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VISION VISION VISION VISION  
VISION VISION VISION VISION



## VISION

Be the leading bank delivering world class services to our clients.



## **MISSION**

Create value for our stakeholders by delivering global standards for banking in Pakistan.



## CORPORATE VALUES

Our Corporate Values of integrity, teamwork, respect and professionalism are inherent in everything we do. They provide the foundation for the Bank's Business Principles, and stretch our horizons beyond short-term profit to long-term value creation. They are an embodiment of what our organization stands for.

**Integrity:** Above all, we are committed to integrity in all that we do, always, everywhere.

**Teamwork:** It is the essence of our ability to succeed as a trusted preferred supplier of financial solutions to our clients. Our overriding loyalty is to the good of the whole organization. We learn from each other and share our skills and resources across organizational boundaries for our clients' benefit and our own.

**Respect:** We respect every individual. We draw strength from equal opportunity and diversity, at the same time supporting personal growth and development. We value and we all benefit from the entrepreneurial spirit of each individual.

**Professionalism:** We are committed to the highest standards of professionalism; we pursue innovation, we deploy imagination, we are open to new ideas and we act decisively and consistently. We are determined to deliver outstanding quality so that our relationships with our clients will be long-lasting and close.



## OUR WORLDWIDE PRESENCE

As an international bank, we have more than 4,500 branches in over 55 countries. We cater to your needs both at home and abroad. We have a clear focus on consumer and commercial clients in our local markets and provide global reach.

### North America

Mexico  
Canada  
United States of America

### South America

Argentina  
Brazil  
Chile  
Colombia  
Ecuador  
Paraguay  
Uruguay  
Venezuela

### Asia

China  
Hong Kong  
India  
Indonesia  
Japan  
Kazakhstan  
South Korea  
Malaysia

Pakistan  
Philippines  
Russia  
Saudi Arabia  
Singapore  
Taiwan  
Thailand  
United Arab Emirates  
Uzbekistan  
Vietnam

### Europe

Austria  
Belgium  
Channel Islands  
Czech Republic  
Denmark  
Finland  
France  
Germany  
Gibraltar  
Greece  
Ireland  
Italy

Luxembourg  
Netherlands  
Norway  
Poland  
Portugal  
Romania  
Russia  
Slovakia  
Spain  
Sweden  
Switzerland  
Turkey  
United Kingdom

### Africa

Egypt  
South Africa

### Australia

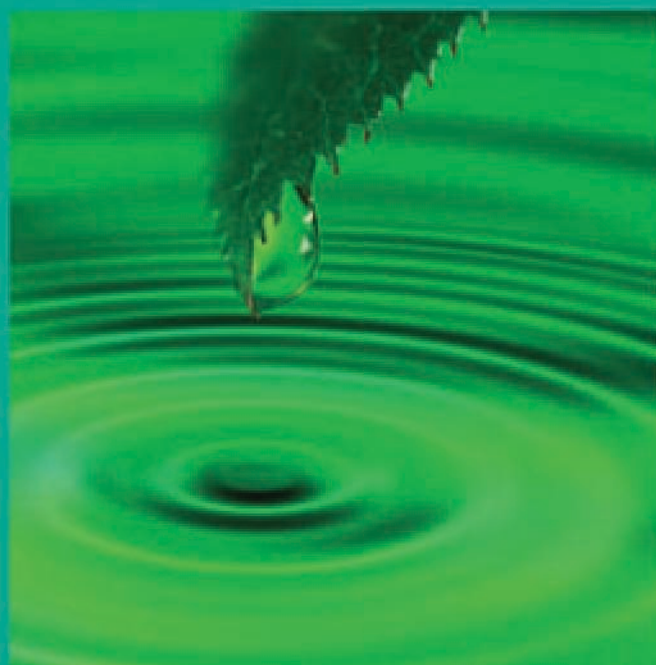
Australia  
New Zealand

# OUR PRODUCTS AND SERVICES



## MORE SMILES

We believe in devoting personalized attention. Our Relationship Managers are equipped to take care of all your banking needs, assuring you smiles today and tomorrow.



## MORE REACH

It is our constant endeavour to provide you greater services with wider accessibility. With our growing network of over 80 online branches spanning 24 cities, we reaffirm our commitment to reach you better.



## MORE DREAMS

We understand that life is about fulfilment of ambitions and realization of your dreams. Our wide range of loan products ranging from Auto Loans and Home Finance to Business and Personal Loans provide luxury backed with affordability to give you the vision to look beyond.



## MORE PRECISION

We strive to have the insight and the vision to bank for you. Our unparalleled Corporate Banking services commit to support you with business solutions designed in your best interest.



## MORE ASPIRATION

We salute the spirit of enterprise. With our Business Banking offerings to Small and Medium Entrepreneurs, we commit to building a long-term relationship so you get the support and a business partner to rely on.



## MORE PROSPERITY

We realize you need solutions in harmony with your beliefs. Hence, our Islamic Banking Shariah Compliant Financial services provide the right choices which offer you growth with peace of mind.



### MORE JOY

We commit to meet all your lifestyle needs. Our Credit Cards portfolio promises you an eternity of surprises so you can enjoy the finer things in life.



### MORE PRIVILEGES

We are inspired by the famous Dutch post-impressionist artist Vincent Van Gogh. Hence, our Van Gogh Preferred Banking promises exclusive services with individual attention to make you feel special.



### MORE ASSURANCE

We understand that your future needs protection. Our array of Financial Planning services enables you to make your investment profitable, yet secure.



### MORE CONVENIENCE

We recognize the value of your time and need for ease. Our innovative services cater to your day-to-day banking requirements simply with a touch of a button.



### MORE DIVERSITY

We embrace your values and diverse cultures that make you special. At ABN AMRO, we encourage the need for diversity in our people to meet and exceed your unique expectations.



### MORE HOPE

We believe that there is no better investment than charity, and the returns last forever. Hence, we commit to gratifying people who need support with our contribution to noble, charitable causes.

# CORPORATE INFORMATION

## Chairman

Mr. Muhammad Aurangzeb

## President & Chief Executive

Mr. Naved A. Khan

## Directors

Mr. Jawaid A. Mirza  
Mr. Robert Ralph Davis  
Mr. James Alexander Brown  
Syed Naseem Ahmad  
Lt. Gen (Retired) Muhammad Maqbool

## Chief Financial Officer

Mirza Zafar Baig

## Company Secretary

Mr. M. Shahzad Sadiq

## Audit Committee

Syed Naseem Ahmed	Chairman
Mr. Jawaid Ahmed Mirza	Member
Mr. James Alexander Brown	Member
Lt. Gen. (R) Muhammad Maqbool	Member

## Risk Management Committee

Mr. Naved A. Khan	Chairman
Mr. Robert Ralph Davis	Member
Mr. James Alexander Brown	Member
Lt. Gen. (R) Muhammad Maqbool	Member

## Human Resource Committee

Mr. Muhammad Aurangzeb	Chairman
Mr. Naved A. Khan	Member
Mr. Jawaid Ahmed Mirza	Member
Mr. James Alexander Brown	Member

## Auditors

Messrs Ford Rhodes Sidat Hyder & Co.,  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
Karachi

## Legal Advisor

Messrs Hassan & Hassan (Advocates)  
7-D, Kashmir/Edgerton Road,  
Lahore

## Registrar:

Messrs Hameed Majeed Associates (Pvt) Limited  
H.M. House, 7-Bank Square,  
The Mall,  
Lahore

## Registered / Head Office

77-Y, Phase-III, Commercial Area,  
D.H.A.,  
Lahore



# DIRECTORS' REPORT

## Dear Members,

On behalf of the Board of Directors of ABN AMRO BANK(Pakistan) Limited (formerly Prime Commercial Bank Limited), I am pleased to present the 16th Annual Report of your Bank together with the audited financial statements and the auditor's report for the year ended December 31, 2007.

## Economic Environment 2007

For the year under review, a number of important developments took place both at the global as well as domestic level which generated fairly adverse impacts on underlying economic conditions in the country.

First and foremost, protracted political uncertainty through the year, combined with a difficult internal security situation, made the economic environment in 2007 fairly challenging. This was, of course, a marked change from prior years when political stability in the country coupled with a supportive policy environment acted as a catalyst for several consecutive years of strong economic growth.

As a result of the heightened political noise in the country in addition to the deterioration in law and order during 2007, the underlying economic momentum weakened considerably. Credit demand by the private sector remained subdued, while a noticeable slowdown occurred in large scale manufacturing activity. For much of the year, the country's export growth remained anemic, though a visible improvement took place for the closing months of the year.

The effects from the aforementioned developments were amplified by a continuation of monetary tightening by SBP in order to combat inflationary pressures and a resurfacing of a monetary overhang in the economy. In conjunction with an increase in the policy rate (the three day repo rate, or discount rate) by 0.5% to 10.0% effective August 1, 2007, the central bank unveiled important structural measures to offset the persistent upward pressure on monetary conditions in the domestic economy. In line with this, the central bank announced that henceforth the banking sector will provide from its own resources 30% of the refinancing facility for the export sector, within the existing interest rate structure laid out for EFS.

Subsequently, SBP raised the discount rate by another 0.5% in January 2008, raising its benchmark

policy rate to 10.5%.

In addition to the above, SBP also issued new guidelines for banks in making provisions against potential loan losses. These guidelines no longer allow banks to deduct a forced sale value of collateral at hand from the value of the loan in arriving at the level of requisite provisioning to be made. Hence, as a result of this change in rules, banks are required to substantially increase their specific provisioning against bad loans, which has adversely impacted banks' profitability for the year ended December 31, 2007.

Globally, volatility in financial markets surged in the year under review, as large loans and investments involving so-called sub-prime mortgages in the US came under the threat of default due to a slowdown in the housing market. This raised the twin spectre of a US recession as well as a global credit crunch, which caused turmoil in world asset markets. Pakistan was not immune from these developments, and as the situation unfolds may yet be impacted negatively via a reduction of capital inflows into the economy. In addition, the elevated international prices of commodities, specifically of oil, will continue to generate severe headwinds for the global economy, and will continue to present a serious medium term threat to the health of Pakistan's economy.

## Performance Review

During the period under review, ABN AMRO Pakistan Branches were merged with and into Prime Commercial Bank Limited effective September 1, 2007. Prime Commercial Bank Limited, has been renamed as ABN AMRO Bank (Pakistan) Limited. ABN AMRO Bank (Pakistan) Limited is a majority owned (99.22%) subsidiary of ABN AMRO Bank N.V. Amsterdam. During the Year 2007, ABN AMRO Bank N.V. has been acquired by a consortium comprising of Royal Bank of Scotland, Fortis and Santander. In this regard, we are pleased to announce that Royal Bank of Scotland has decided to retain Pakistan franchise and has expressed its commitment to the business in Pakistan. We are expecting to undergo a name change and re-branding exercise during 2008 to align ourselves with Royal Bank of Scotland.

During the year under review deposits of the Bank have decreased by Rs 3.453 billion vis-à-vis December 06. Advances portfolio of the Bank decreased by Rs 7.375 billion during year under review, which is in line with Bank's revised credit policies and procedures.

During the Year ended December 31, 2007, adequate provisioning against advances portfolio has been created in accordance with the guidelines and special instructions of State Bank of Pakistan. Specific loan loss amounting to Rs 3.783 billion against non-performing loans was recognized as against Rs 861 million in year ended December 31, 2006. The significant reason for increase in loan losses was withdrawal of Forced Sale Value benefit in accordance with the State Bank of Pakistan directive and increase in provisions against losses in consumer finance portfolio, which was driven from cyclical impact on the market.

Administration expenses have shown an increase of around Rs 1.899 billion mainly in line with the growth initiatives, integration and alignment processes pre and post merger.

Also, during the Year ended December 31, 2007, net loss on sale of government securities and shares amounting to Rs 298 million was realized as part of Treasury strategy.

### **Information Technology**

Information technology remained a focused objective post acquisition of ABN AMRO Bank (Pakistan) Limited by ABN AMRO Bank N.V. Amsterdam. During the Year, we continued the investment in up gradation of the information platform of the Bank.

The Bank has made significant achievements in its ongoing integration with ex-Prime branches. At present, a major activity is underway with regards to systems integration of both ABN AMRO Pakistan Branches and ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited). We expect to complete the data migration activities by the end of First Quarter 2008.

### **Human Resource Development**

We recognize the pivotal role of Human Resources in the consistent and stable growth of the Bank. At ABN AMRO Bank (Pakistan) Limited, appropriately designed policies and practice have been instituted to harness the full potential of Human Resources. During the Year 2007, an exercise has been carried out for alignment of grades and remuneration of all the permanent staff. The professional excellence of the People has consistently ensured the achievement of the Bank's business plans and objectives.

### **Statement of Internal Control**

The Board of Directors acknowledges the importance and the responsibility for ensuring that an adequate and effective internal control system covering all aspects of our banking and financial operations is in existence and vigorously followed by the various risk constituents including the senior management. The management continually assesses that the internal controls, encompassing material matters, is sound in design and is effectively implemented and monitored.

Development of Internal Control System is an ongoing process, which includes identification, evaluation and management of significant risks faced by the Bank. The internal control system of the Bank has been designed to manage and mitigate risks and provides reasonable assurance against material misstatement or loss or any inherent weaknesses that may exist in any system of internal control of an enterprise.

All policies and procedures are regularly reviewed to achieve compliance with State Bank of Pakistan Guidelines on Internal Controls and further strengthened by addressing the IRAF questionnaire on Internal Controls specifically, while remaining current with the industry best practices.

The Bank has an independent internal audit department. The head of internal audit reports to the Chairman of the Audit Committee. The internal audit department is responsible to independently assess the adequacy and effectiveness of internal controls and makes recommendations concerning the processes, activities and departments to the Management.

All members of the Audit Committee are non-executive directors of the Bank. The Committee convenes every quarter to receive the feedback from internal audit department on their significant findings and also for their evaluation and validation of control systems and their current effectiveness.

### **Credit Rating**

We are pleased to inform you that Pakistan Credit Rating Agency (PACRA), has upgraded rating of your bank with long term rating of 'AA' and short term rating at 'A1+'. These ratings represent very high credit quality, a low expectation of credit risk and

a highest capacity for timely payment of financial commitments. These ratings are pertinent to the senior unsecured creditors (depositors) of the Bank.

### Corporate Governance

The Board of Directors of your Bank is responsible to the shareholders for managing the business of the Bank in compliance with the regulatory requirements. It recognizes the responsibility

for sound internal controls and is committed to upholding the highest standard of Code of Corporate Governance issued by the Securities & Exchange Commission of Pakistan (SECP) and made effective from July 1, 2002. The Board is pleased to state that the provisions of the Code of Corporate Governance have been duly complied with and a declaration in this regard has also been annexed to the Directors' Review Report.

#### (i) Directors

The Board met six (6) times during the year under review. The attendance at the directors' meetings during 2007 was as under:

Name of the Director	Designation	Meetings Attended
Mr. Muhammad Aurangzeb (Joined on April 5, 2007)	Chairman/Director	5
Mr. Naved A. Khan (Joined on April 5, 2007)	CEO/Director	5
Mr. Jawaid Ahmed Mirza (Joined on April 5, 2007)	Director	5
Mr. Robert Ralph Davis (Joined on April 5, 2007)	Director	4
Mr. James Alexander Brown (Joined on April 5, 2007)	Director	5
Syed Naseem Ahmad (Joined on April 5, 2007)	Director	4
Lt. Gen (R) Muhammad Maqbool (Appointed on October 9, 2007)	Director	1
Mr. Saeed I. Chaudhry (Resigned on April 5, 2007)	CEO/President	2
Mr. Abdul Elah A. Mukred (Resigned on April 5, 2007)	Director	2
Mr. Tariq Iqbal Khan (Resigned on April 5, 2007)	Director	2
Mr. Shahid Hafiz Kardar (Resigned on April 5, 2007)	Director	2
Mr. Rehman Ghani (Resigned on April 5, 2007)	Director	2
Dr. Khalid Javaid Chowdhry (Resigned on April 5, 2007)	Director	2
Mr. Aamer Anwer Saeed (Resigned on April 5, 2007)	Director	2
Mr. S. Shahid Husain (Resigned on April 5, 2007)	Director	1
Mr. Tariq S. Asghar (Resigned on April 5, 2007)	Director	1
Mr. Bilal Hakim (Resigned on April 5, 2007)	Director	0
Mr. Gregory Rusell Major (Resigned on July 2, 2007)	Director	3

#### (ii) Audit Committee

The Audit Committee of the Board consists of four directors with specific terms of reference. Syed Naseem Ahmad is the Chairman of the audit committee while the other members of the committee are Mr Jawaid Ahmed Mirza, Mr. James Alexander Brown and Lt. Gen(R) Muhammad Maqbool. The committee met Four (5) times during the year.

#### (iii) Directors' Declaration

The Directors confirm compliance with the Corporate and Financial Reporting Framework of the Code of Corporate Governance for the following:

- The financial statements, prepared by the management of ABN AMRO Bank (Pakistan)

Limited, present fairly its state of affairs, the results of its operations, cash flows and the changes in equity.

- Proper books of accounts of the Bank have been maintained.
- Appropriate accounting policies, except for changes disclosed in the financial statements, have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards as applicable in Pakistan have been followed in letter and spirit for the preparation of these financial statements.
- The system of Internal Control is sound in design and has been effectively implemented and continuously monitored by internal audit and other such procedures as given in the

### Statement of Internal Control

- The Board is satisfied with the Bank's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance as detailed in the listing regulations.
- Details of significant changes in the Bank's operations during the year ended December 31, 2007 are stated in the Director's Report.
- There are no statutory payments on account of taxes, duties, levies and charges that are outstanding as on December 31, 2007 except for those disclosed in the financial statements.
- Key operating and financial data for the six years in summarized form is annexed herewith.

### Staff Benefit Schemes

The Bank operates an approved Contributory Provident Fund Scheme for its permanent staff. The value of the fund, based on its audited accounts as of December 31, 2007, stands at Rs 558 million. Furthermore the Bank also operates a Funded Gratuity Scheme for all its permanent employees, the contribution for which is made in accordance with the actuarial recommendations.

### Appropriations – 2007

Appropriations for the current year are reflected as follows:

	<b>Rs in '000</b>
Loss before tax	(1,366,806)
Taxation	(197,958)
Loss after tax	<u>(1,564,764)</u>
Un-appropriated profit brought forward	<u>418,096</u>
Accumulated Loss	(1,146,668)
Transferred to Unremitted Profits	(842,907)
<b>Appropriations:</b>	
Transfer to:	
Statutory Reserves	NIL
Reserve for Bonus Issue	NIL
Accumulated Loss carried forward	<u>(1,989,575)</u>
Loss per share	<u><b>(1.16)</b></u>

### Auditors

The present auditors, M/s Ford Rhodes, Sidat Hyder & Co. Chartered Accountants, are due for retirement after serving a term of six years. SECP accorded one year relaxation to M/s Ford Rhodes, Sidat Hyder & Co. Chartered Accountants for the Year ended December 31, 2007.

In an audit committee's meeting held on March 03 2008 M/s Yousuf Adil Saleem & Co Chartered Accountants have been recommended to be appointed as external auditor for the year ending December 31 2008.

### Statement of Compliance with the Best Practice on Transfer Pricing

The Bank has fully complied with the best practices on Transfer Pricing as contained in the Listing Regulation No. 38 of the Karachi Stock Exchange.

### Pattern of Shareholding

The pattern of shareholding as at December 31, 2007 is annexed separately with this report.

### **Future outlook**

The bank is in the final stages of completing the process of integration and alignment, which is geared towards improving product and service offering to our clients belonging to various business segments. Going forward, our focus is to leverage our expanded branch network and global knowledge to ensure delivery of financial solutions to our clients. Additionally, we are positive that Royal Bank of Scotland's decision to retain Pakistan will further improve our product offering in the areas of both Consumer and Commercial Banking.

### **Acknowledgments**

The Board expresses its gratitude to the State Bank

of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory authorities for their continuing assistance and support, especially during the acquisition and integration process.

We would also acknowledge support of our clients, who have been supported us during 2007 to achieve our objectives. Our acknowledgment and special appreciation goes to the efforts of staff of ABN AMRO for their commitment and hard work.

For and on behalf of the Board

Dubai  
March 4, 2008

**Muhammad Aurangzeb**  
Chairman

# SIX YEARS FINANCIAL SUMMARY

	Rs in million					
<b>Operational Results</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Net Interest Margin	6,225	5,939	4,483	2,680	2,313	1,917
Provision & Writeoffs against non-performing loans and advances	3,873	861	621	200	139	68
Profit/(Loss) before tax	(1,367)	3,571	2,955	1,672	1,754	1,614
Profit/(Loss) after tax	(1,565)	2,395	1,803	1,059	1,083	1,202
Total Income (NIM+Non-mark up income)	8,427	8,358	6,450	3,936	3,549	3,112
Non-Markup Expenses	5,922	3,926	2,874	2,063	1,656	1,430
Cash Dividend	-	-	303	121	101	-
Bonus Issue	-	418	303	101	132	-
<b>Balance Sheet</b>						
Share Capital/HO Capital	13,474	5,297	4,835	3,807	2,736	2,763
Reserves	(8,385)	3,401	2,732	2,249	1,642	1,706
Total Shareholder's funds	5,089	8,699	7,567	6,056	4,378	4,469
Deposits	90,289	93,743	85,881	78,330	59,313	49,336
Advances	64,468	71,843	58,450	53,352	37,094	34,157
Borrowing from Financial Institutions	6,068	16,830	16,237	10,581	9,599	11,138
Investments	16,438	25,609	26,436	12,833	19,258	16,469
Total Assets	107,535	123,773	113,341	97,842	75,591	67,359
<b>Ratios (% age)</b>						
Return on capital employed	(31%)	28%	24%	17%	25%	27%
Advances to Deposits Ratio	71%	77%	68%	68%	63%	69%
Efficiency ratio	70%	47%	45%	52%	47%	46%
<b>Share Information</b>						
Earnings per Share	(1.16)	1.78	1.34	0.79	0.80	0.89
Market Price per Share	47.95	48.60	25.70	19.70	16.30	9.20
<b>Other information</b>						
Total Employees-permanent	2,319	2,085	1,784	1,381	1,170	930
Total Branches	82	81	71	56	50	40

# STATEMENT OF COMPLIANCE

## with the Code of Corporate Governance

The Statement is being presented to comply with Code of Corporate Governance contained in the listing regulations of Karachi Stock Exchange (Guarantee) Limited, Lahore Stock Exchange (Guarantee) Limited and Islamabad Stock Exchange (Guarantee) Limited 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 in the following manner:

1. The Bank encourages representation of independent non-executive directors and directors representing minority interest on its Board of Directors. At present the Board includes Two (02) independent non-executive directors. Bank is willing to facilitate the appointment of directors representing minority.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies.
3. All the resident directors of the Bank are registered as tax payers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or being a member of stock exchange. has been declared as a defaulter by that stock exchange.
4. The Bank has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the directors and the employees of the Bank.
5. The Bank has developed a vision/mission statement, overall corporate strategy and significant policies, which are periodically renewed and updated. A complete record of particulars of significant policies along with the dates on which they were approved or amended is maintained.
6. All the powers of the Board have been duly exercised and the Board has taken decision on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive directors.
7. The meetings of the Board were presided over by the Chairman and the Board met once in every quarter. Written notices of the Board meetings, along with agenda and working papers were circulated seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
8. The Board approves appointment of CFO, Company Secretary and Head of Internal Audit, on the terms and conditions as determined by the CEO.
9. The directors report for this year has been prepared in compliance with the requirements of the Code and describes the salient matters required to be disclosed.
10. The CEO and the CFO duly endorsed the financial statements of the Bank before approval of the Board.
11. The directors, CEO, and executives do not hold any interest in the shares of Bank other than that disclosed in the pattern of shareholding.
12. The Bank has complied with all the corporate and financial reporting requirements of the Code.
13. The Board has formed an audit committee. It comprises 4 members, out of whom 2 members are non-executive directors including the Chairman of the Committee.
14. The meetings of the audit committee were held every quarter prior to approval of interim and final results of the Bank as required by the Code. The terms of the reference of the Committee have been formed and advised to the Committee for compliance.
15. The Board has set-up an effective internal audit function.
16. 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 firm , 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 Institute of Chartered Accountants of Pakistan.
17. The statutory auditors or the persons associated with them have not been appointed to provide services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other material principles contained in the Code have been complied.

Dubai  
March 4, 2008

**Naved A Khan**  
Chief Executive Officer

# REVIEW REPORT TO THE MEMBERS

## on the Statement of Compliance with the Best Practices of the Code of Corporate Governance

We have reviewed the Statement of Compliance with the best practices (the Statement) contained in the Code of Corporate Governance (the Code) for the year ended December 31, 2007 prepared by the Board of Directors of ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) (the Bank) to comply with the Listing Regulation No. 37 of the Karachi Stock Exchange, Chapter XIII of the Lahore Stock Exchange and Chapter XI of the Islamabad Stock Exchange 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 reflects the status of the Bank's compliance with the provisions of the Code and report if it does not. 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 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 have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement does not appropriately reflect the status of the Bank's compliance, in all material respects, with the best practices contained in the Code for the year ended **December 31, 2007**.

Karachi

**M/S Ford Rhodes Sidat Hyder & Co.**  
CHARTERED ACCOUNTANTS



# NOTICE OF 16TH ANNUAL GENERAL MEETING

Notice is hereby given that the 16th Annual General Meeting of ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited), ("The Bank") will be held at 11:00 a.m. on March 27, 2008 at "Shalimar - A" Hall, Pearl Continental Hotel, Lahore, to transact the following business:

## Ordinary Business

1. To confirm the minutes of the Extra Ordinary General Meeting of the Bank held on July 27, 2007.
2. To receive, consider and adopt the Audited Accounts for the year ended December 31, 2007 alongwith Director's and Auditor's Reports thereon.
3. To elect seven (7) directors as fixed by the Board under section 178(1) of the Companies Ordinance, 1984 in accordance with the provisions of the said Ordinance for a period of three years commencing March 28, 2008. The names of the retiring directors are Mr. Mohammad Aurangzeb, Mr. Naved A. Khan, Mr. Jawaid Ahmed Mirza, Syed Naseem Ahmad, Mr. James Alexander Brown, Mr. Robert Ralph Davis and Lt. Gen. (Retired) Muhammad Maqbool.
4. To appoint Auditors for the financial year ending December 31, 2008 and to fix their remuneration.

## Special Business

### 1. Change of Name

Pursuant to the acquisition of 99.3% shares of ABN AMRO Bank N.V. Amsterdam ("AAB") by the Consortium led by The Royal Bank of Scotland Group PLC ("RBS") the management and control of the AAB has been vested into the consortium with effect from 17 October 2007.

With respect to this acquisition an integration plan has been submitted to the Dutch Central Bank whereby the ultimate control of the respective operations of AAB would be assumed by the consortium members in due course of time. Under the said integration plan the ownership of AAB's subsidiary in Pakistan i.e. AABPL, is now vested into RBS.

Accordingly in order to progress its integration plan, RBS would like to re-brand AABPL to reflect its own franchise and change the name of AABPL to "The Royal Bank of Scotland Limited" subject to the approval of the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.

### 2. To amend/alter the Memorandum and Articles of Association of the Bank

Approval vide special resolution is required to amend/alter the Memorandum and Articles of Association of the Bank to the extent of effecting the changes relating to the change of name of the Company.

### 3. To authorize the Chief Executive Officer and/or the Company Secretary in relation to the Change of Name and amendment/alteration of the Memorandum and Articles of Association of the Company

Special Resolutions to be passed are as follows:

- 1) RESOLVED by way of special resolution that the name of the company "ABN AMRO Bank (Pakistan) Limited" be and is hereby changed to "The Royal Bank of Scotland Limited" subject to the approvals of the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.
- 2) RESOLVED by way of special resolution that the Memorandum and Articles of Association of the Company be and are hereby amended/alterated to the extent that the name of the company wherever appearing therein shall read as "The Royal Bank of Scotland Limited"

- 3) RESOLVED by way of special resolution that the Chief Executive and/or the Company Secretary ("Authorized Persons"), by virtue of their office, be and are hereby jointly or severally authorized to do or cause to be done all acts, deeds and things, execute such documents and make necessary corporate filings that may be necessary or required for effecting the change of name of the company "ABN AMRO Bank (Pakistan) Limited" to "The Royal Bank of Scotland Limited" and also to amend/ alter the Memorandum and Articles of Association of the Bank accordingly.

The statement, as required under Section 160(1)(b) of the Companies Ordinance setting out in detail the special business to be conducted in the annual general meeting ("Statement") is annexed to the notice of the meeting to the shareholders. Further copies of the Statement may be obtained from the registered office of ABN AMRO Bank (Pakistan) Limited at 77-Y, Phase-III, Commercial Area, DHA, Lahore, Pakistan during normal office hours on application prior to the meeting of the shareholders.

### Other Business

To transact any other business with the permission of the Chair.

By Order of the Board

Dubai  
Dated: March 4, 2008

**M. Shahzad Sadiq**  
Company Secretary

### Notes:

1. Any person who seeks to contest the election of Directors shall file with the Company at its registered office not later than fourteen days before the above said meeting his/her intention to offer himself/herself for the election as a Directors in terms of Section 178(3) of the companies Ordinance, 1984 together with (a) consent in Form 28, (b) a Declaration with consent to act as Director in the manner as provided under clause (ii) of the code of corporate governance (c) a declaration in terms of clause (iii), (iv) & (V) of the Code of Corporate Governance.
2. The Share Transfer Books of the Bank will remain closed from March 21, 2008 to March 27, 2008 (both days inclusive).
3. A member entitled to attend and vote at the above meeting may appoint another member as proxy. Form of proxy is attached in the Annual Report. Proxies, in order to be effective, must be received at the Legal & Corporate Affairs Department of the Bank, 77 Y Phase-III, Defence Housing Authority, Lahore, not later than forty eight hours before the time of meeting and must be duly stamped, signed and witnessed.
4. CDC shareholders desiring to attend the meeting are requested to bring their original Computerized National Identity Card (CNIC), Account details and Participant's ID number at the time of attending the Annual General meeting in order to facilitate identification of the respective shareholders.
5. Shareholders are requested to promptly notify the Bank's Registrar, M/s Hameed Majeed Associates (Pvt) Limited, H.M. House, 7-Bank Square, The Mall, Lahore, of any change in their addresses.

**Statement Under Section 160(1)(b) of the Companies Ordinance, 1984:**

1. ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) ("AABPL"), is a banking company incorporated under the laws of Pakistan, having its registered office at 77 Y Block, Commercial Area, DHA Lahore, licensed by the State Bank of Pakistan, pursuant to Section 27 of the Banking Companies Ordinance 1962.
2. ABN AMRO Bank N.V, Amsterdam ("AAB") is a bank incorporated under the laws of Netherlands and that the ownership of AABPL vests in AAB as its subsidiary in Pakistan.
3. The Royal Bank of Scotland PLC ("RBS") is a bank incorporated in Scotland and carries on banking trade and other trade globally through its various Branches/Business Units.
4. Pursuant to the acquisition of 99.3% shares of AAB by the Consortium led by RBS, the management and control of the AAB has been vested into the consortium with effect from 17 October 2007.
5. With respect to this acquisition an integration plan has been submitted to the Dutch Central Bank whereby the ultimate control of the respective operations of AAB would be assumed by the consortium members in due course of time. Under the said integration plan the ownership of AAB's subsidiary in Pakistan i.e. AABPL is now vested into RBS.
6. Accordingly in order to progress its integration plan, RBS would like to re-brand AABPL to reflect its own franchise and change the name of AABPL to "The Royal Bank of Scotland Limited" subject to the approval of the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.
7. Pursuant to the change in name of the Entity, the Memorandum and Articles of AABPL shall be altered/amended to give effect to such changes.
8. No directors of AABPL have any interest, whether directly or indirectly.

# AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of ABN AMRO BANK (PAKISTAN) LIMITED [formerly Prime Commercial Bank Limited] (the bank) as at December 31, 2007 and the related profit and loss account, cash flow statement and 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 un audited certified returns from the branches except for ten 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 the 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 case of loans and advances covered more than sixty percent of the total loans and advances of the bank, we report that:

(a) in our opinion proper books of account 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 balance sheet 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;
- (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;

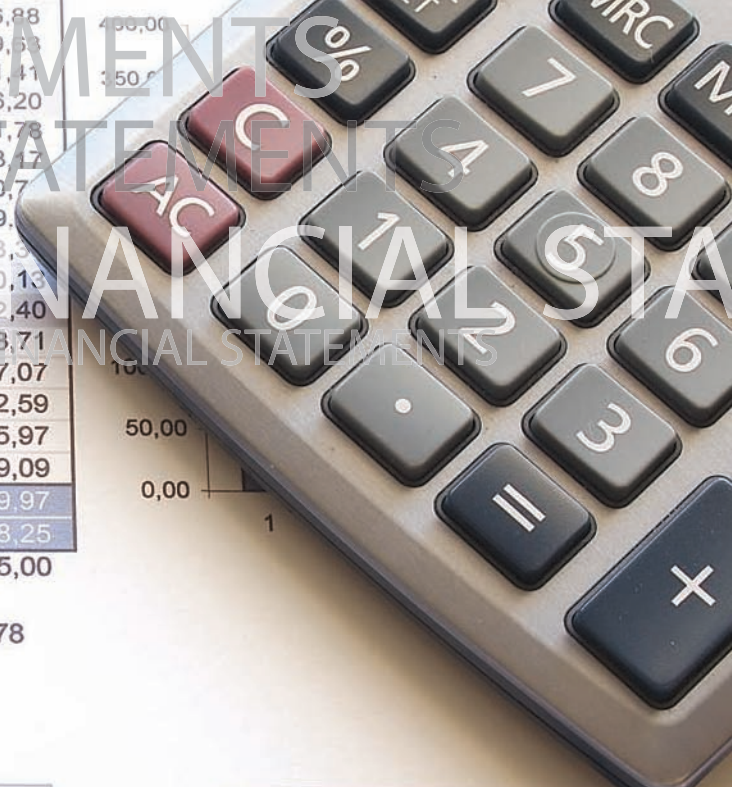
(c) in our opinion and to the best of our information and according to the explanations given to us the balance sheet, profit and loss account, cash flow statement and statement of changes in equity, together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Banking Companies Ordinance, 1962 (LVII of 1962), and the Companies Ordinance, 1984 (XLVII of 1984), in the manner so required and give a true and fair view of the state of the bank's affairs as at December 31, 2007 and its true balance of the profit, 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.

Karachi

**M/S Ford Rhodes Sidat Hyder & Co.**  
CHARTERED ACCOUNTANTS

249,64	126,15	369,62	251,81	362,49	278,79	356,88	490,00
33,00	350,76	121,23	200,79	35,91	133,82	379,53	
290,00	147,96	253,82	226,02	244,39	350,76	351,41	350,00
272,10	19,03	177,15	189,76	200,92	318,66	106,20	
109,63		311,79	165,53	230,34	366,40	131,78	
173,97		149,19	387,90	150,51	112,82	153,12	
268,07		341,86	172,61	197,03	389,10		
214,92	22,00	33,99	219,55	174,33	361,44	169,00	
128,82	390,00	187,62	103,89	244,89	313,30		
112,09	201,42	366,72	164,31	360,57	120,13		
211,80	367,12	335,66	112,30	265,29	252,40		
160,92	340,94	226,64	206,12	267,45	133,71		
229,18	270,65	200,34	206,82	140,69	317,07		
240,66	239,94	365,00	299,84	379,91	282,59		
289,82	336,05	289,30	355,50	280,52	345,97		
217,99	180,61	129,70	286,66	250,82	369,09		
379,33	139,88	253,94	120,66	191,26	239,97		
253,96	196,21	293,98	14,29	103,65	268,25		
156,00	190,00	195,00	0,00	310,00	335,00		



Growth main reasons:		Tax
Environment change		5,
Higher Settings		4,
Volume		7,
New Strategy		5,
Bar Level		5,
Size		2,

# FINANCIAL STATEMENTS

for the year ended December 31, 2007

## ABN AMRO Bank (Pakistan) Limited

(Formerly Prime Commercial Bank Limited)

## Balance Sheet as at December 31, 2007

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>Assets</b>			
Cash and balances with treasury banks	6	<b>8,785,788</b>	13,088,961
Balances with other banks	7	<b>5,364,040</b>	4,559,454
Lendings to financial institutions	8	<b>6,982,071</b>	3,541,040
Investments	9	<b>16,438,270</b>	25,609,450
Advances	10	<b>64,468,394</b>	71,843,307
Operating fixed assets	11	<b>2,778,942</b>	2,649,002
Deferred tax assets	12	<b>380,349</b>	-
Other assets	13	<b>2,337,709</b>	2,481,626
		<b>107,535,563</b>	123,772,840
<b>Liabilities</b>			
Bills payable	15	<b>2,084,367</b>	1,344,304
Borrowings	16	<b>6,068,028</b>	16,829,893
Deposits and other accounts	17	<b>90,288,654</b>	93,742,339
Sub-ordinated loans	18	<b>799,200</b>	799,520
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities	12	-	89,183
Other liabilities	19	<b>3,229,519</b>	2,355,160
		<b>102,469,768</b>	115,160,399
<b>Net assets</b>		<b>5,065,795</b>	8,612,441
<b>Represented by:</b>			
Share capital	20	<b>13,474,364</b>	2,739,372
Head office capital account	21	-	2,558,311
Reserves		<b>(6,395,647)</b>	2,983,628
(Accumulated loss) / Unappropriated profit		<b>(1,989,575)</b>	418,096
		<b>5,089,142</b>	8,699,407
Deficit on revaluation of assets - net of tax	22	<b>(23,347)</b>	(86,966)
		<b>5,065,795</b>	8,612,441
<b>CONTINGENCIES AND COMMITMENTS</b>	23		

The annexed notes 1 to 47 form an integral part of these financial statements.

Naved A. Khan  
President / Chief Executive

James Alexander Brown  
Director

Syed Naseem Ahmad  
Director

Lt. Gen (R) Muhammad Maqbool  
Director

## Profit and Loss Account for the year ended December 31, 2007

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
Mark-up/return/interest earned	25	<b>13,003,887</b>	11,108,222
Mark-up/return/interest expensed	26	<b>(6,778,643)</b>	(5,169,104)
<b>Net Mark-up/ Interest Income</b>		<b>6,225,244</b>	5,939,118
Provision against non-performing loans and advances	10.5	<b>(3,337,535)</b>	(732,868)
Provision for diminution in the value of investments	9.3	<b>(1,887)</b>	(277)
Bad debts written off directly	10.6	<b>(533,258)</b>	(128,247)
		<b>(3,872,680)</b>	(861,392)
<b>Net Mark-up/ Interest Income after provisions</b>		<b>2,352,564</b>	5,077,726
<b>NON MARK-UP/INTEREST INCOME</b>			
Fee, commission and brokerage income		<b>1,519,931</b>	1,459,278
Dividend income		<b>9,990</b>	33,991
Income from dealing in foreign currencies		<b>490,959</b>	495,252
(Loss) / Gain on sale of securities	27	<b>(298,666)</b>	65,260
Unrealized (Loss) / Gain on revaluation of investments classified as held for trading	9.5	<b>(34)</b>	3,750
Other Income	28	<b>479,978</b>	363,865
Total non-markup/interest Income		<b>2,202,158</b>	2,421,396
		<b>4,554,722</b>	7,499,122
<b>NON MARK-UP/INTEREST EXPENSES</b>			
Administrative expenses	29	<b>(5,771,680)</b>	(3,872,608)
Other provisions/write-offs	30	<b>(118,922)</b>	(38,473)
Other charges	31	<b>(30,926)</b>	(17,529)
Total non-markup/interest expenses		<b>(5,921,528)</b>	(3,928,610)
		<b>(1,366,806)</b>	3,570,512
Extra ordinary/unusual items		-	-
<b>(LOSS) / PROFIT BEFORE TAXATION</b>		<b>(1,366,806)</b>	3,570,512
Taxation	32		
- Current		<b>(623,505)</b>	(1,078,000)
- Prior year		<b>(45,000)</b>	(110,000)
- Deferred		<b>470,547</b>	11,797
		<b>(197,958)</b>	(1,176,203)
<b>(LOSS) / PROFIT AFTER TAXATION</b>		<b>(1,564,764)</b>	2,394,309
Unappropriated profit brought forward		<b>418,096</b>	396,215
Transferred to unremitted profits		<b>(842,907)</b>	-
<b>ACCUMULATED (LOSS)/PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>(1,989,575)</b>	2,790,524
<b>(LOSS) / EARNINGS PER SHARE - BASIC (Rupees)</b>	33	<b>(1.16)</b>	1.78
<b>(LOSS) / EARNINGS PER SHARE - DILUTED (Rupees)</b>	33	<b>(1.16)</b>	1.78

The annexed notes 1 to 47 form an integral part of these financial statements.

Naved A. Khan  
President / Chief Executive

James Alexander Brown  
Director

Syed Naseem Ahmad  
Director

Lt. Gen (R) Muhammad Maqbool  
Director

## Cash Flow Statement for the year ended December 31, 2007

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	<b>2006</b>
<b>Cash flow from operating activities</b>			
(Loss)/Profit before taxation		<b>(1,366,806)</b>	3,570,512
Less: Dividend income		<b>(9,990)</b>	(33,991)
		<b>(1,376,796)</b>	3,536,521
<b>Adjustments:</b>			
Depreciation		<b>374,641</b>	310,979
Amortization		<b>34,312</b>	17,604
Provision against non-performing advances		<b>3,337,535</b>	732,868
Provision for diminution in value of investments		<b>1,887</b>	277
Bad debts written off directly		<b>533,258</b>	128,247
Loss on sale of securities		<b>298,666</b>	(65,260)
Provision against other assets		<b>60,858</b>	40,695
Gain on sale of fixed assets		<b>(38)</b>	(7,915)
Loss on sale of non-banking assets		<b>-</b>	2,410
(Deficit)/surplus on revaluation of investments held for trading		<b>34</b>	(3,750)
		<b>4,641,153</b>	1,156,155
		<b>3,264,357</b>	4,692,676
<b>(Increase)/ Decrease in operating assets</b>			
Lendings to financial institutions		<b>(3,441,031)</b>	5,607,124
Held-for-trading securities		<b>1,116,410</b>	(1,074,099)
Advances		<b>3,627,987</b>	(14,254,292)
Others assets (excluding advance taxation)		<b>87,088</b>	(103,677)
		<b>1,390,454</b>	(9,824,944)
<b>Increase/ (Decrease) in operating liabilities</b>			
Bills Payable		<b>740,063</b>	4,369
Borrowings from financial institutions		<b>(10,761,865)</b>	1,024,956
Deposits and other accounts		<b>(3,453,685)</b>	7,861,224
Other liabilities (excluding current taxation)		<b>732,752</b>	601,249
		<b>(12,742,735)</b>	9,491,798
		<b>(8,087,924)</b>	4,359,530
Income tax paid		<b>(526,898)</b>	(717,908)
<b>Net cash flow from operating activities</b>		<b>(8,614,822)</b>	3,641,622
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in available-for-sale securities		<b>5,674,464</b>	(791,979)
Net investments in held-to-maturity securities		<b>2,144,353</b>	2,698,488
Dividend income		<b>5,960</b>	33,917
Investments in operating fixed assets		<b>(780,286)</b>	(790,254)
Sale proceeds of non-banking assets		<b>-</b>	39,238
Sale proceeds of property and equipment disposed-off		<b>117,565</b>	14,644
<b>Net cash flow from investing activities</b>		<b>7,162,056</b>	1,204,054
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Remittances made to holding company		<b>(2,034,576)</b>	(1,307,701)
Payments of Sub-ordinated loan		<b>(320)</b>	(320)
Dividend paid		<b>-</b>	(283)
Net cash flow from financing activities		<b>(2,034,896)</b>	(1,308,304)
Effects of exchange rate changes on cash and cash equivalents		<b>(10,925)</b>	45,679
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(3,498,587)</b>	3,583,051
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>17,648,415</b>	14,065,364
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	34	<b>14,149,828</b>	17,648,415

The annexed notes 1 to 47 form an integral part of these financial statements.

Naved A. Khan  
President / Chief Executive

James Alexander Brown  
Director

Syed Naseem Ahmad  
Director

Lt. Gen (R) Muhammad Maqbool  
Director



## Statement of Changes in Equity for the year ended December 31, 2007

	Head office		Capital Reserve			Revenue reserve				Unappropriated profit	Total
	Share capital	Head office capital account (Note 21)	Share premium	Merger Reserve (debit) (Note 4.4)	Unremitted profit	Reserve for issue of bonus shares	Statutory reserve	General reserve			
<b>Opening balance as at January 1, 2006</b>	2,321,502	2,512,632	151,956	-	1,616,434	-	540,011	28,370	396,215	7,567,120	
Exchange adjustment on revaluation of capital	-	45,679	-	-	-	-	-	-	-	45,679	
Profit remittance to Head office of ABN Amro Bank N.V.	-	-	-	-	(1,307,701)	-	-	-	-	(1,307,701)	
- Pakistan Branches for the year ended December 31, 2005	-	-	-	-	2,034,576	-	-	-	359,733	2,394,309	
Profit/(loss) for the year ended December 31, 2006	-	-	(151,956)	-	-	417,870	-	-	(265,914)	-	
Transferred for the issue of bonus shares	-	-	-	-	-	(417,870)	-	-	-	-	
Bonus shares issued	417,870	-	-	-	-	-	-	-	-	-	
Transferred to statutory reserve	-	-	-	-	-	71,938	-	-	(71,938)	-	
<b>Opening balance as at January 1, 2007</b>	2,739,372	2,558,311	-	-	2,343,309	-	611,949	28,370	418,096	8,699,407	
Exchange adjustment on revaluation of capital	-	(10,925)	-	-	-	-	-	-	-	(10,925)	
Profit remittance to Head office of ABN Amro Bank N.V.	-	-	-	-	(2,034,576)	-	-	-	-	(2,034,576)	
- Pakistan Branches for the year ended December 31, 2006	-	-	-	-	-	-	-	-	-	-	
Profit for the period ended August 31, 2007 of ABN Amro Bank N.V. - Pakistan Branches	-	-	-	-	842,907	-	-	-	(842,907)	-	
Share issued pursuant to amalgamation scheme	10,734,992	(2,547,386)	-	(7,035,966)	(1,151,640)	-	-	-	-	-	
Loss after tax for the year ended December 31, 2007	-	-	-	-	-	-	-	(1,564,764)	(1,564,764)	-	
<b>Closing balance as at December 31, 2007</b>	13,474,364	-	-	(7,035,966)	-	-	611,949	28,370	(1,989,575)	5,089,142	

The annexed notes 1 to 47 form an integral part of these financial statements.

Naved A. Khan  
**President / Chief Executive**

James Alexander Brown  
**Director**

Syed Naseem Ahmad  
**Director**

Lt. Gen (R) Muhammad Maqbool  
**Director**

# Notes to the Financial Statements for the year ended December 31, 2007

## 1. STATUS AND NATURE OF BUSINESS

- 1.1** ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited), was incorporated in Pakistan on September 30, 1991 as a Public Limited Company under the Companies Ordinance, 1984 and is listed on all stock exchanges of Pakistan. The change of name was effective from September 01, 2007.
- 1.2** During the year, on March 05, 2007, ABN AMRO Bank N.V. entered into agreement to purchase 255,855,148 Ordinary shares, representing 93.40% of the total issued share capital of the bank. ABN AMRO Bank N.V. also made a public offer to acquire further 18,082,021 ordinary shares representing 6.60% of total issued share capital of the bank at an offer price of Rs.54.00 per share pursuant to the Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002. Upto December 31, 2007, ABN AMRO Bank N.V. held a total of 99.22% share holding of the bank.
- 1.3** The presence of ABN AMRO Bank N.V. in Pakistan prior to this acquisition comprised of ABN AMRO N.V Pakistan branches operating in Pakistan since 1948, as a scheduled commercial bank, under a banking license from the State Bank of Pakistan. ABN AMRO Bank N.V. - Pakistan Branches were merged with and into Prime Commercial Bank Limited, with the merged entity renamed, ABN AMRO Bank (Pakistan) Limited. The merger under a Scheme of Amalgamation, was sanctioned by the State Bank of Pakistan in its order dated August 31, 2007, under Section 48 of the Banking Companies Ordinance, 1962. Pursuant to this order the State Bank of Pakistan announced the effective date of this scheme as September 1, 2007.

The Scheme of amalgamation provided for the following:

- i) at the effective date, the entire undertaking of the branches including all the property, assets and liabilities and all the rights and obligations of the branches, without any further act, action or deed and notwithstanding the terms of any contract or other document or any rule of law stand amalgamated with and vest in the bank and as a consequence the branches shall stand amalgamated and vested with and into the bank.
  - ii) in consideration for the amalgamation contemplated by the Scheme, the bank shall issue 1,073,499,216 Ordinary shares to ABN AMRO Bank N.V. at par value.
- 1.4** ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) currently operates a network of 82 branches (including 3 Islamic Banking branches) in Pakistan and Azad Jammu and Kashmir. The bank operates as a scheduled commercial bank in Pakistan under a license obtained from the State Bank of Pakistan (SBP) and is principally engaged in retail banking, corporate banking and treasury related activities.
- 1.5** The registered office of the bank in Pakistan is situated at 77 Y D.H.A Lahore. The operational Head office of the bank is situated in Karachi at 16-Abdullah Haroon Road, Karachi.
- 1.6** The bank has a wholly owned subsidiary, Prime Trade Services (Private) Limited (PTSL), which is engaged in providing trade services in Hong Kong. During the current year, in August 2007, a winding up application has been filed with Hong Kong regulatory authorities in pursuance to Board's Resolution dated April 05, 2007. Accordingly, PTSL has not been consolidated since the entity is inoperative since August 2007.

## 2. BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the conversion of the banking system to Islamic modes, the State Bank of Pakistan 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 utilised and the appropriate portion of mark-up thereon.

### 3. STATEMENT OF COMPLIANCE

**3.1** These 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, and the provisions of and regulations / directives issued under the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984. In case requirements differ, the provisions of and regulations / directives issued under the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984, shall prevail.

**3.2** The SBP as per 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 (IAS 40) for banking companies till further instructions. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by SBP.

### 3.3 Accounting standards not yet effective

The following new standards and amendments within approved accounting standards are applicable in Pakistan from the dates mentioned below against the respective standard or amendment:

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IAS- 1 (Revised) Presentation of Financial Statements	January 01, 2009
IAS- 23 (Revised) Borrowing Costs	January 01, 2009
IAS - 27 Consolidated and Separate Financial Statements	January 01, 2009
IAS - 41 Agriculture	May 22, 2007
IFRS - 3 Business Combinations	January 01, 2009
IFRIC - 11 Group and Treasury Share Transactions	March 01, 2007
IFRIC - 12 Service Concession Arrangements	January 01, 2008
IFRIC - 13 Customer Loyalty Programs	July 01, 2008
IFRIC - 14 The Limit on Defined Benefit Asset, Minimum Funding Requirements and their Interactions	January 01, 2008
IFAS - 2 Ijarah	July 01, 2007

The bank expects that the adoption of the above standards and interpretations will have no material impact on the bank's financial statements in the period of initial application. They do, however, give rise to additional disclosures, including in some cases revisions to accounting policies.

In addition to the above, the following new standards have been issued by the IASB but have not yet been adopted by the Institute of Chartered Accountants of Pakistan or notified by the SECP and hence presently do not form part of the local financial reporting framework:

IFRS - 4 Insurance Contracts  
 IFRS - 7 Financial Instruments: Disclosures  
 IFRS - 8 Operating Segments

## **4. BASIS OF MEASUREMENT**

- 4.1** These financial statements have been prepared under the historical cost convention except that certain assets, investments and derivative financial instruments are carried at fair value.
- 4.2** The preparation of financial statements in conformity with approved accounting standards requires the use of certain accounting estimates. It also requires the management to exercise its judgment in the process of applying the bank's accounting policies. These estimates and judgments are continually evaluated and are based on historical experience, statutory requirements and other factors considered reasonable in the circumstances. The estimates and judgments that are expected to have a significant effect on the assets and liabilities, income and expenses have been disclosed in note 46 to these financial statements.
- 4.3** The amalgamation of ABN AMRO Bank N.V. - Pakistan Branches and ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) as at September 1, 2007 is a business combination of entities under the common control of ABN AMRO Bank N.V. The accounting standard applicable to Business Combinations in Pakistan is IFRS 3 as notified by the Securities and Exchange Commission of Pakistan (SECP) applicable to the accounting for business combinations for which the agreement date is on or after January 1, 2007.

IFRS 3 defines a "business combination involving entities under common control" as a transaction in which all of the combining entities are controlled by the same party or parties before and after the transaction and that control is not transitory. IFRS 3 excludes from its scope business combinations involving entities or businesses under common control.

Accordingly, the accounting treatment applied to account for the amalgamation in these financial statements is the "pooling of interest method". This method of accounting requires the net assets of both entities to be consolidated based on their carrying values as at the date of the amalgamation. The financial statement items have been included in these financial statements as if the two entities had been combined from the beginning of the earliest period presented.

- 4.4** The shares of ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) have been issued to ABN AMRO Bank N.V. against the transfer of the net assets of ABN AMRO Bank Pakistan branches to the surviving entity. The difference in the net assets of ABN AMRO Pakistan branches, the merging entity, and the above shares issued to ABN AMRO Bank N.V. has been carried in the books as a debit to "Merger Reserve" (refer Statement of Changes in Equity).

## **5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **5.1 Cash and cash equivalents**

For the purpose of Cash Flow Statement, cash and cash equivalents include cash and balances with treasury banks and balances with other banks in current and deposit accounts.

### **5.2 Repurchase and resale agreements**

The bank enters into transactions of borrowing (repurchase) from and lending (reverse repurchase) to financial institutions, at contracted rates for a specified period of time. These are recorded as under:

#### **(a) Repurchase agreement borrowings**

Securities sold subject to a repurchase agreement at a specified future date (repos) continue to be recognised in the balance sheet and are measured in accordance with accounting policies for investment securities. The counterparty liability for amounts received under these agreements is included in borrowings. The difference between sale and repurchase price is treated as mark-up/return/interest expense and accrued over the period of the repo agreement.

#### **(b) Repurchase agreement lendings**

Securities purchased under agreement to resell at a specified future date (reverse repos) are not

recognised in the balance sheet. Amounts paid under these agreements are included in lendings to financial institutions. The difference between purchase and resale price is treated as mark-up/return/interest earned and accrued over the period of the reverse repo agreement.

### **5.3 Investments**

The management determines the appropriate classification of its investments at the time of purchase and classifies these investments as held for trading, held to maturity or available for sale as described below. These are initially recognised at cost, being the fair value of the consideration upon acquisition.

#### **(a) Held-for-trading**

These are securities, which are either acquired with the intention to trade by taking advantage of short term market / interest rate movements and are to be sold within 90 days. These are carried at fair value, with the related surplus / (deficit) being taken to profit and loss account.

#### **(b) Held-to-maturity**

These are securities with fixed or determinable payments and fixed maturity that the bank has the positive intent and ability to hold to maturity.

#### **(c) Available-for-sale**

These are investments that do not fall under the held for trading or held to maturity categories.

In accordance with the requirements of the SBP, quoted securities, other than those classified as held to maturity, are stated at market value. Surplus / (deficit) arising on revaluation of quoted securities which are classified as 'available for sale' is taken to a separate account which is shown in the balance sheet below equity. Surplus / (deficit) arising on revaluation of quoted securities which are classified as 'held for trading' is taken to the profit and loss account. Investments classified as held to maturity are carried at amortised cost.

Unquoted equity securities are valued at the lower of cost and break-up value. Subsequent increases or decreases in the carrying value are credited/charged to profit and loss account. Break-up value of 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, if any. Impairment loss is charged to the profit and loss account currently, if evidence exists that the same has occurred.

Premium or discount on acquisition of investments is capitalised and amortised through the profit and loss account over the remaining period till maturity.

Gains and losses arising on sale of investments during the year are taken to the profit and loss account.

Provision for diminution in the value of securities (except for debentures, participation term certificates and term finance certificates) is made after considering impairment, if any, in their value. Provision for diminution in value of debentures, participation term certificates and term finance certificates are made in accordance with the requirements of Prudential Regulations issued by SBP.

### **5.4 Advances**

Advances are stated net of general and specific provisions.

Provision against non-performing advances is made in accordance with the requirements of the

Prudential Regulations issued by the SBP and charged to the profit and loss account.

Corporate advances are written off when there is no realistic prospect of recovery. Consumer advances are generally written off not later than a pre-determined number of days past due, primarily on a contractual basis, or when warranted.

Leases, where the bank transfers substantially all the risks and rewards incidental to the ownership of an asset are classified as finance leases. A receivable is recognized at an amount equal to the present value of the minimum lease payments, including guaranteed residual value, if any.

## **5.5 Operating Fixed Assets**

### **(a) Capital work-in-progress**

Capital work-in-progress is stated at cost.

### **(b) Property and equipment**

Property and equipment, other than freehold land which is not depreciated, are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged over the estimated useful lives of the related assets, at the rates specified in note 11.2, using the straight line method, except in the case of buildings, on which depreciation is calculated using the reducing balance method.

Depreciation on additions is charged commencing from the month in which the asset is put to use whereas no depreciation is charged from the month in which the asset is disposed of.

Normal repairs and maintenance are charged to the profit and loss account as and when incurred. However, major renewals and improvements are capitalised.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the assets is recognised in the profit and loss account in the year the asset is derecognised.

### **(c) Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets is amortised over the estimated useful life, at the rate specified in note 11.3, using the straight line method.

Amortisation on additions is charged commencing from the month in which the asset is put to use whereas no amortisation is charged from the month in which the asset is disposed of.

## **5.6 Deferred Cost**

Costs incurred in respect of sales commission, staff cost, postage, card charges, etc., pertaining to issuance of credit cards are deferred and amortised over a period of one year.

## **5.7 Impairment**

The carrying amount of assets are reviewed at each balance sheet date for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. If such indication exists, and where the carrying value exceeds the estimated recoverable amount, assets are written down to their recoverable amount. Impairment losses are recognised as an expense immediately.

## 5.8 Taxation

### Current

Provision for current taxation is based on taxable income at the current rate of tax after taking into account applicable tax credits, rebates and exemptions available, if any. The charge for current tax also includes adjustments, where considered necessary, relating to prior years arising from assessments made during the year.

### Deferred

Deferred tax is recognised, on all major temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is calculated at the rates that are expected to apply to the periods when the differences will reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the asset can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The bank also recognizes a deferred tax asset / liability on deficit / surplus on revaluation of securities which is adjusted against the related deficit / surplus in accordance with the requirements of International Accounting Standard 12, Income Taxes (IAS 12).

## 5.9 Provisions

Provisions are recognised when the bank has a legal or constructive obligation as a result of past events, 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 at each balance sheet date and are adjusted to reflect the current best estimate.

## 5.10 Subordinated Loans

Subordinated loans are initially recorded at the amount of proceeds received. Markup accrued on these loans is recognized separately as part of other liabilities and is charged to profit and loss account over the period on accrual basis.

## 5.11 Staff Retirement Benefits

### (a) Defined benefit plan

The bank operates a funded gratuity scheme for all its confirmed employees who have completed five years of service or more. Contributions to the fund are made in accordance with the recommendations of an independent actuary to a separately administered fund (refer note 37). The most recent valuation in this regard was carried out as at December 31, 2007, using the projected unit credit actuarial valuation method.

### (b) Defined contribution plan

The bank also operates an approved provident fund scheme for all its confirmed employees. Equal monthly contributions are made by the bank and the employees to the fund at the rate of 10% of basic salary.

## 5.12 Foreign currencies

### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the bank operates. The financial statements are presented in Pakistani Rupees, which is the bank's functional and presentation currency.

### **(b) Foreign currency transactions and translations**

Foreign currency transactions are recorded at rates in effect at the date of the transactions, whereas foreign currency balances are translated into rupees at the rates of exchange approximating to those ruling at the balance sheet date, except for foreign currency deposits in respect of which forward exchange cover is taken from the SBP which are valued at contracted rates.

### **(c) Commitments**

All forward exchange contracts are revalued daily using forward rates applicable to their respective remaining maturities. 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 ruling on the balance sheet date.

## **5.13 Revenue recognition**

Revenue is recognized to the extent that the economic benefits will flow to the bank and the revenue can be reliably measured. The following recognition criteria are used for revenue recognition:

### **(a) Advances and investments**

Markup/return on regular loans/advances and investments is recognized on accrual basis. Where debt securities are purchased at premium or discount, the same is amortized through the profit and loss account using the effective interest rate method.

Interest or markup recoverable on classified loans and advances and investments is recognized on receipt basis. Interest/return/mark-up on rescheduled/restructured loans and advances and investments is recognized as permitted by the regulations of the SBP.

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

Gain and losses on sale of investments are recognized in the profit and loss account.

### **(b) Lease financing**

Financing method is used in accounting for income from lease financing. Under this method, the unearned lease income (excess of the sum of total lease rentals and estimated residual value over the cost of leased assets) is deferred and taken to income over the term of the lease period so as to produce a constant periodic rate of return on the outstanding net investment in lease.

Gains/losses on termination of lease contracts, documentation charges, front-end fees and other lease income are recognized as income on receipts basis.

### **(c) Fees, brokerage and commission**

Commission are generally recognised on an accrual basis. Other fees are recognised when earned.

## **5.14 Offsetting**

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and the bank intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.



## 5.15 Financial instruments

### 5.15.1 Financial assets and liabilities

Financial instruments carried on the balance sheet include cash and bank balances, lendings to financial institutions, investments, advances, certain receivables, borrowings from financial institutions, deposits 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. Financial assets are de-recognised when the contractual right to future cash flows from the asset expire or is transferred along with the risk and reward of the asset. Financial liabilities are de-recognised when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial asset and liabilities is recognised in the profit and loss account of the current period.

### 5.15.2 Derivative financial instruments

Derivative financial instruments are initially recognised at their fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value using appropriate valuation techniques. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative financial instruments is taken to the profit and loss account.

## 5.16 Stock and cash dividends

Stock and cash dividend declared subsequent to balance sheet date are considered as non-adjusting event and are not recorded in financial statements of the current year. These are recognized in the period in which actually approved.

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>6. CASH AND BALANCES WITH TREASURY BANKS</b>			
<b>In hand:</b>			
Local currency		<b>1,389,372</b>	1,234,929
Foreign currency		<b>351,511</b>	341,886
		<b>1,740,883</b>	1,576,815
<b>With State Bank of Pakistan in:</b>			
Local currency current account	6.1	<b>5,396,050</b>	5,890,417
Foreign currency accounts:			
Cash reserve account - non remunerative	6.2	<b>729,958</b>	690,275
Special cash reserve account - remunerative	6.3	<b>728,996</b>	2,139,403
Local US Dollar clearing account - remunerative		<b>55,994</b>	27,048
Capital deposited in foreign currency	6.4	-	2,558,311
		<b>1,514,948</b>	5,415,037
<b>With National Bank of Pakistan in:</b>			
Local currency current account		<b>130,258</b>	198,949
<b>National Prize Bonds</b>		<b>3,649</b>	7,743
		<b>8,785,788</b>	13,088,961

- 6.1** The local currency current account is maintained with the State Bank of Pakistan as per the requirements of Section 36 of the State Bank of Pakistan Act, 1956. This section requires banking companies to maintain a local currency cash reserve in current account opened with the SBP at a sum not less than such percentage of its time and demand liabilities in Pakistan as may be prescribed by SBP.
- 6.2** This represents foreign currency cash reserve maintained with SBP equivalent to at least 5% of the bank's foreign currency deposits.
- 6.3** This represents foreign currency special cash reserve maintained with SBP equivalent to at least 5% of the bank's foreign currency deposits. Profit rates on this deposit account are fixed on a monthly basis by SBP. It carries profit ranging between 3.71% and 4.72% (2006: 3.39% and 4.35%) per annum.
- 6.4** The deposit placed in compliance with Sub-section 3 of Section 13 of the Banking Companies Ordinance 1962 has been released by the State Bank of Pakistan during the current year on the merger of ABN AMRO Bank N.V. - Pakistan Branches with and into ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited).

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>7. BALANCES WITH OTHER BANKS</b>			
<b>In Pakistan</b>			
On current account		<b>93,317</b>	253,608
On deposit account	7.1	-	380,108
		<b>93,317</b>	633,716
<b>Outside Pakistan</b>			
On current account		<b>1,256,424</b>	326,713
On deposit account	7.1	<b>4,014,299</b>	3,599,025
		<b>5,270,723</b>	3,925,738
		<b>5,364,040</b>	4,559,454

- 7.1** These represent placements with local and foreign banks, carrying interest rates ranging from 3.25% to 5.45% (2006: 2.0% to 5.3%) per annum, maturing latest by January 02, 2008.

## **8. LENDINGS TO FINANCIAL INSTITUTIONS**

Call money lending	8.2	<b>500,000</b>	1,050,000
Repurchase agreement lendings (Reverse Repo)	8.3	<b>6,482,071</b>	1,937,762
Others		-	553,278
		<b>6,982,071</b>	3,541,040

### **8.1 Particulars of lendings**

In local currency		<b>6,982,071</b>	3,187,762
In foreign currencies		-	353,278
		<b>6,982,071</b>	3,541,040

- 8.2** This represents call lending to a bank, carrying mark up at the rate of 9.75% (2006: from 10.15% to 10.55%) per annum, maturing on January 30, 2008.

Rupees in '000	2007			2006		
	Held by bank	Further given as collateral	Total	Held by bank	Further given as collateral	Total
<b>8.3 Securities held as collateral against lendings to financial institutions</b>						
Market Treasury Bills	6,482,071	-	6,482,071	1,237,762	-	1,237,762
Pakistan Investment Bonds	-	-	-	400,000	-	400,000
Shares	-	-	-	300,000	-	300,000
	<b>6,482,071</b>	<b>-</b>	<b>6,482,071</b>	<b>1,937,762</b>	<b>-</b>	<b>1,937,762</b>

This represent lendings to various financial institutions and non-banking finance companies at mark-up rates of 9.95% (2006: 5.05% to 11%) per annum, with maturities up to January 07, 2008.

Rupees in '000	2007			2006		
	Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total

## 9. INVESTMENTS

### 9.1 Investments by types:

#### Held-for-trading securities

Pakistan Investment Bonds	49,360	-	49,360	1,161,437	-	1,161,437
Listed ordinary shares	-	-	-	583	-	583
	<b>49,360</b>	<b>-</b>	<b>49,360</b>	<b>1,162,020</b>	<b>-</b>	<b>1,162,020</b>

#### Available-for-sale securities

Pakistan Investment Bonds	224,535	-	224,535	822,192	203,992	1,026,184
Market Treasury Bills	15,180,897	-	15,180,897	11,029,019	7,553,354	18,582,373
Listed Ordinary shares	-	-	-	153,338	-	153,338
Listed Preference shares	54,630	-	54,630	54,630	-	54,630
Closed end Mutual Fund Certificates	-	-	-	39,764	-	39,764
Open end Mutual Fund Units	5,000	-	5,000	659,827	-	659,827
Modaraba Certificates	-	-	-	5,000	-	5,000
Unlisted ordinary shares	23,139	-	23,139	23,139	-	23,139
Term Finance Certificates - Listed	-	-	-	396,245	-	396,245
Term Finance Certificates - Un-listed	439,580	-	439,580	958,742	-	958,742
Wapda Bonds (10th Issue)	500,544	-	500,544	502,213	-	502,213
	<b>16,428,325</b>	<b>-</b>	<b>16,428,325</b>	<b>14,644,109</b>	<b>7,757,346</b>	<b>22,401,455</b>

#### Held-to-maturity securities

Pakistan Investment Bonds	-	-	-	1,994,353	-	1,994,353
Certificates of Investment	-	-	-	150,000	-	150,000
	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,144,353</b>	<b>-</b>	<b>2,144,353</b>

#### Subsidiary

Prime Trade Services Limited - Hong Kong	9.2.7	81	-	81	-	81
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#### Investments at cost

		<b>16,477,766</b>	<b>-</b>	<b>16,477,766</b>	17,950,563	7,757,346	25,707,909
<b>Less: Provision for diminution in value of investments</b>	9.3	<b>(6,126)</b>	<b>-</b>	<b>(6,126)</b>	(4,239)	-	(4,239)
<b>Investments (net of provisions)</b>		<b>16,471,640</b>	<b>-</b>	<b>16,471,640</b>	<b>17,946,324</b>	<b>7,757,346</b>	<b>25,703,670</b>

		2007			2006		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
<i>Rupees in '000</i>							
<b>Surplus / (deficit) on revaluation of</b>							
- Held for trading securities	9.5	(34)	-	(34)	3,750	-	3,750
- Available for sale securities	21	(33,336)	-	(33,336)	(87,915)	(10,055)	(97,970)
		(33,370)	-	(33,370)	(84,165)	(10,055)	(94,220)
<b>Total investments at market value</b>		<b>16,438,270</b>	<b>-</b>	<b>16,438,270</b>	<b>17,862,159</b>	<b>7,747,291</b>	<b>25,609,450</b>
<b>9.2 Investments by segments:</b>							
<b>Federal government securities:</b>							
Pakistan Investment Bonds	9.2.1	273,895	-	273,895	3,977,982	203,992	4,181,974
Market Treasury Bills	9.2.2	15,180,897	-	15,180,897	11,029,019	7,553,354	18,582,373
		15,454,792	-	15,454,792	15,007,001	7,757,346	22,764,347
<b>Fully paid up ordinary shares</b>							
Listed		-	-	-	153,921	-	153,921
Unlisted	9.2.3	23,139	-	23,139	23,139	-	23,139
		23,139	-	23,139	177,060	-	177,060
<b>Fully paid up Preference shares</b>							
Listed	9.2.4	54,630	-	54,630	54,630	-	54,630
<b>Closed end Mutual Fund Certificates</b>							
		-	-	-	39,764	-	39,764
<b>Open end Mutual Fund Units</b>							
	9.2.5	5,000	-	5,000	659,827	-	659,827
<b>Modaraba Certificates</b>							
		-	-	-	5,000	-	5,000
<b>Term Finance Certificates, Debentures, Bonds and Participation Term Certificates:</b>							
Listed		-	-	-	396,245	-	396,245
Unlisted	9.2.6	940,124	-	940,124	1,460,955	-	1,460,955
		940,124	-	940,124	1,857,200	-	1,857,200
<b>Certificate of investments</b>							
		-	-	-	150,000	-	150,000
<b>Subsidiary</b>							
	9.2.7	81	-	81	81	-	81
<b>Total investment at cost</b>							
		16,477,766	-	16,477,766	17,950,563	7,757,346	25,707,909
Less: Provision for diminution in value of investment	9.3	(6,126)	-	(6,126)	(4,239)	-	(4,239)
<b>Investments (Net of Provisions)</b>		<b>16,471,640</b>	<b>-</b>	<b>16,471,640</b>	<b>17,946,324</b>	<b>7,757,346</b>	<b>25,703,670</b>
<b>Surplus/(Deficit) on revaluation of</b>							
Held-for-trading securities	9.5	(34)	-	(34)	3,750	-	3,750
Available-for-sale securities	22	(33,336)	-	(33,336)	(87,915)	(10,055)	(97,970)
		(33,370)	-	(33,370)	(84,165)	(10,055)	(94,220)
<b>Total investments at market value</b>		<b>16,438,270</b>	<b>-</b>	<b>16,438,270</b>	<b>17,862,159</b>	<b>7,747,291</b>	<b>25,609,450</b>

**9.2.1** Market treasury bills are for a period of twelve months with maturity up to September 11, 2008. These are eligible for re-discounting with the State Bank of Pakistan.

**9.2.2** These represent Pakistan Investment Bonds (PIBs) with interest income receivable semi-annually with a maximum remaining term upto ten years. These are eligible for re-discounting with the State Bank of Pakistan.

Rupees in '000

	Rating	Cost	
		2007	2006
<b>9.2.3 Unlisted companies</b>			
<b>Fully Paid up Ordinary Shares</b>			
<b>Credit Rating Information Services Limited (Bangladesh)</b> 260,000 (2006: 260,000) Ordinary shares of Taka 10/- each. Equity held 18.5 % (2006: 18.5%). Value of investment based on net assets shown in audited accounts as of December 31, 2004 is Taka 1.672 (2004: Rs. 1.672) million. Name of Chief Executive : Mr. Muzaffar Ahmed	Unrated	<b>2,452</b>	2,452
<b>Khushhali Bank Limited</b> 15 (2006: 15 ) fully paid Ordinary shares of Rs. 1 million each. Equity held 0.88% (2006: 0.88%). (refer note 9.2.3.1) Value of investment based on net assets shown in audited accounts as of December 31, 2006 is Rs. 16.480 (2005: Rs. 16.544) million. Name of Chief Executive : Mr. Ghalib Nishtar	Unrated	<b>15,000</b>	15,000
<b>Pakistan Export Finance Guarantee Agency Limited</b> 568,698 (2006: 568, 698) fully paid Ordinary shares of Rs. 10/- each. Equity held 5.27% (2006: 5.27%). (refer note 9.2.3.2) Value of investment based on net assets shown in audited accounts as of December 31, 2006 is Rs. 2.297 (2005: Rs. 3.801) million Name of Chief Executive : Mr. S.M. Zaeem	Unrated	<b>5,687</b>	5,687
		<b>23,139</b>	23,139

**9.2.3.1** This includes Rs.15 million contributed by the bank towards the equity of Khushhali Bank, as per SBP Letter No. BSD (RU-26/625-MFB/13317/00), dated August 07, 2000. In accordance with the restrictions imposed by Khushhali Bank Ordinance, 2000, the bank cannot sell/transfer these shares before a period of five years from the date of subscription, that has expired on October 10, 2005. Thereafter, such sale/transfer shall be subject to the prior approval of State Bank of Pakistan, pursuant to section 10 of the Khushhali Bank Ordinance, 2000. In addition, profit of Khushhali Bank Limited cannot be distributed as dividend under clause 35(i) of the aforementioned Ordinance. However, Khushhali Bank Ordinance is in the process of amendment under which the restriction on the dividend payment is expected to be deleted. Moreover, the shareholders of Khushhali Bank Limited at the extra ordinary general meeting held in December 2007 have passed a resolution stating that Khushhali Bank be licensed and operated under the Micro Finance Institution Ordinance, 2001 under the conversion structure stipulated by SBP which does not restrict the distribution of dividend to members.

#### 9.2.4 Fully paid up preference shares of listed companies

No. of shares 2007	2006	Paid-up value per share	Rs.	Description	Rating	Cost		Market Value	
						2007	2006	2007	2006
						<i>Rupees in '000</i>			
<b>4,763,000</b>	4,763,000	10		Chenab Limited - 9.25% per annum (note 9.2.4.1)	Unrated	<b>47,630</b>	47,630	<b>38,104</b>	34,055
<b>700,000</b>	700,000	10		Noon Pakistan Limited - 12% per annum	Unrated	<b>7,000</b>	7,000	<b>9,100</b>	5,950
						<b>54,630</b>	54,630	<b>47,204</b>	40,005

**9.2.4.1** The bank has an option to get the shares redeemed, in part, on yearly basis after four years from the date of issuance of cumulative preference shares. The investee company also has option to redeem, in part, cumulative preference shares after August 2008.

## 9.2.5 Open end Mutual Fund Units

No. of units		Paid-up value per unit <i>Rs.</i>		Rating	Cost		Market Value	
2007	2006				2007	2006	2007	2006
-	3,182,697	10	ABAMCO Composite Fund		-	31,827	-	25,462
<b>100,500</b>	100,500	50	ABAMCO Limited - UTP A30 Fund	Unrated	<b>5,000</b>	5,000	<b>5,712</b>	5,127
-	943,396	100	Askari Income Fund		-	100,000	-	100,170
-	9,456,893	50	Pakistan Income Fund		-	498,000	-	498,284
-	500,000	50	Pakistan International Islamic Fund		-	25,000	-	23,935
					<b>5,000</b>	<b>659,827</b>	<b>5,712</b>	<b>652,978</b>

<i>Rupees in '000</i>		Rating	Cost	
			2007	2006
			<b>940,124</b>	<b>1,460,955</b>

## 9.2.6 Term finance certificates, debentures, bonds and participation term certificates - Unlisted

### Azgard Nine Limited

Nil (2006: 20,000) certificate of Rs 5,000/- each

- - 100,000

### Dewan Sugar Mills Limited

10,000 (2005: 10,000) certificates of Rs. 5,000 each  
Rate of Interest: SBP discount rate minus 2% p.a. with 6% p.a. as floor and 12% p.a. as ceiling  
Maturity date: June 11, 2008  
Name of Chief Executive: Mr. Dewan M. Yousaf Farooqui

Unrated 6,247 18,742

### Dominion Fertilizer Limited

400 (2006: 400) certificates of Rs 1,000,000/- each  
Rate of Interest: 6 month KIBOR plus 3.25% per annum  
Maturity date: July 2013  
Name of Chief Executive: Mr. Ahmed Jaudat Bilal

Unrated 383,333 400,000

### Pakistan Mobile Communication (Pvt) Limited

10,000 (2006: 35,000) certificates of Rs.5,000/-each  
Rate of Interest: T-Bills rate plus 2.25% per annum  
Maturity date: September 2008  
Name of Chief Executive: Mr. Zuhair Khaliq

AA- 50,000 140,000

### Reliance Exports (Private) Limited

Nil (2006: 30) certificates of Rs.10,000,000/-each

- - 300,000

### Wapda Bonds - 10th Issue

100,000 (2006: 100,000) certificates of Rs.5,000/-each  
Rate of Interest: SBP Discount Rate minus 0.25% per annum  
Maturity Date: April 29, 2008  
Name of Chairman: Mr. Muhammad Shakil Durrani

Unrated 500,544 502,213

**940,124** **1,460,955**

**9.2.7** Prime Trade Services Limited (PTSL) is a wholly owned subsidiary, engaged in providing trade services in Hong Kong. PTSL was incorporated in Hong Kong on July 22, 2005. The subsidiary is currently in the process of winding up by the bank.

Rupees in '000	Note	2007	2006
<b>9.3 Particulars of provision</b>			
Opening balance		4,239	3,962
Charge for the year		1,887	277
Reversals		-	-
Closing balance		<b>6,126</b>	4,239
<b>9.3.1 Particulars of provision in respect of type and segment</b>			
<b>Available-for-sale securities</b>			
<b>Shares - unlisted</b>			
Credit Rating Information Services Limited (Bangladesh)		2,452	2,452
Pakistan Export Finance Guarantee Agency Limited		3,674	1,787
		<b>6,126</b>	4,239
<b>9.4 Unrealised (Loss) / Gain on revaluation of investments classified as held-for-trading</b>			
Pakistan Investment Bonds		(34)	3,723
Nishat Mills Limited		-	27
		<b>(34)</b>	3,750
<b>10. ADVANCES</b>			
<b>Loans, cash credits, running finances, etc.</b>			
In Pakistan		66,687,357	69,581,277
Outside Pakistan		-	-
		<b>66,687,357</b>	69,581,277
<b>Net investment in finance lease</b>			
In Pakistan	10.3	889,972	977,744
<b>Bills discounted and purchased (excluding treasury bills)</b>			
Payable in Pakistan		331,105	1,441,617
Payable outside Pakistan		523,710	1,102,914
		<b>854,815</b>	2,544,531
Advances - gross		<b>68,432,144</b>	73,103,552
Provision for non-performing advances-Specific	10.5	(3,384,750)	(770,245)
Provision for non-performing advances-General	10.5	(579,000)	(490,000)
		<b>(3,963,750)</b>	(1,260,245)
Advances - net of provision		<b>64,468,394</b>	71,843,307
<b>10.1</b> Advances include a sum of Rs.958.160 million, which has been assigned to a special mention category, against which provision amounting to Rs.213.636 million has been made by the bank, in accordance with the directions of the State Bank of Pakistan.			
<b>10.2 Particulars of advances (Gross)</b>			
<b>10.2.1</b> In local currency			
In foreign currencies		65,624,192	69,492,722
		<b>2,807,952</b>	3,610,830
		<b>68,432,144</b>	73,103,552

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>10.2.2</b> Short Term ( for upto one year)		<b>41,513,654</b>	45,862,203
Long Term ( for over one year)		<b>26,918,490</b>	27,241,349
		<b>68,432,144</b>	73,103,552

### 10.3 Net investment in finance lease

<i>Rupees in '000</i>	2007				2006			
	Not later than one year	Later than one and less than five years	Over five years	Total	Not later than one year	Later than one and less than five years	Over five years	Total
Lease rentals receivable	194,670	617,484	38,935	851,089	214,411	740,337	41,944	996,692
Residual value	49,214	137,799	9,843	196,856	40,075	167,877	8,972	216,924
Minimum lease payments	243,884	755,283	48,778	1,047,945	254,486	908,214	50,916	1,213,616
Financial charges for future periods	(39,493)	(110,581)	(7,899)	(157,973)	(51,974)	(173,531)	(10,367)	(235,872)
Present value of minimum lease payments	204,391	644,702	40,879	889,972	202,512	734,683	40,549	977,744

**10.4** Advances include a sum of Rs.4,489.049 (2006: Rs.2,016.839) million which have been placed under non-performing status as detailed below:-

<i>Rupees in '000</i>	2007			2006		
	Classified Advances	Provision Required	Provision Held	Classified Advances	Provision Required	Provision Held
<b>Category of Classification</b>						
Special mention	-	213,636	213,636	-	-	-
Substandard	1,303,568	579,542	579,542	408,391	193,363	193,363
Doubtful	1,133,468	539,559	539,559	659,802	78,495	78,495
Loss	2,052,013	2,052,013	2,052,013	948,646	498,387	498,387
	4,489,049	3,384,750	3,384,750	2,016,839	770,245	770,245

### 10.5 Particulars of provision against non-performing advances

<i>Rupees in '000</i>	Note	2007			2006		
		Specific	General	Total	Specific	General	Total
Opening balance		770,245	490,000	1,260,245	524,676	390,620	915,296
Charge for the year		3,322,164	89,000	3,411,164	633,488	99,380	732,868
Reversals		(73,629)	-	(73,629)	-	-	-
		3,248,535	89,000	3,337,535	633,488	99,380	732,868
Amounts written off	10.6	(634,030)	-	(634,030)	(387,919)	-	(387,919)
Closing balance		3,384,750	579,000	3,963,750	770,245	490,000	1,260,245

#### 10.5.1 Particulars of provisions against non-performing advances

In local currency	3,384,750	579,000	3,963,750	770,245	490,000	1,260,245
In foreign currencies	-	-	-	-	-	-
	3,384,750	579,000	3,963,750	770,245	490,000	1,260,245



**10.5.2** During the year, the Bank has changed the method of computation of provision against non-performing advances in order to comply with the requirements of the BSD Circular No. 07, 2007 issued by the State Bank of Pakistan. This requires that the benefit of Forced Sales Value (FSV) of collateral held against the non-performing advances shall not be available except for the Housing Finance within stipulated limits.

The increased provision as a result of the above amounts to Rs.1,358.226 million. Had the above mentioned benefit of FSV of collateral not been withdrawn as a result of the circular issued by State Bank of Pakistan, the loss before tax would have reduced by 1,358.226 million whereas the advances and total assets would have increased by the same amount.

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>10.6 Particulars of write offs:</b>			
<b>10.6.1</b> Against provisions	10.5	<b>634,030</b>	387,919
Directly charged to profit and loss account		<b>533,258</b>	128,247
		<b>1,167,288</b>	516,166
<b>10.6.2</b> Write Offs of Rs. 500,000 and above	10.7	<b>155,744</b>	178,121
Write Offs of Below Rs. 500,000		<b>1,011,544</b>	338,045
		<b>1,167,288</b>	516,166

#### **10.7 Details of loan write-off 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 other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 2007 is given at Annexure-1.

#### **10.8 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 beginning of year	<b>1,009,481</b>	840,457
Loans granted during the year	<b>931,375</b>	460,918
Repayments	<b>(446,544)</b>	(291,894)
Balance at end of year	<b>1,494,312</b>	1,009,481

##### **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**

Balance at beginning of year	<b>18,804</b>	-
Loans granted during the year	-	22,280
Repayments	<b>(18,804)</b>	(3,476)
Balance at end of year	-	18,804

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>11. OPERATING FIXED ASSETS</b>			
Capital work-in-progress	11.1	<b>105,898</b>	240,309
Property and equipment	11.2	<b>2,584,829</b>	2,351,508
Intangible assets	11.3	<b>88,215</b>	57,185
		<b>2,778,942</b>	2,649,002

#### 11.1 Capital work-in-progress

Civil works	<b>16,350</b>	150,894
Equipment	<b>23,250</b>	54,031
Advances to suppliers and contractors	<b>64,674</b>	35,010
Others	<b>1,624</b>	374
	<b>105,898</b>	240,309

<b>Note</b>	<b>2007</b>							<b>Rate of depreciation</b>
	<b>COST</b>			<b>ACCUMULATED DEPRECIATION</b>				
	<b>Opening Balance</b>	<b>Additions/ (Deletions)</b>	<b>Closing Balance</b>	<b>Opening Balance</b>	<b>For the year / (on deletions)</b>	<b>Closing Balance</b>	<b>Book value</b>	
	<i>Rupees in '000</i>							%

#### 11.2 Property and equipment

##### Owned

##### Land

- Freehold	203,201	-	203,201	-	-	-	203,201	-
- Leasehold	171,046	-	171,046	3,640	459	4,099	166,947	1.41

##### Buildings on

- Freehold land	11.2.4	854	94,750	95,604	496	17,935	18,431	77,173	5
- Leasehold land		776,116	-	776,116	124,113	20	124,133	651,983	2.5

Furniture and fixtures	11.2.4	279,707	77,134 (2,815)	354,026	133,340	49,037 (1,835)	180,542	173,484	20
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Electrical, office and computer equipment		1,135,472	338,850 (38,735)	1,435,587	612,908	193,411 (29,710)	776,609	658,978	20
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Motor vehicles		360,043	76,040 (304,977)	131,106	149,196	47,007 (127,352)	68,851	62,255	20
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Alteration costs of rented premises		714,780	242,502 (86,211)	871,071	266,018	66,772 (52,527)	280,263	590,808	10
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<b>December 31, 2007</b>		<b>3,641,219</b>	<b>829,276 (432,738)</b>	<b>4,037,757</b>	<b>1,289,711</b>	<b>374,641 (211,424)</b>	<b>1,452,928</b>	<b>2,584,829</b>	
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	2006							
	COST			ACCUMULATED DEPRECIATION				
	Opening Balance	Additions/ (Deletions)	Closing Balance	Opening Balance	For the year / (on deletions)	Closing Balance	Book value	Rate of depreciation
	Rupees in '000							
<b>Owned</b>								
Land								
- Freehold	203,201		203,201			-	203,201	-
- Leasehold	171,046		171,046	3,181	459	3,640	167,406	1.41
Buildings on								
- Freehold land	854		854	453	43	496	358	5
- Leasehold land	774,721	1,395	776,116	104,693	19,420	124,113	652,003	2.5-5
Furniture and fixtures	223,948	61,593 (5,834)	279,707	116,149	23,044 (5,853)	133,340	146,367	10-20
Electrical, office and computer equipment	907,760	273,927 (46,215)	1,135,472	516,001	142,928 (46,021)	612,908	522,564	20
Motor vehicles	308,242	99,269 (47,468)	360,043	124,281	65,439 (40,524)	149,196	210,847	20
Alteration costs of rented premises	526,774	190,886 (2,880)	714,780	209,642	59,646 (3,270)	266,018	448,762	10-20
<b>December 31, 2006</b>	<b>3,116,546</b>	<b>627,070 (102,397)</b>	<b>3,641,219</b>	<b>1,074,400</b>	<b>310,979 (95,668)</b>	<b>1,289,711</b>	<b>2,351,508</b>	

**11.2.1** The gross carrying value of fully depreciated assets still in use amounted to Rs.585.387 (2006: Rs. 535.577) million.

**11.2.2** The fair value of land and building thereon has been determined at Rs.2,344.458 million whereas fair value of other fixed assets is not materially different from their carrying amount.

**11.2.3** The gross amount of fixed assets aggregating to Rs.21.417 million have been written off during the current accounting year end.

**11.2.4** During the current year, due to amalgamation of bank with ABN Amro Bank N.V. - Pakistan Branches, the bank changed rates for depreciation on buildings on leasehold land and furnitures and fixtures, to align the same as per the group's requirements and to better reflect the pattern of utilisation of the economic benefits derived from the asset. The effect of this change on loss before taxation for the current year is increase in loss by Rs. 24.592 million. Had the bank not changed the rates of depreciation on its fixed assets, depreciation charge for the year would have been lower by Rs.24.592 million and net assets at the end of the year would have been higher by the same amount.

### 11.3 Intangible Assets

	2007							
	COST			AMORTIZATION			Book value	Rate of amortization
	Opening balance	Additions/ (deletions)	Closing balance	Opening balance	Amortization	Closing balance		
	Rupees in '000							
							%	
Computer software	171,200	85,421 (21,865)	234,756	114,015	34,312 (1,786)	146,541	88,215	30-33.33
<b>December 31, 2007</b>	<b>171,200</b>	<b>85,421</b> <b>(21,865)</b>	<b>234,756</b>	<b>114,015</b>	<b>34,312</b> <b>(1,786)</b>	<b>146,541</b>	<b>88,215</b>	

	2006							
	COST			AMORTIZATION			Book value	Rate of amortization
	Opening balance	Additions/ (deletions)	Closing balance	Opening balance	Amortization	Closing balance		
	Rupees in '000							
							%	
Computer software	127,724	43,476	171,200	96,411	17,604	114,015	57,185	30-33.33
<b>December 31, 2006</b>	<b>127,724</b>	<b>43,476</b>	<b>171,200</b>	<b>96,411</b>	<b>17,604</b>	<b>114,015</b>	<b>57,185</b>	

**11.3.1** The gross carrying value of fully amortised assets still in use amounted to Rs.59.787 (2006: Rs.52.340) million.

### 11.4 Disposal of fixed assets during the year

**11.4.1** The following fixed assets, having cost above Rs.1.0 million or book value above Rs.0.250 million, were sold to persons other than the bank's executives during the year ended December 31, 2007.

Asset	Cost	Net Book Value	Sales Proceed	Mode of Disposal	Particulars of buyers
Rupees in '000					
Vehicle	892	-	352	Auction	Syed Asif Ahmed, Karachi
Vehicle	821	-	475	Auction	Waseem Hanif, Karachi
Vehicle	901	-	500	Auction	Khalil Ahmed, Karachi
Vehicle	881	514	514	Insurance Claim	EFU General Insurance
Vehicle	639	405	530	Insurance Claim	EFU General Insurance
Vehicle	1,043	714	840	Insurance Claim	EFU General Insurance
Vehicle	950	665	750	Insurance Claim	EFU General Insurance

**11.4.2** The following fixed assets were disposed of to the bank's executives during the year as per the terms of employment:

<b>Asset</b>	<b>Cost</b>	<b>Net Book Value</b>	<b>Sales Proceed</b>	<b>Mode of Disposal</b>	<b>Particulars of buyers</b>
<i>----- Rupees in '000 -----</i>					
Vehicle	609	274	274	Bank Policy	Abdul Jabbar, Employee
Vehicle	951	333	476	Bank Policy	Ahmed Wajih, Employee
Vehicle	615	482	482	Bank Policy	Akbar Ali, Employee
Vehicle	964	611	611	Bank Policy	Ali Salman, Employee
Vehicle	881	499	499	Bank Policy	Aman Ullah Khan, Employee
Vehicle	881	587	587	Bank Policy	Anjum Saeed, Employee
Vehicle	609	274	274	Bank Policy	Anwar Khan Durani, Employee
Vehicle	620	486	486	Bank Policy	Asif Bashir, Employee
Vehicle	609	274	274	Bank Policy	Asim Afzal, Employee
Vehicle	881	528	528	Bank Policy	Atif Kausar, Employee
Vehicle	931	853	853	Bank Policy	Azhar Herl, Employee
Vehicle	844	309	309	Bank Policy	Bilal Bin Zaheer, Employee
Vehicle	979	212	489	Bank Policy	Ebrahim Ghaffar, Employee
Vehicle	609	315	315	Bank Policy	Faheem Khan, Employee
Vehicle	609	274	274	Bank Policy	Fida Hussain Shah, Employee
Vehicle	620	434	434	Bank Policy	Fraz Anwar, Employee
Vehicle	931	620	620	Bank Policy	G.M.Shahryar Ahmed, Employee
Vehicle	647	442	464	Bank Policy	Habib Ur Rehman, Employee
Vehicle	609	254	254	Bank Policy	Hamid Ahmed, Employee
Vehicle	978	375	375	Bank Policy	Iqram Siddiqui, Employee
Vehicle	931	822	822	Bank Policy	Iqram Siddiqui, Employee
Vehicle	951	333	476	Bank Policy	Irfan Anwar, Employee
Vehicle	639	501	501	Bank Policy	Kausar Riaz, Employee
Vehicle	609	264	264	Bank Policy	Kehkashan Zaidi, Employee
Vehicle	841	308	308	Bank Policy	Khalid Ahsan, Employee
Vehicle	1,038	865	865	Bank Policy	Khalid Ahsan, Employee
Vehicle	881	499	499	Bank Policy	Khalid Imran, Employee
Vehicle	791	264	264	Bank Policy	Khalid Munawaruddin, Employee
Vehicle	615	472	472	Bank Policy	Khaliq Dad, Employee
Vehicle	881	543	543	Bank Policy	Khawalah Gultasab, Employee
Vehicle	615	492	492	Bank Policy	Mahboob Mirza, Employee
Vehicle	648	443	443	Bank Policy	Mahmood Ul Hassan, Employee
Vehicle	936	671	671	Bank Policy	Mansoor Jabbar, Employee
Vehicle	1,042	590	590	Bank Policy	Mansoor Jabbar, Employee
Vehicle	856	286	428	Bank Policy	Masood Ahmed, Employee
Vehicle	620	486	486	Bank Policy	Mirza Shahid Hussain, Employee
Vehicle	639	437	437	Bank Policy	Mobin Iqbal, Employee
Vehicle	841	294	294	Bank Policy	Moghhis Bokhari, Employee

Asset	Cost	Net Book Value	Sales Proceed	Mode of Disposal	Particulars of buyers
----- Rupees in '000 -----					
Vehicle	609	274	274	Bank Policy	Mohammad Anees, Employee
Vehicle	604	272	272	Bank Policy	Mudassar R. Qureshi, Employee
Vehicle	612	388	388	Bank Policy	Muhammad Arshad, Employee
Vehicle	609	284	284	Bank Policy	Muhammad S. Shah, Employee
Vehicle	609	264	264	Bank Policy	Muhammad Saeed, Employee
Vehicle	609	254	254	Bank Policy	Murtaza Kanani, Employee
Vehicle	609	386	386	Bank Policy	Nabeela Sajjad, Employee
Vehicle	841	682	682	Bank Policy	Naveed Ahmed, Employee
Vehicle	620	496	496	Bank Policy	Noman Nasir, Employee
Vehicle	951	174	476	Bank Policy	Nooruddin Mustafa, Employee
Vehicle	962	577	577	Bank Policy	Owais Khan, Employee
Vehicle	1,018	187	509	Bank Policy	Pervaiz Shahbaz, Employee
Vehicle	620	506	506	Bank Policy	Rao Sufi Ahmed, Employee
Vehicle	639	405	405	Bank Policy	Saadia S. Rajput, Employee
Vehicle	931	667	667	Bank Policy	Sadaf Nonari, Employee
Vehicle	978	293	293	Bank Policy	Saeed I.Ch, Employee
Vehicle	1,206	301	301	Bank Policy	Saeed I.Ch, Employee
Vehicle	3,420	798	798	Bank Policy	Saeed I.Ch, Employee
Vehicle	609	315	315	Bank Policy	Sajjad Bhatti, Employee
Vehicle	1,018	204	509	Bank Policy	Salman Arshad, Employee
Vehicle	931	698	698	Bank Policy	Samiuddin Khan, Employee
Vehicle	885	472	472	Bank Policy	Sardar Muneer, Employee
Vehicle	938	344	344	Bank Policy	Shafique Naeem, Employee
Vehicle	791	356	356	Bank Policy	Shafique Naeem, Employee
Vehicle	604	282	282	Bank Policy	Shahid Nauman, Employee
Vehicle	963	321	482	Bank Policy	Shameem Ahmed, Employee
Vehicle	936	733	733	Bank Policy	Shaukat Ansari, Employee
Vehicle	881	455	455	Bank Policy	Shehzad Sadiq, Employee
Vehicle	857	286	428	Bank Policy	Shoaib Sandella, Employee
Vehicle	881	499	499	Bank Policy	Tahmeed Sadiq, Employee
Vehicle	639	415	426	Bank Policy	Tariq Rashid, Employee
Vehicle	609	254	254	Bank Policy	Tariq Sharif, Employee
Vehicle	609	274	274	Bank Policy	Tehmina Mahmood, Employee
Vehicle	609	386	386	Bank Policy	Usman, Employee
Vehicle	609	274	274	Bank Policy	Usman Ghani, Employee
Vehicle	1,042	521	521	Bank Policy	W.U.Sakrani, Employee
Vehicle	931	636	636	Bank Policy	Wajih Zaidi, Employee
Vehicle	609	274	274	Bank Policy	Waseem Mubarak, Employee
Vehicle	620	486	486	Bank Policy	Zafar Iqbal, Employee

**11.4.3** Motor Vehicles having cost of Rs. 178.341 million and written down value of Rs.123.866 million, have been transferred to the employees of the bank at their written down value and recorded in the books as loan receivable. The said policy requires transfer of all motor vehicles that are currently in the possession of the bank's executive staff, under a zero percent car loan.

Rupees in '000	Note	2007	2006
<b>12.1 DEFERRED TAX ASSET</b>			
<b>Deferred tax credits arising due to:</b>			
Differences between accounting and tax written down values		<b>(298,307)</b>	(176,354)
Other deductible temporary difference		-	(13,256)
		<b>(298,307)</b>	(189,610)
<b>Deferred tax debits arising in respect of:</b>			
Deficit on revaluation of assets		<b>9,989</b>	11,004
Unused tax loss		<b>504,954</b>	-
Minimum tax on turnover		<b>41,000</b>	-
Provision against non-performing advances		<b>122,713</b>	89,423
		<b>678,656</b>	100,427
		<b>380,349</b>	(89,183)

**12.1** During the year, the Seventh Schedule has been introduced for taxation of banks in Pakistan. Rules of the schedule inter alia provide that all provision for classified advances and off balance items created under the SBP Prudential Regulations except for the provisions falling under the category of "sub-standard" will be allowed as claimed in the financial statements. The Schedule is applicable for the year ending December 31, 2008. Currently, provisions for classified advances and off balance items are allowed as a deduction if they fulfill the criteria set out in section 29 of the Income Tax Ordinance, 2001. The Schedule, however, does not contain any transitory provisions with respect to reclaim or allowability of provisions made before the applicability of the Schedule which have either been voluntarily added back or disallowed by tax authorities in the past. The matter of introduction of such transitory provisions has been taken up with Federal Board of Revenue by Pakistan Banks Association and based on discussions to date the bank's management is confident that such provisions will be enacted in the Schedule. Accordingly, the deferred tax calculation assumes that the bank would be able to get the benefit of the asset so recognized on such provisions that have not been allowed as a deduction for tax purposes in the past.

**12.2** The amount of deductible temporary difference for which no deferred tax asset is recognised by the bank amounted to Rs 791.735 million.

### 13. OTHER ASSETS

Income/ Mark-up accrued in local currency		<b>1,184,588</b>	1,411,971
Income/ Mark-up accrued in foreign currency		<b>55,754</b>	60,451
Advances, deposits, advance rent and other prepayments		<b>485,313</b>	529,009
Non-banking assets acquired in satisfaction of claims	13.1	<b>13,000</b>	13,000
Branch adjustment account		-	32,819
Unrealized gain on forward foreign exchange contracts		<b>243,660</b>	19,857
Unrealised gain on interest rates derivative contracts and foreign currency options – net		-	224,249
Stationery and stamp paper		<b>31,282</b>	112,366
Dividend receivable		<b>4,185</b>	155
Deferred cost		<b>94,347</b>	22,327
Others		<b>297,196</b>	99,732
		<b>2,409,325</b>	2,525,936
Less: Provision held against other assets	13.2	<b>(71,616)</b>	(44,310)
Other Assets (Net of Provision)		<b>2,337,709</b>	2,481,626

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>13.1</b>	Market value of non-banking assets acquired in satisfaction of claims (As per valuation report dated March 16, 2006)	<b>17,060</b>	17,060
<b>13.2</b>	<b>Provision against other assets</b>		
	Opening balance	<b>44,310</b>	14,703
	Charge for the year	<b>60,858</b>	40,695
	Reversals	<b>(33,552)</b>	(11,088)
	Closing balance	<b>71,616</b>	44,310
<b>14.</b>	<b>CONTINGENT ASSET</b>		
	There were no contingent assets as at December 31, 2007 (2006: Nil).		
<b>15.</b>	<b>BILLS PAYABLE</b>		
	In Pakistan	<b>2,084,367</b>	1,344,304
	Outside Pakistan	-	-
		<b>2,084,367</b>	1,344,304
<b>16.</b>	<b>BORROWINGS</b>		
	In Pakistan	<b>5,345,270</b>	16,672,448
	Outside Pakistan	<b>722,758</b>	157,445
		<b>6,068,028</b>	16,829,893
<b>16.1</b>	<b>Particulars of borrowings with respect to Currencies</b>		
	In local currency	<b>5,345,270</b>	16,371,545
	In foreign currencies	<b>722,758</b>	458,348
		<b>6,068,028</b>	16,829,893
<b>16.2</b>	<b>Details of borrowings Secured / Unsecured</b>		
	<b>Secured</b>		
	Borrowings from State Bank of Pakistan		
	Under export refinance scheme	16.2.1 <b>3,575,543</b>	5,187,756
	Long term financing of export projects	16.2.1 <b>666,484</b>	847,469
	Repurchase agreement borrowings	-	7,645,746
		<b>4,242,027</b>	13,680,971
	<b>Unsecured</b>		
	Call borrowings	16.2.2 <b>1,100,000</b>	2,990,153
	Overdrawn nostro accounts	<b>726,001</b>	158,769
		<b>1,826,001</b>	3,148,922
		<b>6,068,028</b>	16,829,893

**16.2.1** These are secured against promissory notes, export documents and undertaking of the bank by granting the right to recover the outstanding amount from the bank at the date of maturity of the finance by directly debiting the current account maintained by the bank with the State Bank of Pakistan. The mark-up rate on these borrowings is 4.0% to 6.5% (2006: 4.0% to 7.5%) per annum, payable quarterly or upon maturity of loans, whichever is earlier.



**16.2.2** These represent call borrowings from financial institutions, carrying mark-up at rates, ranging from 9.70% to 10.25% (2006: 3.40 % to 10.65%) per annum, with maturities up to April 4, 2008.

<i>Rupees in '000</i>	<b>2007</b>	2006
<b>17. DEPOSITS AND OTHER ACCOUNTS</b>		
<b>Customers</b>		
Fixed deposits	<b>36,240,632</b>	37,690,295
Savings deposits	<b>32,188,318</b>	32,269,900
Current Accounts - Non-remunerative	<b>20,858,193</b>	20,516,013
Margin Accounts	<b>649,971</b>	685,010
	<b>89,937,114</b>	91,161,218
<b>Financial Institutions</b>		
Remunerative deposits	<b>89,644</b>	2,306,976
Non-remunerative deposits	<b>261,896</b>	274,145
	<b>351,540</b>	2,581,121
	<b>90,288,654</b>	93,742,339
<b>17.1 Particulars of deposits</b>		
In local currency	<b>75,573,569</b>	79,941,917
In foreign currencies	<b>14,715,085</b>	13,800,422
	<b>90,288,654</b>	93,742,339
<b>18. SUBORDINATED LOAN</b>	<b>799,200</b>	799,520
<p>This represents the balance payable on the subordinated Term Finance Certificates, issued for a total amount of Rs.800 million and is listed on the Lahore Stock Exchange. The instrument is unsecured, subordinated as to the payment of principal and profit to all other indebtedness of the Bank (including depositors) and is not redeemable before maturity without prior approval of the State Bank of Pakistan. The rate of profit is based on a floating rate "Base Rate" of six months KIBOR plus 1.9% per annum and will be paid semi-annually, with no floor and ceiling. The floating rate "Base Rate" for the profit due at the end of first semi-annual period will be set a day preceding the Issue Date and for subsequent semi-annual periods on the immediately preceding date before the start of each six months period for the profit due at the end of that semi-annual period. During the year principal amounting to Rs.0.320 (2006: Rs.0.320) million was redeemed, however, major redemption will commence from the 60th month of the issue.</p>		
<b>19. OTHER LIABILITIES</b>		
Mark-up/ Return/ Interest payable in local currency	<b>578,631</b>	818,613
Mark-up/ Return/ Interest payable in foreign currency	<b>35,187</b>	34,742
Unearned commission and income on bills discounted	<b>158,649</b>	115,070
Accrued expenses	<b>542,363</b>	263,340
Advance payments	<b>19,720</b>	10,815
Current taxation (provisions less payments)	<b>810,674</b>	669,067
Unclaimed dividends	<b>6,176</b>	6,323
Branch adjustment account	<b>147,489</b>	-
Payable to defined benefit plan	<b>15,372</b>	907
Payable to defined contribution plan	<b>4,009</b>	-
Unrealised loss on interest rates derivative contracts and foreign currency options – net	<b>339,181</b>	-
Security deposits against finance lease	<b>227,801</b>	216,924
Payable to suppliers (construction work / equipment)	<b>28,954</b>	14,049
Others	<b>315,313</b>	205,310
	<b>3,229,519</b>	2,355,160

## 20. SHARE CAPITAL

### 20.1 Authorised

2007	2006		2007	2006
Number of Shares			(Rupees in '000)	
<b>1,400,000,000</b>	600,000,000	Ordinary shares of Rs. 10 each	<b>14,000,000</b>	6,000,000

The bank has increased its authorized capital as approved by the members in an Extra Ordinary General Meeting held on July 27, 2007.

### 20.2 Issued, subscribed and paid up

Number of shares				
<b>145,102,278</b>	145,102,278	Ordinary shares of Rs. 10 each fully paid in cash	<b>1,451,023</b>	1,451,023
<b>128,834,891</b>	128,834,891	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	<b>1,288,349</b>	1,288,349
<b>1,073,499,216</b>	-	Ordinary shares of Rs. 10 each issued pursuant to the Scheme of Amalgamation (see note 1.3)	<b>10,734,992</b>	-
<b>1,347,436,385</b>	273,937,169		<b>13,474,364</b>	2,739,372

**20.2.1** As at December 31, 2007, ABN AMRO Bank N.V., the parent company, held 1,336,926,381 (99.22%) Ordinary shares (2006: nil) of the bank.

## 21. HEAD OFFICE CAPITAL ACCOUNT

### Capital held as:

Interest free deposit in Approved foreign exchange

i) Remitted from Head Office [(US. \$ 42.023 million) (2006: US \$ 42.023 million)]	-	2,512,632
ii) Revaluation surplus allowed by the State Bank	-	45,679
	-	<b>2,558,311</b>

**21.1** This represents head office capital held by the ABN AMRO Bank - Pakistan Branches with the State Bank of Pakistan (refer note 6) which was released by the SBP upon amalgamation of ABN AMRO Bank N.V. - Pakistan Branches, with and into ABN AMRO Bank (Pakistan) Limited [formerly Prime Commercial Bank Limited].

## 22. DEFICIT ON REVALUATION OF ASSETS - NET OF TAX

### 22.1 Surplus / (Deficit) on revaluation of Available-for-sale securities

Federal Government Securities	<b>(26,622)</b>	(31,438)
Quoted shares	<b>(6,714)</b>	(80,405)
Other securities	-	13,873
	<b>(33,336)</b>	(97,970)
Related Deferred tax asset	<b>9,989</b>	11,004
	<b>(23,347)</b>	(86,966)

Rupees in '000

2007

2006

## 23. CONTINGENCIES AND COMMITMENTS

### 23.1 Direct Credit Substitutes

Including general guarantees of indebtedness, bank acceptance guarantees and standby letters of credit serving as financial guarantees for loans and securities

(i) Government	-	381,556
(ii) Financial Institutions	-	211,360
(iii) Others	<b>3,435,759</b>	5,098,004
	<b>3,435,759</b>	5,690,920

### 23.2 Transaction-related Contingent Liabilities

Including performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions

(i) Government	<b>187,030</b>	1,610,688
(ii) Financial Institutions	<b>15,124,792</b>	8,319,111
(iii) Others	<b>4,199,634</b>	2,349,958
	<b>19,511,456</b>	12,279,757

### 23.3 Trade-related Contingent Liabilities

Letters of credit	<b>18,849,973</b>	12,086,098
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### 23.4 Tax Contingencies

**23.4.1** The income tax returns of the Bank have been submitted upto the December 31, 2006 while assessments upto the Tax year 2007 have been finalised. In computing the taxable income, the Income Tax Department has disallowed various items including certain provisions against non performing advances against which the bank has filed an appeal in the Income Tax Appellate Tribunal and the case was decided in favor of the Bank. However in the case of adverse outcome at the High Court level liability may arise amounting to Rs.1,079 million.

**23.4.2** Assessments of ABN AMRO Bank N.V Pakistan Branches (the branches) have been finalised upto the tax year 2007. In respect of tax years 2006 and 2007 returns of income have been filed. Under the provisions of section 120 of Income Tax Ordinance, 2001 (the Ordinance) these returns are deemed to be assessments orders passed by the Commissioner of Income Tax for the respective tax year. The said returns have so far not been selected for audit by the tax authorities. For the tax year 2006, proceedings for amending the assessment have been initiated by the taxation authorities which are pending. For the tax year 2007, the return has so far not been selected for audit by taxation authorities. To-date, these have also not been amended under section 122 of the Ordinance.

**23.4.3** For the tax years 2003 and 2004 ABN AMRO Bank N.V Pakistan Branches (the branches) has filed an appeal with the Income Tax Appellate Tribunal (ITAT) which is pending adjudication. For the tax year 2005, order under Section 122 has recently been passed by the taxation authorities wherein certain disallowances were made. Against the disallowances, the bank has filed an appeal before the Commissioner of Income Tax (Appeals) which is pending. The amount of tax involved in respect of the issues that are pending in appeals with ITAT is Rs.130 million for which no provision has been made in the financial statements as the management is confident that the ultimate outcome of the appeals in question will be in favor of the bank.

### 23.5 Commitments in respect of forward lending

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 unilaterally withdrawn.

<i>Rupees in '000</i>	<b>2007</b>	2006
<b>23.6 Commitments in respect of forward exchange contracts</b>		
Purchase	<b>66,542,715</b>	33,816,009
Sale	<b>45,225,207</b>	25,467,248
<b>23.7 Commitments for the acquisition of operating fixed assets</b>	<b>29,498</b>	29,076
<b>23.8 Other commitments</b>		
Interest Rate Derivative Contracts (notionals)	<b>111,409,462</b>	69,009,455
Foreign currency options (notionals)	<b>5,284,860</b>	10,466,015

## 24. DERIVATIVE INSTRUMENTS

The bank is an Authorised Derivative Dealer ("ADD") of the SBP. The purpose of the derivative business of the bank is to provide risk solutions for the clients of the bank and to hedge and manage the risks in its own books. The bank currently deals in FX derivatives and Interest Rate derivatives with clients.

ABN AMRO Bank's Group Risk Management (GRM) function is independent from the Business Line. GRM reviews Credit Risks, Market Risks and other risks associated with a transaction or area of activity and assigns Limits within which the transaction / area of activity can be carried out. Adherence to these Limits is ensured through independent Monitoring and Control functions.

### Derivative Risk Management

There are a number of risks undertaken by the bank, which need to be monitored and assessed. Major risks associated with derivatives are market risk and credit risk. The bank uses internal models to measure and manage these risks.

#### Market Risks:

The authority for approving policies and limits rests with GRM, via the Global Risk Committee (GRC). Limit approval process is further delegated to specialized Risk Management Committees (RMC) by the GRC. For each location's derivatives business, the relevant committee approves limits and products, as well as reviews the activity through periodic portfolio reviews. The most important measures used to manage market risks are Delta, VaR and OCP. These measures are calculated through the relevant systems.

#### Credit Risk:

There are a number of risks undertaken by the bank, which need to be monitored and assessed. Major risks associated with derivatives are market risk and credit risk. The bank uses internal models to measure and manage these risks.

There are two types of credit risk (Settlement and Pre-Settlement risk) that are associated with derivatives transactions and monitored on a regular basis. GRM sets the policies and limits for counterparty risk based on internal ratings model. The significant measures used to manage credit risk are MDDR and OBSI respectively.

#### Liquidity Risk:

Liquidity risk is managed as part of the overall liquidity risk of the bank.

### Asset and Liability Management:

The business line follows its business plans and profit targets while managing exposures within the pre-approved limits. The Local Trading desk works under guidance of the Regional Trading desk.

The Trading desk closes its cash positions with the banking book. The asset and liability implications of derivatives business are therefore managed within the overall Asset and Liability management limits.

## 24.1 Product Analysis

Counterparties	2007			
	Interest Rate and Cross Currency Swaps		FX Options	
	No. of Contracts	Notional Principal Rs. in '000	No. of Contracts	Notional Principal Rs. in '000
<b>With Banks for</b>				
Hedging	24	40,119,016	1	2,642,430
Market Making	-	-	-	-
<b>With FIs other than banks</b>				
Hedging	-	-	-	-
Market Making	-	-	-	-
<b>With other entities for</b>				
Hedging	-	-	-	-
Market Making	50	71,290,446	1	2,642,430
<b>Total</b>				
Hedging	24	40,119,016	1	2,642,430
Market Making	50	71,290,446	1	2,642,430
	<b>74</b>	<b>111,409,462</b>	<b>2</b>	<b>5,284,860</b>
Counterparties	2006			
	Interest Rate and Cross Currency Swaps		FX Options	
	No. of Contracts	Notional Principal Rs. in '000	No. of Contracts	Notional Principal Rs. in '000
<b>With Banks for</b>				
Hedging	19	32,960,885	4	5,232,704
Market Making	-	-	-	-
<b>With FIs other than banks</b>				
Hedging	-	-	-	-
Market Making	-	-	-	-
<b>With other entities for</b>				
Hedging	-	-	-	-
Market Making	20	36,047,964	4	5,232,704
<b>Total</b>				
Hedging	19	32,960,885	4	5,232,704
Market Making	20	36,047,964	4	5,232,704
	<b>39</b>	<b>69,008,849</b>	<b>8</b>	<b>10,465,408</b>

## 24.2 Maturity Analysis

### Interest Rate Swaps and Cross Currency Swaps

Remaining Maturity	No. of Contracts	Notional Principal	2007		
			Mark to Market		
			Negative	Positive	Net
Rupees in '000					
Upto 1 month	-	-	-	-	-
1 to 3 months	-	-	-	-	-
3 to 6 months	-	-	-	-	-
6 month to 1 Year	-	-	-	-	-
1 to 2 Year	12	17,003,041	(124,829)	173,117	48,288
2 to 3 Years	6	7,565,669	(79,462)	20,520	(58,942)
3 to 5 Years	37	33,927,643	(1,006,949)	740,878	(266,071)
5 to 10 years	19	52,913,109	(791,698)	729,242	(62,456)
Above 10 Years					
	<b>74</b>	<b>111,409,462</b>	<b>(2,002,938)</b>	<b>1,663,757</b>	<b>(339,181)</b>

Remaining Maturity	No. of Contracts	Notional Principal	2006		
			Mark to Market		
			Negative	Positive	Net
Rupees in '000					
Upto 1 month	-	-	-	-	-
1 to 3 months	-	-	-	-	-
3 to 6 months	-	-	-	-	-
6 month to 1 Year	-	-	-	-	-
1 to 2 Year	-	-	-	-	-
2 to 3 Years	6	31,697,444	88,539	199,571	111,032
3 to 5 Years	26	13,536,381	343,964	260,328	(83,636)
5 to 10 years	7	23,775,024	24,101	220,953	196,853
Above 10 Years					
	<b>39</b>	<b>69,008,849</b>	<b>456,604</b>	<b>680,852</b>	<b>224,249</b>

Rupees in '000	<b>2007</b>	2006
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## 25. MARK-UP / RETURN / INTEREST EARNED

### On Loans and advances to:

Customers	<b>8,549,787</b>	7,838,909
Financial Institutions	<b>70,943</b>	139,851

### On Investments in:

Held for Trading Securities	<b>97,443</b>	82,625
Available for sale securities	<b>1,837,622</b>	2,018,795
Held to maturity securities	-	126,865

**1,935,065**      2,228,285

On Deposits with financial institutions	<b>2,104,554</b>	648,086
On Securities purchased under resale agreements	<b>343,310</b>	252,951
Others	<b>228</b>	140

**13,003,887**      11,108,222

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>26. MARK-UP / RETURN / INTEREST EXPENSED</b>			
Deposits		<b>4,809,585</b>	3,968,767
Securities sold under repurchase agreements		<b>294,362</b>	712,317
Other short term borrowings		<b>1,576,910</b>	395,466
Long term borrowings		<b>97,786</b>	92,554
		<b>6,778,643</b>	5,169,104
<b>27. (LOSS) / GAIN ON SALE OF SECURITIES</b>			
<b>Federal Government Securities</b>			
Market Treasury Bills		<b>5,024</b>	(7,520)
Pakistan Investment Bonds		<b>(273,637)</b>	(12,470)
		<b>(268,613)</b>	(19,990)
<b>Shares / Certificates</b>			
Listed		<b>(30,053)</b>	85,130
Unlisted		-	120
		<b>(30,053)</b>	85,250
		<b>(298,666)</b>	65,260
<b>28. OTHER INCOME</b>			
Rental income		<b>17,653</b>	16,889
Net profit on sale of property and equipment		<b>38</b>	7,915
Income on interest rate derivatives contracts		<b>294,753</b>	247,574
Compensation on delayed refund		-	22,366
Bad debts recovered		<b>147,110</b>	41,316
Others		<b>20,424</b>	27,805
		<b>479,978</b>	363,865
<b>29. ADMINISTRATIVE EXPENSES</b>			
Salaries, allowances, etc.	29.1	<b>2,903,887</b>	1,778,385
Charge for defined benefit plan - gratuity		<b>78,817</b>	53,978
Contribution to defined contribution plan - provident fund		<b>77,587</b>	55,125
Non-executive directors' fees, allowances and other expenses		<b>1,848</b>	1,800
Rent, taxes, insurance, electricity, etc.		<b>563,931</b>	495,398
Legal and professional charges		<b>101,322</b>	37,473
Communications		<b>315,475</b>	235,467
Repairs and maintenance		<b>202,325</b>	95,157
Commission and brokerage		<b>7,957</b>	10,277
Stationery and printing		<b>188,984</b>	134,192
Advertisement and publicity		<b>344,290</b>	252,285
Donations		-	10,000
Auditors' remuneration	29.2	<b>11,097</b>	6,215
Depreciation	11.2	<b>374,641</b>	310,979
Amortization	11.3	<b>34,312</b>	17,604
Staff training		<b>26,380</b>	15,356
Travel expenses		<b>192,343</b>	140,260
Sundry automation expenses		<b>72,824</b>	50,929
Others		<b>273,660</b>	171,728
		<b>5,771,680</b>	3,872,608

**29.1** Included herein is a sum of Rs.70.991 million representing the cash settled share based payments made to certain employees of the bank.

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>29.2 Auditors' remuneration</b>			
Audit fee		<b>2,000</b>	1,750
Special certifications, half yearly review, tax and sundry advisory services		<b>7,297</b>	3,815
Out-of-pocket expenses		<b>1,800</b>	650
		<b>11,097</b>	6,215
<b>30. OTHER PROVISIONS / WRITE-OFFS</b>			
Provision against other assets	13.2	<b>60,858</b>	40,695
Other write-offs		<b>58,064</b>	18
Provision against off-balance sheet obligations		-	(2,240)
		<b>118,922</b>	38,473
<b>31. OTHER CHARGES</b>			
Penalties imposed by State Bank of Pakistan		<b>30,926</b>	15,119
Loss from sale of non-banking assets		-	2,410
		<b>30,926</b>	17,529
<b>32. TAXATION</b>			
<b>For the year</b>			
Current		<b>623,505</b>	1,078,000
Deferred		<b>(470,547)</b>	(11,797)
		<b>152,958</b>	1,066,203
<b>For the prior year</b>			
Current		<b>45,000</b>	110,000
Deferred		-	-
		<b>45,000</b>	110,000
		<b>197,958</b>	1,176,203



<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
<b>32.1 Relationship between tax expense and accounting profit</b>			
(Loss) / Profit before taxation	32.1.1	<b>(1,366,806)</b>	3,570,512
Tax at the applicable tax rate of 35% (2006: 35%)		<b>(478,382)</b>	1,249,679
Tax effect of items that are not included in determining taxable profit		<b>961,874</b>	(30,255)
Tax effect of expenses that are deductible in determining taxable income		<b>(409,941)</b>	(131,211)
Tax effect of income chargeable at lower rate		-	(10,197)
Minimum Tax on Turnover		<b>41,000</b>	-
Tax effect of prior year adjustments		<b>45,000</b>	110,000
Tax effect of reduction in rate		-	(1,650)
Tax effect of deferred tax		<b>34,407</b>	40,758
Others		<b>4,000</b>	(50,921)
Net tax charge for the year		<b>197,958</b>	1,176,203

**32.1.1** Included herein is a sum of Rs.1,475.527 million, which solely pertains to the Profit before Tax of ABN AMRO Bank N.V. - Pakistan Branches reported upto August 31, 2007 (pre-amalgamation). The remaining balance pertains to the Loss before Tax of ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) for the year ended December 31, 2007 amounting to Rs.2,842.333 million.

### **33. (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED**

<i>Rupees in '000</i>	<b>Note</b>	<b>2007</b>	2006
(Loss) / Profit for the year		<b>(1,564,764)</b>	2,394,309
Weighted average number of Ordinary shares ( <i>in '000</i> )		<b>1,347,436</b>	1,347,436
(Loss) / earnings per share - basic and diluted ( <i>in Rupees</i> )		<b>(1.16)</b>	1.78

There is no dilutive effect on earnings per share of the bank.

### **34. CASH AND CASH EQUIVALENTS**

Cash and Balance with Treasury Banks	6	<b>8,785,788</b>	13,088,961
Balance with other banks	7	<b>5,364,040</b>	4,559,454
		<b>14,149,828</b>	17,648,415

<i>Number</i>	<b>2007</b>	2006
<b>35. STAFF STRENGTH</b>		
Permanent	<b>2,123</b>	2,084
Temporary/on contractual basis	<b>196</b>	242
Bank's own staff strength at the end of the year	<b>2,319</b>	2,326
Outsourced	<b>3,584</b>	2,963
Total Staff Strength	<b>5,903</b>	5,289

### 36. DEFINED BENEFIT PLAN

#### 36.1 General description

The benefit under the defined benefit plan (i.e. gratuity) is payable to all confirmed employees, totalling 2,305 (2006:2,326), on retirement at the age of 60 years or earlier cessation of service, in lumpsum. The benefit is equal to one month's last drawn basic salary for each year of eligible service or part thereof, subject to minimum of five years service. Previously, the said benefit was payable subject to minimum of seven years of service, which was changed on amalgamation of bank with ABN Amro Bank N.V. - Pakistan Branches. The above change resulted in an increase in defined benefit obligation and charge for the year in respect of past service cost by Rs.4.893 million. Actuarial gains and losses are recognised on the basis of actuarial recommendations.

The latest actuarial valuation was carried out using "Projected Unit Credit Actuarial Cost method" as at December 31, 2007.

#### 36.2 Principal actuarial assumptions

The principal actuarial assumptions used as at the balance sheet date are:

	<b>2007</b>	2006
Discount rate	<b>10%</b>	10%
Expected rate of return on plan assets	<b>10%</b>	9% to 10%
Expected long term salary increase rate	<b>10%</b>	9% to 10%

*Rupees in '000*

#### 36.3 Reconciliation of payable to defined benefit plan

Present value of defined benefit obligations	<b>413,818</b>	274,027
Fair value of any plan assets	<b>(258,285)</b>	(214,825)
Net actuarial gains or losses not recognized	<b>(130,468)</b>	(48,694)
Past service cost not yet recognized	<b>(9,693)</b>	(9,601)
	<b>15,372</b>	907

#### 36.4 Movement in payable to / receivable from defined benefit plan

Opening balance	<b>907</b>	(2,211)
Charge for the year	<b>78,818</b>	53,978
Contribution to fund made during the year	<b>(64,353)</b>	(50,860)
Closing balance	<b>15,372</b>	907

<i>Rupees in '000</i>	<b>2007</b>	2006
<b>36.5 Charge for defined benefit plan</b>		
Current service cost	<b>55,442</b>	47,396
Interest cost	<b>27,955</b>	18,845
Expected return on plan assets	<b>(22,318)</b>	(17,063)
Past service cost	<b>5,768</b>	4,800
Amortisation of non-vested portion of prior service cost	<b>9,693</b>	-
Amortisation of actuarial (gain) / loss	<b>2,278</b>	-
	<b>78,818</b>	53,978
<b>36.6 Actual return on plan assets</b>	<b>19,730</b>	9,007

### 36.7 Five year data on surplus / deficit of the plan and experience adjustments

<i>Rupees in '000</i>	<b>2007</b>	2006	2005	2004	2003
Present value of benefit obligation	<b>413,818</b>	274,027	203,147	176,291	139,974
Fair value of plan assets	<b>258,285</b>	214,825	179,967	151,998	122,033
Deficit	<b>155,533</b>	59,202	23,180	24,293	17,941
Experience loss on obligation	<b>63,840</b>	31,858	5,271	14,596	8,066
Experience (gain) / loss on plan assets	<b>2,588</b>	8,057	(5,794)	(5,848)	(9,625)

### 36.8 Composition of fair value of plan assets

	<b>2007</b>		2006	
	Rs. in '000	%	Rs. in '000	%
Debt Instruments	<b>134,308</b>	<b>52%</b>	141,785	66%
Mutual Fund investments and cash at bank	<b>123,977</b>	<b>48%</b>	73,040	34%
Fair Value of total plan assets	<b>258,285</b>	<b>100%</b>	214,825	100%

## 37. DEFINED CONTRIBUTION PLAN

The bank operates an approved funded provident fund scheme for all permanent employees, totalling 2,305 (2006: 2,326), administered by a Board of Trustees. Equal monthly contributions are made by the bank and its employees to the fund at the rate of 10% (2006: 8.33% to 10%) per annum of the basic salaries of the employees.

<i>Rupees in '000</i>	<b>President/Chief Executive</b>		<b>Directors</b>		<b>Executives</b>	
	<b>2007</b>	2006	<b>2007</b>	2006	<b>2007</b>	2006
<b>38. COMPENSATION OF CHIEF EXECUTIVE AND EXECUTIVES</b>						
Managerial remuneration	<b>28,925</b>	28,860	-	-	<b>615,227</b>	388,865
Cash settled share based payments	<b>20,137</b>	-	-	-	<b>50,854</b>	-
Charge for defined benefit plan	<b>1,260</b>	3,179	-	-	<b>38,593</b>	23,436
Contribution to defined contribution plan	<b>1,513</b>	2,029	-	-	<b>46,331</b>	25,571
Rent and house maintenance	<b>530</b>	2,997	-	-	<b>185,323</b>	112,328
Utilities	<b>481</b>	1,191	-	-	<b>46,331</b>	28,275
Medical	<b>34</b>	743	-	-	<b>3,961</b>	10,536
Fee	-	-	<b>1,140</b>	1,800	-	-
Others	<b>1,635</b>	2,419	<b>708</b>	-	<b>56,689</b>	17,260
	<b>54,515</b>	41,418	<b>1,848</b>	1,800	<b>1,043,309</b>	606,271
Number of persons	<b>2</b>	2	<b>7</b>	8	<b>429</b>	257

**38.1** Executive means employee, other than the Chief Executive and directors, whose basic salary exceeds five hundred thousand rupees in a financial year. The Chief Executive and executives are provided with free use of company maintained cars in accordance with their entitlements.

**38.2** Number of persons include the outgoing President, Director(s) and executives.

### **39. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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. Consequently differences can arise between carrying values and the fair values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Bank is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of investments in Term Finance Certificates and Federal Government securities are based on quoted market prices and PKRV rates (Reuters Page), respectively. Fair value of unquoted equity investments is determined on the basis of lower of cost and breakup value of these investments as per the latest available financial statements.

Fair value of fixed term loans, other assets, other liabilities, fixed term deposits, and Wapda Bonds cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for non-performing advances has been calculated in accordance with the bank's accounting policy as stated in note 5.4.

The maturity and repricing profile and effective rates are stated in notes 44.2.2 and 44.3.1, respectively.

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

### **40. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES**

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

	2007					Total
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Agency Services	
	<i>Rupees in '000</i>					
Total income	77,172	2,264,061	4,203,402	1,881,238	1,529	8,427,402
Total expenses	18,203	200,215	5,058,824	4,516,966	-	9,794,208
Net income (loss)	58,969	2,063,846	(855,422)	(2,635,728)	1,529	(1,366,806)
Segment Assets (Gross)	-	37,207,791	33,039,679	41,251,843	-	111,499,313
Segment Non Performing Loans	-	-	1,253,944	3,235,105	-	4,489,049
Segment Provision Required	-	-	627,089	2,757,661	-	3,384,750
Segment Liabilities	-	5,167,564	66,137,103	35,128,851	-	106,433,518
Segment Return on Assets (ROA) (%)		6.08%	12.72%	4.56%		
Segment Cost of funds (%)		3.87%	7.65%	12.86%		

	2006					Total
	Corporate Finance	Trading & Sales	Retail Banking	Commercial Banking	Agency Services	
	Rupees in '000					
Total income	46,852	2,102,683	3,673,593	2,532,240	2,736	8,358,104
Total expenses	10,552	722,391	2,569,987	1,484,708	-	4,787,638
Net income (loss)	36,300	1,380,292	1,103,606	1,047,532	2,736	3,570,466
Segment Assets (Gross)	-	40,485,110	29,190,475	55,357,501	-	125,033,086
Segment Non Performing Loans	-	-	343,924	1,672,915	-	2,016,839
Segment Provision Required	-	-	199,627	570,618	-	770,245
Segment Liabilities	-	16,270,521	56,743,802	43,406,321	-	116,420,644
Segment Return on Assets (ROA) (%)		5.19%	12.50%	4.53%		
Segment Cost of funds (%)		4.44%	4.53%	3.42%		

#### 41. TRUST ACTIVITIES

The bank is not engaged in any significant trust activity.

#### 42. RELATED PARTY TRANSACTIONS

Related Parties comprise the parent company and the group companies outside Pakistan, retirement benefit plans, directors and key management personnel of the bank. These transactions were made on substantially the same commercial terms as those prevailing at the same time for comparable transactions with unrelated parties and did not involve more than a normal amount of risk.

Rupees in '000

2007

#### Key management personnel

##### Advances

As at January 01, 2007	<b>45,006</b>
Given during the year	<b>8,413</b>
Repaid during the year	<b>5,075</b>
As at December 31, 2007	<b>48,344</b>

##### Deposits

As at January 01, 2007	<b>34,604</b>
Received during the year	<b>716,601</b>
Withdrawn during the year	<b>647,253</b>
As at December 31, 2007	<b>103,952</b>

Mark-up / return / interest earned	<b>983</b>
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Mark-up / return / interest expensed	<b>1,940</b>
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- 42.1** These are the first financial statements post merger of ABN AMRO Bank N.V - Pakistan Branches with and into ABN AMRO Bank (Pakistan) Limited (formerly Prime Commercial Bank Limited) during the year 2007, hence, it is not practicable to give the corresponding figures.

<i>Rupees in '000</i>	<b>2007</b>	2006
<b>Retirement benefit plans</b>		
Deposits	<b>202,728</b>	100,149
<b>Parent company and group companies outside Pakistan</b>		
Deposits and other balances taken	<b>1,342,225</b>	13,545
Deposits and other balances placed	<b>5,233,396</b>	3,514,389
Guarantees issued favouring related parties or on their behalf	<b>13,843,820</b>	7,713,516
Other Contingencies and commitments	<b>49,036,238</b>	56,605,309
Consultancy charges	<b>13,104</b>	-
The income and expense in respect of related parties included in the financial statements are as follows:		
Mark-up / return / interest earned	<b>507,134</b>	148,674
Mark-up / return / interest expensed	<b>10,731</b>	3,797

#### **43. CAPITAL ADEQUACY**

##### **43.1 Capital Management**

###### **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. The Capital Management process is governed by the bank's Asset & Liability Committee (ALCO). ALCO is responsible for managing bank's capital position vis-à-vis internal as well as regulatory requirements. ALCO also reviews the volume and mix of the bank's assets, liabilities and funding sources in light of liquidity, capital, risk and profitability considerations.

###### **Banks capital management seeks:**

- to comply with the capital requirements set by the regulators and comparable to the peers;
- to improve the liquidity of the bank's assets to allow for an optimal deployment of the bank's resources;
- to protect the bank against unexpected events and maintain strong ratings;
- 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 (including the quantum) at a reasonable cost so as to enable the bank to expand; and
- to achieve low overall cost of capital with appropriate mix of capital elements.

###### **Externally Imposed Capital Requirements**

In order to strengthen the solvency of Banks / Development Financial Institutions (DFI), SBP through its BSD Circular No. 6 of 2005 dated October 28, 2005 has asked the banks to:

- (a) raise its capital to Rs.4 billion by the end of financial year 2007.
- (b) maintain a minimum Capital Adequacy Ratio (CAR) of 8%.

Capital requirement of Rs.4 billion has to be raised to Rs.6 billion by the end of financial year 2009 by the banks in a phased manner.

The equity and CAR of the bank stands at Rs.5.089 billion and 8.40% of its risk weighted exposure as at December 31, 2007.

Banks regulatory capital is analyzed into two tiers.

Tier 1 capital, which includes fully paid up capital, balance in share premium account, reserve for bonus issue, general reserves as per the financial statements and net un-appropriated profits, etc after deductions for investments in the equity of subsidiary companies engaged in banking and financial activities, deficit on revaluation of available for sale investments.

Tier 2 capital, which includes general provisions for loan losses (up to a maximum of 1.25 % of risk weighted assets), reserves on the revaluation of fixed assets and equity investments (up to a maximum of 50 % of the balance in the related revaluation reserves), subordinated debt (up to a maximum of 50 %),

Tier 3 capital has also been prescribed by the SBP for managing market risk; however, the bank does not have any Tier 3 capital.

The required capital is achieved by the bank through:

- (a) enhancement in the risk profile of asset mix at the existing volume level;
- (b) ensuring better recovery management; and
- (c) maintain acceptable profit margins.

Bank was well capitalized and met all capital requirements to which it was subject throughout the period.

### 43.2 Capital adequacy ratio

The risk weighted assets to capital ratio, calculated in accordance with the State Bank's guidelines on capital adequacy, was as follows:-

<i>Rupees in '000</i>	<b>2007</b>	2006
<b>Regulatory Capital Base</b>		
<b>Tier I Capital</b>		
Shareholders Capital/Assigned Capital	<b>13,474,364</b>	2,739,372
Head office capital account	-	2,558,311
Reserves	<b>(6,395,647)</b>	640,364
Unappropriated / unremitted profits (Net of Losses)	<b>(1,989,575)</b>	2,761,360
	<b>5,089,142</b>	8,699,407
Less: Adjustments	<b>(23,347)</b>	(87,047)
<b>Total Tier I Capital</b>	<b>5,065,795</b>	8,612,360
<b>Tier II Capital</b>		
Subordinated Debt (upto 50% of Total Tier I Capital)	<b>799,200</b>	799,520
General Provisions subject to 1.25% of Total Risk Weighted Assets	<b>579,000</b>	490,000
Revaluation Reserve (upto 50%)	-	-
<b>Total Tier II Capital</b>	<b>1,378,200</b>	1,289,520
<b>Eligible Tier III Capital</b>	-	-
<b>Total Regulatory Capital</b> (a)	<b>6,443,995</b>	9,901,880

Rupees in '000	2007		2006	
	Book Value	Risk Adjusted Value	Book Value	Risk Adjusted Value
<b>Risk-Weighted Exposures</b>				
<b>Credit Risk</b>				
<b>Balance Sheet Items:-</b>				
Cash and other liquid Assets	14,149,828	1,105,985	18,001,693	1,022,336
Money at call	500,000	100,000	1,050,000	210,000
Investments	22,920,341	522,350	27,746,521	2,717,334
Loans and Advances	64,468,394	48,564,218	67,982,851	53,343,494
Fixed Assets	2,778,942	2,778,942	2,649,002	2,649,002
Other Assets	2,718,058	2,709,286	2,481,707	2,428,150
	<b>107,535,563</b>	<b>55,780,781</b>	119,911,774	62,370,316
<b>Off Balance Sheet items</b>				
Loan repayment guarantees	3,435,759	3,435,759	5,132,502	5,132,502
Performance bonds etc.	19,511,456	3,681,150	11,405,987	2,480,990
Stand by letters of credit	18,849,973	9,043,740	11,595,543	5,548,264
Interest rate derivatives	111,409,462	2,866,057	60,100,262	1,362,158
Foreign currency options	5,284,860	63,418	10,465,409	125,585
Outstanding foreign exchange contracts				
Purchase	66,542,715	288,256	30,865,471	145,245
Sale	45,225,207	192,297	23,143,959	140,272
Others	-	-	64,276	257
	<b>270,259,432</b>	<b>19,570,677</b>	152,773,409	14,935,273
Credit risk-weighted exposures		<b>75,351,458</b>		77,305,589
<b>Market Risk</b>				
General market risk		1,297,825		1,192,837
Specific market Risk		-		772,388
Foreign Exchange Risk		83,960		236,988
Market risk-weighted exposures		<b>1,381,785</b>		2,202,213
Total Risk-Weighted exposures (b)		<b>76,733,243</b>		79,507,802
<b>Capital Adequacy Ratio [ (a) / (b) x 100]</b>		<b>8.40%</b>		12.45%

#### 44. RISK MANAGEMENT

Risk management is a process where management tries to limit the effect of risk by means of prevention, containment and repair. An essential component of risk management is control measures. Control measures are measures that enable management to limit the negative consequences of uncertain events, which could affect the realisation of the bank's objectives.

Examples of control measures are:

- Policies
- Procedures
- System controls
- Individual self-control

Banks' risk management processes are designed to identify and analyse risks at an early stage to set and monitor prudent limits, and to manage a volatile and rapidly changing business environment. Each of the bank's departments analyses the risks involved in the transaction it originates, verifying that risks are compatible with their assigned limits, ensuring that they are properly managed.



At bank level, risks are managed through two principal directorates:

- Bank Risk Management (GRM); and
- Bank Asset and Liability Management (GALM).

At country level, responsibility of the overall implementation of the risk policy lies with the Country Risk Officer (CRO) and Country Financial Officer (CFO).

GRM is responsible for the management of credit, country, market, operational and reputation risks. This risk management function within the Country is headed by the CRO reporting to regional GRM.

#### **Asset and Liability Management:**

Asset and Liability Management (ALM) is a key financial and risk management discipline. It is about managing the bank's on and off balance sheet positions in such a way that the bank is able to offer competitively priced products to customers while at the same time maintaining an appropriate risk and reward profile that creates shareholders' value. At country level, bank has an Asset and Liability Committee (ALCO). ALM function assists ALCO to manage Assets and Liability Management process in their specific areas of interest. The members of ALCO are drawn from the business, as well as from the finance and other functions.

The main responsibility of ALCO includes managing interest rate risk, liquidity management, defining the transfer pricing policies at the country level.

This function at country level is headed by Country Financial Officer.

### **44.1 Credit Risk**

The bank is subject to credit risk through its lending and investing activities as well as in cases where it acts as an intermediary on behalf of customers or other third parties or issues guarantees.

GRM is responsible for establishing the credit policies and the mechanisms, organisation and procedures required to analyse, manage and control risk. In this respect, counterparty limits are set and an internal system of credit ratings is applied.

The bank's primary exposure to credit risk arises through its loans, credit facilities and guarantees issued. The bank is also exposed to credit risk on various other financial assets including financial investments, call placements and derivatives used for hedging. The risk that counterparties might default on their obligations is monitored on an on going basis. For each transaction the bank evaluates whether collateral and master netting agreement is required to mitigate the credit risk.

There are two types of credit risk (Settlement and Pre-Settlement risk) that are associated with derivatives transactions and monitored on a regular basis. GRM sets the policies and limits for counterparty risk based on internal ratings model. The significant measures used to manage credit risk are MDDR and OBSI.

Per party exposure limit is maintained in accordance with SBP Prudential Regulation R-1. The credit risk exposure on derivative assets held for trading is measured as the current positive replacement value plus the potential future changes in replacement value, taking into account master netting agreements with individual counterparties where they are enforceable in insolvency. For interest earning securities the amortised cost is included to reflect credit risk exposure.

The bank creates specific loan loss provisions against non-performing commercial advances in accordance with Prudential Regulations issued by SBP. Specific and general loan loss provisions against non-performing consumer advances are created in accordance with SBP's guidelines available to the bank. Please refer note 10.5 for reconciliation in changes in Specific and General Loan loss provision.

Concentrations of credit risk (whether on or off balance sheet) that arise from financial instruments exist for counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be affected in a similar way by changes in economic or other conditions. As part of managing concentration risk, sector risk is managed on a portfolio basis. Please refer to note 45.1.1.1 for segment reporting.

As a matter of paramount importance the affairs of the clients enjoying credit facilities are carefully reviewed and reconsidered periodically. The facility review provides a timely signal of unfavourable developments in clients' affairs and warns of dangers before the bank is faced with undesirable positions. For this reason, all facilities of a continuing character are only approved until the next review date, unless otherwise agreed.

**Credit administration tasks include the following:**

- Maintain Credit, Custody and Security documentation files,
- Register Security and Collateral documents,
- Tracking of covenants,
- Verify signature requirements,
- Administer facility fees/receipts/payments,
- Load limits into credit system, and
- Satisfy internal and external risk reporting requirements.

It is the bank's policy to reduce or mitigate credit risk on credit facilities or exposure, as much as possible, in a given commercial environment by securing credit facilities or exposure with collateral. To correctly assess the extent to which the collateral mitigates the credit risk the collateral must be valued according to a specified valuation method and documented and monitored. The legal mechanism by which collateral is pledged - and the bank's procedures ensures that the bank has clear rights over the collateral and may liquidate, retain or take legal possession of it in a timely manner in the event of the default, insolvency or bankruptcy or otherwise defined credit event set out in the transaction documentation, of the counterparty and, where applicable, of the custodian holding the collateral.

**44.1.1** Segmental Information is presented in respect of the class of business and geographical distribution of Advances, Deposits, Contingencies and Commitments.

	2007					
	Advances (Gross)		Deposits		Contingencies and Commitments	
	Rs in '000	Percent	Rs in '000	Percent	Rs in '000	Percent
<b>44.1.1.1 Segments by class of business</b>						
Agriculture, forestry, hunting and fishing	572,726	0.84%	127,754	0.14%	50,687	0.12%
Automobile and transportation equipment	1,060,811	1.55%	336,334	0.37%	236,066	0.56%
Cement	809,304	1.18%	9,159	0.01%	2,777,679	6.65%
Chemical and pharmaceuticals	3,554,890	5.19%	1,960,620	2.17%	4,248,856	10.17%
Construction	2,166,122	3.17%	1,355,963	1.50%	493,474	1.18%
Electronics and electrical appliances	682,628	1.00%	327,777	0.36%	678,860	1.62%
Exports / imports	77,127	0.11%	72,670	0.08%	602,657	1.44%
Financial	146,559	0.21%	554,395	0.61%	15,834,443	37.88%
Food & Allied	1,854,077	2.71%	1,538,482	1.70%	1,252,922	3.00%
Footwear and leather garments	868,785	1.27%	175,738	0.19%	111,723	0.27%
Individuals	24,480,615	35.77%	47,506,129	52.62%	237,973	0.57%
Insurance	7,712	0.01%	336,372	0.37%	-	-
Mining and quarrying	-	-	-	-	1,400	0.00%
Power (electricity), gas, water, sanitary	2,053,010	3.00%	10,097,958	11.18%	6,415,899	15.35%
Services	3,364,563	4.92%	5,484,266	6.07%	132,059	0.32%
Sugar	-	-	50,946	0.06%	-	-
Textile	9,230,563	13.49%	907,386	1.00%	568,345	1.36%
Transport, storage and communication	3,682,698	5.38%	5,236,845	5.80%	624,371	1.49%
Wholesale and Retail Trade	2,622,070	3.83%	438,655	0.49%	678,620	1.62%
Others	11,197,884	16.35%	13,771,205	15.25%	6,851,154	16.40%
	<b>68,432,144</b>	<b>100%</b>	<b>90,288,654</b>	<b>100%</b>	<b>41,797,188</b>	<b>100%</b>

	2007					
	Advances		Deposits		Contingencies and Commitments	
	Rupees in '000	Percent %	Rupees in '000	Percent %	Rupees in '000	Percent %
Public/ Government	-	-	3,898,076	4.32	315,448	0.75
Private	68,432,144	100.00	86,390,578	95.68	41,481,740	99.25
	68,432,144	100.00	90,288,654	100.00	41,797,188	100.00

	2007		2006	
	Classified Advances	Specific Provisions Held	Classified Advances	Specific Provisions Held
	Rupees in '000			

#### 44.1.1.3 Details of non-performing advances and specific provisions by class of business segment

Agriculture, forestry, hunting and fishing	13,000	6,500	-	-
Automobile and transportation equipment	44,333	37,934	31,569	30,940
Chemical and pharmaceuticals	70,132	42,681	2,719	1,660
Construction / real estate	228,542	182,351	66,833	60,177
Consumers	-	-	87,125	32,771
Electronics and electrical appliances	-	-	710	710
Engineering	34,154	25,067	26,477	7,041
Exports/Imports	851,444	622,300	575,453	161,614
Food & allied	500	250	51,859	20,234
Footwear and leather garments	-	-	58,327	33,370
Individuals	1,253,944	695,089	79,499	23,034
Paper & board	12,008	12,008	-	-
Power (electricity), gas, water, sanitary	-	213,636	27,024	15,549
Services - other than financials	-	-	13,829	12,694
Textile	1,080,301	837,924	611,288	177,824
Others	900,691	709,010	384,127	192,627
	4,489,049	3,384,750	2,016,839	770,245

#### 44.1.1.4 Details of non-performing advances and specific provisions by sector

Public/ Government	-	-	-	-
Private	4,489,049	3,384,750	2,016,839	770,245
	4,489,049	3,384,750	2,016,839	770,245

#### 44.1.1.5 Geographical segment analysis

	2007			
	Loss before taxation	Total assets employed	Net assets employed	Contingencies and commitments
	Rupees in '000			
Pakistan	(1,366,806)	107,535,482	5,065,714	41,797,188
Asia Pacific (including South Asia)	-	81	81	-
	(1,366,806)	107,535,563	5,065,795	41,797,188

## 44.2 Market risk

Market risk is the risk of loss arising from movements in market variables including observable variables such as interest rates, exchange rates and equity indices, and others which may be only indirectly observable such as volatilities and correlations. The bank warehouses market risks for customer facilitation, and also positions itself in the financial markets for proprietary trading. The bank's policy is that all market risk taking activity is undertaken within approved market risk limits, and that the bank's standards / guiding principles are upheld at all times.

Market Risk Management is an independent control function with clear segregation of duties and reporting lines with the business-line. Its main responsibility is to ensure that the risk-taking units manage the bank's market risk exposure within a robust market risk framework and within the bank's risk appetite. The bank's standard systems are used to furnish senior trading and Market Risk staff with risk exposures. All trading activities and any business proposal that commit or may commit the bank (legally or morally) to deliver risk sensitive products require approval by independent authorised risk professionals or committees, prior to commitment.

The chief sources of market risk are the banking book, which consists of loans and deposits, and the trading book, which consists of proprietary trading positions. The chief risks run are FX, and Interest Rate risk. The bank uses Internal Models approach to measure and manage these risks, primarily through OCP, Delta and VaR measures. VaR is calculated using a Historical Simulation based internal model.

### 44.2.1 Foreign exchange risk

Foreign Exchange Risk is the risk of loss resulting from changes in exchange rates. Foreign exchange positions are reported on a consolidated basis and limits are used to monitor exposure in individual currencies.

Treasury Department of the bank is responsible for managing foreign exchange risk. The objective of foreign exchange risk management function is to minimize the adverse impact of foreign exchange assets and liabilities mismatches coupled with maximizing the earnings for the bank within the prudent and regulatory limits set for the bank. The bank manages its foreign exchange risks by matching its foreign currency assets and liabilities. The net exposures are managed within the statutory limits i.e. Net Open Position (NOP) limits prescribed by the State Bank of Pakistan.

Positions arising on balance sheet items are generally hedged by foreign exchange contracts not included in the balance sheet. Hedging transactions are concluded on behalf of customers, as a hedge against the bank's own interest rate and currency exposure and, to a limited extent, the bank's proprietary foreign exchange dealings as these activities are of limited size.

	2007			
	Assets	Liabilities	Off-balance sheet items	Net foreign currency exposure
	<i>Rupees in '000</i>			
Pakistan Rupee	96,814,380	86,171,232	(5,654,335)	4,988,813
United States Dollar	7,294,503	13,161,784	5,897,090	29,809
Great Britain Pound	1,656,991	1,548,400	(65,178)	43,413
Japanese Yen	75,302	72,526	(1,594)	1,182
Euro	1,533,965	1,366,119	(175,983)	(8,137)
Other currencies	20,212	9,497	-	10,715
	107,535,563	102,469,768	-	5,065,795

#### 44.2.2 Mismatch of interest rate sensitive assets and liabilities

2007												
Exposed to Yield/ Interest risk												
Effective Yield/ Interest rate	Total	Upto	Over 1 to 3	Over 3 to 6	Over 6 Months to 1 Year	Over 1 to 2	Over 2 to 3	Over 3 to 5	Over 5 to 10	Above 10	Non-interest financial Instruments	
		1 Month	Months	Months	1 Year	Years	Years	Years	Years	Years		
<i>Rupees in '000</i>												
<b>On-balance sheet financial instruments</b>												
<b>Assets</b>												
Cash and balances with treasury banks	4.24%	8,785,788	790,107	-	-	-	-	-	-	-	-	7995,681
Balances with other banks	4.21%	5,364,040	4,443,623	-	-	-	-	-	-	-	-	920,417
Lending to financial institutions	9.93%	6,982,071	6,982,071	-	-	-	-	-	-	-	-	-
Investments	9.13%	16,438,270	1,391,000	5,099,519	5,855,620	3,756,664	16,912	232,304	21,953	-	-	64,298
Advances	12.96%	64,468,394	4,967,190	17,651,882	21,325,639	5,101,233	7,503,822	4,552,452	2,230,733	765,201	205,606	164,636
Other assets		2,337,709	-	-	-	-	-	-	-	-	-	2,337,709
		104,376,272	18,573,991	22,751,401	27,181,259	8,857,897	7,520,734	4,784,756	2,252,686	765,201	205,606	11,482,741
<b>Liabilities</b>												
Bills payable		2,084,367	-	-	-	-	-	-	-	-	-	2,084,367
Borrowings	5.51%	6,068,028	1,639,458	2,551,602	838,314	139,271	67,500	105,882	-	-	-	726,001
Deposits and other accounts	4.50%	90,288,654	30,536,762	14,597,571	10,249,972	10,720,985	434,760	314,805	2,182,389	-	-	21,251,410
Sub-ordinated loans	12.01%	799,200	799,200	-	-	-	-	-	-	-	-	-
Other liabilities		3,229,519	-	-	-	-	-	-	-	-	-	3,229,519
		102,469,768	32,975,420	17,149,173	11,088,286	10,860,256	502,260	420,687	2,182,389	-	-	27,291,297
<b>On-balance sheet gap</b>		1,906,504	(14,401,429)	5,602,228	16,092,973	(2,002,359)	7,018,474	4,364,069	70,297	765,201	205,606	(15,808,556)
<b>Off-balance sheet financial instruments</b>												
Forward Lending		-	-	-	-	-	-	-	-	-	-	-
Forward borrowings		-	-	-	-	-	-	-	-	-	-	-
<b>Off-balance sheet gap</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Yield/Interest Risk Sensitivity Gap</b>		1,7715,060	(14,401,429)	5,602,228	16,092,973	(2,002,359)	7,018,474	4,364,069	70,297	765,201	205,606	
<b>Cumulative Yield/Interest Risk Sensitivity Gap</b>			(14,401,429)	(8,799,201)	7,293,772	5,291,413	12,309,887	16,673,936	16,744,253	17,509,454	17,715,060	

Yield / interest rate risk arises from the possibility that changes in interest rate will affect the value of financial instruments. Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. The Bank is exposed to both interest rate risk and yield risk as a result of mismatch or gaps in the amounts of assets and liabilities and off-balance sheet instruments that mature or reprice in a given period. The Bank manages this risk by matching the repricing of assets and liabilities through risk management strategies.

The position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on settlement date.

#### 44.3 Liquidity risk

A liquidity risk arises in a situation when bank may be unable to fund its portfolio of assets at appropriate maturities and rates or may find itself unable to liquidate a position in a timely manner at a reasonable price.

The bank holds capital to absorb unexpected losses, and manages liquidity to ensure that sufficient funds are available to meet not only the known cash funding requirements but also any unanticipated ones that may arise. Country management is responsible for managing liquidity requirements under the supervision of Regional ALCO.

The bank adheres to Group / Regional contingency funding plans in the event of drastic change in normal business activities. As regards committed credit facilities, bank's liquidity management process also involves assessing the potential effect of the contingencies inherent in these types of transactions on our normal sources of liquidity and finance.

### 44.3.1 Maturities of assets and liabilities

	2007									
		Upto	Over 1	Over 3	Over 6	Over 1	Over 2	Over 3	Over 5	Above 10
	Total	1 Month	to 3	to 6	Months to	to 2	to 3	to 5	to 10	Years
	<i>Rupees in '000</i>									
<b>Assets</b>										
Cash and balances with										
treasury banks	8,785,788	8,785,788	-	-	-	-	-	-	-	-
Balances with other banks	5,364,040	5,364,040	-	-	-	-	-	-	-	-
Lendings to financial institutions	6,982,071	6,982,071	-	-	-	-	-	-	-	-
Investments	16,438,270	1,088,633	5,074,518	5,872,287	3,814,998	83,579	315,638	155,286	33,331	-
Advances	64,468,394	4,585,384	15,973,983	16,393,709	5,000,149	8,823,655	4,880,164	6,848,565	1,465,201	497,584
Operating fixed assets	2,778,942	75,414	138,987	20,749	375,463	801,272	82,998	127,936	914,909	241,214
Deferred tax assets	380,349	-	-	-	126,783	126,783	126,783	-	-	-
Other assets	2,337,709	-	2,071,407	-	266,302	-	-	-	-	-
	107,535,563	26,881,330	23,258,895	22,286,745	9,583,695	9,835,289	5,405,583	7,131,787	2,413,441	738,798
<b>Liabilities</b>										
Bills payable	2,084,367	2,084,367	-	-	-	-	-	-	-	-
Borrowings	6,068,028	2,365,459	2,551,602	838,314	139,271	67,500	105,882	-	-	-
Deposits and other accounts	90,288,654	39,998,021	15,540,894	12,022,240	12,535,897	4,064,584	3,944,629	2,182,389	-	-
Subordinated loan	799,200	-	160	-	160	320	199,680	399,360	199,520	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-
Other liabilities	3,229,519	171,659	1,490,522	-	1,333,361	6,176	-	227,801	-	-
	102,469,768	44,619,506	19,583,178	12,860,554	14,008,689	4,138,580	4,250,191	2,809,550	199,520	-
<b>Net assets</b>	5,065,795	(17,738,176)	3,675,717	9,426,191	(4,424,994)	5,696,709	1,155,392	4,322,237	2,213,921	738,798
Share capital	13,474,364									
Reserves	(6,395,647)									
Accumulated loss	(1,989,575)									
Deficit on revaluation of assets	(23,347)									
	5,065,795									

## 44.4 Operational Risk

Operational Risk is the risk of losses resulting from inadequate or failed internal processes, human behaviour and systems or from external events. This risk includes operational risk events such as IT problems, shortcomings in the organisational structure, missing or inadequate internal controls, human errors, frauds and external threats.

### Structure and Reporting

Country Operational Risk Management (ORM), which administers and manages country wide ORM activities, reports to the Country Risk Office which is part of Bank's Group Risk Management. Country ORM prepares and submits to Management a monthly ORM report.

Bank uses the following tools to manage its Operational Risk:

#### Risk Self Assessment:

A structured approach that helps management to identify, assess risks and take actions to mitigate risks that are identified as unacceptable. Risks are assessed with the assistance of facilitators, who are usually Operational Risk Management staff.

#### Operational Risk Approval Process (ORAP):

A change management exercise that aims to structurally identify, assess and approve operational, legal and reputation risks arising from the introduction of new products, processes, activities, systems or significant changes in the organization set-up.

#### Corporate Loss Database (CLD):

A web based database that allows for the systematic registration of operational risks losses. CLD is the primary source used for Bank's operational risk loss data analysis and reporting at group level.

**Key Risk Indicators:**

An approach used to indicate possible changes in the operational risk profile. Key risk indicators allow for a trend analysis over time and trigger actions if required.

**Business Continuity and IT controls/system security.**

Business Continuity Management (BCM) is a holistic process that incorporates the following functional areas:

- BCM strategy
- Crisis Management
- Business Impact Analysis
- Business Continuity Risk Assessment
- Business Process Continuity Planning
- Technology Continuity Planning
- Property Continuity Planning
- Call Tree Tests

BCM policies minimize negative impacts of any events that might endanger the continuity of the bank's processes but not necessarily eliminate them. While an effective BCP program is the responsibility of all Line Managers, the same is administered by a dedicated unit. This unit on an annual basis, reviews, updates and documents the Bank's business continuity standard operating procedures. These are compiled in a BCP plan document which is updated every year based on organizational change regarding logistics, systems, critical staff and business needs.

Information Security at the bank is defined by Confidentiality, Integrity and Availability of information; key steps taken to ensure the aforesaid elements of Information Security are Security User Matrix, Periodical ID reviews and password changes, Dual control policy, Encryption, Processing up-gradations.

**45. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the bank's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In the process of applying the bank's accounting policies, management has made the following estimates and judgements which are significant to the financial statements:

- (a) classification of investments (Note 5.3);
- (b) determining the residual values and useful lives of property and equipment (Note 5.5);
- (c) impairment (Note 5.7);
- (d) recognition of taxation and deferred tax (Note 5.8);
- (d) provisions (Note 5.9);
- (e) accounting for post employment benefits (Note 5.11);
- (f) valuation of derivatives (Note 5.15.2); and

**46. CREDIT RATING**

PACRA has measured the bank's short term credit rating at (A1+) and long term credit rating at (AA).

**47. GENERAL**

**47.1** These financial statements were authorised for issue on March 4, 2008.

**47.2** Figures have been rounded off to the nearest thousand of rupees.

Naved A. Khan  
**President / Chief Executive**

James Alexander Brown  
**Director**

Syed Naseem Ahmad  
**Director**

Lt. Gen (R) Muhammad Maqbool  
**Director**



## Details of write-off or any Financial Relief above Rs. 500,000 during the Year 2007

Rs in '000											
S. No.	Name and address of the person	Name of Individuals / Partners / Directors (with NIC No.)	Father's / Husband's Name	Outstanding Liabilities at beginning of year				Principal written-off	Interest / Mark-up written-off	Other Financial Reliefs provided	Total (9+10+11)
				Principal	Interest / Mark-up	Others	Total				
1	2	3	4	5	6	7	8	9	10	11	12
1	KARACHI GREEN BUS CO.(PVT) LTD STREET2, SECTOR-5/H, NORTH KARACHI	Syed Mudassir Hussain 517-64-022354 Mr. Umer Farooqui 501-81-905417 Ashhad Ullah 501-86-243243 Ms. Ghazala Amanullah Khan 510-61-379337 Mr. Abdul Rashid 710-90-389862 Mr. Adnan Siddiqui 502-73-811104	Syed Muzammal Hussain  Naseem A. Farooqui  Amjad Ullah  Amanullah Khan  Muhammad Ishaq  Ahtasham Siddiqui	42,804	2,965	-	45,769	27,804	2,965	-	30,769
2	RAJA SONS (PVT) LTD. PLOT NO.8, SECTOR-23, KORANGI INDUSTRIAL AREA KARACHI	Raja Ashfaq Hussain 272-61-3623103 Mr. Sajid Ikram 221-71-336434	Raja Makhan Khan  Muhammad Akram	3,226	2,702	-	5,928	726	2,072	-	2,798
3	DUTY FREE SHOPS LTD. PLOT NO.6, BLOCK-7/8, JINNAH COOPERATIVE HOUSING SOCIETY SHF, KARACHI	Mr. Farrukh R. Sheikh 270-56-158711 Mr. Habib-ur-Rehman 101-56-686535 Mr. Mehboob Saqib Khan 272-54-038138 Mr. Rasheed Hassan Mr. Jan Baljet Mr. Danel Zuger Mr. David C. Gore	Sheikh R. Rafiq  Abdul Rehman Khan  Mehboob Sabir  Jan Zeelvon Josef Harman Zuger Stanley Gore	123,986	13,454	-	137,440	1,938	977	-	2,915
4	FARUKI PULP MILLS LTD. HEAD OFFICE: 316-317, ALFALAH BUILDING, SHAHRAH-E-QUAID-E-AZAM, LAHORE	Mr. Saleem Akbar Faruki 224-37-072274 Mr. Abdul Sami 270-57-139134 Mr. Munir Ahmad Khan Mr. Naeem Akbar Faruki 224-45-072988 Mian Majeed Akbar Faruki 224-33-072740 Mr. Pervez Aslam Faruki 285-40-195095	Mian M. Akbar Faruki  Abdul Samad  M. Akbar Faruki  M. Akbar Faruki  Aslam Riaz Faruki	19,753	22,632	-	42,385	-	21,570	-	21,570
5	S. A. FARUKI/M.A.KHAN/ABDUL SAMI HEAD OFFICE: 316-317, ALFALAH BUILDING, SHAHRAH-E-QUAID-E-AZAM, LAHORE	Mr. Saleem Akbar Faruki 224-37-072274 Mr. Munir Ahmad Khan Mr. Abdul Sami 270-57-139134	Mian M. Akbar Faruki  Abdul Samad	8,585	5,210	-	13,795	-	5,210	-	5,210
6	MUHAMMAD SOHAIL H# 1629-B 3RD FLOOR GHAFFAR PLAZA NEARUBL CONSUMER BRANCH MULTAN CANTT85	3630232411107	ABDUL GHAFFAR	-	-	-	-	992	146	-	1,138
7	SARFRAZ HUSSAIN MIR H# 664/A BABUL HUSSAIN RD WESTRIDGE-2 LAHORE	3740580560943	ALTAF HUSSAIN MIR	699	30	-	729	568	73	-	641
8	MANZAR FAROOQ 204-L D.H.A LAHORE2	3520128630819	FAROOQ ALAM	438	46	-	484	438	64	-	502
9	SYED ALI JAWED HOUSE# 51-AA KHYBAN E BADBAN PHASE 5DHA1 KARACHI	4230190702695	SYED JAWED HASSAN	445	38	-	483	445	65	-	510
10	MUHAMMAD ANWAR A-548 BLOCK C NORTH NAZIMABAD KARACHI	4230198181029	SHEIKH MUHAMMAD IQBAL HUKMANI	224	-	-	224	462	52	-	514
11	GOHAR ZAMAN HOUSE NO364 BLOCK AA PHASE 4DHA2 LAHORE	4230129295497	MALIK MUMTAZ ALI	489	-	-	489	470	68	-	539
12	SAEED KHAN H#289 SEC 1-D ORANGI TOWN NO 1 NEAR KHIZRA MASJID KARACHI	4210167197079	PIR KHAN	-	-	-	-	477	31	-	508
13	AHSAN ELAHI ELAHI ENTERPRISES, ELAHI ARCADE 26 EMPRESS ROAD LAHORE	3520208236287	MIAN FAZAL ELAHI	497	11	-	508	500	32	2	534
14	IQBAL MERCHANT FLAT NO. C-29 BLUE MOON APPARTMENT NEAR BIG BIT GARDEN EAST KARACHI.	4220105150005	NIZAR MERCHANT	446	10	-	456	441	75	17	534
15	MUHAMMAD ASIF KHAN A 33 SECTOR Y-1 GULSHAN-E-MAYMAR . KARACHI	4210162713269	DILAWAR KHAN	499	22	-	521	497	80	14	592
16	MUHAMMAD MANAN NASIR 592 AL-FAZAL 12 NASIR STREET ZUBEDA PARK MULTAN ROAD LAHORE DEFENCE LAHORE CANTT.	3520229124899	MUHAMMAD NASRULLAH NASIR	499	11	-	510	497	81	14	534
17	MUHAMMAD RAHEEL JAVED 34 B NATIONAL HIGHWAY, PHASE 2 DHA DFENCE KARACHI	4230150178795	MUHAMMAD JAVED	412	12	-	424	418	87	20	524
18	MUHAMMAD IRFAN PACIFIC TRADING HOUSE ,BASEMENT JAMIA E NAEEMIA GHAZRI SHAHO LAHORE	3520207958053	MUHAMMAD IMTIAZ	418	68	15	502	418	94	28	540
19	CHAUDHRY SAQIB NAZIR PAKTEL POINT SHOP # 5 & 6, 68 JINNAH AVENUE BLUE AREA ISLAMABAD	6110189891863	CH NAZIR AHMED	425	46	8	478	425	84	15	524

## Annexure-1

S. No.	Name and address of the person	Name of Individuals / Partners / Directors (with NIC No.)	Father's / Husband's Name	Rs in '000							
				Outstanding Liabilities at beginning of year				Principal written-off	Interest / Mark-up written-off	Other Financial Reliefs provided	Total (9+10+11)
				Principal	Interest / Mark-up	Others	Total				
1	2	3	4	5	6	7	8	9	10	11	12
20	MOHAMMAD UMER TARIQ HOUSE # 215/2 STREET # 35, OFF KHAYABAN E QASIM PH 8 DHA KARACHI	4230140158997	TARIQ KHALIL	435	49	22	506	435	49	22	506
21	AGHA GHULAM ALI G-6 TOOBA APPARTMENTS, PHASE 1 DHA KARACHI	4200064361341	AGHA ABBAS	435	9	1	446	435	67	14	516
22	TAYYAB MAHMOOD CHEVRON INTERNATIONAL SUITE # 2,3,4 1ST,FLOOR KHURRAM CENTRE NEAR ABPAR MKT 12 LAHORE	3520276357067	MUHAMMAD AKBAR ALI	476	56	9	542	440	123	7	571
23	MUHAMMAD SHAHZAD KHAN RANASCO (PVT) OFFICE#2, 2ND FLOOR,CHINA MARKET LINK ROAD MODEL TOWN LAHORE	3520226734893	MUHAMMAD DAWOOD KHAN	461	49	16	526	441	86	12	538
24	NUSRAT MAHDI ALVI H#26 ST 70 MITRA STREET, SHAM NAGAR CHOBURJI LAHORE	3520207868921	MUNIR HUSSAIN ALVI	421	19	3	443	441	77	17	535
25	HAROON RIAZ R K FABRICS HOUSE # 323 G T ROAD,BAGBANPURA LAHORE	3520197173635	RIAZ AHMAD	449	17	2	469	441	87	7	535
26	FARHAT ALI SHAIKH H # 29 A ST# 5 NEW SHALIMAR, COLONY MULTAN ROAD LAHORE	3520230372335	SHAIKH MUHAMMAD IQBAL	272	-	-	272	442	65	21	527
27	MUHAMMAD YOUSAF KHAN J K INTERNATIONAL TRD CO B-174, 175 4TH,STREET NEW GULSHAN LABOUR COLONY RASHEED KARACHI	3410126123277	MUHAMMAD SHAFI	446	53	8	507	446	81	14	541
28	TARIQ MEHMOOD CHAUDHRY NAT INTERNAIONAL PVT LTD CALL IN TIME,SUITE #5 1ST RESHAM PLZ CHANDNI CHOWK RAWALPINDI	3740571514573	CH MOHAMMAD ASLAM	454	81	43	577	454	95	46	594
29	LUBNA ANJUM INTERNATIONAL TEXTILE,506/507 UNICENTRE I.I.CHUNDRIGAR ROAD KARACHI	4220106725856	MAZHER AHMED	455	43	36	533	455	43	36	533
30	RAHEEL SHAUKET H 24 K BLOCK,MODEL TOWN LAHORE	3520223288075	KHAWAJA SHAUKAT ALI	481	52	8	541	457	112	40	608
31	TAHIR AZIZ AZIZ IMPORTS RECOVERY DEPT OFF # 2,BASEMENT FLR IT CENTER KHAN PLZ G-11/1 ISLAMABAD	3740541609823	MALIK ABDUL AZIZ	460	6	-	466	460	43	9	512
32	MUHAMMAD ADEEL AHMED G-54/5 CLAYTON QUARTER NEW TOWN JAMSHED,ROAD NEAR SHAH E NAJAT IMAM BARGAH ROAD KARACHI	4220173445513	HASHMAT ULLAH	461	86	14	561	461	86	14	561
33	ADNAN JAVAID ALI HOUSE # B-2 NAVY HOUSING, SCHEME ZAM ZAMA CLIFTON KARACHI	4230116776879	JAVAID ALI	456	13	2	471	462	97	41	600
34	FARHAN AKHTAR KAZI COUNTRY WIDE SERVICES 7#5-C BUILDING,KHAYABAN-E- BADAR COM AREA PH V DHA KARACHI	4230194186541	SALEEM A KAZI	450	27	4	480	466	103	15	584
35	NADEEM AHMED BUTT H # 2 /1 CANAL PARK,GULBERG II LAHORE	3520293570947	SHAFIQ AHMED BUTT	467	42	9	517	467	97	17	581
36	SHAHJAHAN KHAN TARIQ SHALIMAR ELECTRONICS,SHOP15 SHALIMAR LINK RD NEAR ANGORI CINE LAHORE	3520161685593	M AMEEN	469	82	23	574	469	82	23	574
37	SYEDA AROOJ FATIMA HOUSE #54 STREET #12,NEW SUPER TOWN CANT ISLAMABAD	3520196352988	SYED ASGHER ALI SHIRAZI	470	26	12	508	470	46	23	539
38	SYED MUHAMMAD SHIKEB H #54 ST #12,NEW SUPER TOWN CANTT LAHORE	3520158905391	SYED SHAMSHAD ALI SHIRAZI	471	25	14	509	471	44	23	537
39	SHAUKAT ALI H # 221E REHAMANPUR, WAHDAT ROAD LAHORE	3520291261271	BASHIR AHMED	471	49	28	548	471	77	38	586
40	KHIZAR AYUB BUTT KHIZAR & COMPANY CHOWK SARDAR CHAPAL, PLOT 3 NEAR JAWA BAKARY BILAL GUNJ LAHORE	3520223489451	MUHAMMAD AYUB	420	12	-	432	472	63	16	551
41	SYED HASSAN ABBAS CLASSIC TRADER & CNG WORK SHOPSHOP#1&2 MADINA CENTRE 3RD RD G-10MARKAZ ISLAMABAD	6110113828143	SYED GHAZANFAR HUSSAIN	472	55	28	554	472	75	32	579

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				Principal	Interest / Mark-up	Others	Total				
1	2	3	4	5	6	7	8	9	10	11	12
42	ALI RAZA MOONEY FLAT# E-205, 2ND FLOOR MARINE, HEIGHTS-3,CLIFTON BLK-2 LAHORE	4230163029895	RAMZAN ALI MOONEY	474	9	23	506	474	59	57	590
43	LIAQAT ALI LAHORE CLOTH HOUSE MARKET # 1 OLD UTILITY,STORE MODEL TOWN HUMAK ISLAMABAD	6110184375323	CH MUHAMMAD RAFIQUE	454	1	17	472	479	85	52	616
44	RAZA IQBAL NASIR TELE TECHNOLOGY SERVICES 4 1ST FLR MAKK,AH CENT MOON MKT ALLAMA HKB IQBAL TOWN LAHORE	3520257906909	MUHAMMAD IQBAL	480	7	4	492	481	52	16	550
45	ARSHAD MAHMOOD H NO 67 ARMY OFFICERS HOUSING COMPLEX,DEFENCE RD LAHORE CANTONMENT	3520186624647	NAZIR AHMED KHOKHAR	478	12	-	490	483	97	15	595
46	MIAN HASSAN ZAIB HOT NET CYBER CAFE SHOP # 4 ALIED PLAZA,F-10 I MARKAZ OPP FAYSAL BANK ISLAMABAD	1720102927625	MINA ALAUDDIN	483	17	24	524	483	55	33	571
47	ABDUL SATTAR SW5-4C1-12 CH STR MUHAMMADI, PARK SANDA-KHURD LAHORE	3520215932605	CH BOORAHY KHAN	484	14	3	501	484	80	23	587
48	GHALIB EJAZ H#2-E,MODEL TOWN LAHORE	3520226389669	MUHAMMED EJAZ SHEIKH	485	70	25	580	485	85	28	598
49	MOHAMMAD NAFEES EMIRATES ENTERPRISES,CC 1 1ST FLOOR, COMMERCIAL 1 DEFENCE VIEW KARACHI	4230110656043	HAJI MOHAMMAD IDREES	485	7	3	495	487	47	26	560
50	MOHAMMED IMRAN C-21- BLOCK B NORTH NAZIMABAD,NEAR TARIQ MARKET KARACHI	4210122444817	M RAMZAN	473	26	6	505	487	109	25	621
51	AHMED RASHEED CORRECT BUSINESS,SHOP #8 BULAND MKZ BLUE AREA ISLAMABAD	3310503636895	MOHD ISMAILE	487	33	12	532	487	57	25	570
52	MUHAMMAD REHMAN PEAKEND EXPORTS 103 BB CENTRAL PLAZA,BARKAT MKT NEW GARDEN TOWN LAHORE	3520299924041	ABDUL KAREEM	433	3	0	436	488	101	41	630
53	MUHAMMAD MAZHAR H# 631 BLOCK A FATEH GARH, MEHR FIYYAZ COLONY LAHORE	3520113036111	MUHAMMAD AZHAR	200	9	2	211	488	93	17	598
54	AZAM MASUD H # 269 ST # 20 NEAR RAWAL DAM,RAWAL TOWN ISLAMABAD	6110119091663	MOHAMMAD ANWAR MASUD	489	38	14	541	489	65	22	576
55	GOHAR ZAMAN 364 AA PHASE 4,DHA LAHORE	4230129295497	MALIK MUMTAZ ALI	439	13	1	452	491	61	17	570
56	NADEEM SADIQ HOUSE#326,II-B 10 MUSLIM TOWN RAWALPINDI	3740505210877	SUBAH SADIQ CHADHARY	493	17	5	515	493	43	19	555
57	MUHAMMAD AQEEL FLAT#H-14 FL2 FIVE STAR COMPLEX, GULSHAN-E- IQBAL BLOCK 2 KARACHI	4220173735997	MUHAMMAD JAMEEL	0	0	0	1	494	69	43	607
58	SALIM MOHAMMAD FLAT E GROUND FLOOR MARINE CORNER BLOCK,CLIFTON KARACHI	4200003746675	NAZIR MUHAMMAD KHAN	495	61	15	571	495	86	22	603
59	ZAHID SARFRAZ AZIZ IMPORTS SALES DEPT OFF # 2 BASEMENT,KHAN PLZ IT CENTRE G-11/1 ISLAMABADT	3740597496891	ABDUL AZIZ	495	9	1	505	495	41	10	546
60	SOFIA SHAHID 116 EDEN,AVE EXT CANTT LAHORE	3520260983698	MIAN MOHD ISHAQUE	482	24	8	514	495	64	15	575
61	CHOUHARY ABDUL BARI CITY MOTELS 46-D,FAISAL TOWN LAHORE	3520298951363	CHOUHARY ABDUR RAHIM NAZ	490	26	6	522	498	105	26	629
62	MOHD ASIF KHAN A-33 BLOCK-Y-1,GULSHEN MAYMAR KARACHI	4210162713269	DILAWAR KHAN	499	14	2	515	499	88	17	604
63	MUHAMMAD JAHANZAIB AL MADINA TOOL CENTRE 43 SHAHEED GANJ,SARI SULTAN LAHORE LOHA MKT LANDA BAZAR	3520299971655	HAJI MUHAMMAD	504	23	19	547	501	58	19	578
64	SYED WASIL SHAH PEAK COMMUNICATION OFFICE #6, SHAHBAZ PLAZA FIRST FLOOR BANK ROAD RAWALPINDI	6110105707425	SYED N MUNIR SHAH	464	14	2	480	503	105	49	658
65	KHALID MAHMOOD NEW BOOT HOUSEC-1772,INSIDE MASTI GATE MOTI BAZAR, LAHORE	3540438514453	MUHAMMAD RAFIQ	520	15	1	536	506	100	12	618

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1	2	3	4	5	6	7	8	9	10	11	12
66	ABDUL MAJEED ABBASI 67-S BLK 2 ALLAMA IQBAL, PECHS KARACHI	4220165439079	MOHD AZEEM KHAN	445	29	2	477	507	105	25	637
67	REHAN ARIF KHAN 120 NARGIS BLOCK, ALLAMA IQBAL TOWN LAHORE	3520225333597	ARIF WAHEED KHAN	508	9	11	527	508	60	28	596
68	SHOAIB MAHMOOD PEARLS GALLEY 223 B SHADMAN COLONY-2 LAHORE	3520239899885	ABDUL RAAB SAJID	505	-	-	505	511	118	28	656
69	MUHAMMAD BIRGEES ALI HOUSE # 1870 BLOCK 2, AZIZABAD F B AREA KARACHI	4210116977517	WAHID ALI KHAN	471	41	6	518	512	114	43	669
70	SYD ALI JAWED 51-A KHAYABAN-E-BADBAN MAIN PHASE 5, DHA KARACHI	4230190702695	S JAWED HUSSAIN ZAIDI	513	43	12	568	513	63	18	594
71	MOHAMMAD ZAFAR JAFFR C-4 NAJMA SQUARE BLOCK 13-B, GULSHAN IQBAL KARACHI	4220166620695	MOHAMMAD HABIB AHMED	515	58	16	589	515	58	16	589
72	SYED FAYYAZ ALI SHAH FAME INTERNATIONAL, 4-C GTAGORE PARK NCHOLSON ROAD LAHORE	3520014672247	SYED M SALEEM SHAH	516	58	8	582	516	67	11	594
73	AMJAD ALI JAFFERY A-F-6 TRADERS 26-BASEMENT-PIR- BAKSH, PLAZA-SHAHALAM LAHORE	3520221696697	IMTIAZ ALI JAFFERY	437	12	-	449	518	111	25	654
74	JAVAI D HUSSAIN WARS I BUILDING KITCHI KOTHI, ALLAQA NAWAB SHAI B 2KM RAIWIND ROAD LAHORE	3520219754293	DIN MUHAMMAD	516	19	1	536	519	107	23	649
75	ABDUL JABBAR AL JABBAR TRADER SHOP #23 ASIF CENTRE, RAJA GHANZAFAR ALI ROAD SADDAR KARACHI	4210160623199	MOHAMMAD YOUNUS	519	53	6	578	519	62	8	589
76	RAHIL AHMED QURASHI APPT # 4 PLOT 4C - C1, NISHAT COMMERCIAL DHA PH VI KARACHI	4230182458455	ZAHEER AHMED QURASHI	520	49	15	584	520	58	15	592
77	MOHAMMAD ZAFAR KHAN SUBLIME ENTERPRIZEZ, REGAL CINEMA BUILDING THE MALL LAHORE	3520268339765	GHULAM SARWAR KHAN	520	93	16	628	520	108	19	647
78	IMRAN NASEEM KHAN IMRAN GARMENTS, SHOP # 1 ASIF CENTRE CHOWK YATEEM KHANA LAHORE	3520254217805	MUHAMMAD SHAFQAT NASEEM	520	101	24	645	520	101	24	645
79	MUHAMMAD BULAND IQBAL A-117 BLOCK L, NORTH NAZIMABAD KARACHI	4210155382607	MAHID ALI KHAN	539	22	3	564	521	81	17	619
80	HASSAN NIZAMI HASSAN NIZAMI INTERIR A 5 JASON TERRACE, KHAYABAN E SAADI KARACHI	4230150647893	RASHED NIZAMI	523	101	17	641	523	101	17	641
81	SHAHID LATIF HARMAIN PERFUMES 162 G LIBERTY PLAZA LIB, ERTY MARKET LAHORE	3520220165443	ABDUL LATIF QURASHI	523	15	1	539	523	109	23	655
82	ALI ZAHID HOUSE # 50 A/11, LAWFRANCE RD LAHORE	3520224672523	AKHTAR ALI	523	31	4	558	523	93	20	637
83	SYED ZULOARNAIN SHAH 5 USMAN STREET LINK ROAD, MODEL TOWN LAHORE	3520257228963	SYED SHABIR HUSSAIN	491	10	-	501	523	86	30	640
84	MUHAMMAD SALEEM BHAT H # 167/1 ST # 5 OPP GENERAL HOSPITAL, FERDOS PARK LAHORE	3520136446231	M SHAFI BHATTI	522	14	2	539	523	92	24	640
85	MUHAMMAD SHAKEEL ANJUM ANJUM ELECTRONICS SHOP NO 1, AL MASSOM RAZA MALL ROAD LAHORE	3520226233611	MUHAMMAD AZEEM	494	2	-	496	524	107	25	656
86	IMRAN SHAFI FONE INN PAY, 11 1ST FLOOR MUSTAFA PLAZA 6TH ROAD RAWALPINDI	3740575870839	CH MUHAMMED SHAFI	496	17	3	516	524	99	57	680
87	ARSHAD ALI KHETANI COMPUTER TECHNOLOGY NETWORK, 8 ALHABIB ARCADE BLOCK 7 CLIFTON KARACHI	4230162571609	IMDAD ALI KHETANI	573	41	8	622	573	41	8	622
88	KAMRAN NASIR C276 BLOCK 6, F B AREA KARACHI	4210146153039	MUHAMMAD RAZI NASIR	578	68	25	671	578	103	32	713
89	SHAHEEN ZULFIQAR ALI 542 A BLOCK SABZAZAR COLONY, MULTAN ROAD LAHORE	3520222831325	SALAHU DIN BUTT	417	10	1	427	414	79	19	513
90	WAQAR HANIF ABBASI JEANZO MENS WEAR SHOP #13 G, LIBERTY SHOPPING CENTRE AABPARA ISLAMABAD	3740490711409	MUHAMMAD HANIF	414	25	2	441	414	81	12	506

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1	2	3	4	5	6	7	8	9	10	11	12
91	ARSHAD ANWAR NAJAF CORPORATION SHOP # 4 ZAMAN CENTER, 6 DIL MOHAMMAD ROAD LAHORE	3520234475163	SHEIKH ANWAR HUSSAN	419	12	13	444	411	87	67	564
92	MOHAMMAD SHAKHEEL RAJ D-1, SHERETON APARTMENT, BLOCK 13-D GULSHAN-E-IQBAL, KARACHI	4230159202663	ABDUL SATTAR	1,239	40	102	1,381	1,239	187	118	1,544
93	SIKANDAR HAYAT KANDAYWAL TEHSIL CHINYOT DIST JHANG RAWALPINDI	4550118503489	SIKANDAR HAYAT	501	188	-	689	501	-	-	501
94	UMAR IDREES H # 34 BLOCK # Z REHMAN SHAHEED RD FAISALABAD	3310055980957	MUHAMMAD IDREES	543	171	-	714	443	40	21	504
95	MOHAMMAD SHAHZAD BUTT H#82, FARDOOS COLONY GULSHAN RAVI LAHORE	3520221646473	MUHAMMAD SHAHZAD BUTT	493	269	-	762	505	-	-	505
96	SHABBIR M KHAN MAKA KHEL,ZAIDA,TEH & DIST SWABI	1620250168681	FAIZ MUHAMMAD KHAN	-	-	-	-	465	40	-	505
97	SYED MINZAR BUKHARI House # 33, Street # 11, Block-Y, Peoples Colony, Gujranwala	3410423080937	SYED MINZAR BUKHARI	509	187	-	696	509	-	-	509
98	CH ASIF MEHMOOD H# AA/1573 ST# 19 MOHLA AKALGAR RWP	3740512905323	REHMAN KHAN	459	146	-	605	431	50	30	511
99	IZHAR UL HAQ F#BB-2 COUNTRY TOWER SEC# 15-B BUFFER ZONE KHI	4210151315575	SHUMSUL HAQUE	427	160	-	587	427	78	7	512
100	MALIK ABDUL RAZZAQ H#1952 MOHL KIRI AFGHANA CHANTHA GHAR ABDALI MULTAN	3630204443139	GHULAM HUSSIAN	456	226	-	682	447	58	7	512
101	MUHAMMAD FARYAD 132 D 3 MODEL TOWN LAHORE	3520229600321	ABDUL GHANI	463	72	-	535	429	54	34	517
102	GHAZALA WAHEED 630-C FAISAL TOWN LAHORE	3520293753750	ABDUL WAHEED	543	94	-	637	469	33	16	518
103	MUHAMMAD HANIF H#25 ST L,X BL PEOPLES COLONY GRW	3410107856857	MUHAMMAD SHARIF	471	159	-	630	457	56	5	518
104	RAB NAWAZ H#52 ST#9 MODEL TOWN SARGODHA	3840322369135	SULTAN AHMED	446	263	-	709	446	77	-	523
105	DAWOOD AHMED H#22ST#5-ZUBAIR COLONY INSIDE DEGENRALHOSPITAL LHR	3520265423661	REHMAT ALI	455	231	-	686	447	66	9	523
106	MUHAMMAD ARIF SADIQ 5/1 M BL GULBERG111 LAHORE	3520295381783	MUHAMMAD SADIQ	504	183	-	687	471	43	11	525
107	M.SOHAIL KHAN KHATAK PACIFIC CENTRE FL.207 2 FLOOR F/8 MARKAZ ISLAMABAD	1720121778217	M.SHARIF KHAN	481	163	-	644	469	60	-	529
108	SIKANDAR RAHIM 788-B/1-A CANAL VIEW LAHORE	3520228822971	ABDUL RAHIM	448	83	-	530	448	73	9	529
109	ANEES UR REHMAN 19-511 MOHALLAH WAZIR PURA SAILKOT	3460323408195	HANIF UR REHMAN	474	151	-	625	459	58	15	532
110	M ASIF BHATTI VILLAGE SAJPAL, BHATTA KOHAT, LHR CANTT	3520152837327	MUHAMMAD ASIF	533	132	-	665	533	-	-	533
111	SYED ATIF SHEHZAD NABI H # L121,NAFEES BANGLOS JINNAH SQUARE MALIR, KARACHI	4220199178613	SYED NABI SHEER	443	176	-	619	443	90	3	536
112	GHULAM MURTAZA CHAK NO 223 RB M NAGAR DAKKHANNA MILAT COLONY FSD	3310013939303	GULAM MURTAZA	542	192	-	734	542	-	-	542
113	AKBAR ALI HAIDRY HAIDRY STREET, HYDERABAD TOWN, SGD	3840346003581	MAHAR ALI KHURSHID HAIDRY	-	-	-	-	469	74	-	543
114	SHIEKH SADIQ HUSSAIN H#336 ST#2 MOHL MAZHARABAD RAILWAY RD RAWALPINDI	3740504739963	SHEIKH SAQIB HUSSAIN	545	187	-	732	545	-	-	545
115	SHAKEEL ABBAS MIRZA SUQLAIN HOUSE MANGRAL TOWN GULZAR E QUIDE RAWALPINDI	3710502781231	MUHAMMAD SAFDAR	462	141	-	603	462	68	15	545
116	IRAN AHMED H#689 MODEL TOWN SIALKOT	3460126083313	MUHAMAD SARWAR	500	172	-	671	475	67	6	547
117	YASIR HAIDER H# 1 HAIDER MANZIL OLD THANA VILLGE KARACHI	4250121314633	ABDUL GHAFFAR	521	180	-	701	475	43	32	550
118	FIASAL JAMEEL CHOUDHARM PALACE IMAM SAHIB RD SHEVANI CLY SIALKOT	3460378934901	GHULAM RASOOL	498	183	-	680	484	65	6	554
119	MUHAMMAD NADEEM H# 24- ST# 25 Y-BLK PEOPLES CLY GUJRAWALA	3410141795773	GHULAM FARED	487	168	-	656	487	72	2	561

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120	MUHAMMAD ZUBAIR KHAN MOH MUSA KHEL,ADINA TEH & DIST, SWABI	1620248277467	WISAL MUHAMMAD	-	-	-	-	525	38	-	563
121	MUHAMMAD HAROON ASHEED H # M 811 GULSHANE-ZIA LIAQAT CHOWK SEC 16 ORANGI TOWN KARACHI	4240132914689	ABDUL AZIZ	504	154	-	658	489	64	10	563
122	MUBEEN AHMED H#2 ST#19 SIDUJQI ST# GUJJAR PORA LHR	352018905243	MUHAMMAD AMIN	504	189	-	693	491	75	13	579
123	AKHTAR NAWAZ ST/MOHL SARFRAZ KHAN,P/O KHAS RUSTAM,MARDAN	161011368165	MALIK SARFRAZ KHAN	-	-	-	-	542	42	-	584
124	AZAM KHAN JUNNAH BAGH RD,H#31/A, NOWSHERA CANTT, MARDAN	1720158450277	SARWAR KHAN	-	-	-	-	543	41	-	584
125	FARRUKH MANZOOR 159 ASKARI HOMEZARAR SHAHEED RD LAHORE CANTT	3520014584281	SHEIKH MANZOOR AHMAD	495	163	-	658	495	100	-	596
126	TARIQ HUSSIAN H A/264 MASJID SHER ALI MOHL, KHAWAJGAN GUJ	3420105287869	AKHTAR HUSSIAN	578	177	-	756	543	38	16	597
127	MUHAMMAD ASIF H# 49, ST# 3 NIZAM BLOCK ALLAMA IQBAL TOWN LAHORE	3520228026745	MUHAMMAD NAZIR	555	165	-	720	518	85	19	622
128	JAVED IQBAL KHAN LAGHARI LAGHARI HOUSE MOHL, KASIM BALILA ALI PARK MUL	3230271829251	JAVED IQBAL KHAN LAGHARI	633	202	-	835	625	-	-	625
129	MUHAMMAD IJAZ 7 H BLOCK VEHARI	3660322137611	MUHAMMAD MUKHTAR	-	-	-	-	549	76	-	625
130	FARHAN HAFEEZ 929 - SHADMAN COLONY LAHORE	3520207398279	MUHAMMAD SHAFIQUE ULLAH 510	188	-	-	698	510	108	7	626
131	KAMAL KHAN H# 226/D, D-AREA NEW HAJI CAMP SULTANABAD KARACHI	4240172214579	SHAH MAHMOOD KHAN	531	176	-	707	531	92	4	627
132	MUHAMMAD ABDULLAH House # 2347, Moh Sultani, Near Police Station Bohar Gate, Multan	3630223118295	MUHAMMAD ABDULLAH	655	274	-	928	629	-	-	629
133	OMER KHAN DURRANI SULTANABAD,P/O,KALIASTEHSIL & DIST CHARSDADA	1710189399571	ASLAM JAN DURRANI	-	-	-	-	592	45	-	637
134	MUSHTAQ AHMAD 33G COMMERCIAL AREA DHA LAHORE CANTT	8220320497019	CH MUHAMMAD DIN	533	301	-	834	533	113	5	651
135	MUKHTAR AHMED 30/D MODEL COLONY, Q BLOCK MODEL TOWN LAHORE.	3520116309495	NASEER AHMED	660	159	-	819	599	59	-	657
136	SYED MANSOOR HASSAN RIZVI H#52 ST#4 SEC#F1 PHA#6 HAYATABAD PESHAWAR	1730196638161	SYED AYAZ HASSAN RIZVI	639	209	-	848	602	57	0	659
137	SULTAN BADSHAH H#255 BLOCK#3 SATELLITE TOWN QUETTA	5440036476733	ABDUL AZAIZ KHAN	-	-	-	-	617	50	-	667
138	IMRAN BUTT H/NO 841-B SABZAZAR LAHORE.	3520259832549	IMRAN BUTT	676	182	-	858	676	-	-	676
139	SHAMSHAD KAHN H#38 1 CHARNAL RD BHUTTA VILLAGE KEMARI KARACHI	4240141491165	MIR OWAIS KHAN	675	238	-	913	602	44	36	682
140	IMRAN AZHAR SHAH 92 B VVARIS ROAD LAHORE	3520269724859	AZHAR HUSSAIN SHAH	661	152	-	813	596	53	33	682
141	M ATIF 81 KATARPURIAN , CHOWK NAWAB SAHIB,AKBARI GATE,LAHORE	3520224658886	FAZAL REHMAN	605	79	-	684	605	78	-	683
142	CHUADARY MUHAMAD MUNIR H#P-174 ST#6 FAIZABD MAIN RD GM ABAD FSD	3310051703959	CHUADARY MUHAMMAD MUNIR	685	205	-	890	685	-	-	685
143	MUHAMMAD UMER H NO 9 ST NO 13 PEOPLES COLONY BLOCK"W" GUJRANWALA	3410131731071	MUSHTAQ AHMED	664	188	-	852	623	54	7	685
144	MUHAMMAD QASIM 87 Q DHA CANTT LAHORE	28905221703	MUHAMMAD ASGHAR ALI	-	-	-	-	596	93	-	689
145	ASIM GULZAR 628-D, PEOPLES COLONY, FAISALABAD	3310009453949	HAJI GULZAR AHMED	-	-	-	-	641	49	-	690
146	MUSHTAQ AHMED H.NO. 243, NEAR MADINA MASJID, SIDDIQABAD GULBHAR # 1, KARACHI	4210117166187	MOHAMMAD JAMIL	685	7	-	692	635	51	6	692
147	IRFANA MAQSOOD H#11-B ST BISMILLAH TERIS ALMARI WALI GALI GARDEN KHI	4230109723270	SHIEKH MAQSOOD AHMED	655	318	-	974	633	62	10	704

## Annexure-1

Rs in '000											
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1	2	3	4	5	6	7	8	9	10	11	12
148	SHEIKH MUHAMMAD ASIM 32 AFZAAL ROAD SANDHA KALAN LAHORE	3520271725453	MUHAMMAD ANWAR NADEEM	688	295	-	984	650	52	6	708
149	AHMED RASHED 15-A AKRAM PARK ABU BAKAR RD SHAD BAGH LAHORE	3520291804761	ABDUL RASHEED	673	202	-	876	644	62	11	717
150	HAROON NIAZ FLAT # 701-A, CHAPEL OCEAN CENTER, BLOCK 4, CLIFTON, KARACHI	4230187079673	MIAN NIAZ AHMED	635	36	-	671	635	91	-	726
151	HAQ NAWAZ BANGASH HOUSE MAIN RD GULBERG 2 OPP RAILWAY TRACK PESHAWAR CANTT	1710214495445	MUHAMMAD NAWAZ KHAN	-	-	-	-	671	56	2	729
152	AKTHAR ALI SAJID FL# 118 C RABI ARCADE MALIR BAHADURABAD KARACHI	4200003648171	AKHTER ALI SAJJAD	736	362	-	1,098	736	-	-	736
153	ANAYAT ULLAH Jinnah Road, Bheeko Pur, Fatto Mandi, Sialkot Road, Gujranwala	3410124816127	ANAYAT ULLAH	736	270	-	1,007	736	-	-	736
154	MUHAMMAD SALEEM H#6 ST#29 E SC#MANZOOR COLONY KHI #44	4230110660509	MUHAMAD SALEEM	737	161	-	899	737	-	-	737
155	MEHRAN KARMA OPRTRUST PLAZA MOHALA KOTBHULA GUJRANWALA	3410167812821	KARAMAT ULAH	905	257	-	1,162	732	7	-	739
156	MUHAMMAD KASHIF BASHIR CHUK# 189-R.B TEHSIL & DIST, FAISLABAD	3310116852991	BASHIR AHMED	-	-	-	-	722	17	-	739
157	SOHAIL MUHAMMAD KHAN H#2063 ST#33 1-10/2 ISLAMABAD	4220119679383	SAEED MUHAMMAD KHAN	718	264	-	982	660	60	20	740
158	AZIZ SABIR CH H NO 1261 ST NO 174 G 11/1 ISLAMABAD	3320279786609	CH GHULAM SABIR	661	186	-	848	641	80	21	742
159	SYED AZFAR ABBAS NAQVI H# E-11 BLK# 4 NEAR PATEL HOSPITAL GULSHAN IQBAL KARACHI	4220164788057	SYED MOHSIN ABBAS NAQVI	689	335	-	1,024	666	63	16	745
160	MUHAMMAD AVIAS KHAN 36-EDEN AVENUE NEW AIRPORT LAHORE	3520276230285	ATTTA UR REHMAN	679	368	-	1,046	662	84	11	758
161	MIAN MAJID AHMED H# 19 ST# 01 HAMDANI PARK CHONGI AMAR SADHU LAHORE	3520014456691	MIAN AMAN ULLAH	782	225	-	1,008	685	52	24	761
162	SHAHID YOUNAS P 53/B, Sir Syed Block, Malik Road, Faisalabad	3310043036033	SHAHID YOUNIS	1,079	313	-	1,392	767	-	-	767
163	JAVIAD IQBAL HASHMI SUITE#8,2ND FLR AURIGA COMPLEX GULBERG 111 LAHORE	3310677073093	AMEE SHAH HASHMI	756	289	-	1,044	666	61	41	768
164	MUHAMMAD RAUF H# 387 F-2 WAPDA TOWN LAHORE	3520250811317	SYED ZAHIDHUSSAIN	702	233	-	935	683	75	11	769
165	AZHAR ALI KHAN H#C 311 PADO CITICEN CLY QASIMABAD HYDRABAD	4130688816009	ASIF ALI KHAN LAGAHRI	771	363	-	1,134	689	65	20	775
166	MUHAMMAD ILYAS H # 540 A LDA GHOSIA COLONY NABI PURA MUGHAL PURA LAHORE	3520122582975	FAZAL DAAA KHAN	752	326	-	1,078	717	58	7	781
167	SAJID ALI KHAN 32 ISLAM PARK JOHAR TOWN LAHORE	3520212554545	ABDUL RASHID	665	366	-	1,031	665	117	2	783
168	RAHAT ALI MAROUF JAN KURAUNA,P/O HATIAN, TEHSIL TAKHT BHAI, MARD	1610251434775	SAID MAROUF	-	-	-	-	709	77	-	786
169	SYED MAKHDOOM RAZA GILANI HOUSE NO. P-57, STREET NO-13, DADI WALA RD FAISALABAD	3740505513289	SYED ABDUL HUSSAIN SHAH	671	139	-	810	685	104	-	789
170	SHUFTA NASIR R-835 SEC#8/C GULSHAN ZAHOOR KARACHI	4200004988024	NASIR HUSSAIN MIRZA	741	327	-	1,067	700	83	12	796
171	AFTAB AHMED KHOKAR 27-A UNIT# 3 LATIFABAD HYDERABAD	4130439978467	HAJI GHULAM HUSSAIN	-	-	-	-	729	68	-	797
172	KAMRAN UNIR KHAN H#225 GULSHAN RAVI LAHORE	3630211830803	MUNIRAHMED KHAN	737	411	-	1,148	720	84	-	804
173	MUHAMMAD MOHSIN THATHA DAD POST OFFICE GAKK MER DISCTT GRW	3410144445139	ASGHAR ALI CHEEMA	701	223	-	925	701	104	3	808
174	AAMIR NABI H#20/83 SEC#11-D NEW KARACHI KHI	4210198300513	ABDUL NABI	697	218	-	915	697	103	12	812
175	IRFAN AHMED H#689 MODEL TOWN SIALKOT	3460126083313	MUHAMAD SARWAR	782	316	-	1,098	695	78	41	815
176	RIAZ AHMED IMTIAZ 611NAZAM BLOCK ALLAMA IQBAL TOWN LHR	3520193504259	MOHD SHAREEF	778	259	-	1,037	733	82	2	817

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1	2	3	4	5	6	7	8	9	10	11	12
177	ZAFAR MEHMOOD MINHAS 79/7 HASEEB BLOCK AZAM GARDEN MULTAN ROAD LAHORE	3520228305223	ZAFAR MEHMOOD MINHAS	823	296	-	1,119	823	-	-	823
178	TAJAMAL HUSSIAN PROFESSOR ST MOHL MUSLIM ABAD GUJRAT	3420105738201	FAZAL AHMED	752	230	-	982	741	85	-	826
179	MUHAMMAD IRFAN AKRAM H# 171 B FAZAL PARK #2 SHADBAGH LAHORE	3520297723395	MUHAMAD AKRAM	700	401	-	1,101	700	135	2	837
180	SH MUHAMMAD ASIM H NO 32 ST O 9 AFZAAL ROAD SANDA KALAN LAHORE	3520271725453	SKH MOHD ASIM	839	272	-	1,111	839	-	-	839
181	JAWEED HASHIM SIDDIQUE A-717/12 GULBERG FB AREA BLK 12 KARACHI	4220129937217	MUHAMMAD HASHIM SIDDIQUE	741	272	-	1,013	731	105	6	842
182	SYED SHAHID PERVAIZ MADINA SYEDAN DAKKHANA KHAS TEH#DISTT GUJRAT	3420125334641	SYED SHAHID PERVAIZ	847	479	-	1,327	847	-	-	847
183	UZMA WILLAM ROSE H#12 F, PM.C COLONY FAISLABAD	3310094792240	WILLIAM ROSE	861	325	-	1,186	767	59	23	849
184	MUHAMMAD ASIF NIZAM R-370 A ONE COTTAGE BLOCK -9 FB AREA KARACHI	4210116999207	NIZAM UDDIN QURESHI	720	396	-	1,116	697	111	45	854
185	HAJI MUHAMMAD BASHIR SK-33, HUB RIVER RD, SEC-1, HAROON BEHARIA SOC. KARACHI	5510357220103	MEWA KHAH	740	44	-	784	740	121	-	861
186	ABDUL JABBAR ST#2 B-BLK# HUAARI TOWN NEAR LADYANI MASJID FSD	3310072925239	MUHAMAD AKRAM	781	360	-	1,141	748	110	8	866
187	SYED MOHD REHAN SAEED KAZI H#C-350 GULISTAN E JOHAR BLK# 1 KHI	4220148032563	SYED MEHMOOD UL HASAN KAZI	872	300	-	1,172	759	73	41	874
188	IMRAN AZHAR SHAH 92-B WARIS ROAD LAHORE	3520269724859	AZHAR HUSSAIN SHAH	821	372	-	1,193	785	78	20	883
189	SHAHID HUSSAIN H#10, ST #29 SECTOR GULSHAN ABAD ADIALA ROAD RWP	3740505583957	NOOR MUHAMMAD	738	254	-	992	738	140	6	884
190	SHAHID ALI H#37 ST# 6, BL# Z PEOPLES COLONY GRW	3410170867135	AKBAR ALI	754	277	-	1,031	754	140	1	895
191	NAZ FATIMA G-25 3/4 STEEL TOWN KARACHI	46291202208	AFTAB ALI QADRI	863	438	-	1,301	822	77	-	899
192	ASIM IRSHAD KHAN H# 39-D FAISAL TOWN LAHORE	3520227778503	IRSHAD HUSSAIN KHAN	730	290	-	1,020	730	174	2	906
193	SAFEER MUHAMMAD H#ZB 362 BANGHS COLONY PIR WADHAI RAWALPINDI	3740504109547	FAQEER MUHAMAD	841	397	-	1,238	806	55	52	913
194	M. AFZAL QURESHI SAMRORE, DAK KHANA KHAS, TEH & DISTT KOTLI	8120221489865	M. ZAMAN QURESHI	927	245	-	1,171	834	62	22	918
195	INAMULHAQ H#696 ST#1 NEW ABADI SAWAN NEAR UNION CONCIL. ISB	6110147332593	SULTAN MEHMOOD	769	435	-	1,204	769	156	0	925
196	HAQ NAWAZ KASHIF H#309 JAHANZEB BL#ST#9 ALLAMA IQBAL TOWN LHR	3520283787129	MUSHTAQ AHMED	774	307	-	1,081	774	150	2	926
197	MUHAMMAD TARIQ KHAN ROHAI WAL DAKKHANA BHNDIAN KALAN TEHSIL QASOOR	3510257811771	ZAHOOR AHMED	835	235	-	1,070	822	105	13	940
198	SOHAIL KHAN 540 G 2 WAPDA TOWN LAHORE	3520286923609	HAJI ATTA ULLAH	782	316	-	1,098	782	187	-	969
199	LIAQAT ALI H # 18, ST # 34, AMIN PARK, MULTAN ROAD, LAHORE	3520249429229	CH GULZAR	967	409	-	1,376	878	68	36	981
200	GHULAM MURTAZA URF RAJA H# 186 ST# 4 DEFENCE PHASE 2 KHI	4230189079923	SAROAR GHULAM MUSTAFA	849	299	-	1,148	825	133	34	992
201	MUHAMMAD AKRAM BOCHA KALAN DAKKHANA KHAS TEH BHALWAL DIST SARGOD	3840189163681	MOULA BAKSH	825	377	-	1,202	825	165	9	998
202	MOHAMMAD UMER KHARATA ABAD H1 SAUNSARI D QUEETA	5440024754463	MIRZA KHAN	877	258	-	1,134	877	120	2	998
203	AZIZ UR REHMAN H #1165, ABBASI CHAMBER, QAZI ABDUL QAYOOM RD. HYD	4130380297083	ABDUL REHMAN	919	412	-	1,331	895	104	18	1,017
204	FAHAD AYUB MERCHI EG-6 COUNTRY CLUB APP# B ST# DHA KARACHI	4230128511361	MUHAMAD AYUB MERCHAT	912	291	-	1,203	887	117	15	1,019
205	MUHAMMAD KHALID BASHIR HOUSE# 710/3 HASSAN STREET# ZESHAN ROAD KHYABAN # 2 FAISLABAD	3310040801055	CHAUHDARY BASHIR AHMED	968	526	-	1,495	932	81	7	1,020



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1	2	3	4	5	6	7	8	9	10	11	12
206	HUMAYOON ASLAM H # 1 F 1-6 NAZIMABAD # 1 KARACHI	4210115818243	HAMAYOON ASLAM	1,028	393	-	1,421	1,028	-	-	1,028
207	AKBAR ALI H#P-370,MOHALA NEW CIVIL LINE, SARGODHA RD,FAISALABAD	3310010173269	FAZAL MUHAMMAD	937	432	-	1,368	919	118	6	1,043
208	JAWEED HASHIM SIDDIQUI A-717/12, BLOCK 12, GULBERG, F.B AREA, KARACHI	4220129937217	MOHD HASHIM SIDDIQUI	925	289	-	1,214	925	122	10	1,057
209	ADNAN BASHIR BHATTI G11/2 ST NO 68 HOUSE NO 445 ISB	9150601231673	MUHAMMAD BASHIR BHATTI	952	251	-	1,203	952	119	7	1,077
210	MAHER QAMAR MEHMOOD KHAN H # 1 MOHALLAH MADINA TOEN 2 OLD SHUJA ABAD ROAD MULTAN	3630209455019	MAHEER ALLAH ITA	-	-	-	-	952	129	-	1,080
211	SAMMAR ABBAS E-103 ST 3 SUPER TOWN WALTON RD LHR CANTT	3520177623283	ANWAR SHAH	-	-	-	-	943	154	-	1,097
212	FAHAD AYUB MERCHANT EG-6 COUNTRY CLUB APP# B ST# DHA KARACHI	4230128511361	MUHAMAD AYUB MRCHANT	950	315	-	1,265	950	150	3	1,103
213	SYED MAKHDOOM RAZA GILLANI H#57 P BLOCK , ST # 13 DODIWALA RD, FAISALABAD	3740505513289	SYED ABDUL HUSSAIN SHAH	940	271	-	1,210	940	172	-	1,112
214	MIAN MAJID AHMED H#19 ST# 01 HAMDANI PARK QUID-E-MILLAT COLONY 2 LAHORE	3520014456691	MIAN AMAN ULLAH	938	277	-	1,216	938	171	5	1,114
215	RANA TARIQ MEHMOOD BECO PUR SIALKOT RD RAJPUT COLONY GRW	3410171130773	RANA MUHAMMAD ASHRAF	782	316	-	1,098	782	173	206	1,161
216	NAWAB ZADA H# 113/10 SEC# 5-E NEW KARACHI	4210150425945	AMER KHAN	1,021	525	-	1,546	1,021	147	1	1,168
217	ISLAM H#73 KORANGI# 4 AREA 35-DNEAR DEWAN SUELMAN KARACHI	4220117078663	QAMAR	1,003	493	-	1,496	1,003	175	3	1,181
218	NAWAB ZADA H# 94/15 NEW KARACHI SEC# 5/E KARACHI	4210150425945	AMEER KHAN	1,044	544	-	1,588	1,036	149	4	1,189
219	ADNAN AHMED H# A-366, MALER COLONY KARACHI	4250115186681	SHEIKH IKHTIAR UD DIN AHMED	1,033	387	-	1,420	1,033	198	10	1,242
220	IRFAN SHAHID WASEER 596-G-1 JOHAR TOWN LAHORE	3310434619177	NAWAB SHER WASEER	1,026	333	-	1,359	1,026	214	5	1,245
221	FARHAT KAMAL 94-C MOEL TOWN LAHORE	3520265057777	ABDUL LATIF KHAN	1,096	581	-	1,677	1,087	197	11	1,295
222	ZUBAIR AHMED FL#A-427 MAINLA APPRTMENT BL#13-D GULSHAN IQBAL KHI	5220309994447	NAZIR AHMED	992	495	-	1,487	992	199	280	1,471
223	RANA MOHSIN 105-E, GULSHAN E RAVI LAHORE.	3520228969359	SHARIF BHATTI	1,611	351	-	1,962	1,443	111	-	1,553
224	SYED SHAHID ALI House#1194 Block 9 Dastagir Society F.B Area Karachi	4210172198651	SYED MUMTAZ ALI	11,212	106	-	11,318	11,167	1,859	-	13,026
225	SHER BANO Plot#121 1st Floor Block 2 PECHS Karachi	4220114921076	MUHAMMAD FERROZ PUNJAWANI	15,471	511	-	15,981	15,456	3,260	-	18,715
226	RAO KHALID ANJUM 50 Asghar Mall Scheme Rawalpindi	3740503430193	RAO ZAHID ALI KHAN	2,698	229	-	2,927	2,698	501	-	3,198
227	Apollo Textile Mills Limited Suite No.323, The Forum G-20 Khyaban-e-Jami, Block-9, Clifton Karachi	Ikram Zahur 517-88-11946 Abdul Rehman Zahur 517-72-158147 Haji Shamsullah 517-26-031220 Mohammad Razzak 101-50-036217 Zahur Ahmed 517-44-158944	Zahur Ahmed Zahur Ahmed Hamesh Gul Abdul Majeed Haji Dost Muhammad	8,442	12	-	8,454	5,525	12	-	5,537
228	Vivian Exports B-6, Block-2, Gulistan-e-Johar Karachi	Hussain A. Farooqi 502-90-643396	Ghulam Rabbani	9,626	5,880	-	15,506	-	1,506	-	1,506
229	Dastagir Paper & Board Mills (Pvt.) Limited 7-E, First Floor, Main Market, Gulberg-II, Lahore	Mohammad Afzal Qureshi 272-42-390076 Kamran Afzal 272-97-390080 Riaz Ahmed Malik 266-86-003524 Waheed Ahmed Malik 272-87-211739 Najma Afzal Qureshi 272-46-390077 Ahmed Nadeem Aslam 272-58-357054	Muhammad Abdul Sattar Mohammad Afzal Qureshi Muhammad Nawaz Malik Hafeez Ahmed Khan Mohammad Afzal Qureshi Abdul Ghani	8,166	878	-	9,044	8,166	878	-	9,044

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				Principal	Interest / Mark-up	Others	Total				
1	2	3	4	5	6	7	8	9	10	11	12
230	Power Pistons Limited Bund Road, Near Khokhar Road, Badami Bagh, Lahore	Dr. Syed Amir Ali 270-88-434331 Mirza Habibullah 501-85-419293 Inayat Ullah Bhatti 267-39-273142 Mirza Altaf Habib 501-62-419298 Mrs. Sabeen Amir Ali 270-88-434332 Mirza Muhammad Ali 285-26-295042 Shabir Ahmed Mughal 285-58-497495 Muhammad Latif Gondal 228-48-135713 Muhammad Asif Moben 267-71-273147	Syed Shafqat Ali Mirza Chiragh Din Khushi Muhammad Mirza Habibullah Dr. Syed Amir Ali Mirza Sirajuddin Mirza Muhammad Ali Abdullah Khan Inayatullah Bhatti	1,541	136	-	1,677	-	136	-	136
231	Freight Logistics F-1, 123-E/1, Hali Road, Gulberg-III Lahore	Faud Salahuddin 274-64-160578	Peer Salahuddin	-	284	-	284	-	234	-	234
232	Bata Foreign Shoes Mohallah Qayamuddin, Shamsi Road Mardan	Muhammad Ayaz 128-91-069005	Juma Khan	8,297	819	-	9,116	505	-	-	505
233	Spectrum Chemicals (Pvt.) Limited. 4-Park View Morgha, P.O. Box No.207 Rawalpindi	Asif Jabar Khan 210-62-152388 M. Ishaq K. Khaleel 101-64-321655 Mrs. Naila Imtiaz 210-60-482405	Abdul Jabbar Khan M.I.K. Khaleel Nasir Jabbar Khan	4,173	901	-	5,074	1,673	901	-	2,574
234	Agricides (Pvt.) Limited Merin Trade Center, BC-3, Block-9, Kehkashan, Clifton, Karachi	Aziz Damji 516-41-060256 Mrs. Parveen Aziz 516-46-060257 Pervez Lakdawalla 506-54-297368 Ashween Damji 516-88-060258 Shamsuddin G. Damji 516-23-067026	Nazar Ali Aziz Damji Pyare Ally Lakdawalla Aziz Damji Ghulam H. Damji	45,428	12,642	-	58,070	23,108	12,642	-	35,750
235	Edgro (Pvt.) Limited. Merin Trade Center, BC-3, Block-9, Kehkashan, Clifton, Karachi	Ashween Damji 516-88-060258 Mrs. Parveen Aziz 516-46-060257 Pervez Lakdawalla 506-54-297368	Aziz Damji Aziz Damji Pyare Ally Lakdawalla	27,174	7,380	-	34,554	13,494	7,380	-	20,874
236	Goshi Spinning Industries. 133-D, Satellite Town, Gujranwala	Rashid Yousaf 285-71-189138	Muhammad Yousaf	1,447	-	-	1,447	622	-	-	622
237	Frontier Construction Co. (Pvt.) Limited. 96-A, Faisal Town, Lahore	Mohammad Ramzan 269-24-025284 Aabdu Razzak 269-89-025288 Abdul Khaliq 269-90-025287 Abdul Rauf 269-66-025290 Rashid Mahmood 269-70-025293	Muhammad Ismail Muhammad Ramzan Muhammad Ramzan Muhammad Ramzan Muhammad Ramzan	1,417	1,082	-	2,499	-	1,082	-	1,082
238	Aisha Cotton Mills Limited. 4th Floor, Haji Adam Chambers A-57, SITE, Manghop, New Challi Karachi	Aziz A. Dawood Uzair A. Dawood S. Saleem Iqbal Safdar Ali		-	52	-	52	-	52	-	52
239	Safdar Hussain E-2, Bed Rock Apartment Karachi	Safdar Hussain 136-87-030789	Qaiser Hussain Barlas	-	63	-	63	-	63	-	63
240	Asif International 28-Jamila Street, Gas Mandi, Old Haji Camp, Karachi	Muhammad Asif 512-89-042047	Abdul Ghani	148	146	-	294	-	146	-	146
241	Ahsan Elahi 26-Empress Road, Lahore	Ahsan Elahi	Sheikh Ahsan-ul-Haq	-	12	-	12	-	12	-	12
242	Momin Tyres 19, D-Block, Model Town, Lahore	Ather Ahsan 35202-2832673-5		495	107	-	602	-	107	-	107
243	Ahmed Textile 417-Ravi Block, Allama Iqbal Town Lahore	Sheikh Muhammad Ismail 265-24-162194 Asghar Ali Awan 324-54-452765	Hafiz Muhammad Sharif Rehmat Ali Awan	-	90	-	90	-	90	-	90
244	Qalb-e-Abbas & Co. 178-B, Peoples Colony-2, Muslim Park, Faisalabad	Qalb-e-Abbas 246-91-257280	Barkat Ali	500	253	-	753	500	253	-	753
245	Zafar Abbas 178-B, Peoples Colony-2, Muslim Park, Faisalabad	Zafar Abbas 246-90-257279	Barkat Ali	500	177	-	677	500	177	-	677
246	Knit Knot (Pvt.) Limited. 41-42, Civic Center, Barket Market, New Garden Town, Lahore	Hafeezullah Khan Niazi 239-52-071741 Khalid Suleman Malik 265-59-130049	Zafarullah Khan Niazi Malik Abdul Hameed	130,900	31,954	-	162,854	116,749	31,954	-	148,703
				599,260	143,772	791	743,824	364,176	113,279	3,546	481,003

## Islamic Banking Business

The Bank is operating 03 Islamic banking branches at the end of current year as compared to 2 Islamic banking branches at the end of 2006.

<i>Rupees in '000</i>	<b>2007</b>	2006
<b>Assets</b>		
Cash and balances with treasury banks	<b>98,519</b>	57,613
Balances with and due from financial institutions	<b>5,990</b>	79,955
Investments	-	-
Financing and receivables		
- Murahaba	<b>185,160</b>	74,216
- Ijara	<b>115,438</b>	116,854
- Musharaka	<b>111,294</b>	-
- Diminishing musharaka	-	-
- Salam	-	-
- Other Islamic modes	<b>7,455</b>	-
Other assets	<b>90,470</b>	24,456
<b>Total Assets</b>	<b>614,326</b>	353,094
<b>Liabilities</b>		
Bills payable	<b>4,318</b>	2,987
Due to financial institutions	-	-
Deposits and other accounts	-	-
- Current accounts	<b>97,767</b>	56,986
- Saving accounts	<b>49,781</b>	83,777
- Term deposits	<b>72,176</b>	30,700
- Others	<b>4,785</b>	1,840
- Deposit from financial institutions - remunerative	-	100,000
- Deposits from financial institutions - non-remunerative	-	-
Due to head office	<b>160,000</b>	-
Other liabilities	<b>127,342</b>	29,101
	<b>516,169</b>	305,391
<b>Net assets</b>	<b>98,157</b>	47,703
<b>Represented by</b>		
Islamic Banking Fund	<b>150,000</b>	50,000
Reserves	-	-
Unappropriated loss	<b>(51,843)</b>	(2,297)
	<b>98,157</b>	47,703
Surplus / (Deficit) on revaluation of assets	-	-
	<b>98,157</b>	47,703
<b>Remuneration to Shariah Advisor</b>	<b>1,428</b>	370
<b>CHARITY FUND</b>		
Opening Balance	<b>1</b>	-
Additions during the period	-	-
Payments / Utilization during the period	-	-
Closing Balance	<b>1</b>	-

## Pattern of Shareholdings As on December 31, 2007

Number of ShareHolders	Shareholdings		Total Number of Share Held	Percentage of Total Capital
	From	To		
755	1	100	37,343	0.0028
1563	101	500	446,276	0.0331
726	501	1000	578,261	0.0429
2049	1001	5000	3,777,811	0.2804
139	5001	10000	1,009,551	0.0749
34	10001	15000	421,364	0.0313
25	15001	20000	446,509	0.0331
12	20001	25000	269,704	0.0200
4	25001	30000	104,667	0.0078
2	30001	35000	65,026	0.0048
2	35001	40000	78,000	0.0058
7	40001	45000	292,671	0.0217
1	45001	50000	45,150	0.0034
1	50001	55000	50,500	0.0037
4	55001	60000	228,901	0.0170
3	60001	65000	189,600	0.0141
1	65001	70000	67,917	0.0050
1	90001	95000	90,850	0.0067
1	95001	100000	100,000	0.0074
1	110001	115000	111,198	0.0083
1	195001	200000	199,000	0.0148
1	385001	390000	387,117	0.0287
1	1500001	1505000	1,502,711	0.1115
1	1336935001	1336940000	1,336,936,258	99.2207
<b>5,335</b>			<b>1,347,436,385</b>	<b>100.0000</b>

## Categories of Shareholders As on December 31, 2007

Sr. #	Category	No. of Shareholders	Total Number of Shares Held	% of total Capital
1	Individuals	5,224	7,905,101	0.5867
2	Investment Companies	11	32,421	0.0024
3	Insurance Companies	3	1,510,077	0.1121
4	Joint Stock Companies	80	792,170	0.0588
5	Financial Institutions	13	1,337,163,665	99.2376
6	Modaraba Companies	1	3	0.0000
7	Mutual Funds	3	32,948	0.0024
<b>TOTAL:</b>		<b>5,335</b>	<b>1,347,436,385</b>	<b>100.0000</b>

## Disclosure of Pattern of Shareholding As on December 31, 2007

	Total Number of Shares Held	% of total Capital
<b>Associated Companies, Undertakings and related parties</b>	NIL	NIL
<b>NIT &amp; ICP</b>		
Investment Corporation of Pakistan	200	0.0000
<b>Executives</b>	13,793	0.0010
<b>Banks, DFIs, NBFIs, Insurance Companies, Modarabas and Mutual Funds</b>	1,339,538,279	99.4138
<b>Public sector companies &amp; corporations</b>	7,884,113	0.5851
<b>Shareholders holding ten percent or more voting interest</b>		
M/s. ABN AMRO N.V Amsterdam	1,336,936,258	99.2207

# OUR BRANCH NETWORK

## KARACHI

### Main Branch

16, Abdullah Haroon Road.  
UAN: (021) 111-11-22-33  
Fax: (021) 568 3432

### Abdullah Haroon Road

State Life Building No. 11,  
Abdullah Haroon Road.  
Tel: (021) 568 4525, 568 2639 & 568 3981  
Fax: (021) 568 3975

### I. I. Chundrigar Road

Nadir House, I.I.Chundrigar Road.  
Tel: (021) 241 8487, 241 8300 - 9  
Fax: (021) 241 8485

### Zamzama

13 - C, 7th Zamzama Commercial Lane,  
Phase V, D.H.A.  
Tel: (021) 587 5323, 587 5401  
Fax: (021) 587 5404

### Defence

World Business Centre,  
Main Korangi Road, Phase I, D.H.A.  
Tel: (021) 580 5182, 580 5170 - 9  
Fax: (021) 580 5180

### Shahrah-e-Faisal

Progressive Centre,  
Shahrah - e - Faisal.  
Tel: (021) 438 9573 - 7  
Fax: (021) 453 5170

### Shaheed-e-Millat Road - Islamic Banking

SNP, A / 6 - A 1, Commercial Area,  
Karachi Cooperative Housing Society  
Union Ltd., Union Area,  
Shaheed - e - Millat Road.  
Tel: (021) 431 2585, 439 8355 - 7  
Fax: (021) 431 1658

### Cloth Market

Cloth Market, New Naham Road,  
Off M. A. Jinnah Road.  
Tel: (021) 247 2704, 247 2616 - 9  
Fax: (021) 247 2595

### Jodia Bazar

NP 12 / 74, Mohammad Shah Street,  
Jodia Bazar.  
Tel: (021) 253 3976, 252 2225 - 9  
Fax: (021) 252 2224

### Khy-e-Shahbaz

43 - C, Khayaban-e-Shahbaz,  
Phase V, D.H.A.  
Tel: (021) 534 2388, 534 2364 - 8  
Fax: (021) 534 2387

### North Karachi

Nimra Corner, Sector 12-A,  
Industrial Area, North Karachi.  
Tel: (021) 695 8456, 692 0621 - 5  
Fax: (021) 695 6237

### Paper Market

Shahrah-e-Liaquat, Paper Market.  
Tel: (021) 221 3940, 221 3946 - 7  
Fax: (021) 221 3941

### Dhoraji

Sana Pride, 35/244, CP & Berar  
Cooperative Housing Society, Dhoraji.  
Tel: (021) 413 6551, 413 1421 - 3  
Fax: (021) 413 6550

### S.I.T.E.

Plot No. B / 9 - B - 2,  
Estate Avenue, S.I.T.E.  
Tel: (021) 256 9772, 256 9934 - 43  
Fax: (021) 256 9771

### North Nazimabad - Block G

Almas Square, Plot No. SD - 5, Block G,  
North Nazimabad.  
Tel: (021) 664 8441, 664 8750 - 1  
Fax: (021) 664 8440

### Metroville

ST-15, Block-3, Metroville I, S.I.T.E.  
Tel: (021) 666 1300  
Fax: (021) 666 2774

### Marriot Road

G/5-7, St. No. MR-1, Survey No. 54.  
Tel: (021) 241 4093, 241 2803 - 7  
Fax: (021) 241 4095

**Gulshan-e-Iqbal - Block 6**

FL-2/4, Block 6.

Tel:(021) 481 9741, 481 9572 - 6

Fax: (021) 481 9744

**Federal B Area**

C-25, Block 17.

Tel: (021) 680 0693, 680 0342 - 3

Fax: (021) 680 0344

**Gulistan-e-Jauher**

Billy's Heights, KDA Scheme No.36.

Tel: (021) 402 6833, 402 6826 - 30

Fax: (021) 402 6832

**Kh-e-Itehad**

8-C, Itehad Commercial Lane 9,

Phase VI, D.H.A.

Tel: (021) 535 0274, 535 0268 - 72

Fax: (021) 535 0275

**Tipu Sultan Road**

Plot No.110, Zonal Commercial Area,  
Banglore Cooperative Housing Society.

Tel: (021) 430 1181 - 85

Fax: (021) 430 1187

**Defence**

22/C, Lane 2, Shahbaz Commercial,  
Phase V, D.H.A.

Tel: (021) 585 4460

Fax: (021) 585 5131

UAN: (021) 111-111-338

**Gulshan-e-Iqbal - KDA Scheme No. 24**

SB-25, Block 13/C, KDA Scheme No. 24,  
University Road.

Tel: (021) 499 2055

Fax: (021) 497 2270

UAN: (021) 111-335-335

**Shaheed-e-Millat**

72-A/Z, Block 7/8,

Al-Riaz Cooperative Housing Society.

Tel: (021) 431 1950

Fax: (021) 431 0749, 438 2583

UAN: (021) 111-321-321

**North Nazimabad - Block D**

D4, Block D, North Nazimabad.

Tel: (021) 672 1601 - 5, 672 1640

Fax: (021) 672 1614

**Korangi - Islamic Banking**

KM Centre, 130, 130/1,

Main Korangi Road, Phase I, D.H.A.

Fax: (021) 531 1441

UAN: (021) 111-11-71-72

**LAHORE****Main Branch**

310, Upper Mall,

Shahrah-e-Quaid-e-Azam.

Fax: (042) 575 1020

UAN: (042) 111-11-22-33

**Gulberg**

61- Main Gulberg.

Tel: (042) 575 7666

Fax: (042) 575 3111

**Egerton Road**

Ground Floor, Building No. 3,

Aiwan-e-Iqbal Complex,

Egerton Road.

Tel: (042) 637 1111, 627 8782

Fax: (042) 636 8500

**Defence**

77-Y, Phase III, D.H.A.

Tel: (042) 572 8282, 572 6601

Fax: (042) 572 5767

**New Garden Town**

Awami Complex, Block No. 2,

New Garden Town.

Tel: (042) 586 1111, 594 0191

Fax: (042) 586 9181

**Allama Iqbal Town**

20 Gulshan Block,

Allama Iqbal Town.

Tel: (042) 541 5588, 541 7262

Fax: (042) 541 9394

**Gulberg Industrial Area**

25-B-2 Gulberg III.

Tel: (042) 571 7141-5

Fax: (042) 571 8050

**Township**

894-D, Faisal Town, PECO Road.

Tel: (042) 517 6051-9, 517 6002

Fax: (042) 517 6041

**Circular Road**

Outside Shah Alam Gate,  
Main Circular Road.  
Tel: (042) 767 0600, 767 0501  
Fax: (042) 767 0666

**Qurtaba Chowk**

Qurtaba Chowk, 110-A, Lytton Road.  
Tel: (042) 721 0500-4, 790 0268  
Fax: (042) 721 0505

**PIA Town**

188, Block-F, Phase I,  
PIA Employees Housing Society,  
Wapda Chowk.  
Tel: (042) 518 9011 - 6, 518 9020  
Fax: (042) 518 9010

**Baghbanpura**

Bilal Market, Chowk Shalamar Bagh,  
G. T. Road, Baghbanpura.  
Tel: (042) 684 0310 - 5, 684 0318  
Fax: (042) 684 0316

**Badami Bagh**

343-Circular Road, Badami Bagh.  
Tel: (042) 770 8160, 770 8171  
Fax: (042) 770 8170

**Raiwind Road**

131/178, Bohbatein Chowk,  
10 K.M. Raiwind Road.  
Tel: (042) 532 0164, 532 0406  
Fax: (042) 532 0706

**Bilal Gunj**

16, Shahjehan Road, Bilal Gunj.  
Tel: (042) 721 4084 - 8  
Fax: (042) 721 4074

**Gulshan-e-Ravi**

2/B, Civic Centre, Gulshan-e-Ravi.  
Tel: (042) 740 4511-6, 630 1107  
Fax: (042) 740 4517

**Valancia Society**

A-6, H-Block, Commercial Zone,  
Valancia Society.  
Tel: (042) 518 8604 - 5  
Fax: (042) 518- 8606

**T-Block**

CCA-22, T-Block, Phase II, D.H.A.  
Tel: (042) 574 9742, 503 3331 &  
844 5101-3  
Fax: (042) 574 9741

**Shahdara**

Mauza Begum Kot,  
Sheikhupura Road, Shahdara.  
Tel: (042) 790 0260 - 1, 790 0268

**Faisal Town**

594-A Faisal Town.  
Tel: (042) 520 3881 - 4, 520 3892  
Fax: (042) 520 3880

**Cavalry Ground - Islamic Banking**

97 Commercial Area,  
Cavalry Ground.  
Tel: (042) 660 3412 - 17  
Fax: (042) 660 3411

**Cavalry Ground**

4/5, Hassan Plaza,  
Cavalry Ground Cantt.  
Fax: (042) 665 5591  
UAN: (042) 111-321-321

**ISLAMABAD****Main Branch**

15 Markaz, F - 7, Opposite FG College  
for Women, F-7/2.  
Tel: (051) 265 1318  
Fax: (051) 265 1331  
UAN: (051) 111-11-22-33

**Blue Area**

78 - W, Roshan Centre,  
Jinnah Avenue, Blue Area.  
Tel: (051) 227 5252  
Fax: (051) 227 5254

**F-10 Markaz**

7-L, F-10 Markaz.  
Tel: (051) 229 3386, 229 1487  
Fax: (051) 221 3207



## **PESHAWAR**

### **Ashraf Road**

New Rampura Gate.  
Tel: (091) 259 3364 - 5 , 259 3164  
Fax: (091) 259 3165

### **Cantt.**

6 - Sadar Road, Peshawar Cantt.  
Tel: (091) 527 5156 , 527 5182  
Fax: (091) 527 3251

## **QUETTA**

1-25/14-15, Qandhari Bazar.  
Tel: (081) 282 0916, 283 7890  
Fax: (081) 282 0915

## **RAWALPINDI**

### **Mall Road**

Century Tower, 6-The Mall.  
Tel: (051) 570 1054-6, 570 1060  
Fax: (051) 556 7016

### **Gunj Mandi**

Raja Bazar.  
Tel: (051) 553 9115, 553 3315 &  
553 5988

### **Meo Road**

CL / 55 - A, Civil Lines, Meo Road.  
Tel: (051) 579 5105  
Fax: (051) 556 7955  
UAN: (051) 111-321-321

## **FAISALABAD**

### **Liaquat Road**

P-3, Liaquat Road.  
Tel: (041) 264 7161, 263 6341  
Fax: (041) 261 2064

### **Bilal Road**

P - 17/1, Bilal Road, Civil Lines.  
Tel: (041) 260 6138  
Fax: (041) 260 6001-2  
UAN: (041) 111-11-22-33

## **MULTAN**

### **Abdali Road**

80 - Abdali Road.  
Tel: (061) 458 1905-6, 457 1768  
Fax: (061) 458 1904

### **Nusrat Road**

01-Nusrat Road, Multan Cantt.  
Tel: (061) 478 1054  
Fax: (061) 478 0126 - 7  
UAN: (061) 111-11-22-33

## **SIALKOT**

### **Paris Road**

Sialkot Chamber of Commerce &  
Industry Building, Paris Road.  
Tel: (052) 426 5216  
Fax: (052) 426 7030

### **Daska Road**

Pul Aik, Daska Road.  
Tel: (052) 324 0203-4, 324 0200  
Fax: (052) 324 0205

## **HYDERABAD**

CB 474, Opposite Cantt.  
Police Station, Saddar.  
Tel: (022) 278 1604, 278 1077 - 8  
Fax: (022) 278 0879

## **GUJRAT**

2-Prince Fan Colony, G. T. Road.  
Tel: (053) 353 3143, 353 5931  
Fax: (053) 353 3145

## **MIRPUR (AZAD KASHMIR)**

Sector B/2, Allama Iqbal Road.  
Tel: (058610) 42 918  
Fax: (058610) 42 812, 45 832

## **SARGODHA**

Khayyam Chowk, Railway Road.  
Tel: (048) 372 6646 - 8  
Fax: (048) 372 6649

## **GUJRANWALA**

Al-Majeed Centre, G.T. Road.  
Tel: (055) 373 5531 - 5, 373 5337  
Fax: (055) 373 5536

## **VEHARI**

94-B, Iqbal Road,  
Behind Grain Market.  
Tel: (067) 336 6582, 336 6481  
Fax: (067) 336 6584

## **JHELUM**

Old G. T. Road, Jhelum Cantt.  
Tel: (0544) 62 1122  
Fax: (0544) 625 648, 620 404

## **TURBAT**

Main Bazar.  
Tel: (0852) 41 3816  
Fax: (0852) 41- 2673

## **DERA GHAZI KHAN**

Pakistan Plaza, Jampur Road.  
Tel: (0642) 47 4182, 47 4175 - 7  
Fax: (0642) 47 4178

## **SUKKUR**

Shaheed Gunj.  
Tel: (071) 562 8967  
Fax: (071) 562 8968

## **MARDAN**

Main Bazar, Bank Road.  
Tel: (0937) 87 1761 - 2  
Fax: (0937) 87 0546, 87 0902

## **GUJAR KHAN**

Plot No. 204-A, G. T. Road.  
Tel: (051) 351 6425, 351 6324  
Fax: (051) 351 6325

## **KHARIAN**

G. T. Road.  
Tel: (053) 753 6249

## **BHALWAL**

131-A, Liaquat Shaheed Road,  
Chak No. 8, Tehsil Bhalwal,  
District Sargodha.  
Tel: (048) 664 3671, 664 2405 &  
664 2408  
Fax: (048) 664 3545

## **BAHAWALPUR**

V/912, Circular Road.  
Tel: (062) 273 1112, 273 1115 - 8  
Fax: (062) 287- 4503

## Form of Proxy 16th Annual General Meeting

I/We \_\_\_\_\_

of \_\_\_\_\_

being member(s) of ABN AMRO Bank (Pakistan) Limited, holding \_\_\_\_\_ ordinary

shares hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ or failing him/her,

\_\_\_\_\_

\_\_\_\_\_

of \_\_\_\_\_

who is/are also member(s) of ABN AMRO Bank (Pakistan) Limited, as my/our Proxy in my/our absence to

attend and vote for me/us and on my/our behalf at the 16th Annual General Meeting of the Bank to be

held on \_\_\_\_\_ and or/any adjournment thereof.

As witness my/our hand/seal this \_\_\_\_\_ day of \_\_\_\_\_ 2008 signed

by \_\_\_\_\_ in the presence of \_\_\_\_\_

\_\_\_\_\_

Ledger Folio

--

CDC Account Holder

Participant/CDC Service ID				Sub Account No./CDC Investor Account			

Signature on Five  
Rupees Revenue  
Stamp

The signatures should agree with the  
Specimen registered with the Bank.

### IMPORTANT:

1. This Proxy Form duly stamped, completed and signed, must be received at the Legal & Corporate Affairs Department of ABN AMRO Bank (Pakistan) Limited, 77 - Y Phase III, D.H.A, Lahore, not later than 48 hours before the time of holding the meeting.
2. No person shall act as Proxy unless he/she is a member of the Bank.
3. If a member appoints more than one Proxy and more than one instruments of Proxy are deposited by a member with the Bank, all such instruments of Proxy shall be rendered invalid.