,693	17,395,238	7,546,758	7,914,627
Liabilities										
Bills payable	2,430,030	2,430,030	-	-	-	-	-	-	-	-
Borrowings	76,179,065	63,741,397	6,681,670	4,653,754	81,605	276,978	483,462	6,489	253,710	-
Deposits and other accounts	91,291,234	9,074,516	11,872,222	9,389,196	15,861,068	4,523,714	4,517,102	9,030,152	27,023,264	-
Sub-ordinated loans	3,992,800	-	800	-	665,336	1,330,672	1,330,664	665,328	-	-
Other liabilities	2,687,610	1,155,179	835,817	249,320	381,336	2,370	-	-	63,588	-
	176,580,739	76,401,122	19,390,509	14,292,270	16,989,345	6,133,734	6,331,228	9,701,969	27,340,562	-
Net assets	14,028,622	(40,554,878)	3,840,713	8,278,660	33,767,207	3,378,363	9,504,465	7,693,269	(19,793,804)	7,914,627
Share capital	103,028,512									
Reserves	225,889									
Discount on issue of shares	(45,769,623)									
Accumulated loss	(43,847,814)									
Shareholders' equity	13,636,964									
Surplus on revaluation of assets - net	391,658									
	14,028,622									

41.4 Operational Risk Management

The Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Bank seeks to ensure that key operational risks are managed in a timely and effective manner.

NIB approach operational risk management from two perspectives to best manage operational risk within the structure of the Bank:

- at the enterprise level to provide independent, integrated management of operational risk across the Bank, and
- at the business and enterprise control function levels to address operational risk in revenue generating and non-revenue generating units.

A sound internal governance structure enhances the effectiveness of NIB's Operational Risk Management and is accomplished at the enterprise level through formal oversight by the Board, the CRO and risk management committees aligned to the Bank's overall risk governance framework and practices. The Operational Risk Committee (ORC) oversees the processes for sound operational risk management and also serves as an escalation point for critical operational risk matters within the Bank. The ORC reports operational risk activities to the Board Risk Management Committee.

Within the Integrated Risk Management Group, the Operational Risk team develops the strategies, policies, controls and monitoring tools for assessing and managing operational risks across the Bank and report results to Operational Risk Committee (ORC) and the Board. The business and support functions are responsible for all the risks within the business line, including operational risks. Operational Risk Management tools, such as Loss Collection & Reporting, Risk and Control Self Assessment and Key Risk Indicators are developed and used to identify measure, mitigate and monitor risks.

42. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on February 28, 2014 by the Board of Directors of the Bank.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director

**Statement showing written-off loans or any other financial relief of
five hundred thousand rupees or above provided
during the year ended December 31, 2013**

S.No.	Name & Address of borrower	Name of individual / partners / directors		Father's / Husband's Name	Outstanding Liabilities Before Adjustments			Interest/ Mark-up written off	Other Financial Relief	Total	
		Name	NIC No.		Principal	Accrued Mark-up	Others				Total
1	Haji Noor Engineers & Company 37-A1, Main Peco Road, Township, Lahore.	(I) MUHAMMAD AZAMI NOOR (II) ROBINA AZAM (III) BILAL AZAM (IV) MISS MARYAM AZAM (V) ABRAR AZAM	(I) 35202-2709380-1 (II) 35202-2564887-3 (III) 35202-2709387-9 (IV) 35202-2564892-0 (V) 35202-5050568-1	(I) NOOR MUHAMMAD (II) MUHAMMAD AZAMI NOOR (III) MUHAMMAD AZAMI NOOR (IV) MUHAMMAD AZAMI NOOR (V) MUHAMMAD AZAMI NOOR	69,996	30,431	-	100,427	-	5,427	5,427
2	DANISH TRADERS 173-7, New Alamgir Market, Shahalam, Lahore.	(I) AKHTER ALI (II) BUSHRA HAIDER	(I) 35202-2467255-3 (II) 35202-2357275-0	(I) ANAYAT ALI (II) ALI HAIDER	13,425	3,969	-	17,394	4,425	3,969	8,394
3	RAINBOW INDUSTRIES LIMITED 56 KM MULTAN ROAD, BHAI PHERU MIAN KI MORR, LAHORE.	(I) ABDUL ISLAM (II) ADNAN SHAHID (III) IMRAN SHAHID	(I) 33100-0957849-3 (II) 33100-0957861-7 (III) 33100-1424233-7	(I) MUHAMMAD SAFDAR (II) ABDUL ISLAM (III) ABDUL ISLAM	36,859	3,876	-	40,735	11,059	3,876	14,935
4	NAEEM CLOTH HOUSE NO P-777/87, STREET 18, RAZAABAD, FAISALABAD.	MUHAMMAD NAEEM	33100-6506108-7	SHEIKH MUHAMMAD ADREES	5,377	524	-	5,901	276	524	800
5	FAZLEESONS (PRIVATE) LIMITED F-42, Hub River Road, Site Area, Karachi.	(I) SALEEMUDDIN (II) FAZAL-E-AZEEM (III) TARIQUE REHMAN (IV) ZARINA BEGUM (V) JAMIL AHMED (VI) ZARINA KHATOON	(I) 42201-9115584-7 (II) 42201-8514923-5 (III) 42201-3215399-1 (IV) 42201-0231331-2 (V) 42101-9203283-7 (VI) 42201-0271999-8	(I) FAZAL EL LAHI (II) FAZLUR REHMAN (III) FAZLUR REHMAN (IV) FAZLUR REHMAN (V) NAAEEM AHMED (VI) SALEEMUDDIN	21,936	7,818	-	29,754	-	7,818	7,818
6	KHUDA BUX ALLAH RAKHA 503, 5TH FLOOR, ISMAIL TRADE CENTRE, JODIA BAZAR, KARACHI.	MUHAMMAD USMAN	42401-7752794-5	ALLAH RAKHA	5,800	2,781	-	8,581	-	2,781	2,781
7	MAHMOOD PACKING CENTRE 124 A, AMIR TOWN, NAJMA HOUSE, CANAL ROAD, FAISALABAD.	MAHMOOD AHMED	33100-1269185-7	MUHAMMAD SHARIF	9,999	3,471	-	13,470	-	3,471	3,471
8	MIAN TRADERS HOUSE NO. 7, IMRAN ROAD, KHYABAN COLONY, FAISALABAD.	MUHAMMAD IQBAL	33100-3491941-3	MUHAMMAD AKRAM SHAKIL	1,529	531	-	2,060	-	531	531
9	MUHAMMAD SALEEM BHATTI SAREED COLONY 1, CANAL ROAD, FAISALABAD.	MUHAMMAD SALEEM BHATTI	33100-8872572-5	HASSAN MUHAMMAD BHATTI	25,002	9,122	-	34,124	-	9,122	9,122
10	REHMAN HEIGHTS MAIN SATYANA ROAD, SALEEMI CHOWK, FAISALABAD.	(I) SARDAR DILDAR AHMAD CHEEMA (II) MUHAMMAD SALEEM BHATTI	(I) 35202-5738760-7 (II) 33100-8872572-5	(I) SARDAR HAFIZ UR REHMAN (II) HASSAN MUHAMMAD BHATTI	19,867	869	-	20,736	-	736	736
11	SHINE STAR ENTERPRISES HOUSE 22/28, RAJA WALI GREEN VIEW COLONY, FAISALABAD.	BABAR MAQSOOD	33102-1805010-7	MAQSOOD AHMED	17,500	6,355	-	23,855	-	6,355	6,355
12	SILVER REED INTERNATIONAL (PRIVATE) LIMITED SILVER REED HOUSE, NEAR POLICE HEAD OFFICE, I.I. CHUNDRIGAR ROAD, KARACHI.	(I) SALAHUDDIN AHMED (II) SHAHID AHMED (III) SOHAIL AHMED	(I) 42301-8009574-5 (II) 42000-0464084-1 (III) 42301-4863992-5	(I) ABDUL PASHEED (II) SALAHUDDIN AHMED (III) SALAHUDDIN AHMED	6,644	647	-	7,291	-	591	591
13	SAFAR ALI SHAH & COMPANY 60 HARLEY STREET, RAWALPINDI.	SYED NAJMUL HASSAN	37405-9379914-7	SAFDAR ALI SHAH	2,668	555	-	3,223	-	555	555
14	ZARI MARKAZ SHOP NO. 09, KHALID CLOTH MARKET, LIAQUATABAD, KARACHI.	SYED MUHAMMAD ALI HASANI	42101-1807265-9	SYED JAMIL AHMED	2,500	536	-	3,036	-	536	536
15	AMBER ENTERPRISES GODOWN JHI, E-660, BLOCK-D, ST. NO. 3, SHERSHAH COLONY, SITE KARACHI.	(I) YASIR JAMAL PASHAH (II) AAMIR	(I) 42000-1286264-3 (II) 42401-5601440-7	(I) SYED JAMAL AHMED (II) ABDUL JABBAR	9,248	1,840	-	11,088	1,598	1,840	3,438
16	ABBAS NIZAM COTTON GINNING AND PRESSING FACTORY NEAR KEERVA SHAIKH BY PASS, HYDERABAD ROAD, TANDO ALLAHYAAR, SINDH.	ABBAS ALI KHAN	42000-1286264-3	SYED JAMAL AHMED	35,355	13,414	-	48,769	21,942	13,414	35,356
17	HILAL CORPORATION (PRIVATE) LIMITED 40-B, SECTOR-19, KORANGI, KARACHI.	(I) FURQAN SATTAR (II) S. KHURSHID AHMAD (III) S.A. SATTAR BATTIWALA (IV) S. SHARIF AHMAD	(I) 517-90-305768 (II) 517-63-305765 (III) 519-92-026154 (IV) 517-90-305763	(I) S.A. SATTAR BATTIWALA (II) HAJI ABDUL SALAM (III) S.A. SALAM (IV) S.A. SALAM	26,857	13,067	-	39,924	-	9,674	9,674

Annexure - 1

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(Rupees '000)

S.No.	Name & Address of borrower	Name of Individual / partners / directors		Father's / Husband's Name	Outstanding Liabilities Before Adjustments			Principal written off	Interest/ Mark-up written off	Other Financial Relief	Total
		Name	NIC No.		Principal	Accrued Mark-up	Others				
18	SHAIKH TRADING CORPORATION 101, 1ST FLOOR, KAKA CHAMBER, PLOT MR 711, MARKET QUARTERS, KARACHI.	SHAIKH SOHAIL	42000-5183616-7	SHAIKH MUHAMMAD IBRAHIM	3,800	530	-	4,330	800	530	1,330
19	AFTAB TECHNOLOGIES (PRIVATE) LIMITED A-81 & 82, SITE SUPER HIGHWAY INDUSTRIAL AREA, KDA SCHEME NO. 33, KARACHI.	(I) AFTAB ASHRAF KHAN (II) ANWAR AHMER (III) ASHRAF (IV) GUL AWAIS	(I) 42201-0270999-9 (II) 101-39874-4 (III) 42201-0270999-9 (IV) 42201-5194836-2	(I) MOHD ASHRAF KHAN (II) ABUL HASNAT KHAN (III) ABUL HASNAT KHAN (IV) AWAIS GARNI	29,901	10,909	-	40,810	10,909	-	21,810
20	GHARIBWAL CEMENT LIMITED 28-B / III, GULBERG III, LAHORE.	(I) MR M TOUSIF PERACHA (II) MUHAMMAD KHAN (III) A RAFIQUE KHAN (IV) TABASSUM TOUSIF PERACHA (V) KHALID SIDDIQUE TIRMZI (VI) M. REHMAN (VII) MUSTAFA TOUSIF AHMED PARACHA (VIII) ALI RASHEED KHAN	(I) 35202-1524979-9 (II) 35202-9601809-3 (III) 35202-0709533-6 (IV) 42301-0995491-3 (V) 42301-2597680-5 (VI) 35200-8806944-7 (VII) 35202-9601904-3	(I) MUHAMMAD SIDDIQ PERACHA (II) ABDUR RASHEED KHAN (III) M. TOUSIF PERACHA (IV) MUHAMMAD SIDDIQUE TONI (V) MUHAMMAD AMAN (VI) M. TOUSIF PERACHA (VII) ABDUR RAFIQUE KHAN	403,084	233,422	-	636,506	95,001	-	95,001
21	FAIQA TRADING COMPANY (PRIVATE) LIMITED 9-A, ASLAMI CENTRE, SHAHJAMAL MARKET, LAHORE.	(I) MUHAMMAD ALI (II) UMER IOBAL (III) MEHMOOD AHMED	(I) 35201-6460047-3 (II) 35202-6339946-9 (III) 35202-6372646-7	(I) MUHAMMAD SHAFI (II) MUHAMMAD SHAFI (III) MUHAMMAD SHAFI	87,993	61,406	-	149,399	61,406	-	61,406
22	NAYAAB TRADING COMPANY CIRCULAR ROAD, GHALLA MANDI, DASKA.	MEHMOOD AHMED	34601-2504044-9	IMAM DIN	30,821	18,240	-	49,061	18,053	-	18,053
23	AL MEHRAN BUILDERS PAKISTAN (PRIVATE) LIMITED PLOT NO. B-4, BLOCK-16, GULSHAN-E-IOBAL, KARACHI.	MUHAMMAD ATIF RASHID	42301-8273966-5	RASHID MUHAMMAD OURESHI	29,988	5,470	-	35,458	4,988	-	10,458
24	PUNJAB COTTON MILLS LIMITED 19-LAWRENCE ROAD, LAHORE.	(I) JAMIL IRSHAD (II) MUHAMMAD TAYYAB (III) SAMI ULLAH KHAN (IV) SHAHID BASHIR (V) FASAL SHAHZAD (VI) SADIA FATIMA (VII) BUSHRA JAMIL	(I) 35201-1266627-7 (II) 35202-2666965-5 (III) 35200-9933848-1 (IV) 61101-8492734-3 (V) 35202-2261627-3 (VI) 35202-2500437-4 (VII) 35201-1226895-6	(I) IRSHAD AHMED (II) ABDUL REHMAN KHAN (III) RANA IRSHAD MOHD KHAN (IV) MUHAMMAD BASHIR (V) SHAHZAD ALI (VI) MUHAMMAD TAYYAB (VII) JAMIL IRSHAD	40,174	17,471	-	57,645	16,136	-	33,607
25	EVER GREEN RICE MILL G.T. ROAD, CHENAB BRIDGE, NEAR ALI RESTURANT, WAZIRABAD.	(I) MEHAR AHMED RAZ (II) MUMTAZ ALI	(I) 34104-3412827-5 (II) 34104-5565780-9	(I) CH. NABI AHMED MEHAR (II) MUHAMMAD YAQOOB	40,016	17,697	-	57,713	12,005	-	29,702
26	RAJPUT TRADERS 1ST FLOOR, MALIK DAL MILL BUILDING, BANK SQUARE, GULFANWALA.	RANA NAVEED AKHTAR KHAN	34101-2384466-7	RANA MUHAMMAD BASHIR	4,699	1,648	-	6,347	799	-	2,447
27	BONNY INTERNATIONAL OFFICE NO. 7-8, RABIA CROWN, NEAR MCB JAMSHED ROAD BRANCH, NEW M.A. JINNAH ROAD, KARACHI.	MUHAMMAD ARSHAD	42201-0609502-9	MUHAMMAD DIN	50,000	18,055	-	68,055	10,000	-	28,055
28	ALMASOOM AIRCONDITION COACHES PLOT NO. SR-7/16, PATHAN COLONY, BANAPAS, KARACHI.	MUHAMMAD BASHIR KHAN	42301-3199425-1	NAQASH KHAN	14,613	1,780	-	16,393	5,526	-	7,306
29	YAHYA TEXTILE MILLS 40-TIPU SULTAN ROAD, MULTAN CANTT, MULTAN.	(I) MALIK GHULAM MUHAMMAD MURTAZA (II) FARAH NAZ (III) MASHOOD ALI (IV) FAIZ AHMAD (V) AHMAD BAKHSH (VI) GHULAM HUSSAIN (VII) DOST MUHAMMAD	(I) 32304-7656411-1 (II) 36302-4367489-6 (III) 36302-1676506-3 (IV) 32303-0682421-3 (V) 32303-0707810-7 (VI) 32303-5466585-3 (VII) 32303-2090901-3	(I) MUHAMMAD YAR (II) MALIK GHULAM MUHAMMAD MURTAZA (III) AMEER BAKHSH (IV) MUHAMMAD SHAFI (V) ALLAH DITTA (VI) AZEEM BAKHSH (VII) NOOR MUHAMMAD	84,192	21,929	-	106,121	45,192	-	67,121
30	CHAUDHARY TRADERS KSHIBEMALI, STREET NO. 1, YARN MARKET JIHANG BAZAR, FAISALABAD.	(I) IMRAN SHER ALI (II) ZIA UD DIN	(I) 33100-34309461-7 (II) 33100-09137453-1	(I) SHER ALI (II) DIN MUHAMMAD	50,000	6,620	-	56,620	6,620	-	6,620
31	TAHA SPINNING MILLS 407 COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI.	(I) ASHFAQ AHMED (II) SAQIB ASHFAQ (III) AMIR ASHFAQ (IV) NIAZ MUHAMMAD (V) MOHAMMAD FAROOQ (VI) MUHAMMAD AZAM (VII) ZEENAT KHAN	(I) 42201-6761283-1 (II) 42201-0669739-5 (III) 42201-3429977-9 (IV) 42401-1913493-3 (V) 35202-0675584-3 (VI) 42201-6703153-1 (VII) 42401-8648930-7	(I) HAJI MUHAMMAD ISMAIL (II) ASHFAQ AHMED (III) ASHFAQ AHMED (IV) NISAR AHMED (V) RASOOL KHAN (VI) NISAR AHMED (VII) JEHANGIR KHAN	48,465	47,875	-	96,340	654	-	48,529

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		Name	NIC No.		Principal	Accrued Mark-up	Others				
32	A. S. BROTHERS 23, SHER MUHAMMAD HOU QULAD AZAM PARK, ALLAMA IQBAL ROAD, KOTILAKHPAT, LAHORE.	ABDUL SATTAR	35201-1533686-3	SHER MUHAMMAD	6,000	1,427	-	7,427	1,427	-	1,427
33	ABDUL SHAKOOR RICE DEALER MOHALLAH RASOOL NAGAR, TEHSEEL KAMOKI, GUJRANWALA.	ABDUL SHAKOOR	34102-0406111-7	MUHAMMAD SAADIQ	2,007	663	-	2,670	663	-	663
34	ASIATEX CORPORATION 3607/2M, JALLIABAD COLONY, GUL PIONEER TRADERS, MULTAN.	MUHAMMAD YOUSAF	36302-0936728-9	MUHAMMAD SAADIQ	1,684	938	-	2,622	938	-	938
35	PARAS INDUSTRIES PLOT NO. G/6, SITE AREA, HYDERABAD.	(I) RELO MALL (II) TERAT DAS	(I) 41102-5009514-7 (II) 41207-2294013-9	(I) NABHAN DAS (II) NABHAN DAS	40,050	5,016	-	45,066	5,016	-	12,566
36	PRECISE SALEEM SABIR TEXTILES (PRIVATE) LIMITED A-25, J/1, SITE, KARACHI.	(I) SALEEMULLAH (II) MUHAMMAD ISHAQ	(I) 42101-5169841-1 (II) 42301-9867240-5	(I) REHMAT ULLAH (II) ABDUL HAKEEM	10,989	2,307	-	13,296	2,298	-	2,298
37	ALLUSYS (PRIVATE) LIMITED G.T. ROAD, SADDUKE, GUJRANWALA.	(I) FAISAL RASHEED (II) MOHAMMAD SHOAB (III) SHAFIQ UR REHMAN (IV) ADNAN RASHEED	(I) 34101-0888270-7 (II) 34101-9830767-9 (III) 34101-6412594-3 (IV) 34101-7021728-9	(I) ABDUL RASHEED (II) MOHD NASIM (III) MOHD RAFIQUE (IV) ABDUL RASHEED	93,145	50,282	-	143,427	33,427	-	33,427
38	ZURASH INDUSTRIES (PRIVATE) LIMITED PLOT NO. 96-100, SECTOR 15, KORANGI INDUSTRIAL AREA, KARACHI.	(I) ABDUL REHMAN (II) AZIZ ABDUL REHMAN (III) MRS. ZARINA A REHMAN (IV) HUSSAIN A REHMAN	(I) 42301-0888617-7 (II) 42301-0895550-3 (III) 42301-0820312-0 (IV) 42301-0895556-5	(I) KARUDDIN GOLANY (II) ABDUL REHMAN (III) ABDUL REHMAN (IV) ABDUL REHMAN	62,442	34,042	-	96,484	34,042	-	39,042
39	HAJI MUHAMMAD ISMAIL MILLS LIMITED OFFICE NO. 408, COMMERCE CENTRE, HASHRAT MOHANI ROAD, KARACHI.	(I) GULSHAD BEGUM (II) HUMAI IRFAN (III) M. SARFRAZ (IV) MOHAMMAD FAROOQ (V) MUSHTAQ A. VOHRA (VI) NASIR MUSHTAQ VOHRA	(I) 42301-0866236-6 (II) 42301-0114286-0 (III) 42301-0882471-1 (IV) 42301-0052156-9 (V) 42301-0952156-3 (VI) 517-92-219565	(I) MUSHTAQ A. VOHRA (II) IRFAN IQBAL (III) MOHAMMAD ALI (IV) RASOOL KHAN (V) HAJI MUHAMMAD ISMAIL (VI) MUSHTAQ AHMED VOHRA	12,208	9,535	-	21,743	9,535	-	9,535
40	H M ENERGY (PRIVATE) LIMITED 409, COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI.	(I) M. SARFRAZ (II) NAJEEB MUSHTAQ VOHRA	(I) 510-59-280358 (II) 517-93-217567	(I) M. ALI (II) MUSHTAQ A. VOHRA	14,879	11,451	-	26,330	11,451	-	21,641
41	AL RAHMAN AGENCY 1-N, BLOCK NO. 2, PECHS SOCIETY, KARACHI.	JAVED MAHMOOD	42201-9665527-5	MAHMOOD SHOUKAT	10,384	1,111	-	11,495	1,111	-	2,120
42	AL SABAHAT ENTERPRISES OFFICE NO. 03, 1ST FLOOR, WAZIR MANSION, NICOL ROAD, NEAR CHAMBER OF COMMERCE, KARACHI.	(I) ABDUL RAUF KARIM (II) KHALID H. KHAN (III) M. OWAIS MOTIWALA	(I) 42201-3184468-5 (II) 42201-7438938-1 (III) 42201-0673370-9	(I) ABDUL KARIM (II) SULTAN HASAN KHAN (III) M. ASHRAF MOTIWALA	12,500	696	-	13,196	696	-	696
43	ANWER STEEL TRADERS 143, MAIN MARKET, LANDA BAZAR, LAHORE.	ANWAR AMIN PASHA	35202-6587751-7	MUHAMMAD ASHRAF	16,100	1,607	-	17,707	1,026	-	1,026
44	FAZAL GARMENTS 1-D2 & D3, STREET NO. 9/1, SECTOR NO. 16-B, NORTH KARACHI INDUSTRIAL AREA, KARACHI.	MAGSOOD HUSSAIN	42101-1638301-9	FAZAL HUSSAIN	-	6,787	-	6,787	6,782	-	6,782
45	FAZAL INDUSTRIES 1-D2 1-D3, STREET 9/1, SECTOR 16-B, NORTH KARACHI INDUSTRIAL AREA, KARACHI.	MAGSOOD HUSSAIN	42101-1638301-9	FAZAL HUSSAIN	60,000	4,794	-	64,794	4,784	-	4,794
46	HAJI M SHARIF & SONS 196, LOHA MARKET, LANDA BAZAR, LAHORE.	MUHAMMAD JAMIL	35202-4283389-1	HAJI MUHAMMAD SHARIF	9,999	790	-	10,789	790	-	790
47	SAMEER ENTERPRISES CRESCENT BOARDS BUILDING, NISHATABAD, LAHORE ROAD, FAISALABAD.	(I) SHAHID RIAZ (II) MANSOOR RIAZ	(I) 33100-0719870-1 (II) 33100-0720063-5	(I) RIAZ MASOOD (II) RIAZ MASOOD	13,996	937	-	14,933	522	-	522

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48	TAJ IMPEX GONDANWAL ROAD, GUJRANWALA.	SAEED AHMED TAJ	34101-0376448-9	HAJI TAJ DIN	40,997	1,735	-	42,732	-	1,735	-	1,735
49	NEW KHAN TRANSPORT COMPANY 55 LAWRENCE ROAD, LAHORE.	(I) AAMIR HAYAT KHAN (II) MUMTAZ NIAZI (III) KHURSHID JABEEN NIAZI	(I) 35202-3900284-5 (II) 35202-0719000-0 (III) 35202-6857824-4	(I) KHAN AMIR ABDULLAH KHAN ROKRI (II) KHAN AMIR ABDULLAH KHAN ROKRI (III) GHULAM MUHAMMAD	-	19,455	29,306	48,761	-	19,455	4,000	23,455
50	AFSAR AHMED HOUSE NO. 6591-A, LIAQUATABAD NO. 06, KARACHI.	AFSAR AHMED	42101-2299991-5	ABDUL SATTAR	460	47	-	507	460	47	-	507
51	YOUSUF FLAT NO. GK 729, 1ST FLOOR, ISMAIL MENSION JAFFER FADDU ROAD, KHARADAR, KARACHI.	YOUSUF	42301-7199012-1	MUHAMMAD USMAN	551	80	-	631	551	80	-	631
52	NAZAR MUHAMMAD BALOCH HOUSE 01, KOHI GOATH, HAJI RAHMETULLAH GARDEN, BIN QASIM TOWN, KARACHI.	NAZAR MUHAMMAD BALOCH	42501-5146116-1	RAHMAT ULLAH BALOCH	449	100	-	549	449	100	-	549
53	SYED INTIZAR ABBAS JAFFRI HOUSE 5 A 8/40, NAZIMABAD NO. 5, KARACHI.	SYED INTIZAR ABBAS JAFFRI	42101-1851395-5	SYED JITIKHAR HUSSAIN JAFFRI	471	132	-	603	471	132	-	603
54	MUHAMMAD, NAWAZ CHAH SAMUNDRIWALA MIANI RAWAH POST OFFICE, JHOK LASHKAR PUR TEHSEEL, MULTAN.	MUHAMMAD NAWAZ	36303-2464930-3	KHUDA BUKHSH	737	95	-	832	737	95	-	832
55	KASHIF AHMED FLAT 16 4TH FLOOR HOUSE NO A/120-412-413, BISMILLAH CENTRE, TANDO WALI MOHAMMAD, HYDERABAD.	KASHIF AHMED	41303-7738774-7	ALLAH DITA	727	135	-	862	727	135	-	862
56	MUHAMMAD, IRFAN HOUSE NO. 2897A, PHULELI, HYDERABAD.	MUHAMMAD IRFAN	41303-8147412-7	MUHAMMAD HANIF	737	145	-	882	737	145	-	882
57	SHAKEEL AHMED HOUSE NO. R-1190, DASTAGIR SOCIETY, BLOCK-15, F.B. AREA, KARACHI.	SHAKEEL AHMED	42101-3155578-9	NOOR KHAN	534	134	-	668	534	134	-	668
58	SYED MUHAMMAD ALI HOUSE NO. R-624, BLOCK-15, F.B. AREA, KARACHI.	SYED MUHAMMAD ALI	42101-2347859-7	SYED ABDULLAH	558	112	-	670	558	112	-	670
59	ASHAR AHMED KHAN HOUSE NO. 09 STREET NO. 2, SHAH ALAM COLONY, TAJ PURA SCHEME, LAHORE.	ASHAR AHMED KHAN	35200-1436643-1	IRSHAD AHMED KHAN	445	107	-	552	445	107	-	552
60	QASEEM AHMED HOUSE NO. F 62/ 4, MARTIN QUARTER, MARTIN ROAD, KARACHI.	QASEEM AHMED	42000-9558891-9	NIAZ AHMED	477	41	-	518	477	41	-	518
61	MUHAMMAD YOUNUS KHAN HOUSE NO. R-15, MOHAMMAD ALI SHAHEED SOCIETY, MALIR, KARACHI.	MUHAMMAD YOUNUS KHAN	42201-0442844-5	AHMED HASSAN KHAN	631	122	-	753	631	122	-	753
62	SAJID HAYAT HOUSE NO. 10, PAF ROAD, SARGODHA.	SAJID HAYAT	38403-2220774-3	MUHAMMAD SIDDIQUE	507	107	-	614	507	107	-	614
63	DR. SYED MUHAMMAD ALI BUKHARI HOUSE NO. 02, GIRLS COLLEGE ROAD, CHAK NO 111/P, RAHIMYAR KHAN.	DR SYED MUHAMMAD ALI BUKHARI	31303-9997264-3	SYED KHURSHID HASSAN	364	146	-	510	364	146	-	510
64	MUHAMMAD AYAZ HOUSE NO. A 109, BILLY'S HOMES, UNIVERSITY ROAD, SCHEME 33, GULZAR E HURJI, KARACHI.	MUHAMMAD AYAZ	42501-3944645-1	RAHEEM BUX	1,052	225	-	1,277	1,052	225	-	1,277
65	TARIO MEHMOOD HOUSE NO. 6, STREET NO. 157-S, MUHALLAH MAGBOOL ROAD, CHOWK BABA AZAM, ICHRA, LAHORE.	TARIO MEHMOOD	35202-2744531-5	MUHAMMAD SADIQ	651	148	-	799	651	148	-	799

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		Name	NIC No.		Principal	Accrued Mark-up					Principal written off
						Others	Total				
66	LAIQ AHMED HOUSE NO. A-5/4, ROW NO. 9, NATIONAL CEMENT HOUSING SOCIETY, BLOCK 10-A, GULSHANE-IQBAL, KARACHI.	LAIQ AHMED	42201-3302951-5	MUJIBEN AHMED	525	129	-	654	129	-	654
67	IMRAN SAKHAWAT HOUSE NO. 18, ST. NO.3, SEC B, PHASE-II, DHA, ISLAMABAD.	IMRAN SAKHAWAT	37405-0577744-5	SAKHAWAT HUSSAIN	1,112	124	-	1,236	124	-	1,236
68	ABDUL AZIZ AL HASEEB HOUSE, KARIM PURA, JHELUM.	ABDUL AZIZ	37301-7541234-5	ABDUL KHALIQ	529	136	-	665	136	-	665
69	MUHAMMAD ANWAR AMIN FLAT NO A-117, 1ST FLOOR, SECTOR 15-A-2, BUFFERZONE, KARACHI.	MUHAMMAD ANWAR AMIN	42401-2080619-9	MOHAMMAD AMIN	532	128	-	660	128	-	660
70	HABIB UR REHMAN HOUSE NO. B-1, BLOCK B, KDA OFFICERS HOUSING SOCIETY, KARACHI.	HABIB UR REHMAN	42201-0588518-5	GHULAM UR RAHMAN	378	50	600	1,028	50	600	778
71	MUHAMMAD ALAM HOUSE NO. A-476, SECTOR 4, AHSANABAD, SCHEME 33, GULSHAN-E-MINWAR, KARACHI.	MUHAMMAD ALAM	42101-6655784-3	MOHAMMAD NAWAZ	710	239	286	1,235	239	286	775
72	MUHAMMAD IMRAN SHAIKH HOUSE NO. A/116-34-197, HIRABAD, HYDERABAD.	MUHAMMAD IMRAN SHAIKH	41303-1197998-1	MUHAMMAD AHSAN SHAIKH	789	198	109	1,096	198	109	821
73	MUHAMMAD JAWAID HOUSE 1573, MEMON COLONY, BLOCK 3, SIDDIQABAD, F.B. AREA, KARACHI.	MUHAMMAD JAWAID	42101-1024729-7	ABDUL GHAFFOR	825	479	739	2,043	479	739	1,543
74	MUHAMMAD ASLAM HOUSE NO. 96/10, ORANGABAD, CHOOTA MEADAN, NAZIMABAD NO.3, KARACHI.	MUHAMMAD ASLAM	42101-8817989-1	MUHAMMAD YAR	561	307	163	1,031	307	163	681
75	LIPS & TIPS HOUSE NO. N-346, SECTOR 35-C, WHITE "N", KORANGI NO. 3 1/2, KARACHI.	UZMA ASIF	42201-0339207-0	MAQBOOL HUSSAIN GOHAR	2,120	296	-	2,416	296	-	795
76	ABDUL MAALIK HOUSE NO. 192/2, BLOCK NO. B, KHUDADAD COLONY, SHAHRAH-E-QUIADEEN, KARACHI.	ABDUL MAALIK	42301-0943202-9	MOHAMMAD SALEEM	1,043	687	134	1,864	687	134	1,164
77	SUDHAMO AHUJA HOUSE NO. 27-28, HAPPY HOMES, QASIMABAD, HYDERABAD.	SUDHAMO AHUJA	41306-2653616-7	NIRMAL DAS AHLUA	851	395	121	1,367	395	121	937
78	SYED REHAN HUSSAIN ZAIDI FLAT NO. 4F, STREET NO. 5, ASKARI 4, GULISTAN-E-JAUHAR, KARACHI.	SYED REHAN HUSSAIN ZAIDI	42101-1872282-3	SYED LIAQUAT HUSSAIN ZAIDI	476	107	282	865	107	282	625
79	SHAHID DAR HOUSE NO. E-10, GROUND FLOOR, PHASE 2, DEFENCE VIEW, KARACHI.	SHAHID DAR	42301-7615567-3	FAIZ ALI	583	249	110	942	249	110	642
80	SYED SAJJAD HAIDER ZAIDI FLAT NO. 2, KMC OFFICERS FLATS, NUZRAT ROAD, GARDEN EAST, KARACHI.	SYED SAJJAD HAIDER ZAIDI	42201-9041793-3	SYED MUSLIM HUSSAIN ZAIDI	405	383	-	788	383	-	530
81	ABDUL HAFIZ HOUSE NO. F-43, F AREA, KORANGI, KARACHI.	ABDUL HAFIZ	42201-9836639-7	MUHAMMAD SHAREEF	793	206	164	1,163	206	164	763
82	MUNASIB KHAN HOUSE NO. B 130, GULSHANE-RAFI SOCIETY, JAMIA MILLIA ROAD, MALIR, KARACHI.	MUNASIB KHAN	42501-1263522-9	BEHRAM KHAN	926	630	125	1,681	630	125	1,131
83	SHOAIB IQBAL FLAT B-307, ROYAL RESIDENCY, BLOCK-13-D/2, GULSHANE-IQBAL, KARACHI.	SHOAIB IQBAL	42201-3585837-1	IQBAL HUSSAIN KHAN	488	348	64	880	348	64	645

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		Name	NIC No.		Principal	Accrued Mark-up	Total				
							Others	Total			
84	MOHAMMAD MUSHTAQ, HOUSE NO. 1584, ASHRAF COLONY 02, MEHMOODABAD 06, KARACHI.	MOHAMMAD MUSHTAQ	42201-0598684-9	MOHAMMAD GULZAR	933	728	101	1,762	433	728	1,262
85	FAZAL NABI HOUSE NO. 1726/461, JAAM NAGAR COLONY, BALDIA TOWN, KARACHI.	FAZAL NABI	42401-9269260-7	FAZAL KARIM	432	310	29	771	212	310	551
86	SYED AFTAB HUSSAIN HOUSE NO. 388, C/16, CHEETAL CHADI, HYDERABAD.	SYED AFTAB HUSSAIN	41304-9583258-3	SYED ABRAR HUSSAIN JAFRI	587	524	-	1,111	162	524	886
87	TEXTILE FARMS, DP-4 SECTOR-21, KORANGI INDUSTRIAL AREA, KARACHI.	SYED MAZHAR ALI ZAIDI	42201-4025527-5	SYED HAZIQ ALI	4,017	994	2,536	7,547	1,795	994	5,325
88	MUHAMMAD NASIR HOUSE NO. P-96, STREET NO. 03, BAZAR NO. 02, RAZA ABAD, FAISALABAD.	MUHAMMAD NASIR	33100-3004443-3	GULZAR AHMED	1,652	671	234	2,557	432	671	1,337
89	ZEESHAN AHMED HOUSE 5, HAJI SOHAIL STREET, NAZISH ROAD, RAUGARHI, LAHORE.	ZEESHAN AHMED	35202-3665727-7	SHAMSHAD AHMED	446	426	-	872	221	426	847
90	MUHAMMAD RAFIQUE PAK CONTINENTAL HOTEL, CLUB ROAD, SARGODHA.	MUHAMMAD RAFIQUE	35202-4988524-9	CHANNAN DIN	1,069	294	460	1,823	244	294	998
91	ROOHI FARZANA HOUSE NO. 23/B, ST NO.15, RUSTAMI PARK, LAHORE.	ROOHI FARZANA	35202-2598696-2	RASHID HUSSAIN	782	340	21	1,143	257	340	618
92	MUHAMMAD IMRAN FLAT NO. 209, ALSA CHAMA HOMES, GHULAM HUSSAIN QASIM ROAD, GARDEN WEST, KARACHI.	MUHAMMAD IMRAN	42301-9337913-3	MUHAMMAD HANIF	475	469	53	997	225	469	747
93	SADIA FAROOQ 143-C-2, JOHAR TOWN, GHOUSIA CHOWK, LAHORE.	SADIA FAROOQ	35202-2546247-2	FAROOQ AHMED BHATTI	296	384	8	688	136	384	528
94	ZEESHAN ENERGY LIMITED HOUSE NO. 24, KHAYABAN COLONY, 213, SUSAN ROAD, FAISALABAD.	MALIK M. AFZAL KHAN	517-96-047391	MALIK M. NAWAZ KHAN	4,962	452	17,119	22,533	2,462	452	17,119
95	HUMA JAMEEL B-91, BLOCK-L, NORTH NAZIMABAD, KARACHI.	HUMA JAMEEL	42101-8731397-4	JAMEEL AHMED	304	472	86	862	151	472	709
96	KANWAR ABID MAJEED A-205/8, BLOCK 13-D/3, GULSHAN E IQBAL, KARACHI.	KANWAR ABID MAJEED	42201-8485110-3	KANWAR ABID MAJEED	623	278	154	1,055	293	278	725
97	MUHAMMAD RIAZ ANWAR CHEKER MUHALLA ISLAM PURA BHIKI ROAD, SHEIKHPURA.	MUHAMMAD RIAZ	35404-8605975-3	MANZOOR HUSSAIN	343	356	39	738	167	356	562
98	MIRZA IOBAL ALI HOUSE NO. 128, BLOCK A-1, PUNJAB SOCIETY, COLLEGE ROAD, TOWNSHIP, LAHORE.	MIRZA IOBAL ALI	35202-4895349-9	MIRZA ASIF ALI	492	467	-	959	242	467	709
99	SHAFIQUE UR REHMAN QURESHI HOUSE NO. 753/BIA, ST NO. 02, DASTGEER COLONY, NO. 02, RAHIMYAR KHAN.	SHAFIQUE UR REHMAN QURESHI	31303-2435185-9	HABIB-UR-REHMAN	409	441	64	914	200	441	705
100	TARIQ MEHMOOD HOUSE NO. 171, STREET NO. 02, BLOCK Z, GULSHAN-E-USMAN, RAHIMYAR KHAN.	TARIQ MEHMOOD	31303-7342442-5	SALAMAT ALI	596	216	45	857	296	216	557
101	SYED MURTAZA ABBAS FLAT J-28, BHAYANI HEIGHTS, GULSHAN-E-IQBAL NO. 4, KARACHI.	SYED MURTAZA ABBAS	45203-3879063-1	SYED NAYAB HUSSAIN	389	338	50	777	169	338	557
102	FARHAN UDDIN HOUSE NO. R-636, MUHALA SECTOR 15-A/1, BUFFER ZONE, NORTH KARACHI, KARACHI.	FARHAN UDDIN	42201-0683933-1	BASHIR UDDIN	1,244	612	216	2,072	490	612	1,318
103	MUHAMMAD ARSHAD HOUSE NO. B-237, SHEIKH NAZIMABAD NO. 1, KARACHI.	MUHAMMAD ARSHAD	42101-6066030-3	MUHAMMAD ASHRAF	345	311	40	696	165	311	516

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		Name	NIC No.	Father's / Husband's Name	Principal	Accrued Mark-up				Principal written off	Interest/ Mark-up written off	
						Others	Total					
104	RANA MUHAMMAD NADEEM HOUSE NO. P-162/2, STREET NO. 2, ZULFIQAR COLONY, FAISALABAD.	RANA MUHAMMAD NADEEM	33100-1006498-7	MUHAMMAD SALEEM	389	456	38	883	169	456	38	663
105	ARIF BUTT HOUSE 2 ST 24 DAFRA SHIKO DO MORIA PUL LAHORE.	ARIF BUTT	35202-6691738-9	SIPRAJ DIN BUTT	351	376	6	733	175	376	6	557
106	MUHAMMAD IRSHAD FLAT NO. 09, 4TH FLOOR, SAEEDA MANSION, STREET NO. 06, BURNS ROAD, KARACHI.	MUHAMMAD IRSHAD	42301-1019531-7	MUHAMMAD IDREES	870	623	132	1,625	433	623	132	1,188
107	SYED HAIDAR ABBAS ZAIDI HOUSE NO. 572, D 2 BLOCK NO. 5, GREEN TOWN, NEAR AMINA SABRA MASJID, LAHORE.	SYED HAIDAR ABBAS ZAIDI	35202-2016157-5	SYED MUZHAR HUSSAIN ZAIDI	351	396	191	938	170	396	191	757
108	MUHAMMAD USMAN SALEEM HOUSE NO. 243-B, SADR BAZAR, SHAHEEN CHOWK, GHULAM MUHAMMAD ABAD, FAISALABAD.	MUHAMMAD USMAN SALEEM	33100-2698444-5	MUHAMMAD SALEEM	457	364	58	879	206	364	58	628
109	HUMAIR SALEEM SEHGAL PLOT NO. 1, RABBANI BLOCK, USMAN STREET, KASHMIR ROAD, KHAYABAN COLONY NO. 2, FAISALABAD.	HUMAIR SALEEM SEHGAL	33100-9406467-1	QAMAR SALEEM SEHGAL	513	452	17	982	205	452	17	674
110	MUHAMMAD RAFIQUE IOBAL HOUSE NO. 341, KORANGI NO 3-1/2, KARACHI.	MUHAMMAD RAFIQUE IOBAL	42201-4154410-3	AKBAR ALI	645	132	366	1,143	265	132	366	763
111	MUHAMMAD RAMZAN HOUSE NO. 10, WAZIRI STREET 37, JINNAH ROAD, BLOCK C, SHEERSHAH, KARACHI.	MUHAMMAD RAMZAN	34501-1058928-1	NAZEER AHMED	904	260	137	1,301	239	260	137	636
112	AHSAN ALI BHUTTO FLAT G2-5, JACOB LINE COMPLEX BLOCK G, LINES AREA, KARACHI.	AHSAN ALI BHUTTO	43304-0590148-5	FAZAL MUHAMMAD	478	433	40	951	238	433	40	711
113	SHAHZAD ABDUL HAMEED HOUSE NO. 11 A, ST-18, MOHALLAH NASIR PARK BILAL GUNJ, LAHORE.	SHAHZAD ABDUL HAMEED	35202-1936368-3	ABDUL HAMEED	254	371	37	662	127	371	37	535
114	ARIF SAUD HOUSE NO. 154, UNIT NO. 5, BLOCK D, LATIFABAD, HYDERABAD.	ARIF SAUD	41304-8229883-5	ABDUL SALEEM KHAN	999	226	240	1,465	399	226	240	865
115	HASSAN KHAN TRANSPORT SERVICE P-75, STREET NO. 5, CHINIOT BAZAR, FAISALABAD.	MUHAMMAD HASSAN KHAN	33100-1016918-1	ABDUL WAHEED KHAN	1,895	359	2,699	4,953	495	359	2,699	3,553
116	BAHAR MAJEED 133, F-7, PHASE E-G, HAYATABAD, PESHAWAR.	BAHAR MAJEED	17301-3262668-0	ABDUL MAJEED	149	363	266	778	144	363	266	773
117	MOHAMMAD FAHEEM HOUSE NO. 22, STREET NO. 10, RAMNAGAR, CHOBURGHI, LAHORE.	MOHAMMAD FAHEEM	35202-3048497-7	RIAZ AHMED	479	358	69	906	234	358	69	661
118	RASHEED AHMED AWAN HOUSE NO. 2516/1, DARBAR HAFIZ JAMAL ROAD, MULTAN.	RASHEED AHMED AWAN	36302-4104344-5	HABIB AHMED AWAN	476	499	38	1,013	233	499	38	770
119	SHABBIR AHMED HOUSE NO. 865, MUHAMMAD NAGAR, LANDHI, KARACHI.	SHABBIR AHMED	42401-1815687-3	BASHIR AHMED	440	332	38	810	140	332	38	510
120	M/R TRADERS, THIRD FLOOR, TRADE AVENUE, NEAR CHAPAL PLAZA, HASRAT MOHANI ROAD, KARACHI.	MUHAMMAD RAFIQ	42301-2373386-7	MUHAMMAD IBRAHIM	1,885	1,635	153	3,673	735	1,635	153	2,523
121	KASHIF ALI HOUSE NO. A 22, STREET 7, BANGLOW 4, GULSHAN-E-FAISAL, CLIFTON, KARACHI.	KASHIF ALI	53403-6958348-1	ZAFAR ALI	373	299	39	711	183	299	39	521
122	MUHAMMAD WASEEM ANSARI FLAT NO. 306, 3RD FLOOR, AL QADIR CENTER, IMLI STREET, ISLAM POORA NISHTER ROAD, GARDEN WEST, KARACHI.	MUHAMMAD WASEEM ANSARI	42000-0513963-7	MOHAMMAD HABIB ANSARI	481	401	55	937	201	401	55	657

Annexure - 1

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		Name	NIC No.		Principal	Accrued Mark-up	Others					Total
							Principal	Accrued Mark-up				
123	MUHAMMAD MUNAFAF HOUSE NO. 151, BANTWA NAGAR, SIR SULEMAN SHAH ROAD, LIAQATABAD, KARACHI.	MUHAMMAD MUNAFAF	42101-23810141-1	ABDUL SATTAR	804	565	132	1,501	397	565	132	1,094
124	MUHAMMAD BILAL FLAT NO. A-202, BLOCK-A, PHASE-I, BILAL ARCADE, GHULAM HUSSAIN QASIM ROAD, GARDEN WEST, KARACHI.	MUHAMMAD BILAL	42301-0847526-1	MUHAMMAD HAROON	671	290	38	999	281	290	38	609
125	FARHAN HUSSAIN HOUSE NO. 31/4, U.K BANGALOWS, GULSHAN-E-IGBAL, KARACHI.	FARHAN HUSSAIN	42201-2157861-1	ZAHOOR HUSSAIN	591	519	90	1,200	191	519	90	800
126	MUHAMMAD KAMIL HOUSE NO. C-4, C AREA, CHAMMAN COLONY, KHOKRAPAR, KARACHI.	MUHAMMAD KAMIL	42201-0311591-7	MUHAMMAD TAQI	411	445	37	893	205	445	37	687
127	BALOGH EXPRESS COMPANY HOUSE NO. 121/1, STREET NO. 26, KHAYABAN E MUHAFFIZ, PHASE-VI, DHA, KARACHI.	ZAMIAN UL HAQ	42301-1354056-7	SARDAR AHSAN UL HAQ KHATIRAN	2,823	319	6,824	9,966	423	319	6,824	7,566
128	SALJAD BHATTI HOUSE NO. P-1546-47, ASGHAR MALL SCHEME, MURREE ROAD, RAWALPINDI.	SALJAD BHATTI	37405-4493145-3	MUHAMMAD RAFIQ	377	303	45	725	169	303	45	517
129	SIKANDAR ALI SIDDIQUI HOUSE, NEW MURAD WAHAN, LARKANA.	SIKANDAR ALI	43203-5990613-7	MOHAMMAD MURAD SHAIKH	365	282	72	719	147	282	72	501
130	MUHAMMAD AMEEN FLAT 301, 3RD FLOOR, SWEET CASTLE, PLOT 255, TIRATHDAS STREET, SOLDIER BAZAR, GARDEN EAST, KARACHI.	MUHAMMAD AMEEN	42201-3425200-7	ISMAIL	989	76	395	1,460	239	76	395	710
131	BASHIR AHMED FLAT NO. G-14, SHEESH MEHAL BUILDING, BLASIS STREET, HAQANI CHOWK, ARAM BAGH, KARACHI.	BASHIR AHMED	42301-1112532-7	GHULAM FAREED	1,043	623	185	1,851	496	623	185	1,304
132	DABAGH (PRIVATE) LIMITED 240-J, DEFENCE HOUSING SOCIETY, LAHORE.	AFFAF RAHIM	35201-7983543-7	MIAN RAHIM BUKHSH	440	66	1,287	1,793	110	66	1,287	1,463
133	SOHAIL MEHMOOD KHAN MOHALLAH MANDIR WALA, GALI PEER SARDAR, DEWAN JABRA, SHEKHUPURA.	SOHAIL MEHMOOD KHAN	42301-8576824-9	MUHAMMAD SALEEM KHAN	591	461	1,141	2,193	35	461	1,141	1,637
134	SYED KAZIM ABBAS SHAMSI PLOT NO. C-72, SECTOR-17-G, BISMILLAH COLONY, NORTH KARACHI, KARACHI.	SYED KAZIM ABBAS SHAMSI	42101-6004506-9	SYED ASHFAQ HUSSAIN	269	349	31	649	134	349	31	514
135	SULEMAN ZAFAR HOUSE NO. X-12, 19 EAST STREET, DEFENCE PHASE-I, KARACHI.	SULEMAN ZAFAR	42301-4794170-1	MUHAMMAD ZAFAR IQBAL	933	687	139	1,759	383	687	139	1,209
136	ASIF HAIDER HOUSE NO. 29/B, MOHALLA GHAZI KOT, TOWN SHIP, SECTOR D, MANSEHRA.	ASIF HAIDER	13503-7680287-9	HAIDER ZAMAN	968	589	110	1,667	243	589	110	942
137	ASAF HUSSAIN 91 K, GULISTAN COLONY, FAISALABAD.	ASAF HUSSAIN	33100-7423184-7	AKRAM HUSSAIN	405	237	108	750	193	237	108	538
138	EJAZ AHMED HOUSE NO. 13, BAIT UL RAZA COLONY, AL MUMTAZ ROAD, PAKKI THATI, SAMANABAD, LAHORE.	EJAZ AHMED	35202-5147946-5	SHEIKH NASAR AHMAD	408	230	95	733	183	230	95	508
139	ABDUL RASHEED COLONY NO. 1, HOUSE NO. 995, STREET NO. 3, KHANEWAL.	ABDUL RASHEED	36109-8463986-1	ABDUL KALEEM	333	67	301	701	163	67	301	531
140	ZULFIQAR AHMED HOUSE NO. 14/11 BLOCK N, NORTH NAZIMABAD, KARACHI.	ZULFIQAR AHMED	32202-2514989-9	MOHAMMAD ABBAS	688	212	53	953	238	212	53	503

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		Principal written off										
141	M.M. TRADINGS 1ST FLOOR, BLOCK N, AKHTAR IQBAL COMPOUND, F.B. AREA 22, KARACHI.	NIDA SHAHZAD	42101-9914708-0	SYED SHAHZAD AHMED	3,276	1,310	-	4,586	1,638	1,310	-	2,948
142	MUHAMMAD NAZEER NADEEM HOUSE NO. 76 A, BLOCK NO. 8, KHANEWAL.	MUHAMMAD NAZEER NADEEM	36103-7140249-5	MUHAMMAD SALEEM	316	306	56	678	154	306	56	516
143	AFZAL MASHI PORANI ABADI, MOHALLA SAINT PETERS CHURCH, KOT LAKHPAT, LAHORE.	AFZAL MASHI	35202-0846370-3	AMANAT MASHI	525	337	55	917	205	337	55	597
144	ABDUL WAHEED ANDROON SHEPA WALA GATE, LAHORE.	ABDUL WAHEED	35202-0412014-9	AZIZ UDIN	256	371	34	661	124	371	34	529
145	SYED MUSAWER ALI HOUSE NO. D-8, BLOCK 4, F.B. AREA, KARACHI.	SYED MUSAWER ALI	42101-4000555-7	SYED BASHIR ALI	1,186	418	108	1,712	226	418	108	752
146	WAJID KHAN NEAR JAMIA MASJID GHOSAI, HOUSE NO. 2, MOHALLA KOT AMI SINGH, KHANEWAL.	WAJID KHAN	36103-8730795-7	HAMID KHAN	448	523	44	1,015	219	523	44	786
147	MUHAMMAD ABDULLAH SHAHID HOUSE NO. 46, STREET NO. 2, SECTOR 5 J, SAEEDABAD, BALDIA TOWN, KARACHI.	MUHAMMAD ABDULLAH SHAHID	42401-2047041-5	ABDUL GAHFOOR	632	540	82	1,254	150	540	82	772
148	TANSEER AHMED HASHMI HOUSE NO. 3-A, STREET NO. 65, INDER NAGAR BASMATI ROAD, SAMANABAD, LAHORE.	TANSEER AHMED HASHMI	35202-4146289-3	MUMTAZ HASHMI	341	255	97	693	166	255	97	518
149	MUHAMMAD RAMZAN HOUSE NO. 180, STREET NO. 3, RABAN COLONY, FAISALABAD.	MUHAMMAD RAMZAN	33100-2564082-5	MUHAMMAD ASHRAF	468	373	127	968	186	373	127	686
150	MUHAMMAD AMJAD HOUSE NO. 266 D, MOHALLAH GULSHAN RAVI, LAHORE.	MUHAMMAD AMJAD	35202-5091579-3	ABDUL RASHEED	659	516	107	1,282	322	516	107	945
151	MUHAMMAD RASHID SHAIKH HOUSE NO. D/36-2645, CHOTKI GITTI, URDU BAZAR, HYDERABAD.	MUHAMMAD RASHID SHAIKH	42101-9251013-7	ABDUL RASHEED SHAIKH	507	338	76	921	247	338	76	681
152	MUHAMMAD SALEEM SHAHEEN F/2426, HIZARI MOHALLA, BHUTTO WALI GALI, NEAR NABEENA SCHOOL, INSIDE KASHMIRI GATE, LAHORE.	MUHAMMAD SALEEM SHAHEEN	35202-0271417-9	MUHAMMAD IQBAL	688	347	164	1,209	388	347	164	899
153	AHSAN MASOOD KHAN HOUSE NO. 98, DOHS, PHASE-II, MALIR CANITT, KARACHI.	AHSAN MASOOD KHAN	42501-0143296-1	MASOOD ALAM KHAN	215	15	622	852	75	15	622	712
154	SAMIA ALI 48-C, ASKARI FLATS, GULBERG-III, LAHORE.	SAMIA ALI	35202-2655860-6	MUHAMMAD AKRAM	309	658	28	995	149	658	28	835
155	RIAZ AHMED KHAN 11/8X BASTI, KOTWAL 48-T, JINNAH MARKET, NEW MULTAN, MULTAN.	RIAZ AHMED KHAN	36302-7916002-5	GHULAM FARID	449	283	61	793	219	283	61	583
156	UMER FAROOQ NEW PAK ASSOCIATE SHOP NO. 9, REHMAN PLAZA, I-10 MARKAZ, ISLAMABAD.	UMER FAROOQ	37404-9426473-5	UAZ AHMED SATTI	464	313	21	798	226	313	21	580
157	MUHAMMAD RAUF HOUSE NO. 811/8-H, NEAR DARBAR PIR GHAZI JAMAL MOHALLAH, KHAJI WALA, ALANG BOHAR GATE, MULTAN.	MUHAMMAD RAUF	36302-0338700-9	ABDUL RASHEED	225	34	457	716	110	34	457	601
158	IMRAN MUGHAL HOUSE NO. 413, MUHALLA CHAKI PARA, MIRPURKHAS.	IMRAN MUGHAL	44103-8313563-9	MIRZA YOUSUF	846	510	163	1,519	416	510	163	1,089
159	MUHAMMAD UMAR HOUSE NO. B-183, KHUDADAD COLONY, PECHSI, KARACHI.	MUHAMMAD UMAR	42201-5441577-1	GHULAM NABI	545	272	120	937	270	272	120	682

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(Rupees '000)

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		Name	NIC No.		Principal	Accrued Mark-up	Others				
160	ABDUL QADIR, HOUSE NO. E/268, NATHA KHAN GOTH, SHAH FAISAL COLONY, KARACHI.	ABDUL QADIR	42201-0468800-7	OAZI ABDUL MALIK	857	636	155	419	636	134	1,189
161	KHAWAJA ASIM KHURSHID HOUSE NO. 24, BATALA COLONY, FAISALABAD.	KHAWAJA ASIM KHURSHID	33102-1773118-1	KHAWAJA KHURSHID	1,843	1,144	2,260	-	1,144	2,260	3,404
162	MUHAMMAD SIDDIQUE 374 - AMIN TOWN, FAISALABAD.	MUHAMMAD SIDDIQUE	13101-7570585-9	AZIZ KHAN	4,187	1,700	3,019	-	1,700	3,019	4,719
163	SARDAR ALI A-685, BLOCK 17, CULIST ANLE-JOHAR LONG LIFE BANGLOWS, KARACHI.	SARDAR ALI	42201-0475730-3	HABIB ULLAH	2,603	890	2,907	-	890	2,907	3,797
164	SURIYA BEGUM 142-C-1, NESPAK EMPLOYEES CO-OPERATIVE HOUSING SOCIETY, COLLEGE ROAD, LAHORE.	SURIYA BEGUM	35202-0485930-6	NASIR HUSSAIN	3,415	1,214	2,018	-	1,214	2,018	3,232
165	MIS RINKAS PHARMACEUTICALS HOUSE NO. 176, YOUSAF ALI BLOCK, KHAYABAN-E-QAID, MULTAN ROAD MANSOORA, LAHORE.	SYED IMPRAN ALI NAOVI	35202-8947178-5	SYED ALTAF HUSSAIN	2,005	747	3,193	-	747	3,193	3,940
166	MIDLAND HOTEL (MEHRAN SAIED) HOUSE NO. 79/5, ARIF JAN ROAD, LAHORE CANTT, LAHORE.	MEHRAN SAIED	35201-5768672-1	MUHAMMAD SAIED	2,325	502	4,805	-	502	4,805	5,307
167	SHAIKH MOHAMMAD AKRAM ANSARI A-6/29, LAQUATABAD, KARACHI.	SHAIKH MOHAMMAD AKRAM ANSARI	42201-4355988-1	SHAIKH ABDUL HAMEED	2,510	1,236	3,123	-	1,236	3,123	4,359
168	ZAHIDA NASIR & NASIR AHMED BLOCK-4, B-102, WAPDA TOWN, GUJRANWALA.	ZAHIDA NASIR & NASIR AHMED	34101-6554465-4	MUHAMMAD AHMAD	1,281	623	1,399	-	623	1,399	2,022
169	MUHAMMAD AFZAL FASAL JURNALISTE UNIT NO. 7, AUTO BHAN ROAD, LATIFABAD, NEAR WAJEE HOSPITAL, HYDERABAD.	MUHAMMAD AFZAL	35202-2401740-1	QAMAR UDDIN	5,891	2,044	6,737	-	2,044	6,737	8,781
170	TAHIR IQBAL CHAUDARY 3--JINNAH BLOCK, AWAN TOWN, LAHORE.	TAHIR IQBAL CHAUDARY	35202-1649523-3	ILM U DIN AZEEM	4,041	941	5,008	-	941	5,008	5,949
171	AYAZ AHMAD USMAN WANZIL-STREET NO. 11, YOUSAF ST, MUHALLA AHMAD MUNIR, SHABIR RD, ICHRA, LAHORE.	AYAZ AHMAD	35202-5634459-4	FAYYAZ AHMED	1,730	1,110	1,890	-	1,110	1,890	3,000
172	MALIK MUHAMMAD NAWAZ HOUSE NO. 575, SAFARI VILLAS, BAHRIA TOWN, LAHORE.	MALIK MUHAMMAD NAWAZ	36302-0353141-7	MALIK MUHAMMAD SARDAR	1,730	835	2,077	-	835	2,077	2,912
173	ABDUL RAZZAK HOUSE NO. 1064, BLOCK-3, HUSAINABAD, F.B. AREA, KARACHI.	ABDUL RAZZAK	42101-6359031-1	MUHAMMAD	2,252	1,505	3,972	-	1,505	3,972	5,477
174	SAHA ENTERPRISES (PRIVATE) LTD. STREET KHTEKAN HOUSE NO. BVII, S-21 ANDROON KHYALI GATE, GUJRANWALA.	HAFIZ ATIQUE	35200-9029987-9	MUHAMMAD SIDDIQUE	3,247	884	8,681	-	884	8,681	9,565
175	JALIL AHMED HOUSE NO. 9, KACHAH SANDA ROAD, LAHORE.	JALIL AHMED	35202-8068847-7	JAMIL AHMED	1,642	749	1,980	-	749	1,980	2,729
176	WAWA SWEETS & BAKERS MUSLIM STREET GALL, CHOWK ISLAMABAD, SJAL KOT.	MUHAMMAD AMJAD	34603-9660397-3	ABDUL LATIF	3,590	795	9,332	-	795	9,332	10,127
177	SHAZIA NAEEM 532-16-B-1, AKBAR CHOWK COLLEGE RD, LAHORE.	SHAZIA NAEEM	224-92-224146	MUHAMMAD NAEEM	1,157	506	2,510	-	506	2,510	3,016
178	UNITED SYSTEMS CORPORATION - (2ND TRENCH) J-303, UNISCO PLACE, MURREE ROAD, RAWALPINDI.	ABDUL MAJEED	37405-9697166-9	MUHAMMAD SIDDIQUE	2,573	614	3,789	-	614	3,789	4,403
179	MUHAMMAD HANIF PLOT NO. 2/186, GARDEN RESIDENCY, GARDEN EAST KARACHI.	MUHAMMAD HANIF	42201-1812354-3	HAJI USMAN	2,990	1,574	3,820	-	1,574	3,820	5,394
180	MOHAMMAD ASLAM VILLAGE CHAK SHAHZADPURA TEHSEEL P.O. SHAHPUR SADDAD, SARGODHA.	MOHAMMAD ASLAM	38404-6639961-7	MUHAMMAD DIN	2,027	571	2,201	-	571	2,201	2,772

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		Name	NIC No.		Principal	Accrued Mark-up					Principal written off	
						Others	Total					
181	MALIK TARIQ ALI HOUSE NO. 9, ST. NO. 23, PAK NAGAR, MISRI SHAH, LAHORE.	MALIK TARIQ ALI	35202-6874691-7	MALIK GHULAM NABI	967	575	1,754	3,296	-	575	1,754	2,329
182	MUHAMMAD ARSHAD RAZI 19-LODGE, ROAD 4, PALM STREET OLD ANARKALI, LAHORE.	MUHAMMAD ARSHAD RAZI	35202-0647220-5	MUHAMMAD RAFIQ	1,259	502	1,450	3,211	-	502	1,450	1,952
183	YASIR RAHIM FLAT NO AT-50, SUNNY HEIGHTS, BLOCK NO. 10-A, GULSHAN-E-IOBAL, KARACHI.	YASIR RAHIM	42201-1167249-9	ABDUL RAHIM SHEIKH	2,903	678	291	3,872	-	678	291	969
184	SYED ABDUR REHMAN A-482, BLOCK-H, NORTH NAZIMABAD, KARACHI.	SYED ABDUR REHMAN	42101-1428666-9	SYED ABDUL RASHEED	2,430	526	81	3,037	-	526	81	607
185	MUZAMMIL AHSAN RIZVI B-63, BLOCK-K-15, GULSTAN-E-JOHAR, KARACHI.	MUZAMMIL AHSAN RIZVI	42201-0320900-9	MUZAMMIL AHSAN/NIDA	3,244	508	272	4,024	-	508	272	780
186	MUHAMMAD JAMIL HOUSE NO. 131-D-2, GULSHAN RAVI, LAHORE.	MUHAMMAD JAMIL	35202-9904872-5	BASHIR AHMAD	1,912	984	-	2,896	-	984	-	984
187	ABDUL ALI URUF YASIR FLAT-18, BLOCK-6, HAZRA BUILDING MIR KARAMI ALI ROAD, KARACHI.	ABDUL ALI URUF YASIR	36302-0935566-9	NOMAN BHAI	2,745	1,081	-	3,826	-	1,081	-	1,081
188	MUHAMMAD HANIF ANJUM HOUSE NO. 5-B, STREET NO. 6, RASHEED PARK SCHEME, MOR BESIDE PSO PETROL PUMP WALLI GALLI, LAHORE.	MUHAMMAD HANIF ANJUM	35202-3192695-3	AHMED KHAN	1,604	920	2,327	4,851	-	920	2,327	3,247
189	SYED IFTIKHAR HUSSAIN JAFFRI HOUSE NO. B-22, SHADMAN TOWN, MALIR, KARACHI.	SYED IFTIKHAR HUSSAIN JAFFRI	42201-7905337-1	SYED MAZHAR HUSSAIN JAFFRI	100	688	326	1,114	-	688	326	1,014
190	ATHER HUSSAIN HOUSE NO. F-65-B, PCHS DEFENCE GHAZI ROAD, DHA LAHORE CANTT, LAHORE.	ATHER HUSSAIN	35201-1366049-5	MURTAZA HUSSAIN	5,347	764	402	6,513	-	764	402	1,166
191	MUHAMMAD MUSHTAQ TALAGANG ROAD, MOHALLAH FAISAL COLONY CHAKWAL.	MUHAMMAD MUSHTAQ	37201-7587958-1	MUHAMMAD RAFIQUE	1,277	887	362	2,526	-	887	362	1,249
192	MUHAMMAD KHAWAR MEHMOOD HOUSE NO. B-1-230, MUJAHIDABAD JHELUM.	MUHAMMAD KHAWAR MEHMOOD	37301-8218945-1	MUHAMMAD KHAN	300	764	264	1,328	-	764	264	1,028
193	TALAT MEHMOOD HOUSE NO. 166, A-1 SECTOR, F 2 MIRPUR AK, MIRPUR.	TALAT MEHMOOD	81302-3231530-3	MUHAMMAD ASLAM MIR	8,001	682	-	8,683	-	682	-	682
194	MIRAJ ALI HOUSE NO. 12, STREET NO. 7, NISHAT PARK, BADAMI BAGH, KHOKHAR ROAD, LAHORE.	MIRAJ ALI	35202-8814941-1	MUBARIK ALI	2,454	1,134	1,281	4,869	-	1,134	1,281	2,415
195	IMRAN HOUSE NO. B-78, BLOCK-12, GULISTAN-E-JOHAR KARACHI.	IMRAN	42201-0798360-5	MUHAMMAD ISHAQ	932	1,059	237	2,228	-	1,059	237	1,296
196	NAJAM UL ARIFIN HOUSE NO. 23, PARAN HOUSING SOCIETY, HAIDER ALI ROAD, BAHADURABAD, KARACHI.	NAJAM UL ARIFIN	42201-6796899-5	SHAMS UL ARIFIN	4,942	1,197	213	6,352	-	1,197	213	1,410
197	MUHAMMAD JAMAL REHMAN BUILDING, FLAT NO. LSB-6, STREET NO. 4, BLOCK-10, GULSHAN-E-IOBAL, KARACHI.	MUHAMMAD JAMAL	42201-6545062-3	LATIF UR REHMAN	995	1,456	214	2,665	-	1,456	214	1,670
198	NAVEED HOUSE NO. 134, AREEA WELFARE COLONY, HOUSE NO. B-71, COMMERCIAL AREA, HASRAT, MOPHANI COLONY, MANGHOPIR RAOD, KARACHI.	NAVEED	42201-4814232-3	SAEED AHMED KHAN	642	536	215	1,393	-	536	215	751
199	ABRAR AHMED HOUSE NO. B-71, COMMERCIAL AREA, HASRAT, MOPHANI COLONY, MANGHOPIR RAOD, KARACHI.	ABRAR AHMED	42401-2932998-1	IOBAL AHMED	1,868	514	571	2,953	-	514	571	1,085

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		Name	NIC No.		Principal	Accrued Mark-up	Others			
200	RUBINA HUMAYUN FLAT A-7, ZAFREEN HEIGHTS, BLOCK-7, GULISTAN E JOHAR, KARACHI.	RUBINA HUMAYUN	42201-0529906-8	HUMAYUN FERDZ	2,901	1,322	-	1,322	-	1,322
201	SARFARAZ ASIF FLAT NO. E 23, 3RD FLOOR, RAFI MANSION, SHAH-E FAISAL, KARACHI.	SARFARAZ ASIF	36302-0463756-5	SHARIF MASHI URF ASIM GUL	4,337	2,288	656	2,288	656	2,944
202	RAZZAQ AHMED JOLANA HOUSE, JOLANA POST OFFICE, MANDI BAHAUDDIN, PUNJAB.	RAZZAQ AHMED	34402-6466803-5	MIAN KHAN	1,984	1,429	-	1,429	-	1,429
203	SHARIF KHAN HOUSE NO. 3, GALI NO. 1, GOLDEN TOWN, SURVEY 87, WIRELESS GATE, MALIR, KARACHI.	SHARIF KHAN	42201-5253730-3	ZAREEF KHAN	876	606	283	606	283	889
204	ARSHAD ALI HOUSE NO. A-93, SECTOR 9/E, BANARAS TOWN, ORANGI TOWN, KARACHI.	ARSHAD ALI	42401-9478715-9	AKBER ALI	1,952	1,219	332	1,219	332	1,551
205	AHTSHAM AHMAD HOUSE NO 121, BLOCK-P COLONY MULTAN ROAD, LAHORE.	AHTSHAM AHMAD	35202-2811939-7	MIRZA ALLAH DIITA	2,848	1,431	490	1,431	490	1,921
206	SOHAIL SARWAR BUTT 67/B, GULBERG-III, LAHORE.	SOHAIL SARWAR BUTT	35202-5322868-3	GHULAM SARWAR BUTT	3,308	1,486	427	1,486	427	1,913
207	TABISH NAEEM FLAT NO. 4, SECOND FLOOR, KULSOM APARTMENT, GULZAR-E-ZAHOOR, KARACHI.	TABISH NAEEM	42301-0770429-3	MOHAMMAD NAEEM QURESHI	1,845	1,629	846	1,629	846	2,475
208	ABDUL WAHEED HOUSE NO 1, D-357, STREET NO. 3, NASEERABAD, RAWALPINDI.	ABDUL WAHEED	37405-2968126-9	ABDUL AZIZ	980	908	273	908	273	1,181
209	KASHIF MAHMOOD E-279, STREET-2, FANCY PARK, KORAY STOP, WALTON ROAD, LAHORE.	KASHIF MAHMOOD	35201-3248882-3	KHALID MEHMOOD	2,073	1,247	800	1,247	800	2,047
210	COTTEX TRADERS 1002 TRADE CENTRE, 10TH FLOOR, I, I CHUNDRIGAR ROAD, KARACHI.	ASLAM HASHMI	42000-0586624-5	MUHAMMAD YASMEEN HASHMI	22,784	10,626	-	10,626	-	10,626
211	NIZAM AHMED COCA COLA, NEW AGENCY 45/A, NEAR MEHMOOD SWEET MARKET, SHAH FAISAL COLONY NO. 5, Y-2 LAST STOP, KARACHI.	NIZAM AHMED	42201-4673612-1	EIDOO	782	1,238	-	1,238	-	1,238
212	MUHAMMAD RIAZ HOUSE NO. R-1600, MOHALLAH GALI-17, SECTOR-16, GULSHAN E BIHAR, ORANGI TOWN, MUSTAN BABA, KARACHI.	MUHAMMAD RIAZ	42401-1695491-3	MUHAMMAD KALO	2,498	1,792	-	1,792	-	1,792
213	UNITED CARPET INDUSTRY 5-10 AND B-11, LUMBER GROUND FLOOR, PANORAMA CENTRE, SADDAR, KARACHI.	MOHUDDIN ANSARI	42301-0694507-9	SHAMS UDDIN AHMED	9,898	7,137	-	7,137	-	7,137
214	MEHMOOD AND SONS 27/1, ALI PARK, PECO ROAD, LAHORE.	TAHIR MEHMOOD	35201-7620366-7	ANAYAT ULLAH KHOKHAR	1,320	971	1031	971	1,031	2,002
215	CRESENT ASSOCIATES 1ST FLOOR, KOHSAR PLAZA, F-10 MARKAZ, ISLAMABAD.	JAVED IQBAL	61101-9136918-9	MUHAMMAD SHAFI	1,368	961	-	961	-	961
216	JAVAD KHAN CHUK NO. 222 RAB, STREET NO. 2, NAWABAWALA, FAISALABAD.	MUHAMMAD JAVED KHAN	33100-5726227-1	RANA LAL KHAN	1,000	926	-	926	-	926
217	AWAIS PAK TEXTILE RASPUR HOUSE, DANISH PURA, SAMUNDARI, DIST. FAISALABAD.	KHALID MEHMOOD RANA	33105-7592153-1	RANA FAQIR MUHAMMAD	1,000	1,098	-	1,098	-	1,098
218	MIAN WAQAR AHMED HOUSE NO. 81-H, MODEL TOWN, LAHORE.	MIAN WAQAR AHMED	35202-3912498-9	MIAN ABDUL RASHEED	786	758	-	758	-	758

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		Name	NIC No.		Principal	Accrued Mark-up	Total					
							Others	Total				
219	CHERRY INDUSTRIES 1ST FLOOR, KOHSAR PLAZA, F-10 MARKAZ, ISLAMABAD.	JAVED IQBAL	61101-9136918-9	MUHAMMAD SHAFI	3,016	2,780	-	5,796	-	2,780	-	2,780
220	PIXELS PRIVATE LTD OFFICE NO. 7, 2ND FLOOR, CITY ARCADE, I-8 MARKAZ, ISLAMABAD.	TARIQ KHAN	61101-3475917-9	ABDUL AHAD KHAN	774	536	-	1,310	-	536	-	536
221	NAQSH-E-LASANI TENT SERVICE HOUSE NO. 343, G-BLOCK, REHMAN PURA, LAHORE.	ABDUL SATTAR	35202-2737451-1	GHULAM MUHAMMAD	2,000	1,051	-	3,051	-	1,051	-	1,051
222	FILLY INTERNATIONAL PARIS ROAD, STREET NO. 5, PORAN NAGAR, SIALKOT.	KHALID MEHMOOD	34603-4106030-3	BARKAT ALI	753	509	-	1,262	-	509	-	509
223	MAZHAR A. MUFTI HOUSE NO. 119, STREET NO. 11, SECTOR E-7, ISLAMABAD.	MAZHAR A. MUFTI	61101-6796454-9	SYED INAMI ALI MUFTI	2,489	1,223	-	3,712	-	1,223	-	1,223
224	MIAN GOLD SMITH HOUSE NO. 83, STREET NO. 1, MIRAJ PARK, HASSAN TOWN, MULTAN ROAD, LAHORE.	JAVED IQBAL	36302-0364198-7	MUHAMMAD IBRAHIM	1,700	1,545	-	3,245	-	1,545	-	1,545
225	CHENAB COLD STORAGE SHABIRPUR, WAZIRABAD, TEHSIL GUJRAWALA.	MUHAMMAD ADEEL	34104-6924534-3	MUHAMMED AKEEL	722	596	-	1,318	-	596	-	596
226	SNS POULTRIES BARKI ROAD, HADIYARA, LAHORE.	KHAWAJA REHAN	35200-1528900-5	KHAWAJA PERVAIZ HUSSAIN	2,415	2,419	-	4,834	-	2,419	-	2,419
227	KHAWAJA AUTO TRADERS SHOP NO. 21-22, KAUSAR CENTRE, MAIN CIRCULAR ROAD, BADAMI BAGH, LAHORE.	RANA SAEED	35202-0828354-9	MUHAMMAD SIDDIQUE	6,000	4,608	-	10,608	-	4,608	-	4,608
228	MUDASSAR PAPER MERCHANT SHOP NO.13, GALI NO. 5, MACHLI MANDI, URDU BAZAR, LAHORE.	JALIL AHMED	35202-8069847-7	JAMIL AHMED	899	890	40	1,829	-	890	40	930
229	FAZAL KAREEM FAZAL KAREEM BARAILAF SALE CENTRE, NEW FRUIT & VEGETABLE MARKET, SCHOOL BAZAR PULL, RAHMATYAR KHAN.	FAZAL KAREEM	31303-2343855-7	BARKAT ALI	2,496	1,283	-	3,779	-	1,283	-	1,283
230	GULRAIZ KHAN HAKIM HOUSE, HAKIMABAD, POST OFFICE, NOWSHERA.	GULRAIZ KHAN	17201-7072027-5	ABDUL HAKIM KHAN	1,372	3,257	-	4,629	-	3,257	-	3,257
231	SHER RABBANI RICE MILLS M.A. JINNAH ROAD, SHADMAN COLONY, OKARA.	MUHAMMAD IRSHAD	35302-2004887-5	NAZIR AHMED	11,095	4,032	-	15,127	-	4,032	-	4,032
232	ZEENAT GARMENTS AL-MUSTAFA HOUSE, SHAMAS PURA, NEAR HIGHWAY, REST HOUSE, CHICHA WAINI, SAHIALWAL.	IRSHAD GUL	36501-5477727-0	GUL KHAN	932	807	-	1,739	-	807	-	807
233	ALAZIZ AGRICULTURE CHAZZO 365, POST OFFICE LAL, SOHATRA, BAHAWALPUR.	MUHAMMAD ASIF	31202-0279329-9	ABDUL AZIZ	900	1,945	-	2,845	-	1,945	-	1,945
234	GONDAL TRADERS GHUNIAN NAU POST OFFICE, KAMOKI DISTRICT, GUJRAWALA.	IMRAN ASLAM	34102-3685256-5	MUHAMMAD ASLAM GONDAL	996	608	-	1,604	-	608	-	608
235	MUNAWER ALI B-2203/3, CHUKAR DHUK ROAD, BHATTI STREET, SUKKUR.	MUNAWER ALI	46504-0255615-7	MUHAMMAD ANWAR URF BUNDOO	1,321	1,092	-	2,413	-	1,092	-	1,092
236	MISRI SHAH PETROLIUM WASSERPUR PALI COLONY, BEHIND CAPITAL CINEMA, TANDO ALLAHYAR.	MUKHTAR AHMED KAMRAN	41307-9892768-5	DARRAB KHAN	1,343	1,282	-	2,625	-	1,282	-	1,282
237	NEW PRINCE PHOTO STUDIO MAIN BAZAR, LALAMUSA TEHSIL, KHARIAN, DISTRICT GUJRAT.	MUHAMMAD IQBAL	34202-2122676-5	HATIM ALI	1,284	993	-	2,277	-	993	-	993

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		Name				Principal	Accrued Mark-up	Others				
238	AL-ZAMIN LEASING 816, 6TH FLOOR, PROGRESSIVE PLAZA, BEAMOUNT ROAD, C-3-C, 12TH LANE, ITTEHAD COMMERCIAL PHASE-II, EXT. D.H.A, KARACHI.	(I) NUSRAT YAR AHMAD (II) MUHAMMAD ZAHID (III) AMER SAEED (IV) REHMAN GHANI (V) FIRASAT ALI		(I) 42301-4241881-7 (II) 33102-1817745-5 (III) 42301-6373132-9 (IV) 42301-5250481-9 (V) 42301-3598846-5	(I) IFTIKHAR AHMED CHAUJHRY (II) MUHAMMAD SHARIF (III) ANWER SAEED (IV) MUHAMMAD AWKAD HUSSAIN (V) FARWAN ALI	700	-	-	700	-	-	700
239	MEHMOOD GHUJORI TRADE HOUSE NO. 3/268, MUNSHI MUHALLAH, MANDI BAHAUDDIN.	MEHMOOD ALI		34402-1710698-7	FATEH MUHAMMAD	997	881	-	1,878	881	-	881
240	MUWAHID HUSSAIN MOUJ DARYA ROAD, TANDO ALLAHYAR.	MUWAHID HUSSAIN		454-70-065441	HUSSAIN	2,999	1,461	-	4,460	1,461	-	1,461
241	ABDUL WAHEED ARAIN WAHEED COLD STORAGE, PLOT NO. A/51-D, SITE AREA HYDERABAD, NEAR MUHAMMADI CHOWK, HYDERABAD.	ABDUL WAHEED ARAIN		41303-4763550-3	ABDUL RAZZAQ ARAIN	4,756	2,135	-	6,891	2,135	-	2,135
242	MUHAMMAD ADNAN HOUSE NO. 165, SECTOR NO. 7-D-4, NORTH KARACHI, KARACHI.	MUHAMMAD ADNAN		41204-0948620-9	JAMAL UDDIN	1,770	1,470	-	3,240	1,470	-	1,470
243	SYED SHAMIM HAIDER NAQVI HOUSE NO. B-131, BLOCK NO. 7, GULISTAN-E-JOHAR, BEHIND KFC AND GHAZALA MARRIAGE LAWN, KARACHI.	SYED SHAMIM HAIDER NAQVI		42201-1881409-5	SYED MUHAMMAD HAIDER NAQVI	1,741	1,572	-	3,313	1,572	-	1,572
						1,934,752	869,177	161,876	2,965,805	684,118	136,569	1,031,527



Taking
Off...



NIB Bank Limited
Annual Report 2013

Consolidated Financial Statements
For the year ended December 31, 2013



Auditors' Report to the Members

We have audited the annexed consolidated financial statements comprising consolidated statement of financial position of NIB Bank Limited and its subsidiary companies as at 31 December 2013 and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated cash flow statement together with the notes forming part thereof, for the year then ended. These financial statements include unaudited certified returns from the branches, except for 27 branches, which have been audited by us. We have also expressed separate opinions on the financial statements of NIB Bank Limited and its subsidiary company PICIC Asset Management Company Limited (PICIC AMC) except for PICIC Stock Fund which was audited by other firm of auditors whose report has been furnished to us and our opinion, in so far as it relates to the amounts included for such company, is based solely on the report of such other auditors. These financial statements are responsibility of the Holding Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was conducted in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements present fairly the financial position of NIB Bank Limited and its subsidiary companies as at 31 December 2013 and the results of their operations for the year then ended.

Date: 28 February 2014
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Amir Jamil Abbasi

NIB Bank Limited
Consolidated Statement of Financial Position
As at December 31, 2013

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	Note	2013	2012 Restated (Rupees '000')
ASSETS			
Cash and balances with treasury banks	8	8,006,108	7,672,866
Balances with other banks	9	690,098	956,809
Lendings to financial institutions	10	2,127,516	3,440,910
Investments	11	60,791,885	83,802,727
Advances	12	82,025,967	71,585,896
Operating fixed assets	13	2,879,281	2,754,051
Intangible assets	14	3,166,781	3,449,976
Deferred tax assets - net	15	11,089,644	10,766,279
Other assets	16	7,516,607	6,425,663
		178,293,887	190,855,177
LIABILITIES			
Bills payable	17	2,862,663	2,430,030
Borrowings	18	51,506,673	76,179,065
Deposits and other accounts	19	104,887,731	91,094,447
Sub-ordinated loans	20	-	3,992,800
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities	21	3,337,359	2,763,271
		162,594,426	176,459,613
NET ASSETS			
		<u>15,699,461</u>	<u>14,395,564</u>
REPRESENTED BY:			
Share capital	22	103,028,512	103,028,512
Reserves		474,123	225,889
Discount on issue of shares		(45,769,623)	(45,769,623)
Accumulated loss		(41,716,290)	(43,069,410)
Shareholder's Equity		16,016,722	14,415,368
Deficit on revaluation of assets - net	23	(317,261)	(19,804)
		<u>15,699,461</u>	<u>14,395,564</u>
CONTINGENCIES AND COMMITMENTS			
	24		

The annexed notes from 1 to 43 and annexure - 1 form an integral part of these consolidated financial statements.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director



NIB Bank Limited
Consolidated Profit and Loss Account
For the year ended December 31, 2013

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	Note	2013	2012
		(Rupees '000')	
Mark-up / Return / Interest earned	25	13,171,071	13,989,306
Mark-up / Return / Interest expensed	26	9,878,141	11,125,821
Net Mark-up / Interest Income		3,292,930	2,863,485
(Reversal) / Provision against non-performing loans and advances	12.5	(751,027)	116,533
Provision / (Reversal) for diminution in the value of investments	11.12	117,399	(15,184)
Bad debts written off directly		4,451	15,632
		(629,177)	116,981
Net Mark-up / Interest income after provisions		3,922,107	2,746,504
NON MARK-UP / INTEREST INCOME			
Fee, commission and brokerage income		1,620,375	1,166,211
Dividend income		57,060	105,770
Income from dealing in foreign currencies		543,436	469,247
Gain on sale of securities - net	27	537,594	572,111
Unrealized gain on revaluation of investments classified as held-for-trading		34,468	3,277
Other income	28	113,415	78,874
Total Non Mark-up / Interest income		2,906,348	2,395,490
		6,828,455	5,141,994
NON MARK-UP / INTEREST EXPENSES			
Administrative expenses	29	5,484,765	5,331,398
Other provisions / write offs		68,702	5,239
Other charges	30	43,984	54,142
Workers welfare fund		34,587	6,700
Total Non Mark-up / Interest expense		5,632,038	5,397,479
Share of income of associates	11.10.1	915,919	695,973
Extraordinary / Unusual items		-	-
PROFIT BEFORE TAXATION		2,112,336	440,488
Taxation - Current	31	263,682	97,237
- Prior years	31	148,339	25,000
- Deferred	31	120,237	56,171
		532,258	178,408
PROFIT AFTER TAXATION		1,580,078	262,080
Accumulated loss brought forward		(43,069,410)	(43,327,728)
ACCUMULATED LOSS CARRIED FORWARD		(41,489,332)	(43,065,648)
Profit attributable to:			
Equity shareholders of the Bank		1,536,641	257,284
Minority unit holders of PICIC Stock Fund		43,437	4,796
		1,580,078	262,080
Basic / diluted earnings per share (Rupees)	32	0.15	0.02

The annexed notes from 1 to 43 and annexure - 1 form an integral part of these consolidated financial statements.

Yameen Kerai
President / Chief Executive (Acting)

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Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director

NIB Bank Limited
 Consolidated Statement of Comprehensive Income
 For the year ended December 31, 2013

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	2013	2012 Restated
	(Rupees '000')	
Profit after taxation for the period attributable to:		
Equity shareholders of the Bank	1,536,641	257,284
Minority unit holders of PICIC Stock Fund	43,437	4,796
Other comprehensive income	-	-
Items that will not be reclassified to profit or loss		
Effect of change in accounting policy with respect to accounting for actuarial gains and losses	3,153	8,647
Items that are or may be reclassified subsequently to profit or loss	-	-
Total comprehensive income for the year	1,583,231	270,727

Surplus / Deficit on Revaluation of "Available for Sale" securities is presented under a separate head below equity as "Surplus / Deficit on Revaluation of Assets" in accordance with the requirements specified by the Companies Ordinance, 1984, and the State Bank of Pakistan vide its BSD Circular 20 dated August 4, 2000 and BSD Circular 10 dated July 13, 2004.

The annexed notes from 1 to 43 and annexure - 1 form an integral part of these consolidated financial statements.

Yameen Kerai
 President / Chief Executive (Acting)

Teo Cheng San, Roland
 Chairman / Director

Tejpal Singh Hora
 Director

Muhammad Abdullah Yusuf
 Director

NIB Bank Limited
Consolidated Statement of Changes in Equity
For the year ended December 31, 2013

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	Attributable to ordinary shareholders of the Bank								
	Share capital	Discount on issue of shares	Statutory reserve (a)	Reserves		Sub Total	Non Controlling Interest	Total	
				Capital	Revenue				
			General reserve	Accumulated loss					
			(Rupees '000')						
Balance as at December 31, 2011 as previously reported	103,028,512	(45,769,623)	212,804	5,472	(43,333,909)	14,143,256	9	14,143,265	
Effect of retrospective change in accounting policy with respect to accounting for actuarial gains and losses	-	-	-	-	6,181	6,181	-	6,181	
Minority unit holders share of PICIC Stock Fund transferred to other liabilities	-	-	-	-	-	-	(9)	(9)	
Balance as at December 31, 2011 - restated	103,028,512	(45,769,623)	212,804	5,472	(43,327,728)	14,149,437	-	14,149,437	
Total comprehensive income / (loss) for the period									
Effect of retrospective change in accounting policy with respect to accounting for actuarial gains and losses	-	-	-	-	8,647	8,647	-	8,647	
Profit after taxation for the period	-	-	-	-	262,080	262,080	-	262,080	
Transfer to statutory reserve	-	-	7,613	-	(7,613)	-	-	-	
Minority unit holders share of PICIC Stock Fund transferred to other liabilities	-	-	-	-	(4,796)	(4,796)	-	(4,796)	
Balance as at December 31, 2012 - restated	103,028,512	(45,769,623)	220,417	5,472	(43,069,410)	14,415,368	-	14,415,368	
Total comprehensive income / (loss) for the year									
Effect of change in accounting policy with respect to accounting for actuarial gains and losses	-	-	-	-	3,153	3,153	-	3,153	
Profit after taxation for the year	-	-	-	-	1,580,078	1,580,078	-	1,580,078	
Minority unit holders share of PICIC Stock Fund transferred to other liabilities	-	-	-	-	(43,437)	(43,437)	-	(43,437)	
Contribution by and distribution to owners									
Share based payment transaction	-	-	-	-	61,560	61,560	-	61,560	
Transfer to statutory reserve	-	-	248,234	-	(248,234)	-	-	-	
Balance as at December 31, 2013	103,028,512	(45,769,623)	468,651	5,472	(41,716,290)	16,016,722	-	16,016,722	

(a) This represents reserve created under section 21(1)(a) of the Banking Companies Ordinance 1962.

The annexed notes from 1 to 43 and annexure - 1 form an integral part of these consolidated financial statements.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director

NIB Bank Limited
 Consolidated Statement of Cash Flows
 For the year ended December 31, 2013

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	2013	2012
	(Rupees '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,112,336	440,488
Dividend income	(57,060)	(105,770)
	<u>2,055,276</u>	<u>334,718</u>
Adjustments for non-cash items		
Depreciation	291,221	236,531
Amortization	337,944	350,661
Share based payment	61,560	-
Workers welfare fund	34,587	6,700
Gain on sale of securities	(537,594)	(572,111)
Gain on sale of operating fixed assets	(43,183)	(17,339)
(Reversal) / Provision against non-performing loans and advances	(751,027)	116,533
Bad debts written off directly	4,451	15,632
Fixed assets written off	11,737	72,890
Gain from insurance against loss of Assets	(7,416)	-
Provision / (Reversal) for diminution in the value of investments	117,399	(15,184)
Unrealized gain on revaluation of investments classified as held-for-trading	(34,468)	(3,277)
Other provisions / write offs	68,702	5,239
Share of income of associates	(915,919)	(695,973)
	<u>(1,362,006)</u>	<u>(499,698)</u>
	693,270	(164,980)
(Increase) / Decrease in operating assets		
Lendings to financial institutions	1,313,394	11,226,008
Net investments in held-for-trading securities	(135,230)	(6,912)
Advances	(9,693,495)	(10,856,548)
Other assets (excluding advance taxation)	(1,264,855)	(1,806,803)
Increase / (Decrease) in operating liabilities		
Bills payable	432,633	691,608
Borrowings	(24,672,392)	28,797,034
Deposits and other accounts	13,793,284	5,622,200
Other liabilities	328,393	191,192
	<u>(19,204,998)</u>	<u>33,692,799</u>
Income tax paid	(306,848)	(157,554)
Net cash (used in) / from operating activities	<u>(19,511,846)</u>	<u>33,535,245</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	20,659,522	(34,721,052)
Net investments in held-to-maturity securities	2,964,302	140,258
Net investments in associates	151,769	453,071
Dividend received	57,097	105,140
Payments for capital work in progress	(263,003)	(241,012)
Acquisition of property and equipment	(184,343)	(129,484)
Acquisition of intangible assets	(470)	(580)
Sale proceeds of property and equipment disposed off	82,177	32,924
Recovery from Insurance company against loss of assets	8,474	-
Net cash from / (used in) investing activities	<u>23,475,525</u>	<u>(34,360,735)</u>

NIB Bank Limited
 Consolidated Statement of Cash Flows
 For the year ended December 31, 2013

ANNUAL
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 2013

	Note	2013	2012
		(Rupees '000')	
CASH FLOWS FROM FINANCING ACTIVITIES			
Redemption of sub-ordinated loans		(3,992,800)	(1,600)
Dividend paid		(1,409)	(405)
Receipt from minority unit holders of PICIC Stock Fund		97,061	1,566
Net cash (used in) financing activities		<u>(3,897,148)</u>	<u>(439)</u>
Net increase / (decrease) in cash and cash equivalents		66,531	(825,929)
Cash and cash equivalents at beginning of the year		8,629,675	9,455,604
Cash and cash equivalents at end of the year	33	<u>8,696,206</u>	<u>8,629,675</u>

The annexed notes from 1 to 43 and annexure - 1 form an integral part of these consolidated financial statements.

Yameen Kerai
 President / Chief Executive (Acting)

Teo Cheng San, Roland
 Chairman / Director

Tejpal Singh Hora
 Director

Muhammad Abdullah Yusuf
 Director

1. STATUS AND NATURE OF BUSINESS

The "Group" consists of:

Holding Company

NIB Bank Limited (the Bank)

NIB Bank Limited "the Bank" is incorporated in Pakistan and its registered office is situated at first floor, Post Mall, F-7 Markaz, Islamabad. The Bank is listed on all the stock exchanges in Pakistan and has 179 branches (December 31, 2012: 179 branches). The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962.

The Bank is a subsidiary of Bugis Investments (Mauritius) Pte. Limited which is a wholly owned subsidiary of Fullerton Financial Holdings Pte. Limited which in turn is a wholly owned subsidiary of Temasek Holdings, an investment arm of the Government of Singapore.

Subsidiary Companies

PICIC Asset Management Company Limited (PICIC AMC)

PICIC AMC is a wholly owned subsidiary of the Bank and is an unquoted public limited company with principal business to carry out investment advisory services and asset management services. The Bank acquired interest in PICIC AMC by virtue of acquisition and amalgamation of Pakistan Industrial Credit and Investment Corporation Limited (PICIC) as of June 30, 2007.

PICIC Stock Fund (PSF)

The Group maintains 57.54% interest in the PSF. PSF is an open ended mutual fund approved by the Securities and Exchange Commission of Pakistan (SECP) and is listed on the Islamabad Stock Exchange (Guarantee) Limited. The units of the PSF are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the PSF. The investment objective of the Fund is to provide investors a diversified equity portfolio with a primary objective of maximizing risk adjusted returns over longer investment horizon through a combination of capital gains and dividend income.

Financial and Management Services (Private) Limited (FMSL)

The Group acquired 95.89% interest in FMSL by virtue of acquisition and amalgamation of PICIC.

2. BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.

These consolidated financial statements have been presented in Pakistan Rupees, which is the Group's functional and presentation currency. The amounts are rounded off to the nearest thousand rupees.

3. STATEMENT OF COMPLIANCE

- 3.1 These consolidated financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 and the directives issued by the SBP. In case the requirements differ, the provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Ordinance, 1984 and the directives issued by the SBP shall prevail.

3.2 SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property for banking companies till further instructions. Further, according to a notification of the Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, 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 consolidated financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after January 1, 2014:

- IFRIC 21- Levies 'an Interpretation on the accounting for levies imposed by governments' (effective for annual periods beginning on or after January 1, 2014). IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after January 1, 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 "Financial Instruments: Presentation". The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.
- Amendment to IAS 36 "Impairment of Assets" Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after January 1, 2014). These narrow-scope amendments to IAS 36 "Impairment of Assets" and address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.
- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" Continuing hedge accounting after derivative notations (effective for annual periods beginning on or after January 1, 2014). The amendments add a limited exception to IAS 39, to provide relief from discontinuing an existing hedging relationship when a notation that was not contemplated in the original hedging documentation meets specific criteria.
- Amendments to IAS 19 "Employee Benefits" Employee contributions – a practical approach (effective for annual periods beginning on or after July 1, 2014). The practical expedient addresses an issue that arose when amendments were made in 2011 to the previous pension accounting requirements. The amendments introduce a relief that will reduce the complexity and burden of accounting for certain contributions from employees or third parties. The amendments are relevant only to defined benefit plans that involve contributions from employees or third parties meeting certain criteria.

Annual Improvements 2010-2012 and 2011-2013 cycles (most amendments will apply prospectively for annual period beginning on or after July 1, 2014). The new cycle of improvements contain amendments to the following standards:

- IFRS 2 "Share-based Payment". IFRS 2 has been amended to clarify the definition of 'vesting condition' by separately defining 'performance condition' and 'service condition'. The amendment also clarifies both: how to distinguish between a market condition and a non-market performance condition and the basis on which a performance condition can be differentiated from a vesting condition.
- IFRS 3 "Business Combinations". These amendments clarify the classification and measurement of contingent consideration in a business combination. Further IFRS 3 has also been amended to clarify that the standard does not apply to the accounting for the formation of all types of joint arrangements including joint operations in the financial statements of the joint arrangement themselves.
- IFRS 8 "Operating Segments" has been amended to explicitly require the disclosure of judgments made by management in applying the aggregation criteria. In addition, this amendment clarifies that a reconciliation

of the total of the reportable segment's assets to the entity assets is required only if this information is regularly provided to the entity's chief operating decision maker. This change aligns the disclosure requirements with those for segment liabilities.

- Amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets". The amendments clarify the requirements of the revaluation model in IAS 16 and IAS 38, recognizing that the restatement of accumulated depreciation (amortization) is not always proportionate to the change in the gross carrying amount of the asset.
- IAS 24 "Related Party Disclosure". The definition of related party is extended to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity.
- IAS 40 "Investment Property". IAS 40 has been amended to clarify that an entity should assess whether an acquired property is an investment property under IAS 40 and perform a separate assessment under IFRS 3 to determine whether the acquisition of the investment property constitutes a business combination.

4. BASIS OF MEASUREMENT

These consolidated financial statements have been prepared under the historical cost convention, except for the measurement of certain investments and commitments in respect of forward foreign exchange contracts and other forward contracts that are stated at revalued amounts / fair values, staff retirement benefits (Gratuity) which are stated at present value and certain financial assets that are stated net of provisions.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates that affect the reported amounts of assets, liabilities, income and expenses. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Group's financial statements or where judgment was exercised in application of accounting policies are as follows:

5.1 Classification of Investments

Held-to-maturity securities

As described in note 6.5, held-to-maturity securities are investments where the management has positive intent and ability to hold to maturity. The classification of these securities involves management judgment as to whether the financial assets are held-to-maturity investments.

Held-for-trading securities

Investments classified as held-for-trading are those which the Group has acquired with an intention to trade by taking advantage of short term market / interest rate movements and are to be sold within 90 days.

Available-for-sale securities

Investments which are not classified as held-for-trading or held-to-maturity are classified as available-for-sale.

5.2 Impairment

Valuation and impairment of available-for-sale investments

The Group determines that an available-for-sale equity investment and mutual funds are impaired when there has been a significant or prolonged decline in the fair value below its cost. The determination of what is significant or prolonged requires judgment. In making this judgment, the Group evaluates, among other factors, the normal

volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology and operational and financing cash flows.

Provision for diminution in the value of Term Finance Certificates, Bonds and Sukuk is made as per the Prudential Regulations issued by the SBP.

In case of impairment of available-for-sale securities, the loss is recognized in the profit and loss account.

Impairment of non financial assets (excluding deferred tax and goodwill)

Non financial assets are subject to impairment review if there are events or changes in circumstances that indicate that the carrying amount may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the asset and the impairment loss, if any. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of future cash flows from the asset discounted at a rate that reflects market interest rates adjusted for risks specific to the asset. If the recoverable amount of an intangible or tangible asset is less than its carrying value, an impairment loss is recognized immediately in the profit and loss account and the carrying value of the asset is reduced by the amount of the loss. A reversal of an impairment loss on intangible assets (excluding goodwill) is recognized as it arises provided the increased carrying value does not exceed that which it would have been had no impairment loss been recognized.

Impairment of Goodwill

Impairment testing involves a number of judgmental areas which are subject to inherent significant uncertainty, including the preparation of cash flow forecasts for periods that are beyond the normal requirements of management reporting and the assessment of the discount rate appropriate to the business.

5.3 Provision against non-performing advances

Apart from the provision determined on the basis of time based criteria given in the Prudential Regulations of the SBP, management also applies subjective criteria of classification and accordingly the classification of an advance may be downgraded on the basis of evaluation of the credit worthiness of the borrower, its cash flows, operations in its account and adequacy of security in order to ensure accurate measurement of the provision.

5.4 Retirement Benefits

The key actuarial assumptions concerning the valuation of the defined benefit plan and the sources of estimation are disclosed in note 35.2 to these consolidated financial statements.

5.5 Operating fixed assets, depreciation and amortization

In making estimates of depreciation / amortization, the management uses method which reflects the pattern in which economic benefits are expected to be consumed by the Group. The method applied is reviewed at each financial year end and if there is a change in expected pattern of consumption of the future economic benefits embodied in the assets, the method would be changed to reflect the change in pattern.

5.6 Income Taxes

In making the estimates for income taxes currently payable by the Group, the management looks at the current income tax laws and the decisions of appellate authorities on certain issues in the past. In making the provision for deferred taxes, estimates of the Group's future taxable profits are taken into account.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated financial statements have been applied consistently and are the same as those applied in the preparation of the consolidated financial statements of the Group for the year ended December 31, 2012 (except for the change mentioned in note 6.1 below) and are enumerated as follows:

6.1 Change in accounting policy - Employee Benefits (Defined Benefit Plan)

During the current period (with effect from January 1, 2013), the Group adopted revised IAS 19, "Employee Benefits" standard and changed its basis for recognition of actuarial gains and losses. The revised IAS 19 require actuarial gains and losses to be recognized immediately in other comprehensive income. Previously, actuarial gains and losses were recognized using the 10% corridor approach as allowed under the relevant provision of IAS 19.

Revised accounting policy of employee benefits - defined benefit plan is as follows:

Defined benefit plans

The Bank operates an unfunded gratuity scheme covering all eligible employees who have attained the minimum qualifying period of five years. Eligible employees are those employees who have joined the service of the Bank on or before March 31, 2006. Provision is made in accordance with actuarial recommendations. Actuarial valuation is carried out periodically using the "Projected Unit Credit Method". Actuarial gains and losses are recognized immediately in other comprehensive income with no subsequent recycling through profit and loss accounts.

Effect of change in accounting policy

This change in accounting policy has been accounted for retrospectively in accordance with International Accounting Standard - 8 "Accounting policies, Changes in Accounting Estimates and Errors", these have resulted in restatement in prior year financial statements.

Effects of retrospective application of change in accounting policy are as follows:

Un-recognized actuarial gains and losses of prior periods have been recognized in the statement of financial position through other comprehensive income. The cumulative balance for un-recognized actuarial gains that existed as at January 1, 2012 as well as the actual amounts recognized for the year 2012 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income is presented and disclosed as part of the Statement of Comprehensive income. The Statement of Financial Position also presents the prior year numbers as restated, due to the said change.

	As at December 31, 2012		
	As previously reported	Effect of change	As Restated
	----- (Rupees '000') -----		
Effect on statement of financial position			
Decrease in payable to gratuity fund	78,416	(14,828)	63,588
Decrease in accumulated loss	43,084,238	(14,828)	43,069,410
	2013	2012	Prior to January 01, 2012
	----- (Rupees '000') -----		
Effect on other comprehensive income			
Actuarial gains reclassified to other comprehensive income	3,153	8,647	6,181

6.2 Business combinations

Business combinations are accounted for using the purchase method. Under this method, identified assets acquired, liabilities and contingent liabilities assumed are fair valued at the acquisition date, irrespective of the extent of any minority interest. The excess of cost of acquisition over the fair value of identifiable net assets acquired is recorded as goodwill.

6.3 Revenue recognition

Mark-up / Return on performing loans / advances and investments is recognized on time proportionate basis. Where debt securities are purchased at a premium or discount, such premium / discount is amortized through the profit and loss account over the remaining period of maturity using the effective interest rate method so as to produce a constant rate of return. Interest or mark-up recovered on non-performing advances is recognized on a receipt basis in accordance with the requirements of the Prudential Regulations issued by the SBP as amended from time to time.

The financing method is used in accounting for income on finance leases and hire purchase transactions. Under this method, the unearned income, i.e. the excess of aggregate lease rentals and the estimated residual value over the net investment (cost of leased assets) is deferred and then amortized to income over the term of the lease on a pattern reflecting a constant periodic rate of return on the net investment in the lease. Unrealized lease income is suspended, where necessary, in accordance with the requirements of the Prudential Regulations issued by the SBP.

Rental income from assets given on operating lease is recognized on time proportionate basis over the lease period.

Gains / Losses on termination of lease contracts, documentation charges and other lease income are recognized as income when they are realized.

Fee, commission and brokerage income is recognized at the time of performance of the service.

Dividend income is recorded when the right to receive the dividend is established.

Management fee is recognized on an accrual basis.

Capital gains / losses arising on sale of investments are included in the profit and loss account in the period in which they arise.

6.4 Grants and assistance

In terms of Kreditanstalt für Wiederaufbau (KfW) loan re-lent by the Government of Pakistan (GoP), the Bank was required to bear interest at 11 percent per annum and pay interest to the GoP at 10 percent per annum and transfer the remaining 1 percent per annum margin to a counter part fund to be used by the Bank for financing feasibility surveys, market surveys and similar investigations destined for the preparation of projects.

6.5 Investments

Investments of the Group, other than investments in subsidiaries and associates are classified as held-to-maturity, held-for-trading and available-for-sale.

Held-to-maturity

These are securities with fixed or determinable payments and fixed maturity for which the Group has the positive intent and ability to hold up to maturity.

Held-for-trading

These securities are either acquired for generating a profit from short-term fluctuations in market prices, interest rate movements, dealer's margin or are securities included in the portfolio for which there is evidence of a recent actual pattern of short-term profit taking.

Available-for-sale

These are securities which do not fall under the classification of held-for-trading or held-to-maturity securities.

Initial measurement

All "regular way" purchases and sales of investments are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales of investments are those that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Investments are initially recognized at fair value which, in the case of investments other than held-for-trading, includes transaction costs associated with the investments.

Subsequent measurement

Held-to-maturity

These are measured at amortized cost using the effective interest rate method, less any impairment loss recognized to reflect irrecoverable amounts.

Held-for-trading

These are measured at subsequent reporting dates at fair value. Gains and losses on remeasurement are included in the profit and loss account.

Available-for-sale

Quoted-securities classified as available-for-sale investments are measured at subsequent reporting dates at fair value. Any surplus / deficit arising thereon is kept in a separate account shown in the statement of financial position below equity and taken to the profit and loss account when actually realized upon disposal or when the investment is considered to be impaired.

Un-quoted equity securities are valued at the lower of cost and break-up value. A decline in the carrying value is charged to the profit and loss account. The break-up value of these equity securities is calculated with reference to the net assets of the investee company as per the latest available audited financial statements. Investments in other unquoted securities are valued at cost less impairment losses.

Provision for diminution in the value of securities (except term finance certificates) is made for impairment, if any. Provision for diminution in the value of term finance certificates is made as per the criteria prescribed by the Prudential Regulations issued by the SBP.

Investment in Associates

Investment in associates are accounted for under the equity method.

6.6 Lendings to / borrowings from financial institutions (including repurchase and resale agreements)

Securities sold subject to a repurchase agreement (repo) are retained in the financial statements as investments and the counter party liability is included in borrowings. Securities purchased under agreement to resale (reverse repo) are not recognized in the financial statements as investments and the amount extended to the counter party is included in lendings to financial institutions. In the case of the continuous funding system, transactions are shown under advances. The difference between sale and repurchase price is treated as mark-up / return expensed whereas difference between purchase and resale price is treated as mark-up / return earned.

Securities purchased with a corresponding commitment to resell at a specified future date are not recognized in the financial statements, unless these are sold to third parties, in which case the obligation to return them is recorded at fair value as a trading liability under borrowings from financial institutions.

6.7 Advances

Advances including continuous funding system and net investment in finance lease are stated net of provisions.

Provisions

Specific and general provisions are made based on an appraisal of the loan portfolio that takes into account Prudential Regulations issued by the State Bank of Pakistan from time to time. Specific provisions are made where the repayment of identified loans is in doubt and reflects an estimate of the amount of loss expected. The general provision is for the inherent risk of losses which are known from experience to be present in any loan portfolio. Provision made / reversed during the year is charged to the profit and loss account and accumulated provision is netted off against advances.

Advances are written off when there is no realistic prospect of recovery.

Net investment in finance lease

Leases include hire purchase where the Bank transfers substantially all the risks and rewards incidental to the ownership of an asset and are classified as finance leases. Net investment in finance lease is recognized at an amount equal to the aggregate of minimum lease payments and any guaranteed residual value less unearned finance income, if any.

6.8 Operating fixed assets and depreciation

Owned

Property and equipment except freehold and leasehold land is stated at cost less accumulated depreciation and accumulated impairment loss, if any. Freehold and leasehold land is stated at cost.

Depreciation is charged to income applying the straight line method over the estimated useful life of the assets while taking into account any residual value, at the rates given in Note 13.2 to the consolidated financial statements. In respect of additions and deletions to assets during the year, depreciation is charged from the month of acquisition while depreciation on disposals during the year is charged upto the month of disposal.

Normal repairs and maintenance are charged to the profit and loss account for the year as and when incurred. Major repairs and improvements are capitalized and assets so replaced are retired.

Gains and losses on disposal of property and equipment if any, are taken to the profit and loss account for the year.

Assets held under finance lease

Leasehold land is stated at cost.

Assets held under finance lease are stated at cost less accumulated depreciation. The outstanding obligations under the lease agreements are shown as a liability net of finance charges allocable to future periods. Depreciation on assets held under finance lease is charged in a manner consistent with that for depreciable assets which are owned by the Group.

Finance charges are allocated to accounting periods so as to provide a constant periodic rate of return on the outstanding liability.

Assets held under operating lease

Operating lease assets are stated at cost less accumulated depreciation and impairment, if any.

Repairs and maintenance are charged to the profit and loss account as and when incurred.

Capital work in progress

These assets are stated at cost. These are transferred to specific assets as and when assets are available for use.

6.9 Intangible assets

Intangible assets include the value of the brand, core deposit relationships and core overdraft / working capital loan relationships and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged to the profit and loss account on a straight line basis over the assets useful lives which are determined using methods that best reflect the pattern of economic benefits. The estimated useful lives are as follows:

Brand	5 years
Core deposit relationships	11 years
Core overdraft / working capital loan relationships	11 years
Management rights	Indefinite life

Management rights were stated at cost less accumulated amortization and impairment losses, if any, in PICIC AMC. Amortization was charged on straight line basis over a period of 10 years. The useful life of the management rights has been determined, post-acquisition, to be indefinite.

Computer softwares are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is carried out on the straight line method at the rates given in Note 14 to the consolidated financial statements.

6.10 Sub-Ordinated Loans

Sub-ordinated loans are initially recorded at the amount of proceeds received. Mark-up accrued on these loans is recognized separately as part of other liabilities and is charged to the profit and loss account over the period on an accrual basis.

6.11 Staff retirement benefits

Defined contribution plan

The Group operates a defined contribution provident fund for all its permanent employees. Equal monthly contributions are made to the fund by both the Group and the employees at the rate of 10% of basic salary.

6.12 Share based payment transactions

The share based payment awards granted to employees are recognized as personnel expenses at the fair value of these shares at the grant date with the corresponding increase in the equity over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non market performance conditions at the vesting date.

Grant date is the date at which the entity and the employee agree to a share based payment arrangement and required that the entity and the employee have a shared understanding of the terms and conditions of the arrangement.

6.13 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity.

Current

Provision for current taxation is based on taxable income at the current rates of taxation in accordance with the prevailing laws for taxation on income earned after taking into consideration tax credits and rebates available and any adjustments to tax payable in respect of previous years.

Deferred

Deferred tax is recognized using the balance sheet liability method on all major temporary differences as at the statement of financial position date between the amounts attributed to assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The Group records deferred tax assets / liabilities using tax rates, enacted or substantially enacted at the statement of financial position date, that are expected to be applicable at the time of their reversal.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Group recognizes a deferred tax asset / liability on deficit / surplus on revaluation of securities in accordance with the requirements of IAS 12 "Income Taxes". The related deferred tax asset / liability is adjusted against the related deficit / surplus.

The Group recognizes a deferred tax asset for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilized in accordance with the requirements of IAS 12 "Income Taxes".

6.14 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed quarterly and are adjusted to reflect the current best estimate.

6.15 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements when there is a legally enforceable right to set off the recognized amount and the Group intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously. Income and expense items relating to such assets and liabilities are also offset and the net amount is reported in the financial statements of the Group.

6.16 Dividend distribution

Dividend is recognized as a liability in the period in which it is declared.

6.17 Distributions of bonus shares and other appropriations to reserves

The Group recognizes all appropriations, other than statutory appropriations, to reserves including those in respect of bonus shares made after the statement of financial position date, in the period in which such appropriations are approved.

6.18 Foreign currencies

Transactions in foreign currencies are translated to Rupees at the foreign exchange rates prevailing at the transaction date. Monetary assets and liabilities in foreign currencies are translated into Rupees at the rates of exchange prevailing at the statement of financial position date. Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

Commitments for outstanding forward foreign exchange contracts are disclosed in these consolidated financial statements at committed amounts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Rupee terms at the rates of exchange approximating those prevailing at the statement of financial position date.

Assets against which the constituents have exercised their option to transfer exchange risk to the Group and liabilities for which the Group has exercised its option to transfer exchange risk to the Government, are translated at the rates of exchange guaranteed by the Group and the Government, respectively.

Assets, liabilities, commitments and contingent liabilities in respect of Bangladesh are translated at foreign exchange rates approximating those prevailing prior to August 15, 1971.

Exchange gains and losses are included in income currently except net unrealized exchange gain on long-term monetary items which, as a matter of prudence, is carried forward as unrealized gain in view of the uncertainty associated with its realization.

6.19 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash and balances with treasury banks and balances with other banks.

6.20 Financial instruments

All financial assets and liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the Group loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income directly. Financial assets carried on the statement of financial position include cash and bank balances, lendings to financial institutions, investments, advances and certain receivables. Financial liabilities include borrowings, deposits, bills payable and other payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the individual policy statements associated with them.

6.21 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into and subsequently these instruments are marked to market and changes in fair values are taken to the profit and loss account. Fair values are obtained from quoted market prices in active markets.

6.22 Segment reporting

A segment is a distinguishable component of the Group that is engaged in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format of reporting is based on business segments.

6.22.1 Business Segments

Corporate and Investment Banking

It represents all funded and non funded credit facilities of working capital financing including seasonal finance, trade finance, cash finance, running finance, guarantees and bills of exchange relating to corporate customers, as well as for long term expansion, BMR, Project financing, syndicated financing along with advisory, underwriting, transactional banking and IPO related activities.

Retail

It represents banking services offered to individuals and small businesses through a retail branch banking and alternate distribution network. These banking services include lending, deposits and distribution of insurance products along with other financial products and services tailored for such customers.

Small & Medium Enterprises and Commercial

It represents all funded and non funded credit facilities, deposit products & transaction services offered by the Bank to small & medium enterprises and commercial businesses operating in the manufacturing, trading, wholesale and service sectors.

Treasury

Treasury manages the asset and liability mix of the Group and provides customers with products that meet their demands for management of liquidity, cash flow, interest rate fluctuations and foreign exchange risk.

6.22.2 Geographical segments

The Group operates in Pakistan only.

6.23 Assets acquired in satisfaction of claims

The Bank acquires assets in settlement of certain advances. These are recorded at the lower of the carrying value of the related advances and the current fair value of such assets.

6.24 Deposits

Deposits are initially recorded at the amount of proceeds received. Mark-up accrued on deposits is recognized separately as part of other liabilities and is charged to the profit and loss account on a time proportionate basis.

6.25 Earnings per share

The Group presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

6.26 Fiduciary Assets

Assets held in a fiduciary capacity are not treated as assets of the Group in the statement of financial position.

7. BASIS OF CONSOLIDATION

These consolidated financial statements include the financial statements of NIB Bank Limited and its subsidiary companies - "the Group".

The assets and liabilities of subsidiary companies have been consolidated on a line by line basis and the carrying value of investment in subsidiaries held by the holding company is eliminated against the shareholders' equity in the consolidated financial statements.

Material intra-group balances and transactions have been eliminated.

Subsidiary companies are fully consolidated from the date on which more than 50% of the voting rights are transferred to the Group, or the power to control the Company is established and are excluded from consolidation from the date of disposal or when the control is lost.

Non controlling interest represents that part of the net results of operations and of net assets of the subsidiary companies that is not owned by the Group.

Financial and Management Services (Private) Limited has not been consolidated as it is not material and this investment has been fully provided.

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8. CASH AND BALANCES WITH TREASURY BANKS

	Note	2013	2012
(Rupees '000')			
In hand			
Local currency	8.1	1,855,766	2,023,711
Foreign currencies		200,561	297,579
With State Bank of Pakistan in			
Local currency current accounts	8.2	4,146,277	3,736,944
Foreign currency current account	8.3	347,571	291,449
Foreign currency deposit accounts	8.4	1,131,305	932,339
With National Bank of Pakistan in local currency current accounts		324,628	390,844
		8,006,108	7,672,866

8.1 These include National Prize Bonds of Rs. 5.495 million (2012: Rs. 6.627 million).

8.2 The current account is maintained under the requirements of Section 22 of the Banking Companies Ordinance, 1962.

8.3 This includes special cash reserve at Nil return (2012: Nil) required to be maintained with the SBP on deposits held under the new foreign currency accounts scheme.

8.4 This represents special cash reserve of 15% required to be maintained with the SBP on deposits held under the new foreign currency accounts scheme at Nil return (2012: Nil) per annum.

9. BALANCES WITH OTHER BANKS

In Pakistan			
In current accounts		86,744	99,581
In deposit accounts		126	120
Outside Pakistan in current accounts		609,969	857,108
		696,839	956,809
Provision against doubtful balances		(6,741)	-
		690,098	956,809

10. LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings		-	600,000
Repurchase agreement lendings (Reverse Repo)	10.2 & 10.3	2,127,516	2,840,910
		2,127,516	3,440,910

10.1 Particulars of Lendings

In local currency		2,127,516	3,440,910
In foreign currencies		-	-
		2,127,516	3,440,910

10.2 These represent repurchase agreement lendings to financial institutions carrying mark-up rates ranging from 9.65% to 10.80% (2012: 7.75% to 10.35%) per annum and having remaining maturities upto twenty seven days (2012: twenty five days).

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	2013			2012		
	Held by Group	Further given as collateral/sold	Total	Held by Group	Further given as collateral/sold	Total
	(Rupees '000')					
10.3 Securities held as collateral against lendings to financial institutions						
Market Treasury Bills	1,962,550	–	1,962,550	984,963	329,306	1,314,269
Pakistan Investment Bonds	164,966	–	164,966	394,409	1,132,232	1,526,641
	<u>2,127,516</u>	<u>–</u>	<u>2,127,516</u>	<u>1,379,372</u>	<u>1,461,538</u>	<u>2,840,910</u>

10.3.1 The market value of securities held as collateral against lendings to financial institutions as at December 31, 2013 amounted to Rs. 2,141.872 million (2012: Rs. 2,854.713 million).

Note	2013			2012		
	Held by Group	Given as collateral	Total	Held by Group	Given as collateral	Total
	(Rupees '000')					

11. INVESTMENTS

11.1 (a) Investments by types:

Held-for-trading securities

Ordinary shares / certificates in listed companies / modarabas	11.2	302,102	8,416	310,518	121,748	6,184	127,932
		<u>302,102</u>	<u>8,416</u>	<u>310,518</u>	<u>121,748</u>	<u>6,184</u>	<u>127,932</u>

Available-for-sale securities

Market Treasury Bills	11.2.1	12,268,930	11,139,181	23,408,111	1,896,778	47,428,597	49,325,375
Pakistan Investment Bonds	11.2.1	9,698,609	18,213,372	27,911,981	367,876	12,547,372	12,915,248
GoP Ijara Sukuk Bonds		–	–	–	9,559,180	–	9,559,180
Defense Savings Certificates	11.3	–	2,730	2,730	–	2,730	2,730
Sukuk Bonds	11.4	461,976	–	461,976	502,117	–	502,117
Cumulative Preference Shares	11.5	55,178	–	55,178	80,178	–	80,178
Ordinary Shares / Certificates in Listed Companies / Modarabas	11.6	59,614	–	59,614	167,232	–	167,232
Ordinary Shares of Unlisted Companies	11.7	66,279	–	66,279	65,872	–	65,872
Term Finance Certificates	11.8 & 11.9	2,269,443	138,493	2,407,936	1,961,670	–	1,961,670
		<u>24,880,029</u>	<u>29,493,776</u>	<u>54,373,805</u>	<u>14,600,903</u>	<u>59,978,699</u>	<u>74,579,602</u>

Held-to-maturity securities

Pakistan Investment Bonds	11.2.1	1,717,358	–	1,717,358	4,649,177	–	4,649,177
Term Finance Certificates	11.8 & 11.9	11,028	–	11,028	43,511	–	43,511
		<u>1,728,386</u>	<u>–</u>	<u>1,728,386</u>	<u>4,692,688</u>	<u>–</u>	<u>4,692,688</u>

Associates

	11.10	5,294,462	–	5,294,462	3,969,457	–	3,969,457
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Subsidiary

	11.11	724	–	724	724	–	724
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Total investments - Gross

		<u>32,205,703</u>	<u>29,502,192</u>	<u>61,707,895</u>	<u>23,385,520</u>	<u>59,984,883</u>	<u>83,370,403</u>
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Provision for diminution in value of investments

	11.12 & 11.13	(215,587)	–	(215,587)	(137,975)	–	(137,975)
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Investments - net of provisions

		<u>31,990,116</u>	<u>29,502,192</u>	<u>61,492,308</u>	<u>23,247,545</u>	<u>59,984,883</u>	<u>83,232,428</u>
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Surplus on revaluation of held-for-trading securities

		31,220	3,248	34,468	2,675	602	3,277
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(Deficit) / Surplus on revaluation of available-for-sale securities

	23	(305,001)	(429,890)	(734,891)	150,708	416,314	567,022
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Net Investments

		<u>31,716,335</u>	<u>29,075,550</u>	<u>60,791,885</u>	<u>23,400,928</u>	<u>60,401,799</u>	<u>83,802,727</u>
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	Note	2013	2012
(Rupees '000')			
11.1 (b) Investments by segments:			
Federal Government Securities			
Market Treasury Bills	11.2.1	23,408,111	49,325,375
Pakistan Investment Bonds	11.2.1	29,629,339	17,564,425
GoP Ijara Sukuk Bonds		–	9,559,180
Defense Savings Certificates	11.3	2,730	2,730
Sukuk Bonds	11.4	461,976	502,117
Cumulative Preference Shares	11.5	55,178	80,178
Fully Paid-up Ordinary Shares & Modaraba Certificates			
Listed	11.2 & 11.6	370,132	295,164
Unlisted	11.7	66,279	65,872
Term Finance Certificates			
Listed	11.8	1,656,492	1,861,907
Unlisted	11.9	762,472	143,274
Associates	11.10	5,294,462	3,969,457
Subsidiary	11.11	724	724
Total investments - Gross		61,707,895	83,370,403
Provision for diminution in value of investments	11.12 & 11.13	(215,587)	(137,975)
Investments - net of provisions		61,492,308	83,232,428
Surplus on revaluation of Held-for-trading securities		34,468	3,277
(Deficit) / Surplus on revaluation of Available-for-sale securities	23	(734,891)	567,022
Net Investments		60,791,885	83,802,727

11.2 Shares with market value aggregating to Rs. 11.664 million (2012: Rs. 6.786 million) have been pledged with the National Clearing Company Limited of Pakistan (NCCPL) as collateral against trading facility in Stock Exchange.

11.2.1 Market Treasury Bills and Pakistan Investment Bonds are eligible for rediscounting. Market Treasury Bills embody effective yields ranging from 9.14% to 10.50% (2012: 9.00% to 11.60%) with remaining maturities of 9 days to 177 days and Pakistan Investment Bonds carry mark-up ranging from 8% to 12% (2012: 8% to 12%) per annum on semi-annual basis with remaining maturities of 1.55 years to 8.55 years. Certain government securities are required to be maintained with the SBP to meet statutory liquidity requirements calculated on the basis of demand and time liabilities.

11.3 These DSCs of Rs. 2.730 million are pledged as security and carry interest rate at 12.15% per annum.

11.4 These Sukuk Bonds of Liberty Power Tech Limited carry mark-up rate of 3 months KIBOR + 300 bps and have an original maturity of 12 years.

11.5 Particulars of investment in Cumulative Preference Shares

Investee	Note	Number of Shares held		Total nominal value	
		2013	2012	2013	2012
(Rupees '000')					
Pak Elektron Limited	11.5.1	2,500,000	2,500,000	25,000	25,000
Fazal Cloth Mills Limited	11.5.2	–	2,500,000	–	25,000
Galaxy Textile Mills Limited	11.5.3	3,017,800	3,017,800	30,178	30,178
				55,178	80,178

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- 11.5.1** These preference shares carry fixed dividend of 9.5% on cumulative basis payable when and if declared by the Board of Directors. For redemption, the call option can be exercised by PEL up to 100% after three years of the issue date at 1% premium on the issue price.
- 11.5.2** These preference shares were redeemed by the company in the current year.
- 11.5.3** These preference shares are non voting and convertible into ordinary shares after 10 years. These preference shares bear a fixed return at the rate of 5% per annum that will be non cumulative for the first five years and thereafter will be cumulative from year to year.

11.6 Particulars of investment in Listed Shares / Certificates

	Number of Shares / Certificates held		Cost of investment	
	2013	2012	2013	2012
			(Rupees '000')	
Held-for-trading securities				
Aisha Steel Mills Limited	20,000	20,000	200	200
Arif Habib Corporation Limited	–	253,000	–	7,862
Attock Cement Pakistan Limited	74,000	83,924	10,912	7,716
Attock Petroleum Limited	–	8,041	–	3,875
Bank Alfalah Limited	969,000	500,000	20,415	8,956
Bank Al-Habib Limited	224,500	–	8,060	–
Cherat Cement Company Limited	285,500	119,000	16,286	4,509
D G Khan Cement Company Limited	336,000	158,000	26,310	8,000
Engro Corporation Limited	400,000	140,000	11,300	15,040
Engro Foods Limited	–	58,500	–	4,570
Fatima Fertilizer Company Limited	188,000	–	5,456	–
Fauji Fertilizer Company Limited	–	50,000	–	5,763
Habib Bank Limited	71,318	60,926	8,575	7,032
IGI Insurance Limited	28,000	–	4,617	–
Kohinoor Energy Limited	–	86,239	–	1,913
Lafarge Pakistan Cement Limited	745,000	490,000	4,108	2,740
Lucky Cement Limited	35,500	55,000	10,010	7,648
National Bank of Pakistan Limited	414,000	–	22,672	–
Nishat (Chunian) Limited	458,150	–	25,210	–
Nishat Mills Limited	215,500	170,000	21,332	9,997
Oil and Gas Development Company Limited	82,200	35,000	21,715	6,320
Pakistan Oilfields Limited	46,200	11,700	22,227	4,917
Pakistan Petroleum Limited	66,200	42,625	13,417	6,887
Pakistan State Oil Company Limited	49,100	–	16,409	–
The Hub Power Company Limited	–	237,000	–	9,771
TPL Direct Insurance Limited	79,000	–	1,946	–
TPL Trakker Limited	250,000	–	2,224	–
United Bank Limited	214,000	50,000	26,320	4,216
Wyeth Pakistan Limited	3,200	–	10,797	–
Total			310,518	127,932
Available-for-sale				
Agritech Limited	605,138	605,138	21,180	21,180
IGI Insurance Limited	770	770	–	–
Lafarge Pakistan Cement Limited (formerly Pakistan Cement Limited)	–	250,000	–	2,819
Millat Tractors Limited	–	260,892	–	97,674
Tariq Glass Industries Limited	2,710,712	3,213,212	38,434	45,559
Total			59,614	167,232
Total Listed Shares / Certificates			370,132	295,164

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	Note	Percentage of holding	Number of Shares held		Cost of Investment	
			2013	2012	2013	2012
11.7 Particulars of Unlisted Shares						
Pakistan Export Finance Guarantee Agency Limited Chief Executive: Syed Mohammad Zaeem	11.7.1	5.26%	568,044	568,044	5,680	5,680
Central Depository Company of Pakistan Limited Chief Executive: Mr. Muhammad Hanif Jakhura	11.7.2	5.00%	3,250,000	3,250,000	5,000	5,000
Crescent Capital Management (Private) Limited Chief Executive: Mr. Mahmood Ahmed	11.7.3	4.88%	100,000	100,000	1,000	1,000
Pakistan Textile City (Private) Limited Chief Executive: Mr. Zaheer A. Hussain	11.7.4	4.00%	5,000,000	5,000,000	50,000	50,000
National Investment Trust Limited Chief Executive: Mr. Manzoor Ahmed	11.7.5	8.33%	*79,200	*79,200	100	100
Sunbiz (Private) Limited Chief Executive: Mr. Nisar Ahmed	11.7.6	4.65%	10,000	10,000	1,000	1,000
SWIFT Chief Executive: Mr. Lazaro Campos	11.7.7	0.01%	**9	**9	3,499	3,092
					<u>66,279</u>	<u>65,872</u>

11.7.1 This investment is fully provided in these consolidated financial statements.

11.7.2 Value of investment, based on the net assets stated in the audited financial statements of investee company as at June 30, 2013 amounts to Rs.111.941 million (June 30, 2012: Rs. 109.794 million).

11.7.3 This investment is fully provided in these consolidated financial statements.

11.7.4 Value of investment, based on the net assets stated in the audited financial statements of investee company as at June 30, 2013 amounts to Rs. 27.241 million (June 30, 2012: Rs. 33.038 million).

11.7.5 Value of investment, based on the net assets stated in the audited financial statements of investee company as at June 30, 2013 amounts to Rs. 1,783.479 million (June 30, 2012: Rs. 1,110.902 million).

11.7.6 This investment is fully provided in these consolidated financial statements.

11.7.7 Value of investment, based on the net assets stated in the audited financial statements of investee company as at December 31, 2012 amounts to Rs. 2.970 million (December 31, 2011: Rs. 3.026 million).

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	Note	Number of Certificates held		Amortized cost	
		2013	2012	2013	2012
(Rupees '000')					
11.8	Particulars of investment in Listed Term Finance Certificates				
Investee					
		30,000	33,184	151,336	167,432
		10,000	10,000	16,269	16,269
		55,000	55,000	274,560	274,670
		217,438	223,438	1,026,065	1,078,909
		2,016	2,016	1,007	2,014
		-	6,000	-	29,964
		-	24,000	-	19,968
		-	6,000	-	7,482
		10,000	10,000	49,954	49,977
		74,888	74,888	137,301	137,454
		-	16,500	-	77,768
				<u>1,656,492</u>	<u>1,861,907</u>

11.9	Particulars of investment in Unlisted Term Finance Certificates				
		11,864	11,864	-	-
		30,400	30,400	56,590	129,070
		-	20,000	-	14,204
		200,000	-	<u>705,882</u>	<u>-</u>
				<u>762,472</u>	<u>143,274</u>

11.9.1 Last year, the Bank received 11,864 Term Finance Certificates of Rs. 5,000 each, having total value of Rs. 59.32 million in respect of overdue mark-up of Azgard Nine Limited. These certificates have been recognized at nil value in the Bank's books as per the requirement of Prudential Regulations, whereby overdue interest on classified advance accounts can only be recognized once this is received in cash.

	Holding	Number of Shares / Units / Certificates held		Total carrying value	
		2013	2012	2013	2012
(Rupees '000')					
11.10	Particulars of investment in associates				
	34.04%	96,703,821	96,703,821	1,636,562	1,223,718
	15.34%	43,482,858	43,482,858	1,627,859	1,199,566
	27.28%	31,825,782	27,172,160	428,932	298,199
	39.40%	6,412,727	6,177,815	644,403	623,835
	23.89%	8,810,607	5,591,468	887,130	561,703
	30.00%	10,499,993	10,499,993	69,576	62,436
				<u>5,294,462</u>	<u>3,969,457</u>

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11.10.1 Summarized financial information in respect of associates is set out below:

	2013					Share of profit / (loss) for the year / period
	Total assets	Total liabilities	Net assets	Total revenue	Profit / (Loss) for the year / period	
(Rupees '000')						
PICIC Investment Fund	4,988,865	180,492	4,808,373	1,270,103	1,090,849	371,278
PICIC Growth Fund	10,893,319	279,985	10,613,334	2,447,962	2,069,563	317,426
PICIC Energy Fund	1,609,091	37,033	1,572,058	534,834	474,614	130,733
PICIC Income Fund	1,651,386	15,645	1,635,741	137,800	110,265	33,302
PICIC Cash Fund	3,729,195	16,476	3,712,719	225,513	195,126	56,040
PICIC Insurance Limited	924,643	692,724	231,919	321,974	23,800	7,140
						915,919

Number of Shares / Certificates held		Total carrying value	
2013	2012	2013	2012
(Rupees '000')			

11.11 Particulars of investment in unconsolidated subsidiary

Financial and Management Services (Private) Limited	*88,850	*88,850	724	724
			724	724

Unless otherwise stated, holdings in modaraba certificates and ordinary shares are of Rs. 10 each.

* Shares / Modaraba Certificates of Face Value of Rs. 100 each

** Shares of Face Value of Euro 2,680 each

All Term Finance Certificates are of Original Face Value of Rs. 5,000 each

11.12 Particulars of provision for diminution in value of investments

	2013	2012
(Rupees '000')		
Opening balance	137,975	563,966
Charge for the year	117,399	41,566
Reversal for the year		
- Unlisted shares	-	(30,178)
- Term Finance Certificates	-	(26,572)
	117,399	(15,184)
Reversal due to sale / write off / transfer to other assets	(39,787)	(410,807)
Closing balance	215,587	137,975

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	2013		2012	
	(Rupees '000')			
11.13 Particulars of provision in respect of type and segment				
Available-for-sale securities				
- Listed shares / Certificates / Units		30,325		36,148
- Unlisted shares		30,968		24,642
- Term Finance Certificates		153,570		76,461
		<u>214,863</u>		<u>137,251</u>
Subsidiary		724		724
		<u>215,587</u>		<u>137,975</u>
		2013		2012
		<u>(Rupees '000')</u>		<u>(Rupees '000')</u>
		Rating		Rating
11.14 Quality of Available-For-Sale Securities - at Market Value				
Federal Government Securities				
Market Treasury Bills	23,374,805	Unrated	49,469,121	Unrated
Pakistan Investment Bonds	27,137,317	Unrated	13,189,754	Unrated
GoP Ijara Sukuk	–	Unrated	9,611,019	Unrated
Defense Savings Certificates	2,730	Unrated	2,730	Unrated
Sukuk Bonds	461,976	Unrated	502,117	Unrated
Cumulative Preference shares				
Pak Elektron Limited	25,000	*	25,000	BBB/A3
Fazal Cloth Mills Limited	–	–	25,000	A-/A2
Galaxy Textile Mills Limited	30,178	*	30,178	*
Ordinary shares of Listed Companies				
Agritech Limited	7,667	D	7,062	D
IGI Insurance Limited	127	AA	74	AA
Lafarage Pakistan Cement Limited (formerly Pakistan Cement Limited)	–	*	1,268	*
Millat Tractors Limited	–	*	147,289	*
Tariq Glass Limited	65,600	*	67,767	*
Ordinary shares of Unlisted Companies				
Central Depository Company of Pakistan Limited	5,000	*	5,000	*
Crescent Capital Management (Private) Limited	1,000	*	1,000	*
National Investment Trust Limited	100	AM2-	100	AM2-
Pakistan Export Finance Guarantee Agency Limited	5,680	*	5,680	*
Pakistan Textile City (Private) Limited	50,000	*	50,000	*
Sunbiz (Private) Limited	1,000	*	1,000	*
SWIFT	3,499	*	3,092	*

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	2013		2012	
	(Rupees '000')	Rating	(Rupees '000')	Rating
Term Finance Certificates				
Askari Bank Limited	151,992	AA-	181,473	AA-
Avari Hotels Limited	56,590	A-	129,070	A-
Azgard Nine Limited	8,135	D	8,135	D
Bank Alfalah Limited	294,395	AA-	297,684	AA-
Engro Fertilizer Limited (formerly Engro Corporation Limited)	1,037,571	A	1,043,227	A
Escorts Investment Bank Limited	743	BB	1,485	BB
New Khan Transport Company (Private) Limited	-	-	14,204	*
PACE Pakistan Limited	-	-	29,964	*
Pakistan Mobile Communication Limited	705,883	AA-	20,051	AA-
Summit Bank Limited	47,193	A- (SO)	47,718	A- (SO)
Telecard Limited	134,407	*	134,552	D
United Bank Limited	-	-	58,661	AA
	<u>53,608,588</u>		<u>75,110,475</u>	

* Rating not Available

	Note	2013 (Rupees '000')	2012 (Rupees '000')
12. ADVANCES			
Loans, cash credits, running finance, etc. - in Pakistan	12.1	97,043,697	89,012,593
Net investment in finance lease - in Pakistan	12.3	1,777,383	1,897,676
Bills discounted and purchased (excluding Treasury Bills)			
Payable in Pakistan		2,600,925	189,544
Payable outside Pakistan		3,161,906	3,779,947
Advances - Gross		104,583,911	94,879,760
Provision against non-performing advances - Specific	12.4	(22,488,805)	(23,214,941)
- General		(69,139)	(78,923)
	12.5	(22,557,944)	(23,293,864)
Advances - Net of provisions		<u>82,025,967</u>	<u>71,585,896</u>

12.1 This includes a sum of Rs. 72.337 million (2012: Rs. 72.337 million) representing unrealized exchange gain, which has not been recognized as income and deferred in these consolidated financial statements, in accordance with the policy of the Bank, as stated in note 6.18.

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12.2 Particulars of advances	2013	2012
	(Rupees '000')	
12.2.1 In local currency	100,775,369	90,475,126
In foreign currencies	3,808,542	4,404,634
	<u>104,583,911</u>	<u>94,879,760</u>
12.2.2 Short term (for up to one year)	93,350,797	80,114,834
Long term (for over one year)	11,233,114	14,764,926
	<u>104,583,911</u>	<u>94,879,760</u>

12.3 Net Investment in Finance Lease

	2013			Total
	Not later than one year	Later than one and less than five years	Over five years	
	(Rupees '000')			
Lease rentals receivable	1,645,136	61,750	-	1,706,886
Residual value	427,762	17,480	-	445,242
Minimum lease payments	2,072,898	79,230	-	2,152,128
Financial charges for future periods (including income suspended)	(365,024)	(9,721)	-	(374,745)
Present value of minimum lease payments	<u>1,707,874</u>	<u>69,509</u>	<u>-</u>	<u>1,777,383</u>
	2012			
Lease rentals receivable	1,759,480	15,274	-	1,774,754
Residual value	489,195	-	-	489,195
Minimum lease payments	2,248,675	15,274	-	2,263,949
Financial charges for future periods (including income suspended)	(364,675)	(1,598)	-	(366,273)
Present value of minimum lease payments	<u>1,884,000</u>	<u>13,676</u>	<u>-</u>	<u>1,897,676</u>

12.3.1 Leases include non performing loans of Rs. 1,721.768 million against which provision of Rs. 1,177.073 million has been held.

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- 12.4** Advances include Rs. 29,904.747 million (2012: Rs. 32,921.495 million), which have been placed under non-performing status as detailed below:

		2013								
Note	Classified Advances			Provision Required			Provision Held			
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total	
(Rupees '000')										
Category of Classification										
	OAEM	42,632	-	42,632	6,648	-	6,648	6,648	-	6,648
	Substandard	2,450,356	-	2,450,356	611,308	-	611,308	611,308	-	611,308
	Doubtful	571,213	-	571,213	86,598	-	86,598	86,598	-	86,598
	Loss	26,840,546	-	26,840,546	21,784,251	-	21,784,251	21,784,251	-	21,784,251
		<u>29,904,747</u>	<u>-</u>	<u>29,904,747</u>	<u>22,488,805</u>	<u>-</u>	<u>22,488,805</u>	<u>22,488,805</u>	<u>-</u>	<u>22,488,805</u>
		2012								
Note	Classified Advances			Provision Required			Provision Held			
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total	
(Rupees '000')										
Category of Classification										
	Substandard	2,521,821	-	2,521,821	342,199	-	342,199	342,199	-	342,199
	Doubtful	1,949,958	-	1,949,958	519,348	-	519,348	519,348	-	519,348
	Loss	28,449,716	-	28,449,716	22,353,394	-	22,353,394	22,353,394	-	22,353,394
		<u>32,921,495</u>	<u>-</u>	<u>32,921,495</u>	<u>23,214,941</u>	<u>-</u>	<u>23,214,941</u>	<u>23,214,941</u>	<u>-</u>	<u>23,214,941</u>

- 12.4.1** Included in the Provision required and held is an amount of Rs. 293.089 million (2012: Rs. 410.960 million) which represents provision in excess of the requirements of the State Bank of Pakistan.

- 12.4.2** In accordance with BSD Circular No. 1 dated October 21, 2011 issued by the State Bank of Pakistan, the Bank has availed the benefit of Forced Sale Value (FSV) against the non-performing advances. During the year ended December 31, 2013, total FSV benefit erosion resulted in decrease in profit before tax of Rs. 1,513.644 million. Had the benefit under the said circular not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 4,405.527 million (December 31, 2012: Rs. 5,919.171 million). The FSV benefit recognized will not be available for the distribution of cash and stock dividend to shareholders.

- 12.4.3** As per IH&SMEFD Circular No. 8 of 2013 dated May 07, 2013 issued by SBP, SME Prudential Regulations were revised and SME was broken into Small Enterprise (SE) and Medium Enterprise (ME). As a consequence, a new classification category of Other Assets Especially Mentioned (OAEM) was introduced. The circular also requires Banks to maintain General Provision against loans to SE. As a result, Bank's General provision increased by Rs. 6.355 million and Specific provision reduced by Rs. 11.883 million against SE as at December 31, 2013.

12.5 Particulars of provision against non-performing advances

Note	2013			2012		
	Specific	General	Total	Specific	General	Total
(Rupees '000')						
Opening balance	23,214,941	78,923	23,293,864	23,345,559	282,139	23,627,698
Charge for the year	2,724,727	-	2,724,727	2,858,015	-	2,858,015
Reversals	(3,465,970)	(9,784)	(3,475,754)	(2,538,266)	(203,216)	(2,741,482)
	(741,243)	(9,784)	(751,027)	319,749	(203,216)	116,533
Amounts written off - Net (includes recovery of earlier written-off Retail loans)	125,609	-	125,609	(450,367)	-	(450,367)
Amount transferred to Other Assets / Other Liabilities	(110,502)	-	(110,502)	-	-	-
Closing balance	<u>22,488,805</u>	<u>69,139</u>	<u>22,557,944</u>	<u>23,214,941</u>	<u>78,923</u>	<u>23,293,864</u>
12.5.1 Particulars of provision against non-performing advances - currency wise						
In local currency	22,488,805	69,139	22,557,944	23,214,941	78,923	23,293,864
In foreign currencies	-	-	-	-	-	-
	<u>22,488,805</u>	<u>69,139</u>	<u>22,557,944</u>	<u>23,214,941</u>	<u>78,923</u>	<u>23,293,864</u>

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	Note	2013	2012
		(Rupees '000')	
12.6 Particulars of write offs / (write backs):			
12.6.1 Against provisions (includes recovery of earlier written-off Retail loans)		(125,609)	450,367
Directly charged to profit and loss account		4,451	15,632
		<u>(121,158)</u>	<u>465,999</u>
12.6.2 Write offs of Rs. 500,000 and above	12.7	210,840	345,504
Write offs of below Rs. 500,000 (includes recovery of earlier written-off Retail loans)	12.7	(331,998)	120,495
		<u>(121,158)</u>	<u>465,999</u>

12.7 Details of loan write offs of Rs.500,000 and above

In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written off loans or any financial relief of five hundred thousand rupees or above allowed to person(s) during the year ended December 31, 2013 is given in Annexure 1. However, this write off does not affect the Bank's right to recover these debts from any of its customers.

12.8 Particulars of loans and advances to directors, associated companies etc.

Debts due by directors, executives or officers of the Group or any of them either severally or jointly with any other persons:

Balance at the beginning of the year	1,415,450	1,218,120
Additions during the year	752,182	673,381
Repayments during the year	(682,170)	(476,051)
Balance at the end of the year	<u>1,485,462</u>	<u>1,415,450</u>

Debts due by controlled firms, managed modarabas and other related parties:

Balance at the beginning of the year	21,951	24,997
Loans granted during the year	5,326	1,069
Repayments during the year	(2,401)	(4,115)
Balance at the end of the year	<u>24,876</u>	<u>21,951</u>

13. OPERATING FIXED ASSETS

Capital work in progress	13.1	248,527	128,814
Property and equipment	13.2	2,630,754	2,625,237
		<u>2,879,281</u>	<u>2,754,051</u>

13.1 Capital work in progress

Civil works	64,359	7,971
Electrical, office and computer equipment	58,770	53,681
Advances to suppliers and contractors	51,048	19,021
Advance for computer software	74,350	48,141
	<u>248,527</u>	<u>128,814</u>

13.2 Property and Equipment

2013

Particulars	Note	C O S T		DEPRECIATION		Net Book value as at		Rate of depreciation % per annum
		As at January 01, 2013	As at December 31, 2013	Accumulated as at January 01, 2013 (on Deletions)	For the year / Adjustment (Write-offs)	Accumulated as at December 31, 2013	December 31, 2013	
(Rupees '000)								
Freehold land		336,617	-	-	-	-	317,697	-
Leasehold land	13.2.3	1,064,456	(18,920)	15,634	-	-	1,048,822	-
Buildings on freehold land		584,330	(13,157)	247,258	27,807 (3,947)	-	374,518	5%
Buildings on leasehold land		162,573	-	48,595	7,871 (710)	-	106,817	5%
Furniture and fixtures		233,067	6,580 (10,848)	125,900	21,993 (7,028)	-	76,661	10%
Electrical, office and computer equipment		1,337,344	198,750 (60,217)	972,538	179,130 (56,827)	-	380,629	10% to 33%
Vehicles		47,908	6,160 (29,085)	32,109	6,599 (24,440)	-	10,715	20%
Leasehold Improvements		774,426	62,791 (301)	473,450	47,821 (234)	-	314,895	10%
		4,540,721	274,281 (132,528)	1,915,484	291,221 (92,476)	(11,335)	2,630,754	

13.2.1 Included in cost of property and equipment are fully depreciated items still in use having cost of Rs. 909.704 million (2012: Rs. 837.893 million).

13.2.2 Carrying amount of temporarily idle property is Rs. 812.378 million (2012: Rs. 885.609 million).

13.2.3 This includes a plot of land costing Rs. 361 million in Block-6, KDA Scheme-5, Clifton, Karachi (the "Plot"), possession of which was taken by the Bank (formerly PICIC) in April 1983 pursuant to an allotment order by City District Government Karachi ("CDGK") (formerly Karachi Development Authority). All the legal dues in respect of the Plot including Non-utilization Fees have been paid. In 2000, CDGK cancelled the allotment unilaterally based on certain building and construction restrictions. The Bank filed a Civil Suit against CDGK before the High Court of Sindh in respect of the said unilateral cancellation of the allotment. Meanwhile, also in 2000, a dispute arose with KPT in respect of construction of a boundary wall on the Plot by KPT as KPT claimed that the ownership of the land had been reverted to KPT. The said claim by KPT was also challenged by way of Civil Suit before the High Court of Sindh. The High Court of Sindh initially issued restraining orders against CDGK and KPT in the respective suits in respect of cancellation of the allotment of the Plot. Subsequently, both the suits were decided in favor of the Bank. In the suit filed against CDGK, the High Court of Sindh held that the action of cancellation of the allotment by CDGK was improper and void, whereas, in the suit against KPT, the High Court of Sindh held that since allotment in favor of the Bank was valid therefore, KPT had no standing to claim that the ownership of the land had been reverted back to KPT. Both the decisions of the High Court of Sindh are currently being challenged in two separate High Court Appeals by CDGK and KPT and the same are still pending. Furthermore, in November 2008, KPT filed a Civil Suit seeking a declaration from the High Court of Sindh to the effect that the ownership of the Plot had been validly reverted to KPT. At present, the Bank is actively defending the cases.

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Particulars	C O S T			DEPRECIATION			Rate of depreciation % per annum
	As at January 01, 2012	Additions / (Deletions) Adjustment (Write - offs) 31, 2012	As at December 31, 2012	Accumulated as at January 01, 2012	For the year / (on Deletions) Adjustment (Write-offs) 31, 2012	Accumulated as at December 31, 2012	
	(Rupees '000')						
Freehold land	336,617	-	336,617	-	-	-	336,617
Leasehold land	1,064,456	-	1,064,456	15,634	-	-	1,048,822
Buildings on freehold land	584,330	-	584,330	218,693	28,565	-	337,072
Buildings on leasehold land	158,073	4,500	162,573	40,851	7,744	-	113,978
Furniture and fixtures	247,270	31,212	233,067	133,135	19,619	-	107,167
	(18,951)	-	(26,464)	(11,431)	-	(15,423)	
Electrical, office and computer equipment	1,418,057	235,688	1,337,344	1,135,385	134,329	93	364,806
	(75,934)	-	(240,532)	(68,243)	-	(229,026)	10% to 33%
Vehicles	53,516	5,239	47,908	35,189	7,382	3	15,799
	(10,388)	-	(459)	(10,029)	-	(436)	20%
Leasehold Improvements	833,516	110,268	774,426	556,393	38,892	-	300,976
	(235)	-	(169,123)	(219)	-	(121,616)	10%
	4,695,835	386,907	4,540,721	2,135,280	236,531	96	2,625,237
	(105,508)	-	-	(89,922)	-	-	

13.2.4 Detail of disposal of property and equipment during the year
Items individually having cost more than Rs.1 million or net book value exceeding Rs. 0.25 million

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of buyer
	(Rupees '000')					
Computer equipment	18,920	-	18,920	46,790	Bid	Qari Khan Muhammad, Murda Karez, Chaman, District Killa Abdullah
Buildings on freehold land	13,157	3,947	9,210	9,210	Bid	Qari Khan Muhammad, Murda Karez, Chaman, District Killa Abdullah
Computer equipment	2,618	2,618	-	3	Bid	Muhammad Farid / Kamran, Hajj Heroon Trust Building, Lee Market, Karachi
Office equipment	4,465	4,271	194	2,006	Bid	Atif Jawad, 30 Pooch Road, Islamia Park, Lahore
Office equipment	1,267	650	617	1,380	Negotiation	Global Securities Pakistan Limited, I.I. Chundrigar Road, Karachi
Vehicles	15,375	14,622	753	753	Employee Service Rules	Khawaja Iqbal Hassan, Ex- President / Chief Executive

Description	Cost	Accumulated depreciation value	Book value	Sale proceeds	Mode of disposal	Particulars of buyer
..... (Rupees '000')						
Vehicles	1,315	1,315	-	901	Bid	Asif Hameed, Plot No. 6, Sector E, Korangi Industrial Area, Karachi
Vehicles	2,703	2,703	-	2,432	Bid	Noman Hassan Khan, A-908/12, Gulberg FB Area, Karachi
Vehicle	819	573	246	710	Bid	Mr. S. Salman Hasany, Block 13, Gulistan-e-Jauhar, Karachi
Vehicle	819	533	286	736	Bid	Mr. Ali Akbar Khan, Block 12, F.B. Area, Karachi
Vehicle	941	298	643	916	Bid	Mr. Wasim Mirza, Block 10, Gulshen-e-Iqbal, Karachi
Vehicle	1,396	931	465	1,221	Bid	Mr. Tauseef Hussain Shah, Block 6, PECHS, Karachi
Vehicle	1,396	977	419	1,185	Bid	Mr. Furqan, Muhammad Bin Qasim Road, Karachi
Vehicle	1,396	977	419	1,200	Employee Service Rules	Ms. Humaira Gamar, Bath Island, Karachi
Vehicle	1,600	187	1,413	1,455	Employee Service Rules	Ms. Sarah Gillani, DHA Phase-IV, Karachi
	68,187	34,602	33,585	70,898		
Items individually having cost less than Rs.1 million or net book value not exceeding Rs. 0.25 million						
Computer equipment	23,495	23,493	2	17		
Furniture and fixtures	10,174	6,531	3,643	6,457		
Leasehold improvements	45	40	5	15		
Office equipment	24,475	22,716	1,759	4,100		
Vehicles	1,324	1,324	-	690		
Sub Total	59,513	54,104	5,409	11,279		
Items retired from the books and claimed from the Insurance companies						
Computer equipment	1,679	1,318	361	1,568		
Furniture and fixtures	674	497	177	2,173		
Leasehold improvements	256	195	61	131		
Office equipment	2,219	1,760	459	4,602		
Sub Total	4,828	3,770	1,058	8,474		
2013	132,528	92,476	40,052	90,651		
2012	105,508	89,922	15,585	32,924		

14. INTANGIBLE ASSETS

Particulars	2013						
	As at January 01, 2013	As at December 31, 2013	Accumulated as at January 01, 2013	Amortization for the year	Accumulated as at December 31, 2013	Net Book Value as at December 31, 2013	Rate of amortization % per annum
	(Rupees '000')						
Core Deposit Relationships	2,489,453	2,489,453	1,244,726	226,314	1,471,040	1,018,413	9.09 %
Core Overdraft / Working							
Capital Loan Relationships	124,149	124,149	87,339	6,693	94,032	30,117	8.31 %
Brand	204,116	204,116	204,116	-	204,116	-	20 %
Computer Software	858,379	913,128	416,666	104,937	521,603	391,525	10% to 50%
Management Rights	1,726,726	1,726,726	-	-	-	1,726,726	Note 6.9
	5,402,823	5,457,572	1,952,847	337,944	2,290,791	3,166,781	

Particulars	2012						
	As at January 01, 2012	As at December 31, 2012	Accumulated as at January 01, 2012	Amortization for the year	Accumulated as at December 31, 2012	Net Book Value as at December 31, 2012	Rate of amortization % per annum
	(Rupees '000')						
Core Deposit Relationships	2,489,453	2,489,453	1,018,412	226,314	1,244,726	1,244,727	9.09%
Core Overdraft / Working							
Capital Loan Relationships	124,149	124,149	80,646	6,693	87,339	36,810	8.31%
Brand	204,116	204,116	183,705	20,411	204,116	-	20%
Computer Software	843,495	858,379	319,423	97,243	416,666	441,713	10% to 50%
Management Rights	1,726,726	1,726,726	-	-	-	1,726,726	Note 6.9
	5,387,939	5,402,823	1,602,186	350,661	1,952,847	3,449,976	

14.1 Included in cost of computer software are fully amortized items still in use having cost of Rs. 107.823 million (2012: Rs. 105.929 million).

14.2 Annual test for impairment

Intangibles

In the current year, the Group assessed the recoverable amount of core deposit relationships and determined that no impairment loss exists.

	Note	2013	2012
(Rupees '000')			
15. DEFERRED TAX ASSETS			
Deferred debits arising due to:			
Provision against loans and advances		7,527,506	8,432,590
Provision against other receivables		291,184	255,121
Provision against balances with other banks		2,359	-
Provision against Off Balance sheet Items		13,101	-
Unused tax losses		4,637,085	4,488,530
Surplus / (Deficit) on revaluation of securities		261,487	(178,403)
Excess of tax base of government securities / investments over accounting base		152,880	378,894
		12,885,602	13,376,732
Deferred credits arising due to:			
Excess of accounting base of leased asset over tax base		(157,902)	(159,787)
Accelerated tax depreciation on owned assets		(815,226)	(798,215)
Fair valuation of subsidiaries and associates		(461,757)	(643,298)
Accelerated tax amortization on intangible assets		(1,081)	8,843
Unrealized exchange gains	15.2	(2,377)	(2,377)
Unrealized exchange losses	15.3	(33,604)	(33,604)
		(1,471,947)	(1,628,438)
Deferred tax Assets		11,413,655	11,748,294
Unrecognized deferred tax assets	15.1	(324,011)	(982,015)
Recognized deferred tax assets		11,089,644	10,766,279

15.1 The deferred tax asset recognized in the books has been restricted to Rs. 11,090 million due to uncertainty of availability of future tax profits for utilization of the un-recognized deferred tax assets. The deductible differences available to the Bank are Rs. 11,414 million. Had these been taken completely, the profit after tax for the year would be higher by Rs. 324.011 million (2012: Rs. 982.015 million). Therefore, the accumulated amount of deferred tax asset not recognized as of December 31, 2013 amounted to Rs. 324.011 million.

The management has recorded deferred tax asset based on financial projections indicating realisability of deferred tax asset over a number of future years through reversals as a result of recoveries from borrowers and realisability of remaining deferred tax asset against future taxable profits. The financial projections involve certain key assumptions such as deposits composition, interest rates, growth of deposits and advances, investment returns and potential provision / reversals against assets. Any significant change in the key assumptions may have an effect on the realisability of the deferred tax asset.

15.2 In 1987 and 1989, the Bank (formerly PICIC) exercised its option to avail the exchange risk coverage offered by the Government of Pakistan, Ministry of Finance and Economic Affairs (Economic Affairs Division), through Office Memo 1(16)/50/DM/86 dated July 8, 1987 and 1(12)/50/DM/89 dated June 1, 1989 respectively and, in turn the Bank (formerly PICIC) offered the risk coverage to its borrowers.

15.3 The unrealized exchange losses of the Bank (formerly PICIC) as on April 21, 1987, the effective date of exercise of both the options arising on related borrowings as reduced by gains arising on related advances was claimed as loss for tax purposes.

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15.4 Movement in temporary differences during the year

	2013			Balance as at December 31, 2013
	Balance as at January 01, 2013	Recognised in profit and loss account	Recognised in equity	
	(Rupees '000')			
Deferred debits arising due to:				
Provision against loans and advances	8,432,590	(905,084)	–	7,527,506
Provision against other receivables	255,121	36,063	–	291,184
Provision against balances with other banks	–	2,359	–	2,359
Provision against off balance sheet items	–	13,101	–	13,101
Unused tax losses	4,488,530	148,555	–	4,637,085
Surplus / (Deficit) on revaluation of securities	(178,403)	(3,712)	443,602	261,487
Excess of tax base of government securities / investments over accounting base	378,894	(226,014)	–	152,880
Deferred credits arising due to:				
Excess of accounting base of leased asset over tax base	(159,787)	1,885	–	(157,902)
Accelerated tax depreciation on owned assets	(798,215)	(17,011)	–	(815,226)
Accelerated tax amortization on intangible assets	8,843	(9,924)	–	(1,081)
Fair valuation of subsidiaries and associates	(643,298)	181,541	–	(461,757)
Unrealized exchange gains	(2,377)	–	–	(2,377)
Unrealized exchange losses	(33,604)	–	–	(33,604)
Deferred tax assets	11,748,294	(778,241)	443,602	11,413,655
Unrecognized deferred tax assets	<u>(982,015)</u>	<u>658,004</u>	<u>–</u>	<u>(324,011)</u>
Recognized deferred tax assets	<u>10,766,279</u>	<u>(120,237)</u>	<u>443,602</u>	<u>11,089,644</u>
	2012			
	Balance as at January 01, 2012	Recognised in profit and loss account	Recognised in equity	Balance as at December 31, 2012
	(Rupees '000')			
Deferred debits arising due to:				
Provision against loans and advances	8,880,336	(447,746)	–	8,432,590
Provision against other receivables	254,851	270	–	255,121
Unused tax losses	3,699,934	788,596	–	4,488,530
Surplus / (Deficit) on revaluation of securities	(39,648)	(3,039)	(135,716)	(178,403)
Excess of tax base of government securities / investments over accounting base	430,836	(51,942)	–	378,894
Deferred credits arising due to:				
Excess of accounting base of leased asset over tax base	(140,383)	(19,404)	–	(159,787)
Accelerated accounting depreciation on owned assets	(732,089)	(66,126)	–	(798,215)
Accelerated tax amortization on intangible assets	25,911	(17,068)	–	8,843
Fair valuation of subsidiaries and associates	(568,601)	(74,697)	–	(643,298)
Unrealized exchange gains	(2,377)	–	–	(2,377)
Unrealized exchange losses	(33,604)	–	–	(33,604)
Deferred tax assets	11,775,166	108,844	(135,716)	11,748,294
Unrecognized deferred tax assets	<u>(817,000)</u>	<u>(165,015)</u>	<u>–</u>	<u>(982,015)</u>
Recognized deferred tax assets	<u>10,958,166</u>	<u>(56,171)</u>	<u>(135,716)</u>	<u>10,766,279</u>

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	Note	2013	2012
16. OTHER ASSETS			
(Rupees '000')			
Income / mark-up accrued			
Local currency	16.1 & 16.6	3,515,211	2,793,290
Foreign currencies		72,276	40,484
Advances, deposits, advance rent and other prepayments	16.2	485,947	505,477
Advance taxation - net		1,231,846	1,337,019
Non - banking assets acquired in satisfaction of claims	16.3	888,525	733,318
Non - banking assets acquired in satisfaction of claims with buy back option with customer	16.3	1,102,755	512,274
Unrealized gain on forward foreign exchange contracts - net		–	183,808
Receivable against sale of investments		–	490
Stationery and stamps on hand		630	1,172
Advance for purchase of term finance certificates	16.7	1,185,000	1,226,176
Assets in respect of Bangladesh	16.4	425,409	425,409
Insurance claim		4,873	6,518
Dividend receivable		593	630
Management fee receivable		37,300	27,794
Others		169,263	69,389
		<u>9,119,628</u>	<u>7,863,248</u>
Liabilities in respect of Bangladesh	16.4	(342,416)	(342,416)
Rupee Borrowings from Government of Pakistan in respect of Bangladesh		(82,993)	(82,993)
Provisions held against other assets	16.5	<u>(1,177,612)</u>	<u>(1,012,176)</u>
Other assets - net of provisions		<u>7,516,607</u>	<u>6,425,663</u>

16.1 This includes Rs. 0.705 million (2012: Rs. 0.728 million) in respect of related parties.

16.2 Advances, deposits, advance rent and other prepayments

Advances	39,959	41,063
Deposits	40,593	40,139
Advance rent	266,873	296,864
Prepayments	138,522	127,411
	<u>485,947</u>	<u>505,477</u>

16.3 Represents cost of land and building acquired by the Bank against advances and held for resale. The market value of the subject assets as of December 31, 2013 was Rs. 2,037.041 million (2012: Rs. 1,203.436 million). Provision of Rs. 132.272 million (2012: Rs. 102.272 million) has been made against difference between cost and fair value. The above mentioned values include properties having market value of Rs. 1,219.752 million (2012: Rs. 534.733 million) acquired through settlement agreements, where the settlement agreement signed with borrowers entails a buy back option.

16.4 All the assets and liabilities as of November 30, 1971 clearly identifiable as being in or in respect of the areas now under Bangladesh and referred to above were segregated as of that date and in such segregation, for purposes of conversion of foreign currency amounts, generally speaking, the parity rates ruling prior to August 15, 1971 were used, and all income accrued or due in 1971 but not received in that year and interest accrued but not due on borrowings in 1971 was eliminated. Subsequently, consequent to the assuming by Bangladesh of certain foreign currency loan obligations as of July 1, 1974, including amounts previously identified by the Bank (formerly PICIC) as its foreign currency liabilities in respect of Bangladesh, such amounts were eliminated from the books of the Bank (formerly PICIC) by reducing an equivalent sum from its related foreign assets in that area.

Arising from advices received from the lenders and as a result of diversion of shipments and of the meeting of certain contingent liabilities, there have been certain modifications to the foreign currency advances relating to Bangladesh. Furthermore, the difference between the actual amount of rupees required to remit maturities of foreign currency borrowings in respect of Bangladesh and the figures at which they appeared in the books and the interest paid to foreign lenders has been treated as increasing the rupee assets in that area.

The Government of Pakistan, while initially agreeing to provide the rupee finance required for discharging current maturities of foreign currency borrowings and interest related to Bangladesh, did not accept any responsibility for PICIC's assets in that area. However, following an agreement reached between PICIC and the Government of Pakistan during 1976, the Government has agreed that it would continue to provide the funds for servicing PICIC's foreign currency liabilities relating to Bangladesh and has further agreed that an amount equivalent to the rupee assets in Bangladesh financed from PICIC's own funds not exceeding Rs. 82 million would be deemed to have been allocated out of the rupee loans by the Government and that such allocated amount together with the rupee finance being provided by the Government including any interest thereon would not be recovered from PICIC until such time as PICIC recovers the related assets from Bangladesh and only to the extent of such recovery.

Accordingly, such allocated amounts, together with the rupee finance being provided by the Government for discharging the current maturities of foreign currency borrowings (including the interest and charges thereon and any exchange difference between the final rupee payment and the amount at which the liability, commitment or contingent liability as appearing in the books relating to Bangladesh) have been treated as liabilities in respect of Bangladesh. Further, in view of the aforesaid agreement no interest is being accrued on the allocated amount of rupee loans or in respect of the rupee finance provided by the Government related to PICIC's assets in Bangladesh nor is it considered necessary to provide for any loss that may arise in respect of PICIC's assets in Bangladesh.

	2013	2012
	(Rupees '000')	
16.5 Particulars of provisions held against other assets		
Opening balance	1,012,176	1,021,625
Charge for the year	62,400	3,892
Reversals	-	(3,500)
Write offs	-	(9,841)
Transfer from Investments / Advances	103,036	-
Closing balance	<u>1,177,612</u>	<u>1,012,176</u>

16.6 This includes a sum of Rs. 30.466 million (2012: Rs. 30.466 million) representing unrealized exchange gain, which has not been recognized as income and deferred in the financial statements, in accordance with the policy of the Bank, as stated in note 6.18.

16.7 This includes Rs. 900 million in respect of advance paid by the Bank for purchase of Sukuk Bonds of Sui Southern Gas Company (SSGC). As per agreed repayment schedule mark-up has been received from SSGC which have been recorded as mark-up income of the Bank. These carry mark-up rate of 3 months KIBOR + 70 bps and have original maturity of 5 years. The Sukuk are in the process of issuance and is expected to complete in first half of 2014, upon issuance of the Bonds this advance will be reclassified as Investments.

	2013	2012
	(Rupees '000')	
17. BILLS PAYABLE		
In Pakistan	2,771,816	2,336,274
Outside Pakistan	90,847	93,756
	<u>2,862,663</u>	<u>2,430,030</u>
18. BORROWINGS		
In Pakistan	51,449,032	75,941,423
Outside Pakistan	57,641	237,642
	<u>51,506,673</u>	<u>76,179,065</u>

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	Note	2013	2012
18.1 Particulars of borrowings with respect to currencies			
(Rupees '000')			
In local currency		51,449,032	75,941,423
In foreign currencies		57,641	237,642
		51,506,673	76,179,065
18.2 Details of borrowings - secured / unsecured			
Secured			
Borrowings from SBP under			
Export Refinance Scheme	18.3	11,536,922	9,074,523
Long Term Financing Facility	18.4	831,725	123,182
Long Term Finance for Export Oriented Projects	18.5	451,991	817,911
Repurchase Agreement Borrowings	18.6	28,658,485	61,763,521
Unsecured			
Call Borrowings	18.7	9,807,623	4,000,000
Overdrawn Nostro Accounts		57,641	237,642
Foreign Borrowings Payable in Local Currency	18.8	162,286	162,286
		51,506,673	76,179,065

18.3 Borrowings from SBP under Export Refinance Scheme are subject to mark-up at rate of 8.4% (2012: 8.5% to 10%) per annum maturing within six months.

18.4 Borrowings from SBP under Long Term Financing Facility (LTFF) are subject to mark-up ranging from 6.50% to 8.60% (2012: 6.50% to 8.60%) per annum with remaining maturity upto seven years.

18.5 Borrowings from SBP under Long Term Finance for Export Oriented Projects are subject to mark-up at 5.00% (2012: 4.90% to 5.00%) per annum with remaining maturity upto two and half years.

18.6 These borrowings are subject to mark-up at rates ranging from 9.40% to 10% (2012: 7.75% to 8.85%) per annum with remaining maturity upto one month. Government securities have been given as collateral against these borrowings.

18.7 These borrowings are subject to mark-up at rates ranging from 9% to 10.50% (2012: 8% to 9.75%) per annum with remaining maturity upto one month.

18.8 The Government of Pakistan (GoP) has claimed an amount of Rs. 162.286 million in respect of liabilities against German credit representing principal amount of loan and Rs. 45.444 million as interest thereon till June 30, 2006. The principal amount has been accounted for and shown as payable to the GoP whereas interest has been accounted for in Other Liabilities (note 21). However, the Bank is contending that any amount of principal and interest is payable to the GoP only when recovered from the related sub-borrowers, who have availed the German credit. This also includes unrealized exchange loss of Rs. 96.011 million (2012: Rs. 96.011 million) which has been netted off against unrealized exchange gain (note 16) as it is payable when recovered from sub-borrowers, who have availed the related German credit.

	2013	2012
19. DEPOSITS AND OTHER ACCOUNTS		
(Rupees '000')		
Customers		
Fixed deposits	28,949,611	24,859,849
Savings deposits	40,747,664	33,574,896
Current accounts - Non remunerative	28,537,129	27,784,055
Margin accounts	534,933	749,733
Financial Institutions		
Remunerative deposits	5,798,457	3,872,124
Non-remunerative deposits	319,937	253,790
	104,887,731	91,094,447

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	2013	2012
	(Rupees '000')	
19.1 Particulars of deposits		
In Local currency	97,887,347	85,427,091
In Foreign currencies	7,000,384	5,667,356
	<u>104,887,731</u>	<u>91,094,447</u>

20. SUB-ORDINATED LOANS

Term Finance Certificates - Quoted, Unsecured

-	3,992,800
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The Bank has exercised call option on its Term Finance Certificates after completion of five years from the issue date and these were redeemed on September 5, 2013.

	2013	2012
	Restated	
	(Rupees '000')	
21. OTHER LIABILITIES		
Mark-up / Return / Interest payable in:		
Local currency	795,598	696,488
Foreign currencies	4,784	1,914
Unearned income on inland bills	42,681	776
Accrued expenses	553,515	774,906
Insurance premium payable	47,311	33,002
Advances from lessees	319,614	252,242
Unclaimed dividend	43,151	44,560
Borrowing from Government of Pakistan	2,095	2,095
Branch adjustment account	186,682	68,742
Unrealized exchange loss - net	121,285	-
Security and other deposits	5,771	25,846
Payable to IBRD - Managed Fund	68,220	68,220
Payable to Workers Welfare Fund	54,426	22,672
Payable to defined benefit plan	56,150	63,824
Security deposits against lease	455,042	486,655
Provision against off balance sheet items	37,430	-
Revaluation on forward purchase and sale of		
Government Securities	18,072	-
Payable to minority interests of PICIC AMC	146,869	6,371
Others	378,663	214,958
	<u>3,337,359</u>	<u>2,763,271</u>

22. SHARE CAPITAL

22.1 Authorized

2013	2012		2013	2012
Number of shares			(Rupees '000')	
<u>12,000,000,000</u>	<u>12,000,000,000</u>	Ordinary shares of Rs. 10 each	<u>120,000,000</u>	<u>120,000,000</u>

22.2 Issued, subscribed and paid up

Fully paid up ordinary shares of Rs. 10 each

3,278,902,659	3,278,902,659	Fully paid in cash	32,789,027	32,789,027
764,824,417	764,824,417	Issued for consideration other than cash (under schemes of amalgamation)	7,648,244	7,648,244
<u>6,259,124,088</u>	<u>6,259,124,088</u>	Issuance of shares on discount	<u>62,591,241</u>	<u>62,591,241</u>
<u>10,302,851,164</u>	<u>10,302,851,164</u>		<u>103,028,512</u>	<u>103,028,512</u>

22.2.1 The holding Company Bugis Investments (Mauritius) Pte. Limited holds 9,105,728,598 (2012: 9,132,728,598) ordinary shares.

23. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET

Surplus / (Deficit) on revaluation of available-for-sale securities

	2013	2012
	(Rupees '000')	
Market Treasury Bills	(33,302)	143,747
Pakistan Investment Bonds	(774,664)	274,507
Term Finance Certificates	28,973	4,553
GoP Ijara Sukuk	-	51,840
Investment in Shares of Listed Companies	44,102	92,375
	<u>(734,891)</u>	<u>567,022</u>
Share of surplus / (deficit) on revaluation of securities of associates	149,393	(411,462)
	<u>(585,498)</u>	<u>155,560</u>
Related deferred tax asset / (liability)	268,237	(175,364)
	<u>(317,261)</u>	<u>(19,804)</u>

24. CONTINGENCIES AND COMMITMENTS

2013 **2012**
(Rupees '000')

24.1 Direct credit substitutes

Contingent liability in respect of guarantees given favouring:

Government	-	-
Financial Institutions	-	2,200
Others	-	-
	-	2,200

24.2 Transaction-related contingent liabilities / commitments

Guarantees given in favour of:

Government	19,100,740	13,226,815
Financial Institutions	-	-
Others	793,108	796,509
	19,893,848	14,023,324

24.3 Trade-related contingent liabilities

Letters of Credit	23,287,063	20,248,003
Acceptances	5,237,186	3,055,764
	28,524,249	23,303,767

24.4 Other Contingencies

Claims against the Bank not acknowledged as debts	266,133	266,133
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24.5 Commitments in respect of forward lending

Commitments to extend credit	708,000	1,292,340
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The Bank make commitments to extend credit in the normal course of its business but none of these commitments are irrevocable and do not attract any significant penalty or expense if the facility is ultimately withdrawn except commitments mentioned above.

24.6 Commitments in respect of forward exchange contracts

Purchase	26,499,067	17,670,541
Sale	25,424,367	18,716,569
	51,923,434	36,387,110

24.7 Commitments for the acquisition of operating fixed assets

171,863	65,530
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24.8 Commitments with respect to Government Securities

Purchase	12,699,823	513,980
Sale	2,894,757	1,900,540

24.9 Other Contingencies

A penalty of Rs. 700 million was imposed by the Competition Commission of Pakistan (“the Commission”) on all the member banks utilizing the 1 link Switch on account of uncompetitive behavior and imposing of uniform charges on cash withdrawal for off network ATM transactions. The Bank’s share in this penalty is Rs. 50 million. The concerned banks filed a constitutional petition before the High Court of Sindh, which has suspended the order of the Commission. Consequently an appeal was filed with the Competition Appellate Tribunal (“Tribunal”) which has set aside the order of the Commission. The Commission has preferred an appeal before the Supreme Court, which has been admitted for hearing and will be fixed by the concerned office of the Supreme Court.

The management in consultation with external legal counsel, representing the Bank, is confident that they have strong grounds to contest this penalty and are optimistic that the outcome will be decided in favour of the Bank.

24.10 Tax Contingencies

The income tax returns of NIB Bank Limited have been filed up to and including tax year 2013 relevant to the financial year ended December 31, 2012. The tax authorities have made certain disallowances including additions on account of proration of expenses against dividends and capital gains, disallowances of interest and administrative expenses and renovation expenses incurred on rented premises (allowed historically) pertaining to tax years 2003 through 2008 for Ex-Pakistan Industrial Credit and Investment Corporation Limited (Ex-PICIC), from tax years 2004 through 2008 for Ex-PICIC Commercial Bank Limited (Ex-PCBL), tax years 2003 and 2004 for Ex-National Development Leasing Corporation Limited (Ex-NDLC) and from tax years 2004 through 2008 for NIB Bank Limited. During the year, a combined Appellate Order for Ex-PICIC pertaining to tax years 2003 through 2007 was issued by Commissioner Inland Revenue (Appeals) – CIR(A) in which the aforementioned expenses were allowed. However, the tax authorities have filed appeal with Income Tax Appellate Tribunal (ITAT) against above combined Appellate Order. These disallowances may result in additional tax aggregating to Rs. 1,370 million (2012: Rs. 1,370 million), which the management of the Bank in discussion with their tax consultants believes to be unjustified and not in accordance with the true interpretation of the law.

Appeals filed against orders are pending at various Appellate forums. Management is confident that the eventual outcome of the cases will be in favour of the Bank.

24.11 The income tax returns of PICIC AMC have been filed up to and including the tax year 2012 relevant to the financial year ended June 30, 2013. While finalizing the assessments for tax year 2005, 2006, 2007, 2008 and 2009, the tax authorities have made certain disallowances which resulted in additional tax aggregating to Rs. 71.136 million. As a matter of prudence the management has made provision in these financial statements in respect of above disallowances except for matter relating to dividend income claimed as exempt under clause 103 of Second Schedule of Income tax Ordinance, 2001 amounting to Rs. 36.005 million. The Company’s appeals in respect of above tax years are pending before Commissioner Inland Revenue Appeals (CIR) and Appellate Tribunal Inland Revenue (ATIR).

The management based on the advice from tax advisor is confident that the eventual outcome of the above appeals will be in favour of PICIC AMC.

25. MARK-UP / RETURN / INTEREST EARNED

	2013	2012
	(Rupees ‘000’)	
On loans and advances to customers	7,337,137	6,872,364
On investments in:		
Held-for-trading securities	31,227	251,971
Available-for-sale securities	4,640,031	5,782,836
Held-to-maturity securities	338,736	461,316
On deposits with financial institutions	1,994	892
On securities purchased under resale agreements	753,025	569,679
On call money lendings	68,921	50,248
	<u>13,171,071</u>	<u>13,989,306</u>

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	Note	2013	2012
(Rupees '000')			
26. MARK-UP / RETURN / INTEREST EXPENSED			
Deposits and other accounts		4,863,937	5,100,444
Securities sold under repurchase agreements		3,006,232	4,208,158
Other short term borrowings		1,639,826	1,214,083
Long term borrowings		368,146	603,136
		<u>9,878,141</u>	<u>11,125,821</u>
27. GAIN ON SALE OF SECURITIES			
Market Treasury Bills		64,618	116,194
Pakistan Investment Bonds		321,058	188,666
Term Finance Certificates		6,331	18,942
Ordinary shares of Listed Companies		118,161	216,650
Units / Certificates of Mutual Funds		-	6,866
Sukuk		27,426	24,793
		<u>537,594</u>	<u>572,111</u>
28. OTHER INCOME			
Gain on disposal of property and equipment		43,183	17,339
Service charges		-	3,957
Rent		5,976	7,688
Gain on trading liabilities		5,399	4,322
Recovery against written off assets		34,643	25,553
Recovery against branch relocation		-	4,000
Recovery from insurance company against loss of assets		8,176	13,592
(Loss) on revaluation of forward purchase and sale of Government Securities		(18,072)	-
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		34,110	2,423
		<u>113,415</u>	<u>78,874</u>
29. ADMINISTRATIVE EXPENSES			
Salaries, allowances, etc.		2,733,251	2,468,429
Charge for defined benefit plan	35.4	14,843	16,902
Contribution to defined contribution plan		101,509	92,268
Non-executive directors' fees, allowances and other expenses		13,954	8,866
Brokerage and commission		48,767	27,525
Rent, taxes, insurance, electricity, etc.		843,570	888,489
Legal and professional charges		162,760	153,797
Communication		152,837	183,834
Repairs and maintenance		333,278	331,650
Stationery and printing		73,045	79,133
Advertisement and publicity		19,165	32,760
Fees and subscriptions		68,603	92,525
Auditor's remuneration	29.1	10,291	12,741
Depreciation	13.2	291,221	236,531
Amortization	14	337,944	350,661
Travelling, conveyance and vehicles running		61,303	55,880
Security services		120,085	128,637
Fixed assets written off		11,737	72,890
Donation Expenses	29.2	435	-
Others		86,167	97,880
		<u>5,484,765</u>	<u>5,331,398</u>

	Note	2013	2012
		(Rupees '000')	
29.1 Auditors' remuneration			
Audit fee including fee for branch audit		4,876	5,463
Audit fee of consolidated financial statements		750	750
Review fee		1,513	1,100
Special certifications and sundry advisory services		2,168	4,752
Out-of-pocket expenses		984	676
		<u>10,291</u>	<u>12,741</u>
29.2	No donation was paid during the year in which any of the Directors or their spouses have any interest.		
30. OTHER CHARGES			
Penalties of the State Bank of Pakistan		266	23,760
Operational Loss / (Recovery)		43,718	30,382
		<u>43,984</u>	<u>54,142</u>
31. TAXATION			
For the year			
Current		263,682	97,237
Prior years	31.1	148,339	25,000
Deferred		120,237	56,171
		<u>532,258</u>	<u>178,408</u>
31.1	This represent charge of Rs. 148.339 million in respect of AJK branches.		
32. BASIC / DILUTED EARNINGS PER SHARE			
Profit after taxation (Rs. '000')		1,536,641	257,284
Weighted average number of ordinary shares outstanding during the year (in '000')		10,302,851	10,302,851
Profit per share - basic / diluted (Rupees)		<u>0.15</u>	<u>0.02</u>
33. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks	8	8,006,108	7,672,866
Balances with other banks	9	690,098	956,809
		<u>8,696,206</u>	<u>8,629,675</u>
34. STAFF STRENGTH		(Numbers)	
Permanent		2,446	2,475
Temporary / on contractual basis		24	39
Group's own staff strength at the end of the year		<u>2,470</u>	<u>2,514</u>
Outsourced		640	320
Total staff strength		<u>3,110</u>	<u>2,834</u>
35. DEFINED BENEFIT PLAN			
35.1	The Bank operates an unfunded gratuity scheme covering all eligible employees who have attained the minimum qualifying period of five years. Eligible employees are those employees who have joined the service of the Bank on or before March 31, 2006. The benefits under the gratuity scheme are payable in lump sum on retirement at the age of 60 years or earlier cessation of services. The benefit is equal to one month's last drawn basic salary for each year of confirmed service, subject to a minimum of five years of service.		

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35.2 Principal actuarial assumptions

The actuarial valuation is carried out periodically. The actuarial valuation was carried out for the year ended December 31, 2013 using the "Projected Unit Credit Method". The main assumptions used for actuarial valuation are as follows:

	Gratuity	
	2013	2012
- Valuation discount rate	12.75%	12.0%
- Salary increase rate	11.75%	11.0%
- Mortality rate	Based on State Life Insurance Corporation of Pakistan SLIC (2001-2005) Ultimate Mortality table	Based on LIC 1975-1979 Ultimate Mortality table
- Withdrawal rate	Heavy Age-wise withdrawal rates	Heavy (double of moderate) Age-wise withdrawal rates

	Note	2013	2012
(Rupees '000')			
35.3 Reconciliation of (receivable from) / payable to defined benefit plan			
Present value of defined benefit obligations	35.7	55,914	63,588
Net actuarial (gain) / loss not recognized		-	-
Net liability / (receivable)		55,914	63,588
35.4 (Income) / Charge for defined benefit plan			
Current service cost		7,091	8,557
Interest cost		7,752	8,345
Cost recognized in the Profit and Loss Account		14,843	16,902
Actuarial (gain) recognized on remeasurement on obligations		(3,153)	(8,647)
Total defined benefit cost for the year		11,690	8,255
35.5 Movement in balance (receivable) / payable			
Opening balance		63,588	71,098
Expense recognized		14,843	16,902
Benefits paid to outgoing members		(19,364)	(15,765)
Actuarial (gain) on obligation		(3,153)	(8,647)
Closing balance		55,914	63,588
35.6 Reconciliation of present value of defined benefit obligations			
Opening balance		63,588	71,098
Current service cost		7,091	8,557
Interest cost		7,752	8,345
Benefits paid		(19,364)	(15,765)
Actuarial (gain) on obligations		(3,153)	(8,647)
Closing balance		55,914	63,588

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	2013	2012	2011	2010	2009
	Restated				
	(Rupees '000')				
35.7 Summary of valuation results for the current and previous periods					
Present value of defined benefit obligations	55,914	63,588	71,098	79,459	81,502
Fair value of plan assets	-	-	-	-	-
Deficit	<u>55,914</u>	<u>63,588</u>	<u>71,098</u>	<u>79,459</u>	<u>81,502</u>
Experience (gain) / loss on obligation	(3,153)	(8,647)	(8,139)	(4,427)	4,235

35.8 Expected contribution for the next one year

The Group provides for gratuity as per the actuary's expected charge for the next one year. Based on actuarial advice, management estimates that the charge in respect of the defined benefit plan for the year ending December 31, 2014 would be Rs. 13.205 million.

36. DEFINED CONTRIBUTION PLAN

The Group has established a provident fund scheme administered by the Board of Trustees for all permanent employees. Equal monthly contributions are made to the fund by both the Group and the employees at the rate of 10% of basic salary.

37. COMPENSATION OF DIRECTORS AND EXECUTIVES

	President /Chief Executive		Directors		Executives	
	2013	2012	2013	2012	2013	2012
	(Rupees '000')					
Fees	-	-	13,454	8,866	-	-
Managerial remuneration	44,672	40,610	-	-	691,705	590,539
Share based payment arrangement **	61,560	-	-	-	-	-
Charge for defined benefit plan	-	-	-	-	7,367	9,747
Contribution to defined contribution plan	3,486	3,379	-	-	57,448	50,144
Rent and house maintenance	15,163	14,918	-	-	225,937	195,435
Utilities	2,806	2,761	-	-	64,554	55,838
Others	56,995	12,856	-	287	525,172	257,264
	<u>184,682</u>	<u>74,524</u>	<u>13,454</u>	<u>9,153</u>	<u>1,572,183</u>	<u>1,158,967</u>
Number of persons	<u>2</u>	<u>*3</u>	<u>7</u>	<u>7</u>	<u>706</u>	<u>611</u>

*Includes interim President and Chief Executive Officer for 6 days in 2012.

The Presidents / Chief Executives are provided with travel, medical insurance, security arrangements and reimbursements of household utilities, as per terms of their employment.

Certain Executives of PICIC AMC are provided with free use of Company maintained cars. The Chief Executive of PICIC AMC has also been provided with a house loan and vehicle loan, duly approved by the SECP.

Directors fees represents fees paid to certain non executive directors of the Group and no further benefits are paid to non executive directors.

** The Parent, Bugis Investments (Mauritius) Pte. Limited entered into a share incentive award arrangement for the President / Chief Executive, whereby a performance based incentive award was granted to the President / Chief Executive.

38. FAIR VALUE OF FINANCIAL INSTRUMENTS

38.1 On-balance sheet financial instruments

	2013		2012	
	Book value	Fair value	Book value	Fair value
(Rupees '000')				
Assets				
Cash and balances with treasury banks	8,006,108	8,006,108	7,672,866	7,672,866
Balances with other banks	690,098	690,098	956,809	956,809
Lendings to financial institutions	2,127,516	2,126,128	3,440,910	3,441,040
Investments	60,791,885	60,496,776	83,802,727	83,848,745
Advances	82,025,967	82,025,967	71,585,896	71,585,896
Other assets	3,678,234	3,678,234	3,307,153	3,307,153
	<u>157,319,808</u>	<u>157,023,311</u>	<u>170,766,361</u>	<u>170,812,509</u>
Liabilities				
Bills payable	2,862,663	2,862,663	2,430,030	2,430,030
Borrowings	51,506,673	51,499,784	76,179,065	76,192,062
Deposits and other accounts	104,887,731	104,887,731	91,094,447	91,094,447
Sub-ordinated loans	-	-	3,992,800	4,002,822
Other liabilities	2,149,041	2,149,041	1,937,467	1,937,467
	<u>161,406,108</u>	<u>161,399,219</u>	<u>175,633,809</u>	<u>175,656,828</u>

38.2 Off-balance sheet financial instruments

Forward purchase of foreign exchange	<u>26,499,067</u>	<u>25,958,444</u>	<u>17,670,541</u>	<u>17,695,724</u>
Forward sale of foreign exchange	<u>25,424,367</u>	<u>25,063,988</u>	<u>18,716,569</u>	<u>18,702,296</u>
Forward purchase of Government securities	<u>12,699,823</u>	<u>12,693,401</u>	<u>513,980</u>	<u>514,003</u>
Forward sale of Government securities	<u>2,894,757</u>	<u>2,906,407</u>	<u>1,900,540</u>	<u>1,909,080</u>

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.

Fair values of held-to-maturity securities, sub-ordinated loans and investment in quoted associates have been stated at market values.

Fair value of unquoted equity securities have been stated at the lower of cost and Net Assets Value as per the latest available audited financial statements.

Except for investment in unquoted subsidiaries, fixed term advances of over one year, staff loans and fixed term deposits of over one year, the fair value of other on balance sheet financial assets and liabilities are not significantly different from their book value as these assets and liabilities are either short term in nature or are frequently re-priced.

The fair value of unquoted subsidiaries, fixed term advances, staff loans, fixed term deposits, other assets and other liabilities cannot be calculated with sufficient reliability due to non-availability of relevant active markets for similar assets and liabilities.

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39. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The Group comprises the Bank, Asset Management Company and PICIC Stock Fund. The Bank is organized into reportable segments as disclosed in note 6.22.1 of the annual consolidated financial statements. These segments are managed by respective segment heads and the results of these segments are regularly reviewed by the Group's President / Chief Executive, Executive Committee and the Board of Directors. Segment performance is reviewed on the basis of various factors including profit before taxation. The performance of the Asset Management Company and PICIC Stock Fund is included in Head Office / Others.

Transactions between reportable segments are carried out on an arms length basis.

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

For the Year ended December 31, 2013						
	Corporate and Investment Banking	Small & Medium Enterprises and Commercial	Retail	Treasury	Head Office / Other	*Adjustments
	(Rupees '000')					
Net Interest Income	359,986	(502,162)	2,918,972	439,145	76,989	-
Non Mark-up Income including share of income of associates	879,534	344,296	520,019	633,000	1,445,418	-
Net Interest and non mark-up Income	1,239,520	(157,866)	3,438,991	1,072,145	1,522,407	-
Total expenses including provisions (excluding Impairment)	(800,896)	1,369,755	3,841,212	306,121	169,270	-
Impairment against Investment	111,074	-	-	6,325	-	-
Total expenses including provisions	(689,822)	1,369,755	3,841,212	312,446	169,270	-
Segment Net income / (loss) before tax	1,929,342	(1,527,621)	(402,221)	759,699	1,353,137	-
Segment Return on net assets (ROA) (%)	2.07%	(6.90%)	(0.33%)	1.45%	-	N/A
Segment Cost of funds (%)	8.38%	4.29%	4.60%	9.34%	-	N/A
For the Year ended December 31, 2012						
Net Interest Income	(274,288)	(607,080)	3,464,176	180,528	100,149	-
Non Mark-up Income including share of income of associates	473,418	139,389	418,294	995,393	1,064,969	-
Net Interest and non mark-up Income	199,130	(467,691)	3,882,470	1,175,921	1,165,118	-
Total expenses including provisions (excluding Impairment)	248,294	684,872	4,158,465	229,192	208,821	-
Impairment against Investment	(42,632)	-	-	4,975	22,473	-
Total expenses including provisions	205,662	684,872	4,158,465	234,167	231,294	-
Segment Net income / (loss) before tax	(6,532)	(1,152,563)	(275,995)	941,754	933,824	-
Segment Return on net assets (ROA) (%)	(0.02%)	(5.67%)	(0.44%)	1.22%	-	N/A
Segment Cost of funds (%)	10.04%	6.74%	5.45%	11.52%	-	N/A
As at December 31, 2013						
Segment Assets (Gross of advances provisions)	91,875,166	28,710,911	80,315,365	33,983,306	12,049,239	(46,082,156)
Segment Non Performing Loans	14,649,539	12,349,392	2,676,677	-	229,139	-
Segment Provision against advances (including general provisions)	12,307,058	8,585,588	1,460,137	-	205,161	-
Segment Assets (Net)	79,568,108	20,125,323	78,855,228	33,983,306	11,844,078	(46,082,156)
Segment Liabilities	73,864,682	19,021,285	76,996,299	33,290,055	5,504,261	(46,082,156)
As at December 31, 2012						
Segment Assets (Gross of advances provisions)	74,436,950	28,055,858	83,903,677	75,683,089	8,862,297	(56,792,830)
Segment Non Performing Loans	16,898,687	12,565,891	3,193,076	-	263,841	-
Segment Provision against advances (including general provisions)	13,819,614	7,839,657	1,421,070	-	213,523	-
Segment Assets (Net)	60,617,336	20,216,201	82,482,607	75,683,089	8,648,774	(56,792,830)
Segment Liabilities	58,188,964	19,568,333	80,760,809	74,638,327	96,010	(56,792,830)

* The respective segment assets and liabilities incorporate intersegment lending and borrowing with appropriate transfer pricing. The adjustments column eliminates intersegment lending and borrowing.

40. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its holding company (refer note 1), unconsolidated subsidiary (refer note 11.11), associated undertakings (refer note 11.10), employee benefit plans (refer note 35) and its key management personnel.

Transactions with related parties are executed on the same terms as those prevailing at the time for comparable transactions with unrelated parties except for staff loans which are on discounted rates as per industry practice.

The detail of transactions with related parties is given below:

	Holding company		Unconsolidated subsidiary		Associates		Key management personnel		Other related parties	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
..... (Rupees '000')										
40.1 Balances outstanding as at the year end										
Advances										
At the beginning of the year	-	-	-	-	-	-	155,572	136,387	21,951	24,997
Addition during the year	-	-	-	-	-	-	85,521	91,608	5,326	1,069
Repaid during the year	-	-	-	-	-	-	(72,983)	(72,423)	(2,401)	(4,115)
At the end of the year	-	-	-	-	-	-	168,110	155,572	24,876	21,951
Deposits										
At the beginning of the year	32,823	42,653	-	-	611,316	298,751	35,727	42,772	71,366	106,047
Deposits during the year	175	904	-	-	30,007,012	22,039,707	244,964	347,655	1,742,212	1,219,657
Exchange difference	758	926	-	-	-	-	1,139	1,893	3,142	7,910
Withdrawal during the year	(13,859)	(11,660)	-	-	(30,254,501)	(21,727,142)	(248,404)	(356,593)	(1,744,687)	(1,262,248)
At the end of the year	19,897	32,823	-	-	363,827	611,316	33,426	35,727	72,033	71,366
Investment in shares / mutual funds - cost										
At the beginning of the year	-	-	724	724	3,969,457	3,565,988	-	-	18,987	158,886
Investments made during the year	-	-	-	-	4,084,080	4,942,867	-	-	50,000	18,987
Investments sold during the year	-	-	-	-	(3,827,427)	(5,222,099)	-	-	(18,987)	(158,886)
Equity accounting method adjustments	-	-	-	-	1,068,352	682,701	-	-	-	-
At the end of the year	-	-	724	724	5,294,462	3,969,457	-	-	50,000	18,987
Investment in Term Finance Certificates-cost										
At the end of the year	-	-	-	-	-	-	-	-	49,954	1,078,909
Receivables										
At the end of the year	171	171	-	-	37,911	29,094	-	-	29,562	-
Payables										
At the end of the year	-	-	-	-	-	-	-	-	918	6,772

40.2 Income / expense for the year

	Holding company		Unconsolidated subsidiary		Associates		Key management personnel		Other related parties	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Mark-up / return / interest earned on advances	-	-	-	-	-	-	6,551	5,372	2,717	3,384
Mark-up / return / interest expensed on deposits	-	-	-	-	82,654	56,693	540	1,133	5,529	6,582
Mark-up / return / interest earned on Term Finance Certificates	-	-	-	-	-	-	-	-	6,419	153,293
Dividend income from shares / mutual funds	-	-	-	-	408,421	173,839	-	-	-	2,885
Directors remuneration	-	-	-	-	-	-	-	-	13,454	8,866
Directors travelling expense	2,337	5,732	-	-	-	-	-	-	4,543	804
Insurance premium expense	-	-	-	-	2,642	2,138	-	-	-	-
Remuneration to key management personnel	-	-	-	-	-	-	407,136	286,537	-	-
Contribution to Provident Fund	-	-	-	-	-	-	-	-	100,691	91,970
Management fee earned	-	-	-	-	349,362	274,613	-	-	-	-
Commission income	-	-	-	-	1,371	-	-	-	-	-
Fees and subscription	-	-	-	-	-	-	-	-	450	-

(Rupees '000')

41. CAPITAL ASSESSMENT AND ADEQUACY

41.1 Scope of Application

The Basel III Framework is applicable to the Bank on both at the consolidated level (comprising wholly / partially owned subsidiaries and associates) and also on a stand alone basis. Capital Adequacy Ratio (CAR) has been calculated in accordance with the guidelines as stipulated by State Bank of Pakistan vide BPRD Circular No. 06 of August 15, 2013. The said circular has revised the Basel II Framework with Basel III Capital reforms to further strengthen the capital related rules. These instructions are effective from December 31, 2013 in a phased manner with full implementation intended by December 31, 2019.

41.2 Capital Management

The purpose of capital management at the Group is to ensure efficient utilization of capital in relation to business requirements, growth, risk appetite, shareholders' returns and expectations.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions, regulatory requirements and the risk profile of its activities. In order to maintain or adjust the capital structure, the Bank may issue capital / Tier 2 capital.

The Group ensures adherence to SBP's requirements by monitoring its capital adequacy on a regular basis. The Bank also closely monitors the capital adequacy requirements by applying stressed conditions.

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Banking operations are categorized as either Trading book or Banking book and Risk-Weighted Assets are determined according to SBP requirements that seek to reflect the varying levels of risk attached to Group's On and Off-balance sheet exposures.

Collateral, if any, is used as an outflow adjustment and applicable risk weights are applied to Net Adjusted Exposure.

Cash and near Cash collateral includes Government of Pakistan Securities, Shares listed on the stock exchanges, Cash and Cash equivalents (deposits / margins, lien on deposits).

The Group has complied with all regulatory capital requirements as at the reporting date.

41.3 Capital Structure

The Groups's regulatory capital base comprise of:

(a) Tier 1 capital which includes fully issued, subscribed and paid up capital, balance in share premium account, reserves and accumulated profits / losses.

(b) Tier 2 capital consists of general provision for loan losses (subject to 1.25% of Risk Weighted Asset).

The issued, subscribed and paid up capital of the Bank is Rs. 103,028,512 thousands as at December 31, 2013, comprising of 10,302,851,164 shares of Rs. 10 each.

Quoted, unsecured and eligible for Tier 2 Term Finance Certificates (TFCs) of Rs. 3,992,000 thousands were redeemed on September 5, 2013 by exercising call option. The Bank is in the process of issuing new TFCs during the financial year 2014 to further strengthen its capital base and increase its banking activities.

Detail of the Group's eligible capital and risk weighted assets is as follows:

	2013	2012
	(Rupees '000')	
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital / Capital deposited with SBP	103,028,512	103,028,512
2 Balance in Share Premium Account	(45,769,623)	(45,769,623)
3 Reserve for issue of Bonus Shares	-	-
4 General / Statutory Reserves	474,123	225,889
5 Gain / (Losses) on derivatives held as Cash Flow Hedge	-	-
6 Unappropriated / Unremitted profits / (losses)	(41,716,290)	(43,075,781)
7 Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	6,371
8 CET1 before Regulatory Adjustments	16,016,722	14,415,368
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	-	-
10 All other intangibles (net of any associated deferred tax liability)	3,241,131	3,498,116
11 Shortfall of provisions against classified assets	-	-
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
13 Defined-benefit pension fund net assets	-	-
14 Reciprocal cross holdings in CET1 capital instruments	-	-
15 Cash flow hedge reserve	-	-
16 Investment in own shares / CET1 instruments	-	-
17 Securitization gain on sale	-	-
18 Capital shortfall of regulated subsidiaries	-	-
19 Deficit on account of revaluation from Group's holdings of property / AFS	317,261	19,804

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	Note	2013	2012
		(Rupees '000')	
20	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
21	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
22	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
23	Amount exceeding 15% threshold	-	-
24	of which: significant investments in the common stocks of financial entities	-	-
25	of which: deferred tax assets arising from temporary differences	-	-
26	National specific regulatory adjustments applied to CET1 capital	-	-
27	Investment in TFCs of other banks exceeding the prescribed limit	-	-
28	Any other deduction specified by SBP	-	-
29	Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	130,050	792,177
30	Total regulatory adjustments applied to CET1	3,688,442	4,310,097
	Common Equity Tier 1	(a) 12,328,280	10,105,271
	Additional Tier 1 (AT1) Capital		
31	Qualifying Additional Tier-1 instruments plus any related share premium	-	-
32	of which: Classified as equity	-	-
33	of which: Classified as liabilities	-	-
34	Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT1)	-	-
35	of which: instrument issued by subsidiaries subject to phase out	-	-
36	AT1 before regulatory adjustments	-	-
	Additional Tier 1 Capital: regulatory adjustments		
37	Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	95,262	-
38	Investment in own AT1 capital instruments	-	-
39	Reciprocal cross holdings in Additional Tier 1 capital instruments	-	-
40	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
41	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
42	Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 1 capital	34,788	792,177
43	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
44	Total of Regulatory Adjustment applied to AT1 capital	130,050	792,177

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	Note	2013 (Rupees '000')	2012
45 Additional Tier 1 capital		-	-
46 Additional Tier 1 capital recognized for capital adequacy	(b)	-	-
Tier 1 Capital (CET1 + admissible AT1)	(c=a+b)	12,328,280	10,105,271
Tier 2 Capital			
47 Qualifying Tier 2 capital instruments under Basel III		-	-
48 Capital instruments subject to phase out arrangement from Tier 2 (Pre-Basel III instruments)		-	2,395,681
49 Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)		-	-
50 of which: instruments issued by subsidiaries subject to phase out		-	-
51 General Provisions or general reserves for loan losses—up to maximum of 1.25% of Credit Risk Weighted Assets		69,139	78,923
52 Revaluation Reserves		-	-
53 of which: Revaluation reserves on Property		-	-
54 of which: Unrealized Gains / Losses on AFS		-	-
55 Foreign Exchange Translation Reserves		-	-
56 Undisclosed / Other Reserves (if any)		-	-
57 T2 before regulatory adjustments		69,139	2,474,604
Tier 2 Capital: regulatory adjustments			
58 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital		34,788	792,177
59 Reciprocal cross holdings in Tier 2 instruments		-	-
60 Investment in own Tier 2 capital instrument		-	-
61 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (amount above 10% threshold)		-	-
62 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation		-	-
63 Amount of Regulatory Adjustment applied to T2 capital		34,788	792,177
64 Tier 2 capital (T2)		34,351	1,682,427
65 Tier 2 capital recognized for capital adequacy		34,351	1,682,427
66 Excess Additional Tier 1 capital recognized in Tier 2 capital		-	-
67 Total Tier 2 capital admissible for capital adequacy	(d)	34,351	1,682,427
TOTAL CAPITAL (T1 + admissible T2)	(e=c+d)	12,362,631	11,787,698
Total Risk Weighted Assets	(i=f+g+h)	103,028,169	97,039,153

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	Note	2013	2012
		(Rupees '000')	
68 Total Credit Risk Weighted Assets	(f)	83,950,271	78,769,729
69 Risk weighted assets in respect of amounts subject to Pre-Basel III Treatment		-	-
70 of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity		-	-
71 of which: Deferred tax assets		-	-
72 of which: Defined-benefit pension fund net assets		-	-
73 of which: Others		-	-
74 Total Market Risk Weighted Assets	(g)	10,236,150	8,787,389
75 Total Operational Risk Weighted Assets	(h)	8,841,748	9,482,034
Capital Ratios and buffers (in percentage of risk weighted assets)			
76 CET1 to total RWA	(a/i)	11.97%	10.41%
77 Tier 1 capital to total RWA	(c/i)	11.97%	10.41%
78 Total capital to RWA	(e/i)	12.00%	12.15%
79 Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)		-	-
80 of which: capital conservation buffer requirement		-	-
81 of which: countercyclical buffer requirement		-	-
82 of which: D-SIB or G-SIB buffer requirement		-	-
83 CET1 available to meet buffers (as a percentage of risk weighted assets)		-	-
National minimum capital requirements prescribed by SBP			
84 CET1 minimum ratio		5.00%	-
85 Tier 1 minimum ratio		6.50%	-
86 Total capital minimum ratio		10.00%	-
Amounts below the thresholds for deduction (before risk weighting)			
87 Non-significant investments in the capital of other financial entities		-	-
88 Significant investments in the common stock of financial entities		-	-
89 Deferred tax assets arising from temporary differences (net of related tax liability)		-	-
Applicable caps on the inclusion of provisions in Tier 2			
90 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)		69,139	-
91 Cap on inclusion of provisions in Tier 2 under standardized approach		69,139	-
92 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		-	-
93 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		-	-

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41.4 Risk-Weighted Exposures

	Book Value		Risk Adjusted Value	
	2013	2012	2013	2012
(Rupees '000')				
Credit Risk				
Balance Sheet Items				
Cash and other liquid assets	8,696,206	8,629,675	331,318	351,919
Money at call	–	600,000	–	120,000
Lendings to financial institutions	2,127,516	2,840,910	94,999	792,855
Investments	60,791,885	83,802,727	1,141,686	3,519,473
Loans and advances	82,025,967	71,585,896	49,221,578	45,338,595
Fixed assets	2,879,281	2,754,051	2,804,931	2,705,909
Deferred tax assets	11,089,644	10,766,279	11,089,644	10,766,279
Other assets	10,683,388	9,875,639	3,453,340	2,860,927
	178,293,887	190,855,177	68,137,496	66,455,957
Off Balance Sheet Items				
Direct Credit Substitutes (i.e. Acceptances, general guarantees for indebtedness etc.)	7,248,352	4,904,338	5,666,341	4,573,990
Trade-related Contingent Liabilities (i.e. Letter of Credits)	23,287,063	20,248,003	2,468,405	2,248,890
Performance-related Contingent Liabilities (i.e. Guarantees)	17,882,682	12,176,950	6,304,701	3,916,035
Commitments for the acquisition of operating fixed assets	171,863	65,530	85,932	32,765
Other commitments / Contingencies	974,133	1,558,473	841,067	1,425,407
Commitments with respect to Government Securities				
– Purchase	12,699,823	513,980	–	–
– Sale	2,894,757	1,900,540	–	–
Outstanding Foreign Exchange Contracts				
– Purchase	26,499,067	17,670,541	91,992	43,384
– Sale	25,424,367	18,716,569	354,337	73,302
	117,082,107	77,754,924	15,812,775	12,313,773
Total Credit risk			83,950,271	78,769,730
Market Risk				
General Market Risk			4,764,325	7,161,977
Specific Market Risk			5,437,538	1,581,901
Foreign Exchange Risk			34,287	43,511
Total Market Risk			10,236,150	8,787,389
Operational Risk			8,841,748	9,482,034
Total Risk-Weighted Exposures			103,028,169	97,039,153

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41.5 Capital Structure Reconciliation

Step 1

	As per published financial statements 2013	Under regulatory scope of consolidation 2013
	(Rupees '000')	
Assets		
Cash and balances with treasury banks	8,006,108	8,006,108
Balances with other banks	690,098	690,098
Lending to financial institutions	2,127,516	2,127,516
Investments	60,791,885	60,791,885
Advances	82,025,967	82,025,967
Operating fixed assets	2,879,281	2,879,281
Deferred tax assets	11,089,644	11,089,644
Other assets	10,683,388	10,683,388
Total Assets	178,293,887	178,293,887
Liabilities & Equity		
Bills payable	2,862,663	2,862,663
Borrowings	51,506,673	51,506,673
Deposits and other accounts	104,887,731	104,887,731
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	3,337,359	3,337,359
Total Liabilities	162,594,426	162,594,426
Share capital / Head office capital account	57,258,889	57,258,889
Reserves	474,123	474,123
Unappropriated / Unremitted profit / (losses)	(41,716,290)	(41,716,290)
Minority Interest	-	-
Surplus on revaluation of assets	(317,261)	(317,261)
Total equity	15,699,461	15,699,461
Total liabilities & equity	178,293,887	178,293,887

Step 2

	As per published financial statements 2013	Under regulatory scope of consolidation 2013	Reference
	(Rupees '000')		
Assets			
Cash and balances with treasury banks	8,006,108	8,006,108	
Balances with other banks	690,098	690,098	
Lending to financial institutions	2,127,516	2,127,516	
Investments	60,791,885	60,791,885	
of which: Non-significant capital investments in capital of other financial institutions exceeding 10% threshold	-	-	a
of which: Significant capital investments in financial sector entities exceeding regulatory threshold	-	-	b
of which: Mutual Funds exceeding regulatory threshold	-	-	c
of which: Reciprocal crossholding of capital instrument	-	-	d
of which: Others	-	-	e

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	As per published financial statements 2013	Under regulatory scope of consolidation 2013	Reference
	(Rupees '000')		
Advances	82,025,967	82,025,967	
Shortfall in provisions / excess of total EL amount over eligible provisions under IRB	-	-	f
General provisions reflected in Tier 2 capital	-	69,139	g
Fixed Assets	2,879,281	2,879,281	
of which: Intangibles	-	74,350	
Deferred Tax Assets	11,089,644	11,089,644	
of which: DTAs excluding those arising from temporary differences	-	-	h
of which: DTAs arising from temporary differences exceeding regulatory threshold	-	-	i
Other Assets	10,683,388	10,683,388	
of which: Goodwill	-	-	j
of which: Intangibles	-	3,166,781	k
of which: Defined-benefit pension fund net assets	-	-	l
Total assets	178,293,887	178,293,887	
Liabilities & Equity			
Bills payable	2,862,663	2,862,663	
Borrowings	51,506,673	51,506,673	
Deposits and other accounts	104,887,731	104,887,731	
Sub-ordinated loans	-	-	
of which: eligible for inclusion in AT1	-	-	m
of which: eligible for inclusion in Tier 2	-	-	n
Liabilities against assets subject to finance lease	-	-	
Deferred tax liabilities	-	-	
of which: DTLs related to goodwill	-	-	o
of which: DTLs related to intangible assets	-	-	p
of which: DTLs related to defined pension fund net assets	-	-	q
of which: other deferred tax liabilities	-	-	r
Other liabilities	3,337,359	3,337,359	
Total liabilities	162,594,426	162,594,426	
Share capital	57,258,889	57,258,889	
of which: amount eligible for CET1	-	57,258,889	s
of which: amount eligible for AT1	-	-	t
Reserves	474,123	474,123	
of which: portion eligible for inclusion in CET1	-	474,123	u
of which: portion eligible for inclusion in Tier 2	-	-	v
Unappropriated profit / (losses)	(41,716,290)	(41,716,290)	w
Minority Interest	-	-	
of which: portion eligible for inclusion in CET1	-	-	x
of which: portion eligible for inclusion in AT1	-	-	y
of which: portion eligible for inclusion in Tier 2	-	-	z
Surplus on revaluation of assets	(317,261)	(317,261)	
of which: Revaluation reserves on Property	-	-	aa
of which: Unrealized Gains / Losses on AFS	-	-	
In case of Deficit on revaluation (deduction from CET1)	-	(317,261)	ab
Total Liabilities & Equity	178,293,887	178,293,887	

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	Component of regulatory capital reported by Group (Rupees '000')	Source based on reference number from step 2
Step 3		
Common Equity Tier 1 capital (CET1): Instruments and reserves		
1 Fully Paid-up Capital / Capital deposited with SBP	103,028,512	
2 Balance in Share Premium Account	(45,769,623)	(s)
3 Reserve for issue of Bonus Shares	-	
4 General / Statutory Reserves	474,123	(u)
5 Gain / (Losses) on derivatives held as Cash Flow Hedge	-	
6 Unappropriated / unremitted profits / (losses)	(41,716,290)	(we)
7 Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	(x)
8 CET 1 before Regulatory Adjustments	16,016,722	
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	-	(j) - (o)
10 All other intangibles (net of any associated deferred tax liability)	3,241,131	(k) - (p)
11 Shortfall of provisions against classified assets	-	(f)
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	{{(h) - (r)} * x%
13 Defined-benefit pension fund net assets	-	{{(l) - (q)} * x%
14 Reciprocal cross holdings in CET1 capital instruments	-	(d)
15 Cash flow hedge reserve	-	
16 Investment in own shares / CET1 instruments	-	
17 Securitization gain on sale	-	
18 Capital shortfall of regulated subsidiaries	-	
19 Deficit on account of revaluation from Group's holdings of property/ AFS	317,261	(ab)
20 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the group does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(a) - (ac) - (ae)
21 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	(b) - (ad) - (af)
22 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	(i)
23 Amount exceeding 15% threshold	-	
24 of which: significant investments in the common stocks of financial entities	-	
25 of which: deferred tax assets arising from temporary differences	-	
26 National specific regulatory adjustments applied to CET1 capital	-	
27 Investment in TFCs of other banks exceeding the prescribed limit	-	
28 Any other deduction specified by SBP	-	
29 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	130,050	
30 Total regulatory adjustments applied to CET1	3,688,442	

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	Component of regulatory capital reported by Group (Rupees '000')	Source based on reference number from step 2
Common Equity Tier 1	12,328,280	
Additional Tier 1 (AT1) Capital		
31 Qualifying Additional Tier 1 instruments plus any related share premium	-	
32 of which: Classified as equity	-	(t)
33 of which: Classified as liabilities	-	(m)
34 Additional Tier 1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-	(y)
35 of which: instrument issued by subsidiaries subject to phase out	-	
36 AT1 before regulatory adjustments	-	
Additional Tier 1 Capital: regulatory adjustments		
37 Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	95,262	
38 Investment in own AT1 capital instruments	-	
39 Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
40 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ac)
41 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
42 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre Basel III treatment which, during transitional period, remain subject to deduction from Tier 1 capital	34,788	
43 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
44 Total of Regulatory Adjustment applied to AT1 capital	130,050	
45 Additional Tier 1 capital	-	
46 Additional Tier 1 capital recognized for capital adequacy	-	
Tier 1 Capital (CET1 + admissible AT1)	12,328,280	
Tier 2 Capital		
47 Qualifying Tier 2 capital instruments under Basel III	-	
48 Capital instruments subject to phase out arrangement from Tier 2 (Pre-Basel III instruments)	-	(n)
49 Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in Group Tier 2)	-	(z)
50 of which: instruments issued by subsidiaries subject to phase out	-	

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	Component of regulatory capital reported by Group (Rupees '000')	Source based on reference number from step 2
51 General Provisions or general reserves for loan losses upto maximum of 1.25% of Credit Risk Weighted Assets	69,139	(g)
52 Revaluation Reserves eligible for Tier 2	-	
53 of which: portion pertaining to Property	-	portion of (aa)
54 of which: portion pertaining to AFS securities	-	
55 Foreign Exchange Translation Reserves	-	(v)
56 Undisclosed/Other Reserves (if any)	-	
57 T2 before regulatory adjustments	69,139	
Tier 2 Capital: regulatory adjustments		
58 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from Tier 2 capital	34,788	
59 Reciprocal cross holdings in Tier 2 instruments	-	
60 Investment in own Tier 2 capital instrument	-	
61 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the group does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ae)
62 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
63 Amount of Regulatory Adjustment applied to T2 capital	34,788	
64 Tier 2 capital (T2)	34,351	
65 Tier 2 capital recognized for capital adequacy	34,351	
66 Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
67 Total Tier 2 capital admissible for capital adequacy	34,351	
TOTAL CAPITAL (T1 + admissible T2)	12,362,631	

41.6 Main Features Template of Regulatory Capital Instruments

Sr. No.	Main Features	Common Shares
1	Issuer	NIB Bank Limited
2	Unique identifier (KSE Symbol)	NIB
3	Governing law(s) of the instrument	Capital Market Laws
	Regulatory treatment	
4	Transitional Basel III rules	Common equity Tier 1
5	Post-transitional Basel III rules	Common equity Tier 1
6	Eligible at solo / group / group & solo	Group & standalone
7	Instrument type	Ordinary Shares
8	Amount recognized in regulatory capital (Currency in PKR thousands)	PKR 103,028,512
9	Par value of instrument	PKR 10
10	Accounting classification	Shareholder equity
11	Original date of issuance	2003
12	Perpetual or dated	Perpetual
13	Original maturity date	Not applicable
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	Coupons / Dividends	
17	Fixed or floating dividend / coupon	Not applicable
18	Coupon rate and any related index / benchmark	Not applicable
19	Existence of a dividend stopper	Not applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	Not applicable
22	Non cumulative or cumulative	Not applicable
23	Convertible or non-convertible	
24	If convertible, conversion trigger (s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	Not applicable
31	If write-down, write-down trigger (s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable

41.7 Capital Adequacy

Objectives of Managing Capital

Capital Management aims to ensure that there is sufficient capital to meet the capital requirements of the Bank as determined by the underlying business strategy and the minimum regulatory requirements of the SBP.

Bank's capital management seeks:

- to comply with the capital requirements set by the regulators;
- to maintain a strong capital base so as to maintain investor, depositor and market confidence and to sustain future development of the business;
- to safeguard the Bank's ability to continue as a going concern so that it can continue to provide adequate return to shareholders;
- availability of adequate capital at a reasonable cost so as to enable the Bank to expand; and
- to protect the Bank against unexpected events.

Externally Imposed Capital Requirements

In order to strengthen the solvency of Banks, SBP vide BSD Circular No. 07 of 2009 dated April 15, 2009 has asked the Banks to raise their minimum paid up capital to Rs. 10 billion free of losses by the end of financial year 2013.

SBP through its BSD Circular No. 09 dated April 15, 2009 has asked Banks to achieve the minimum Capital Adequacy Ratio (CAR) of 10% on standalone as well as on consolidated basis latest by December 31, 2010.

The paid up capital and CAR of the Group stands at Rs. 103 billion and 12.00% respectively of its risk weighted exposure as at December 31, 2013.

The Bank has complied with all externally imposed capital requirements as at year end.

The capital requirements for the banking group as per the major risk categories should be indicated in the manner given below:

	Capital Requirements		Risk Weighted Assets	
	2013	2012	2013	2012
	(Rupees '000')			
Credit Risk				
Portfolios subject to Simple Approach				
On-Balance Sheet				
Corporate	4,471,022	3,834,507	44,710,215	38,345,072
Sovereign	12,703	8,158	127,025	81,580
Retail	611,999	471,456	6,119,993	4,714,556
Banks	591,931	460,966	5,919,311	4,609,661
Public Sector Entities	77,399	117,499	773,993	1,174,992
Past Due Loans	743,086	1,035,368	7,430,857	10,353,682
Claims against Residential Mortgage	61,044	58,756	610,442	587,560
Investments in premises, plant and equipment and all other fixed assets	280,493	270,591	2,804,931	2,705,909
Other assets	1,479,804	1,464,793	14,798,044	14,647,928
	8,329,481	7,722,094	83,294,811	77,220,940
Off-Balance Sheet				
Market related	44,633	11,669	446,331	116,686
Non-market related	-	-	-	-
	44,633	11,669	446,331	116,686
Equity Exposure Risk in the Banking Book				
Listed	7,339	124,999	73,393	1,249,992
Un listed	13,574	18,211	135,735	182,112
	20,913	143,210	209,128	1,432,104
Total Credit Risk	8,395,027	7,876,973	83,950,270	78,769,730

	Capital Requirements		Risk Weighted Assets	
	2013	2012	2013	2012
..... (Rupees '000')				
Market Risk				
Capital Requirement for portfolios subject to Standardize Approach				
Interest rate risk	231,459	874,388	2,314,588	8,743,878
Equity position risk etc.	788,728	-	7,887,275	-
Foreign exchange risk etc.	3,428	4,351	34,288	43,511
Total Market Risk	1,023,615	878,739	10,236,151	8,787,389
Operational Risk				
Capital Requirement for operational risks	884,175	948,203	8,841,748	9,482,034
Total	<u>10,302,817</u>	<u>9,703,915</u>	<u>103,028,169</u>	<u>97,039,153</u>
Capital Adequacy Ratio			2013	2012
Total eligible regulatory capital held	(e)		12,362,631	11,787,698
Total Risk Weighted Assets	(i)		103,028,169	97,039,153
Capital Adequacy Ratio	(e) / (i)		12.00%	12.15%

The Capital Adequacy Ratio of prior year is based on BASEL II Framework as applicable on that date.

42. RISK MANAGEMENT

The risk management framework of NIB is approved by the Board of Directors ("BoD") and implemented by the senior management. The Bank's risk management policies are established to identify and analyze the risks faced by the Bank, to set standard and appropriate risk limits and controls to ensure quality of portfolio and credit process. Risk management policies are reviewed annually to reflect changes in economic environment, market conditions and products offerings. The BoD sets forth the vision and strategy of NIB and has entrusted the monitoring to the Board's Risk Management Committee ("BRMC"), which is an oversight committee and meets at least quarterly. Findings of the BRMC are escalated to the BoD. Terms and references of BRMC are documented and duly approved by the BOD and broadly includes oversight responsibility at the highest level under the Risk Management Governance Framework.

The BRMC has three sub-committees, namely the Asset Liability Committee ("ALCO"), the Credit Risk Committee ("CRC") and the Operational Risk Committee ("ORC"), to identify, manage and monitor risks.

Asset Liability Committee ("ALCO")

The ALCO functions as the top operational unit for managing the balance sheet within the performance / risk parameters laid down by the BoD. Its objective is to derive the most appropriate strategy for NIB in terms of mix of assets & liabilities given future expectations and potential consequence of interest rate movements, liability constraints and foreign currency exchange exposure and capital adequacy.

Credit Risk Committee ("CRC")

In our normal business activities there is a need to manage effectively potential credit risk. To address this risk, Credit Risk Committee (CRC) is established under the leadership of the Chief Risk Officer (CRO) of the Bank and membership comprises the President and Senior Management of the Bank. The main objective of the CRC is to ensure effective and proactive management of Credit Risk throughout the Bank in accordance with the Risk Management Framework and related Risk Policies and Procedures. Terms and references of the CRC, which meets on a bi-monthly basis, broadly include the following:

To ensure that all relevant risk policies of the Bank are developed, implemented and are not in conflict with any of the applicable laws and regulations.

To oversee implementation of credit risk related policies and procedures relevant to all business units through review of standard MIS decks.

To ensure that all activities are in compliance with the Prudential Regulations and also with the policies and controls established by the relevant units of the Bank through periodic review of business issues highlighted in internal / external audit reports and SBP Inspection Report.

To review stress testing on portfolio considering the major factors like interest rate sensitivity, inflation, Rupee devaluation, fluctuation in oil prices and / or global meltdown etc.

To review the credit portfolio, primarily through Key Risk Indicators and to assess:

- quality of the portfolio;
- recovery of remedial accounts;
- variance analysis of actual with plan and forecasts;
- portfolio exceptions

To advise business where activities are not aligned with control requirements or risk appetite and to recommend Risk Policies.

Operational Risk Committee (“ORC”)

In our normal business activities there is a need to effectively manage potential risk arising out of banking operation of the Bank. To address this risk, Operational Risk Committee (ORC) is established under the leadership of the President of the Bank and membership comprises the CRO and Senior Management of the Bank. The main objective of the ORC is to ensure effective and proactive management of Operational Risk throughout the Bank in accordance with the Risk Management Framework and related Risk Policies and Procedures. Terms and references of the ORC, which meets on a monthly basis, broadly include the following:

To ensure operational risk identification and measurement is objective and covers all activities / products / processes of the Bank, and compliant with the Banks standards and applicable regulations and that risk control and risk origination decisions are properly informed.

To develop, maintain and review a consolidated MIS of key operational risks in the Bank in the form of Risk & Control Assessment Matrix.

To monitor all material Operational Risk exposures and key external trends, through KRIs and appropriate management action as per defined thresholds, in accordance with Operational Risk policies and procedures.

To review Operational Loss Data (OLD) and take proactive measures to reduce Operational Losses.

To direct appropriate action in response to material events, risk issues or themes that come to the Committee's attention.

To ensure any areas of potential overlap with another entity or Risk Control Area, Business or Function are notified to the affected entity Risk Control Owner, Business or Function Head.

Risk Management Organization at the Group

The Chief Risk Officer (“CRO”) is responsible for enterprise wide risk management and implementation of the overall risk management framework of NIB. In this respect, the CRO has to ensure that the risk organization structure of NIB is equipped with the best people, policies and processes, which enable it to perform efficiently and effectively.

The CRO is supported by a Chief Operating Officer - Risk responsible for Risk Policies & Procedures, Portfolio Risk and Country Risk Assessment and five Risk Heads, responsible for Corporate, Trade Finance, Commercial / SME and Consumer Finance businesses and Market, Liquidity and Operational Risks respectively and they are responsible for ensuring the implementation of NIB's risk framework, Bank's policies and Central Bank regulations in their respective domains.

42.1 Credit Risk

Credit risk is the risk that a counterparty or customer will be unable to pay amounts in full when due. NIB's main credit exposure arises from the risk of failure by a client or counterparty to meet its contractual obligations. The risks are inherent in loans and bills receivable from non-bank customers, commitments to lend, repurchase agreements, securities borrowing and lending transactions and contingent liabilities. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed. Clean risk at liquidation or settlement risk occurs when items of agreed upon original equal value are not

simultaneously exchanged between counterparties and / or when items are released without knowledge that counter-value items have been received by the Bank. Typically the duration is intra-day, overnight / over weekend or in some situations even longer. The risk is that we deliver but do not receive delivery. In this situation 100% of the principal amount is at risk. The risk may be larger than 100% if in addition there was an adverse price fluctuation between the contract price and the market price. Cross-border risk is the risk that we will be unable to obtain payment from our customers or third parties on their contractual obligations as a result of certain actions taken by foreign governments, chiefly relating to convertibility and transferability of foreign currency. Cross-border assets comprise loans and advances, interest-bearing deposits with other banks, trade and other bills, acceptances, amounts receivable under finance lease, certificates of deposit and other negotiable paper and formal commitments where the counterparty is resident in a country other than where the assets are recorded. Cross-border assets also include exposures to local residents denominated in currencies other than the local currency. NIB has established limits for cross-border exposure and manages exposures within these limits.

NIB has established an appropriate credit risk environment which is operating under a sound credit-granting process; maintaining an appropriate credit administration, measurement and monitoring process and ensuring adequate controls. For risk management reporting purposes the Bank considers and consolidates all elements of credit risk exposures.

There is a proper credit delegation matrix for review and approving credit applications. Businesses have no credit approving authority. All credit approvals are accorded by the Credit Officers / Senior Credit Officers in the Risk Management Group. Corporate Credit Risk Management also approves exposure to Financial Institutions and a separate dedicated FI unit, is housed under Corporate & Investment Banking Group (CIBG) for this purpose.

The concept of “three initial system” is very much in existence in NIB. Based upon regional considerations and availability of Credit Talent, any initiating unit has to have formal recommendation by the Relationship Manager, his/her Team Leader and Regional Head / Corporate Banking Head / Group Head. The essence here is that the credit proposal must not be left to the sole judgment of one person – rather, the application of minds must be diverse and independent of each other.

Further, in order to measure credit risk, an indigenously developed rating system is followed. This rating system is being continuously fine tuned to address regulatory and global benchmarks.

The Bank manages credit risk through:

- Accurate and detailed information about the borrower, cash flows, production, service and operation of the company;
- Insights into the major factors influencing customer attrition and product cancellation;
- Credit and collections treated as a highly people-intensive business; and
- Establishment of acceptable risk levels.

NIB manages credit risk through:

Post-disbursement maintenance of accounts through Credit Administration Department (“CAD”) reporting into a Country CAD Head. The Country CAD Head has direct reporting line to the CRO;

Submission of regulatory returns pertaining to reporting of NIB’s portfolio

Impaired financial assets

Impaired financial assets including loans and debt instruments are those which NIB determines that it is probable that it will not be able to collect all principal and interest due according to the contractual terms of the agreement(s) underlying the financial assets. Financial assets carried at fair value through profit or loss are not assessed for impairment since the measure of fair value reflects their credit qualities. For the monitoring of the credit quality of the financial assets not carried at fair value through profit or loss, NIB follows the guidelines issued by the State Bank of Pakistan. Credit quality is determined based on three pillars: namely business prospect, financial performance and repayment capacity.

Write offs

NIB’s Write off Policy is laid out in line with the SBP rules. All credit write offs are approved under the approved delegation matrix. Writing off a loan in no way implies that the Bank has given up its claim on a borrower and does not impact the Bank’s ability to legally collect written off credits from the customer(s).

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42.1.1 Segmental Information

42.1.1.1 Segments by class of business

	2013					
	Advances (Gross)		Deposits		Contingencies and commitments	
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Agriculture, Forestry, Hunting and Fishing	4,638	0.00	3,406,582	3.25	5,000	0.00
Automobile and Transportation Equipment	824,370	0.79	829,552	0.79	208,081	0.18
Cement, Glass and Ceramics	2,305,076	2.20	577,511	0.55	579,644	0.50
Chemicals and Pharmaceuticals	5,235,208	5.01	1,258,474	1.20	19,102,590	16.32
Construction	1,525,604	1.46	5,355,661	5.11	113,779	0.10
Electronics and Electrical Appliances	42,644	0.04	1,774,087	1.69	5,081	0.00
Engineering	5,127,175	4.90	588,515	0.56	9,321,263	7.96
Exports / Imports	64,453	0.06	926,026	0.88	1,000	0.00
Financial	1,719,791	1.64	6,290,820	6.00	56,310,941	48.10
Food and Beverages	27,445,533	26.25	2,550,239	2.43	5,487,007	4.69
Footwear and Leather Garments	30,261	0.03	270,429	0.26	18	0.00
Individuals	4,845,411	4.63	34,040,056	32.45	266,133	0.23
Insurance	-	-	311,160	0.30	-	-
Mining and Quarrying	10,000	0.01	3,924,853	3.74	3,500	0.00
Non Profit Organizations / Trusts	1,058	0.00	4,151,444	3.96	17,900	0.02
Oil and Gas	4,925,930	4.71	1,985,013	1.89	5,626,794	4.81
Paper and Printing	1,302,454	1.25	730,009	0.70	222,279	0.19
Power, Gas, Water and Sanitary	6,290,679	6.01	949,164	0.90	6,345,992	5.42
Services	973,256	0.93	6,268,517	5.98	467,425	0.40
Sugar	2,873,804	2.75	58,980	0.06	1,617	0.00
Textile	32,867,949	31.44	1,931,435	1.84	8,182,568	6.99
Transport, Storage and Communication	963,152	0.92	8,189,532	7.81	1,838,853	1.57
Wholesale and Retail Trade	1,017,814	0.97	7,346,530	7.00	161,666	0.14
Others	4,187,651	4.00	11,173,142	10.65	2,812,976	2.38
	<u>104,583,911</u>	<u>100.00</u>	<u>104,887,731</u>	<u>100.00</u>	<u>117,082,107</u>	<u>100.00</u>

	2012					
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Agriculture, Forestry, Hunting and Fishing	54,142	0.06	2,790,677	3.06	30,571	0.04
Automobile and Transportation Equipment	910,832	0.96	546,754	0.60	129,725	0.17
Cement, Glass and Ceramics	3,057,434	3.22	538,569	0.59	893,776	1.15
Chemicals and Pharmaceuticals	1,506,740	1.59	881,335	0.97	1,906,638	2.45
Construction	757,924	0.80	3,687,540	4.05	1,088,622	1.40
Electronics and Electrical Appliances	1,365,809	1.44	852,754	0.94	763,061	0.98
Engineering	797,607	0.84	621,864	0.68	921,705	1.19
Exports / Imports	2,591,352	2.73	1,187,871	1.30	1,843,071	2.37
Financial	1,050,732	1.11	4,186,315	4.60	44,452,505	57.17
Food and Beverages	18,874,877	19.89	745,543	0.82	5,155,637	6.63
Footwear and Leather Garments	897,252	0.95	279,624	0.31	27,650	0.04
Individuals	4,423,539	4.66	41,632,996	45.70	340,521	0.44
Insurance	-	-	158,118	0.17	-	-
Mining and Quarrying	1,035,569	1.09	300,144	0.33	123,628	0.16
Non Profit Organizations / Trusts	79,900	0.08	3,044,793	3.34	1,900	0.00
Oil and Gas	2,663,594	2.81	4,995,589	5.48	5,401,346	6.95
Paper and Printing	958,074	1.01	679,112	0.75	283,049	0.36
Power, Gas, Water and Sanitary	7,211,662	7.60	1,096,925	1.20	4,298,191	5.53
Services	2,377,779	2.51	3,893,436	4.27	261,695	0.34
Sugar	1,345,875	1.42	108,083	0.12	1,000	0.00
Textile	28,065,192	29.58	1,912,933	2.10	3,075,303	3.96
Transport, Storage and Communication	2,269,012	2.39	3,517,054	3.86	3,274,204	4.21
Wholesale and Retail Trade	5,916,173	6.24	5,926,041	6.51	417,594	0.54
Others	6,668,690	7.02	7,510,377	8.25	3,063,532	3.92
	<u>94,879,760</u>	<u>100.00</u>	<u>91,094,447</u>	<u>100.00</u>	<u>77,754,924</u>	<u>100.00</u>

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42.1.1.2 Segment by sector

	2013					
	Advances (Gross)		Deposits		Contingencies and commitments	
	(Rupees '000')	Percent	(Rupees '000')	Percent	(Rupees '000')	Percent
Public / Government	23,184,744	22.17	12,648,127	12.06	9,610,997	8.20
Private	81,399,167	77.83	92,239,604	87.94	107,471,110	91.80
	<u>104,583,911</u>	<u>100.00</u>	<u>104,887,731</u>	<u>100.00</u>	<u>117,082,107</u>	<u>100.00</u>
	2012					
Public / Government	18,195,973	19.18	9,495,310	10.40	10,882,803	14.00
Private	76,683,787	80.82	81,599,137	89.60	66,872,121	86.00
	<u>94,879,760</u>	<u>100.00</u>	<u>91,094,447</u>	<u>100.00</u>	<u>77,754,924</u>	<u>100.00</u>

	2013		2012	
	Classified Advances	Specific Provisions Held	Classified Advances	Specific Provisions Held
	(Rupees '000')			

42.1.1.3 Details of non-performing advances and specific provisions by class of business segment

Agriculture, Forestry, Hunting and Fishing	–	–	22,993	22,993
Automobile and Transportation Equipment	682,202	600,559	565,875	516,742
Cement, Glass and Ceramics	597,404	507,858	1,183,345	822,759
Chemicals and Pharmaceuticals	887,615	595,846	681,926	327,295
Construction	543,878	265,974	471,019	149,208
Electronics and Electrical Appliances	30,504	18,905	583,200	373,747
Engineering	2,302,985	1,677,639	432,748	302,688
Financial	286,376	249,896	129,168	92,628
Food and Beverages	3,264,991	2,455,027	1,087,681	652,098
Footwear and Leather Garments	22,785	12,013	411,242	337,694
Individuals	863,600	491,228	847,120	357,237
Mining and Quarrying	3,632	1,374	7,477	1,469
Oil and Gas	166,414	109,682	342,487	320,695
Paper and Printing	617,658	417,956	482,753	296,022
Power, Gas, Water, Sanitary	375,054	374,754	397,891	394,076
Services	643,672	375,590	1,469,435	792,777
Sugar	419,283	419,283	389,173	202,065
Textile	14,337,362	11,570,558	13,973,545	11,200,147
Transport, Storage and Communication	670,514	446,762	926,055	664,986
Wholesale and Retail Trade	663,900	334,452	3,489,701	2,065,904
Others	2,524,918	1,563,449	5,026,661	3,321,711
	<u>29,904,747</u>	<u>22,488,805</u>	<u>32,921,495</u>	<u>23,214,941</u>

42.1.1.4 Details of non-performing advances and specific provisions by sector

Public / Government	–	–	–	–
Private	29,904,747	22,488,805	32,921,495	23,214,941
	<u>29,904,747</u>	<u>22,488,805</u>	<u>32,921,495</u>	<u>23,214,941</u>

42.1.1.5 Geographical Segment Analysis	2013			Contingencies and commitments
	Profit / (loss) before taxation	Total assets employed	Net assets employed	
	(Rupees '000')			
Pakistan	2,112,336	178,293,887	15,699,461	117,082,107
	2012			
Pakistan	440,488	190,855,177	14,395,564	77,754,924

42.2 Market Risk

Market risk refers to the potential loss that an entity may be exposed to due to market volatility. It is important for the Bank to put in place an effective market risk management framework to manage its market risk exposures. Market risk arises from all positions in financial instruments held by the Bank (either in Trading or Banking book) which exposes the Bank to market risk factors namely interest rates, foreign exchange ("FX") rates and equity prices.

The Bank has adopted a market risk management structure that commensurate with its size and the nature of its business activities and facilitates effective management oversight and execution of market risk management and control processes.

Currently Bank's risk appetite for market risk is a combination of notional and sensitivity based limits. Following are the regulatory and internal guidelines monitored by Market & Liquidity Risk Unit (MLRU):

- Foreign Exchange Exposure Limit
- Equity Exposure Limit
- Statutory Liquidity & Cash Reserve Requirement
- FX Tenor mismatch
- Dealer Limits
- DV01

NIB also applies a Value-at-Risk (VaR) methodology to assess the market risk positions held. Currently NIB is using historical simulation model for calculating VaR numbers for FX and ALM book.

Interest rate risk

The principal risk to which NIB's portfolios are exposed is the risk of losses from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is measured through DV01, VaR and interest rate sensitivity analysis.

42.2.1 Foreign Exchange Risk

NIB has set the following objectives for managing the inherent risk on foreign currency exposures:

Maximize profitability with minimum risk by keeping the exposure at desirable levels in view of strict compliance of regulatory / international standards and the Bank's internal guidelines, which are being adopted from regulator and followed vigorously;

Manage appropriate forward mismatch gaps;

Usage of different tools to manage the inherent risk of product and market, such as compliance of credit limit, monitoring of foreign exchange exposure limit, review of marked to market portfolio etc.

NIB takes steps to ensure that foreign currency exposures adhere to regulatory or international standards and NIB's internal guidelines. NIB uses tools such as Foreign Exchange Exposure Limit (FEEL), VaR and FX tenor gaps to monitor FX risk.

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	2013			Net foreign currency exposure
	Assets	Liabilities	Off balance sheet items	
	(Rupees '000')			
Pakistan Rupee	172,450,794	155,799,284	(956,169)	15,695,341
United States Dollar	5,340,863	4,907,018	(455,613)	(21,768)
Great Britain Pound	171,095	1,066,574	901,995	6,516
Euro	299,536	807,302	510,019	2,253
Japanese Yen	2,950	90	8,071	10,931
Swiss Franc	1,647	975	(2,368)	(1,696)
Others	27,002	13,183	(5,935)	7,884
	<u>178,293,887</u>	<u>162,594,426</u>	<u>-</u>	<u>15,699,461</u>
	2012			
Pakistan Rupee	183,923,221	170,457,832	955,296	14,420,685
United States Dollar	5,955,067	4,510,454	(1,485,512)	(40,899)
Great Britain Pound	287,206	838,101	550,358	(537)
Euro	639,804	636,271	6,850	10,383
Japanese Yen	26,560	5	(25,274)	1,281
Swiss Franc	3,597	874	-	2,723
Others	19,722	16,076	(1,718)	1,928
	<u>190,855,177</u>	<u>176,459,613</u>	<u>-</u>	<u>14,395,564</u>

42.2.2 Equity price risk and Fixed Income rate risk

Equity price risk is the risk to earnings or capital that results from adverse changes in the value of equity related portfolios of the NIB.

NIB conducts stress testing analysis over the equity portfolio, by anticipating changes / shocks of -30%, -40% and -50% on the current price of shares within a portfolio, thereby monitoring the effects of the predicted changes in the structure of shares portfolio on the Capital Adequacy Ratio ("CAR"). Further, NIB reviews new products to ensure that market risk aspects are properly quantified and mitigated.

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42.2.3 Mismatch of Interest Rate Sensitive Assets and Liabilities

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Effective Yield / Interest rate	Exposed to Yield / Interest rate risk										Not Exposed to Yield / Interest rate risk	
	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years		
On-balance sheet financial instruments												
Assets												
—	8,006,108	—	—	—	—	—	—	—	—	—	—	8,006,108
0.12%	690,098	610,095	—	—	—	—	—	—	—	—	—	80,003
9.14%	2,127,516	2,127,516	—	—	—	—	—	—	—	—	—	—
9.19%	60,791,885	45,336	16,144,545	11,641,437	—	7,184,188	5,907,333	12,744,702	—	—	—	5,820,520
9.75%	82,025,967	13,177,580	51,975,250	9,964,987	3,777,928	750,263	1,037,308	678,002	98,194	—	—	—
10.52%	3,678,234	—	900,000	—	—	—	—	—	—	—	—	2,778,234
	157,319,808	15,960,527	69,019,795	21,606,424	3,777,928	7,934,451	6,944,641	13,422,704	98,194	—	—	16,684,865
Liabilities												
—	2,862,663	—	—	—	—	—	—	—	—	—	—	2,862,663
8.97%	51,506,673	37,967,316	6,151,491	5,935,237	1,290,343	—	—	—	—	—	—	162,286
5.24%	104,887,731	7,270,126	14,810,672	47,935,432	5,441,602	13,225	22,795	—	—	—	—	29,391,999
—	—	—	—	—	—	—	—	—	—	—	—	—
—	2,149,041	—	—	—	—	—	—	—	—	—	—	2,149,041
	161,406,108	45,237,442	20,962,163	53,870,669	6,731,945	13,225	22,795	—	—	—	—	34,565,989
	(4,086,300)	(29,276,915)	48,057,632	(32,264,245)	(2,954,017)	7,921,226	6,921,846	13,422,704	98,194	—	—	(17,881,124)
	19,785,761											
	15,699,461											
Off-balance sheet financial instruments												
	26,499,067	16,543,481	8,061,936	1,893,650	—	—	—	—	—	—	—	—
	25,424,367	13,341,936	8,730,588	2,629,162	722,681	—	—	—	—	—	—	—
	12,699,823	3,098,726	9,601,097	—	—	—	—	—	—	—	—	—
	2,894,757	2,894,757	—	—	—	—	—	—	—	—	—	—
	10,879,766	3,405,514	8,932,445	(735,512)	(722,681)	—	—	—	—	—	—	—
	(25,871,401)	56,990,077	(32,999,757)	(3,676,698)	(3,676,698)	7,921,226	1,868,399	13,422,704	98,194	—	—	(17,881,124)
	(25,871,401)	31,118,676	(1,881,081)	(5,557,779)	(5,557,779)	2,363,447	11,153,692	24,576,396	24,674,590	—	—	6,793,466

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	Effective Yield / Interest rate	Exposed to Yield / Interest rate risk										Not Exposed to Yield / Interest rate risk
		Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years	
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	-	-	-	-	-	-	-	-	-	-	-	7,672,866
Balances with other banks	0.07%	857,234	-	-	-	-	-	-	-	-	-	99,575
Lendings to financial institutions	11.30%	3,440,910	-	-	-	-	-	-	-	-	-	-
Investments	10.31%	7,020,101	17,495,803	8,631,305	31,446,547	3,409,098	307,004	8,083,063	2,997,934	-	-	4,411,872
Advances	10.96%	13,663,123	43,447,189	9,089,453	690,138	1,156,412	1,064,112	745,194	1,038,857	-	-	-
Other assets	14.62%	3,307,153	941,176	-	-	-	-	-	-	-	-	2,365,977
		170,766,361	24,981,368	61,884,168	17,720,758	32,136,685	4,565,510	1,371,116	8,828,257	4,036,791	691,418	14,550,290
Liabilities												
Bills payable	-	-	-	-	-	-	-	-	-	-	-	2,430,030
Borrowings	10.39%	76,179,065	6,681,670	4,653,753	939,957	-	-	-	-	-	-	162,286
Deposits and other accounts	6.02%	91,094,447	8,326,885	33,040,582	5,225,060	19,837	13,225	22,397	-	-	-	28,787,578
Sub-ordinated loans	12.85%	3,992,800	3,992,800	-	-	-	-	-	-	-	-	-
Other liabilities	-	1,937,467	-	-	-	-	-	-	-	-	-	1,937,467
		175,633,809	79,400,282	19,001,355	37,694,335	6,165,017	19,637	13,225	22,397	-	-	33,317,361
On-balance sheet gap		(4,867,448)	(54,418,914)	42,882,813	(19,973,577)	25,971,668	4,545,673	1,357,891	8,805,860	4,036,791	691,418	(18,767,071)
Non Financial Net Assets		19,263,012	-	-	-	-	-	-	-	-	-	-
Total Net Assets		14,395,564	-	-	-	-	-	-	-	-	-	-
Off-balance sheet financial instruments												
Foreign exchange contracts-purchase		17,670,541	9,979,092	6,568,119	973,935	149,395	-	-	-	-	-	-
Foreign exchange contracts-sale		18,716,569	11,884,098	3,099,431	3,733,040	-	-	-	-	-	-	-
Forward Government Securities - purchase		513,980	14,992	498,988	-	-	-	-	-	-	-	-
Forward Government Securities - sale		1,900,540	-	-	-	-	-	-	-	-	-	-
		(2,432,588)	(3,790,554)	3,967,676	(2,759,105)	149,395	-	-	-	-	-	-
Total Yield / Interest Rate Risk Sensitivity Gap		(58,209,468)	(46,850,489)	(22,732,682)	26,121,063	4,545,673	1,357,891	8,805,860	4,036,791	691,418	(18,767,071)	
Cumulative Yield / Interest Rate Risk Sensitivity Gap		(58,209,468)	(11,358,979)	(34,091,661)	(7,970,598)	(2,067,034)	(2,067,034)	6,738,826	10,775,617	11,467,035	(7,300,036)	

42.3 Liquidity Risk

Liquidity risk is defined as the risk that a Group, either does not have enough financial resources to meet its obligation and commitments as they fall due or can secure funds at an excessive cost; even when the Group is solvent. Liquidity risk is due to the difference between the Group's assets and liabilities generally known as mismatches. Liquidity management is important as the ultimate cost of a lack of liquidity is being out of business.

The liquidity risk policy is formulated keeping in view the SBP's guidelines on risk management, Basel standards and best practices. NIB maintains its liquidity by keeping a level of liquid assets in such amount which is considered sufficient to anticipate payment of customers' deposits.

The Group manages its liquidity risk through:

- Controlling the cash flow mismatch between on and off balance sheet assets and liabilities;
- 5-Day stress testing on Bank's balance sheet carried out on daily basis assuming deposit run offs;
- Maintaining stable and diversified sources of funding;
- Ensuring the Bank has the right asset portfolio mix and sufficient liquid assets on hand in relation to its daily cash flows;
- Certain periodic reports such as tenor maturity gaps and maximum cash outflows (MCO); and
- Stress testing on portfolio as required by local regulator

42.3.1 Maturities of Assets and Liabilities - Based on contractual maturity of the Assets and Liabilities of the Group
2013

	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
..... (Rupees '000')										
Assets										
Cash and balances with treasury banks	8,006,108	-	-	-	-	-	-	-	-	-
Balances with other banks	690,098	-	-	-	-	-	-	-	-	-
Lendings to financial institutions	2,127,516	-	-	-	-	-	-	-	-	-
Investments	60,791,885	398,895	15,828,329	9,449,016	160,644	8,226,228	1,688,095	6,725,237	13,020,978	5,294,463
Advances	82,025,967	51,877,767	8,721,013	8,391,372	4,565,189	2,670,046	2,286,718	2,318,106	1,097,562	98,194
Operating fixed assets	2,879,281	35,143	68,837	102,537	197,371	332,892	136,971	193,838	321,660	1,490,032
Intangible assets	3,166,781	28,407	56,814	82,696	160,950	302,111	299,938	460,678	48,461	1,726,726
Deferred tax assets	11,089,644	117,395	234,789	353,232	543,077	1,937,086	2,655,286	5,248,779	-	-
Other assets	7,516,607	99,479	3,050,866	143,088	167,020	2,038,200	357,261	461,992	1,184,405	14,296
Liabilities	178,293,887	63,380,808	27,960,648	18,521,941	5,794,251	15,506,563	7,424,269	15,408,630	15,673,066	8,623,711
Bills payable	2,862,663	2,862,663	-	-	-	-	-	-	-	-
Borrowings	51,506,673	37,967,316	6,151,491	5,935,237	1,290,343	-	-	-	162,286	-
Deposits and other accounts	104,887,731	80,970,432	14,810,672	3,627,126	5,441,602	13,225	1,880	22,794	-	-
Other liabilities	3,337,359	2,004,638	1,016,169	49,784	99,261	46,250	40,006	62,371	4,164	14,716
Net assets	162,594,426	123,805,049	21,978,332	9,612,147	6,831,206	59,475	41,886	85,165	166,450	14,716
Share capital	15,699,461	(60,424,241)	5,982,316	8,909,794	(1,036,955)	15,447,088	7,382,383	15,323,465	15,506,616	8,608,995
Reserves	103,028,512	-	-	-	-	-	-	-	-	-
Discount on issue of shares	474,123	-	-	-	-	-	-	-	-	-
Accumulated loss	(45,769,623)	37,967,316	14,810,672	3,627,126	5,441,602	13,225	1,880	22,794	-	-
Shareholder's equity	16,016,722	2,004,638	1,016,169	49,784	99,261	46,250	40,006	62,371	4,164	14,716
Deficit on revaluation of assets-net	(317,261)	123,805,049	21,978,332	9,612,147	6,831,206	59,475	41,886	85,165	166,450	14,716
	15,699,461	(60,424,241)	5,982,316	8,909,794	(1,036,955)	15,447,088	7,382,383	15,323,465	15,506,616	8,608,995

The above maturity profile has been prepared in accordance with International Financial Reporting Standard 7, Financial Instruments: Disclosures, based on contractual maturities. Consequently, all demand assets and liabilities such as running finance, current accounts and saving accounts are shown as having a maturity upto one month. However, based on historical behaviour, management is of the opinion that the possibility of these inflows / outflows actually occurring entirely within one month is remote, as these flows normally occur over a longer period of time.

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	(Rupees '000)								
	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
Assets									
Cash and balances with treasury banks	7,672,866	-	-	-	-	-	-	-	-
Balances with other banks	952,675	-	-	4,134	-	-	-	-	-
Lending to financial institutions	3,440,910	-	-	-	-	-	-	-	-
Investments	83,802,727	9,343,878	6,786,584	31,740,465	3,495,579	10,548,007	8,632,732	3,669,150	1,652,944
Advances	71,585,896	6,851,112	7,512,110	1,205,749	2,781,094	2,906,018	3,109,647	1,419,595	718,201
Operating fixed assets	2,754,051	26,522	74,836	145,481	263,863	162,087	195,893	294,621	1,525,658
Intangible assets	3,449,976	27,502	82,507	164,951	317,375	293,445	571,018	211,448	1,726,726
Deferred tax assets	10,766,279	34,264	171,342	360,910	1,427,204	1,861,515	4,890,527	1,955,059	-
Other assets	6,425,663	283,123	124,499	1,502,614	1,235,545	73,460	11,211	-	-
Liabilities									
Bills payable	190,855,177	18,165,263	14,751,878	35,124,304	9,520,660	15,844,532	17,411,028	7,549,873	5,623,529
Borrowings	2,430,030	-	-	-	-	-	-	-	-
Deposits and other accounts	76,179,065	6,681,670	4,653,754	81,605	276,978	483,462	6,489	253,710	-
Sub-ordinated loans	91,094,447	8,326,885	4,071,192	5,225,060	19,837	13,225	22,397	-	-
Other liabilities	3,992,800	800	-	665,336	1,330,672	1,330,664	665,328	-	-
	2,763,271	871,474	249,320	382,601	24,343	-	-	69,959	-
Net assets	176,459,613	15,880,829	8,974,266	6,354,602	1,651,830	1,827,351	694,214	323,669	-
Share capital	14,395,564	2,284,434	5,777,612	28,769,702	7,868,830	14,017,181	16,716,814	7,226,204	5,623,529
Reserves	103,028,512	225,889	-	-	-	-	-	-	-
Discount on issue of shares	225,889	-	-	-	-	-	-	-	-
Accumulated loss	(45,769,623)	-	-	-	-	-	-	-	-
Shareholder's equity	(43,069,410)	-	-	-	-	-	-	-	-
Deficit on revaluation of assets-net	14,415,368	-	-	-	-	-	-	-	-
	(19,804)	-	-	-	-	-	-	-	-
	14,395,564	-	-	-	-	-	-	-	-

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42.3.2 Maturities of Assets and Liabilities - Based on historical pattern of the Assets and Liabilities of the Group

2013

	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
----- (Rupees '000) -----										
Assets										
Cash and balances with treasury banks	8,006,108	8,006,108	-	-	-	-	-	-	-	-
Balances with other banks	690,098	690,098	-	-	-	-	-	-	-	-
Lending to financial institutions	2,127,516	2,127,516	-	-	-	-	-	-	-	-
Investments	60,791,885	398,895	15,828,329	9,449,016	160,644	8,226,228	1,688,095	6,725,237	13,020,978	5,294,463
Advances	82,025,967	14,562,105	15,505,678	18,568,372	24,919,186	2,670,046	2,286,718	2,318,106	1,097,562	98,194
Operating fixed assets	2,879,281	35,143	68,837	102,537	197,371	332,892	136,971	193,838	321,660	1,490,032
Intangible assets	3,166,781	28,407	56,814	82,696	160,950	302,111	299,938	460,678	48,461	1,726,726
Deferred tax assets	11,089,644	117,395	234,789	353,232	543,077	1,937,086	2,655,286	5,248,779	-	-
Other assets	7,516,607	99,479	3,050,866	143,088	167,020	2,038,200	357,261	461,992	1,184,405	14,296
	178,293,887	26,065,146	34,745,313	28,698,941	26,148,248	15,506,563	7,424,269	15,408,630	15,673,066	8,623,711
Liabilities										
Bills payable	2,862,663	2,862,663	-	-	-	-	-	-	-	-
Borrowings	51,506,673	37,967,316	6,151,491	5,935,237	1,290,343	-	-	-	162,286	-
Deposits and other accounts	104,887,731	9,239,225	18,748,866	9,534,418	17,256,187	5,020,339	5,008,993	10,037,022	30,042,681	-
Other liabilities	3,337,359	2,004,638	1,016,169	49,784	99,261	46,250	40,006	62,371	4,164	14,716
	162,594,426	52,073,842	25,916,526	15,519,439	18,645,791	5,066,589	5,048,999	10,099,393	30,209,131	14,716
Net assets	15,699,461	(26,008,696)	8,828,787	13,179,502	7,502,457	10,439,974	2,375,270	5,309,237	(14,536,065)	8,608,995
Share capital	103,028,512									
Reserves	474,123									
Discount on issue of shares	(45,769,623)									
Accumulated loss	(41,716,290)									
Shareholders' equity	16,016,722									
Deficit on revaluation of assets - net	(317,261)									
	15,699,461									

Non-contractual assets and liabilities have been profiled by using Core / Non-core Balance Methodology. Core balances are defined as those which are expected to remain in our books for a longer period and thus placed in longer time buckets. Whereas, non-core balances are considered volatile and expected to attrite from our books in the short run. In order to work out non-core balances, volatility is calculated using standard deviation and scaled for computing respective tenor volatility. Non-core and Core balances are equally distributed in time buckets from 1 month till 1 year and from 2 years till furthest available time bucket respectively. Similarly, non-core balances for Running Finance are placed in 1-month bucket and core balances are equally distributed in buckets 2-months till 1-year.

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	Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Over 10 Years
----- (Rupees '000') -----										
Assets										
Cash and balances with treasury banks	7,672,866	7,672,866	-	-	-	-	-	-	-	-
Balances with other banks	956,809	952,675	-	-	4,134	-	-	-	-	-
Lendings to financial institutions	3,440,910	3,440,910	-	-	-	-	-	-	-	-
Investments	83,802,727	9,343,878	7,933,388	6,786,584	31,740,465	3,495,579	10,548,007	8,632,732	3,669,150	1,652,944
Advances	71,585,896	16,402,097	12,065,707	15,334,003	16,849,534	2,781,094	2,906,018	3,109,647	1,419,595	7,18,201
Operating fixed assets	2,754,051	26,522	65,090	74,836	145,481	263,863	162,087	195,893	294,621	1,525,658
Intangible assets	3,449,976	27,502	55,004	82,507	164,951	317,375	293,445	571,018	211,448	1,726,726
Deferred tax assets	10,766,279	34,264	65,458	171,342	360,910	1,427,204	1,861,515	4,890,527	1,955,059	-
Other assets	6,425,663	283,123	3,195,211	124,499	1,502,614	1,235,545	73,460	11,211	-	-
	190,855,177	38,183,837	23,379,858	22,573,771	50,768,089	9,520,660	15,844,532	17,411,028	7,549,873	5,623,529
Liabilities										
Bills payable	2,430,030	2,430,030	-	-	-	-	-	-	-	-
Borrowings	76,179,065	63,741,397	6,681,670	4,653,754	81,605	276,978	483,462	6,489	253,710	-
Deposits and other accounts	91,094,447	8,877,729	11,872,222	9,389,196	15,861,068	4,523,714	4,517,102	9,030,152	27,023,264	-
Sub-ordinated loans	3,992,800	-	800	-	665,336	1,330,672	1,330,664	665,328	-	-
Other liabilities	2,763,271	1,171,945	871,474	249,320	382,601	24,343	-	-	63,588	-
	176,459,613	76,221,101	19,426,166	14,292,270	16,990,610	6,155,707	6,331,228	9,701,969	27,340,562	-
Net assets	14,395,564	(38,037,264)	3,953,692	8,281,501	33,777,479	3,364,953	9,513,304	7,709,059	(19,790,689)	5,623,529
Share capital	103,028,512									
Reserves	225,889									
Discount on issue of shares	(45,769,623)									
Accumulated loss	(43,069,410)									
Shareholder's equity	14,415,368									
Surplus on revaluation of assets-net	(19,804)									
	14,395,564									

42.4 Operational Risk Management

The Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Bank seeks to ensure that key operational risks are managed in a timely and effective manner.

NIB approach operational risk management from two perspectives to best manage operational risk within the structure of the Bank:

- at the enterprise level to provide independent, integrated management of operational risk across the Bank, and
- at the business and enterprise control function levels to address operational risk in revenue generating and non-revenue generating units.

A sound internal governance structure enhances the effectiveness of NIB's Operational Risk Management and is accomplished at the enterprise level through formal oversight by the Board, the CRO and risk management committees aligned to the Bank's overall risk governance framework and practices. The Operational Risk Committee (ORC) oversees the processes for sound operational risk management and also serves as an escalation point for critical operational risk matters within the Bank. The ORC reports operational risk activities to the Board Risk Management Committee.

Within the Integrated Risk Management Group, the Operational Risk team develops the strategies, policies, controls and monitoring tools for assessing and managing operational risks across the Bank and report results to Operational Risk Committee (ORC) and the Board. The business and support functions are responsible for all the risks within the business line, including operational risks. Operational Risk Management tools, such as Loss Collection & Reporting, Risk and Control Self Assessment and Key Risk Indicators are developed and used to identify, measure, mitigate and monitor risks.

43. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on February 28, 2014 by the Board of Directors of the Bank.

Yameen Kerai
President / Chief Executive (Acting)

Teo Cheng San, Roland
Chairman / Director

Tejpal Singh Hora
Director

Muhammad Abdullah Yusuf
Director

**Statement showing written-off loans or any other financial relief of
five hundred thousand rupees or above provided
during the year ended December 31, 2013**

S.No.	Name & Address of borrower	Name of individual / partners / directors		Father's / Husband's Name	Outstanding Liabilities Before Adjustments			Interest/ Mark-up written off	Other Financial Relief	Total	
		Name	NIC No.		Principal	Accrued Mark-up	Others				Total
1	Haji Noor Engineers & Company 37-A1, Main Peco Road, Township, Lahore.	(I) MUHAMMAD AZAMI NOOR (II) ROBINA AZAM (III) BILAL AZAMI (IV) MISS MARYAM AZAM (V) ABBAS AZAMI	(I) 35202-2709380-1 (II) 35202-2564887-3 (III) 35202-2709387-9 (IV) 35202-2564892-0 (V) 35202-5050568-1	(I) NOOR MUHAMMAD (II) MUHAMMAD AZAMI NOOR (III) MUHAMMAD AZAMI NOOR (IV) MUHAMMAD AZAMI NOOR (V) MUHAMMAD AZAMI NOOR	69,996	30,431	-	100,427	-	5,427	5,427
2	DANISH TRADERS 173-7, New Alamgir Market, Shahalam, Lahore.	(I) AKHTER ALI (II) BUSHRA HAIDER	(I) 35202-2467255-3 (II) 35202-2357275-0	(I) ANAYAT ALI (II) ALI HAIDER	13,425	3,969	-	17,394	4,425	3,969	8,394
3	RAINBOW INDUSTRIES LIMITED 56 KM MULTAN ROAD, BHAI PHERU MIAN KI MORR, Lahore.	(I) ABDUL ISLAM (II) ADNAN SHAHID (III) IMRAN SHAHID	(I) 33100-0957849-3 (II) 33100-0957861-7 (III) 33100-1424233-7	(I) MUHAMMAD SARDAR (II) ABDUL ISLAM (III) ABDUL ISLAM	36,859	3,876	-	40,735	11,059	3,876	14,935
4	NAEEM CLOTH BAZAR NO. 3, HOUSE NO P-777/87, STREET 18, FAZALABAD, FAISALABAD.	MUHAMMAD NAEEM	33100-6506108-7	SHEIKH MUHAMMAD ADREES	5,377	524	-	5,901	276	524	800
5	FAZLEESONS (PRIVATE) LIMITED F-42 HUB RIVER ROAD, SITE AREA, KARACHI.	(I) SALEEMUDDIN (II) FAZAL-E-AZEEM (III) TARIQUE REHMAN (IV) ZARINA BEGUM (V) JAMIL AHMED (VI) ZARINA KHATOON	(I) 42201-9115584-7 (II) 42201-8514923-5 (III) 42201-3215399-1 (IV) 42201-0231331-2 (V) 42101-9203283-7 (VI) 42201-0271999-8	(I) FAZAL-ELLAHI (II) FAZLUR REHMAN (III) FAZLUR REHMAN (IV) FAZLUR REHMAN (V) NAAEAB AHMED (VI) SALEEMUDDIN	21,936	7,818	-	29,754	-	7,818	7,818
6	KHUDA BUX ALLAH RAKHA 503, 5TH FLOOR, ISMAIL TRADE CENTRE, JODIA BAZAR, KARACHI.	MUHAMMAD USMAN	42401-7752794-5	ALLAH RAKHA	5,800	2,781	-	8,581	-	2,781	2,781
7	MAHMOOD PACKING CENTRE 124 A, AMIR TOWN, NAJMA HOUSE, CANAL ROAD, FAISALABAD.	MAHMOOD AHMED	33100-1269185-7	MUHAMMAD SHARIF	9,999	3,471	-	13,470	-	3,471	3,471
8	MIAN TRADERS HOUSE NO. 7, IMRAN ROAD, KHYABAN COLONY, FAISALABAD.	MUHAMMAD IQBAL	33100-3491941-3	MUHAMMAD AKRAM SHAKIL	1,529	531	-	2,060	-	531	531
9	MUHAMMAD SALEEM BHATTI SAREED COLONY 1, CANAL ROAD, FAISALABAD.	MUHAMMAD SALEEM BHATTI	33100-8872572-5	HASSAN MUHAMMAD BHATTI	25,002	9,122	-	34,124	-	9,122	9,122
10	REHMAN HEIGHTS MAIN SATYANA ROAD, SALEEMI CHOWK, FAISALABAD.	(I) SARDAR DILDAR AHMAD CHEEMA (II) MUHAMMAD SALEEM BHATTI	(I) 35202-5738760-7 (II) 33100-8872572-5	(I) SARDAR HAFIZ UR REHMAN (II) HASSAN MUHAMMAD BHATTI	19,867	869	-	20,736	-	736	736
11	SHINE STAR ENTERPRISES HOUSE 22/28, RAJA WALI GREEN VIEW COLONY, FAISALABAD.	BABAR MAQSOOD	33102-1805010-7	MAQSOOD AHMED	17,500	6,355	-	23,855	-	6,355	6,355
12	SILVER REED INTERNATIONAL (PRIVATE) LIMITED SILVER REED HOUSE, NEAR POLICE HEAD OFFICE, I.I. CHUNDRIGAR ROAD, KARACHI.	(I) SALAHUDDIN AHMED (II) SHAHID AHMED (III) SOHAIL AHMED	(I) 42301-8009574-5 (II) 42000-0464084-1 (III) 42301-4863992-5	(I) ABDUL PASHEED (II) SALAHUDDIN AHMED (III) SALAHUDDIN AHMED	6,644	647	-	7,291	-	591	591
13	SAFAR ALI SHAH & COMPANY 60 HARLEY STREET, RAWALPINDI.	SYED NAJMUL HASSAN	37405-9379914-7	SAFDAR ALI SHAH	2,668	555	-	3,223	-	555	555
14	ZARI MARKAZ SHOP NO. 09, KHALID CLOTH MARKET, LIAQUAT ABAD, KARACHI.	SYED MUHAMMAD ALI HASANI	42101-1807265-9	SYED JAMIL AHMED	2,500	536	-	3,036	-	536	536
15	AMBER ENTERPRISES GODOWN/MI, E-660 BLOCK-D, ST. NO. 3, SHERSHAH COLONY, SITE KARACHI.	(I) YASIR JAMAL PASHAH (II) AAMIR	(I) 42000-1286264-3 (II) 42401-5601440-7	(I) SYED JAMAL AHMED (II) ABDUL JABBAR	9,248	1,840	-	11,088	1,598	1,840	3,438
16	ABBAS NIZAM COTTON GINNING AND PRESSING FACTORY NEAR KEERVA SHAIKH BY PASS, HYDERABAD ROAD, TANDO ALLAHYAR, SINDH.	ABBAS ALI KHAN	42000-1286264-3	SYED JAMAL AHMED	35,355	13,414	-	48,769	21,942	13,414	35,356
17	HILAL CORPORATION (PRIVATE) LIMITED 40-B, SECTOR-19, KORANGI, KARACHI.	(I) FURQAN SATTAR (II) S. KHURSHID AHMAD (III) S.A. SATTAR BHATTI (IV) S. SHARIF AHMAD	(I) 517-90-305768 (II) 517-63-305765 (III) 519-92-026154 (IV) 517-90-305763	(I) S.A. SATTAR BHATTI (II) HAJI ABDUL SALAM (III) S.A. SALAM (IV) S.A. SALAM	28,857	13,067	-	39,924	-	9,674	9,674

**Statement showing written-off loans or any other financial relief of
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S.No.	Name & Address of borrower	Name of individual / partners / directors		NIC No.	Father's / Husband's Name	Outstanding Liabilities Before Adjustments			Principal written off	Interest/ Mark-up written off	Other Financial Relief	Total
		Name				Principal	Accrued Mark-up	Others				
18	SHAIKH TRADING CORPORATION 101, 1ST FLOOR, KAKA CHAMBER, PLOT MR 71, MARKET QUARTERS, KARACHI.	SHAIKH SOHAIL		42000-5183618-7	SHAIKH MUHAMMAD IBRAHIM	3,800	530	-	4,330	800	530	1,330
19	AFTAB TECHNOLOGIES (PRIVATE) LIMITED 8-81 & 82, SITE SUPER HIGHWAY INDUSTRIAL AREA, KDA SCHEME NO. 33, KARACHI.	(I) AFTAB ASHRAF KHAN (II) ANWAR AHMER (III) ASHRAF (IV) GUL AWAIS		(I) 42201-0270999-9 (II) 101-39878-4 (III) 42201-0270999-9 (IV) 42201-5194836-2	(I) MOHD ASHRAF KHAN (II) ABUL HASNAT ZAL KHAN (III) AFTAB ASHRAF KHAN (IV) AWAIS GARNI	29,901	10,909	-	40,810	10,901	10,909	21,810
20	GHARIBWAL CEMENT LIMITED 28-B / III, GULBERG III, LAHORE.	(I) MR M TUSIF PERACHA (II) A RAFIQUE KHAN (III) TABASSUM TUSIF PERACHA (IV) KHALID SIDDIQUE TIRMAZI (V) M. REHMAN (VI) MUSTAFA TUSIF AHMED PARACHA (VII) ALI RASHEED KHAN		(I) 35202-1524979-9 (II) 35202-9601809-3 (III) 35202-0709533-6 (IV) 42301-0995491-3 (V) 42301-2597680-5 (VI) 35200-8806944-7 (VII) 35202-9601904-3	(I) MUHAMMAD SIDDIQ PERACHA (II) ABDUR RASHEED KHAN (III) M. TUSIF PERACHA (IV) MUHAMMAD SIDDIQUE TONI (V) MUHAMMAD AMAN (VI) M. TUSIF PERACHA (VII) ABDUR RAFIQUE KHAN	403,084	233,422	-	636,506	-	95,001	95,001
21	FAIQA TRADING COMPANY (PRIVATE) LIMITED 9-A, ASLAMI CENTRE, SHAH ALAMI MARKET, LAHORE.	(I) MUHAMMAD ALI (II) UMER IOBAL (III) MEHMOOD AHMED		(I) 35201-6460047-3 (II) 35202-6399946-9 (III) 35202-6372646-7	(I) MUHAMMAD SHAFI (II) MUHAMMAD SHAFI (III) MUHAMMAD SHAFI	87,993	61,406	-	149,399	-	61,406	61,406
22	NAYAAB TRADING COMPANY CIRCULAR ROAD, GHALLA MANDI, DASKA.	MEHMOOD AHMED		34601-2504044-9	IMAM DIN	30,821	18,240	-	49,061	-	18,053	18,053
23	AL MEHRAN BUILDERS PAKISTAN (PRIVATE) LIMITED PLOT NO. B-4, BLOCK-16, GULSHAN-E-IOBAL, KARACHI.	MUHAMMAD ATIF RASHID		42301-8273966-5	RASHID MUHAMMAD OURESHI	29,988	5,470	-	35,458	4,988	5,470	10,458
24	PUNJAB COTTON MILLS LIMITED 19-LAWRENCE ROAD, LAHORE.	(I) JAMIL IRSHAD (II) MUHAMMAD TAYYAB (III) SAMI ULLAH KHAN (IV) SHAHID BASHIR (V) FAYSAL SHAHZAD (VI) SADIA FATIMA (VII) BUSHRA JAMIL		(I) 35201-1266627-7 (II) 35202-2666965-5 (III) 35200-9933848-1 (IV) 61101-8492734-3 (V) 35202-2261627-3 (VI) 35202-2500437-4 (VII) 35201-1226895-6	(I) IRSHAD AHMED (II) ABDUL REHMAN KHAN (III) RANA IRSHAD MOHD KHAN (IV) MUHAMMAD BASHIR (V) SHAHZAD ALI (VI) MUHAMMAD TAYYAB (VII) JAMIL IRSHAD	40,174	17,471	-	57,645	16,136	17,471	33,607
25	EVER GREEN RICE MILL G.T. ROAD, CHENAB BRIDGE, NEAR ALI RESTURANT, WAZIRABAD.	(I) MEHAR AHMED RAZ (II) MUJTAZ ALI		(I) 34104-3412827-5 (II) 34104-5565780-9	(I) CH. NABI AHMED MEHAR (II) MUHAMMAD YAQOOB	40,016	17,697	-	57,713	12,005	17,697	29,702
26	RAJPUT TRADERS 1ST FLOOR, MALIK DAL MILL BUILDING, BANK SQUARE, GULFANWALA.	RANA NAVEED AKHTAR KHAN		34101-2384466-7	RANA MUHAMMAD BASHIR	4,699	1,648	-	6,347	799	1,648	2,447
27	BONNY INTERNATIONAL OFFICE NO. 7-8, RABIA CROWN, NEAR MCB JAMSHED ROAD BRANCH, NEW M.A. JINNAH ROAD, KARACHI.	MUHAMMAD ARSHAD		42201-0609502-9	MUHAMMAD DIN	50,000	18,055	-	68,055	10,000	18,055	28,055
28	ALMA SOOM AIRCONDITION COACHES PLOT NO. SR-7/16, PATHAN COLONY, BANAPAS, KARACHI.	MUHAMMAD BASHIR KHAN		42301-3199425-1	NAQASH KHAN	14,613	1,780	-	16,393	5,526	1,780	7,306
29	YAHYA TEXTILE MILLS 40-TIPU SULTAN ROAD, MULTAN CANTT, MULTAN.	(I) MALIK GHULAM MUHAMMAD MURTAZA (II) FARAH NAZ (III) MASHOOQ ALI (IV) FAIZ AHMAD (V) AHMAD BAKHSH (VI) GHULAM HUSSAIN (VII) DOST MUHAMMAD		(I) 32304-7656411-1 (II) 36302-4367489-6 (III) 36302-1676506-3 (IV) 32303-0682421-3 (V) 32303-0707810-7 (VI) 32303-5466585-3 (VII) 32303-2090901-3	(I) MUHAMMAD YAR (II) MALIK GHULAM MUHAMMAD MURTAZA (III) AMEER BAKHSH (IV) MUHAMMAD SHAFI (V) AL LAH DITTA (VI) AZEEM BAKHSH (VII) NOOR MUHAMMAD	84,192	21,929	-	106,121	45,192	21,929	67,121
30	CHAUDHARY TRADERS KASHMIRI MALL, STREET NO. 1, YARN MARKET JIHANG BAZAR, PALSALABAD.	(I) IMRAN SHER ALI (II) ZIA UD DIN		(I) 33100-34309461-7 (II) 33100-09137453-1	(I) SHER ALI (II) DIN MUHAMMAD	50,000	6,620	-	56,620	-	6,620	6,620
31	TAHA SPINNING MILLS 407 COMMERCIAL CENTRE, HASRAT MOHANI ROAD, KARACHI.	(I) ASHFAQ AHMED (II) SAQIB ASHFAQ (III) AMIR ASHFAQ (IV) NIAZ MOHAMMAD (V) MOHAMMAD FAROOQ (VI) MUHAMMAD AZAM (VII) ZEENAT KHAN		(I) 42201-6761283-1 (II) 42201-0669739-5 (III) 42201-3429877-9 (IV) 42401-1913493-3 (V) 35202-0675584-3 (VI) 42201-6703153-1 (VII) 42401-8648930-7	(I) HAJI MOHAMMAD ISMAIL (II) ASHFAQ AHMED (III) ASHFAQ AHMED (IV) NISAR AHMED (V) RASOOL KHAN (VI) NISAR AHMED (VII) JEHANGIR KHAN	48,465	47,875	-	96,340	654	47,875	48,529

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S.No.	Name & Address of borrower	Name of individual / partners / directors		Father's / Husband's Name	Outstanding Liabilities Before Adjustments			Interest/ Mark-up written off	Other Financial Relief	Total
		Name	NIC No.		Principal	Accrued Mark-up	Others			
32	A. S. BROTHERS 23, SHER MUHAMMAD HOU QUAID AZAM PARK, ALLAMA IQBAL ROAD, KOTLAKHPAT, LAHORE.	ABDUL SATTAR	35201-1533686-3	SHER MUHAMMAD	6,000	1,427	-	1,427	-	1,427
33	ABDUL SHAKOOR RICE DEALER MOHALLAH RASOOL NAGAR, TEHSEEL KAMOKI, GUJRANWALA.	ABDUL SHAKOOR	34102-0406111-7	MUHAMMAD SAADIQ	2,007	663	-	663	-	663
34	ASIATEX CORPORATION 3607/2M, JALILABAD COLONY, GUL PIONEER TRADERS, MULTAN.	MUHAMMAD YOUSAF	36302-0936728-9	MUHAMMAD SAADIQ	1,684	938	-	938	-	938
35	PARAS INDUSTRIES PLOT NO. G/6, SITE AREA, HYDERABAD.	(I) RELO MALL (II) TERAT DAS	(I) 41102-5009514-7 (II) 41207-2294013-9	(I) NABHAN DAS (II) NABHAN DAS	40,050	5,016	-	5,016	-	12,566
36	PRECISE SALEEM SABIR TEXTILES (PRIVATE) LIMITED A-25, J/1, SITE, KARACHI.	(I) SALEEMULLAH (II) MUHAMMAD ISHAQ	(I) 42101-5169864-1 (II) 42301-9887240-5	(I) REHMAT ULLAH (II) ABDUL HAKEEM	10,989	2,307	-	2,298	-	2,298
37	ALLUSYS (PRIVATE) LIMITED G.T. ROAD, SADDUKE, GUJRANWALA.	(I) FAISAL RASHEED (II) MOHAMMAD SHOAB (III) SHAFIQ UR REHMAN (IV) ADNAN RASHEED	(I) 34101-0888270-7 (II) 34101-9830767-9 (III) 34101-6412594-3 (IV) 34101-7021728-9	(I) ABDUL RASHEED (II) MOHD NASIM (III) MOHD RAFIQUE (IV) ABDUL RASHEED	93,145	50,282	-	33,427	-	33,427
38	ZURASH INDUSTRIES (PRIVATE) LIMITED PLOT NO. 96-100, SECTOR 15, KORANGI INDUSTRIAL AREA, KARACHI.	(I) ABDUL REHMAN (II) AZIZ ABDUL REHMAN (III) MRS. ZARINA A REHMAN (IV) HUSSAIN A REHMAN	(I) 42301-0888617-7 (II) 42301-0895550-3 (III) 42301-0820312-0 (IV) 42301-0895556-5	(I) KARUDDIN GOLANY (II) ABDUL REHMAN (III) ABDUL REHMAN (IV) ABDUL REHMAN	62,442	34,042	-	34,042	-	39,042
39	HAJI MUHAMMAD ISMAIL MILLS LIMITED OFFICE NO. 408, COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI.	(I) GULSHAD BEGUM (II) HUMAI IRFAN (III) M. SARFRAZ (IV) MOHAMMAD FAROOQ (V) MUSHTAQ A. VOHRA (VI) NASIR MUSHTAQ VOHRA	(I) 42301-0866236-6 (II) 42301-0114286-0 (III) 42301-0882471-1 (IV) 42301-0052156-9 (V) 42301-0952156-3 (VI) 517-92-219565	(I) MUSHTAQ A. VOHRA (II) IRFAN IQBAL (III) MOHAMMAD ALI (IV) RASOOL KHAN (V) HAJI MUHAMMAD ISMAIL (VI) MUSHTAQ AHMED VOHRA	12,208	9,535	-	9,535	-	9,535
40	H M ENERGY (PRIVATE) LIMITED 409, COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI.	(I) M. SARFRAZ (II) NAJEEB MUSHTAQ VOHRA	(I) 510-59-280358 (II) 517-93-217567	(I) M. ALI (II) MUSHTAQ A. VOHRA	14,879	11,451	-	11,451	-	21,641
41	AL RAHMAN AGENCY 1-N, BLOCK NO. 2, PECHS SOCIETY, KARACHI.	JAVED MAHMOOD	42201-9665527-5	MAHMOOD SHOUKAT	10,384	1,111	-	1,111	-	2,120
42	AL SABAHAT ENTERPRISES OFFICE NO. 03, 1ST FLOOR, WAZIR MANSION, NICOL ROAD, NEAR CHAMBER OF COMMERCE, KARACHI.	(I) ABDUL RAUF KARIM (II) KHALID H. KHAN (III) M. OWAS MOTIWALA	(I) 42201-3184468-5 (II) 42201-7438838-1 (III) 42201-0673370-9	(I) ABDUL KARIM (II) SULTAN HASSAN KHAN (III) M. ASHRAF MOTIWALA	12,500	696	-	696	-	696
43	ANWER STEEL TRADERS 143, MAIN MARKET, LANDA BAZAR, LAHORE.	ANWAR AMIN PASHA	35202-6587751-7	MUHAMMAD ASHRAF	16,100	1,607	-	1,607	-	1,026
44	FAZAL GARMENTS 1-D2 & D3, STREET NO. 9/1, SECTOR NO. 16-B, NORTH KARACHI INDUSTRIAL AREA, KARACHI.	MAGSOOD HUSSAIN	42101-1638301-9	FAZAL HUSSAIN	-	6,787	-	6,782	-	6,782
45	FAZAL INDUSTRIES 1-D2 1-D3, STREET 9/1, SECTOR 16-B, NORTH KARACHI INDUSTRIAL AREA, KARACHI.	MAGSOOD HUSSAIN	42101-1638301-9	FAZAL HUSSAIN	60,000	4,794	-	4,794	-	4,794
46	HAJI M SHARIF & SONS 196, LOHA MARKET, LANDA BAZAR, LAHORE.	MUHAMMAD JAMIL	35202-4283389-1	HAJI MUHAMMAD SHARIF	9,999	790	-	790	-	790
47	SAMEER ENTERPRISES CRESCENT BOARDS BUILDING, NISHATABAD, LAHORE ROAD, FAISALABAD.	(I) SHAHID RIAZ (II) MANSOOR RIAZ	(I) 33100-0719870-1 (II) 33100-0720063-5	(I) RIAZ MASOOD (II) RIAZ MASOOD	13,996	937	-	522	-	522

Annexure - 1

Statement showing written-off loans or any other financial relief of five hundred thousand rupees or above provided during the year ended December 31, 2013

S.No.	Name & Address of borrower	Name of individual / partners / directors		Father's / Husband's Name	Outstanding Liabilities Before Adjustments				Principal written off	Interest/ Mark-up written off	Other Financial Relief	Total
		Name	NIC No.		Principal	Accrued Mark-up	Others	Total				
48	TAJ IMPEX GONDANWAL ROAD, GUJRANWALA.	SAEED AHMED TAJ	34101-0376448-9	HAJI TAJ DIN	40,987	1,735	-	42,732	-	1,735	-	1,735
49	NEW KHAN TRANSPORT COMPANY 55 LAWRENCE ROAD, LAHORE.	(I) AAMIR HAYAT KHAN (II) MUMTAZ NIAZI (III) KHURSHID JABEEN NIAZI	(I) 35202-3900284-5 (II) 35202-0719000-0 (III) 35202-6857824-4	(I) KHAN AMIR ABDULLAH KHAN ROKRI (II) KHAN AMIR ABDULLAH KHAN ROKRI (III) GHULAM MUHAMMAD	-	19,455	29,306	48,761	-	19,455	4,000	23,455
50	AFSAR AHMED HOUSE NO. 6591-A, LIAQUATABAD NO. 06, KARACHI.	AFSAR AHMED	42101-2299991-5	ABDUL SATTAR	460	47	-	507	460	47	-	507
51	YOUSUF FLAT NO. GK 729, 1ST FLOOR, ISMAIL MENSION JAFFER FADDU ROAD, KHARADAR, KARACHI.	YOUSUF	42301-7199012-1	MUHAMMAD USMAN	551	80	-	631	551	80	-	631
52	NAZAR MUHAMMAD BALOCH HOUSE 01, KOHI GOATH, HAJI RAHMETULLAH GARDEN, BIN QASIM TOWN, KARACHI.	NAZAR MUHAMMAD BALOCH	42501-5146116-1	RAHMAT ULLAH BALOCH	449	100	-	549	449	100	-	549
53	SYED INTIZAR ABBAS JAFFRI HOUSE 5 A 8/40, NAZIMABAD NO. 5, KARACHI.	SYED INTIZAR ABBAS JAFFRI	42101-1851395-5	SYED JITIKHAR HUSSAIN JAFFRI	471	132	-	603	471	132	-	603
54	MUHAMMAD, NAWAZ CHAH SAMUNDRIWALA MIANI RAWAH POST OFFICE, JHOK LASHKAR PUR TEHSEEL, MULTAN.	MUHAMMAD NAWAZ	36303-2464930-3	KHUDA BUKHSH	737	95	-	832	737	95	-	832
55	KASHIF AHMED FLAT 16 4TH FLOOR HOUSE NO A/120-412-413, BISMILLAH CENTRE, TANDO WALI MOHAMMAD, HYDERABAD.	KASHIF AHMED	41303-7738774-7	ALLAH DITA	727	135	-	862	727	135	-	862
56	MUHAMMAD, IRFAN HOUSE NO. 2897/A, PHULELI, HYDERABAD.	MUHAMMAD IRFAN	41303-8147412-7	MUHAMMAD HANIF	737	145	-	882	737	145	-	882
57	SHAKEEL AHMED HOUSE NO. R-1190, DASTAGIR SOCIETY, BLOCK-15, F. B. AREA, KARACHI.	SHAKEEL AHMED	42101-3155578-9	NOOR KHAN	534	134	-	668	534	134	-	668
58	SYED MUHAMMAD ALI HOUSE NO. R-624, BLOCK-15, F. B. AREA, KARACHI.	SYED MUHAMMAD ALI	42101-2347859-7	SYED ABDULLAH	558	112	-	670	558	112	-	670
59	ASHAR AHMED KHAN HOUSE NO. 09 STREET NO. 2, SHAH ALAM COLONY, TAJ PURA SCHEME, LAHORE.	ASHAR AHMED KHAN	35200-1436643-1	IRSHAD AHMED KHAN	445	107	-	552	445	107	-	552
60	QASEEM AHMED HOUSE NO. F 62/ 4, MARTIN QUARTER, MARTIN ROAD, KARACHI.	QASEEM AHMED	42000-9558891-9	NAZ AHMED	477	41	-	518	477	41	-	518
61	MUHAMMAD YOUNUS KHAN HOUSE NO. R-15, MOHAMMAD ALI SHAHEED SOCIETY, MALIR, KARACHI.	MUHAMMAD YOUNUS KHAN	42201-0442844-5	AHMED HASSAN KHAN	631	122	-	753	631	122	-	753
62	SAJID HAYAT SAJISE MUJHALLA RASHED COLONY, PAF ROAD, SARGODHA.	SAJID HAYAT	38403-2220774-3	MUHAMMAD SIDDIQUE	507	107	-	614	507	107	-	614
63	DR. SYED MUHAMMAD ALI BUKHARI HOUSE NO. 02, GIRLS COLLEGE ROAD, CHAK NO 111/P, RAHIMYAR KHAN.	DR SYED MUHAMMAD ALI BUKHARI	31303-9997264-3	SYED KHURSHID HASSAN	364	146	-	510	364	146	-	510
64	MUHAMMAD AYAZ HOUSE NO. A 109, BILLY'S HOMES, UNIVERSITY ROAD, SCHEME 33, GULZAR E HURJI, KARACHI.	MUHAMMAD AYAZ	42501-3944645-1	RAHEEM BUX	1,052	225	-	1,277	1,052	225	-	1,277
65	TARIO MEHMOOD HOUSE NO. 6, STREET NO 157-S, MUJHALLAH MAGBOOL ROAD, CHOWK BABA AZAM, ICHRA, LAHORE.	TARIO MEHMOOD	35202-2744531-5	MUHAMMAD SADIQ	651	148	-	799	651	148	-	799

(Rupees '000')

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		Name	NIC No.		Principal	Accrued Mark-up	Others					Total
							Principal					Accrued Mark-up
66	LAIQ AHMED HOUSE NO. A-5/4, ROW NO. 9, NATIONAL CEMENT HOUSING SOCIETY, BLOCK 10-A, GULSHANE-IQBAL, KARACHI.	LAIQ AHMED	42201-3302951-5	MUJIBEN AHMED	525	129	-	654	525	129	-	654
67	IMRAN SAKHAWAT HOUSE NO. 18, ST NO.3, SEC B, PHASE-II, DHA, ISLAMABAD.	IMRAN SAKHAWAT	37405-0577744-5	SAKHAWAT HUSSAIN	1,112	124	-	1,236	1,112	124	-	1,236
68	ABDUL AZIZ AL HASEEB HOUSE, KARIM PURA, JHELUM.	ABDUL AZIZ	37301-7541234-5	ABDUL KHALIQ	529	136	-	665	529	136	-	665
69	MUHAMMAD ANWAR AMIN FLAT NO A-117, 1ST FLOOR, SECTOR 15-A-2, BUFFERZONE, KARACHI.	MUHAMMAD ANWAR AMIN	42401-2080619-9	MOHAMMAD AMIN	532	128	-	660	532	128	-	660
70	HABIB UR REHMAN HOUSE NO. B-1, BLOCK B, KDA OFFICERS HOUSING SOCIETY, KARACHI.	HABIB UR REHMAN	42201-0588518-5	GHULAM UR RAHMAN	378	50	600	1,028	128	50	600	778
71	MUHAMMAD ALAM HOUSE NO. A-476, SECTOR 4, AHSANABAD, SCHEME 33, GULSHAN-E-MAYWAR, KARACHI.	MUHAMMAD ALAM	42101-6655784-3	MOHAMMAD NAWAZ	710	239	286	1,235	250	239	286	775
72	MUHAMMAD IMRAN SHAIKH HOUSE NO. A/116-34-197, HIRABAD, HYDERABAD.	MUHAMMAD IMRAN SHAIKH	41303-1197998-1	MUHAMMAD AHSAN SHAIKH	789	198	109	1,096	314	198	109	621
73	MUHAMMAD JAWAID HOUSE 1573, MEMON COLONY, BLOCK 3, SIDDIQABAD, F.B. AREA, KARACHI.	MUHAMMAD JAWAID	42101-1024729-7	ABDUL GHAFFOR	825	479	739	2,043	325	479	739	1,543
74	MUHAMMAD ASLAM HOUSE NO. 96/10, ORANGABAD, CHOOTA MEADAN, NAZIMABAD NO.3, KARACHI.	MUHAMMAD ASLAM	42101-8817989-1	MUHAMMAD YAR	561	307	163	1,031	211	307	163	681
75	LIPS & TIPS HOUSE NO. N-346, SECTOR 95-C, WHITE "N", KORANGI NO. 3 1/2, KARACHI.	UZMA ASIF	42201-0339207-0	MAGBOOL HUSSAIN GOHAR	2,120	296	-	2,416	489	296	-	795
76	ABDUL MAALIK HOUSE NO. 1922, BLOCK NO. B, KHUDADAD COLONY, SHAHRAH-E-QUIADEN, KARACHI.	ABDUL MAALIK	42301-0943202-9	MOHAMMAD SALEEM	1,043	687	134	1,864	343	687	134	1,164
77	SUDHAMO AHUJA HOUSE NO. 27-28, HAPPY HOMES, QASIMABAD, HYDERABAD.	SUDHAMO AHUJA	41306-2653616-7	NIRMAL DAS AHLUA	851	395	121	1,367	421	395	121	937
78	SYED REHAN HUSSAIN ZAIDI FLAT NO. 4F, STREET NO. 5, ASKARI 4, GULISTAN-E-JAUHAR, KARACHI.	SYED REHAN HUSSAIN ZAIDI	42101-1872282-3	SYED LIAQUAT HUSSAIN ZAIDI	476	107	282	865	236	107	282	625
79	SHAHID DAR HOUSE NO. E-10, GROUND FLOOR, PHASE 2, DEFENCE VIEW, KARACHI.	SHAHID DAR	42301-7615567-3	FAIZ ALI	583	249	110	942	283	249	110	642
80	SYED SAJJAD HAIDER ZAIDI FLAT NO. 2, KMC OFFICERS FLATS, NUZRAT ROAD, GARDEN EAST, KARACHI.	SYED SAJJAD HAIDER ZAIDI	42201-9041793-3	SYED MUSLIM HUSSAIN ZAIDI	405	383	-	788	147	383	-	530
81	ABDUL HAFIZ HOUSE NO. F-43, F AREA, KORANGI, KARACHI.	ABDUL HAFIZ	42201-9836639-7	MUHAMMAD SHAREEF	793	206	164	1,163	393	206	164	763
82	MUNASIB KHAN HOUSE NO. B 130, GULSHANE-RAFI SOCIETY, JAMIA MILLIA ROAD, MALIR, KARACHI.	MUNASIB KHAN	42501-1263522-9	BEHRAM KHAN	926	630	125	1,681	376	630	125	1,131
83	SHOAIB IQBAL FLAT B-307, ROYAL RESIDENCY, BLOCK-13-D/2, GULSHANE-IQBAL, KARACHI.	SHOAIB IQBAL	42201-3585837-1	IQBAL HUSSAIN KHAN	488	348	64	880	233	348	64	645

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						Others	Total					
84	MOHAMMAD MUSHIT AQ, HOUSE NO. 1584, STREET NO. 24, LIAOAT ASHRAF COLONY 02, MEHMOODABAD 06, KARACHI.	MOHAMMAD MUSHIT AQ	42201-0590684-9	MOHAMMAD GULZAR	933	728	101	1,762	433	728	101	1,262
85	FAZAL NABI HOUSE NO. 1726/461, JAAM NAGAR COLONY, BALDIA TOWN, KARACHI.	FAZAL NABI	42401-9269260-7	FAZAL KARIM	432	310	29	771	212	310	29	551
86	SYED AFTAB HUSSAIN HOUSE NO. 388, C/16, CHEETAL CHADI, HYDERABAD.	SYED AFTAB HUSSAIN	41304-9583258-3	SYED ABRAR HUSSAIN JAFRI	587	524	-	1,111	162	524	-	686
87	TEXTILE FARMS, DP-4 SECTOR-21, KORANGI INDUSTRIAL AREA, KARACHI.	SYED MAZHAR ALI ZAIDI	42201-4025527-5	SYED HAZIQ ALI	4,017	994	2,536	7,547	1,795	994	2,536	5,325
88	MUHAMMAD NASIR HOUSE NO. P-96, STREET NO. 03, BAZAR NO. 02, RAZA ABAD, FAISALABAD.	MUHAMMAD NASIR	33100-3004443-3	GULZAR AHMED	1,652	671	234	2,557	432	671	234	1,337
89	ZEESHAN AHMED HOUSE 5, HAJI SOHAIL STREET, NAZISH ROAD, RAJGARHI, LAHORE.	ZEESHAN AHMED	35202-3665727-7	SHAMSHAD AHMED	446	426	-	872	221	426	-	647
90	MUHAMMAD RAFIQUE PAK CONTINENTAL HOTEL, CLUB ROAD, SARGODHA.	MUHAMMAD RAFIQUE	35202-4988524-9	CHANNAN DIN	1,069	294	460	1,823	244	294	460	998
91	ROOHI FARZANA HOUSE NO. 23/B, ST NO.15, RUSTAMI PARK, LAHORE.	ROOHI FARZANA	35202-2598696-2	RASHID HUSSAIN	782	340	21	1,143	257	340	21	618
92	MOHAMMAD IMRAN FLAT NO. 209, ALSA CHAMA HOMES, GHULAM HUSSAIN QASIM ROAD, GARDEN WEST, KARACHI.	MOHAMMAD IMRAN	42301-9337913-3	MUHAMMAD HANIF	475	469	53	997	225	469	53	747
93	SADIA FAROOQ 143-C-2, JOHAR TOWN, GHOUSIA CHOWK, LAHORE.	SADIA FAROOQ	35202-2546247-2	FAROOQ AHMED BHATTI	296	384	8	688	136	384	8	528
94	ZEESHAN ENERGY LIMITED HOUSE NO. 24, KHAYABAN COLONY, 213, SUSAN ROAD, FAISALABAD.	MALIK M. AFZAL KHAN	517-96-047391	MALIK M. NAWAZ KHAN	4,962	452	17,119	22,533	2,462	452	17,119	20,033
95	HUMA JAMEEL B-91, BLOCK-L, NORTH NAZIMABAD, KARACHI.	HUMA JAMEEL	42101-8731397-4	JAMEEL AHMED	304	472	86	862	151	472	86	709
96	KANWAR ABID MAJEED A-205/8, BLOCK T3-D/3, GULSHAN E IQBAL, KARACHI.	KANWAR ABID MAJEED	42201-8485110-3	KANWAR ABID MAJEED	623	278	154	1,055	293	278	154	725
97	MUHAMMAD RIAZ ANWAR CHEKER MUHALLA ISLAM PURA BHIKI ROAD, SHEIKHPURA.	MUHAMMAD RIAZ	35404-8605975-3	MANZOOR HUSSAIN	343	356	39	738	167	356	39	562
98	MIRZA IOBAL ALI HOUSE NO. 128, BLOCK A-1, PUNJAB SOCIETY, COLLEGE ROAD, TOWNSHIP, LAHORE.	MIRZA IOBAL ALI	35202-4895349-9	MIRZA ASIF ALI	492	467	-	959	242	467	-	709
99	SHAFIQUE UR REHMAN QURESHI HOUSE NO. 753/BIA, ST NO. 02, DASTGEER COLONY, NO. 02, RAHIMYAR KHAN.	SHAFIQUE UR REHMAN QURESHI	31303-2435185-9	HABIB-UR-REHMAN	409	441	64	914	200	441	64	705
100	TARIQ MEHMOOD HOUSE NO. 177, STREET NO. 02, BLOCK Z, GULSHAN-E-USMAN, RAHIMYAR KHAN.	TARIQ MEHMOOD	31303-7342442-5	SALAMAT ALI	596	216	45	857	296	216	45	557
101	SYED MURTAZA ABBAS FLAT J-28, BHAYYANI HEIGHTS, GULSHAN-E-IQBAL NO. 4, KARACHI.	SYED MURTAZA ABBAS	45203-3879063-1	SYED NAYAB HUSSAIN	389	338	50	777	169	338	50	557
102	FARHAN UDDIN HOUSE NO. R-636, MUHALA SECTOR 15-A/1, BUFFER ZONE, NORTH KARACHI, KARACHI.	FARHAN UDDIN	42201-0683933-1	BASHIR UDDIN	1,244	612	216	2,072	490	612	216	1,318
103	MUHAMMAD ARSHAD HOUSE NO. B-237, JALALABAD, NAZIMABAD NO. 1, KARACHI.	MUHAMMAD ARSHAD	42101-6066030-3	MUHAMMAD ASHRAF	345	311	40	696	165	311	40	516

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104	RANA MUHAMMAD NADEEM HOUSE NO. P-162/2, STREET NO. 2, ZULFIQAR COLONY, FAISALABAD.	RANA MUHAMMAD NADEEM	33100-1006498-7	MUHAMMAD SALEEM	389	456	38	883	169	456	38	663
105	ARIF BUTT HOUSE 2 ST 24 DAFRA SHIKO DO MORIA PUL LAHORE.	ARIF BUTT	35202-6691738-9	SIRAJ DIN BUTT	351	376	6	733	175	376	6	557
106	MUHAMMAD IRSHAD FLAT NO. 09, 4TH FLOOR, SAEEDA MANSION, STREET NO. 06, BURNS ROAD, KARACHI.	MUHAMMAD IRSHAD	42301-1019531-7	MUHAMMAD IDREES	870	623	132	1,625	433	623	132	1,188
107	SYED HAIDAR ABBAS ZAIDI HOUSE NO. 572, D 2 BLOCK NO. 5, GREEN TOWN, NEAR AMNA SABRA MASJID, LAHORE.	SYED HAIDAR ABBAS ZAIDI	35202-2016157-5	SYED MUZHAR HUSSAIN ZAIDI	351	396	191	938	170	396	191	757
108	MUHAMMAD USMAN SALEEM HOUSE NO. 243-B, SADAR BAZAR, SHAHEEN CHOWK, GHULAM MUHAMMAD ABAD, FAISALABAD.	MUHAMMAD USMAN SALEEM	33100-2698444-5	MUHAMMAD SALEEM	457	364	58	879	206	364	58	628
109	HUMAIR SALEEM SEHGAL PLOT NO. 1, RABBANI BLOCK, USMAN STREET, KASHMIR ROAD, KHAYABAN COLONY NO. 2, FAISALABAD.	HUMAIR SALEEM SEHGAL	33100-9406467-1	QAMAR SALEEM SEHGAL	513	452	17	982	205	452	17	674
110	MUHAMMAD RAFIQUE IOBAL HOUSE NO. 341, KORANGI NO 3-1/2, KARACHI.	MUHAMMAD RAFIQUE IOBAL	42201-4154410-3	AKBAR ALI	645	132	366	1,143	265	132	366	763
111	MUHAMMAD RAMZAN HOUSE NO. 631, STREET 37, JINNAH ROAD, BLOCK C, SHEFSAH, KARACHI.	MUHAMMAD RAMZAN	34501-1058928-1	NAZEER AHMED	904	260	137	1,301	239	260	137	636
112	AHSAN ALI BHUTTO FLAT G2-5, JACOB LINE COMPLEX BLOCK G, LINES AREA, KARACHI.	AHSAN ALI BHUTTO	43304-0590148-5	FAZAL MUHAMMAD	478	433	40	951	238	433	40	711
113	SHAHZAD ABUL HAMEED HOUSE NO. 11 A, ST 18, MOHALLAH NASIR PARK BILAL GUNJ, LAHORE.	SHAHZAD ABUL HAMEED	35202-1363868-3	ABDUL HAMEED	254	371	37	662	127	371	37	535
114	ARIF SAUD HOUSE NO. 154, UNIT NO. 5, BLOCK D, LATIFABAD, HYDERABAD.	ARIF SAUD	41304-6229883-5	ABDUL SALEEM KHAN	999	226	240	1,465	399	226	240	865
115	HASSAN KHAN TRANSPORT SERVICE P-75, STREET NO. 5, CHINIOT BAZAR, FAISALABAD.	MUHAMMAD HASSAN KHAN	33100-1016918-1	ABDUL WAHEED KHAN	1,895	359	2,699	4,953	495	359	2,699	3,553
116	BAHAR MAJEED 133, F-7, PHASE E-G, HAYATABAD, PESHAWAR.	BAHAR MAJEED	17301-3262668-0	ABDUL MAJEED	149	363	266	778	144	363	266	773
117	MOHAMMAD FAHEEM HOUSE NO. 22, STREET NO. 10, RAMNAGAR, CHOBURG, LAHORE.	MOHAMMAD FAHEEM	35202-3048497-7	RIAZ AHMED	479	358	69	906	234	358	69	661
118	RASHEED AHMED AWAN HOUSE NO. 2516/1, DARBAR HAFIZ JAMAL ROAD, MULTAN.	RASHEED AHMED AWAN	36302-4110434-5	HABIB AHMED AWAN	476	499	38	1,013	233	499	38	770
119	SHABBIR AHMED HOUSE NO. 865, MUHAMMAD NAGAR, LANDHI, KARACHI.	SHABBIR AHMED	42401-1815687-3	BASHIR AHMED	440	332	38	810	140	332	38	510
120	MIR TRADERS THIRD FLOOR, TRADE AVENUE, NEAR CHAPAL PLAZA, HASRAT MOHANI ROAD, KARACHI.	MUHAMMAD RAFIQ	42301-2373386-7	MUHAMMAD IBRAHIM	1,885	1,635	153	3,673	735	1,635	153	2,523
121	KASHIF ALI HOUSE NO. A 22, STREET 7, BANGLOW 4, GULSHAN-E-FAISAL, CLIFTON, KARACHI.	KASHIF ALI	53403-6958348-1	ZAFAR ALI	373	299	39	711	183	299	39	521
122	MUHAMMAD WASEEM ANSARI FLAT NO. 306, 3RD FLOOR, AL QADIR CENTER, IMLI STREET, ISLAMI POORA NISHTER ROAD, GARDEN WEST, KARACHI.	MUHAMMAD WASEEM ANSARI	42000-0513963-7	MOHAMMAD HABIB ANSARI	481	401	55	937	201	401	55	657

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					Principal written off	Mark-up written off						Total
123	MUHAMMAD MUNAFAF HOUSE NO. 151, BANTWA NAGAR, SIR SULEMAN SHAH ROAD, LIAQATABAD, KARACHI.	MUHAMMAD MUNAFAF	42101-23810141-1	ABDUL SATTAR	804	565	132	1,501	397	565	132	1,094
124	MUHAMMAD BILAL FLAT NO. A-202, BLOCK-A, PHASE-I, BILAL ARCADE, GHULAM HUSSAIN QASIM ROAD, GARDEN WEST, KARACHI.	MUHAMMAD BILAL	42301-0847526-1	MUHAMMAD HAROON	671	290	38	999	281	290	38	609
125	FARHAN HUSSAIN HOUSE NO. 31/4, U.K BANGALOWS, GULSHAN-E-IOBAL, KARACHI.	FARHAN HUSSAIN	42201-2157861-1	ZAHOOR HUSSAIN	591	519	90	1,200	191	519	90	800
126	MUHAMMAD KAMIL HOUSE NO. C-4, C AREA, CHAMMAN COLONY, KHOKRAPAR, KARACHI.	MUHAMMAD KAMIL	42201-0311591-7	MUHAMMAD TAQI	411	445	37	893	205	445	37	687
127	BALUCH EXPRESS COMPANY HOUSE NO. 121/1, STREET NO. 26, KHAYABAN E MUHAFFIZ, PHASE-VI, DHA, KARACHI.	ZAMIAN UL HAQ	42301-1354056-7	SARDAR AHSAN UL HAQ KHATIRAN	2,823	319	6,824	9,966	423	319	6,824	7,566
128	SALJAD BHATTI HOUSE NO. P-15/46-47, ASGHAR MALL SCHEME, MURREE ROAD, RAWALPINDI.	SALJAD BHATTI	37405-4493145-3	MUHAMMAD RAFIQ	377	303	45	725	169	303	45	517
129	SIKANDAR ALI SIDDIQUI HOUSE, NEW MURAD WAHAN, LARKANA.	SIKANDAR ALI	43203-5990613-7	MOHAMMAD MURAD SHAIKH	365	282	72	719	147	282	72	501
130	MUHAMMAD AMEEN FLAT 301, 3RD FLOOR, SWEET CASTLE, PLOT 255, TIRATHDAS STREET, SOLDIER BAZAR, GARDEN EAST, KARACHI.	MUHAMMAD AMEEN	42201-3425200-7	ISMAIL	989	76	395	1,460	239	76	395	710
131	BASHIR AHMED FLAT NO. G-14, SHESH MEHAL BUILDING, BLASIS STREET, HAQANI CHOWK, ARAM BAGH, KARACHI.	BASHIR AHMED	42301-1112532-7	GHULAM FAREED	1,043	623	185	1,851	496	623	185	1,304
132	DABAGH (PRIVATE) LIMITED 240-J, DEFENCE HOUSING SOCIETY, LAHORE.	AFFAF RAHIM	35201-7983543-7	MIAN RAHIM BUKHSH	440	66	1,287	1,793	110	66	1,287	1,463
133	SOHAIL MEHMOOD KHAN MOHALLAH MANDIR WALA, GALI PEER SARDAR, DEWAN JABRA, SHEKHUPURA.	SOHAIL MEHMOOD KHAN	42301-8576824-9	MUHAMMAD SALEEM KHAN	591	461	1,141	2,193	35	461	1,141	1,637
134	SYED KAZIM ABBAS SHAMSI PLOT NO. C-72, SECTOR-17-G, BISMILLAH COLONY, NORTH KARACHI, KARACHI.	SYED KAZIM ABBAS SHAMSI	42101-6004506-9	SYED ASHFAQ HUSSAIN	269	349	31	649	134	349	31	514
135	SULEMAN ZAFAR HOUSE NO. X-12, 19 EAST STREET, DEFENCE PHASE-I, KARACHI.	SULEMAN ZAFAR	42301-4794170-1	MUHAMMAD ZAFAR IQBAL	933	687	139	1,759	383	687	139	1,209
136	ASIF HAIDER HOUSE NO. 29/B, MOHALLA GHAZI KOT, TOWN SHIP, SECTOR D, MANSEHRA.	ASIF HAIDER	13503-7680287-9	HAIDER ZAMAN	968	589	110	1,667	243	589	110	942
137	ASAF HUSSAIN 91 K, GULISTAN COLONY, FAISALABAD.	ASAF HUSSAIN	33100-7423184-7	AKRAM HUSSAIN	405	237	108	750	193	237	108	538
138	EJAZ AHMED HOUSE NO. 13, BAIT UL RAZA COLONY, AL MUMTAZ ROAD, PAKKI THATI, SAMANABAD, LAHORE.	EJAZ AHMED	35202-5147946-5	SHEIKH NASAR AHMAD	408	230	95	733	183	230	95	508
139	ABDUL RASHEED COLONY NO. 1, HOUSE NO. 995, STREET NO. 3, KHANEWAL.	ABDUL RASHEED	36109-8463986-1	ABDUL KALEEM	333	67	301	701	163	67	301	531
140	ZULFIQAR AHMED HOUSE NO. 14/11, BLOCK N, NORTH NAZIMABAD, KARACHI.	ZULFIQAR AHMED	32202-2514989-9	MOHAMMAD ABBAS	688	212	53	953	238	212	53	503

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141	M.M. TRADINGS 1ST FLOOR, BLOCK N, AKHTAR IQBAL COMPOUND, F.B. AREA 22, KARACHI.	NIDA SHAHZAD	42101-9914708-0	SYED SHAHZAD AHMED	3,276	1,310	-	4,586	1,638	1,310	-	2,948
142	MUHAMMAD NAZEER NADEEM HOUSE NO. 76 A, BLOCK NO. 8, KHANEWAL.	MUHAMMAD NAZEER NADEEM	36103-7140249-5	MUHAMMAD SALEEM	316	306	56	678	154	306	56	516
143	AFZAL MASHI PORANI ABADI, MOHALLA SAINT PETERS CHURCH, KOT LAKHPAT, LAHORE.	AFZAL MASHI	35202-0846370-3	AMANAT MASHI	525	337	55	917	205	337	55	597
144	ABDUL WAHEED HOUSE NO. 696, G. MOHALLA NAGRA ANDROON SHEPA WALA GATE, LAHORE.	ABDUL WAHEED	35202-0412014-9	AZIZ UDIN	256	371	34	661	124	371	34	529
145	SYED MUSAWER ALI HOUSE NO. D-8, BLOCK 4, F.B. AREA, KARACHI.	SYED MUSAWER ALI	42101-4000555-7	SYED BASHIR ALI	1,186	418	108	1,712	226	418	108	752
146	WAJID KHAN NEAR JAMIA MASJID GHOSAI, HOUSE NO. 2, MOHALLA KOT AMI SINGH, KHANEWAL.	WAJID KHAN	36103-8730795-7	HAMID KHAN	448	523	44	1,015	219	523	44	786
147	MUHAMMAD ABDULLAH SHAHID HOUSE NO. 46, STREET NO. 2, SECTOR 5 J, SAEEDABAD, BALDIA TOWN, KARACHI.	MUHAMMAD ABDULLAH SHAHID	42401-2047041-5	ABDUL GAHFOOR	632	540	82	1,254	150	540	82	772
148	TANSEER AHMED HASHMI HOUSE NO. 3-A, STREET NO. 65, INDER NAGAR BASMATI ROAD, SAMANABAD, LAHORE.	TANSEER AHMED HASHMI	35202-4146289-3	MUMTAZ HASHMI	341	255	97	693	166	255	97	518
149	MUHAMMAD RAMZAN HOUSE NO. 180, STREET NO. 3, RABAN COLONY, FAISALABAD.	MUHAMMAD RAMZAN	33100-2564082-5	MUHAMMAD ASHRAF	468	373	127	968	186	373	127	686
150	MUHAMMAD AMJAD HOUSE NO. 266 D, MOHALLAH GULSHAN RAVI, LAHORE.	MUHAMMAD AMJAD	35202-5091579-3	ABDUL RASHEED	659	516	107	1,282	322	516	107	945
151	MUHAMMAD RASHID SHAIKH HOUSE NO. D/36-2645, CHOTKI GITTI, URDU BAZAR, HYDERABAD.	MUHAMMAD RASHID SHAIKH	42101-9251013-7	ABDUL RASHEED SHAIKH	507	338	76	921	247	338	76	681
152	MUHAMMAD SALEEM SHAHEEN F/2426, HIZARI MOHALLA, BHUTTO WALI GALI, NEAR NABEENA SCHOOL, INSIDE KASHMIRI GATE, LAHORE.	MUHAMMAD SALEEM SHAHEEN	35202-0271417-9	MUHAMMAD IQBAL	688	347	164	1,209	388	347	164	899
153	AHSAN MASOOD KHAN HOUSE NO. 98, DOHS, PHASE-II, MALIR CANITT, KARACHI.	AHSAN MASOOD KHAN	42501-0143296-1	MASOOD ALAM KHAN	215	15	622	852	75	15	622	712
154	SAMIA ALI 48-C, ASKARI FLATS, GULBERG-III, LAHORE.	SAMIA ALI	35202-2655860-6	MUHAMMAD AKRAM	309	658	28	995	149	658	28	835
155	RIAZ AHMED KHAN 11/8X BASTI, KOTWAL, 48-T, JINNAH MARKET, NEW MULTAN, MULTAN.	RIAZ AHMED KHAN	36302-7916002-5	GHULAM FARID	449	283	61	793	219	283	61	583
156	UMER FAROOQ NEW PAK ASSOCIATE SHOP NO. 9, REHMAN PLAZA, I-10 MARKAZ, ISLAMABAD.	UMER FAROOQ	37404-9426473-5	UAZ AHMED SATTI	464	313	21	798	226	313	21	580
157	MUHAMMAD RAUF HOUSE NO. 811/8-H, NEAR DARBAR PIR GHAZI JAMAL MOHALLAH, KHAJI WALA, ALANG BOHAR GATE, MULTAN.	MUHAMMAD RAUF	36302-0338700-9	ABDUL RASHEED	225	34	457	716	110	34	457	601
158	IMRAN MUGHAL HOUSE NO. 413, MUHALLA CHAKI PARA, MIRPURKHAS.	IMRAN MUGHAL	44103-8313563-9	MIRZA YOUSUF	846	510	163	1,519	416	510	163	1,089
159	MUHAMMAD UMAR HOUSE NO. B-183, KHUDDAD COLONY, PECHSI, KARACHI.	MUHAMMAD UMAR	42201-5441577-1	GHULAM NABI	545	272	120	937	270	272	120	682

Annexure - 1

Statement showing written-off loans or any other financial relief of five hundred thousand rupees or above provided during the year ended December 31, 2013

(Rupees '000)

S.No.	Name & Address of borrower	Name of individual / partners / directors		Father's / Husband's Name	Outstanding Liabilities Before Adjustments				Principal written off	Interest/ Mark-up written off	Other Financial Relief	Total
		Name	NIC No.		Principal	Accrued Mark-up	Others	Total				
160	ABDUL QADIR, HOUSE NO. E/268, NATHA KHAN GOTH, SHAH FAISAL COLONY, KARACHI.	ABDUL QADIR	42201-0468800-7	OAZI ABDUL MALIK	857	636	135	1,628	419	636	134	1,189
161	KHAWAJA ASIM KHURSHID HOUSE NO. 24, BATALA COLONY, FAISALABAD.	KHAWAJA ASIM KHURSHID	33102-1773118-1	KHAWAJA KHURSHID	1,843	1,144	2,260	5,247	-	1,144	2,260	3,404
162	MUHAMMAD SIDDIQUE 374 - AMIN TOWN, FAISALABAD.	MUHAMMAD SIDDIQUE	13101-7570585-9	AZIZ KHAN	4,187	1,700	3,019	8,906	-	1,700	3,019	4,719
163	SARDAR ALI A-68, BLOCK 17, CULIST ANLE-JOHAR LONG LIFE BANGLOWS, KARACHI.	SARDAR ALI	42201-0475730-3	HABIB ULLAH	2,603	890	2,907	6,400	-	890	2,907	3,797
164	SURIYA BEGUM 142-C-1, NESPAK EMPLOYEES CO-OPERATIVE HOUSING SOCIETY, COLLEGE ROAD, LAHORE.	SURIYA BEGUM	35202-0485930-6	NASIR HUSSAIN	3,415	1,214	2,018	6,647	-	1,214	2,018	3,232
165	MIS RINKAS PHARMACEUTICALS HOUSE NO. 176, YOUSAF ALI BLOCK, KHAYABAN-E-QAID, MULTAN ROAD MANSOORA, LAHORE.	SYED IMPRAN ALI NAOVI	35202-8941718-5	SYED ALTAF HUSSAIN	2,005	747	3,193	5,945	-	747	3,193	3,940
166	MIDLAND HOTEL (MEHRAN SAIED) HOUSE NO. 79/5, ARIF JAN ROAD, LAHORE CANTT, LAHORE.	MEHRAN SAIED	35201-5768672-1	MUHAMMAD SAIED	2,325	502	4,805	7,632	-	502	4,805	5,307
167	SHAIKH MOHAMMAD AKRAM ANSARI A-6/29, LAQUATABAD, KARACHI.	SHAIKH MOHAMMAD AKRAM ANSARI	42201-4355988-1	SHAIKH ABDUL HAMEED	2,510	1,236	3,123	6,869	-	1,236	3,123	4,359
168	ZAHIDA NASIR & NASIR AHMED BLOCK-4, B-102, WAPDA TOWN, GUJRANWALA.	ZAHIDA NASIR & NASIR AHMED	34101-6554465-4	MUHAMMAD AHMAD	1,281	623	1,399	3,303	-	623	1,399	2,022
169	MUHAMMAD AFZAL FASAL FURNITURE UNIT NO. 7, AJITO BHAN ROAD, LATIFABAD, NEAR MAJEE HOSPITAL, HYDERABAD.	MUHAMMAD AFZAL	35202-2401740-1	QAMAR UDDIN	5,891	2,044	6,737	14,672	-	2,044	6,737	8,781
170	TAHIR IOBAL CHAUDARY 3--JINNAH BLOCK, AWAN TOWN, LAHORE.	TAHIR IOBAL CHAUDARY	35202-1648523-3	ILM U DIN AZEEM	4,041	941	5,008	9,990	-	941	5,008	5,949
171	AYAZ AHMAD USMAN MANZIL-STREET NO. 11, YOUSAF ST, MUHALLA AHMAD MUNIR, SHABIR RD, ICHRA, LAHORE.	AYAZ AHMAD	35202-5634459-4	FAYYAZ AHMED	1,730	1,110	1,890	4,730	-	1,110	1,890	3,000
172	MALIK MUHAMMAD NAWAZ HOUSE NO. 575, SAFARI VILLAS, BAHRIA TOWN, LAHORE.	MALIK MUHAMMAD NAWAZ	36302-0353141-7	MALIK MUHAMMAD SARDAR	1,730	835	2,077	4,642	-	835	2,077	2,912
173	ABDUL RAZZAK HOUSE NO. 1064, BLOCK-3, HUSAINABAD, F.B. AREA, KARACHI.	ABDUL RAZZAK	42101-6359031-1	MUHAMMAD	2,252	1,505	3,972	7,729	-	1,505	3,972	5,477
174	SAHA ENTERPRISES (PRIVATE) LTD. STREET KHIEKAN HOUSE NO. BVII, S-21 ANDRON KHYALI GATE, GUJRANWALA.	HAFIZ ATIQUE	35200-9029987-9	MUHAMMAD SIDDIQUE	3,247	884	8,681	12,812	-	884	8,681	9,565
175	JALIL AHMED HOUSE NO. 9, KACHAH SANDA ROAD, LAHORE.	JALIL AHMED	35202-8068847-7	JAMIL AHMED	1,642	749	1,980	4,371	-	749	1,980	2,729
176	WAWA SWEETS & BAKERS MUSLIM STREET GALL, CHOWK ISLAMABAD, SJALKOT.	MUHAMMAD AMJAD	34603-9660397-3	ABDUL LATIF	3,590	795	9,332	13,717	-	795	9,332	10,127
177	SHAZIA NAEEM 532-16-B-1, AKBAR CHOWK COLLEGE RD, LAHORE.	SHAZIA NAEEM	224-92-224146	MUHAMMAD NAEEM	1,157	506	2,510	4,173	-	506	2,510	3,016
178	UNITED SYSTEMS CORPORATION - (2ND TRENCH) J-303, UNISCO PLACE, MURREE ROAD, RAWALPINDI.	ABDUL MAJEED	37405-9697166-9	MUHAMMAD SIDDIQUE	2,573	614	3,789	6,976	-	614	3,789	4,403
179	MUHAMMAD HANIF PLOT NO. 2/186, GARDEN RESIDENCY, GARDEN EAST KARACHI.	MUHAMMAD HANIF	42201-1812354-3	HAJI USMAN	2,990	1,574	3,820	8,384	-	1,574	3,820	5,394
180	MOHAMMAD ASLAM VILLAGE CHAK SHAHZADPURA TEHSEEL P.O. SHAHPUR SADDAD, SARGODHA.	MOHAMMAD ASLAM	38404-6639961-7	MUHAMMAD DIN	2,027	571	2,201	4,799	-	571	2,201	2,772

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		Name	NIC No.		Principal	Accrued Mark-up						
						Others	Total					
181	MALIK TARIQ ALI HOUSE NO. 9, ST. NO. 23, PAK NAGAR, MISRI SHAH, LAHORE.	MALIK TARIQ ALI	35202-6874691-7	MALIK GHULAM NABI	967	575	1,754	3,296	-	575	1,754	2,329
182	MUHAMMAD ARSHAD RAZI 19-LODGE, ROAD 4, PALM STREET OLD ANARKALI, LAHORE.	MUHAMMAD ARSHAD RAZI	35202-0647220-5	MUHAMMAD RAFIQ	1,259	502	1,450	3,211	-	502	1,450	1,952
183	YASIR RAHIM FLAT NO AT-50, SUNNY HEIGHTS, BLOCK NO. 10-A, GULSHAN-E-IOBAL, KARACHI.	YASIR RAHIM	42201-1167249-9	ABDUL RAHIM SHEIKH	2,903	678	291	3,872	-	678	291	969
184	SYED ABDUR REHMAN A-482, BLOCK-H, NORTH NAZIMABAD, KARACHI.	SYED ABDUR REHMAN	42101-1428666-9	SYED ABDUL RASHEED	2,430	526	81	3,037	-	526	81	607
185	MUZAMMIL AHSAN RIZVI B-63, BLOCK-K-15, GULSTAN-E-JOHAR, KARACHI.	MUZAMMIL AHSAN RIZVI	42201-0320900-9	MUZAMMIL AHSAN/NIDA	3,244	508	272	4,024	-	508	272	780
186	MUHAMMAD JAMIL HOUSE NO. 131-D-2, GULSHAN RAVI, LAHORE.	MUHAMMAD JAMIL	35202-9904872-5	BASHIR AHMAD	1,912	984	-	2,896	-	984	-	984
187	ABDUL ALI URFI YASIR FLAT-18, BLOCK-6, HAZRA BUILDING MIR KARAMI ALI ROAD, KARACHI.	ABDUL ALI URFI YASIR	36302-0933556-9	NOJMAN BHAI	2,745	1,081	-	3,826	-	1,081	-	1,081
188	MUHAMMAD HANIF ANJUM HOUSE NO. 5-B, STREET NO. 6, RASHEED PARK SCHEME, MOR BESIDE PSO PETROL PUMP WALI GALLI, LAHORE.	MUHAMMAD HANIF ANJUM	35202-3192695-3	AHMED KHAN	1,604	920	2,327	4,851	-	920	2,327	3,247
189	SYED IFTIKHAR HUSSAIN JAFFRI HOUSE NO. B-22, SHADMAN TOWN, MALIR, KARACHI.	SYED IFTIKHAR HUSSAIN JAFFRI	42201-7905337-1	SYED MAZHAR HUSSAIN JAFFRI	100	688	326	1,114	-	688	326	1,014
190	ATHER HUSSAIN HOUSE NO. 145-B, DCHS DEFENCE GHAZI ROAD, DHA LAHORE CANTT, LAHORE.	ATHER HUSSAIN	35201-1366049-5	MURTAZA HUSSAIN	5,347	764	402	6,513	-	764	402	1,166
191	MUHAMMAD MUSHTAQ TALAGANG ROAD, MOHALLAH FAISAL COLONY CHAKWAL.	MUHAMMAD MUSHTAQ	37201-7587958-1	MUHAMMAD RAFIQUE	1,277	887	362	2,526	-	887	362	1,249
192	MUHAMMAD KHAWAR MEHMOOD HOUSE NO. B-1-230, MUJAHIDABAD JHELUM.	MUHAMMAD KHAWAR MEHMOOD	37301-8218945-1	MUHAMMAD KHAN	300	764	264	1,328	-	764	264	1,028
193	TALAT MEHMOOD HOUSE NO. 166, A-1 SECTOR, F 2 MIRPUR AK, MIRPUR.	TALAT MEHMOOD	81302-3231530-3	MUHAMMAD ASLAM MIR	8,001	682	-	8,683	-	682	-	682
194	MIRAJ ALI HOUSE NO. 12, STREET NO. 7, NISHAT PARK, BADAMI BAGH, KHOKHAR ROAD, LAHORE.	MIRAJ ALI	35202-8814941-1	MUBARIK ALI	2,454	1,134	1,281	4,869	-	1,134	1,281	2,415
195	IMRAN HOUSE NO. B-78, BLOCK-12, GULISTAN-E-JOHAR KARACHI.	IMRAN	42201-0798360-5	MUHAMMAD ISHAQ	932	1,059	237	2,228	-	1,059	237	1,296
196	NAJAM UL ARFIN HOUSE NO. 23, PARAN HOUSING SOCIETY, HAIDER ALI ROAD, BAHADURABAD, KARACHI.	NAJAM UL ARFIN	42201-6796899-5	SHAMS UL ARIFIN	4,942	1,197	213	6,352	-	1,197	213	1,410
197	MUHAMMAD JAMAL REHMAN BUILDING, FLAT NO. LSB-6, STREET NO. 4, BLOCK-10, GULSHAN-E-IOBAL, KARACHI.	MUHAMMAD JAMAL	42201-6545062-3	LATIF UR REHMAN	995	1,456	214	2,665	-	1,456	214	1,670
198	NAVEED HOUSE NO. 134, AFEA WELFARE COLONY, HOUSE NO. B-71, COMMERCIAL AREA, HASRAT MOPANI COLONY, MANGHOPIR RAOD, KARACHI.	NAVEED	42201-4814232-3	SAEED AHMED KHAN	642	536	215	1,393	-	536	215	751
199	ABRAR AHMED HOUSE NO. B-71, COMMERCIAL AREA, HASRAT MOPANI COLONY, MANGHOPIR RAOD, KARACHI.	ABRAR AHMED	42401-2932998-1	IOBAL AHMED	1,868	514	571	2,953	-	514	571	1,085

Annexure - 1

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		Name	NIC No.		Principal	Accrued Mark-up	Others	Total			
200	RUBINA HUMAYUN FLAT A-7, ZAFREEN HEIGHTS, BLOCK-7, GULISTAN E JOHAR, KARACHI.	RUBINA HUMAYUN	42201-0529906-8	HUMAYUN FEROZ	2,901	1,322	-	4,223	1,322	-	1,322
201	SARFARAZ ASIF FLAT NO. E 23, 3RD FLOOR, RAFI MANSION, SHAH R E FAISAL, KARACHI.	SARFARAZ ASIF	36302-0463756-5	SHARIF MASHI URF ASIM GUL	4,337	2,288	656	7,281	2,288	656	2,944
202	RAZZAQ AHMED JOLANA HOUSE, JOLANA POST OFFICE, MANDI BAHAUDDIN, PUNJAB.	RAZZAQ AHMED	34402-6456803-5	MIAN KHAN	1,984	1,429	-	3,413	1,429	-	1,429
203	SHARIF KHAN HOUSE NO. 3, GALI NO. 1, GOLDEN TOWN, SURVEY 87, WIRELESS GATE, MALIR, KARACHI.	SHARIF KHAN	42201-5253730-3	ZAREEF KHAN	876	606	283	1,765	606	283	889
204	ARSHAD ALI HOUSE NO. A-93, SECTOR 9/E, BANARAS TOWN, ORANGI TOWN, KARACHI.	ARSHAD ALI	42401-9478715-9	AKBER ALI	1,952	1,219	332	3,503	1,219	332	1,551
205	AHTSHAM AHMAD HOUSE NO. 121, BLOCK-P COLONY MULTAN ROAD, LAHORE.	AHTSHAM AHMAD	35202-2811939-7	MIRZA ALLAH DIITA	2,848	1,431	490	4,769	1,431	490	1,921
206	SOHAIL SARWAR BUTT 67/B, GULBERG-HI, LAHORE.	SOHAIL SARWAR BUTT	35202-5322868-3	GHULAM SARWAR BUTT	3,308	1,486	427	5,221	1,486	427	1,913
207	TABISH NAEEM FLAT NO. 4, SECOND FLOOR, KULSOM APARTMENT, GULZARE-ZAHOOR, KARACHI.	TABISH NAEEM	42301-0770429-3	MOHAMMAD NAAEEM QURESHI	1,845	1,629	846	4,320	1,629	846	2,475
208	ABDUL WAHEED HOUSE NO. 1, D-357, STREET NO. 3, NASEERABAD, RAWALPINDI.	ABDUL WAHEED	37405-2968126-9	ABDUL AZIZ	980	908	273	2,161	908	273	1,181
209	KASHIF MAHMOOD E-279, STREET-2, FANCY PARK, KORAY STOP, WALTON ROAD, LAHORE.	KASHIF MAHMOOD	35201-3248882-3	KHALID MEHMOOD	2,073	1,247	800	4,120	1,247	800	2,047
210	COTTEX TRADERS 1002 TRADE CENTRE, 10TH FLOOR, I, I CHUNDRIGAR ROAD, KARACHI.	ASLAM HASHMI	42000-0586624-5	MUHAMMAD YASMEEN HASHMI	22,784	10,626	-	33,410	10,626	-	10,626
211	NIZAM AHMED COCA COLA, NEW AGENCY 45/A, NEAR MEHBOOB SWEET MARKET, SHAH FAISAL COLONY NO. 5, Y-2 LAST STOP, KARACHI.	NIZAM AHMED	42201-4673612-1	EIDOO	782	1,238	-	2,020	1,238	-	1,238
212	MUHAMMAD RIAZ HOUSE NO. R-1600, MOHALLAH GALI-17, SECTOR-16, GULSHAN E BIHAR, ORANGI TOWN, MUSTAN BABA, KARACHI.	MUHAMMAD RIAZ	42401-1695491-3	MUHAMMAD KALO	2,498	1,792	-	4,290	1,792	-	1,792
213	UNITED CARPET INDUSTRY 5-10 AND B-11, LOWER GROUND FLOOR, PANORAMA CENTRE, SADDAR, KARACHI.	MOHUDDIN ANSARI	42301-0694507-9	SHAMS UDDIN AHMED	9,898	7,137	-	17,035	7,137	-	7,137
214	MEHMOOD AND SONS 27/1, ALI PARK, PECO ROAD, LAHORE.	TAHIR MEHMOOD	35201-7620366-7	ANAYAT ULLAH KHOKHAR	1,320	971	1031	3,322	971	1,031	2,002
215	CRESENT ASSOCIATES 1ST FLOOR, KOHSAR PLAZA, F-10 MARKAZ, ISLAMABAD.	JAVED IQBAL	61101-9136918-9	MUHAMMAD SHAFI	1,368	961	-	2,329	961	-	961
216	JAVAD KHAN CHUK NO. 222 RAB, STREET NO. 2, NAWABAWALA, FAISALABAD.	MUHAMMAD JAVED KHAN	33100-5726227-1	RANA LAL KHAN	1,000	926	-	1,926	926	-	926
217	AWAIS PAK TEXTILE RAJPUT HOUSE, DANISH PURA, SAMUNDARI, DIST. FAISALABAD.	KHALID MEHMOOD RANA	33105-7592153-1	RANA FAQIR MUHAMMAD	1,000	1,098	-	2,098	1,098	-	1,098
218	MIAN WAQAR AHMED HOUSE NO. 81-H, MODEL TOWN, LAHORE.	MIAN WAQAR AHMED	35202-3912498-9	MIAN ABDUL RASHEED	786	758	-	1,544	758	-	758

(Rupees '000')

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		Name	NIC No.		Principal	Accrued Mark-up	Total				
							Others	Total			
219	CHERRY INDUSTRIES 1ST FLOOR, KOHSAR PLAZA, F-10 MARKAZ, ISLAMABAD.	JAVED IQBAL	61101-9136918-9	MUHAMMAD SHAFI	3,016	2,780	-	5,796	2,780	-	2,780
220	PIXELS PRIVATE LTD OFFICE NO. 7, 2ND FLOOR, CITY ARCADE, I-8 MARKAZ, ISLAMABAD.	TARIQ KHAN	61101-3475917-9	ABDUL AHAD KHAN	774	536	-	1,310	536	-	536
221	NAQSH-E-LASANI TENT SERVICE HOUSE NO. 343, G-BLOCK, REHMAN PURA, LAHORE.	ABDUL SATTAR	35202-2737451-1	GHULAM MUHAMMAD	2,000	1,051	-	3,051	1,051	-	1,051
222	FILLY INTERNATIONAL PARIS ROAD, STREET NO. 5, PORAN NAGAR, SIALKOT.	KHALID MEHMOOD	34603-4106030-3	BARKAT ALI	753	509	-	1,262	509	-	509
223	MAZHAR A. MUFTI HOUSE NO. 119, STREET NO. 11, SECTOR E-7, ISLAMABAD.	MAZHAR A. MUFTI	61101-6796454-9	SYED INAMI ALI MUFTI	2,489	1,223	-	3,712	1,223	-	1,223
224	MIAN GOLD SMITH HOUSE NO. 83 STREET NO. 1, MIRAJ PARK, HASSAN TOWN, MULTAN ROAD, LAHORE.	JAVED IQBAL	36302-0364198-7	MUHAMMAD IBRAHIM	1,700	1,545	-	3,245	1,545	-	1,545
225	CHENAB COLD STORAGE SHABIRPUR, WAZIRABAD, TEHSIL GUJRAWALA.	MUHAMMAD ADEEL	34104-6924534-3	MUHAMMED AKEEL	722	596	-	1,318	596	-	596
226	SNS POULTRIES BARKI ROAD, HADIYARA, LAHORE.	KHAWAJA REHAN	35200-1528900-5	KHAWAJA PERVAIZ HUSSAIN	2,415	2,419	-	4,834	2,419	-	2,419
227	KHAWAJA AUTO TRADERS SHOP NO. 21, 22, KHASR CENTRE MAIN CIRCULAR ROAD, BADAMI BAGH, LAHORE.	RANA SAEED	35202-0828354-9	MUHAMMAD SIDDIQUE	6,000	4,608	-	10,608	4,608	-	4,608
228	MUDASSAR PAPER MERCHANT SHOP NO.13, GALI NO. 5, MACHLI MANDI, URDU BAZAR, LAHORE.	JALIL AHMED	35202-8069847-7	JAMIL AHMED	899	890	40	1,829	890	40	930
229	FAZAL KAREEM FAZAL KAREEM BARRILAF SALE CENTRE, NEW FRUIT & VEGETABLE MARKET, SCHOOL BAZAR PULL, RAHMITYAR KHAN.	FAZAL KAREEM	31303-2343855-7	BARKAT ALI	2,496	1,283	-	3,779	1,283	-	1,283
230	GUL RAIZ KHAN HAKIM HOUSE, HAKIMABAD, POST OFFICE, NOWSHERA.	GUL RAIZ KHAN	17201-7072027-5	ABDUL HAKIM KHAN	1,372	3,257	-	4,629	3,257	-	3,257
231	SHER RABBANI RICE MILLS M.A. JINNAH ROAD, SHADMAN COLONY, OKARA.	MUHAMMAD IRSHAD	35302-2004887-5	NAZIR AHMED	11,095	4,032	-	15,127	4,032	-	4,032
232	ZEENAT GARMENTS AL-MUSTAFA HOUSE, SHAMAS PURA, NEAR HIGHWAY, REST HOUSE, CHICHA WAINI, SAHIALWAL.	IRSHAD GUL	36501-5477727-0	GUL KHAN	932	807	-	1,739	807	-	807
233	ALAZIZ AGRICULTURE CHAZZO 365, POST OFFICE LAL, SOHATRA, BAHAWALPUR.	MUHAMMAD ASIF	31202-0279329-9	ABDUL AZIZ	900	1,945	-	2,845	1,945	-	1,945
234	GONDAL TRADERS GHUNIAN NAU POST OFFICE, KAMOKI DISTRICT, GUJRAWALA.	IMRAN ASLAM	34102-3685256-5	MUHAMMAD ASLAM GONDAL	996	608	-	1,604	608	-	608
235	MUNAWER ALI B-22038, CHUKAR DHUK ROAD, BHATTI STREET, SUKKUR.	MUNAWER ALI	46504-025615-7	MUHAMMAD ANWAR URF BUNDOO	1,321	1,092	-	2,413	1,092	-	1,092
236	MISRI SHAH PETROLEUM WASERPUR PAL COLONY, BEHIND CAPITAL CINEMA, TANDO ALLAHYAR.	MUKHTAR AHMED KAMRAN	41307-9892768-5	DARRAB KHAN	1,343	1,282	-	2,625	1,282	-	1,282
237	NEW PRINCE PHOTO STUDIO MAIN BAZAR, LALAMUSA TEHSIL, KHARIAN, DISTRICT GUJRAT.	MUHAMMAD IQBAL	34202-2122676-5	HATIM ALI	1,284	993	-	2,277	993	-	993

**Statement showing written-off loans or any other financial relief of
five hundred thousand rupees or above provided
during the year ended December 31, 2013**

(Rupees '000')

S.No.	Name & Address of borrower	Name of individual / partners / directors		NIC No.	Father's / Husband's Name	Outstanding Liabilities Before Adjustments			Principal written off	Interest/ Mark-up written off	Other Financial Relief	Total
		Name				Principal	Accrued Mark-up	Others				
238	AL-ZAMIN LEASING 816, 6TH FLOOR, PROGRESSIVE PLAZA, BEAMOUNT ROAD, C-3-C, 12TH LANE, ITTEHAD COMMERCIAL PHASE-II, EXT. D.H.A, KARACHI.	(I) NUSRAT YAR AHMAD (II) MUHAMMAD ZAHID (III) AMER SAEED (IV) REHMAN GHANI (V) FIRASAT ALI		(I) 42301-4241881-7 (II) 33102-1817745-5 (III) 42301-6373132-9 (IV) 42301-5250481-9 (V) 42301-3598846-5	(I) IFTIKHAR AHMED CHAUDHRY (II) MUHAMMAD SHARIF (III) ANWER SAEED (IV) MUHAMMAD AWKAD HUSSAIN (V) FARWAN ALI	700	-	-	700	-	-	700
239	MEHMOOD GHUJORI TRADE HOUSE NO. 3/268, MUNSHI MUHALLAH, MANDI BAHAUDDIN.	MEHMOOD ALI		34402-1710698-7	FATEH MUHAMMAD	997	881	-	1,878	881	-	881
240	MUJAHID HUSSAIN MOJ DARYA ROAD, TANDO ALLAHYAR.	MUJAHID HUSSAIN		454-70-065441	HUSSAIN	2,999	1,461	-	4,460	1,461	-	1,461
241	ABDUL WAHEED ARAIN WAHEED COLD STORAGE, PLOT NO. A/51-D, SITE AREA HYDERABAD, NEAR MUHAMMADI CHOWK, HYDERABAD.	ABDUL WAHEED ARAIN		41303-4763550-3	ABDUL RAZZAQ ARAIN	4,756	2,135	-	6,891	2,135	-	2,135
242	MUHAMMAD ADNAN HOUSE NO. 165, SECTOR NO. 7-D-4, NORTH KARACHI, KARACHI.	MUHAMMAD ADNAN		41204-0948620-9	JAMAL UDDIN	1,770	1,470	-	3,240	1,470	-	1,470
243	SYED SHAMIM HAIDER NAQVI HOUSE NO. B-131, BLOCK NO. 7, GULISTAN-E-JOHAR, BEHIND KFC AND GHAZALA MARRIAGE LAWN, KARACHI.	SYED SHAMIM HAIDER NAQVI		42201-1881409-5	SYED MUHAMMAD HAIDER NAQVI	1,741	1,572	-	3,313	1,572	-	1,572
						1,934,752	869,177	161,876	2,965,805	684,118	136,569	1,031,527

FINANCIAL AND MANAGEMENT SERVICES (PRIVATE) LIMITED

The Bank has not consolidated the financial statements of Financial & Management Services (Private) Limited ("FMSL") - Subsidiary, as the investment is fully provided for. The Bank has also received relaxation from securities and Exchange Commission of Pakistan (SECP) of the requirements of Section 237 of the Companies Ordinance, 1984 through SECP letter EMD/233/654/2002 - 889 dated December 06, 2013.

As per the requirements of the SECP, enclosed herein are the financial highlights of FMSL for the year ended December 31, 2012 and the Auditors' opinion.

Annual financial statements of FMSL would be available for inspection at Registered Office of the Bank and would also be available to the members on request, without any cost.

Auditors' Report to the Members

We have audited the annexed balance sheet of Financial and Management Services (Private) Limited ("the Company") as at 31 December 2012 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984 (XLVII of 1984);
- b) in our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 (XLVII of 1984), and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of the profit, its cash flows and changes in equity for the year then ended; and

Auditors' Report to the Members

- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

We draw attention to note 1.2 to the financial statements which states that the Board of directors of the Company in their meeting dated 25 March 2009 had decided to place the Company on dormant status and future regulatory expenses (including audit fee) of the Company will be borne by the Holding Company. Our opinion is not qualified in respect of this matter.

Date: 2 April 2013
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Mazhar Saleem

Financial and Management Services (Private) Limited
 Statement of Financial Position
 As at December 31, 2012

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	2012	2011
	(Rupees '000')	
CURRENT ASSETS		
Prepayments and other receivables	57	57
TOTAL ASSETS	<u>57</u>	<u>57</u>
SHARE CAPITAL		
Authorized share capital		
300,000 ordinary shares of Rs.100 each	<u>30,000</u>	<u>30,000</u>
Issued, subscribed and paid-up capital	9,265	9,265
Accumulated loss	<u>(9,208)</u>	<u>(9,208)</u>
	57	57
TOTAL EQUITY AND LIABILITIES	<u>57</u>	<u>57</u>
Contingencies and commitments		

Imran Butt
 Chief Executive

Yameen Kerai
 Director

Financial and Management Services (Private) Limited
Profit and Loss Account
For the year ended December 31, 2012

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	2012	2011
	(Rupees '000')	
Administrative expenses	-	-
Operating profit / (loss) before tax	-	-
Provision for taxation	-	-
Profit / (loss) after tax	-	-
Earning / (loss) per share-basic and diluted (Rupees)	-	-

Imran Butt
Chief Executive

Yameen Kerai
Director

Pattern of Shareholding as at December 31, 2013

Number of Shareholders	Shareholdings		Shares held	Percentage
	From	To		
1,508	1	100	58,281	0.0006
3,215	101	500	1,114,523	0.0108
3,448	501	1,000	2,992,633	0.0290
9,570	1,001	5,000	27,722,752	0.2691
2,789	5,001	10,000	22,012,507	0.2137
3,684	10,001	50,000	89,992,846	0.8735
868	50,001	100,000	66,678,542	0.6472
494	100,001	200,000	70,939,360	0.6885
162	200,001	300,000	41,195,658	0.3998
98	300,001	400,000	34,965,212	0.3394
66	400,001	500,000	30,796,766	0.2989
30	500,001	600,000	16,557,024	0.1607
20	600,001	700,000	12,968,781	0.1259
23	700,001	800,000	17,392,705	0.1688
19	800,001	900,000	16,205,359	0.1573
31	900,001	1,000,000	30,346,489	0.2945
82	1,000,001	5,000,000	181,704,700	1.7636
15	5,000,001	10,000,000	109,330,152	1.0612
3	10,000,001	15,000,000	38,138,722	0.3702
2	15,000,001	20,000,000	32,483,935	0.3153
1	20,000,001	25,000,000	24,578,800	0.2386
2	25,000,001	30,000,000	55,420,050	0.5379
2	30,000,001	50,000,000	72,890,585	0.7075
1	50,000,001	250,000,000	200,636,184	1.9474
1	250,000,001	10,000,000,000	9,105,728,598	88.3807
26,134			10,302,851,164	100.0000

Pattern of Shareholding as at December 31, 2013

Categories of Shareholders

Category	Number of Shareholders	Shares held	Percentage
Directors, Chief Executive Officer, and their spouses and minor children	1	27,000,000	0.2621
Associated Companies, Undertakings and Related Parties	1	9,105,728,598	88.3807
NIT, ICP & IDBP/ICP	4	15,076,450	0.1463
Banks, Development Financial Institutions, Non Banking Financial Institutions	29	23,861,125	0.2316
Insurance Companies	14	2,206,983	0.0214
Modarabas and Mutual Funds	14	5,591,504	0.0543
Public Sector Companies & Corporations	6	232,169,422	2.2534
Executives / Employees	20	2,016,551	0.0196
Foreign Companies	64	60,754,142	0.5897
Shareholders holding 5% or more [excluding Bugis Investments (Mauritius) Pte Limited]	-	-	-
General Public (including local & foreign individuals)	25,762	707,929,055	6.8712
Others	219	120,517,334	1.1697
Total	26,134	10,302,851,164	100.0000

Details of Pattern of Shareholding

S. No.	Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage
1	Associated Companies, Undertakings and related parties Bugis Investments (Mauritius) Pte Ltd.	1	9,105,728,598	88.3807
2	NIT & ICP National Investment Trust Limited Investment Corporation of Pakistan IDBP/ICP	1 2 1	14,962,032 13,516 100,902	0.1463
3	Directors, CEO and their spouses and minor children Badar Kazmi	1	27,000,000	0.2621
4	Executives/Employees	20	2,016,551	0.0196
5	Public Sector Companies and Corporations	6	232,169,422	2.2534
6	Foreign Companies	64	60,754,142	0.5897
7	Banks, Development Financial Institutions, Non-banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds	57	31,659,612	0.3073
8	General Public (including local & foreign individual)	25,762	707,929,055	6.8712
9	Others	219	120,517,334	1.1697
	Total	26,134	10,302,851,164	100.0000

Pattern of Shareholding as at December 31, 2013

Details of Modaraba / Mutual Funds

S.No.	Name of Modaraba / Mutual Funds	Number of Shares Held
1	SAFEWAY MUTUAL FUND LTD.	651
2	GOLDEN ARROW SELECTED STOCKS FUND LTD.	2,127
3	FIRST TRI STAR MODARABA	6
4	PRUDENTIAL STOCKS FUNDS LIMITED.	3,367
5	UNICAP MODARABA	2,152
6	SAFEWAY FUND (PVT) LTD.	1,965
7	FIRST INTERFUND MODARABA	289
8	INDUSTRIAL CAPITAL MODARABA	575
9	M/S. SAFEWAY MUTUAL FUND LIMITED	1,812
10	M/S. ASIAN STOCK FUND LTD.	575
11	PRUDENTIAL STOCK FUND LTD.	4,223
12	GOLDEN ARROW SELECTED STOCKS FUND LIMITED	4,372,955
13	CDC - TRUSTEE AKD INDEX TRACKER FUND	377,336
14	CDC - TRUSTEE AKD OPPORTUNITY FUND	823,471
	TOTAL	5,591,504

Trade in the shares by Executives:

S.No.	Name of Executives	Purchase	Sale
1	Tufail Jawed Ahmad	1,241,500	0

ABBOTTABAD

Al-Pine Hotel Branch
Khasra No. 2047, 2049, Near Al-Pine Hotel
Opposite Sui Gas Office, Mansehra Road
Abbottabad, Khyber Pakhtoon Khwa
Tel: 0992-344077, 344078, 344076 344079
344080, 9310315

ATTOCK

Attock City Branch
Shop # B-III/37, C-152, Dr. Ghulam Gillani Burq Road
Attock City, Punjab
Tel: 057-2700903, 2701909, 2700904

BAHAWALPUR

Bahawalpur Branch
913/2 BV, Near Fawara Chowk, Circular Road
Bahawalpur, Punjab
Tel: 062-2889371-2

CHAKWAL

Chakwal Branch
B1-1/1634/1, B-1-1635, Talagang Road
Chakwal, Punjab
Tel: 0543-602049, 602050
602051, 602052, 550121

CHAMAN

Chaman Branch
Plot # 1332, 1333, Chamber of Commerce Road,
Chaman, Balochistan
Tel: 0826-615217-9

DASKA

Daska Branch
Property # BV III-883, Gujranwala Road, Near Canal
Rest House, Daska District Sialkot, Punjab
Tel: 052-9200080-85

DINA

Dina Branch
Khasra # 2642/1380, Mangla Road
Dina District Jhelum, Punjab
Tel: 0544-636921-4, 636941-2

FAISALABAD

Liaquat Road Branch
Plot No. 3, Liaquat Road, Faisalabad, Punjab
Tel: 041-2604940, 2604935, 2604931 2604932
2604939, 2619563, 2541217

Gulistan Colony Branch
Commercial Center # 2, Millat Road,
Faisalabad, Punjab
Tel: 041-8846916, 8849936, 8849935, 8847253

Regency Arcade Branch
The Mall, Regency Shopping Arcade
Faisalabad, Punjab
Tel: 041-2604875, 2604877, 2604876 2612890

Karkhana Bazar Branch
Property #122, Khatooni # 1650
Khewat # 1647, Faisalabad, Punjab
Tel: 041-2601808, 2601807, 2601805, 2601806

GAWADAR

Gawadar Branch
Plot Khayut & Khatooni # 35, Thana Ward
Main Airport Road, Gawadar, Balochistan
Tel: 086-4212207-9, 4212210

GHAKAR MANDI

Ghakar Mandi Branch
Khewat # 2414, Khatooni # 3600, Khasra # 3359
Mauza Ghakar, District Wazirabad, Punjab
Tel: 055-3886660-65

GHUR GHUSHTI

Ghur Ghushti Branch
Qasr-e-Jamshed, Bank Road
Ghaur Ghushtai, Attock, Punjab
Tel: 057-2872207, 2872360, 2872358

GUJAR KHAN

Gujar Khan Branch
Commercial Property # BIII 379 & BIII 377
G.T. Road (Near MCB), Gujar Khan, Punjab
Tel: 051-3513116, 3511894, 3513734
3513735, 3511890

GUJRANWALA

Anwar Industries Branch
Khewat No. 1627, Khatooni No.1804
Khasra No. 5039/2529, Revenue Estate
Khiali Shahpur, Tehsil & Distt. Gujranwala
Punjab
Tel: 055-4272160, 4272169, 4555091 4272144

Al-Hameed Centre Branch
BX 11-7S-149, G.T. Road, Gujranwala, Punjab
Tel: 055-9201234, 9200234-7, 3254360

GUJRAT

Gujrat Branch
Shafique Plaza, Opp. Wahid Industries
G.T. Road, Gujrat, Punjab
Tel: 053-3530173, 3530289, 3530172 3530290

HYDERABAD

Risala Road Branch
F-71/2, Risala Road, Hyderabad, Sindh
Tel: 022-2731000, 2729437, 2785931, 2785932

Cantt Branch
Plot # 53 & 54, Cantt Saddar
Hyderabad, Sindh
Tel: 022-2787462, 2784560, 2730685
2784647, 2784648

Market Area Branch
Plot # A/2779/1, Market Area
Tilak Incline, Hyderabad, Sindh
Tel: 022-2635072, 2635071, 2635070

Latifabad Branch
Plot # 175, Block "D", Unit # 7, Latifabad
Hyderabad, Sindh
Tel: 022-3818437, 3821641, 3821639

Qasimabad Branch
Plot No. B-01, GECH Society
Near Ali CNG, Qasimabad, Hyderabad, Sindh
Tel: 022-2670527, 2654801, 2654002

ISLAMABAD

Post Mall Branch
Plot # 3, F-7 Markaz, Post Office
Mall Building, Islamabad, Punjab
Tel: 051-2653430, 2608017, 2608018
2608010, 2653531-33

I-8 Branch
MB City Mall, Plot No. 34, I-8 Markaz
Islamabad, Punjab
Tel: 051-4862279, 4862278, 4862280-86

F-10 Branch
Block # 1 R, Unit # 3, 4 & 5
Main Double Road, F-10 Markaz
Islamabad, Punjab
Tel: 051-2215857, 2215856, 2215857

G-9 Markaz Branch
Hotel Metropolitan Building
G-9 Markaz, Islamabad, Punjab
Tel: 051-2285795, 2853872, 2853788, 2285795
2285684, 2285795, 2853872

Centaurus Mall Branch
Shop No. 313, 3rd Floor
Centaurus Shopping Mall, Islamabad, Punjab
Tel: 051-111-333-111, 7122, 2701313

Blue Area Branch
Plot No. 89, Blue Area, F-7 / G / 7
Bilal Plaza, Islamabad, Punjab
Tel: 051-2277037, 2822936, 2277406 2277407
2277408, 2277409, 2277410-12

Stock Exchange Branch
Islamabad Stock Exchange
Rauf Center, 102, Fazl-e-Haq Road, Islamabad, Punjab
Tel: 051-2806422, 2870952, 2870953, 2870954

F-11 Markaz Branch
Plot # 18, Trade Centre, Main Double Road
F-11 Markaz, Islamabad, Punjab
Tel: 051-2107865, 2107863, 2107862, 2107864

F-8 Markaz Branch
Shop # 12 & 13, Al-Babar Center
F-8 Markaz, Islamabad, Punjab
Tel: 051-2818246, 2818245, 2852653

I-10 Markaz Branch
Plot # 3-A, I-10 Markaz, Islamabad, Punjab
Tel: 051-4444620, 4447180, 4444620, 4444619

**PWD Employee
Coop. Housing Society Branch**
40-B, Block-B, Commercial Area (Extension)
PWD Employees Housing Society, Lohi Bhair
Islamabad Highway, Islamabad, Punjab
Tel: 051-4307195, 5854401, 5957660, 5957661

JHANG

Jhang Branch
Khewat # 698, Khatooni # 203, Usaf Shah Road
(Opposite District Courts Jhang) District Jhang, Punjab
Tel: 047-7629590, 7629592, 7629594, 7629591

JHELMUM

Civil Lines Branch
B-V-112, Resham Plaza, Civil Lines, Jhelum, Punjab
Tel: 0544-627286, 6286777, 627128, 629909, 629174

KAMOKI

Kamoki Branch
Khasra # 9393 / 277 / 2, Khewat # 2008
Khatooni # 2157, G.T. Road, Kamoki Tehsil Kamoki,
District Gujranwala, Punjab
Tel: 055-6816723, 6816823, 6816923, 6816723

KAMRA

Kamra Branch
Khasra # 419, Masha-Allah Building Kutba More
PAC Chowk, G.T. Road Kamra Cantt
District Attock, Punjab
Tel: 057-2642511, 2642520, 2642521

KARACHI

Gul Tower Branch
Gul Tower, I.I Chundrigar Road, Karachi, Sindh
Tel: 021-35277220, 32426140 32419166, 111-333-111,
35277110, 35277271 Ext. 6261, 6112, 6230, 6231

DHA 26th Street Branch
42-C, 26th Street
Tauheed Commercial Area
Phase-V, DHA, Karachi, Sindh
Tel: 021-35304163, 35304159, 35304160

Jodia Bazar Branch
MR 6/2, Market Plaza, Virjee Street
Karachi, Sindh
Tel: 021-32432849, 32443758, 32410395

North Karachi Industrial Area Branch
Plot # 1, Sector 12-B, Industrial Area
North Karachi, Sindh
Tel: 021-36962727, 36962726, 36962724

Korangi Industrial Area Branch
Plot # SC-5, ST-17, Sector 15,
Korangi Industrial Area, Karachi, Sindh
Tel: 021-35114151, 35114153, 35114154
35114148, 35114350 35114154

Gulshan-e-Iqbal Branch
Plot # FL-2/3, Block 6
Improvement Scheme No. 24
Gulshan-e-Iqbal, Karachi, Sindh
Tel: 021-34986186, 34987547, 34991326
34897547, 34986387

Cloth Market Branch

Shop # 21/1, Bunder Quarters
Cloth Market, Karachi, Sindh
Tel: 021-32472148, 32472149, 32471726
32471727, 32471728 32471729

Steel Market Branch

Shop # G-2, Ground Floor, Plot # RC-1/11
Ranchore Quarters, Mehar Nawaz Building
Opposite Moin Steel Market, Mission Road
Karachi, Sindh
Tel: 021-32751031, 32751086, 32751066
32751093, 32751101

Regal Chowk Saddar Branch

Shop No G-1 /A and G /1
Artillery Maidan, 293-III B-192, Regal Chowk
Saddar, Karachi, Sindh
Tel: 021-32750007, 32750268, 32750264, 32750001

Orangi Town Branch

LS - 45, Sector 1-D, Orangi Town, Karachi, Sindh
Tel: 021-36695781, 36762506, 36667481

Allama Iqbal Road Branch

Plot No. 683-C, Ground Floor & Mezzanine Floor
Block-2, PECHS, Allama Iqbal Road, Karachi, Sindh
Tel: 021-34301814, 34301818, 34301814
34301815, 34301817 34301818

Gul Plaza Branch

Ground Floor, Shafique Plaza, Marston Road
Preedy Quarters, PR-1/21, Karachi, Sindh
Tel: 021-32702463, 32702467, 32702466, 32702468

PIB Colony Branch

H. No. 156, PIB Colony, Karachi, Sindh
Tel: 021-34860637, 34860633, 34860635, 34860631

DHA Phase-II Branch

106/C, Phase-II, National Highway
D.H.A., Karachi, Sindh
Tel: 021-35314081, 35314162, 35314161
35304083, 35314163

Liaquatabad Branch

Shop Nos. 63 to 66, 'B' Road Liaquatabad No. 5
Near Post Office Roundabout, Karachi, Sindh
Tel: 021-34860625, 34860630, 34860621, 34860624

Gizri Market Branch

Plot No. G-10/9-A, Lower Gizri, Bazar Area, Clifton
Cantonment, Karachi, Sindh
Tel: 021-35837030, 35834399, 35834390, 35837084

Liaquat Market Malir Branch

Plot No. G-107/10, Liaquat Market
Malir Colony, Karachi, Sindh
Tel: 021-34117601, 34117602, 34111278

EOBI House Branch

EOBI House, (Awami Markaz)
Plot No. ST-1-A/1, KDA Com Complex Scheme 1
Shop No. G-01/B, Shahrah-e-Faisal
Karachi, Sindh
Tel: 021-34536731-32

Khalid Bin Waleed Road Branch

168-D, Block III, Rabi Square
Khalid Bin Waleed Road PECHS
Karachi, Sindh
Tel: 021-34323139, 34398482, 34398481
34323136, 34323143

Khayaban-e-Shahbaz Branch

Plot # 18-C, Phase-VI, Shahbaz Lane-II
Survey No. 26, DHA, Karachi, Sindh
Tel: 021-35348772, 35842467, 35348300, 35348771

University Road Branch

SB-4, Block 13-B, University Road, Karachi, Sindh
Tel: 021-34989828, 34980430, 34980433

Kulsoom Court Branch

Kulsoom Court, Shop # 2,3,5A & 6, Plot No. BC-3
KDA Sceme # 5, Block 9, Clifton Karachi, Sindh
Tel: 021-35837011, 35837015, 35837017, 35837012

Zamzama, Branch

18-C, 5th Zamzama Lane,
DHA Phase-V, Karachi, Sindh
Tel: 021-35822294, 35295209, 35295210, 35295015

Hyderi Branch

D-14, Block-H, North Nazimabad, Hyderi
Karachi, Sindh
Tel: 021-36724412, 36643390, 36724410, 36643395,
36643411

Business Arcade Branch

Plot # 27-A, Business Arcade, Block-6, P.E.C.H.S.
SEF, Karachi, Sindh
Tel: 021-34524668, 34524667, 34326570
34326571, 34326572

New Challi Branch

Plot # SR-6, Hussain Trade Center
Altaf Hussain Road, New Challi, Karachi, Sindh
Tel: 021-32211673, 32275637, 32211674, 32211675
32216865, 2275634

Defence Phase-I Branch

19/C & 21/C, 21st East Street
Phase-I, Pakistan Defence Officers Housing Authority,
Karachi, Sindh
Tel: 021-35386881, 35386882, 35386883

Johar Morr Branch

Commercial Shop # 3,4,5 & 6, Javed Arcade
Plot # SB-1, Block # 17, KDA Scheme # 36
Gulistan-e-Johar, Karachi, Sindh
Tel: 021-34632745, 34632739, 34636746

Nauras Chowrangi, SITE Branch

D/33-B, Main Road, SITE, Karachi, Sindh
Tel: 021-32562504, 32555051, 32562656, 32555051

Saba Avenue Branch

Saba Avenue, Plot # 8-C, Badar Commercial
Street # 6, Phase-V Ext., DHA, Karachi, Sindh
Tel: 021-35341673, 35341675, 35342003

Shaheed-e-Millat Road Branch

Shop # 6 & 7, Ground Floor
Adam Arcade, Shaheed-e-Millat Road
Karachi, Sindh
Tel: 021-34943666, 34943888, 34944555, 34943777

Saddar Branch

State Life Building # 5
Zaibunissa Street, Saddar, Karachi, Sindh
Tel: 021-35212102, 35219710, 35212104

M.A Jinnah Road Branch

70 N.I. Lines, Godrej Kandawala Building
M.A. Jinnah Road, Karachi, Sindh
Tel: 021-32294730, 32239867, 32294731

North Napier Road Branch

Marium Manzil, Plot # 161, Survey Sheet # MR-1
Market Quarters Napier Road, Karachi, Sindh
Tel: 021-32430488, 32440583, 32473320, 32430489

Stock Exchange Branch

Room Nos. 109 to 112, 2nd Floor
Karachi Stock Exchange Building
Stock Exchange Road, Karachi, Sindh
Tel: 021-32417944, 32418675

Timber Market Branch

Ground Floor, Plot # 1/2, 7 Lea Quarters
Timber Market, Siddiq Wahab Road, Karachi, Sindh
Tel: 021-32751119, 32752198, 32752192, 32751119

Garden East Branch

Shop # 2, 3 & 4, Ground Floor, Garden Luxury
Apartments, Garden East, Karachi, Sindh
Tel: 021-332258007, 32238473, 32227267
32258007

Jamshed Quarters Branch

Ground Floor, Show Room # 2, Ashfaq Plaza
Plot # 714/5, Jamshed Quarters, New M.A.Jinnah Road
Karachi, Sindh
Tel: 021-34914840, 34126552

Stadium Road Branch

Shop # 2 & 3, Ground Floor, Plot # SC-45, Chandni
Chowk, KDA Sch # 7, Stadium Road, Karachi, Sindh
Tel: 021-34932266, 34932338, 34946680, 34941751

M.T. Khan Road Branch

G-5(a), Ground Floor, Al-Fareed Center
Plot # CL-10/10/1, (Old Survey # F-9/PO 6), Civil Lines
Quarters, M.T. Khan Road Near PIDC House, Karachi, Sindh
Tel: 021-35693637, 35693326, 35693638, 35693640

Pakistan Chowk Branch

Plot Survey # 98, Sheet # S.R.9 (Old Survey # B-21/30),
Serai Quarters, Pakistan Chowk, Karachi, Sindh
Tel: 021-32212610, 32212356, 32212369, 32216368

F.B. Area Branch

Plot # C-15, Block-13, F.B. Area, K.D.A Scheme # 16
Shahra-e-Pakistan, Karachi, Sindh
Tel: 021-36804434, 36804433, 36805559

Tariq Road Branch

Shop # 1, Ground Floor, Zuljilal Center Plot # 1
72-F/2, Block 2, PECHS, Karachi, Sindh
Tel: 021-34322761, 34322762, 34398489, 34314222

Malir Branch

Plot # 2-A/423, Drakhshan Society, Malir Halt
Karachi, Sindh
Tel: 021-34115090, 34116236, 34115091

Boulton Market Branch

Plot # SR-1/6, New Cloth Market Building, Serai Quarters
Boulton Market, M.A. Jinnah Road, Karachi, Sindh
Tel: 021-32411553, 32426942, 32426943, 32414612

Bilawal Chowk Branch

Sands Apartment, Plot No. 7/4
Shop No. 8, Clifton, Block-2, KDA Scheme-5
Khayaban-e-Sadi Road, Kehkashan, Karachi, Sindh
Tel: 021-35140412, 35375014, 35376891
35375011, 35375012

DHA Phase-IV Branch

Plot # 99-E, Survey # 26, 9th Commercial Street
Phase-IV, DHA, Karachi, Sindh
Tel: 021-3885718, 35890325

West Wharf Road Branch

Ground Floor, Ibrahim Buildiong
Plot 20, West Wharf Road, Karachi, Sindh
Tel: 021-32204639, 32205488, 32205422, 32204642

Nishtar Road Branch

Shop # 7, 8 & G/19, Ground Floor, Ana Crown Palace
Nishtar Road Garden West, Karachi, Sindh
Tel: 021-32239419, 32295081, 32231338, 32231339

Shershah Branch

Plot # M-II-E-606, Shershah, Karachi, Sindh
Tel: 021-32587581, 32587579, 32587583

Nagan Chowrangi Branch

Plot # SC 20, Sector 11-H
North Karachi Township, Karachi, Sindh
Tel: 021-36900591, 36984856, 36987948, 36900654

Nazimabad No. 1 Branch

Property No. 1, Row No. 11, Sub Block E Block No. 1
Nazimabad, Karachi, Sindh
Tel: 021-36610971, 36610992, 36610970, 6610993

Rashid Minhas Road Branch

Plot No. FL-20, Project No. 2, Pakistan Railway
Employees Co-operative Housing Society Limited
Gulshan-e-Jamal, Rashid Minhas Road, Karachi, Sindh
Tel: 021-34688631, 34688634, 34688619, 34688620

North Nazimabad Branch

Plot # SD-12, Block- A
North Nazimabad, Karachi, Sindh
Tel: 021-36673568, 36635618, 36673597

Landhi Branch

Plot # 48/1-48/2, Area 4-D, Landhi # 06 Landhi
Karachi, Sindh
Tel: 021-35040601-4

KARIANWALA

Karianwala Branch
Karianwala Tesil & District Gujrat
P.O. Karianwala, Punjab
Tel: 053-580881, 580882, 580883, 531864

KASUR

Kasur Branch
B-III, 9R-53-A, Railway Road, Kasur, Punjab
Tel: 049-2770218, 2721771, 2770217

KHANEWAL

Khanewal Branch
Plot No. 80, Block No.5/1059/1781/1731
Khanewal, Punjab
Tel: 065-2559076, 2559075, 2559081, 2559060

KHARIAN

Kharian Branch
Bilal Plaza, G.T.Road, Kharian, Punjab
Tel: 053-7532215, 7531864, 7534853

KOHAT

Kohat Branch
Shop # 2 & 3, Behram Plaza, Hangu Road, Kohat,
Khyber Pakhtoon Khwa
Tel: 0922-510272, 520010, 520012, 520011

LAHORE

Bund Road Branch
Plot # 8 B-5-595, Chohan Park
Bank Stop, Bund Road, Lahore, Punjab
Tel: 042-37147239, 37147236, 37147231, 37147232
37147233, 37147234, 37147235,38

DHA Z Block Branch

Z-38, Phase III, D.H.A Lahore Cantt., Lahore, Punjab
Tel: 042-35692819, 35692812, 35692801, 35692802
35692815, 35692813

Ichra Branch

Shop # 158, Mohalla Rasool Pura, Ichra
Main Ferozepura Road, Lahore, Punjab
Tel: 042-37597093, 37597290, 37588177

Johar Town R-Block Branch

70 R Main Boulevard, Johar Town Lahore, Punjab
Tel: 042-35291605, Ext. 107, 35291600, 35291601
35291603, 35291604

Gulberg Hali Road Branch

70, Block E/1, Gulberg-III, Lahore, Punjab
Tel: 042-35752531, 35784929, 35756944
35757218, 35757219

Bilal Gunj Branch

SWII-8-S-14/A Old Sanda Road
Mouza Shesh Mahal, Tehsil and District Lahore, Punjab
Tel: 042-37220007, 37888097, 37220098 37220006

Azam Cloth Market Branch

F/1085, F/1085-A/1 and F-1083, F-1113 and F-1114
Chowk Old Kotwali, Kocho Haji, Sheikh Elahi Buksh,
inside Delhi Gate, Lahore, Punjab
Tel: 042-37674722, 37640832, 37674722
7658134, 7640832

Urdu Bazar Branch

SIII-13-S-20 & S-III-2-S-26/RH Majahid Street
Behind Urdu Bazaar, Paise Akhbar
Lahore, Punjab
Tel: 042-37361222, 37361227, 37361226, 37361223

Model Town C-Block Branch

Shop No10 and 11, Commercial Market, C-Block
Model Town, Lahore, Punjab
Tel: 042-35915403, 35915406, 35915408
35915401, 35915410

Punjab Cooperative Society Branch

Plot No. 68-F, Commercial Area, Punjab Cooperative
Housing Society, Defense Road, Lahore, Punjab
Tel: 042-35923817, 35923810, 35923801
35923802, 35923803

NIB House Branch

14-A (Ground Floor), Shahrah-e-Aiwan-e-Tijarat
Old Race Course Road, Lahore, Punjab
Tel: 042-39203194, 36282591, 36282446
36375746, 36375724, 36382590

Ravi Link Road Branch

Mubarak Plaza, Plot No. 3, Ravi Link Road
Badami Bagh, Lahore, Punjab
Tel: 042-37706086, 37723239, 37723238, 37706366

Thokar Niaz Beg Branch

S.S. Centre, Kibriya Town, Main Raiwind Road
Lahore, Punjab
Tel: 042-35963292, 35963291, 35963294

Shah Alam Market Branch

1-A, Shah Alam Market Road, Lahore, Punjab
Tel: 042-37631971, 37631973, 37672350
37672210, 37631972

Bharia Town Branch

Sector B, Executive Lodge, Bahria Town, Lahore, Punjab
Tel: 042-35341658, 35341656, 35341657

Gulberg Main Boulevard Branch

83-E-I, Main Boulevard, Gulberg III Lahore, Punjab
Tel: 042-35763570, 35763571, 35756850 35756851
35756852, 35756853, 35756854

Model Town Link Road Branch

Plot # 34-B, Phase III, Govt Employees Cooperative
Housing Society
Model Town Link Road, Lahore, Punjab
Tel: 042-35888301, 35942206, 35888302
35888303, 35888304

6-Bank Square Branch

6-Bank Square, Shahrah Quaid Azam Lahore, Punjab
Tel: 042-37246257, 327233808, 327353624
39212731, 329212732, 329212733

Circular Road Branch

Babr Center, 51-Circular Road
Outside Akabri Gate, Lahore, Punjab
Tel: 042-37672885, 37379250, 37672882 37672883
37379264, 37379265

Badami Bagh Branch

93-Badami Bagh, Lahore, Punjab
Tel: 0423-7722829, 7705235, 3773209 37722830

Allama Iqbal Town Branch

24, Gulshan Block, Allama Iqbal Town Lahore, Punjab
Tel: 042-37812321, 37812325, 37811034 37812316

Packages Branch

Packages Limited, Shahrah-e-Roomi,
P.O Amer Sidhu, Lahore, Punjab
Tel: 042-35920550, 35920577, 35920574 35920545,
35920571, 359020573

Gulshan-e-Ravi Branch

Plot # 16, Block-A, Gulshan Ravi, Lahore, Punjab
Tel: 042-37401874, 37401870, 37401872, 37401873

Cavalry Ground Branch

Commercial Plot # 29, Baza Area, Officers Housing
Scheme, Cavalry Ground, Lahore, Punjab
Tel: 042-36687402, 36687401, 36687401 36687353

Timber Market Branch

Timber Market, Plot # NW.III R-84
Ravi Road, Lahore, Punjab
Tel: 042-37709235, 37720696, 37709231 37709232,
37709233

New Garden Town Branch

10-B, Aibak Block, New Garde Town, Lahore, Punjab
Tel: 042-35843885, 35941562, 35843883, 35843882

Mughalpura Branch

13/B, Shalimar Link Road, Mughalpura
Lahore, Punjab
Tel: 042-36844011, 36846812, 36844012
36844013, 36844014

WAPDA Town Branch

258 E-2, Wapda Employees Cooperative Housing
Society, Lahore, Punjab
Tel: 042-35189621, 35189622, 35188449

Shahdara Branch

364-366, Hadbast Mauza Fathpuri, Shadra
Lahore, Punjab
Tel: 042-37940888, 37919163, 37919160, 37919162

DHA Phase-II Branch

Commercial Plot # 12, Block CCA
D.H.A. Phase II, Lahore, Punjab
Tel: 042-35749481, 35895776, 35707033

Ghazi Road Branch

Plot # 2/1, Block-B, Guldasth Scheme Lahore
Cantonment, Ghazi Road, Lahore, Punjab
Tel: 042-36639775, 36639771, 36639772

Johar Town E-Block Branch

Plot # 1, Block E 1, Johar Town
Lahore, Punjab
Tel: 042-35220637, 35220636, 35203603

Wahdat Road Branch

19/A, Wahdat Road, Lahore, Punjab
Tel: 042-37561856, 37502837, 37502836

Multan Road Branch

9-A, Block Industrial, Allama Iqbal Town Scheme
Multan Road, Lahore, Punjab
Tel: 042-37803470, 37803449, 37806070, 37806069

Davis Road Branch

Aftab Centre, 30 Davis Road
Lahore, Punjab
Tel: 042-36286965, 39204344, 36287027, 36287029

LALAMUSA

Lalamusa Branch
BX I/405, G.T. Road, Tehsil Kharian Distt. Gujrat,
Lalamusa, Punjab
Tel: 053-7518220, 7515220, 7518720

LARKANA

Larkana Branch
Plot City Survey # A-700
Bank Square Bunder Road, Larkana, Sindh
Tel: 074-4059041, 4055781, 4055781
4055782, 4055783

MANDI BAHAUDDIN

Mandi Bahauddin Branch
Plot # 7/211, Ward # 7
Mandi Bahauddin, Punjab
Tel: 0546-509551, 509554, 509552
509553, 500454

MARDAN

Mardan Branch
CB/436, 20-21, The Mall, Mardan Cantt.,
Mardan, Khyber Pakhtoon Khwa
Tel: 0937-863684, 870172, 873682 873684

MINGORA

Mingora Branch
Haji Muhammad Ismail Manzil
Bank Sqaure, Main Bazar, Mingora Swat
Khyber Pakhtoon Khwa
Tel: 0946-724991, 724994, 710440 712006

MIRPUR A.K.

Mirpur A.K. Branch
Bank Square, Allama Iqbal Road
Mirpur A.K., Azad Jammu & Kashmir
Tel: 05827-442118, 442840, 447683 442840

MIRPURKHAS

Mirpurkhas Branch
Plot # 7/15, Sir Syed Road
Mirpurkhas, Sindh
Tel: 0233-874148, 875344, 875327 875344

MULTAN

Abdali Road Branch
Plot # 66/9, Abdali Road, Multan, Punjab
Tel: 061-4580277, 4781535, 4781225 4517126,
4783641, 4782241, 4782196

Vihari Road Branch
Sherry Commercial Area
Opp. Grain Market, Vehari Road Multan, Punjab
Tel: 061-4230700, 4230701, 4230702, 4230703

MURREE

Murree Branch
No. 115/C-3, & 115/C-3A, SAMS Building
Jinnah Road, The Mall, Murree, Punjab
Tel: 051-3413890, 3413891, 3413892, 3413889

MUZAFFARABAD

Domel Syeden Branch
Plot No. 26-1, Ghari Phan Chowk
Domel Syedan, Muzaffarabad, AJK
Tel: 05822-920455, 921138, 921137 921136, 920505

MUZAFFARGARH

Muzaffargarh Branch
Shop # No. B-149/B, Street No. 1
Jhang Road, Muzaffargarh, Punjab
Tel: 066-2424310, 2425407, 2425401

NAWABSHAH

Nawabshah Branch
Shop # S-1 to S-4, Firdous Shopping Centre
Kutchry Road, Nawab Shah, Sindh
Tel: 0244-372648, 360685, 372649

NOWSHERA

Nowshera Branch
Shah Building, The Mall, G.T. Road
Nowshera Cantt., Nowshera, Khyber Pakhtoon Khwa
Tel: 0923-614881, 614882, 610146

OKARA

Okara Branch
Khewat # 50-18, Chak # 1-A/4-C
M.A. Jinnah Road, Okara, Punjab
Tel: 0442-550902, 550901, 550903 551101, 551102

PESHAWAR

Fakhr-e-Alam Road Branch
17-20, Cantonment Plaza, Fakhr-e-Alam Road,
Peshawar Cantt., Peshawar Khyber Pakhtoon Khwa
Tel: 091-5287478, 5276232, 5273633
5261256, 5276914

Hayatabad Branch
B-1, Phase 5, Hayatabad, Peshawar
Khyber Pakhtoon Khwa
Tel: 091-5824366, 5825278, 5825279, 58252306

Shoba Chowk Branch
Plot # 401/14 & 401/14A, Shuba Chowk, Khyber Bazar
Peshawar City, Peshawar, Khyber Pakhtoon Khwa
Tel: 091-2590157, 2590258, 2590257

University Road Branch
Ruby Villa, Opposite Jabbar Flats University Road
Peshawar, Khyber Pakhtoon Khwa
Tel: 091-5851453, 5852019, 5851527 5853164

Chowk Yadgar Branch
Shop No. 1,2,3,4,5 Ground & First Floor
Haroon Plaza (Outside Katchery Gate) Chowk Yadgar
Peshawar, Khyber Pakhtoon Khwa
Tel: 091-2590762, 2580718, 2590761
2580719, 2588004

QUETTA

Mannan Chowk Branch
2-11/6-303, Mannan Chowk, M.A. Jinnah Road
Quetta, Balochistan
Tel: 081-2836204, 2836205

Masjid Road Branch
Plot # 2-30/4, (Municipal No. 2-20/425)
Khasra No. 263, Masjid Road, Quetta Balochistan
Tel: 081-2843640, 2843651

RAHIMYAR KHAN

Model Town Branch
14 Model Town House, Town House Circle
Rahimyar Khan, Punjab
Tel: 068-5885642, 5885643, 5887182
5885651, 5885643

RAWALPINDI

Murree Road Saddar Branch
Bldg # 11/10, Survey No. 349/10
Main Murree Road, Near Health
Way Hospital Building, Saddar Rawalpindi, Punjab
Tel: 051-5562952, 5562944, 5562945
5120415, 5120474, 5120597

City Saddar Branch
Shop # 317 A, City Saddar Road
Raja Bazaar, Rawalpindi, Punjab
Tel: 051-5778800, 5778801, 5778802
5778804, 5778808

Hamilton Road Branch
Plot 725-728, Hamilton Road
Mohalla Workshop, Raja Bazar Rawalpindi, Punjab
Tel: 051-5775950, 5778953, 5778951
5778950, 5778958

Mall Road Branch
31/3-31/A, The Mall, Rawalpindi, Punjab
Tel: 051-5701200, 5701105, 5701103
5701104, 5701105, 5701316, 5701318

Satellite Town Branch
North Star Plaza, 20-B, Muree Road
Satellite Town, Rawalpindi, Punjab
Tel: 051-4426976, 4426975, 442672, 442673

College Road Branch
G-263, College Road, Rawalpindi Punjab
Tel: 051-5775217, 5775227

Adyala Road Branch
Khasra # 1365/572, Skindar Plaza, Munawar Colony
Main Adyala Road Rawalpindi, Punjab
Tel: 051-5572401, 5573424, 5948549

SAHIWAL

Sahiwal Branch
267/B-1, Jinnah Road (High Street) Sahiwal, Punjab
Tel: 040-9200479, 9200480, 9200477 9200478

SANGHAR

Sanghar Branch
Plot City Survey No. 951, Nawabshah Road
Sanghar, Sindh
Tel: 0235-543702, 542882, 542898

SARAI ALAMGIR

Sarai Alamgir Branch
Fazal Plaza, Main G.T. Road
Sarai Alamgir, Gujrat, Punjab
Tel: 0544-654929, 654927, 654932, 6654931

SARGODHA

Mian Khan Road Branch
110 Mian Khan Road, Block 5
Sargodha, Punjab
Tel: 048-3726609, 3729623, 3729623

SHAHDADPUR

Shahdadpur Branch
Plot City Survey # 801 to 804 & 813
Station Road, Shahdadpur, Sindh
Tel: 0235-844901, 844902

SHEIKHPURA

Main Branch Sheikhpura
Shop No.1, Ground Floor, Al-Hamd
Plaza, Batti Chowk, Lahore Road Sheikhpura, Punjab
Tel: 056-3788165, 3812456

SIALKOT

Shahabpura Branch
Plot # B-III-8-S-206, Shahabpura
Sialkot, Punjab
Tel: 052-3557365, 3557367

Kashmir Road Branch
155/A, BIII-12S, Sublime Chowk
Kashmir Road, Sialkot, Punjab
Tel: 052-3241292, 3241491, 3241492

SUKKUR

Nishtar Road Branch
Ground Floor, City Survey # B-1244
Nishtar Road, Sukkur, Sindh
Tel: 071-5628195, 5628194, 5628196, 5621159

TALUKA KUNRI

Kunri Branch
Union Council Chajro, Nabisar Road Taluka Kunri,
District Umerkot, P.O. Kunri, Sindh
Tel: 0238-558014, 558013, 558013, 558014

TANDO ADAM

Tando Adam Branch
Plot City Survey # 535, Muhammadi Chowk
Tando Adam, Distt: Sanghar, Sindh
Tel: 0235-574227, 574081, 574081

TANDO ALLAHYAR

Tando Allahyar Branch
Plot # 1610/2-B, Adjacent Main Bus Stop
Hyderabad, Mirpurkhas Road, Tando Allahyar, Sindh
Tel: 022-2763516, 2763715, 3891041, 3891040

WAH

Wah Cantt Branch
Shop # 1/37, Commercial Area, Civic Centre, Aslam
Market, Wah Cantt, Punjab
Tel: 051-4902233, 4902232, 4902234, 4902231

WAZIRABAD

Wazirabad Branch
Khewat # 201, Khatani # 203, Khata # 51
(Opposite District Courts Wazirabad)
Tehsil Wazirabad, Distt. Gujranwala, Punjab
Tel: 055-6607170, 6607168, 6607169

Proxy Form

I/We _____ S/o,D/o,W/o _____
of _____
(full address) being a member of NIB Bank Limited and holder of shares as per Registered Folio No. _____ and / or CDC Participant I.D. No. _____ and Account No. _____ do hereby appoint _____ of _____ (full address) or failing him/her _____ of _____ (full address) as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the 11th Annual General Meeting of NIB Bank Limited scheduled to be held on Friday, the 28th March 2014 at 3.30 pm at ICAP Auditorium, Institute of Chartered Accountants of Pakistan (ICAP) Building, G-10/4, Mauve Area, Islamabad and at any adjournment thereof.

As witness my / our hand this _____ day of _____ 2014.

Witnesses :

1. _____
Name :
CNIC No. :
Address :

Signature of Member(s)
on Rs. 5/- Revenue Stamp

2. _____
Name:
CNIC No. :
Address :

NOTE: A member entitled to attend a General Meeting is entitled to appoint a proxy to attend and vote instead of him / her. No person shall act as proxy (except for a Corporation) unless he / she is entitled to be present and vote in his / her own right.

Proxies, in order to be valid, must be complete in all respects and be received at the Head Office of the Bank not later than 48 hours before the meeting.



NIB Bank Limited

Registered Office:

First Floor, Post Mall, F-7 Markaz, Islamabad - Pakistan.

Head Office:

PNSC Building, M.T. Khan Road, Karachi - Pakistan.

UAN: +92 21 111-333-111 www.nibpk.com