

**ASKARI COMMERCIAL BANK LIMITED**  
**ANNUAL REPORT 1997**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

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**Corporate Information**

Lt. Gen. Zia ud Din Chairman  
Lt. Gen. (R) Farrakh Khan  
Mr. Shameem Ahmed President & Chief Executive  
Brig. (R) Khalid Latif  
Brig. (R) Zafar Ahmed  
Brig. (R) Khalid Raza  
Brig. (R) Sultan Mahmud  
Dr. Safdar Ali Butt  
Mr. Zafar Alam Khan Sumbal Secretary  
Mr. Shahid Hafeez Azmi  
Mr. Sultan Ahmed Abbasi  
Mr. Raiz-ur-Rahman Khan (NIT Nominee)  
Taseer Hadi Khalid & Co.  
Chartered Accountants

**AUDITORS**

Taseer Hadi Khalid & Co.  
Chartered Accountants

**LEGAL ADVISORS**

Afridi Angell & Khan

**REGISTRAR & SHARE**

**TRANSFER OFFICE**

Askari Associates (Pvt.) Limited,  
6th Floor, AWT Plaza, The Mall,  
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**REGISTERED OFFICE/**

**HEAD OFFICE**

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**Directors' Report**

It gives us immense pleasure in presenting to you the Annual Report together with the audited accounts of your bank for the year ended December 31, 1997.

Despite under-performance of the economy Askari Commercial Bank Limited (ACBL) managed to out-perform its competitors and maintain its growth momentum. We are proud to say that Askari Commercial Bank Limited is emerging as a leading market player in the financial sector.

The pre-tax profit at Rs. 755 million recorded impressive growth rate of 30% over 1996. By the end of the year the asset base of the Bank expanded to the level of Rs. 24 billion registering an increase of 35% over the previous year.

The Bank continued to maintain strong capital base. The networth of the Bank has further expanded to Rs. 1.8 billion which will enable us to expand our Balance Sheet and to take enhanced credit exposure against blue chip corporate clients. The Bank has highly comfortable capital adequacy ratio.

The bank has made vigorous efforts to increase local as well as foreign currency deposits. These efforts have borne fruit and the Bank's deposits grew by 38% to attain the level of Rs. 19.5 billion at the end of 1997.

We continued to make concerted efforts for maintaining the quality of our risk assets portfolio. In 1997, the Bank's total advances at Rs. 9.5 billion recorded growth of 27% over the previous year. The Bank's prime focus in its lending activities continued to financing on a secured and self-liquidating basis. A major chunk of advances portfolio has a maturity pattern of less than one year.

Strong internal control system exists in the Bank. This provides timely and effective support to the Management in the implementation of the Bank's strategies.

The credit risk management is among top priorities at ACBL. For this purpose, the Bank has in place a formal credit sanctioning process based on the principles of checks and balances. The credit line proposals are reviewed and approved by highly experienced officials of the Bank. The bigger the credit line proposal, the greater is the care taken in decision making and disbursement. At the head office a team of senior credit executives constantly monitors the Bank's overall credit exposure both industry-wise and group-wise and takes appropriate action to avert large scale industry and single party exposure.

The investment portfolio of the Bank soared to Rs. 11.8 billion registering an increase of 91% over the last year.

The investment portfolio together with other liquid assets forms a major chunk of the Bank's asset base which shows the degree of high liquidity maintained by the Bank. The policy of high liquidity however is not maintained at the cost of profitability as is evident from the profit figures. The Bank is maintaining optimal balance between liquidity and profitability. As the yield on government securities declined, the Bank selectively expanded its advances portfolio in the second half of 1997.

The Bank's emphasis on further broadening core foreign trade business translated into handling higher volume of export and import business of Rs. 26 billion registering a growth of 34% over the previous year. This enhanced foreign trade business was secured due to excellent customer services and efficient international settlement arrangements with our correspondent banks.

The Bank's strategy to consolidate and expand its network of international correspondent banks continued during the year under review and the number of such correspondents reached 171. The increase in number of our correspondents further improved our capabilities to undertake greater cross border transactions. Our strong relationship with the corespondents and their confidence in our capabilities and professionalism can be gauged from

the fact that now a small percentage of letters of credit require confirmation.

The foreign exchange and money market operations registered significant increase during the year. To manage effectively the Bank's foreign exchange operations and investment portfolio in the deregulated and free operational environment, we have equipped our Treasury with the latest information and communication technologies and reorganized it on modern lines. The sophisticated risk management techniques and multiple control systems are applied for smooth and risk-free operations of Treasury.

To remain one step ahead of our competitors, we have launched several new products during the year including credit cards in the consumer banking segment. ACBL's Master Card was launched towards the end of first quarter of 1997, with plans to launch Askari VISA shortly. The whole credit card operation is being carried out prudently and ACBL is proud to report that it has been successful in establishing a solid foundation on which to base future growth. It is a relatively new product for Pakistan, but has promising growth potential and by entering the market at the right time ACBL feels that it will grow as a major market player in the future. After the launch of Askari VISA, ACBL will have a comprehensive array of Credit Cards extending the variety of products and service choice.

To meet the challenges of 21st century, we are paying particular attention to the development of information technology. In this regard, the Bank continued its emphasis on employing the latest technological tools to improve our operations and customer services. ACBL is the first Bank to have established countrywide communication network based on VSAT and Radio Modems Technology. This communication network has enabled the bank to provide on-line, real-time banking facilities to its customers, presently at 11 different cities of the country which is being expanded to cover other cities also. The on-line communication system allows the customers the facility of carrying out their normal banking transactions through the nearest convenient branch irrespective of where their account is placed. This on-line banking facility has also been made most sophisticated due to high speed electronic transfer of signatures, for verification purposes, throughout the country.

The bank also offers 24 hours self service banking facilities to its customers on country wide basis through deployment of Automated Teller Machines, allowing customers uninterrupted banking facilities such as/ cash withdrawals, funds transfer, balance enquiries, account statements etc.

In addition, the Bank also provides fully automated on-line telephone banking facilities to its customers enabling them to carry out banking transactions like balance inquiries, statement requests, product information and exchange rate

inquiries.

In 1997 three new branches were opened; one each in Abbottabad and Bahawalpur and one additional in Islamabad. The strategy of selective expansion of branch network will continue in the year 1998.

The Bank's tremendous progress is a result of a high degree of professionalism in managing the operations of the bank and providing excellent banking services to the customers.

A testimonial to ACBL's performance is the recognition gained by the bank at national as well as international level. In 1997 ACBL not only managed to maintain the short term rating of A1+ given by PACRA, which is the highest rating given to any bank in Pakistan in this category but was also able to improve its rating to AA- in the long term category. The Bank has also been given *asiamoney* (1994 & 1996) and *Euromoney* (1995) awards as the 'Commercial Bank of the Year' and 'Best Domestic Bank' respectively. In addition, the South Asian Federation of Accountants (SAFA) gave ACBL the award of '2nd best reporting company' in financial sector of SAARC Region which speaks volumes about our professionalism.

The constantly changing regulatory and operational environment requires up-to-date knowledge and skills of latest systems. Due to this reason human resource development is on the management's priority agenda. The Bank's Training & Research Wing, which is manned by highly competent trainers and researchers is successfully catering to the training needs of the manpower. During 1997 a number of training programs were arranged in the areas of foreign trade & exchange, credit management, financial statements analysis, prudential regulations, general banking, credit cards etc. A total of 161 executives and officers participated in these courses. In addition to this, several executives of the Bank were nominated in courses offered by outside agencies both in Pakistan and abroad.

We believe that the growth of an institution depends on confidence, support and cooperation of its customers and dedication and hardwork of its employees. We at ACBL thank our clients for their continued support and appreciate the zealous-efforts made by the employees in achieving our corporate objectives. We also take this opportunity to express our gratitude to the State Bank of Pakistan for their guidance and support.

ACBL aims at achieving total quality in all fields of activity. The main objectives of the bank for the year 1998 would be to further enhance the corporate image of the Bank, consolidate its leading position in the

financial market, increase and diversify the profit trend and structure, pursue the policy

of prudence, selectively expand the advances portfolio on secured basis, penetrate in the market by expanding the branch network and to further improve the customer service through higher levels of technology.

In 1998 we also intend to implement the strategic plan made in collaboration with our consultants for fulfilling the corporate objectives of the Bank. Our task would be to create new opportunities for growth and progress for the benefit the Bank's clients and shareholders.

**KPMG Taseer Hadi Khalid & Co.**

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**ASKARI COMMERCIAL BANK LIMITED  
 AUDITORS' REPORT TO THE MEMBERS**

We have audited the annexed balance sheet of Askari Commercial Bank Limited ("the Bank") as at 31 December 1997 and the related profit and loss account and the statement of changes in financial position, together with the notes forming part thereof for the year then ended, in which are incorporated the unaudited certified returns from the branches except for the 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 and after due verification thereof found them satisfactory, and we report that:

- a) in our opinion proper books of account have been kept by the Bank as required by the Companies Ordinance, 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 balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984, and are in agreement with the books of account and are true in accordance with accounting policies consistently applied;
  - 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 balance sheet and the profit and loss account and the statement of changes in financial position together with the notes forming part thereof give the information required by the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984, in the manner so required and give a true and fair view of the state of the Bank's affairs as at 31 December 1997 and its true balance of the profit and the changes in financial position for the year then ended; and
- d) in our opinion the Zakat deductible at source under the Zakat and Ushr Ordinance, 1980, was deducted by the Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

**Balance Sheet as at December 31, 1997**

	Note	1997 Rupees ( '000)	1996 Rupees ( '000)
<b>Assets</b>			
Cash	4	1,326,513	2,755,198
Balance with other banks	5	95,08	154,583
Money at call and short notice		400,000	410,000
Investments	6	1,773,176	6,180,308
Advances	7	9,136,387	7,305,379
Operating fixed assets	8	360,594	288,417
Capital work in progress	9	11 9,356	-
Other assets	10	902,041	812,270
		-----	-----
		24,113,149	17,906, 155
<b>Liabilities</b>			
Deposits and other accounts	11	19,481,902	14,126,330
Borrowing from other banks, agents etc.	12	1,958,225	1,529,339
Bills payable		281,555	108,537
Other liabilities	13	544,289	519,975
Liabilities against assets subject to finance lease	14	72,503	40,561
		-----	-----
		22,338,474	16,324,742

<b>Net assets</b>		1,774,675	1,581,413
Represented by:			
Share capital	15	939,262	816,750
Reserve fund & other reserves	16	834,738	763,250
Un-appropriated profit		675	1,413
<b>Shareholders' equity</b>		1,774,675	1,581,413

**Memorandum items:**

Bills for collection	17	3,071,333	2,434,105
Acceptances, endorsements and other obligations		2,163,808	2,613,354
Contingent liabilities and commitments	18	=====	

The annexed notes form an integral part of these accounts.

**Profit and Loss Account for the year ended December 31, 1997**

	Note	1997 Rupees ( '000)	1996 Rupees ( '000)
Mark up / Interest and discount and/or return earned		2,935,087	1,978,973
Less: Cost/Return on deposits, borrowing etc.		1,909,821	1,212,608
		1,025,266	766,365
Fees, commission & brokerage		160,066	106,327
Profit/loss from investment securities		723	6,871
Other operating income	19	212,286	207,853
		373,075	321,051
		1,398,341	1,087,416
<b>Operating expenses:</b>			
Administrative expenses	20	460,692	355,885
Provisions against non-performing advances	7.2	185,476	148,000
Provision for diminution in value of investment		8,000	7,000
		654,168	510,885
Other income	21	10,497	5,830
Profit before taxation		754,670	582,361
Taxation - current	22	444,000	344,000
Profit after taxation		310,670	238,361
Un-appropriated profit brought forward		1,413	1,552
Profit available for appropriation		312,083	239,913
<b>Appropriations</b>			
Transfer to:			
General reserve		131,000	122,000
Statutory reserve		63,000	116,500
Proposed dividend		117,408	-
		311,408	238,500
Un-appropriated profit carried forward		675	1,413

The annexed notes form an integral part of these accounts.

**Statement of changes in financial position for the year ended December 31, 1997**

	1997 Rupees ( '000)	1996 Rupees ( '000)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	754,670	582,361
Less: Profit/loss from Investment Securities	(723)	(6,871)
	753,947	575,490
Adjustments:		
Depreciation	56,976	41,227
Provision for diminution in value of Investments	8,000	7,000

Provisions against non-performing advances	185,476	148,000
Net profit on sale of fixed assets	(7,488)	(3,769)
Finance charge on leased assets	9,474	4,455
	-----	-----
	252,438	196,913
(Increase)/decrease in operating assets:	-----	-----
Government securities	(5,575,500)	(3,677,534)
Advances	(2,016,484)	(420,338)
Other assets	(89,771)	(347,192)
	-----	-----
	(7,681,755)	(4,445,064)
Increase/(decrease) in operating liabilities:	-----	-----
Deposits & Other accounts	5,355,572	4,275,493
Bills payable	173,018	7,895
Other Liabilities	(29,376)	170,110
	-----	-----
	5,499,214	4,453,498
Cash flow before tax	(1,176,156)	780,837
Income tax paid	(507,573)	(421,606)
	-----	-----
Net cash flow from operating activities	(1,683,729)	359,231
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments other than government securities	(40,140)	(57,155)
Net proceeds from sale of investments/Redemption of Term Finance Certificates	15,496	34,197
Fixed capital expenditure	(253,069)	(147,505)
Sale proceeds of fixed assets	12,049	5,589
	-----	-----
Net cash flow from investing activities	(265,664)	(164,874)
carried forward	(1,949,393)	194,357
	=====	=====

**Statement of changes in financial position for the year ended December 31, 1997**

	1997 Rupees ( '000)	1996 Rupees ( '000)
brought forward	(1,949,393)	194,357
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in borrowings from other banks, agents etc.	4,288,867	30,146
Payment of lease obligations	(29,631)	(13,009)
Leases during the year	51,952	35,985
Proceeds from right share issue	-	399,736
	-----	-----
Net cash flow from financing activities	451,207	452,858
Net Increase/(decrease) in cash & cash equivalents for the year	(1,498,186)	647,215
Cash & cash equivalents at the beginning of the year	3,319,781	2,672,566
	-----	-----
Cash & cash equivalents at the end of the year	1,821,595	3,319,781
	-----	-----
<b>Cash d- cash equivalents:</b>		
Cash	1,326,513	2,755,198
Balance with other banks	95,082	154,583
Money at call and short notice	400,000	410,000
	-----	-----
	1,821,595	3,319,781
	=====	=====

**Notes to the Accounts for the year ended December 31, 1997**

**I. STATUS AND NATURE OF BUSINESS**

Askari Commercial Bank Limited was incorporated on October 09, 1991 as a Public Limited Company, and is listed on the Karachi, Lahore & Islamabad Stock Exchanges. The Bank obtained business commencement certificate on February 26, 1992 and started operations from April 01, 1992.

Askari Commercial Bank Limited is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962.

**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 has issued various circulars from time to time. One permissible form of trade related mode of financing comprises of purchase of goods by the banks from their customers and 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 accounts as such but are restricted to the amount

of facilities actually utilized and the appropriate portion of mark-up thereon.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Accounting Convention**

These accounts have been prepared using the historical cost convention in conformity with the accepted practice of banking institutions in Pakistan.

**3.2 Fixed Assets**

*a) Owned*

Fixed assets are stated at cost less accumulated depreciation. Depreciation is computed over the estimated useful lives of the related assets at varying rates and methods depending on the nature of the assets.

The cost of the assets is depreciated on the diminishing balance method, except for vehicles, carpets and renovation costs of leased premises which are depreciated on a straight line basis. Depreciation is charged for the full month on purchase/ acquisition of an assets while no depreciation is charged in the month of disposal of an asset.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gains and losses on disposal of fixed assets are taken to the profit and loss account.

*b) Leased*

Assets held under finance lease are accounted for by recording the assets and the related liabilities at the amounts determined on the basis of lower of fair value of the assets and the present value of minimum lease payments. Finance charge is allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability. Depreciation is charged on leased assets on the basis similar to that of owned assets.

**3.3 Investments**

Investments are stated at cost, net off provisions made for diminution in value.

Profits and losses on sale of investments are dealt with through the profit and loss account in the year in which they arise.

**3.4 Advances**

Advances are stated net off provisions for bad and doubtful debts. Specific and general provisions for bad and doubtful debts are determined by the management keeping in view the requirements of the Prudential Regulations issued by the State Bank of Pakistan.

**3.5 Foreign Currencies**

Assets and liabilities in foreign currencies have been translated into Pak Rupees at the rates of exchange approximating those ruling at the Balance Sheet date except those covered by forward exchange contracts which are converted at contracted rates. Exchange gains and losses are included in income currently.

**3.6 Taxation**

Provision for tax is based on applicable rates of tax after taking into account tax credits available, if any.

The Bank accounts for deferred tax, if any, taking into account major timing differences, using the liability method. However, deferred tax is not provided if it can be established with reasonable probability that the timing differences will not reverse in the foreseeable future.

**3.7 Revenue Recognition**

Income is recognized on accrual basis.

**3.8 Staff Retirement Benefits**

The Bank operates a funded gratuity scheme for its employees who complete a qualifying service period. Annual contribution to the gratuity fund is charged to income for the year.

The Bank also has an approved contributory provident fund for its employees.

	1997	1996
	Rupees	Rupees
	('000)	('000)

**4. CASH**

In hand - local currency	174,427	157,924
- foreign currencies	211,092	228,098
	-----	-----
	385,519	386,022
With State Bank of Pakistan in:		
Special deposit account	-----	-----



export refinance	-	1,529,304
Current account	902,917	818,517
	-----	-----
	902,917	2,347,821
With National Bank of Pakistan in:		
Current account	38,077	21,355
	-----	-----
	1,326,513	2,755,198
	=====	=====

	<b>1997</b>	<b>1996</b>
	<b>Rupees</b>	<b>Rupees</b>
	<b>('000)</b>	<b>('000)</b>

**BALANCES WITH OTHER BANKS**

In Pakistan	12,412	6,006
Outside Pakistan	82,670	148,577
	-----	-----
	95,082	154,583

**6. INVESTMENTS (at cost less provisions)**

*Investment securities:*

Federal and Provincial Governments Securities		
Federal investment Bonds	2,213,985	2,013,485
ShortTerm Federal Bonds	9,400,000	4,025,000
	-----	-----
	1,613,985	6,038,485

Investments in subsidiary companies and associated undertakings	7,500	7,500
-----------------------------------------------------------------	-------	-------

Fully paid up ordinary shares

Listed companies	88,233	88,233
Unlisted companies	-	-
	-----	-----
	88,233	88,233

Debentures, Bonds, Participation Term Certificates and Term Finance Certificates	78,458	53,090
	-----	-----
	1,788,176	6,187,308

Less: Provision for diminution in the value of investments	15,000	7,000
[Market value of investments Rs. 12,136,253 thousands (I 996: Rs. 6,378,862 thousands)]	-----	-----
	1,773,176	6,180,308
	-----	-----

**7. ADVANCES**

Loans, cash credits, overdrafts, etc.

In Pakistan	6,431,372	5,065,565
Outside Pakistan	-	-
	-----	-----
	6,431,372	5,065,565

Bills discounted and purchased

Payable in Pakistan	685,781	351,769
Payable outside Pakistan	12,394,710	2,078,045
	-----	-----
	3,080,491	2,429,814
	-----	-----
	9,511,863	7,495,379

Less: General and specific provision for non-performing advances - Note 7.2	375,476	190,000
	-----	-----
	9,136,387	7,305,379
	=====	=====

Advances include Rs. 419,802 thousand (I 996: Rs. 223,312 thousand) which have been placed on non-performing status as per Prudential Regulations of the State Bank of Pakistan and for which provision has been made to the satisfaction of the auditors.

	<b>1997</b>	<b>1996</b>
	<b>Rupees</b>	<b>Rupees</b>
	<b>('000)</b>	<b>('000)</b>

**7.1 Particulars of advances**

In local currency	9,511,863	7,495,379
In foreign currencies	-	-
	-----	-----

Debts considered good in respect of which the bank is fully secured	9,508,357	7,492,994
Debts considered good for which the bank holds no other security than the debtors' personal security	3,506	2,385
Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of debtors	-	-

Debts considered doubtful or bad not provided for

-----	-----
9,511,863	7,495,379
=====	=====

**Balance as at Maximum \***  
**Dec. 31, 1997 during the year**  
**Rupees Rupees**  
**('000) ('000)**

Debts due by directors or executives of the bank or any of them either severally or jointly with any other persons	924	1,161
Debts due by companies or firms in which the directors of the bank are interested as directors, partners or in the case of private companies, as members	-	-
Debts due by subsidiary companies, controlled firms, managed modarabas and other associated undertakings	-	-
=====	-----	-----

This represents the maximum aggregate amount of advances outstanding during the year 1997. The maximum amount has been calculated by reference to month-end balances.

7.2 Particulars of provisions against non-performing advances

	Rupees in '000			
	Specific	General	Total	
			1997	1996
Opening balances	149,166	40,834	190,000	42,000
Charge for the year				
- Additions	170,077	96,296	266,373	152,435
- Reversals	(80,897)	-	(80,897)	(4,435)
Net charge for the year	89,180	96,296	185,476	148,000
Closing Balances	238,346	137,130	375,476	190,000
Provision against:	=====	=====	=====	=====
Advances to banks	-	-	-	-
Advances to others	238,346	137,130	375,476	190,000
	238,346	137,130	375,476	190,000
=====	=====	=====	=====	=====

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 other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 1997 is given at Annexure-I.

8. OPERATING FIXED ASSETS

	Cost			At Dec 31, 1997	At Jan 1, 1997	Depreciation charge for the year	Accum. Dep on Disposals	At Dec 31, 1997	Book value At Dec 31, 1997	Rate of Depreciation
	At Jan 1, 1997	Additions in 1997	(Deletions) in 1997							
<b>Owned</b>										
Land-freehold	24656	475	-	25,131	-	-	-	-	25,131	
Buildings on freehold land	92,127	4,582	-	96,709	5,673	4,513	-	10,186	86,523	5%
Renovation of leased premises	68,400	24,095	-	92,495	36,209	16,308	-	52,517	39,978	20%
Furniture, fixture & office equipment	33,415	9,274	(32)	42,657	6,379	3,396	(4)	9,771	32,886	10%
Carpets	5,644	1,734	(28)	7,097	2,829	1,301	(162)	3,968	3,129	20%
Machines & equipment	60,751	18,526	(1,393)	77,884	18,886	10,241	(516)	28,611	49,273	20%
Vehicles	20,340	6,167	(8,309)	18,198	12,890	3,051	(6,272)	9,669	8,529	20%
Computer equipments	31,996	8,723	-	40,719	11,473	4,916	-	16,389	24,330	20%
	337,329	73,576	(10,015)	400,890	94,339	43,726	(6,954)	131,111	269,779	
<b>Held under Finance Lease</b>										
Machines & equipment	3,248	15,100	-	18,348	409	819	-	1,228	17,120	20%
Vehicles	42,765	12,120	(1,969)	52,916	5,917	8,310	(470)	14,757	38,159	20%
Computer equipments	6,957	32,917	-	39,874	1,217	3,121	-	4,338	35,536	20%
	52,970	60,137	(1,969)	111,138	7,543	13,250	(470)	20,323	90,815	
1997	390,299	133,713	(11,984)	512,028	101,882	56,976	(7,424)	151,434	360,594	
1996	249,663	147,505	(6,869)	390,299	65,704	41,227	(5,049)	101,882	288,417	
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	

	1997 Rupees ('000)	1997 Rupees ('000)
<b>9. CAPITAL WORK IN PROGRESS</b>		
Building under construction:		
- Gulberg, Lahore	24,249	-

- Saima Trade Tower, Karachi	95,107	-
	-----	-----
	119,356	-
	=====	=====
	<b>1997</b>	<b>1996</b>
	<b>Rupees</b>	<b>Rupees</b>
	<b>('000)</b>	<b>('000)</b>
<b>10. OTHER ASSETS</b>		
Stationery and stamps on hand	7,857	6,356
Income/mark up accrued on advances and investments	703,239	514,177
Commission & other income receivable	9,038	5,960
Prepaid exchange risk fee	101,979	57,465
Other advances, deposits, advance rent and other prepayments	41,789	140,223
Suspense account	14,243	14,678
Excise Duty Recoverable	5,549	5,427
Fund Management Account	14,500	64,500
Others	3,847	3,484
	-----	-----
	902,041	812,270
	=====	=====
<b>11. DEPOSITS AND OTHER ACCOUNTS</b>		
Term deposits	6,424,474	5,635,119
Saving deposits	9,510,413	7,110,989
Current accounts	3,304,278	1,172,424
Others (Margin on LCs., LGs., Acceptances, etc.)	224,728	199,923
Deposits and other accounts of banks	18,009	7,875
	-----	-----
	19,481,902	14,126,330
	=====	=====
<i>I I. I Particulars of deposits and other accounts</i>		
In local currency	7,407,557	5,335,595
In foreign currencies	12,074,345	8,790,735
	-----	-----
	19,481,902	14,126,330
	=====	=====
<b>12. BORROWING FROM OTHER BANKS, AGENTS, ETC.</b>		
In Pakistan	1,908,072	1,529,304
Outside Pakistan	50,153	35
	-----	-----
	1,958,225	1,529,339
	=====	=====
<i>12.1 Particulars of borrowing from other banks, agents etc.</i>		
In local currency	1,908,072	1,529,304
In foreign currencies	50,153	35
	-----	-----
	1,958,225	1,529,339
	=====	=====
<i>12.2 Secured</i>		
Loans from banks and other financial institutions	-	-
Loans from subsidiary companies, managed modarabas and associated undertakings	-	-
Loans from directors (including chief executive) of the Bank	-	-
Loans from State Bank of Pakistan	-	-
Export refinance (Carrying mark up of 9% to 11% p.a. and adjustable with in maximum period of 150 days to 180 days)	1,908,072	1,529,304
<i>Un-secured</i>		
Nostro account Credit Balances	50,153	35
	-----	-----
	1,958,225	1,529,339
	=====	=====
	<b>1997</b>	<b>1996</b>
	<b>Rupees</b>	<b>Rupees</b>
	<b>('000)</b>	<b>('000)</b>
<b>13. OTHER LIABILITIES</b>		
Mark-up/Interest on loans/borrowings	15,647	15,538
Profit payable on PLS deposits and other accounts	76,261	82,534
Interest on foreign currency deposits	40,291	69,028
Taxation (provision less advance payments)	42,936	106,508
Branch adjustment account	22,729	14,932
Unearned commission	20,963	24,029
Accrued expenses	14,251	20,185
Advance payments received	1	8
Due to subsidiary companies, managed modarabas and associated undertakings	-	-
Due to directors	-	-
Proposed dividend	117,408	-
Fund Management Account	14,500	64,500
Others (Mark up on classified accounts, excise duty payable, Zakat payable, etc.)	179,302	122,713
	-----	-----
	544,289	519,975
	=====	=====

**14. LIABILITIES AGAINST ASSETS SUBJECT**

**TO FINANCE LEASE**

The amount of future payments and the period in which they become due are as follows:

Year		
1997	-	21,132
1998	39,489	17,589
1999	35,906	14,391
2000	18,595	802
	-----	-----
	93,990	53,914
Less: Finance Charge allocated to future periods	21,487	13,353
	-----	-----
	72,503	40,561
	=====	=====

i) Rate of interest implicit in the leases 19.25% to 21%

ii) Term of leases 3 years to 5 years

iii) Security deposits Nil

iv) Installment intervals Quarterly

v) Other particulars:

- The leases are acquired from ORIX Leasing Pakistan Limited, First Habib Modaraba, Saudi

Pak Leasing Company Limited, Pak Gulf Leasing Co. Ltd., First International Investment

Bank, National Development Leasing Corporation Ltd. and Atlas Lease Limited.

- The rentals are payable in advance.

- The Bank enjoys purchase option at the end of lease terms.

	1997	1996
	Rupees	Rupees
	('000)	('000)

**15. SHARE CAPITAL**

**Authorized capital**

150,000,000 ( 1996: 90,000,000) ordinary shares

of Rs. 10/- each 1,500,000 900,000

**Issued, subscribed and paid-up capital** =====

67,500,000 ordinary shares of Rs. 10/-

each issued for cash 675,000 675,000

26,426,250 ( 1996:14,175,000) ordinary shares of

Rs. 10/- each issued as fully paid bonus shares 264,262 141,750

-----

939,262 816,750

=====

**16. RESERVE FUND & OTHER RESERVES**

	Capital Reserve Share Premium account	Statutory Reserve	Revenue Reserves Reserve for issue for Bonus Shares	General Reserve	Total Revenue Reserves	Rupees in '000 Total Reserves	
						1997	1996
Balance as at January 01, 1997	102,488	335,250	122,512	203,000	660,762	763,250	374,000
Transfer from profit and loss account	-	63,000	-	131,000	194,000	194,000	238,500
Other Movements	(46,963)	-	(75,549)	-	(75,549)	(122,512)	150,750
Balance as at December 31, 1997	55,525	398,250	46,963	334,000	779,213	834,738	763,250
	-----	-----	-----	-----	-----	-----	-----

	1997	1996
	Rupees	Rupees
	('000)	('000)

**17. BILLS FOR COLLECTION**

Payable in Pakistan	101,857	49,052
Payable outside Pakistan	2,969,476	2,385,053
	-----	-----
	3,071,333	2,434,105
	=====	=====

**18. CONTINGENT LIABILITIES AND COMMITMENTS**

**Contingencies**

Money for which the bank is contingently liable

a) Contingent liability in respect of guarantees given on behalf of directors or officers or any of them (severally or jointly) with any other person, subsidiaries and associated undertakings. -

b) Contingent liability in respect of guarantees given favouring:

i) Government 4,398,368 4,097,273

ii) Banks and other financial institutions 857,114 540,979

iii) Others 1,442,835 1,752,334

-----

6,698,317 6,390,586

**Commitments**

Commitments in respect of forward exchange contracts

Sale	1,278,366	1,259,862
Purchase	389,082	57,141
	-----	-----
	1,667,448	1,317,003
	615,000	640,000
	-----	-----
	8,980,765	8,347,589
	-----	-----

**19. OTHER OPERATING INCOME**

Income from dealing in foreign currencies	184,122	178,530
Miscellaneous income (Recoveries of telephone, fax, telex, courier, etc.)	28,164	29,323
	-----	-----
	212,286	207,853
	-----	-----

<b>1997</b>	<b>1996</b>
<b>Rupees</b>	<b>Rupees</b>
<b>('000)</b>	<b>('000)</b>

**ADMINISTRATIVE EXPENSES**

Salaries, allowances etc.	178,832	137,040
Staff Retirement benefits	15,413	10,122
Non executive directors' fees and allowances	27	26
Brokerage and commission	3,168	2,620
Rent, taxes, insurance, electricity etc.	57,170	47,679
Legal and professional charges	7,138	3,190
Communications	39,616	33,591
Repairs and maintenance	8,729	3,105
Finance charge on leased assets	9,474	4,455
Stationery and printing	2,038	1,910
Advertisement and publicity	6,992	2,086
Donations	-	-
Auditors' remuneration - Note 20. I	506	482
Depreciation	56,976	41,227
Other expenditure (Travelling, security services, vehicles running expenses, etc.)	44,613	38,352
	-----	-----

**20. I Auditors' remuneration**

Audit fee	225	200
Fee for audit of provident fund and gratuity fund	10	10
Special certifications/examinations and sundry advisory services	96	96
Tax services	125	125
Out of pocket expenses	50	5 I
	-----	-----
	506	482
	-----	-----

**21. OTHER INCOME**

Rent	3,009	2,06 I
Net profit on sale of fixed assets	7,488	3,769
	-----	-----
	10,497	5,830
	-----	-----

**22. TAXATION**

Deferred tax arising out of timing difference between accounting and income tax revenue/charges is estimated at Rs. 42 million (1996: Rs. 31 million), provision for which has not been made in these accounts since these timing differences are not expected to reverse in the foreseeable future.

**23. REMUNERATION OF DIRECTORS AND EXECUTIVES**

	Rupees in '000					
	Chief Executive		Directors		Executives	
	1997	1996	1997	1996	1997	1996
Fees	2	2	25	-	-	-
Managerial remuneration	1,044	864	-	1,220	599	-
Retirement benefits	337	265	-	-	302	156
House Rent Allowance	-	-	-	-	549	270
Utilities allowance	-	-	-	-	122	60
Medical reimbursements	236	236	-	-	68	50
Leave Fare Assistance	87	72	-	-	95	48
Bonus	348	288	-	-	377	200
	-----	-----	-----	-----	-----	-----
	2,054	1,727	25	24	2,733	1,383
	-----	-----	-----	-----	-----	-----
Number of persons	1	1	11	11	2	1
	-----	-----	-----	-----	-----	-----

Chief Executive/Executives are also provided Bank maintained cars. The Bank is also providing furnished accommodation to the Chief Executive.

Executive means an officer, other than chief executive/directors, whose basic salary exceeds five hundred thousand rupees in a financial year.

**24. MATURITIES OF ASSETS AND LIABILITIES**

Rupees in '000

	Total	Upto one month	Over one month to one year	Over one year to five years	Over five years
<b>Assets</b>					
Cash	1,326,513	1,326,513	-	-	-
Balance with other banks	95,082	95,082	-	-	-
Money at call and short notice	400,000	400,000	-	-	-
Investments	1,773,176	905,003	9,093,748	947,545	826,880
Advances	9,136,387	135,996	8,566,085	327,573	106,733
Operating fixed assets	360,594	2,713	23,546	63,537	270,798
Capital work in progress	119,356	-	119,356	-	-
Other assets	902,041	114,052	773,489	14,500	-
	24,113,149	2,979,359	18,576,224	1,353,155	1,204,411
<b>Liabilities</b>					
Deposits & other accounts	19,481,902	16,707,731*	1,895,659	878,512	-
Borrowing from other banks, agents etc.	1,958,225	356,523	1,601,702	-	-
Bills payable	281,555	281,555	-	-	-
Other liabilities	544,289	210,985	318,804	14,500	-
Liabilities against assets subject to finance lease	72,503	2,787	24,213	45,503	-
	22,338,474	17,559,581	3,840,378	938,515	-
Net balance	1,774,675	(14,580,222)	14,735,846	414,640	1,204,411
Shareholders' equity	1,774,675				

The saving and notice deposits have been reported under one month maturity. However, they are not expected to be payable within one month period.

**SEGMENT ANALYSIS**

**25.1 Geographic segment**

	Profit before taxation	Total assets employed	Net assets employed	Bills for collection	Rupees in '000 Acceptances, endorsement & other obligation
Pakistan	754,670	24,113,149	1,774,675	3,071,333	2,163,808
Asia Pacific (including South Africa)	-	-	-	-	-
Europe	-	-	-	-	-
United States of America and Canada	-	-	-	-	-
Middle East	-	-	-	-	-
Others	-	-	-	-	-
	754,670	24,113,149	1,774,675	3,071,333	2,163,808
	=====	=====	=====	=====	=====
		<b>Deposits</b>		<b>Advances</b>	
		<b>Rupees in '000</b>	<b>Percentage</b>	<b>Rupees in '000</b>	<b>Percentage</b>

**25.2 Segment by class of business**

1. Agriculture/Agribusiness	67,234	0.35	86,330	0.9
2. Automobiles and allied	205,876	1.06	286,454	3.01
3. Cables/Electronics	159,931	0.82	268,636	2.82
4. Carpets	34,818	0.18	87,056	0.92
5. Cement	71,592	0.37	212,638	2.23
6. Chemicals/Pharmaceuticals	310,499	1.59	324,892	3.42
7. Engineering	126,881	0.65	46,151	0.48
8. Fertilizer	13,700	0.07		
9. Food and Allied	209,715	1.07	130,902	1.38
10. Fuel/Energy	272,235	1.40	561,482	5.90
11. Ghee and Edible Oil	55,750	0.29	192,301	2.02
12. Glass and Ceramics	7,758	0.04		
13. Hotels/Restaurants	22,024	0.11	9,299	0.10
14. Individuals	8,049,690	41.32	17,464	0.18
15. Insurance	20,265	0.10		
16. Investment Banks/Scheduled Banks	43,904	0.23		
17. Leasing	60,276	0.31	103,317	1.09
18. Leather products and shoes	86,001	0.44	467,508	4.91
19. Modarabas	15,116	0.08		
20. Paper and Board	24,654	0.13	354,145	3.72
21. Plastic Products	25,054	0.13	95,767	1.01
22. Ready-made garments	178,549	0.92	366,803	3.86
23. Real Estate/Construction	2,935,945	15.07	915,593	9.63
24. Rice processing and trading	68,528	0.35	149,601	1.57
25. Rubber Products	30,546	0.16	27,884	0.29
26. Services (Other than Financial, Hoteling & Travelling)	1,454,198	7.46	213,112	2.24

27. Sports Goods	11,744	0.06	47,968	0.50
28. Sugar	24,103	0.12	20,715	0.22
29. Surgical Equipment/Metal Products	96,723	0.50	327,109	3.44
30. Synthetic and Rayon	6,673	0.03	1,998	0.02
31. Textile				
Export	108,456	0.56	1,983,827	20.86
Manufacturing	469,611	2.41	1,697,810	17.85
32. Tobacco/Cigarette Manufacturing	559	0.00	9,254	0.10
33. Transport and communications	110,081	0.57	28,763	0.30
34. TravelAgencies	26,050	0.13	3,750	0.04
35. Woolen	4,769	0.02	8,220	0.09
36. Others	4,072,394	20.90	465,114	4.89

-----  
 19,481,902 100.00 9,511,863 100.00  
 =====

**25.3 Segment by sector**

Public/Government	187,037	0.96	169,167	1.78
Private	19,294,865	99.04	9,342,696	98.22
	19,481,902	100.00	9,511,863	100.00
	=====	=====	=====	=====

**26. CURRENCY BREAKDOWN OF ASSETS AND LIABILITIES**

	Assets		Liabilities	
	Rupees	Percentage	Rupees	Percentage
	in '000		in '000	
Pak rupees	23,819,387	98.78	11,948,361	49.55
U.S. dollars	228,745	0.95	11,544,145	47.88
Pound sterling	41,079	0.17	330,276	1.37
Deutsche mark	6,122	0.03	84,524	0.35
Japanese yen	2,286	0.01	205,843	0.85
Other European currencies	7,207	0.03	-	-
Other currencies	8,323	0.03	-	-
	-----	-----	-----	-----
	24,113,149	100.00	24,113,149	100.00
	=====	=====	=====	=====

The liabilities in foreign currencies mainly comprise of foreign currency deposits against which the Bank has obtained forward cover from the State Bank of Pakistan.

	1997	1996
	Rupees	Rupees
	(000)	(000)

**TRANSACTIONS WITH ASSOCIATED**

**UNDERTAKINGS**

i) Advances given during the year	-	-
ii) Advances repaid during the year	-	-
iii) Deposits (at year end)	204,369	43,723
iv) Mark up/Interest expensed	9,415	6,330
v) Mark up/Interest earned on Advances	-	-
vi) Provision for non-performing advances charged against income during the year	-	-
vii) Provision for non-performing advances at year end	-	-
viii) Outstanding commitments and contingent liabilities for irrevocable commitments and contingencies	-	-
ix) Rent for property	13,144	11,341
x) Encumbrance of STFBs for a period of six months (May 1997 to Nov 1997) against lien on Foreign Currency Deposit of third party.	1,500,000	-

**28. FIGURES**

- have been rounded off to the nearest thousand rupees.  
 - of the previous year have been rearranged, where necessary, for the purpose of comparison.

**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, 1997

S. No.	Name and Address of the Party	Name of Individuals/ Partners/Directors (with NIC No.)	Father's Name	Outstanding Liabilities January 01, 1997		Amount Written Off		Rs. in thousands	
				Principal	Markup	Principal	Markup	Other Financial Reliefs Provided	Total 7+8+9
1	2	3	4	5	6	7	8	9	10
1	Sports Track 11/167 Nekapura, Sialkot	Sh. Khalid Mehmood (300-36-224372) Sh. Waheed Mehmood (300-89-224379) Sh. Rizwan Mehmood (300-89-224380) Sh. Abid Mehmood (300-88-406245)	Sh. Abdul Rashid Sh. Khalid Mehmood Sh. Khalid Mehmood Sh. Khalid Mehmood	-	615	-	615	-	615

**Pattern of Shareholding as at December 31, 1997**

Shareholders	Shareholding From	To	Total Shares Held
862	1	100	48432
2215	101	500	606667
3048	501	1000	2005912
6891	1001	5000	11431436
388	5001	10000	2584322
150	10001	15000	1805579
46	15001	20000	797373
34	20001	25000	752717
23	25001	30000	634523
16	30001	35000	522837
4	35001	40000	148749
10	40001	45000	419952
9	45001	50000	422891
3	50001	55000	157976
9	55001	60000	513233
6	60001	65000	374088
6	65001	70000	407476
4	70001	75000	290656
5	75001	80000	391467
2	80001	85000	161379
3	85001	90000	260703
3	90001	95000	280622
1	100001	105000	104793
2	110001	115000	225200
1	120001	125000	122103
2	125001	130000	257521
1	140001	145000	141450
1	145001	150000	146107
1	150001	155000	154196
1	170001	175000	172394
1	180001	185000	181843
1	185001	190000	189750
3	205001	210000	622990
1	210001	215000	213855
1	220001	225000	224778
1	235001	240000	237950
1	245001	250000	246389
1	260001	265000	262695
2	265001	270000	531002
1	275001	280000	278609
1	280001	285000	284625
1	285001	290000	287097
1	295001	300000	299500
1	300001	305000	302461
1	335001	340000	336260
1	425001	430000	425998
1	440001	445000	442750
1	455001	460000	458892
1	510001	515000	510600
1	535001	540000	535560
1	545001	550000	550000
1	570001	575000	572000
1	605001	610000	606718
1	725001	730000	726375
1	750001	755000	754066
1	150001	1200000	1182433
1	1250001	1300000	1280938
1	1400001	1450000	1416048
1	1600001	1650000	1616275
1	1700001	1750000	1722505
1	1850001	1900000	1853816
1	3015001	3020000	3018401
1	3510001	3600000	3538560
1	4350001	4400000	4383225
1	4600001	4650000	4614348
7	4650001	4700000	32874184
13792			93926250

**Categories of Shareholders**

Particulars	Number of Shareholders	Shares Held	Percentage %
Individuals	13692	75060637	79.9
Investment Companies	00016	1315350	1.40
Insurance Companies	00011	1423317	1.52
Joint Stock Companies	00032	638932	0.68
: Financial Institutions	00015	7268543	7.74
Modaraba Companies	00008	46373	0.05
Foreign Companies	00014	3064434	3.26
Charitable Trusts	00002	490200	0.52
Others	00002	4618464	4.92



	13792	93926250	100.00
=====	=====	=====	=====

Notice is hereby given that the Sixth Annual General Meeting of Askari Commercial Bank Limited will be held on Saturday March 21, 1998 at 9:30 am at Blue Lagoon Complex, Masood Akhter Road (offThe Mall) Rawalpindi Cantt to transact the following business:-

1. To confirm the minutes of the fifth Annual General Meeting held on March 27, 1997.
2. To receive, consider and adopt the audited accounts together with Directors' and Auditors' Reports thereon for the year ended December 31, 1997.
3. To approve, as recommended by the Board of Directors, the payment of cash dividend at Rs. 1.25 per share i.e. 12.5% for the year ended December 31, 1997.
4. To appoint Auditors of the Bank for the year ending December 31, 1998 and to fix their remuneration.
5. To consider and approve the issue of Bonus Shares to the debit of Share Premium Account in proportion of five shares for every hundred shares held (5%).
6. To transact any other business with the permission of the chair.

I. The Share Transfer Books of the Bank will be closed from March 9, 1998 to March 21, 1998 (both days inclusive) to determine Cash Dividend/Bonus Shares (DW-I & B-4). No transfer will be acceptable for registration in the name of transferee during this period.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote for him/her. Proxies in order to be effective must be received by the Bank at its Registered Office not less than 48 hours before the meeting.

3. Shareholders are requested to promptly notify the change of address, if any, and also for the consolidation of folio numbers if any member holds more than one folio, to our Registrar, Askari Associates (Private) Limited, 6th Floor, AWT Plaza, The Mall Rawalpindi.

4. A statement under Section 160 of the Companies Ordinance, 1984 pertaining to the Special Business is being sent to the shareholders with this notice.

This statement sets out material facts concerning the special business to be transacted at the sixth annual general meeting to be held on March 21, 1998.

#### **Issuance of Bonus Shares**

To approve capitalization a sum of Rs. 46,963 thousands out of Share Premium Account for the issuance of Bonus Shares (B-4) in the proportion of 5 shares for every 100 shares and to consider and approve the following resolution by way of Special Resolution.

Resolved that:

a) "A sum of Rs. 46,963 thousands out of the Shares Premium Account be capitalized and applied to the issue of 4,696,312 Ordinary Shares of Rs. 10 each and allotted as full paid-up Bonus Shares to the members of the Bank whose names appear on the Register of members as at close of business on March 8, 1998 in the proportion of 5 shares for every 100 ordinary Shares held.

b) The Bonus Shares (B-4) shall rank pari-passu in all respects with the existing shares.

c) The members entitled to a fraction of a share shall be given sale proceeds of their fractional entitlement, for which purpose the fractions shall be consolidated into whole shares and sold in the stock market.

d) The Directors be and are hereby authorized and empowered to give effect to this resolution and to do or cause to be done all acts, deeds and things that may be necessary or required for issuance, allotment and distribution of Bonus Shares (B-4)."

#### **Correspondent Banks**

##### **Australia**

Australia & Newzealand  
Banking Group (ANZ Bank)  
Bank of America NT&SA  
Bank of America Australia Ltd  
Citibank NA  
Commonwealth Bank of Australia  
Hongkong Bank of Australia  
Standard Chartered Bank

##### **Austria**

American Express Bank Ltd.

Citibank NA  
Creditanstalt Bankverien  
Oberosterreichische Landesbank  
Raiffeisen Zentralbank Osterreich  
Aktiengesellschaft (RZB)  
Argentina  
ABN AMRO Bank NV  
Citibank NA

**Algeria**  
Banquedel'Agricultureetdu  
**Armenia**  
Midland Armenia Bank Jsc

**Bangladesh**  
Albaraka Bank Bangladesh Ltd  
American Express Bank Ltd.  
ANZ Grindlays Bank Pic  
Habib Bank Ltd.  
Standard Chartered Bank  
United Commercial Bank Ltd.

**Belium**  
ABN AMRO Bank (Belgium) NV  
Bank of America NT&SA  
Banque Bruxelles Lambert SA,  
Cera Bank  
Citibank NA  
Generale Bank  
Habib Bank Ltd.  
Kreditbank NV

**Bahamas**  
Bank of America TR  
Banking Corporation  
Citibank NA  
Standard Chartered Bank

**Bahrain**  
ABN AMRO Bank NV  
American Express Bank Ltd.  
Citibank NA  
Grindlays Bahrain Bank BSC  
Habib Bank Ltd.  
Standard Chartered Bank

**Brazil**  
ABNAMRO Bank NV  
American Express Bank Ltd.  
Citibank NA  
Standard Chartered Bank

**Brunei Darus Salam**  
Citibank NA  
Standard Chartered Bank

**Bulgaria**  
Commercial Bank Biochim

**Canada**  
American Express Bank Ltd.  
Bank of American NT&SA  
Canadian Imperial Bank of Commerce  
Citibank NA  
National Bank of Canada  
Royal Bank of Canada  
Standard Chartered Bank  
Toronto Dominion Bank (The)

**Cayman Islan**  
Bank of America NT&SA

**Channel Island**  
ABN AMRO Bank NV  
ANZ Bank (Guernsey) Limited  
Bank of American NT&SA

**Chile**  
American Express Bank Ltd.  
Bank of America NT&SA  
Citibank NA

**China**  
ABN AMRO Bank NV  
ABZ Bank  
Bank of China  
Bank of America NT&SA  
China Construction Bank  
China Merchants Bank

Iñ-ano  
Merita Bank Ltd.  
Postipankki Ltd.

ANZ Bank

Cyprus Popular Bank Ltd.  
HSBC Investment Bank Cyprus  
ABC International Bank Pic

<,-> <h Rep-t-l-<  
ABN AMRO Bank NV  
Ceskoslovenska Obschodni Banka AS  
American Express Bank (France) SA  
ANZ Banking Group Ltd.  
Bank of America NT&SA

ABN AMRO Bank NV

Hongkong & Shanghai Banking  
Corporation Ltd. (The)  
Standard Chartered Bank

**Cook Island**

ANZ Banking Group Ltd.

**Cyprus**

Cyprus Popular Bank Ltd.  
HSBC Investment Bank Cyprus

**Czech Republic**

ABN AMRO Bank NV  
Ceskoslovenka Obschodni  
Banka AS  
Citibank NA  
Creditanstalt AS  
Raiffeisenbank

**Denmark**

ABN AMRO Bank NV  
Citibank NA  
Den Danske Bank A/S  
Sparekassen Nordjylland A/S,  
(SBN)  
Unibank A/S

**Egypt**

American Express Bank  
Bank of Alexandria  
Bank of America NT&SA  
Citibank NA  
National Bank of Pakistan

**El Salvador**

Citibank NA

**Finland**

Merita Bank Ltd.  
Postipankki Ltd.

**Fiji**

ANZ Bank

**France**

ABC International Bank  
ABN AMRO Bank NV  
American Express Bank (France) SA  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Banque Nationale De Paris  
Caisse Central Des Banques Popular  
Citibank NA  
Credit Lyonnais SA  
Habib Bank Ltd.  
National Bank Ltd.  
National Bank of Pakistan  
Societe Generale  
Standard Chartered Bank  
Union de Banques Arabes et Francaises (UBAF)

**Germany**

American express Bank (GmbH)  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Bayerische Landesbank  
citibank NA  
Commerzbank AG  
Deutsche Bank AG  
DG Bank  
Dresdner Bank AG  
Sparkasse Aachen  
Standard Chartered Bank  
SGZ Bank  
Vereins Und Wesbank  
WGZ Bank

**Greece**

ABN AMRO Bank NV  
Alpha Credit Bank  
American Express Bank Ltd.  
ANZ Grindlays Bank Plc  
Bank of American NT&SA  
Bank of Crete Sa  
Citibank NA

**Honduras**

Citibank NA

**Hongkong**

ABN AMRO Bank NV  
American Express Bank Ltd.  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Bank of East Asia Ltd. (The)  
Citibank NA  
Heng Seng Bank Ltd.  
HBZ Finance Company  
Hongkong & Shanghai Banking Corporation Ltd. (The)  
Meespierson NV  
National Bank of Pakistan

Standard Chartered Bank  
UBAF (Hongkong) Limited

**Hungary**

ABN AMRO Bank NV  
Budapest Bank Rt.  
Citibank NA  
Creditanstalt Rt  
Unicbank Rt

**India**

ABN AMRO Bank NV  
American Express Bank Ltd.  
ANZ Grindlays Bank Plc  
Bank of America NT&SA  
Citibank NA  
Standard Chartered Bank  
State Bank of India

**Indonesia**

ABN AMRO Bank NV  
American Express Bank Ltd.  
Bank of America NT&SA  
Citibank NA  
Hongkong & Shanghai Banking Corporation Ltd. (The)  
Lippo Bank PT  
Standard Chartered Bank

**Iran**

Bank Saderat Iran

**Ireland**

ABN AMRO Bank NV  
Bank of America NT&SA  
Bank of Ireland  
Citibank NA

**Italy**

American Express Bank Ltd.  
Banca Nazionale de Lavoro SpA  
Banca Di Roma  
Banca Commerciale Italiana  
Banca National Dell' Agricoltura SpA  
Banco Ambrosiano veneto SpA  
Bank of America NT&SA  
Cariverona banca SpA  
Cassa Di Risparmio Di Torino  
Cassa Di Risparmio Delle Province Lombarde SpA  
Credito Italiano SpA  
Citibank NA  
Deutsche Bank AG  
UBAE Arab Italian Bank

**Ivory Coast**

Citibank NA

**Jamaica**

Citibank NA

**Japan**

American Express Bank Ltd.  
ANZ Banking Group Ltd.  
Asahi Bank Ltd.  
Bank of America NT&SA  
Bank of New York (The)  
Bank of Tokyo-Mitsubishi Ltd. (The)  
Citibank NA  
Hongkong & Shanghai Banking Corporation Ltd. (The)  
Lloyds Bank Plc  
National Bank of Pakistan  
Sanwa Bank  
Sakura Bank (The)  
Standard Chartered Bank  
Tokai Bank (The)  
Union de Banques Arabes et de Francaises

**Jordan**

ANZ Grindlays Bank plc  
Citibank NA  
Jordan National Bank Plc

**Kenya**

African Banking Corporation Ltd.  
Citibank NA  
Habib Bank AG Zurich  
Kenya Commercial Bank Limited  
Standard Chartered Bank

**Korea (South)**

American Express Bank Ltd.  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Boram Bank  
Citibank NA  
Daegu Bank Ltd.  
Hongkong & Shanghai Banking Corporation Ltd. (The)  
KorAm Bank  
Korea Long Term Credit Bank  
Korea Exchange Bank  
Shinhan Bank  
Standard Chartered Bank  
UBAF Seoul

**Luxemburg**

Banque Commerce et de Placement  
Banque Generale du Luxembourg SA  
SGZ Bank

**Macao**

Standard Chartered Bank

**Malaysia**

ABN AMRO Bank NV  
Bank of America NT&SA  
Citibank NA  
Hongkong & Shanghai Banking Corporation Ltd. (The)  
Public Bank Berhad  
Standard Chartered Bank  
Sime Bank Berhad

**Mauritius**

Mauritius Commercial Bank Ltd (The)

**Mexico**

ABN AMRO Bank NV  
Citibank NA

**Morocco**

Banque Marocaine du Commerce  
ExterieurSA  
Citibank NA

**Nepal**

Nepal Grindlays Bank Ltd.  
Standard Chartered Bank

**Netherlands**

ABN AMRO Bank NV  
American Express Bank Ltd.  
Citibank NA  
FVan Lanschot Bankiers NV  
Generale Bank Nederland NV  
Habib Bank Ltd.  
ING Bank  
MeesPierson NV

**New Zealand**

ANZ Banking Group (Newzealand) Ltd.  
Bank of Newzealand  
Citibank NA

Bank Rozwoju Eksportu SA  
Citibank NA  
ING Bank NV  
Raiffeiesen Centrobank SA

**Portugal**

ABN AMRO Bank NV  
Banco de Fomento e Exterior SA  
Banco Nacional Ultramarino SA  
Banco Totta & Acores SA  
Citibank NA

**Qatar**

ANZ Grindlays Bank PIC  
Commercial Bank of Qatar (QSC) (The)  
Doha Bank Ltd.  
Standard Chartered Ban[<

**Romania**

ABN AMRO Bank NV  
Banca Romana de Comert Exterior SA  
BancaTurco-Romana SA  
Romanian Commercial Bank

**Russia**

ABN AMRO Bank NV  
United Export Import (UNEXIM) Bank

**Saudi Arabia**

Citibank NA

Banco Popular Espanol  
Banco Espanol de Credito  
Banco Exterior de Espana  
Banco Santander  
Bank of America NT&SA  
Citibank NA

ABSA Bank Ltd.

Standard Bank of South Africa

Standard Corporate and Merchant Bank

American Express Bank Ltd.  
ANZ Grindlays Bank PIC  
Bank of Ceylon  
Citibank NA

Habib Bank Ltd.  
Habib AG Zurich  
Hatton National Bank

Standard Chartered Bank

**Sudan**

Citibank NA  
Habib Bank Ltd.

Swaziland  
Standard Cahrteder Bank

ABN AMRO Bank NV  
Citibank NA

National Bank of New Zealand Ltd. (The)  
Standard Chartered Bank

**Norway**

Christiana Bank OG Kreditkassse

**Oman (Sultanate of)**

ANZ Grindlays Bank PIC  
Citibank NA  
Habib BankAG Zurich  
Oman International Bank SAOG  
Standard Chartered Bank

**Pakistan**

Allied Bank of Pakistan  
Muslim Commercial Bank Ltd.  
Oman International Bank SAOG

**Panama**

ABNAMRO Bank NV  
Citibank NA

**Popua New Guinea**

ANZ Banking Group (PNG) Ltd.

**Philippines**

American Express Bank Ltd.  
ANZ Grindlays Bank PIC  
Bank of America NT&SA  
Citibank NA

Far East Bank &Trust Company  
Metropolitan Bank &Trust Co.

**PCI Bank**

Rizal Commercial Banking Corporation  
Security Bank Corporation  
Standard Chartered Bank

**Poland**

Bank for Food Economy  
Bank Polska Kasa Opieki SA

Bank Handtowy Warszawie SA

**Taiwan**

ABN AMRO Bank NV  
American Express Bank Ltd.  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Citibank NA  
Farmers Bank of China (The)  
Standard Chartered Bank  
Union Bank of Taiwan

**Thailand**

ABN AMRO Ban NV  
Bangkok Bank Public Company Ltd.  
Bank of America NT&SA  
Citibank NA  
First Bangkok City Bank Public  
Company Ltd.  
Hongkong and Shanghai Banking  
Corporation Ltd. (The)  
Siam Commercial bank Public Company  
Ltd. (The)  
Standard Chartered Bank  
Thai Farmers Bank Public Company Limited

**Tonga**

ANZ Banking Group Ltd.

**Tunisia**

Citibank NA  
Societe Tunisienne De Banque  
Tunis International Bank

**Turkey**

ABN AMRO Bank NV  
American Express Bank Ltd.  
Citibank NA  
Egebank AS  
EGS Bank  
Finansbank AS

Saudi British Bank (The)  
Saudi Hollandi Bank  
National Commercial Bank (The)

**Senegal**

Citibank NA

**Singapore**

American Express Bank Ltd.  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Citibank NA  
Dresdner BankAG  
Habib Bank Ltd.

Hongkong & Shanghai Banking  
Corporation Ltd. (The)  
ING Bank NV

Meespierson NV  
Overseas Union Bank Ltd.

Standard Chartered Bank  
Tat Lee Bank

United Overseas Bank Limited  
UBAF (Singapore)

**Slovakia**

Ceskoslovenska Obschodni Banka  
Postova Banka AS

**Slovenia**

SKB Banka DD

**Solomon Island**

ANZ Banking Group Ltd:

**Spain**

ABN AMRO Bank NV  
American Express Bank Ltd.  
Banca de Sabadell  
Banco Totta & Acores  
Banco BilbaoVizcaya  
Banco Central Hispano  
Banco Arianrico SA

**Uruguay**

ABN AMRO Bank NV  
American Express Bank Ltd  
Citibank NA

**USA**

ABN AMRO Bank NV  
American Express Bank Ltd.  
ANZ Banking Group Ltd.  
Bank of America NT&SA  
Bank of NewYork  
Boatmen's First National Bank of Oklahoma  
Chase Manhattan Bank NA (The)  
Citibank NA  
Habib American Bank  
Habib BankAG Zurich  
Habib Bank Ltd.  
HSBC and Marine Midland Bank  
National Bank of Pakistan  
Standard Chartered Bank

**Vanuatu**

ABN AMRO Bank NV  
ANZ Banking Group Ltd.

**Vietnam**

ANZ Banking Group Ltd.

**Venezuela**

ABN AMRO Bank NV  
Citibank NA

**Yemen Arab Republic**

International Bank of Yemen YSC

**Zaire**

Citibank NA

**Zambia**

Foreningsbanken AB  
Nord Banken  
Sparbanken Sverige AB (SWEDBANK)  
Svenska Handelsbanken  
Skandinaviska Enskilda Banken  
Switzerland  
American Express Bank Ltd.  
ANZ Grindlays Bank Plc

Banca Commercial Lugano  
Bank Fuer Handel Und Effekten  
Bank of America NT&SA  
Banque de Commerce et de Placements, SA  
Citibank NA  
Credit Suisse

Mabib BankAG Zurich  
Habibsons Bank Ltd

Standard Chartered Bank

Swiss Bank Corporation  
Union Bank of Switzerland

Habib Bank Ltd.  
KOC Bank

**United Arab Emirates**

ABN AMRO Bank NV  
American Express Bank Ltd.  
ANZ Grindlays Bank Plc  
Citibank NA  
Habib BankAG Zurich  
Mashreq Bank PSC  
Standard Chartered Bank  
Union National Bank

**United Kingdom**

ABC International Bank Pic  
ABN AMRO Bank NV  
ANZ Bank  
Allied Bank of Pakistan Ltd.  
American Express Bank Ltd.  
Bank of America NT&SA  
Citibank NA  
Habibsons Bank Ltd.  
Habib BankAG Zurich  
Hongkong & Shanghai Banking Corporation Ltd.  
HSBCE Investment Bank Ltd.  
Lloyds Bank Pic  
Midland Bank Pic  
National Westminster Bank Pic  
National Bank of Pakistan  
Standard Chartered Bank

Standard Chartered Bank

**Islarnabad**

24-D, Rasheed Plaza, Jinnah Avenue,  
Blue Area, P.O. Box No. 1499, Islamabad.  
Tel: PABX: (051 ) 271794-6, 271799,271798  
Fax: (051 ) 271797, Tix: 54683 askri pk

F- I 0, Markaz  
Block 5-C,  
P.O. Box 1324  
Islamabad  
Tel: PABX (051 ) 212081-2, 212083  
Fax: (05 I) 212080

**Rawalpindi**

AWT Plaza,The Mall,  
P.O. Box No. 1083, Rawalpindi  
Tel: PABX: (05 I) 586634-7, 586638, 586639  
Fax: (05 I) 586643,Tix: 54647 ASKRI PK

**Lahore**

7-A, Shahr-e-Aiwan-e-Tiatarat,  
P.O. Box No. 1624, Lahore.  
Tel: PABX: (042) 7576036-40, 7583737, 7572677  
Fax: (042) 7583585,Tix: 47781 ASKRI PK

12 -Tufail Road, Lahore Cantt.  
Tel: PABX: (042) 6674406-8, 6675025, 66996283-5  
Fax: (042) 6674409,Tix: 47746 ASKCT PK

77, Circular Road, Lahore.  
Tel: PABX: (042) 7635920-2, 7633694  
Fax: (042) 7635919,Tix: 44254 ACBCR PK

I 0-E/I I, Main Boulevard,  
Gulberg-III, Lahore.  
Tel: PABX: (042) 5764842-4, 5760369, 576042  
Fax: (042) 5760958,Tix: 44349 ACBLG PK

165-B, Badami Bagh, Lahore.  
Tel: PABX: (042) 206374-6, 203113, 206290  
Fax: (042) 206489,Tix: 44383 ACBBB PK

**Faisalabad**

University Road, P.O. Box No. 346, Faisalabad,  
Tel: PABX: (041) 619884-5, 639884-5,  
619796, 619680  
Fax: (041) 619127  
Tix: 43441 ASKRI PK

**Sialkot**

Paris Road, P.O. Box No. 2890, Sialkot

**Karachi**

Trade Centre, P.O. Box: 1096,  
I.I. Chundrigar Road, Karachi  
Tel: PABX: (02 I) 2630731-3,2631178,  
2631180, 2634827, 2635109  
Fax: (021) 2631176Tix: 27499 ASKRI PK

Marine Trade Centre, Block-9,  
P.O. Box No. 13807,  
Kehkashan, Clifton, Karachi.  
Tel: PABX: (021 ) 5868551-4, 5862868, 5862887  
Fax: (021) 5868555,Tix: 29787 ASKCL PK.

Progressive Square, I I-A,  
Block 6, P.O. Box No. 12696  
PECHS, Shahr-e-I-aisal, Karachi-75400  
Tel: PABX: (021 ) 4520026-9, 4526640-2  
Fax: (021) 4520030,Tix: 27041 ASKSF PK

Kagzi Usman Road,  
Joodia Bazar, Karachi  
Tel: PABX: (02 I) 2410025-8, 2421185-8, 2421148  
Fax: (021) 2421149

**Hyderabad**

332-333, Saddar Bazar, Hyderabad,  
P.O. Box No. 470  
Tel: PABX: (0221 ) 783618-20, 783615-6  
Fax: (0221) 783617,Tix: 22054 ACBL PK

**Quetta**

M.A. Jinnah Road, P.O. Box No. 573, Quetta  
Tel: PABX: (081 ) 821436, 820508, 821428, 82051 I  
Fax: (081) 824602

**Chaman**

Trunch Road, Off Mall Road, Chaman.  
Tel: PABX: (0826) 3330,  
Fax: (0826) 333 I, Cable:ASKARI BANK

**Peshawar**

3-7, Cantt Plaza, P.O. Box No. 606,  
Fakhar-e-Alam Road, Peshawar Cantt.  
Tel: PABX: (09 I) 279437-8, 273829  
279683, 271653  
Fax: (091 ) 276391 ,Tix: 52314 ACBL PK

ChowkYadgar, Bank Square,  
Peshawar City.  
Tel: PABX: (09 I) 2561246-7, 2560156  
Fax: (09 I) 2561245,Tix: 52500 ACBL PK

Tel: PABX: (0432) 262806-8, 265522  
Fax: (0432) 265532, Tix: 46263 ASKRI PK

**Gujranwala**

Trust Plaza, G.T. Road, Gujranwala  
Tel: PABX: (0431 ) 259012-5, 259017  
Fax: (043 I) 259018, Tix: 45253 ASKRI PK

**Multan**

Abadali Road, Multan.  
Tel: PABX: (06 I) 58071 1-3, 580714  
Fax: (06 I) 580715, Tix: 42338 ASKRI PK

**Bhawalpur**

Noor Mahal Road,  
Bhawalpur  
Tel: PABX: (0621) 882507-8, 880025  
Fax: (0621 ) Fax: (0582) 4624

**Phollnagar (Bhai Pheru)**

AWT Pharmaceutical Complex,  
Baloki Road, Phool Nagar (Bhai Pheru)  
Tel: PABX: (04943) 3397, 3598  
Fax: (04943) 3587

**Mardan**

Bank Road, RO. Box No. 197, Mardan.  
Tel: PABX: (093 I) 63233, 4734  
Fax: (093 I) 64772, Tix: 52331 ASKRI PK

**Abbottabad**

Lala Rukh Plaza,  
Mansehra Road,  
Abbottabad.  
Tel: PABX: (0992) 32182-83, 32158-57  
Fax: (0992) 32184

**Mirpur (AK)**

Hanfi Building, 121 C/I, Sector C-2,  
Chowk Shaheedan, Mirpur (AK)  
Tel: PABX: (0582) 2889, 4273