



The General Manager
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

February 23, 2024

Dear Sir,

Subject: Announcement of Financial Results for the Year Ended December 31, 2023

We hereby inform you that the Board of Directors of Habib Bank Limited in their meeting held on February 23, 2024, at 10:00 A.M. at HBL Corporate Office, F-14, Block 5, Clifton, Karachi recommended the following:

(i) **CASH DIVIDEND**

A final Cash Dividend for the year ended December 31, 2023, at Rs. 4.00/- per share i.e., 40%. This is in addition to the interim Cash Dividend(s) already paid at Rs. 5.75/- per share i.e., 57.5%.

AND / OR

(ii) **BONUS SHARES**

NIL

AND / OR

(iii) **RIGHT SHARES**

NIL

AND / OR

(iv) **ANY OTHER ENTITLEMENT / CORPORATE ACTION**

NIL

AND / OR

(v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

NIL

The financial results are attached as Annexure "A", "B" & "C".

While announcing the results at the Exchange, please announce the consolidated result first.

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ANNUAL GENERAL MEETING

The 82nd Annual General Meeting of Habib Bank Limited will be held on March 27, 2024, at 10:00 A.M. at Islamabad.

BOOK CLOSURE DATES

The Share Transfer Books of the Bank will be closed from March 20, 2024, to March 27, 2024 (both days inclusive). Transfers received at the office of the Bank's Share Registrar, Messers CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal Karachi, at the close of business on March 19, 2024, will be treated as being in time for the purpose of the above entitlement to the transferees.

The Annual Report of the Bank will be transmitted through PUCARS at least 21 days before the holding of the Annual General Meeting.

Yours faithfully,

Uzman Naveed Chaudhary
Company Secretary & Head Regulatory Affairs

Cc:

1. Executive Director/HOD, Offsite-II Department, Supervision Division, Securities & Exchange Commission of Pakistan, 63, NIC Building, Jinnah Avenue, Blue Area, Islamabad.

HABIB BANK LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2023

2023	2022		Note	2023	2022
(US \$ in '000)				(Rupees in '000)	
2,527,295	1,547,225	Mark-up / return / profit / interest earned	23	712,345,078	436,101,037
1,668,243	959,830	Mark-up / return / profit / interest expensed	24	470,212,037	270,538,340
859,052	587,395	Net mark-up / return / profit / interest income		242,133,041	165,562,697
Non mark-up / interest income					
149,897	111,793	Fee and commission income	25	42,250,183	31,510,143
8,163	5,352	Dividend income		2,300,969	1,508,643
15,691	10,745	Share of profit of associates and joint venture		4,422,695	3,028,453
1,360	14,179	Foreign exchange income - domestic		383,209	3,996,526
3,173	10,992	Foreign exchange income - international		894,301	3,098,224
11,803	17,217	Foreign exchange income - unrealised gain related to derivatives		3,326,752	4,852,666
(5,483)	(9,289)	Loss from derivatives		(1,545,453)	(2,618,084)
3,356	3,073	Gain on securities - net	26	945,981	866,175
15,868	1,735	Other income	27	4,472,468	488,991
203,828	165,797	Total non mark-up / interest income		57,451,105	46,731,737
1,062,880	753,192	Total income		299,584,146	212,294,434
Non mark-up / interest expenses					
603,596	442,798	Operating expenses	28	170,130,095	124,807,455
8,097	5,317	Workers' Welfare Fund	29	2,282,323	1,498,693
1,259	1,691	Other charges	30	354,953	476,587
612,952	449,806	Total non mark-up / interest expenses		172,767,371	126,782,735
449,928	303,386	Profit before provisions and taxation		126,816,775	85,511,699
47,065	30,092	Provisions and write offs - net	31	13,265,779	8,481,761
402,863	273,294	Profit before taxation		113,550,996	77,029,938
197,947	151,254	Taxation	32	55,793,580	42,631,608
204,916	122,040	Profit after taxation		57,757,416	34,398,330
Attributable to:					
204,627	120,875	Equity holders of the Bank		57,676,040	34,070,087
289	1,165	Non-controlling interest		81,376	328,243
204,916	122,040			57,757,416	34,398,330
-----Rupees-----					
Basic and diluted earnings per share			33	39.32	23.23

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

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[Signature]

Irfan Ahmed Meer
GM-Financial Controller
Finance
Habib Bank Limited
18-Habib Bank Plaza, Karachi

[Signature]

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Director


UZMAN NAVEED CHAUDHARY
Company Secretary
Habib Bank Limited
HBL Corporate Office
F-14, Block-5, Clifton, Karachi


HABIB BANK LIMITED
UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2023

2023	2022		Note	2023	2022
(US \$ in '000)				(Rupees in '000)	
2,377,535	1,450,976	Mark-up / return / profit / interest earned	23	670,134,034	408,973,236
1,584,964	911,217	Mark-up / return / profit / interest expensed	24	446,739,073	256,836,274
<u>792,571</u>	<u>539,759</u>	Net mark-up / return / profit / interest income		<u>223,394,961</u>	<u>152,136,962</u>
Non mark-up / interest income					
132,369	98,108	Fee and commission income	25	37,309,759	27,652,913
11,874	7,802	Dividend income		3,346,681	2,199,176
(2,636)	8,678	Foreign exchange (loss) / income - domestic		(743,087)	2,445,908
4,773	7,745	Foreign exchange income - international		1,345,348	2,183,063
11,803	17,217	Foreign exchange income - unrealized gain related to derivatives		3,326,752	4,852,666
(5,483)	(9,289)	Loss from derivatives		(1,545,453)	(2,618,084)
3,005	3,653	Gain on securities - net	26	846,986	1,029,524
35,533	1,814	Other income	27	10,015,266	511,232
<u>191,238</u>	<u>135,728</u>	Total non mark-up / interest income		<u>53,902,252</u>	<u>38,256,398</u>
<u>983,809</u>	<u>675,487</u>	Total income		<u>277,297,213</u>	<u>190,393,360</u>
Non mark-up / interest expenses					
540,477	391,950	Operating expenses	28	152,339,336	110,475,260
7,925	5,077	Workers' Welfare Fund	29	2,233,779	1,431,056
1,250	1,691	Other charges	30	352,450	476,587
<u>549,652</u>	<u>398,718</u>	Total non mark-up / interest expenses		<u>154,925,565</u>	<u>112,382,903</u>
<u>434,157</u>	<u>276,769</u>	Profit before provisions and taxation		<u>122,371,648</u>	<u>78,010,457</u>
37,730	22,904	Provisions and write offs - net	31	10,634,580	6,455,867
<u>396,427</u>	<u>253,865</u>	Profit before taxation		<u>111,737,068</u>	<u>71,554,590</u>
194,710	144,354	Taxation	32	54,881,073	40,687,587
<u>201,717</u>	<u>109,511</u>	Profit after taxation		<u>56,855,995</u>	<u>30,867,003</u>
(Rupees)					
Basic and diluted earnings per share			33	<u>38.76</u>	<u>21.04</u>

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

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Irfan Ahmed Meer
GM-Financial Controller
Finance
Habib Bank Limited
18-Habib Bank Plaza, Karachi


UZMAN NAVEED CHAUDHARY
Company Secretary
Habib Bank Limited
HBL Corporate Office
F-14, Block-5, Clifton, Karachi

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Director



Annexure “C”

FINANCIAL STATEMENTS

For the year ended December 31, 2023



CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

HABIB BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

2023 (US \$ in '000)	2022		Note	2023 (Rupees in '000)	2022
ASSETS					
1,942,550	1,050,218	Cash and balances with treasury banks	5	547,528,581	296,015,386
200,821	147,282	Balances with other banks	6	56,603,548	41,513,022
314,333	903,259	Lendings to financial institutions	7	88,598,160	254,593,287
9,090,658	6,914,057	Investments	8	2,562,299,087	1,948,801,042
6,603,775	6,324,039	Advances	9	1,861,344,592	1,782,497,923
503,421	404,000	Fixed assets	10	141,894,467	113,871,657
80,609	65,359	Intangible assets	11	22,720,543	18,422,200
1,706	20,567	Deferred tax assets	12	480,874	5,797,045
897,175	629,014	Other assets	13	252,878,451	177,294,549
<u>19,635,048</u>	<u>16,457,795</u>			<u>5,534,348,303</u>	<u>4,638,806,111</u>
LIABILITIES					
183,427	184,494	Bills payable	14	51,700,823	52,001,577
2,359,473	2,071,134	Borrowings	15	665,042,679	583,771,399
14,696,451	12,308,712	Deposits and other accounts	16	4,142,351,836	3,469,342,252
-	-	Liabilities against assets subject to finance lease		-	-
69,889	66,962	Subordinated debt	17	19,699,000	18,874,000
-	-	Deferred tax liabilities		-	-
1,027,220	815,278	Other liabilities	18	289,533,312	229,795,069
<u>18,336,460</u>	<u>15,446,580</u>			<u>5,168,327,650</u>	<u>4,353,784,297</u>
<u>1,298,588</u>	<u>1,011,215</u>	NET ASSETS		<u>366,020,653</u>	<u>285,021,814</u>
REPRESENTED BY					
Shareholders' equity					
52,042	52,042	Share capital	19	14,668,525	14,668,525
357,642	311,400	Reserves		100,805,157	87,771,332
91,738	4,383	Surplus on revaluation of assets - net of tax	20	25,857,323	1,235,369
787,211	633,175	Unappropriated profit		221,883,756	178,467,639
1,288,633	1,001,000	Total equity attributable to the equity holders of the Bank		363,214,761	282,142,865
9,955	10,215	Non-controlling interest		2,805,892	2,878,949
<u>1,298,588</u>	<u>1,011,215</u>			<u>366,020,653</u>	<u>285,021,814</u>
CONTINGENCIES AND COMMITMENTS					
21					

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2023

2023 (US \$ in '000)	2022 (US \$ in '000)		Note	2023 (Rupees in '000)	2022 (Rupees in '000)
2,527,295	1,547,225	Mark-up / return / profit / interest earned	23	712,345,078	436,101,037
1,668,243	959,830	Mark-up / return / profit / interest expensed	24	470,212,037	270,538,340
<u>859,052</u>	<u>587,395</u>	Net mark-up / return / profit / interest income		<u>242,133,041</u>	<u>165,562,697</u>
Non mark-up / interest income					
149,897	111,793	Fee and commission income	25	42,250,183	31,510,143
8,163	5,352	Dividend income		2,300,969	1,508,643
15,691	10,745	Share of profit of associates and joint venture		4,422,695	3,028,453
1,360	14,179	Foreign exchange income - domestic		383,209	3,996,526
3,173	10,992	Foreign exchange income - international		894,301	3,098,224
11,803	17,217	Foreign exchange income - unrealised gain related to derivatives		3,326,752	4,852,666
(5,483)	(9,289)	Loss from derivatives		(1,545,453)	(2,618,084)
3,356	3,073	Gain on securities - net	26	945,981	866,175
15,868	1,735	Other income	27	4,472,468	488,991
<u>203,828</u>	<u>165,797</u>	Total non mark-up / interest income		<u>57,451,105</u>	<u>46,731,737</u>
<u>1,062,880</u>	<u>753,192</u>	Total income		<u>299,584,146</u>	<u>212,294,434</u>
Non mark-up / interest expenses					
603,596	442,798	Operating expenses	28	170,130,095	124,807,455
8,097	5,317	Workers' Welfare Fund	29	2,282,323	1,498,693
1,259	1,691	Other charges	30	354,953	476,587
<u>612,952</u>	<u>449,806</u>	Total non mark-up / interest expenses		<u>172,767,371</u>	<u>126,782,735</u>
<u>449,928</u>	<u>303,386</u>	Profit before provisions and taxation		<u>126,816,775</u>	<u>85,511,699</u>
47,065	30,092	Provisions and write offs - net	31	13,265,779	8,481,761
<u>402,863</u>	<u>273,294</u>	Profit before taxation		<u>113,550,996</u>	<u>77,029,938</u>
197,947	151,254	Taxation	32	55,793,580	42,631,608
<u>204,916</u>	<u>122,040</u>	Profit after taxation		<u>57,757,416</u>	<u>34,398,330</u>
Attributable to:					
204,627	120,875	Equity holders of the Bank		57,676,040	34,070,087
289	1,165	Non-controlling interest		81,376	328,243
<u>204,916</u>	<u>122,040</u>			<u>57,757,416</u>	<u>34,398,330</u>
-----Rupees-----					
Basic and diluted earnings per share			33	<u>39.32</u>	<u>23.23</u>

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

2023 (US \$ in '000)		2022 (US \$ in '000)		2023 (Rupees in '000)		2022 (Rupees in '000)	
Profit after taxation for the year attributable to:							
204,627	120,875	Equity holders of the Bank		57,676,040	34,070,087		
289	1,165	Non-controlling interest		81,376	328,243		
204,916	122,040			57,757,416	34,398,330		
Other comprehensive income / (loss)							
<i>Items that may be reclassified to the profit and loss account in subsequent periods:</i>							
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax, attributable to:							
35,639	7,202	Equity holders of the Bank		10,045,103	2,030,066		
-	157	Non-controlling interest		-	44,140		
35,639	7,359			10,045,103	2,074,206		
1,719	809	Increase in share of exchange translation reserve of associates - net of tax		484,591	228,146		
Movement in surplus / deficit on revaluation of investments - net of tax, attributable to:							
32,090	(82,459)	Equity holders of the Bank		9,044,800	(23,241,824)		
74	(211)	Non-controlling interest		20,815	(59,349)		
32,164	(82,670)			9,065,615	(23,301,173)		
(915)	(1,815)	Movement in share of surplus / deficit on revaluation of investments of associates - net of tax		(258,066)	(511,607)		
<i>Items that are not to be reclassified to the profit and loss account in subsequent periods:</i>							
Remeasurement gain / (loss) on defined benefit obligations - net of tax, attributable to:							
1,543	336	Equity holders of the Bank		434,966	94,733		
(14)	(66)	Non-controlling interest		(4,021)	(18,656)		
1,529	270			430,945	76,077		
27	13	Share of remeasurement gain on defined benefit obligations of associates - net of tax		7,692	3,757		
Movement in surplus / deficit on revaluation of fixed assets - net of tax, attributable to:							
56,707	(714)	Equity holders of the Bank		15,983,557	(201,262)		
208	(11)	Non-controlling interest		58,496	(3,081)		
-	283	Transferred from surplus on revaluation of non-banking assets - net of tax		-	79,789		
56,915	(442)			16,042,053	(124,554)		
58	109	Movement in surplus on revaluation of non-banking assets - net of tax		16,466	30,850		
-	(283)	Transferred to surplus on revaluation of fixed assets - net of tax		-	(79,789)		
58	(174)			16,466	(48,939)		
(24)	445	Movement in share of surplus / deficit on revaluation of fixed assets of associates - net of tax		(6,728)	125,161		
<u>332,028</u>	<u>45,835</u>	Total comprehensive income		<u>93,585,087</u>	<u>12,919,404</u>		
Total comprehensive income attributable to:							
331,471	44,801	Equity holders of the Bank		93,428,421	12,628,107		
557	1,034	Non-controlling interest		156,666	291,297		
<u>332,028</u>	<u>45,835</u>			<u>93,585,087</u>	<u>12,919,404</u>		

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	Attributable to shareholders of the Bank										Non-controlling interest	Total
	Share capital	Reserves					Surplus / (deficit) on revaluation of		Unappropriated profit	Sub Total		
		Joint venture and subsidiary	Bank (note 19.5)	Exchange translation (note 19.6)	Non-distributable	On acquisition of common control entity	Investments	Fixed / Non Banking Assets				
(Rupees in '000)												
Balance as at December 31, 2021	14,668,525	2,115,664	40,043,376	38,826,070	547,115	(156,706)	(2,254,093)	27,413,464	158,441,418	279,644,833	4,040,969	283,685,802
Comprehensive income for the year												
Profit after taxation for the year ended December 31, 2022	-	-	-	-	-	-	-	-	34,070,087	34,070,087	328,243	34,398,330
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax	-	-	2,030,066	-	-	-	-	-	-	2,030,066	44,140	2,074,206
Increase in share of exchange translation reserve of associates - net of tax	-	-	228,146	-	-	-	-	-	-	228,146	-	228,146
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	94,733	94,733	(18,656)	76,077
Share of remeasurement gain on defined benefit obligations of associates - net of tax	-	-	-	-	-	-	-	-	3,757	3,757	-	3,757
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	-	(23,241,824)	(170,412)	-	-	(23,412,236)	(62,430)	(23,474,666)
Movement in share of surplus / deficit on revaluation of assets of associates - net of tax	-	-	-	-	-	(511,607)	125,161	-	-	(386,446)	-	(386,446)
	-	-	2,258,212	-	-	(23,753,431)	(45,251)	34,168,577	12,628,107	291,297	12,919,404	
Transferred to statutory reserves	-	408,160	3,086,700	-	-	-	-	-	(3,494,860)	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	-	(71,979)	72,970	991	(991)	-
Acquisition of additional interest in a subsidiary	-	-	-	642,741	-	-	(57,067)	3,726	280,928	870,328	(1,452,326)	(581,998)
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 2.25 per share declared subsequent to the year ended December 31, 2021	-	-	-	-	-	-	-	-	(3,300,418)	(3,300,418)	-	(3,300,418)
1st interim cash dividend - Rs 2.25 per share	-	-	-	-	-	-	-	-	(3,300,418)	(3,300,418)	-	(3,300,418)
2nd interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	(2,200,279)
3rd interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	(2,200,279)
	-	-	-	-	-	-	-	-	(11,001,394)	(11,001,394)	-	(11,001,394)
Balance as at December 31, 2022	14,668,525	2,523,824	43,130,076	41,727,023	547,115	(156,706)	(26,064,591)	27,299,960	178,467,639	282,142,865	2,878,949	285,021,814
Comprehensive income for the year												
Profit after taxation for the year ended December 31, 2023	-	-	-	-	-	-	-	-	57,676,040	57,676,040	81,376	57,757,416
Other comprehensive income / (loss)												
Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax	-	-	10,045,103	-	-	-	-	-	-	10,045,103	-	10,045,103
Increase in share of exchange translation reserve of associates - net of tax	-	-	484,591	-	-	-	-	-	-	484,591	-	484,591
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	434,966	434,966	(4,021)	430,945
Share of remeasurement gain on defined benefit obligations of associates - net of tax	-	-	-	-	-	-	-	-	7,692	7,692	-	7,692
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	-	9,044,800	16,000,023	-	-	25,044,823	79,311	25,124,134
Movement in share of surplus / deficit on revaluation of assets of associates - net of tax	-	-	-	-	-	(258,066)	(6,728)	-	-	(264,794)	-	(264,794)
	-	-	10,529,694	-	-	8,786,734	15,993,295	58,118,698	93,428,421	156,666	93,585,087	
Transferred to statutory reserves	-	214,354	5,685,600	-	-	-	-	-	(5,899,954)	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	-	(156,366)	156,366	-	-	-
Derecognition of joint venture	-	(1,444,256)	-	(1,951,567)	-	-	2,993	-	1,441,263	(1,951,567)	-	(1,951,567)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	(7,097)	2,395	234,425	229,723	(229,723)	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs 1.50 per share declared subsequent to the year ended December 31, 2022	-	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	(2,200,279)
1st interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	-	-	(2,200,279)	(2,200,279)	-	(2,200,279)
2nd interim cash dividend - Rs 2.00 per share	-	-	-	-	-	-	-	-	(2,933,705)	(2,933,705)	-	(2,933,705)
3rd interim cash dividend - Rs 2.25 per share	-	-	-	-	-	-	-	-	(3,300,418)	(3,300,418)	-	(3,300,418)
	-	-	-	-	-	-	-	-	(10,634,681)	(10,634,681)	-	(10,634,681)
Balance as at December 31, 2023	14,668,525	1,293,922	48,815,676	50,305,150	547,115	(156,706)	(17,281,961)	43,139,284	221,883,756	363,214,761	2,805,892	366,020,653

The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

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HABIB BANK LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

2023 (US \$ in '000)	2022		Note	2023 (Rupees in '000)	2022
402,863	273,293	CASH FLOWS FROM OPERATING ACTIVITIES		113,550,996	77,029,938
(8,163)	(5,352)	Profit before taxation		(2,300,969)	(1,508,643)
(15,691)	(10,745)	Dividend income		(4,422,695)	(3,028,453)
15,191	6,712	Share of profit of associates and joint venture		4,281,784	1,891,880
(8,663)	(9,385)	Mark-up expensed on subordinated debt		(2,441,880)	(2,645,216)
394,200	263,908			111,109,116	74,384,722
34,344	27,611	Adjustments:		9,680,335	7,782,494
7,972	6,572	Depreciation		2,246,980	1,852,350
15,705	14,114	Amortisation		4,426,688	3,978,154
11,870	11,159	Depreciation on right-of-use assets		3,345,591	3,145,165
(653)	13,665	Mark-up / return / profit / interest expensed on lease liability against right-of-use assets		(184,104)	3,851,708
47,787	21,087	(Reversal of) / provision for diminution in value of investments		13,469,201	5,943,661
4,047	2,215	Provision against loans and advances		1,140,717	624,244
(333)	(4,724)	Provision against other assets		(93,890)	(1,331,585)
(995)	299	Reversal of provision against off-balance sheet obligations		(280,323)	84,390
(13,238)	-	Unrealised (gain) / loss on held-for-trading securities		(3,731,399)	-
(3,745)	(1,523)	Gain on derecognition of joint venture		(1,055,507)	(429,394)
(173)	(149)	Exchange gain on goodwill		(48,681)	(42,024)
8,097	5,317	Gain on sale of fixed assets - net		2,282,323	1,498,693
110,685	95,643	Workers' Welfare Fund		31,197,931	26,957,856
504,885	359,551			142,307,047	101,342,578
588,926	(570,675)	(Increase) / decrease in operating assets		165,995,127	(160,850,855)
(634,399)	506,900	Lendings to financial institutions		(178,812,226)	142,875,183
(327,523)	(998,346)	Held-for-trading securities		(92,315,870)	(281,394,487)
(297,293)	(111,508)	Advances		(83,795,260)	(31,429,797)
(670,289)	(1,173,629)	Other assets (excluding advance taxation)		(188,928,229)	(330,799,956)
(1,067)	27,690	Increase / (decrease) in operating liabilities		(300,754)	7,804,593
288,338	523,356	Bills payable		81,271,280	147,513,394
2,387,738	309,883	Borrowings from financial institutions		673,009,584	87,343,854
196,985	241,245	Deposits and other accounts		55,522,237	67,997,391
2,871,994	1,102,174	Other liabilities		809,502,347	310,659,232
2,706,590	288,096			762,881,165	81,201,854
(181,476)	(113,897)	Income tax paid		(51,150,860)	(32,102,961)
2,525,114	174,199	Net cash flows generated from operating activities		711,730,305	49,098,893
(1,188,420)	(492,814)	CASH FLOWS FROM INVESTING ACTIVITIES		(334,968,861)	(138,904,867)
(279,257)	(155,060)	Net investment in available-for-sale securities		(78,711,656)	(43,705,242)
(1,600)	(10,003)	Net investment in held-to-maturity securities		(450,925)	(2,819,460)
8,145	5,996	Net investment in associates		2,295,759	1,689,973
(61,104)	(69,057)	Dividend received		(17,222,863)	(19,464,322)
(19,073)	(27,120)	Investment in fixed assets		(5,376,002)	(7,644,075)
999	231	Investment in intangible assets		281,697	65,071
37,358	8,012	Proceeds from sale of fixed assets		10,529,694	2,258,212
(1,502,952)	(739,815)	Effect of translation of net investment in foreign branches, subsidiaries, joint venture and associates - net of tax		(423,623,157)	(208,524,710)
-	157	Net cash flows used in investing activities		-	44,140
2,927	23,061	CASH FLOWS FROM FINANCING ACTIVITIES		825,000	6,500,000
(15,210)	(6,555)	Effect of translation of net investment by non-controlling interest in subsidiary		(4,287,065)	(1,847,577)
(20,163)	(17,523)	Proceeds from issuance of subordinated debt		(5,683,153)	(4,939,145)
(43,845)	(30,136)	Payment of mark-up on subordinated debt		(12,358,209)	(8,493,514)
(76,291)	(30,996)	Payment of lease liability against right-of-use assets		(21,503,427)	(8,736,096)
945,871	(596,612)	Dividend paid		266,603,721	(168,161,913)
1,173,888	1,712,712	Net cash flows used in financing activities		330,872,995	482,746,454
23,612	81,401	Increase / (decrease) in cash and cash equivalents during the year		6,655,413	22,943,867
1,197,500	1,794,113	Cash and cash equivalents at the beginning of the year		337,528,408	505,690,321
2,143,371	1,197,501	Effect of exchange rate changes on cash and cash equivalents		604,132,129	337,528,408
		Cash and cash equivalents at the end of the year			

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The annexed notes 1 to 48 and annexures I to III form an integral part of these consolidated financial statements.

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HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1 THE GROUP AND ITS OPERATIONS

1.1 Holding company

Habib Bank Limited, Pakistan

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, Pakistan, and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi, Pakistan. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,728 (2022: 1,714) branches inside Pakistan including 408 (2022: 294) Islamic Banking Branches and 30 (2022: 32) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank, and its registered office is in Geneva, Switzerland.

1.2 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are in progress.

1.3 The Bank has decided to exit its operations in Mauritius and is considering various options regarding the same.

1.4 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.

1.5 After obtaining approval from the Central Bank of Oman for the deregistration of its Oman operations, the Bank had commenced an orderly and phase wise exit. Banking operations were ceased on August 02, 2023 and the remaining formalities required for closure are in progress.

1.6 During the year, the Bank established a wholly owned subsidiary, HBL Zarai Services Limited (HZSL). HZSL is an unlisted public limited company, incorporated in Pakistan with the objective of promoting economic development by supporting the agricultural sector. HZSL intends to establish hubs for selling crop inputs, renting modern agricultural machinery to farmers, providing agronomy services etc. The registered office of the company is at 4th floor, Habib Bank Tower, Jinnah Avenue, Blue Area, Islamabad, Pakistan. HZSL is in the process of commencing its business.

1.7 Subsidiaries

- Habib Allied Holding Limited – 100% shareholding

Habib Allied Holding Limited (HAHL) is a private limited company, incorporated in the United Kingdom with its registered office at 9 Portman Street, London W1H6DZ, UK. HAHL is the holding company of HBL Bank UK Limited.

- HBL Bank UK Limited – 100% effective shareholding

HBL Bank UK Limited (HBL UK) is a wholly owned subsidiary of HAHL and is a private limited company, incorporated in the United Kingdom. HBL UK provides a range of commercial banking services to individuals as well as to businesses. The registered office of HBL UK is at 9 Portman Street, London, W1H6DZ, UK. HBL UK operates a network of 4 (2022: 4) branches in the UK.

- HBL Currency Exchange (Private) Limited – 100% shareholding

HBL Currency Exchange (Private) Limited (HCEL) is a private limited company, incorporated in Pakistan. HCEL is licensed by the Securities and Exchange Commission of Pakistan (SECP) to carry out the business of dealing in foreign exchange. The registered office of the company is at Plot No. 49-A, Block-6, PECHS Nursery, Main Shahrah-e-Faisal, Karachi, Pakistan.

- HBL Asset Management Limited – 100% shareholding

HBL Asset Management Limited (HBL AMC) is an unlisted public limited company, incorporated in Pakistan. HBL AMC is licensed by the SECP to carry out asset management and investment advisory services. The registered office of the company is at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi, Pakistan.

- HBL Microfinance Bank Limited - 79.92% (2022: 76.42%) shareholding

HBL Microfinance Bank Limited (HBL MfB) is an unlisted public limited company, incorporated in Pakistan with its registered office at 16th-17th Floor, Habib Bank Tower, Blue Area, Islamabad, Pakistan. HBL MfB's principal business is to provide microfinance services to under-served segments of society as envisaged under the Microfinance Institutions Ordinance, 2001. HBL MfB has 225 (2022: 217) business locations, comprising of branches and permanent booths.

During the year, the Bank has subscribed to 100 million rights shares issued by HBL MfB. Consequently, the Bank's shareholding in HBL MfB has increased from 76.42% to 79.92%.

HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

- Habib Bank Financial Services (Private) Limited – 100% shareholding

Habib Bank Financial Services (Private) Limited is a private limited company, incorporated in Pakistan under the Companies Act, 2017. It is registered as a Modaraba Management Company with the Registrar of Modaraba Companies and Modarabas, Islamabad. The registered office of the company is at 1st Floor, Bank House No-1, Habib Bank Square, M.A. Jinnah Road, Karachi, Pakistan.

2 BASIS OF PRESENTATION

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

Key financial figures of the Islamic banking branches are disclosed in Annexure I to these consolidated financial statements.

The US Dollar amounts shown in these consolidated financial statements are stated solely for information. The statement of financial position, profit and loss account, statement of comprehensive income and cash flow statement as at and for the years ended December 31, 2023 and 2022 have all been converted using an exchange rate of Rupees 281.8607 per US Dollar.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Bank and the financial statements of subsidiaries from the date that control of the subsidiary by the Group commences until the date control ceases. The financial statements of the subsidiaries are incorporated on a line-by-line basis and the investment held by the Bank is eliminated against the corresponding share capital and pre-acquisition reserves of the subsidiaries in the consolidated financial statements.

The financial statements of subsidiaries are prepared for the same reporting period as the Holding Company, using accounting policies that are generally consistent with those of the Holding Company. However:

- Non-banking subsidiaries in Pakistan follow the requirements of International Financial Reporting Standards (IFRS) 7, Financial Instruments: Disclosures; IFRS 9, Financial Instruments or International Accounting Standard (IAS) 39, Financial Instruments: Recognition and Measurement, as applicable; and IAS 40, Investment Property.
- Overseas operations comply with local regulations applicable within their respective jurisdictions.

Material intra-group balances and transactions are eliminated.

Associates are those entities in which the Group has significant influence, but no control, over financial and operating policies. Associates are accounted for using the equity method.

2.3 Statement of compliance

These consolidated financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. These comprise of:

- IFRS issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the SECP from time to time.

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

HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002, has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

The SECP has notified IFAS 3, Profit and Loss Sharing on Deposits with effect from January 1, 2014. The SBP, through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions.

IFRS 10, Consolidated Financial Statements, was notified by the SECP as applicable for accounting periods beginning from January 1, 2015. However, the SECP, through SRO 56(I)/2016 dated January 28, 2016, has directed that the requirement of consolidation under this standard and under Section 228 of the Companies Act, 2017 is not applicable in the case of investments by a bank in mutual funds managed by its own asset management company and established under the trust structure. Therefore, investments by the Bank in mutual funds managed by HBL AMC are not consolidated, as would otherwise be required under the definition of control specified in IFRS 10.

2.4 Amendments to existing accounting and reporting standards that have become effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 1, 2023. These are considered either to not be relevant or to not have any material impact on these consolidated financial statements.

2.5 Standards and amendments to existing accounting and reporting standards that are not yet effective

As directed by SBP vide BPRD Circular letter no. 7 of 2023, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2024.

The financial statements of overseas branches, subsidiaries and associates used for the purpose of consolidation will continue to be based on the respective host country's regulatory regime. For accounting periods beginning on or after January 1, 2025, banks will be required to comply with the SBP's application instructions for overseas branches, subsidiaries and associates in preparing the Bank's consolidated financial statements.

The Bank expects that amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

2.5.1 IFRS 9, Financial Instruments

The management of the Bank has carried out an assessment of the impact of the application of IFRS 9, taking into account the SBP's application instructions. The assessment is based on currently available information and may be subject to change at the time of recognizing the initial impact of the adoption of IFRS 9. The actual impact on the Bank's financial statements for the year 2024 will depend on the financial instruments that the Bank holds during that period and the economic conditions at that time, as well as accounting elections and judgements that it will make in future.

Classification and measurement

The classification and measurement of financial assets depends on their contractual cash flow characteristics and the entity's business model. Financial assets that meet the Solely Payment of Principal and Interest (SPPI) criteria are measured at amortized cost, Fair Value Through Profit & Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVOCI). However, financial assets that do not meet the SPPI criteria are always measured at FVTPL. The Bank has reviewed the impact of the initial adoption of IFRS 9 on its financial assets as follows:

Equity Securities

Listed equity securities currently classified as held-for-trading will be classified as FVTPL.

For certain listed equity securities currently classified as available-for-sale (AFS) with gains and losses recorded in OCI, the Bank will apply the option to classify them as FVOCI. Therefore, the application of IFRS 9 will not have an impact on equity on initial adoption. However, in accordance with the requirements of the standard, gains and losses subsequently recognized in OCI will not be recycled through the profit and loss account, even on derecognition of these securities.

The remaining listed equity securities will be measured at FVTPL. The current surplus / deficit on revaluation of those securities will be transferred to retained earnings. Hence, there will be no impact on equity.

HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Unlisted equity securities are currently carried at the lower of cost or breakup value as per SBP instructions. These will be measured at fair value under IFRS 9, and the Bank is in the process of developing methodologies to assess their fair values. These will be classified in the same manner as described above for listed equity securities.

Debt securities and Loans and advances

Debt securities may be classified at FVTPL, FVOCI or at amortized cost. Debt securities that pass the SPPI test will be measured at FVOCI or at amortized cost as per the Bank's business model i.e. either to hold those assets to collect contractual cash flows and also to sell those assets or just to hold the assets to collect contractual cash flows.

Debt securities that do not pass the SPPI test will be measured at FVTPL.

Impairment

The impairment requirements of IFRS 9 apply to financial assets measured at amortized cost and FVOCI (other than equity instruments), and certain loan commitments and financial guarantee contracts. At initial recognition, an impairment allowance (or provision in the case of commitments and guarantees) is required for expected credit losses (ECL) from potential default events.

For calculating ECL, the Bank shall classify its financial assets under the following three categories:

- Stage 1 - Performing assets: For financial assets where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition, the Bank shall recognize an impairment allowance based on the 12-month ECL.
- Stage 2 - Underperforming assets: For financial assets where there has been a SICR since initial recognition, but which are not credit impaired, the Bank shall recognize an impairment allowance based on lifetime ECL.
- Stage 3 - Non-performing assets: For financial assets which have evidence of credit impairment at the reporting date, the Bank shall recognize ECL using the higher of (a) the total lifetime ECL computed for all stage 3 loans under IFRS 9 and (b) the corresponding provision required as per the Prudential Regulations.

Under the SBP's instructions, the Bank is not required to compute ECL on Government Securities and on Government-guaranteed credit exposure in local currency.

Based on the SBP's IFRS 9 application instructions, the Bank has performed an ECL assessment taking into account the following key elements:

- Probability of Default (PD): The probability that a counterparty will default over the next 12 months from the reporting date (12-month ECL, Stage 1) or over the lifetime of the product (lifetime ECL, Stage 2).
- Exposure at Default (EAD): The expected balance sheet exposure at the time of default, incorporating expectations on drawdowns, amortization, prepayments and forward-looking information where relevant.
- Loss Given Default (LGD): An estimate of the loss incurred on a facility in the event of default by a customer. LGD is calculated as the difference between contractual cash flows due and those that the Bank expects to receive, including from the liquidation of any collateral. It is expressed as a percentage of the EAD.

Significant increase in credit risk (SICR)

A SICR is assessed in the context of an increase in the risk of a default occurring over the life of the financial instrument compared to the risk of default expected at the time of initial recognition. The Bank uses a number of qualitative and quantitative measures in assessing SICR including, inter alia, the deterioration of Obligor Risk Ratings (ORR), payments being past due by 60 days or more, unavailability of financial information and pending litigation.

At every reporting date, the Bank shall assess whether there has been a SICR since the initial recognition of the asset, in which case, the asset must be assigned to the appropriate stage of credit impairment (Stage 2 or 3).

Presentation and disclosure

IFRS 9 also requires expanded disclosures and changes in presentation which will be incorporated as per the SBP's revised format.

Impact of adoption of IFRS 9

The Bank has elected to follow the modified retrospective approach for restatement i.e. comparative figures will not be restated on the initial application of IFRS 9. Instead, the cumulative impact will be recorded as an adjustment to equity at the beginning of the accounting period.

HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Financial impact

The total estimated impact (net of tax) of the adoption of IFRS 9 on the opening balance of the Group's equity as at January 1, 2024 is a decrease of approximately Rs. 19.964 billion due to ECL.

Impact on regulatory capital

The SBP has permitted banks to adopt a transitional approach to phase in the initial impact of the ECL for stage 1 and 2 financial assets over a period of five years.

Governance, ownership and responsibilities

The Bank has adopted a governance framework under which the Board Audit Committee is tasked with overseeing the implementation of IFRS 9. A Steering Committee for the implementation of IFRS 9, chaired by the CFO, is in place including representation from Risk, all front-line businesses, Operations and IT.

Risk Management has developed models / methodologies for calculating the PD, LGD, EAD and Credit Conversion Factors (CCF) for off-balance sheet exposures. These models shall be validated annually including:

- ECL model design, data quality and benchmarking with external best practices.
- Calibration testing which ensures the accuracy of the observed PDs.

Finance identifies, prepares and extracts the data required for the modelling of risk parameters and the ECL calculations. The Bank has also implemented an automated system for the calculation of ECL.

2.6 Critical accounting estimates

The preparation of consolidated financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain accounting estimates. It also requires the management to exercise judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Group's financial statements or where judgement was exercised in the application of accounting policies are as follows:

- i) Classification of investments (note 4.3)
- ii) Valuation and impairment of investments and associates (note 4.3)
- iii) Provision against advances (note 4.4)
- iv) Valuation and depreciation of fixed assets (note 4.5)
- v) Valuation and depreciation of right-of-use assets and related lease liabilities (note 4.6)
- vi) Valuation and amortization of intangible assets (note 4.7)
- vii) Valuation of non-banking assets acquired in satisfaction of claims (note 4.8)
- viii) Valuation of defined benefit plans (note 4.12)
- ix) Taxation (note 4.15)
- x) Fair value of derivatives (note 4.21)

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

During the year, the Bank has reviewed its estimate of the useful life of vehicles used in its UAE business, resulting in a change in the Bank's estimate of their useful lives. These revisions have been accounted for as a change in accounting estimate as per the requirements of IAS 8 and accordingly, have been recognised prospectively in the consolidated profit and loss account from the current year.

The impact of this change is disclosed in note 10.2.1.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except for:

- Certain classes of fixed assets and non-banking assets acquired in satisfaction of claims, which are stated at revalued amounts less accumulated depreciation.
- Investments classified as held-for-trading and available-for-sale, which are measured at fair value.
- Derivative financial instruments, including forward foreign exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liabilities, which are measured at their present values.
- Net obligations in respect of defined benefit schemes, which are measured at their present values.

HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.2 Functional and presentation currency

These consolidated financial statements are presented in Pakistani rupees, which is the Group's functional currency. Amounts are rounded to the nearest thousand Rupees.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year.

4.1 Cash and cash equivalents

Cash and cash equivalents include cash and balances with treasury banks and balances with other banks.

4.2 Lending / borrowing transactions with financial institutions

The Group enters into transactions of reverse repos and repos at contracted rates for a specified period of time. These are recorded as under:

4.2.1 Purchases under resale agreements (reverse repo)

Securities purchased under resale agreements are not recognised as investments in the financial statements and the amount extended to the counterparty is included in lendings to financial institutions. The difference between the purchase price and the contracted resale price is accrued on a time proportion basis over the period of the contract and recorded as markup / interest income.

4.2.2 Sales under repurchase agreements (repo)

Securities sold under repurchase agreements continue to be recognised as investments in the financial statements and the liability to the counterparty is included in borrowings. The difference between the sale price and the contracted repurchase price is accrued on a time proportion basis over the period of the contract and recorded as markup / interest expense.

4.2.3 Bai Muajjal

Bai Muajjal transactions represent sales of Sukuk on a deferred payment basis and are shown in lendings to financial institutions except for transactions undertaken directly with the Government of Pakistan which are disclosed as investments. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the life of the transaction.

4.3 Investments

The Group classifies its investments, other than its investments in associates, into the following categories:

Held-for-trading

These are securities included in a portfolio in which a pattern of short-term trading exists, or which are acquired for generating a profit from short-term fluctuations in market prices or interest rate movements. Barring under exceptional circumstances, these securities are required to be sold within 90 days from the date of their purchase.

Held-to-maturity

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

Available-for-sale

These are securities, other than investments in associates, that do not fall under the held-for-trading or held-to-maturity categories.

4.3.1 Initial measurement

All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. The trade date is the date on which the Group commits to purchase or sell the investment.

In the case of investments classified as held-for-trading, transaction costs are expensed through the profit and loss account. Transaction costs associated with investments other than those classified as held-for-trading are included in the cost of the investments.

HABIB BANK LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

4.3.2 Subsequent measurement

Held-for-trading

Investments classified as held-for-trading are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is taken to the profit and loss account.

Held-to-maturity

Investments classified as held-to-maturity are subsequently measured at amortised cost using the effective interest rate method, less any impairment recognised to reflect irrecoverable amounts.

Available-for-sale

Listed securities classified as available-for-sale are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is recorded in the surplus / deficit on revaluation of securities account (shown as part of equity in the statement of financial position) and is taken to the profit and loss account either when realised upon disposal or when the investment is considered to be impaired.

Unlisted equity securities are carried at the lower of cost and break-up value. The break-up value is calculated with reference to the net assets of the investee company as per its latest available audited financial statements. The Bank may also use unaudited or management accounts to determine if any additional impairment needs to be charged beyond amounts already charged based on audited financial statements. Other unlisted securities are valued at cost less impairment, if any.

4.3.3 Investments in associates

Associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost. The carrying amount is subsequently increased / decreased to recognize the investor's share of the investee's profit and loss and reserves subsequent to the date of acquisition. The share of the investee's profit and loss is recognised through the profit and loss account while the share of reserves is recognised through Other Comprehensive Income.

4.3.4 Impairment

The Group determines that available-for-sale listed equity investments are impaired when there has been a significant or prolonged decline in the fair value of these investments below their cost. The determination of what is significant or prolonged requires judgement. In making this judgement, the Group evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial condition of the investee, industry and sector performance and changes in technology. A subsequent increase in the fair value of a previously impaired listed equity security is recorded in the statement of financial position in the surplus / deficit on revaluation of securities account and only recorded through the profit and loss account when realised on disposal.

A decline in the carrying value of unlisted equity securities is charged to the profit and loss account. A subsequent increase in the carrying value, up to the cost of the investment, is credited to the profit and loss account.

Provision for diminution in the value of debt securities held in Pakistan is made as per the Prudential Regulations issued by the SBP. Provision against investments by the Group's overseas operations is made as per the requirements of their respective regulatory regimes.

When a debt security, classified as available-for-sale, is considered to be impaired, the balance in the surplus / deficit on revaluation of securities account is transferred to the profit and loss account as an impairment charge. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the profit and loss account.

When a debt security, classified as held-to-maturity, is considered to be impaired, the impairment is directly charged to the profit and loss account as held-to-maturity securities are carried at amortized cost. Any subsequent reversal of an impairment loss, up to the cost of the investment in the debt security, is credited to the profit and loss account.

Provision for diminution in the value of other securities is made after considering objective evidence of impairment.

The Group considers that a decline in the recoverable value of its investments in associates below their carrying value may be evidence of impairment. Recoverable value is calculated as the higher of fair value less costs to sell and value in use. An impairment loss is recognised when the recoverable value falls below the carrying value and is charged to the profit and loss account. Any subsequent reversal of an impairment loss, up to the carrying value of the investment in associates, is credited to the profit and loss account.

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4.4 Advances

Advances are stated net of specific and general provisions. Provision against advances by the Group's operations in Pakistan is made in accordance with the requirements of the Prudential Regulations. Provision against advances by the Group's overseas operations is made as per the requirements of their respective regulatory regimes. Advances are written off in line with the Bank's policy when there are no realistic prospects of recovery.

Since 2020, several borrowers have been severely impacted, initially by the COVID-19 pandemic, and since then, by the stressed economic conditions. The potential impact of the economic stress is difficult to predict, as many such borrowers have also availed the SBP enabled deferment / restructuring & rescheduling relief. Hence, management feels that it is appropriate to maintain an additional general provision on the domestic, funded performing credit portfolio excluding:

- Government guaranteed exposure
- Consumer and staff lending
- Exposure secured by cash / near cash collateral

This additional provision as at any statement of financial position date, is based on management's best estimate and can be up to a maximum of 1% of the above mentioned portfolio. HBL MfB also maintains an additional general provision, based on management's best estimate, in respect of the portion of its microfinance portfolio which has been deferred, restructured or rescheduled under the SBP scheme and on account of the devastating floods in 2022 which have impacted customers in its area of operations.

4.4.1 Finance lease receivables

Leases where the Group transfers a substantial portion of the risks and rewards incidental to the ownership of an asset to the lessee are classified as finance leases. A receivable is recognised at an amount equal to the present value of the future lease payments including any guaranteed residual value discounted at the rate implicit in the lease. The net investment in finance lease is included in advances.

4.4.2 Islamic financing and related assets

Murabaha financing is a cost plus profit transaction. Funds disbursed for the purchase of goods are recorded as an advance against Murabaha. Once the goods are sold to the customers, the transaction is recorded as financing. Goods purchased by the Bank but remaining unsold are recorded as inventories.

The financing is recorded at the deferred sale price. Profit earned on financing is recognised as unearned income and amortised into the profit and loss account over the term of the Murabaha financing. It is possible for Bank to buy the inventory on customer's behalf and sell it to the customers on spot basis. In this case, the entire profit is recognised immediately in the profit and loss account.

Under Ijarah financing, the Bank transfers the rights to use an asset to the customer for an agreed period for an agreed consideration. Assets given under Ijarah are stated at cost less accumulated depreciation, residual value and impairment losses, if any. The depreciation is calculated on a straight-line basis over the term of the Ijarah after taking into account the estimated residual value. Impairment of Ijarah assets is recognised in line with the Prudential Regulations or upon the occurrence of an impairment event which indicates that the carrying value of the Ijarah asset may exceed its recoverable amount. The Ijarah rental received / receivable is recognised as income on an accrual basis.

Gains or losses on disposal of Ijarah assets are taken to the profit and loss account in the period in which they arise.

For Running Musharakah the Bank and the customer enter a Musharakah (transaction or business partnership arrangement) where the Bank agrees to finance the operating activities of the customer's business and share the profit or loss at a pre-agreed ratio. Profit is provisionally recognised on an accrual basis and is adjusted once the customer declares the final profit after issuance of audited financial statements.

Under Diminishing Musharakah financing, the Bank and the customer create joint beneficial ownerships over tangible assets to fulfill the customer's capital expenditure / project requirements. The Bank receives periodic payments, partly for renting its portion of the assets to the customer and partly for the gradual transfer / sale of its share of ownership to the customer. The rental payment is recognised as profit while the asset transfer / sale payments are applied towards reducing the outstanding principal.

Under Istisna financing, the Bank gives an advance to customers for manufacturing goods and may allow their sale immediately after the goods are manufactured or allow a pre-agreed time to sell the goods on deferred payment basis as the Bank's agent to a third party. Profit is recognised at the time when the goods are sold to the third party. In case of a deferred sale, the profit is recognised on an accrual basis over the term of the financing.

Under Tijarah financing, the Bank purchases finished goods from the customer against payment, takes possession and appoints the customer as an agent to sell these goods to the ultimate buyer, generally on a deferred payment basis. Goods purchased by the Bank and sold by the customer on a deferred payment basis are recognised as financing while goods purchased by the Bank but remaining unsold by the customer are recorded as inventories. Profit on the financing is recognised on an accrual basis over the period of transaction.

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Wakalah is an agency contract in which the Bank provides funds to a customer to invest in a Shariah compliant manner. This is recorded as financing and profit is recognised on an accrual basis and is adjusted once the customer declares Wakalah business performance.

Salam is a sale whereby the Bank undertakes to supply some specific commodity (ies) or asset (s) to the customer at a future date in exchange for an advance price fully paid on spot.

Currency Salam is an exchange or sale of a currency with another currency at a future date, at conversion rate within the spot range on the day of such contract execution.

Under Musawamah financing, the Bank purchases the goods and, after taking possession, sells them to the customer at an agreed price without disclosing the cost. Goods purchased by the Bank can either be sold to the customer as a spot transaction or on a deferred payment basis. Goods purchased by the Bank but remaining unsold are recorded as inventories.

4.5 Fixed Assets

Fixed assets are stated at cost, except for land and buildings which are carried at revalued amounts, less any applicable accumulated depreciation and accumulated impairment losses.

Land, capital work-in-progress and works of art are not depreciated. Other items included in fixed assets are depreciated over their expected useful lives using the straight-line method. Depreciation is calculated so as to write down the assets to their residual values over their expected useful lives at the rates specified in note 10.2 to these consolidated financial statements. Depreciation on additions is charged from the month in which the assets are available for use. No depreciation is charged in the month in which the assets are disposed off. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Land and buildings are revalued by independent professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. If an asset's carrying value increases as a result of revaluation, such increase or surplus arising on revaluation is credited to the surplus on revaluation of fixed assets account. However, if the increase reverses a deficit on the same asset previously recognised in the profit and loss account, such increase is also recognised in the profit and loss account to the extent of the previous deficit and thereafter in the surplus on the revaluation of fixed assets account. Any accumulated depreciation at the date of revaluation is eliminated against any additional surplus on revaluation and the net carrying value is restated at the revalued amount of the asset. If the asset's carrying value decreases as a result of a revaluation, such decrease is recognised as a reduction in the surplus on revaluation of fixed assets account or, if no surplus exists / remains, is charged to the profit and loss account as an impairment of that asset.

Surplus on revaluation of fixed assets (net of associated deferred tax) is transferred to unappropriated profit to the extent of the incremental depreciation charged on the related assets.

Normal repairs and maintenance are charged to the profit and loss account as and when incurred. However, major repairs and renovations that increase the useful life of an asset are capitalised.

Gains or losses arising on the disposal of fixed assets are included in the profit and loss account. Surplus on revaluation (net of deferred tax) realised on disposal of fixed assets is transferred directly to unappropriated profit.

4.6 Right-of-use assets and their related lease liability

4.6.1 Right-of-use assets

On initial recognition, right-of-use assets (ROU) are measured at an amount equal to the initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to restore the underlying asset or the site on which it is located to its original condition.

ROU assets are subsequently stated at cost less any accumulated depreciation / accumulated impairment losses and are adjusted for any remeasurement of lease liability. Such remeasurement only occurs in cases where the terms of the lease are changed during the lease tenor.

ROU assets are depreciated using the straight-line method over a period starting from the commencement date of the lease contract to the end of the estimated useful life of the ROU asset or the end of the lease term, whichever is earlier. The estimated useful lives of ROU assets are determined on the same basis as that for owned assets. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

4.6.2 Lease liability against ROU assets

Lease liabilities against ROU assets are initially measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then at the applicable incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest rate method.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the profit and loss account as markup expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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4.7 Intangible assets

4.7.1 Intangible assets other than goodwill

Intangible assets having a finite useful life are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised over their estimated useful lives using the straight-line method. Amortisation is calculated so as to write down the assets to their residual values over their expected useful lives at the rates stated in note 11.1 to these consolidated financial statements. Amortisation on additions is charged from the month in which the assets are available for use. No amortisation is charged in the month in which the assets are disposed off. The residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Intangible assets which arise from contractual or other legal rights on the acquisition of another entity and are deemed separable are considered as part of the net identifiable assets acquired. These are initially measured at fair value. Intangible assets with a finite useful life are amortized over their expected useful lives and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets having an indefinite useful life are stated at cost less impairment, if any. Such intangible assets are tested for impairment annually, or whenever there is an indication of impairment, as per the requirements of IAS 36, Impairment of Assets. An impairment charge in respect of intangible assets is recognised through the profit and loss account. Any subsequent reversal of an impairment loss, up to the extent of the impairment, is credited to the profit and loss account.

4.7.2 Goodwill

Goodwill arises in a business combination and is initially recognised at fair value as the excess of the purchase price paid over the fair value of the specifically identifiable tangible and intangible assets and liabilities acquired. Goodwill is subsequently carried at its initially recorded amount less impairment, if any. Goodwill is tested for impairment annually, or whenever there is an indication of impairment, as per the requirements of IAS 36, Impairment of Assets. An impairment charge in respect of goodwill is recognised through the profit and loss account.

4.8 Non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims are initially recorded at cost and are carried at revalued amounts less accumulated depreciation and impairment, if any. These assets are revalued with sufficient regularity by professionally qualified valuers to ensure that their net carrying value does not differ materially from their fair value. An increase in the market value over the acquisition cost is recorded as a surplus on revaluation. A decline in the market value is adjusted against the surplus of that asset or, if no surplus exists, is charged to the profit and loss account as an impairment. A subsequent increase in the market value of an impaired asset is reversed through the profit and loss account up to the extent of the impairment and thereafter credited to the surplus on revaluation of that asset. All direct costs of acquiring title to the asset are charged immediately to the profit and loss account.

Depreciation on assets acquired in satisfaction of claims is charged to the profit and loss account on the same basis as depreciation charged on the Group's owned fixed assets.

If the recognition of such assets results in a reduction in non-performing loans, such reductions and the corresponding reductions in provisions held against non-performing loans are disclosed separately.

These assets are generally intended for sale. Gains and losses realised on the sale of such assets are disclosed separately from gains and losses realised on the sale of fixed assets. Surplus on revaluation (net of deferred tax) realised on disposal of these assets is transferred directly to unappropriated profit.

However, if such an asset, subsequent to initial recording, is used by the Group for its own operations, the asset, along with any related surplus, is transferred to fixed assets.

4.9 Borrowings / deposits

Borrowings / deposits are recorded at the amount of proceeds received. The cost of borrowings / deposits is recognised as an expense on an accrual basis in the period in which it is incurred.

4.10 Subordinated debt

Subordinated debt is recorded at the amount of proceeds received. Mark-up accrued on subordinated debt is charged to the profit and loss account.

4.11 Acceptances

Acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. Acceptances are recognised as a financial liability in the statement of financial position with the contractual right of reimbursement from the customer recognised as a financial asset.

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4.12 Employee benefits

The Bank operates a number of post-retirement benefit plans, which include both defined contribution plans and defined benefit plans.

For defined contribution plans, the Bank pays contributions to the fund on a periodic basis, and such amounts are charged to the profit and loss account when the payment obligation is established. The Bank has no further payment obligations once the contributions have been paid.

For funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations less the fair value of plan assets as at the statement of financial position date. Contributions to the fund are made by the Bank on a periodic basis.

For non-funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations as at the statement of financial position date.

The liability in respect of all obligations under defined benefit schemes is calculated annually by an independent actuary using the Projected Unit Credit Method.

Actuarial gains and losses

Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income with no subsequent recycling through the profit and loss account. However, actuarial gains and losses on remeasurement of the liability for compensated absences are recognised in the profit and loss account.

Past Service Cost

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment and is recognised through the profit and loss account when the plan is amended.

Current Service Cost

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period, and is recognised through the profit and loss account.

4.13 Foreign currency

4.13.1 Foreign currency transactions

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

4.13.2 Foreign operations

The assets and liabilities of foreign operations are translated to Pakistani rupees at exchange rates prevailing on the date of the statement of financial position. The income and expenses of foreign operations are translated to Pakistani Rupees at average rates of exchange prevailing during the year.

Goodwill arising on the acquisition of an entity by an overseas subsidiary is treated as an asset of the overseas subsidiary and is translated at foreign exchange rates prevailing as at the date of the statement of financial position.

4.13.3 Translation gains and losses

Gains and losses arising from foreign currency translations are taken to the profit and loss account, except those arising from the translation of the net investment in foreign branches, associates and subsidiaries, which are recognized through the statement of other comprehensive income as an Exchange Translation Reserve (ETR). Balances in the ETR are only taken to the profit and loss account on disposal of the investment.

4.13.4 Contingencies and Commitments

Commitments for outstanding forward foreign exchange contracts are disclosed in the financial statements at contracted rates. Contingent liabilities / commitments denominated in foreign currencies are expressed in rupee terms at the rates of exchange prevailing on the date of the statement of financial position.

4.14 Income recognition

Revenue is recognised to the extent that the economic benefits associated with a transaction will flow to the Group and the revenue can be reliably measured.

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4.14.1 Advances and investments

Income on performing advances and debt securities is recognised on a time proportion basis as per the terms of the contract. Where debt securities are purchased at a premium or discount, such premium / discount is amortised through the profit and loss account over the remaining maturity of the debt security using the effective yield method.

Income recoverable on classified advances and investments is recognised on a receipt basis. Income on rescheduled / restructured advances and investments is recognised as permitted by SBP regulations or by the regulatory authorities of the countries in which the Group operates.

4.14.2 Lease financing

Income from lease financing is accounted for using the financing method. Under this method, the unearned lease income (defined as the sum of total lease rentals and estimated residual value less the cost of the leased assets) is taken to income over the term of the lease so as to produce a constant periodic rate of return on the outstanding net investment in the lease. Gains and losses on termination of lease contracts are recognised through the profit and loss account when these are realised. For classified leases, unrealised lease income and other fees are recognised on a receipt basis.

4.14.3 Fee, Commission and Brokerage Income

Fee, commission and brokerage income is recognised on an accrual basis.

4.14.4 Dividend income

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

4.15 Taxation

Income tax expense comprises of the charge for current and prior years and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items which are recognised, net of tax, directly in equity.

4.15.1 Current

The charge for current taxation is calculated on taxable income earned during the year from local as well as foreign operations using tax rates enacted as at the date of the statement of financial position.

4.15.2 Prior years

The charge for prior years represents adjustments to the tax charge for prior years, arising from assessments, changes in estimates, and retrospectively applied changes to law, made during the current year.

4.15.3 Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deductible temporary differences (deferred tax assets) are temporary differences that are deductible from the taxable income of future periods when the carrying amount of the underlying asset or liability is recovered or settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Taxable temporary differences (deferred tax liabilities) are temporary differences that will result in a tax liability in future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax is calculated at the tax rates that are expected to be applicable to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted as at the date of the statement of financial position.

The Bank also records a deferred tax asset / liability on items recognised directly in the statement of comprehensive income such as surplus / deficit on revaluation of assets and actuarial gains / losses. These items are disclosed net of the related deferred tax asset / liability.

Deferred tax assets are reviewed annually for impairment. Where objective evidence exists that the carrying value of a deferred tax asset may not be recoverable, the deferred tax asset is reduced to its recoverable value. The difference between the carrying value and the recoverable value is recognised through the profit and loss account as a deferred tax expense.

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4.16 Impairment of non-financial assets

The carrying values of non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable value of the asset is estimated. An impairment loss is recognised through the profit and loss account whenever the recoverable value of an asset is lower than its carrying value.

A subsequent increase in the recoverable value of the asset results in a reversal of the impairment loss through the profit and loss account, up to the original carrying value of the asset, if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

A provision is also recognised on other assets where the chances of recovery of those balances are very low.

4.17 Provisions

Provisions are recognised when the Group has present legal or constructive obligations 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.

A provision for off balance sheet obligations is recognised when the Bank becomes aware of the obligation and reasonable certainty exists that the Group will settle the obligation. The charge to the profit and loss account is stated net of expected recoveries and the obligation is recognised in other liabilities.

Provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate.

4.18 Contingent Liabilities

Contingent liabilities are not recognised in the statement of financial position as they are possible obligations where it has yet to be confirmed whether a liability, which will ultimately result in an outflow of economic resources to settle the obligation, will arise. In cases where the probability of an outflow of economic resources is considered remote, based on legal / professional opinions or other relevant assessments, it is not disclosed as a contingent liability.

4.19 Off setting

Financial assets and financial liabilities are set-off and the net amount is reported in the consolidated financial statements when there is a legally enforceable right to set-off and the Group intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

4.20 Financial Assets and Liabilities

Financial assets and liabilities carried on the statement of financial position include cash and bank balances, lending to financial institutions, investments, advances, certain other receivables, bills payable, borrowings, deposits, subordinated debt, lease liabilities against ROU assets and certain payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the relevant policy notes.

4.21 Derivative Financial Instruments

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

4.22 Dividends and appropriation to reserves

Dividends and appropriations to reserves, which are approved subsequent to the date of the statement of financial position are, except where required by law, recognised in the year in which these are approved and disclosed as a non-adjusting event after the balance sheet date.

4.23 Earnings per share

The Group presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing profit after tax for the year attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is not calculated separately, as the Bank does not have any convertible instruments in issue.

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4.24 Segment reporting

A segment is a distinguishable component of the Group that is engaged in providing unique products or services (business segment), or in providing products or services within a particular geographic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4.24.1 Business segments

The Group is managed along the following business lines for monitoring and reporting purposes:

i) *Branch banking*

This segment pertains to the branch distribution network, its related deposit and other products and general banking services.

ii) *Consumer, SME and agriculture lending*

This segment pertains to loan products offered to the Consumer, SME and Agriculture segments.

iii) *Islamic banking*

This segment pertains to all business lines of the Islamic banking network and includes all Islamic products offered by the bank.

iv) *Corporate, commercial and investment banking*

This segment provides a wide variety of financial products and services to large and medium sized clients, across the entire spectrum of industrial sectors.

v) *International and correspondent banking*

This segment includes all international branches and subsidiaries, the financial institutions business and global remittances.

vi) *Treasury*

This segment is responsible for asset / liability management and includes all treasury related products such as fixed income, money market, FX and derivatives.

vii) *Asset management*

This segment pertains to HBL Asset Management Limited.

viii) *Microfinance*

This segment pertains to HBL Microfinance Bank Limited.

ix) *Head Office / Others*

This segment includes numbers related to HBL Konnect, Head Office functions and HBL Currency Exchange.

4.24.2 Geographical segments

The Group is managed along the following geographic lines for monitoring and reporting purposes:

i) *Pakistan (including KEPZ)*

This includes the domestic operations and HBL's KEPZ branch.

ii) *Middle East and Africa*

This includes United Arab Emirates (UAE), Bahrain, Oman, Lebanon and Mauritius.

iii) *Asia*

This includes Afghanistan, Bangladesh, China, Maldives, Singapore and Sri Lanka.

iv) *Europe*

This includes Belgium, Turkey and the United Kingdom.

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	Note	2023 (Rupees in '000)	2022
5 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		63,349,493	74,268,200
Foreign currencies		11,447,241	7,583,546
		<u>74,796,734</u>	<u>81,851,746</u>
With State Bank of Pakistan in			
Local currency current accounts	5.1	181,431,231	118,025,638
Foreign currency current accounts	5.2	12,284,194	292,436
Foreign currency deposit accounts	5.3	25,275,511	655,439
		218,990,936	118,973,513
With other central banks in			
Foreign currency current accounts	5.4	72,585,029	57,271,642
Foreign currency deposit accounts	5.5	32,466,191	35,609,011
		105,051,220	92,880,653
With National Bank of Pakistan in			
Local currency current accounts		147,163,939	1,757,957
Local currency deposit account	5.6	1,207,332	389,942
		148,371,271	2,147,899
National Prize Bonds		318,420	161,575
		<u>547,528,581</u>	<u>296,015,386</u>

- 5.1 These represent local currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.2 These represent foreign currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.3 This includes
- a foreign currency deposit account maintained under the Special Cash Reserve Requirement (SCRR) of the SBP which carries mark-up at a rate of 4.34% per annum (2022: 3.14% per annum).
 - a foreign currency settlement account which carries mark-up at a rate of 0.00% (2022: 0.00%) per annum.
- 5.4 These represent balances held with the central banks of the countries in which the Group operates, in accordance with local regulatory requirements. These include balances in remunerative current accounts amounting to Rs 28,682.146 million (2022: Rs 25,309.932 million), which carry mark-up at rates ranging from 1.89% to 5.68% per annum (2022: 1.04% to 3.50% per annum).
- 5.5 These represent balances held with the central banks of the countries in which the Group operates, in accordance with local regulatory requirements. These carry mark-up at rates ranging from 0.00% to 6.75% per annum (2022: 0.00% to 14.50% per annum).
- 5.6 This represents a deposit account maintained with National Bank of Pakistan. This carries mark-up at a rate of 19.50% per annum (2022: 12.25% per annum).

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	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
6 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		275,804	764,679
In deposit accounts	6.1	3,299,072	412,037
		<u>3,574,876</u>	<u>1,176,716</u>
Outside Pakistan			
In current accounts	6.2	31,783,584	25,939,811
In deposit accounts	6.3	21,245,088	14,396,495
		<u>53,028,672</u>	<u>40,336,306</u>
		<u>56,603,548</u>	<u>41,513,022</u>

6.1 These carry mark-up at rates ranging from 13.75% to 21.75% per annum (2022: 5.50% to 15.00% per annum).

6.2 This includes an amount of Rs 5,078.358 million (2022: 5,564.242 million) in remunerative current accounts which carry mark-up at rates ranging from 0.01% to 1.00% per annum (2022: 0.01% to 1.00% per annum).

6.3 These carry mark-up at rates ranging from 0.50% to 43.5% per annum (2022: 0.00% to 30.50% per annum).

	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
7 LENDINGS TO FINANCIAL INSTITUTIONS			
Call money lendings	7.2	17,000,000	-
Repurchase agreement lendings (reverse repo)	7.3	71,598,160	254,593,287
		<u>88,598,160</u>	<u>254,593,287</u>

7.1 Lendings to financial institutions are all in local currency.

7.2 Call money lendings carry mark-up at rates ranging from 21.75% to 22.05% per annum and are due to mature latest by January 04, 2024.

7.3 Repurchase agreement lendings carry mark-up at rates ranging from 21.00% to 22.95% per annum (2022: 15.95% to 16.60% per annum) and are due to mature latest by January 09, 2024.

7.3.1 Securities held as collateral against lendings to financial institutions

	2023			2022		
	Held by Group	Further given as collateral	Total	Held by Group	Further given as collateral	Total
	----- (Rupees in '000) -----					
Market Treasury Bills	2,887,003	-	2,887,003	92,318,287	-	92,318,287
Pakistan Investment Bonds	66,211,157	-	66,211,157	162,275,000	-	162,275,000
Sukuk	2,500,000	-	2,500,000	-	-	-
	<u>71,598,160</u>	<u>-</u>	<u>71,598,160</u>	<u>254,593,287</u>	<u>-</u>	<u>254,593,287</u>

7.3.2 The market value of securities held as collateral against repurchase agreement lendings amounted to Rs 71,606.435 million (2022: Rs 254,221.016 million).

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8 INVESTMENTS	Note	2023				2022			
		Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
(Rupees in '000)									
8.1 Investments by type									
Held-for-trading (HFT) securities									
Federal Government securities									
- Market Treasury Bills	8.3	88,950,384	-	(34,842)	88,915,542	5,885,581	-	(7,865)	5,877,716
- Pakistan Investment Bonds		140,840,320	-	100,654	140,940,974	52,471,296	-	(85,104)	52,386,192
- Ijarah Sukuk		7,497,896	-	296,498	7,794,394	-	-	-	-
Shares									
- Listed companies		109,681	-	(1,994)	107,687	132	-	(41)	91
Foreign securities									
- Government debt securities		2,965,340	-	(79,993)	2,885,347	3,278,776	-	8,620	3,287,396
		240,363,621	-	280,323	240,643,944	61,635,785	-	(84,390)	61,551,395
Available-for-sale (AFS) securities									
Federal Government securities									
- Market Treasury Bills	8.3 & 8.6	223,051,810	-	133,734	223,185,544	222,762,973	-	(396,299)	222,366,674
- Pakistan Investment Bonds	8.3	1,142,589,290	-	(28,598,476)	1,113,990,814	936,341,475	-	(29,604,154)	906,737,321
- Ijarah Sukuk		214,469,251	-	(992,900)	213,476,351	125,360,260	-	(2,772,531)	122,587,729
- Government of Pakistan US Dollar Bonds		20,607,015	(3,015,329)	(307,522)	17,284,164	18,895,230	(2,213,447)	(8,221,230)	8,460,553
- Other Federal Government securities		5,543,158	-	-	5,543,158	4,686,060	-	-	4,686,060
Shares									
- Listed companies		18,346,143	(1,355,890)	(573,899)	16,416,354	6,329,024	(2,097,873)	(242,961)	3,988,190
- Unlisted companies		5,372,888	(137,414)	-	5,235,474	5,372,888	(119,718)	-	5,253,170
Non-Government debt securities									
- Listed		52,313,888	(1,288,294)	(1,410,827)	49,614,767	52,253,137	(602,689)	(2,566,098)	49,084,350
- Unlisted		2,654,051	(403,050)	(16,875)	2,234,126	2,664,233	(413,232)	16,321	2,267,322
Foreign securities									
- Government debt securities		172,850,072	(1,920,274)	(271,538)	170,658,260	126,975,290	(1,672,462)	(739,952)	124,562,876
- Non-Government debt securities									
- Listed		7,059,589	(1,423,946)	(35,025)	5,600,618	9,364,897	(1,124,713)	(132,840)	8,107,344
- Unlisted		-	-	-	-	5,461,354	-	593	5,461,947
- Equity securities - Unlisted		9,701	(239)	-	9,462	7,762	(197)	-	7,565
National Investment Unit Trust units									
		11,113	-	39,632	50,745	11,113	-	27,057	38,170
Real Estate Investment Trust units									
- Listed		55,000	-	13,700	68,700	55,000	-	13,200	68,200
- Unlisted		1,575,000	-	-	1,575,000	1,575,000	-	-	1,575,000
Preference shares									
- Listed		744,400	-	133,000	877,400	744,400	-	172,200	916,600
- Unlisted		354,985	(316,505)	-	38,480	354,985	(285,793)	-	69,192
		1,867,607,354	(9,860,941)	(31,886,996)	1,825,859,417	1,519,215,081	(8,530,124)	(44,446,694)	1,466,238,263
Held-to-maturity (HTM) securities									
Federal Government securities									
- Market Treasury Bills		111,663,463	-	-	111,663,463	109,068,345	-	-	109,068,345
- Pakistan Investment Bonds	8.3, 8.4 & 8.5	301,830,350	-	-	301,830,350	232,170,109	-	-	232,170,109
- Government of Pakistan US Dollar Bonds		6,435,791	(408,218)	-	6,027,573	5,265,790	(379,077)	-	4,886,713
Non-Government debt securities									
- Listed		1,899,450	-	-	1,899,450	1,733,442	-	-	1,733,442
- Unlisted		23,419,101	-	-	23,419,101	18,301,991	-	-	18,301,991
Foreign Securities									
- Government debt securities		14,663,737	-	-	14,663,737	14,365,073	-	-	14,365,073
- Non-Government debt securities									
- Listed		-	-	-	-	161,426	(15,712)	-	145,714
- Unlisted		174,040	(14,611)	-	159,429	308,100	-	-	308,100
		460,085,932	(422,829)	-	459,663,103	381,374,276	(394,789)	-	380,979,487
Investments in associates and joint venture									
	8.2.1 & 8.13	37,758,026	-	(1,625,403)	36,132,623	41,033,458	-	(1,001,561)	40,031,897
Total Investments		2,605,814,933	(10,283,770)	(33,232,076)	2,562,299,087	2,003,258,600	(8,924,913)	(45,532,645)	1,948,801,042

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	Note	2023			2022				
		Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
----- (Rupees in '000) -----									
8.2 Investments by segment									
Federal Government securities									
Market Treasury Bills		423,665,657	-	98,892	423,764,549	337,716,899	-	(404,164)	337,312,735
Pakistan Investment Bonds		1,585,259,960	-	(28,497,822)	1,556,762,138	1,220,982,880	-	(29,689,258)	1,191,293,622
Ijarah Sukuk		221,967,147	-	(696,402)	221,270,745	125,360,260	-	(2,772,531)	122,587,729
Government of Pakistan US Dollar Bonds		27,042,806	(3,423,547)	(307,522)	23,311,737	24,161,020	(2,592,524)	(8,221,230)	13,347,266
Other Federal Government securities		5,543,158	-	-	5,543,158	4,686,060	-	-	4,686,060
		2,263,478,728	(3,423,547)	(29,402,854)	2,230,652,327	1,712,907,119	(2,592,524)	(41,087,183)	1,669,227,412
Shares									
Listed companies		18,455,824	(1,355,890)	(575,893)	16,524,041	6,329,156	(2,097,873)	(243,002)	3,988,281
Unlisted companies		5,372,888	(137,414)	-	5,235,474	5,372,888	(119,718)	-	5,253,170
		23,828,712	(1,493,304)	(575,893)	21,759,515	11,702,044	(2,217,591)	(243,002)	9,241,451
Non-Government debt securities									
Listed		54,213,338	(1,288,294)	(1,410,827)	51,514,217	53,986,579	(602,689)	(2,566,098)	50,817,792
Unlisted		26,073,152	(403,050)	(16,875)	25,653,227	20,966,224	(413,232)	16,321	20,569,313
		80,286,490	(1,691,344)	(1,427,702)	77,167,444	74,952,803	(1,015,921)	(2,549,777)	71,387,105
Foreign securities									
Government debt securities		190,479,149	(1,920,274)	(351,531)	188,207,344	144,619,139	(1,672,462)	(731,332)	142,215,345
Non-Government debt securities									
Listed		7,059,589	(1,423,946)	(35,025)	5,600,618	9,526,323	(1,140,425)	(132,840)	8,253,058
Unlisted		174,040	(14,611)	-	159,429	5,769,454	-	593	5,770,047
Equity securities - Unlisted		9,701	(239)	-	9,462	7,762	(197)	-	7,565
		197,722,479	(3,359,070)	(386,556)	193,976,853	159,922,678	(2,813,084)	(863,579)	156,246,015
National Investment Unit Trust units		11,113	-	39,632	50,745	11,113	-	27,057	38,170
Real Estate Investment Trust units									
- Listed		55,000	-	13,700	68,700	55,000	-	13,200	68,200
- Unlisted		1,575,000	-	-	1,575,000	1,575,000	-	-	1,575,000
		1,630,000	-	13,700	1,643,700	1,630,000	-	13,200	1,643,200
Preference shares									
- Listed		744,400	-	133,000	877,400	744,400	-	172,200	916,600
- Unlisted		354,985	(316,505)	-	38,480	354,985	(285,793)	-	69,192
		1,099,385	(316,505)	133,000	915,880	1,099,385	(285,793)	172,200	985,792
Investments in associates and joint venture									
Diamond Trust Bank Kenya Limited		24,420,159	-	(1,457,757)	22,962,402	22,402,633	-	(825,286)	21,577,347
Himalayan Bank Limited, Nepal	8.13.1	-	-	-	-	8,156,824	-	(7,772)	8,149,052
Kyrgyz Investment and Credit Bank, Kyrgyz Republic		5,534,729	-	-	5,534,729	3,582,764	-	-	3,582,764
Jubilee General Insurance Company Limited		3,778,966	-	(47,630)	3,731,336	3,445,952	-	1,083	3,447,035
Jubilee Life Insurance Company Limited		2,761,594	-	1,715	2,763,309	2,580,693	-	(5,945)	2,574,748
HBL Cash Fund		448,059	-	-	448,059	160,389	-	-	160,389
HBL Financial Sector Income Fund - Plan-1		69,225	-	-	69,225	71,772	-	-	71,772
HBL Government securities Fund		324,648	-	-	324,648	-	-	-	-
HBL Investment Fund Class A		218,545	-	(121,731)	96,814	411,229	-	(163,641)	247,588
HBL Islamic Equity Fund		40,621	-	-	40,621	-	-	-	-
HBL Islamic Pension Fund		31,742	-	-	31,742	-	-	-	-
HBL Multi Asset Fund		75,150	-	-	75,150	35,499	-	-	35,499
HBL Pension Fund		31,795	-	-	31,795	-	-	-	-
HBL Total Treasury Exchange Traded fund		22,793	-	-	22,793	44,825	-	-	44,825
HBL FPF Active Allocation Plan		-	-	-	-	45,151	-	-	45,151
HBL FPF Conservative Allocation Plan		-	-	-	-	30,730	-	-	30,730
HBL IFPF Active Allocation Plan		-	-	-	-	64,997	-	-	64,997
	8.2.1	37,758,026	-	(1,625,403)	36,132,623	41,033,458	-	(1,001,561)	40,031,897
Total Investments		2,605,814,933	(10,283,770)	(33,232,076)	2,562,299,087	2,003,258,600	(8,924,913)	(45,532,645)	1,948,801,042

8.2.1 This represents the Group's share of deficit on investments held by these entities.

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	2023	2022
	(Rupees in '000)	
8.2.2 Investments given as collateral		
The market value of investments given as collateral against borrowings is as follows:		
Federal Government securities		
- Market Treasury Bills	30,947,292	76,758,133
- Pakistan Investment Bonds	336,459,407	165,214,633
- Ijarah Sukuk	-	25,479,600
Foreign securities		
- Government debt securities	-	15,216,156
	<u>367,406,699</u>	<u>282,668,522</u>
8.3 Investments include securities amounting to Rs 517,483.172 million (2022: Rs 437,016.293 million) which are held to comply with the SBP's statutory liquidity requirements as set out under section 29 of the Banking Companies Ordinance, 1962.		
8.4 Investments include Rs 227.500 million (2022: Rs 227.500 million) pledged with the SBP against TT/DD discounting facilities and demand loan facilities.		
8.5 Investments include Rs 10.000 million (2022: Rs 10.000 million) pledged with the Controller of Military Accounts against Regimental Fund accounts being maintained at various branches of the Bank.		
8.6 Investments include Rs 300.000 million (2022: Rs 300.000 million) pledged with the National Clearing Company of Pakistan against trading margin.		
8.7 The market value of investments classified as held-to-maturity amounted to Rs 425,878.841 million (2022: Rs 351,020.204 million).		
8.8 Particulars of provision held against diminution in the value of investments	2023	2022
	(Rupees in '000)	
Opening balance	8,924,913	4,158,401
Exchange adjustments	1,542,961	740,034
Charge / (reversal)		
Charge for the year	2,424,752	4,565,152
Reversal for the year	(1,658,491)	(24,044)
Reversal on disposal during the year	(950,365)	(689,400)
Net (reversal) / charge	(184,104)	3,851,708
Transferred in	-	67,880
Other movement	-	106,890
Closing balance	<u>10,283,770</u>	<u>8,924,913</u>
8.9 Particulars of provision against debt securities		
	2023	2022
Category of classification	Non- Performing Investments	Non- Performing Investments
	Provision	Provision
	(Rupees in '000)	
Domestic		
Loss	403,050	413,232
Overseas		
Overdue by:		
91 to 180 days	-	452,912
181 to 365 days	-	679,188
> 365 days	2,806,736	1,065,339
	<u>2,806,736</u>	<u>2,018,993</u>
	<u>3,209,786</u>	<u>2,610,671</u>
	<u>3,209,786</u>	<u>2,432,225</u>
8.9.1 In addition to the above, overseas branches hold a provision of Rs 5,263.936 million (2022: Rs 3,989.107 million) against investments in accordance with the ECL requirements of IFRS 9.		
8.10 Quality of available-for-sale (AFS) securities		
Details regarding the quality of AFS securities are as follows:		
	2023	2022
	Cost / amortised cost	
	(Rupees in '000)	
Federal Government securities - Government guaranteed		
Market Treasury Bills	223,051,810	222,762,973
Pakistan Investment Bonds	1,142,589,290	936,341,475
Ijarah Sukuks	214,469,251	125,360,260
Government of Pakistan US Dollar Bonds	20,607,015	18,895,230
Other Federal Government securities - Islamic Naya Pakistan Certificates	5,543,158	4,686,060
	<u>1,606,260,524</u>	<u>1,308,045,998</u>

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Shares	2023	2022
	Cost (Rupees in '000)	
Listed companies		
Automobile Assembler	44,191	93,569
Automobile Parts and Accessories	-	85,167
Cement	1,059,479	659,875
Chemicals	224,083	224,084
Commercial Banks	11,246,890	949,350
Engineering	364,828	197,207
Fertilizer	1,036,767	811,050
Food and Personal Care Products	79,800	-
Insurance	-	69,484
Investment Banks / Investment Companies / Securities Companies	1,122,067	1,122,067
Leather and Tanneries	68,682	-
Oil and Gas Exploration Companies	1,335,469	513,230
Oil and Gas Marketing Companies	469,020	210,443
Pharmaceuticals	163,721	196,431
Power Generation and Distribution	481,109	551,141
Technology and Communication	151,616	48,836
Textile Composite	498,421	526,897
Miscellaneous	-	70,193
	<u>18,346,143</u>	<u>6,329,024</u>

	2023		2022	
	Cost	Breakup value	Cost	Breakup value
	----- (Rupees in '000) -----			
Unlisted companies				
Central Depository Company of Pakistan Limited	256,347	767,434	256,347	782,093
Engro Powergen Thar (Private) Limited	2,086,591	8,048,312	2,086,591	7,326,213
Sindh Engro Coal Mining Company Limited	2,267,346	6,163,513	2,267,346	5,536,372
Pakistan Mortgage Refinance Company Limited	500,000	1,205,087	500,000	1,015,616
First Women Bank Limited	63,300	223,020	63,300	203,928
SME Bank Limited	13,474	(44,567)	13,474	(43,229)
National Institutional Facilitation Technologies (Private) Limited	1,527	64,687	1,527	64,687
National Investment Trust Limited	100	700,276	100	910,231
Pakistan Agriculture Storage and Services Corporation Limited	5,500	3,551,928	5,500	3,551,928
Society for Worldwide Interbank Financial Telecommunication (SWIFT)	3,152	73,467	3,152	52,804
Naymat Collateral Management Company Limited	29,286	6,858	29,286	13,824
1 LINK (Private) Limited	50,000	733,214	50,000	537,279
Pakistan Credit Restructuring Company Limited	96,000	57,789	96,000	68,519
Mutual Funds Association of Pakistan	265	265	265	265
	<u>5,372,888</u>	<u>21,551,283</u>	<u>5,372,888</u>	<u>20,020,530</u>

8.10.1 The breakup value of unlisted companies is calculated using the latest available financial statements as described in note 4.3.2.

Non-Government debt securities	2023	2022
	Cost / amortised cost (Rupees in '000)	
Listed		
AA+, AA, AA-	45,200,000	46,200,000
A+, A, A-	493,545	493,545
B+, B, B-	-	4,559,592
CCC and below	5,672,422	-
Unrated	947,921	1,000,000
	8.10.2 52,313,888	52,253,137
Unlisted		
AAA	-	351,000
AA+, AA, AA-	1,801,000	1,900,000
A+, A, A-	450,000	-
Unrated	403,051	413,233
	<u>2,654,051</u>	<u>2,664,233</u>
	<u>54,967,939</u>	<u>54,917,370</u>

8.10.2 This includes listed non-Government debt securities amounting to Rs 40 billion (2022: Rs 41 billion) guaranteed by the Government.

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Foreign securities	2023		2022	
	Cost / amortised cost (Rupees in '000)	Rating	Cost / amortised cost (Rupees in '000)	Rating
Government debt securities				
Bahrain	12,319,098	BB, B and B2	11,821,622	B+ and B2
Egypt	1,560,904	B3, CCC+ and below	3,672,732	B and B2
Kenya	2,844,472	B2	2,326,687	B2
Maldives	30,528,092	CCC+ and below	26,497,708	CCC+ and below
Mauritius	5,924,458	Baa3	4,450,149	Baa3
Oman	1,851,602	Ba3 and BB-	3,207,091	Ba3 and BB-
Singapore	7,216,850	AAA	11,751,254	AAA
South Africa	887,079	Ba2	731,411	Ba2
Sri Lanka	8,546,668	CCC+ and below	3,693,301	CCC+ and below
United Arab Emirates	64,589,453	Aa2 and Baa3	40,847,053	Aa2 and Baa3
United Kingdom	8,235,485	AAA and Aa3	-	-
United States of America	28,345,911	AAA and AA+	17,976,282	AAA
	<u>172,850,072</u>		<u>126,975,290</u>	
Non-Government debt securities			2023	2022
Listed			Cost / amortised cost	
			(Rupees in '000)	
AAA			-	1,919,509
BBB+, BBB, BBB-			1,417,005	1,157,511
BB+, BB, BB-			-	1,772,216
B+, B, B-			4,243,604	3,450,322
Unrated			1,398,980	1,065,339
			<u>7,059,589</u>	<u>9,364,897</u>
Equity securities - Unlisted			2023	2022
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
The Benefit Company, Bahrain	5,981	45,145	4,804	34,287
Credit Information Bureau, Sri Lanka	70	15,211	49	10,452
LankaClear (Private) Limited, Sri Lanka	435	12,299	308	7,182
SME Equity Fund Limited, Mauritius	3,215	2,976	2,601	2,404
	<u>9,701</u>	<u>75,631</u>	<u>7,762</u>	<u>54,325</u>
			2023	2022
			Cost	
			(Rupees in '000)	
National Investment Unit Trust units - Listed			<u>11,113</u>	<u>11,113</u>
Real Estate Investment Trust units - Listed			<u>55,000</u>	<u>55,000</u>
Real Estate Investment Trust units - Unlisted			2023	2022
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
TPL REIT Management Company Limited	<u>1,575,000</u>	<u>3,049,627</u>	<u>1,575,000</u>	<u>2,262,423</u>

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	2023		2022	
	Cost			
	(Rupees in '000)			
Preference shares - Listed				
Chemicals			700,000	700,000
Textile Composite			44,400	44,400
			<u>744,400</u>	<u>744,400</u>
Preference shares - Unlisted				
	2023		2022	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
Finja Inc.	176,985	38,230	176,985	30,712
Healthwire Pvt Ltd	178,000	38,480	178,000	38,480
	<u>354,985</u>	<u>76,710</u>	<u>354,985</u>	<u>69,192</u>
8.11 Particulars of held-to-maturity securities are as follows:				
			2023	2022
			Cost / amortised cost	
			(Rupees in '000)	
Federal Government securities - Government guaranteed				
Market Treasury Bills			111,663,463	109,068,345
Pakistan Investment Bonds			301,830,350	232,170,109
Government of Pakistan US Dollar Bonds			6,435,791	5,265,790
			<u>419,929,604</u>	<u>346,504,244</u>
Non-Government debt securities				
Listed				
AA+, AA, AA-			1,249,750	1,249,850
A+, A, A-			649,700	483,592
			<u>1,899,450</u>	<u>1,733,442</u>
Unlisted				
AAA			21,557,531	14,856,052
AA+, AA, AA-			949,570	149,730
A+, A, A-			912,000	1,050,000
Unrated			-	2,246,209
			<u>23,419,101</u>	<u>18,301,991</u>
Foreign securities				
	2023		2022	
	Cost /	Rating	Cost /	Rating
	amortised		amortised	
	cost		cost	
	(Rupees in '000)		(Rupees in '000)	
Government debt securities				
Bahrain	-	-	1,204,012	B2
Bangladesh	11,839,387	Ba3	9,659,351	Ba3
Oman	-	-	1,931,607	BB-
Sri Lanka	1,284,157	CCC+ and below	1,570,103	CCC+ and below
United States of America	1,540,193	AAA	-	-
	<u>14,663,737</u>		<u>14,365,073</u>	
Non-Government debt securities				
			2023	2022
			Cost / amortised cost	
			(Rupees in '000)	
Listed				
Unrated			-	161,426
Unlisted				
A+, A, A-			174,040	308,100

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8.12 Summary of financial information of associates and joint venture

2023								
	Based on the annual / interim financial statements as on	Country of incorporation	Percentage of holding	Assets	Liabilities	Revenue	Profit after tax	Total compre- hensive income
------(Rupees in '000)-----								
Diamond Trust Bank Kenya Limited	September 30, 2023	Kenya	16.15%	1,077,012,461	928,456,306	122,385,163	12,657,367	12,990,483
Kyrgyz Investment and Credit Bank	December 31, 2023	Kyrgyzstan	18.00%	176,146,026	142,334,016	19,307,295	6,441,372	6,441,372
Jubilee General Insurance Company Limited	September 30, 2023	Pakistan	19.80%	39,716,129	28,081,448	10,240,700	2,463,554	2,552,439
Jubilee Life Insurance Company Limited	September 30, 2023	Pakistan	18.52%	196,000,537	181,574,396	124,196,637	2,062,461	2,192,023
HBL Cash Fund	December 31, 2023	Pakistan	0.87%	51,773,464	355,863	10,285,555	9,554,393	9,554,393
HBL Financial Sector Income Fund - Plan-1	December 31, 2023	Pakistan	0.19%	36,799,799	217,921	6,145,812	5,707,551	5,707,551
HBL Government Securities Fund	December 31, 2023	Pakistan	8.25%	3,976,506	41,416	369,706	341,047	341,047
HBL Investment Fund Class A	December 31, 2023	Pakistan	9.88%	2,245,549	17,604	127,820	84,767	84,767
HBL Islamic Equity Fund	December 31, 2023	Pakistan	36.02%	132,444	19,679	28,732	25,003	25,003
HBL Islamic Pension Fund	December 31, 2023	Pakistan	96.33%	33,569	617	273,692	251,719	251,719
HBL Multi Asset Fund	December 31, 2023	Pakistan	69.52%	115,561	7,458	36,213	31,641	31,641
HBL Pension Fund	December 31, 2023	Pakistan	96.39%	33,604	617	328,446	306,466	306,466
HBL Total Treasury Exchange Traded fund	December 31, 2023	Pakistan	4.10%	557,461	1,493	109,898	103,524	103,524
2022								
	Based on the annual / interim financial statements as on	Country of incorporation	Percentage of holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total compre- hensive income / (loss)
------(Rupees in '000)-----								
Diamond Trust Bank Kenya Limited	September 30, 2022	Kenya	16.15%	931,967,221	788,726,664	79,991,004	8,367,192	10,931,684
Himalayan Bank Limited	October 17, 2022	Nepal	20.00%	364,889,717	323,548,766	35,126,532	4,266,090	4,234,752
Kyrgyz Investment and Credit Bank	December 31, 2022	Kyrgyzstan	18.00%	125,991,587	104,107,720	11,125,792	2,345,277	2,155,369
Jubilee General Insurance Company Limited	September 30, 2022	Pakistan	19.80%	32,639,326	22,420,262	7,495,243	1,388,016	1,345,936
Jubilee Life Insurance Company Limited	September 30, 2022	Pakistan	18.52%	187,908,746	174,500,925	103,512,855	2,068,559	2,160,966
HBL Cash Fund	December 31, 2022	Pakistan	0.35%	45,770,876	168,771	4,566,173	4,310,643	4,310,643
HBL Financial Sector Income Fund - Plan-1	December 31, 2022	Pakistan	0.24%	32,685,118	3,024,997	4,528,395	4,218,626	4,218,626
HBL FPF Active Allocation Plan	December 31, 2022	Pakistan	67.57%	67,050	233	(6,556)	(7,176)	(7,176)
HBL FPF Conservative Allocation Plan	December 31, 2022	Pakistan	88.07%	34,998	105	1,228	503	503
HBL IFPF Active Allocation Plan	December 31, 2022	Pakistan	64.74%	100,715	326	2,379	1,491	1,491
HBL Investment Fund Class A	December 31, 2022	Pakistan	17.13%	1,837,058	4,588	146,036	96,136	96,136
HBL Multi Asset Fund	December 31, 2022	Pakistan	34.58%	110,021	7,355	(16,936)	(22,912)	(22,912)
HBL Total Treasury Exchange Traded fund	December 31, 2022	Pakistan	8.58%	523,730	1,271	24,213	22,459	22,459

8.12.1 The Group has significant influence in Diamond Trust Bank Kenya Limited, Kyrgyz Investment and Credit Bank, Jubilee General Insurance Company Limited and Jubilee Life Insurance Company Limited because of its Parent's holding in these entities.

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		2023								
8.13 Investment in associates and Joint venture	Opening balance	Investment made	Investment redeemed	Share of profit / (loss) - net of tax	Movement in share of surplus / deficit on investments - net of tax	Share of other comprehensive income / (loss) - net of tax	Exchange translation impact	Dividend received	Transfer out	Closing balance
----- (Rupees in '000) -----										
Diamond Trust Bank Kenya Limited	21,577,347	-	-	2,044,350	(632,471)	1,027,616	(610,007)	(444,433)	-	22,962,402
Himalayan Bank Limited, Nepal	8,149,052	-	-	313,829	2,522	-	1,302,052	(203,366)	(9,564,089)	-
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	3,582,764	-	-	1,058,011	-	(50,213)	944,167	-	-	5,534,729
Jubilee General Insurance Company Limited	3,447,035	-	-	487,867	(48,713)	2,379	-	(157,232)	-	3,731,336
Jubilee Life Insurance Company Limited	2,574,748	-	-	381,908	7,660	16,328	-	(217,335)	-	2,763,309
HBL Cash Fund	160,389	1,431,454	(1,157,000)	43,391	-	-	-	(30,175)	-	448,059
HBL Equity Fund	-	6,000	(5,866)	(134)	-	-	-	-	-	-
HBL Financial Sector Income Fund - Plan-1	71,772	319,955	(325,333)	20,033	-	-	-	(17,202)	-	69,225
HBL FPF Active Allocation Plan	45,151	3,212	(52,629)	8,046	-	-	-	(3,780)	-	-
HBL FPF Conservative Allocation Plan	30,730	2,577	(36,945)	6,670	-	-	-	(3,032)	-	-
HBL Government securities Fund	-	290,347	-	40,591	-	-	-	(6,290)	-	324,648
HBL IFPF Active Allocation Plan	64,997	4,218	(75,653)	11,401	-	-	-	(4,963)	-	-
HBL Investment Fund Class A	247,588	-	(32,513)	(18,765)	(80,030)	-	-	(19,466)	-	96,814
HBL Islamic equity Fund	-	40,000	-	621	-	-	-	-	-	40,621
HBL Islamic Pension Fund	-	31,500	-	242	-	-	-	-	-	31,742
HBL Money Market Fund	-	35,000	(35,020)	20	-	-	-	-	-	-
HBL Multi Asset Fund	35,499	24,423	-	16,902	-	-	-	(1,674)	-	75,150
HBL Pension Fund	-	31,500	-	295	-	-	-	-	-	31,795
HBL Total Treasury Exchange Traded fund	44,825	-	(26,816)	7,417	-	-	-	(2,633)	-	22,793
	<u>40,031,897</u>	<u>2,220,186</u>	<u>(1,747,775)</u>	<u>4,422,695</u>	<u>(751,032)</u>	<u>996,110</u>	<u>1,636,212</u>	<u>(1,111,581)</u>	<u>(9,564,089)</u>	<u>36,132,623</u>
----- (Rupees in '000) -----										
		2022								
Investment in associates and Joint venture	Opening balance	Investment made	Investment redeemed	Share of profit / (loss) - net of tax	Movement in share of surplus / deficit on investments - net of tax	Share of other comprehensive income / (loss) - net of tax	Exchange translation impact	Dividend received	Transfer out	Closing balance
----- (Rupees in '000) -----										
Diamond Trust Bank Kenya Limited	17,540,846	-	-	1,351,424	(800,166)	643,932	3,071,194	(229,883)	-	21,577,347
Himalayan Bank Limited, Nepal	6,297,914	-	-	853,218	(11,169)	4,902	1,004,187	-	-	8,149,052
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	2,404,885	-	-	422,150	-	(34,183)	789,912	-	-	3,582,764
Jubilee General Insurance Company Limited	3,352,939	-	-	274,874	(38,240)	14,693	-	(157,231)	-	3,447,035
Jubilee Life Insurance Company Limited	2,408,901	-	-	383,037	9,879	7,232	-	(234,301)	-	2,574,748
HBL Cash Fund	29,958	378,745	(251,408)	13,382	-	-	-	(10,288)	-	160,389
HBL Financial Sector Income Fund - Plan-1	-	563,517	(496,620)	18,425	-	-	-	(13,550)	-	71,772
HBL FPF Active Allocation Plan	-	45,000	-	151	-	-	-	-	-	45,151
HBL FPF Conservative Allocation Plan	19,922	10,001	-	807	-	-	-	-	-	30,730
HBL IFPF Active Allocation Plan	-	65,000	-	(3)	-	-	-	-	-	64,997
HBL Investment Fund Class A	295,807	-	-	16,460	(64,679)	-	-	-	-	247,588
HBL Multi Asset Fund	88,166	35,000	(77,444)	(10,223)	-	-	-	-	-	35,499
HBL Total Treasury Exchange Traded fund	-	42,547	-	2,278	-	-	-	-	-	44,825
HBL Investment Fund Class B	425,396	-	(318,605)	(106,791)	-	-	-	-	-	-
HBL Islamic Asset Allocation Fund	152,215	-	(149,219)	(2,996)	-	-	-	-	-	-
HBL Islamic Money Market Fund	-	1,542	(1,542)	49	-	-	-	(49)	-	-
HBL Islamic Pension Fund - Equity Sub Fund	54,242	-	(45,470)	(8,772)	-	-	-	-	-	-
HBL Islamic Stock Fund	272,461	-	(228,943)	(43,518)	-	-	-	-	-	-
HBL Money Market Fund	441,133	141,000	(583,302)	44,051	-	-	-	(42,882)	-	-
HBL Pension Fund - Equity Sub Fund	77,241	-	(63,955)	(13,286)	-	-	-	-	-	-
HBL Stock Fund	242,375	-	(195,956)	(46,419)	-	-	-	-	-	-
HBL Energy Fund	204,320	-	(196,232)	(8,088)	-	-	-	-	-	-
HBL Equity Fund	546,404	-	(389,297)	(157,107)	-	-	-	-	-	-
HBL Income Fund	233,235	670,957	(923,307)	45,350	-	-	-	(26,235)	-	-
	<u>35,088,360</u>	<u>1,953,309</u>	<u>(3,921,300)</u>	<u>3,028,453</u>	<u>(904,375)</u>	<u>636,576</u>	<u>4,865,293</u>	<u>(714,419)</u>	<u>-</u>	<u>40,031,897</u>

8.13.1 Himalayan Bank Limited, Nepal (HBLN), which was previously recognized as a Joint Venture, has acquired Civil Bank Limited, Nepal with effect from February 24, 2023, by issuing new shares as consideration. As a result, the shareholding of the Bank in HBLN has been diluted from 20.00% to 12.93%. Accordingly, HBLN is now classified as an available-for-sale investment.

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9	ADVANCES	Note	Performing		Non - performing		Total	
			2023	2022	2023	2022	2023	2022
----- (Rupees in '000) -----								
	Loans, cash credits, running finances, etc.	9.1	1,494,700,962	1,458,309,880	80,835,932	78,669,633	1,575,536,894	1,536,979,513
	Islamic financing and related assets	9.2	208,404,435	222,982,477	11,309,850	3,465,365	219,714,285	226,447,842
	Bills discounted and purchased		159,652,327	102,480,599	9,753,378	8,760,951	169,405,705	111,241,550
	Advances - gross		1,862,757,724	1,783,772,956	101,899,160	90,895,949	1,964,656,884	1,874,668,905
	Provision against advances							
	- Specific	9.5	-	-	(84,920,073)	(78,259,477)	(84,920,073)	(78,259,477)
	- General		(18,392,219)	(13,911,505)	-	-	(18,392,219)	(13,911,505)
			(18,392,219)	(13,911,505)	(84,920,073)	(78,259,477)	(103,312,292)	(92,170,982)
	Advances - net of provision		1,844,365,505	1,769,861,451	16,979,087	12,636,472	1,861,344,592	1,782,497,923

9.1 This includes net investment in finance lease as disclosed below:

	2023				2022			
	Not later than one year	Later than one and upto five years	More than five years	Total	Not later than one year	Later than one and upto five years	More than five years	Total
----- (Rupees in '000) -----								
Total minimum lease payments	2,574,288	39,131,882	1,008,458	42,714,628	2,384,911	33,158,972	17,424,154	52,968,037
Financial charges for future periods	(282,698)	(8,642,192)	(314,698)	(9,239,588)	(242,212)	(5,941,536)	(4,891,260)	(11,075,008)
Net investment in finance lease	2,291,590	30,489,690	693,760	33,475,040	2,142,699	27,217,436	12,532,894	41,893,029

9.2 Information related to Islamic financing and related assets is given in note 3 of Annexure I to these consolidated financial statements.

9.3	Particulars of advances (Gross)	2023	2022
		(Rupees in '000)	
	In local currency	1,449,318,068	1,488,734,283
	In foreign currencies	515,338,816	385,934,622
		1,964,656,884	1,874,668,905

9.4 Advances include Rs 101,899.160 million (2022: Rs 90,895.949 million) which have been placed under non-performing status as detailed below:

Category of classification	2023		2022	
	Non-performing advances	Provision	Non-performing advances	Provision
----- (Rupees in '000) -----				
Domestic				
Other assets especially mentioned	1,385,321	28,840	1,100,155	16,962
Substandard	7,023,482	1,622,140	7,126,275	1,804,524
Doubtful	11,508,302	5,749,844	3,096,265	1,467,672
Loss	43,820,506	43,110,623	42,212,390	41,504,116
	63,737,611	50,511,447	53,535,085	44,793,274
Overseas				
Not past due but impaired	282,506	80,539	114,816	65,731
Overdue by:				
Upto 90 days	59,705	22,164	46,595	12,056
91 to 180 days	15,334	6,910	1,180,167	295,610
181 to 365 days	1,425,679	778,890	31,666	13,555
> 365 days	36,378,325	33,520,123	35,987,620	33,079,251
	38,161,549	34,408,626	37,360,864	33,466,203
Total	101,899,160	84,920,073	90,895,949	78,259,477

9.5	Particulars of provision against advances	Note	2023			2022		
			Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----								
	Opening balance		78,259,477	13,911,505	92,170,982	72,845,186	11,008,308	83,853,494
	Exchange adjustment		8,019,828	831,237	8,851,065	7,453,225	691,606	8,144,831
	Charge for the year		16,462,892	4,857,453	21,320,345	10,153,742	3,341,192	13,494,934
	Reversal for the year		(6,643,168)	(1,207,976)	(7,851,144)	(6,421,672)	(1,129,601)	(7,551,273)
	Net charge against advances		9,819,724	3,649,477	13,469,201	3,732,070	2,211,591	5,943,661
	Charged off during the year - agriculture financing	9.8	(503,799)	-	(503,799)	(582,438)	-	(582,438)
	Written off during the year	9.9	(10,675,157)	-	(10,675,157)	(5,333,549)	-	(5,333,549)
	Transferred out		-	-	-	(67,880)	-	(67,880)
	Other movement		-	-	-	212,863	-	212,863
	Closing balance		84,920,073	18,392,219	103,312,292	78,259,477	13,911,505	92,170,982

9.5.1	Particulars of provision against advances	2023			2022		
		Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----							
	In local currency	49,406,857	12,920,031	62,326,888	43,083,180	10,194,168	53,277,348
	In foreign currencies	35,513,216	5,472,188	40,985,404	35,176,297	3,717,337	38,893,634
		84,920,073	18,392,219	103,312,292	78,259,477	13,911,505	92,170,982

9.6 General provision includes provision amounting to Rs 3,751.246 million (2022: Rs 3,307.203 million) against consumer finance portfolio and Rs 1,495.280 million (2022: Rs 852.560 million) against advances to microenterprises as required by the Prudential Regulations. General provision also includes Rs 5,184.690 million (2022: Rs 3,717.337 million) pertaining to overseas advances to meet the requirements of the regulatory authorities of the respective countries in which the Group operates. General provision also includes Rs 7,961.004 million (2022: Rs 6,034.405 million) carried as a matter of prudence, on account of borrowers impacted by the currently stressed economic conditions.

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9.7 Exposure amounting to Rs 27,611.111 million relating to Pakistan International Airlines Corporation Limited, has not been classified as non-performing, pursuant to a relaxation given by the SBP.

9.8 These represent non-performing advances for agriculture finance which have been classified as loss, are fully provided and are in default for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held, in accordance with the SBP's Prudential Regulations for Agriculture Financing. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

	Note	2023 (Rupees in '000)	2022
9.9 Particulars of write offs			
9.9.1 Against provisions	9.5	10,675,157	5,333,549
Directly charged to the profit and loss account		-	-
	9.9.2	<u>10,675,157</u>	<u>5,333,549</u>
9.9.2 Analysis of write offs			
Write offs of amounts of Rs. 500,000 and above			
- Domestic including KEPZ		1,779,700	1,346,223
- Domestic subsidiary		8,009	-
	9.10.1	1,787,709	1,346,223
- Overseas	9.10.2	6,585,833	1,154,890
		8,373,542	2,501,113
Write offs of amounts below Rs. 500,000		2,301,615	2,832,436
		<u>10,675,157</u>	<u>5,333,549</u>

9.10 Details of written off advances of Rs 500,000 and above

9.10.1 The statement required under sub-section (3) of Section 33A of the Banking Companies Ordinance, 1962 in respect of written off advances or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 2023 is given in Annexure II to these consolidated financial statements.

9.10.2 These include write offs or financial relief allowed to borrowers in those countries where there are disclosure restrictions.

	Note	2023 (Rupees in '000)	2022
10 FIXED ASSETS			
Capital work-in-progress	10.1	7,039,669	7,875,227
Property and equipment	10.2	134,854,798	105,996,430
		<u>141,894,467</u>	<u>113,871,657</u>
10.1 Capital work-in-progress			
Civil works		919,737	2,485,167
Equipment		930,756	1,211,929
Advances to suppliers and contractors		5,189,176	4,178,131
		<u>7,039,669</u>	<u>7,875,227</u>

10.2 Property and equipment

	2023										
	Freehold land	Leasehold land	Building on Freehold land	Building on Leasehold land	Machinery	Leasehold Improvements	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Right-of-use assets - Building	Total
	(Rupees in '000)										
At January 1, 2023											
Cost / revalued amount	1,026,375	37,321,266	767,370	20,410,662	3,938,142	16,829,105	6,991,658	35,382,560	1,573,334	35,321,191	159,561,663
Accumulated depreciation	-	-	(303,096)	(775,855)	(1,682,599)	(9,155,130)	(4,070,033)	(24,083,908)	(991,651)	(12,502,961)	(53,565,233)
Net book value	<u>1,026,375</u>	<u>37,321,266</u>	<u>464,274</u>	<u>19,634,807</u>	<u>2,255,543</u>	<u>7,673,975</u>	<u>2,921,625</u>	<u>11,298,652</u>	<u>581,683</u>	<u>22,818,230</u>	<u>105,996,430</u>
Exchange rate adjustments	299,927	-	22,505	4,904	-	99,264	32,687	97,322	20,892	712,874	1,290,375
Revaluation during the year	256,498	13,962,874	298,535	3,711,829	-	-	-	-	-	-	18,229,736
Additions	-	1,845,908	-	1,364,236	94,850	3,631,110	1,372,714	9,347,547	402,056	5,994,979	24,053,400
Disposals	-	-	(181,785)	-	-	(5,793)	(4,590)	(38,586)	(2,262)	(128,537)	(361,553)
Write off	-	-	-	(22,991)	-	-	-	(1,747)	(41)	-	(24,779)
Depreciation charge	-	-	(81,037)	(481,358)	(370,399)	(2,268,840)	(1,029,734)	(5,218,846)	(227,863)	(4,426,688)	(14,104,765)
Transfers	68,436	(68,436)	(5,076)	1,374,608	(6,282)	(1,370,523)	763	7,273	(763)	-	-
Other adjustments	39,213	-	59,768	240	(3,150)	(83)	30,541	(34,462)	-	(316,113)	(224,046)
Closing net book value	<u>1,690,449</u>	<u>53,061,612</u>	<u>577,184</u>	<u>25,586,275</u>	<u>1,970,562</u>	<u>7,759,110</u>	<u>3,324,006</u>	<u>15,457,153</u>	<u>773,702</u>	<u>24,654,745</u>	<u>134,854,798</u>
At December 31, 2023											
Cost / revalued amount	1,690,449	53,061,612	699,365	25,883,617	4,026,673	19,466,520	8,773,684	45,354,346	2,000,040	41,826,150	202,782,456
Accumulated depreciation	-	-	(122,181)	(297,342)	(2,056,111)	(11,707,410)	(5,449,678)	(29,897,193)	(1,226,338)	(17,171,405)	(67,927,658)
Net book value	<u>1,690,449</u>	<u>53,061,612</u>	<u>577,184</u>	<u>25,586,275</u>	<u>1,970,562</u>	<u>7,759,110</u>	<u>3,324,006</u>	<u>15,457,153</u>	<u>773,702</u>	<u>24,654,745</u>	<u>134,854,798</u>
Rate of depreciation (%)	-	-	3 - 5	1.67 - 4	10	10 - 20	10 - 20	10 - 33	10 - 20	2.5 - 100	

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	2022										
	Freehold land	Leasehold land	Building on Freehold land	Building on Leasehold land	Machinery	Leasehold Improvements	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Right-of-use assets - Building	Total
	(Rupees in '000)										
At January 1, 2022											
Cost / revalued amount	872,670	34,320,702	787,206	17,854,067	3,701,948	11,155,114	5,689,084	28,951,875	1,402,369	28,799,739	133,534,774
Accumulated depreciation	-	-	(257,450)	(386,899)	(1,278,698)	(7,393,926)	(3,306,357)	(20,257,955)	(802,571)	(8,978,181)	(42,662,037)
Net book value	872,670	34,320,702	529,756	17,467,168	2,423,250	3,761,188	2,382,727	8,693,920	599,798	19,821,558	90,872,737
Exchange rate adjustments	153,705	-	34,259	4,582	-	69,678	31,088	82,553	18,971	421,558	816,394
Additions	-	2,920,775	683	2,548,894	175,367	5,356,392	1,351,540	6,873,802	165,247	6,628,657	26,021,357
Surplus transferred from non-banking assets	-	79,789	-	-	-	-	-	-	-	-	79,789
Disposals	-	-	-	-	(4)	(7,591)	(2,709)	(9,789)	(2,954)	(74,831)	(97,878)
Depreciation charge	-	-	(138,847)	(385,837)	(375,194)	(1,473,163)	(785,464)	(4,424,477)	(199,512)	(3,978,154)	(11,760,648)
Transfers	-	-	-	-	33,792	224	-	87,154	-	-	121,170
Other adjustments	-	-	38,423	-	(1,668)	(32,753)	(55,557)	(4,511)	133	(558)	(56,491)
Closing net book value	1,026,375	37,321,266	464,274	19,634,807	2,255,543	7,673,975	2,921,625	11,298,652	581,683	22,818,230	105,996,430
At December 31, 2022											
Cost / revalued amount	1,026,375	37,321,266	767,370	20,410,662	3,938,142	16,829,105	6,991,658	35,382,560	1,573,334	35,321,191	159,561,663
Accumulated depreciation	-	-	(303,096)	(775,855)	(1,682,599)	(9,155,130)	(4,070,033)	(24,083,908)	(991,651)	(12,502,961)	(53,565,233)
Net book value	1,026,375	37,321,266	464,274	19,634,807	2,255,543	7,673,975	2,921,625	11,298,652	581,683	22,818,230	105,996,430
Rate of depreciation (%)	-	-	3 - 5	1.67 - 4	10	10 - 20	10 - 20	10 - 33	10 - 20	2.5 - 100	

10.2.1 During the year, the Bank has revised its estimate of the useful life of vehicles used in the UAE business from 10 years to 5 years. This revision has been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8 and accordingly, has been recognised prospectively in the consolidated profit and loss account. The effect of this change on depreciation expense in the current year and the next year is as follows:

	2024	2023
	(Rupees in '000)	
Increase in other operating expenses - depreciation	9,215	9,215

10.3 Revaluation of properties

The properties of the Group were revalued by independent professional valuers as at June 30, 2023. The revaluation in Pakistan was carried out by M/s Tristar International Consultant Pvt Ltd, M/s Joseph Lobo Pvt Ltd, M/s Luckyhiya Associates Pvt Ltd, M/s J&M Associates Pvt Limited and M/s W.W Engineering Services (Pvt) Ltd, in Singapore by M/s United Valuers (Pte) Limited, in Sri Lanka by M/s Sunil Fernando & Associates (Pvt) Limited, and in the UK by AJP Surveyors Ltd on the basis of an assessment of their present market values. The revaluation resulted in an increase of Rs 18,229.736 million in the surplus. The total surplus arising on revaluation of fixed assets as at December 31, 2023 amounts to Rs 46,778.745 million.

10.4 Had there been no periodic revaluations, the carrying amounts of revalued assets would have been as follows:

	2023	2022
	(Rupees in '000)	
Freehold land	967,441	636,113
Leasehold land	15,192,164	13,338,443
Building on freehold land	170,190	177,147
Building on leasehold land	17,806,980	15,440,317
	<u>34,136,775</u>	<u>29,592,020</u>

10.5 Details of disposal of fixed assets

Information relating to disposal of fixed assets to related parties is given in Annexure III to these consolidated financial statements.

10.6 The carrying amount of fixed assets held for disposal amounted to Rs 10.933 million (2022: Rs 4.490 million).

10.7 The cost of fully depreciated fixed assets that are still in the Group's use is as follows:

	2023	2022
	(Rupees in '000)	
Building	111,710	31,708
Leasehold improvements	5,239,297	4,408,809
Furniture and fixtures	2,681,773	1,241,537
Electrical, office and computer equipment	17,131,252	12,580,600
Vehicles	616,994	325,432
Machinery	303,834	282,831
	<u>26,084,860</u>	<u>18,870,917</u>

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11 INTANGIBLE ASSETS	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Capital work-in-progress - computer software		6,632,627	5,209,404
Intangible assets	11.1	<u>16,087,916</u>	<u>13,212,796</u>
		<u>22,720,543</u>	<u>18,422,200</u>

11.1 Intangible Assets

	2023				2022			
	Computer Software	Management Rights (note 11.3.2)	Goodwill (note 11.3)	Total	Computer Software	Management Rights	Goodwill	Total
	(Rupees in '000)							
At January 1,								
Cost	14,606,785	2,367,577	3,725,807	20,700,169	10,458,081	2,367,577	3,296,413	16,122,071
Accumulated amortisation	(7,487,373)	-	-	(7,487,373)	(5,547,668)	-	-	(5,547,668)
Net book value	<u>7,119,412</u>	<u>2,367,577</u>	<u>3,725,807</u>	<u>13,212,796</u>	<u>4,910,413</u>	<u>2,367,577</u>	<u>3,296,413</u>	<u>10,574,403</u>
Purchased during the year	3,952,779	-	-	3,952,779	4,108,237	-	-	4,108,237
Amortisation charge	(2,246,980)	-	-	(2,246,980)	(1,852,350)	-	-	(1,852,350)
Exchange rate adjustments	113,814	-	1,055,507	1,169,321	73,651	-	429,394	503,045
Transfers	-	-	-	-	(121,170)	-	-	(121,170)
Other adjustments	-	-	-	-	631	-	-	631
Closing net book value	<u>8,939,025</u>	<u>2,367,577</u>	<u>4,781,314</u>	<u>16,087,916</u>	<u>7,119,412</u>	<u>2,367,577</u>	<u>3,725,807</u>	<u>13,212,796</u>
At December 31,								
Cost	18,790,063	2,367,577	4,781,314	25,938,954	14,606,785	2,367,577	3,725,807	20,700,169
Accumulated amortisation	(9,851,038)	-	-	(9,851,038)	(7,487,373)	-	-	(7,487,373)
Net book value	<u>8,939,025</u>	<u>2,367,577</u>	<u>4,781,314</u>	<u>16,087,916</u>	<u>7,119,412</u>	<u>2,367,577</u>	<u>3,725,807</u>	<u>13,212,796</u>
Rate of amortisation (%)	<u>10 - 33.33</u>	-	-		<u>10 - 33.33</u>	-	-	
Useful life (years)	<u>3 - 10</u>	-	-		<u>3 - 10</u>	-	-	

11.2 The cost of fully amortised computer software that is still in the Group's use amounted to Rs 3,732.830 million (2022: Rs 3,068.726 million).

11.3 Goodwill arising on acquisition of	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
- Habibsons Bank Limited	11.3.1	4,425,807	3,370,300
- PICIC Asset Management Company (PICIC AMC)	11.3.2	<u>355,507</u>	<u>355,507</u>
		<u>4,781,314</u>	<u>3,725,807</u>

11.3.1 The carrying value of goodwill is determined in accordance with IFRS 3 - Business Combinations and IAS 36 - Impairment of Assets. Goodwill arose on the acquisition of Habibsons Bank Limited in 2011 and represents the excess of the purchase consideration over the fair value of the assets acquired less the liabilities and contingent liabilities assumed on the date of the acquisition. Goodwill is tested annually for impairment, or more frequently when there are indications that impairment may have occurred.

Goodwill is allocated to the Wealth Management cash generating unit (CGU) which is the segment that is expected to benefit from the synergies of the acquisition. Goodwill is considered to be impaired if the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount is calculated as the higher of the CGU's value-in-use (VIU) and its fair value less costs to sell.

The recoverable value of goodwill was determined based on VIU calculations. VIU is calculated as the present value of the CGU's approved pre-tax cash flows, covering a period of five years and a terminal value based on a perpetuity, calculated using long-term GDP growth rates. All cash flows are discounted using a discount rate which reflects the risks appropriate to the CGU. As at December 31, 2023, the recoverable value of the CGU exceeded its carrying amount.

The following table sets out the key assumptions which were used for the determination of the VIU of goodwill. These are consistent with industry forecasts and are management's best estimates of the future performance of the segment.

	2023	2022
Advances growth rate	(8.57%)	20.43%
Yield on advances	5.05%	3.94%
Yield on surplus funds	4.13%	2.78%
Deposits growth rate	3.21%	11.52%
Cost of deposits	1.05%	0.54%
Long term weighted average growth rate	2.08%	1.93%
Pre-tax discount rate	9.29%	8.81%

11.3.2 The carrying value of goodwill and management rights is determined in accordance with IFRS 3 - Business Combinations and IAS 36 - Impairment of Assets. Goodwill and management rights arose on the acquisition of PICIC AMC by HBL AMC in 2016. Management rights represent the present value of the income stream from the rights to manage the acquired funds. Goodwill represents the excess of the purchase consideration over the fair value of the tangible and intangible assets acquired less the liabilities and contingent liabilities assumed on the date of the acquisition. Goodwill and management rights are tested annually for impairment, or more frequently when there are indications that impairment may have occurred.

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The funds under management acquired from PICIC AMC have been considered as one CGU. Goodwill and/or management rights are considered to be impaired if the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount for both goodwill and management rights is calculated as the higher of the CGU's VIU and its fair value less costs to sell.

The recoverable value was determined based on VIU calculations. VIU is calculated as the present value of the CGU's approved pre-tax cash flows, covering a period of ten years, and a terminal value based on a perpetuity, calculated using long-term GDP growth rates. All cash flows are discounted using a discount rate which reflects the risks appropriate to the CGU. As at December 31, 2023, the recoverable value of the CGU exceeded its carrying amount.

	2023	2022
Pre-tax discount rate	18.50%	17.20%
Assets Under Management (AUMs) growth rate	-16.0% to 377.2%	4.3% to 575.0%
Terminal growth rate	9.00%	9.00%

12 DEFERRED TAX ASSETS / (LIABILITIES)

Note **2023** **2022**
(Rupees in '000)

Deductible temporary differences on

- Tax losses of subsidiary		1,705,743	1,365,221
- Provision against investments		694,365	978,286
- Provision against doubtful debts and off-balance sheet obligations		6,855,146	3,980,486
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		2,854,101	2,720,200
- Deficit on revaluation of investments	20	15,414,086	18,905,177
- Deficit on revaluation of investments of associates	20	796,447	430,671
- Provision against other assets		-	5,855
- Ijarah financing		332,429	187,390
- Others		5,000	199,558
		<u>28,657,317</u>	<u>28,772,844</u>

Taxable temporary differences on

- Accelerated tax depreciation		(2,635,250)	(2,026,082)
- Surplus on revaluation of fixed assets	20	(3,965,450)	(1,927,095)
- Surplus on revaluation of fixed assets of associates	20	(198,534)	(160,960)
- Management rights and goodwill		(417,812)	(336,761)
- Share of profit of associates		(9,203,196)	(9,015,553)
- Exchange translation reserve		(11,756,201)	(9,509,348)
		<u>(28,176,443)</u>	<u>(22,975,799)</u>
Net deferred tax assets		<u>480,874</u>	<u>5,797,045</u>

12.1 Movement in temporary differences during the year

	Balance as at January 1, 2022	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2022	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2023
	(Rupees in '000)						
Deductible temporary differences on							
- Tax losses of subsidiary	431,976	803,191	130,054	1,365,221	203,843	136,679	1,705,743
- Provision against investments	766,916	136,486	74,884	978,286	(247,418)	(36,503)	694,365
- Provision against doubtful debts and off-balance sheet obligations	3,721,755	258,731	-	3,980,486	2,874,660	-	6,855,146
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001	2,586,450	133,750	-	2,720,200	133,901	-	2,854,101
- Deficit on revaluation of investments	1,309,052	-	17,596,125	18,905,177	-	(3,491,091)	15,414,086
- Deficit on revaluation of investments of associates	37,902	-	392,769	430,671	-	365,776	796,447
- Provision against other assets	15,342	(9,487)	-	5,855	(5,855)	-	-
- Ijarah financing	156,250	31,140	-	187,390	145,039	-	332,429
- Others	(9,731)	(83,800)	293,089	199,558	(218,380)	23,822	5,000
Taxable temporary differences on							
- Accelerated tax depreciation	(1,360,584)	(498,495)	(167,003)	(2,026,082)	(694,535)	85,367	(2,635,250)
- Surplus on revaluation of fixed assets	(1,777,800)	55,048	(204,343)	(1,927,095)	92,778	(2,131,133)	(3,965,450)
- Surplus on revaluation of fixed assets of associates	(56,392)	-	(104,568)	(160,960)	-	(37,574)	(198,534)
- Management rights and goodwill	(288,014)	(48,747)	-	(336,761)	(81,051)	-	(417,812)
- Share of profit of associates	(7,328,089)	(1,687,464)	-	(9,015,553)	(187,643)	-	(9,203,196)
- Exchange translation reserve	(3,287,635)	-	(6,221,713)	(9,509,348)	-	(2,246,853)	(11,756,201)
Net deferred tax (liabilities) / assets	<u>(5,082,602)</u>	<u>(909,647)</u>	<u>11,789,294</u>	<u>5,797,045</u>	<u>2,015,339</u>	<u>(7,331,510)</u>	<u>480,874</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	Note	2023	2022
		(Rupees in '000)	
13 OTHER ASSETS			
Mark-up / return / profit / interest accrued in local currency - net of provision		127,899,044	83,907,812
Mark-up / return / profit / interest accrued in foreign currency - net of provision		9,693,481	6,637,047
Advances, deposits, advance rent and other prepayments		4,588,818	4,886,327
Advance taxation		4,886,206	11,978,523
Advance against subscription of securities		903,514	228,514
Stationery and stamps on hand		233,268	167,574
Accrued fees and commissions		430,308	459,334
Due from Government of Pakistan / SBP		8,009,124	4,600,810
Mark to market gain on forward foreign exchange contracts		2,580,581	3,420,042
Mark to market gain on derivative instruments	22.2	73,396	219,508
Non-banking assets acquired in satisfaction of claims		242,317	232,109
Receivable from defined benefit plan	36.4.5	845,404	-
Acceptances		55,561,467	55,013,374
Clearing and settlement accounts		37,268,393	4,352,389
Dividend receivable		9,093	3,883
Claims receivable against fraud and forgeries		634,106	694,460
Others		1,405,981	2,109,609
		<u>255,264,501</u>	<u>178,911,315</u>
Provision held against other assets	13.2	<u>(2,577,641)</u>	<u>(1,791,891)</u>
Other assets - net of provision		252,686,860	177,119,424
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20.2	191,591	175,125
Other assets - total		<u>252,878,451</u>	<u>177,294,549</u>
13.1 Details of revaluation of non-banking assets acquired in satisfaction of claims			
Market value of non-banking assets acquired in satisfaction of claims		<u>433,908</u>	<u>407,234</u>
13.1.1 Non-banking assets acquired in satisfaction of claims have been revalued by independent professional valuers as at December 31, 2023. The revaluation in Pakistan was carried out by M/s Tristar International Consultant (Pvt) Ltd and in Mauritius by M/s Elevante Property Services Ltd on the basis of an assessment of present market values and resulted in an increase of Rs 16.466 million in the surplus. The total surplus arising against revaluation of non-banking assets acquired in satisfaction of claims as at December 31, 2023 amounts to Rs 191.591 million (2022: Rs 175.125 million).			
	Note	2023	2022
		(Rupees in '000)	
13.1.2 Non-banking assets acquired in satisfaction of claims			
Opening balance		407,234	680,986
Exchange adjustment		10,208	8,898
Revaluation during the year	20.2	16,466	30,850
Transferred to fixed asset		-	(313,500)
Depreciation		-	(35)
Reversal of impairment		-	35
Closing balance		<u>433,908</u>	<u>407,234</u>
13.2 Provision held against other assets			
Claims receivable against fraud and forgeries		634,106	694,460
Suit filed cases		4,979	4,979
Others		1,938,556	1,092,452
		<u>2,577,641</u>	<u>1,791,891</u>
13.2.1 Movement in provision against other assets			
Opening balance		1,791,891	1,243,645
Exchange adjustment		10,045	(7,806)
Charge for the year		1,240,885	661,462
Reversal for the year		(100,168)	(37,218)
Net charge		1,140,717	624,244
Written off during the year		(243,072)	(67,820)
Other movement		(121,940)	(372)
Closing balance		<u>2,577,641</u>	<u>1,791,891</u>
14 BILLS PAYABLE			
In Pakistan		49,538,342	50,221,548
Outside Pakistan		2,162,481	1,780,029
		<u>51,700,823</u>	<u>52,001,577</u>

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15 BORROWINGS

2023 **2022**
(Rupees in '000)

Secured

Borrowings from the SBP under

- Export refinance scheme	15.2	64,648,651	69,820,144
- Export refinance scheme for bill discounting	15.3	22,637,751	8,867,548
- Long term financing facility	15.4	37,066,139	42,068,296
- Financing facility for renewable energy power plants	15.5	7,216,949	7,168,301
- Refinance facility for modernization of Small and Medium Enterprises (SMEs)	15.6	607,955	312,545
- Refinance and credit guarantee scheme for women entrepreneurs	15.7	38,046	69,658
- Financing facility for storage of agricultural produce	15.8	597,743	601,918
- Refinance scheme for payment of wages and salaries		-	1,227,812
- Refinance facility for combating COVID-19	15.9	1,567,557	1,793,800
- Temporary economic refinance facility	15.10	32,214,444	34,998,333
- Refinance facility for SME Asaan Finance (SAAF)	15.11	3,884,689	2,272,423
		170,479,924	169,200,778
Repurchase agreement borrowings	15.13	379,043,704	284,971,485
		549,523,628	454,172,263

Unsecured

- Call money borrowings	15.14	320,000	19,000,000
- Overdrawn nostro accounts		500,700	354,731
- Borrowings of overseas branches and subsidiaries	15.15	46,183,741	42,992,282
- Other long-term borrowings	15.16	68,514,610	67,252,123
		115,519,051	129,599,136
		665,042,679	583,771,399

15.1 Particulars of borrowings with respect to currencies

In local currency	558,380,812	464,694,299
In foreign currencies	106,661,867	119,077,100
	665,042,679	583,771,399

- 15.2 These borrowings have been obtained from the SBP for extending export finance to customers. These carry mark-up at rates ranging from 17.00% to 18.00% per annum (2022: 11.00% to 12.00% per annum) and are due to mature latest by November 03, 2024.
- 15.3 These borrowings have been obtained from the SBP for providing export bill discounting facilities to customers. These carry mark-up at rates ranging from 1.00% to 2.00% (2022: 0.00% to 2.00%) and are due to mature latest by November 01, 2024.
- 15.4 These borrowings have been obtained from the SBP for providing financing facilities to exporters for adoption of new technologies and modernization of their plant and machinery. These carry mark-up at rates ranging from 11.00% to 12.00% per annum (2022: 11.00% to 12.00% per annum) and are due to mature latest by July 29, 2032.
- 15.5 These borrowings have been obtained from the SBP for providing financing for renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at a rate of 2.00% per annum (2022: 2.00% to 3.00% per annum) and are due to mature latest by December 31, 2035.
- 15.6 These borrowings have been obtained from the SBP to provide financing for the modernization of Small and Medium Enterprises. These carry mark-up at a rate of 2.00% per annum (2022: 2.00% per annum) and are due to mature latest by December 31, 2030.
- 15.7 These borrowings have been obtained from the SBP to provide financing to women entrepreneurs for setting up of new business enterprises or for expansion of existing ones. These carry mark-up at a rate of 0.00% per annum (2022: 0.00% per annum) and are due to mature latest by December 31, 2028.
- 15.8 These borrowings have been obtained from the SBP to provide financing for the storage of agricultural produce to encourage the private sector to establish silos, warehouses and cold storages. These carry mark-up at a rate of 2.00% per annum (2022: 2.00% to 3.25% per annum) and are due to mature latest by December 31, 2029.
- 15.9 These borrowings were obtained from the SBP to provide emergency financing to hospitals and medical centres to develop capacity for the treatment of COVID-19 patients. The maximum financing under the facility was Rs 500 million per hospital / medical centre with a tenor of 5 years, including a grace period of up to 6 months. These carry mark-up at a rate of 0.00% per annum (2022: 0.00% per annum) and are due to mature latest by December 31, 2026.
- 15.10 These borrowings were obtained from the SBP to provide concessionary finance for setting up new industrial units in the backdrop of challenges faced by industries during the COVID-19 pandemic. The maximum financing granted under this facility was Rs 5 billion per project with a tenor of 10 years, including a grace period of 2 years. These carry mark-up at a rate of 1.00% per annum (2022: 1.00% per annum) and are due to mature latest by April 14, 2033.

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- 15.11 These borrowings have been obtained from the SBP under a scheme to simplify and enhance lending to SMEs and to fulfill their financing requirements. These carry mark-up at a rate of 1.00% per annum (2022: 1.00% per annum) and are due to mature latest by December 31, 2034.
- 15.12 For all SBP borrowings, the SBP has the right to recover the outstanding amounts from the Bank at the date of maturity of the finances by directly debiting the Bank's current account maintained with the SBP.
- 15.13 Repurchase agreement borrowings carry mark-up at rates ranging from 21.60% to 22.10% per annum (2022: 7.60% to 16.15% per annum) and are due to mature latest by January 26, 2024. The market value of securities given as collateral against these borrowings is given in note 8.2.2.
- 15.14 Call money borrowings carry mark-up at a rate of 21.60% per annum (2022: 13.50% to 16.10% per annum) and are due to mature latest by January 02, 2024.
- 15.15 Borrowings of overseas branches and subsidiaries carry mark-up at rates ranging from 2.75% to 23.46% per annum (2022: 0.90% to 16.25% per annum) and are due to mature latest by October 11, 2026.
- 15.16 This includes the following:
- 15.16.1 A loan from the International Finance Corporation amounting to US\$ 49.980 million (2022: US\$ 99.990 million). The principal amount is payable in six equal semi-annual installments from June 2022 to December 2024. Interest at LIBOR + 5.00% per annum (2022: LIBOR + 5.00% per annum) is payable semi-annually.
- 15.16.2 A long-term financing facility arrangement from China Development Bank, utilized for on-lending to projects of the Bank's customers. The current amount outstanding is US\$ 181.640 million (2022: US\$ 190 million). Drawn amounts are payable in semi-annual installments from January 2023 to January 2033. Interest at a fixed spread over LIBOR is payable semi-annually.
- 15.16.3 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 2,000.000 million (2022: Rs 168.252 million) for on-lending to customers. The principal amount is payable in semi-annual installments from April 2025 to October 2026. Profit at a rate of 16.61% per annum (2022: 11.21% per annum) is payable semi-annually.
- 15.16.4 Mortgage refinancing facilities from PMRC, amounting to Rs 1,230.034 million (2022: Rs 1,421.174 million), utilised by HBL Microfinance Bank Limited to extend mortgage finance to low income groups. The principal amount of one facility, amounting to Rs 500.000 million (2022: Rs 500.000 million), is payable at maturity on December 30, 2024. The principal amount of the other facilities is payable in quarterly installments from June 2020 to June 2031. Mark-up on all facilities is payable quarterly at rates ranging from 6.50% to 15.19% per annum (2022: 6.50% to 15.19% per annum).

16 DEPOSITS AND OTHER ACCOUNTS

Note	2023			2022		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	1,088,865,434	285,394,936	1,374,260,370	1,141,355,935	244,789,722	1,386,145,657
Savings deposits	1,585,284,462	161,853,706	1,747,138,168	1,175,587,462	150,133,207	1,325,720,669
Term deposits	459,615,841	366,737,732	826,353,573	390,089,817	238,210,929	628,300,746
	3,133,765,737	813,986,374	3,947,752,111	2,707,033,214	633,133,858	3,340,167,072
Financial institutions						
Current deposits	7,845,417	2,594,297	10,439,714	7,546,037	3,335,737	10,881,774
Savings deposits	164,505,304	711,626	165,216,930	103,171,941	2,181,262	105,353,203
Term deposits	9,413,843	9,529,238	18,943,081	7,863,263	5,076,940	12,940,203
	181,764,564	12,835,161	194,599,725	118,581,241	10,593,939	129,175,180
16.2	<u>3,315,530,301</u>	<u>826,821,535</u>	<u>4,142,351,836</u>	<u>2,825,614,455</u>	<u>643,727,797</u>	<u>3,469,342,252</u>

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16.1	Composition of deposits	2023	2022
		(Rupees in '000)	
	- Individuals	2,424,256,573	2,159,991,476
	- Government (Federal and Provincial)	314,631,475	198,818,634
	- Banking companies	17,399,643	23,070,050
	- Non-Banking Financial Institutions	177,200,082	106,105,130
	- Other public sector entities	221,203,191	214,673,341
	- Other private sector entities	987,660,872	766,683,621
		<u>4,142,351,836</u>	<u>3,469,342,252</u>

16.2 This includes deposits amounting to Rs 2,273,453.191 million (2022: Rs 1,943,375.180 million) which are eligible for coverage under insurance arrangements.

17	SUBORDINATED DEBT	Note	2023	2022
			(Rupees in '000)	
	Additional Tier I Term Finance Certificates	17.1	12,374,000	12,374,000
	Additional Tier I Term Finance Certificates	17.2	6,500,000	6,500,000
	Tier II Term Finance Certificates	17.3	825,000	-
			<u>19,699,000</u>	<u>18,874,000</u>

17.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue Date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [2022: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

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- 17.2 The Bank has issued fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of TFCs issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue Date	December 28, 2022
Issue amount	Rs 6.500 billion
Rating	AA+ (Double A plus) [2022: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

- 17.3 During the year, HBL MfB has received advance subscription money amounting to Rs 825.000 million for the issuance of fully paid up, rated, privately placed, unsecured, and subordinated debt instruments in the nature of TFCs issued as instruments of redeemable capital under Section 66(1) of the Companies Act, 2017, which qualify as Tier II Capital as outlined by the SBP under BPRD Circular No. 6, dated August 15, 2013.

The key features of the issue are as follows:

Total issue amount	Rs 1.500 billion (including a greenshoe option of Rs 500 million)
Rating	A
Original Tenor	10 years from the first disbursement date.
Security	Unsecured and subordinated as to payment of principal and profit to all other indebtedness of HBL MfB, including deposits, but will rank pari passu with other Tier II instruments and superior to the claims of ordinary shareholders.
Profit payment frequency	Semi-annually in arrears on the outstanding Issue Amount. The first such profit payment will fall due six months from the first disbursement date and subsequently every six months thereafter.
Redemption	The instrument will not be redeemable before maturity without prior approval of the SBP. Principal: Bullet at Maturity Markup: Semi-annual from the drawdown date
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the six months Karachi Interbank Offered Rate (KIBOR).
Call option	HBL MfB may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) HBL MfB is compliant with the minimum capital requirement (MCR) and Capital Adequacy Ratio (CAR) after the Call Option is exercised. If HBL MfB decides to exercise the Call Option, it shall notify the Trustee and the investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if HBL MfB is in compliance with regulatory MCR and CAR requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

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	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
18 OTHER LIABILITIES			
Mark-up / return / profit / interest payable in local currency		43,728,872	17,933,842
Mark-up / return / profit / interest payable in foreign currency		10,057,593	5,930,381
Security deposits		1,597,855	1,567,333
Accrued expenses		34,680,771	24,050,020
Mark to market loss on forward foreign exchange contracts		4,536,179	2,270,478
Mark to market loss on derivative instruments	22.2	10,321,082	7,101,400
Unclaimed dividends		764,376	751,907
Dividends payable		2,075,679	3,811,676
Provision for post retirement medical benefits	36.4.5	3,966,429	3,522,518
Provision for employees' compensated absences	36.4.5	746,630	762,192
Provision for staff retirement benefits		1,646,076	1,563,256
Payable to defined benefit plans	36.1.6	885,622	841,326
Provision against off-balance sheet obligations	18.1	1,927,866	1,633,326
Acceptances		55,561,467	55,013,374
Branch adjustment account		7,089,493	3,035,551
Provision for Workers' Welfare Fund	29	11,431,861	9,151,021
Unearned income		5,680,169	4,780,489
Qarza-e-Hasna Fund		338,409	338,409
Levies and taxes payable		14,721,663	13,362,266
Insurance payable		686,026	1,067,263
Provision for rewards program expenses		2,699,951	2,384,689
Liability against trading of securities		15,963,126	22,768,986
Clearing and settlement accounts		18,094,230	12,068,106
Payable to HBL Foundation		866,494	515,961
Contingent consideration payable		500,000	500,000
Charity fund		10,578	25,121
Lease liability against right-of-use asset		30,489,986	27,079,479
Unclaimed deposits		2,030,722	528,656
Others		6,434,107	5,436,043
		<u>289,533,312</u>	<u>229,795,069</u>
18.1 Provision against off-balance sheet obligations			
Opening balance		1,633,326	2,687,054
Exchange adjustment		388,430	277,857
Charge for the year		191,387	150,910
Reversal for the year		(285,277)	(1,482,495)
Net reversal		(93,890)	(1,331,585)
Closing balance		<u>1,927,866</u>	<u>1,633,326</u>
19 SHARE CAPITAL			
19.1 Authorised capital			
	2023	2022	
	Number of shares in '000		
	<u>2,900,000</u>	<u>2,900,000</u>	Ordinary shares of Rs 10 each
	<u>29,000,000</u>	<u>29,000,000</u>	
19.2 Issued, subscribed and paid-up capital			
	2023	2022	
	Number of shares in '000		
	690,000	690,000	Ordinary shares of Rs 10 each
	776,852	776,852	Fully paid in cash
	<u>1,466,852</u>	<u>1,466,852</u>	Issued as bonus shares
	<u>14,668,525</u>	<u>14,668,525</u>	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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19.3 Major shareholders (holding more than 5% of total paid-up capital)	2023		2022	
	Number of shares held	Percentage of shareholding	Number of shares held	Percentage of shareholding
Name of shareholder				
Aga Khan Fund for Economic Development	829,967,872	56.58%	748,094,778	51.00%

19.4 Shares of the Bank held by associated companies	2023	2022
	(Number of shares)	
Jubilee General Insurance Company Limited	4,270,000	4,270,000
Jubilee Life Insurance Company Limited	33,246,975	33,246,975
HBL Financial Sector Income Fund - Plan-1	4,882,922	1,028,289

19.5 Statutory reserve

19.5.1 Every banking company incorporated in Pakistan is required to transfer 20% of its profit after tax to a statutory reserve until the amount of the reserve equals the paid-up share capital. Thereafter, 10% of the profit after tax of the Bank is required to be transferred to this reserve. Accordingly, the Bank transfers 10% of its profit after tax every year to the statutory reserve.

19.5.2 HBL MfB is required to transfer 20% of its profit after tax to a statutory reserve until the amount of the reserve equals the paid-up share capital. Thereafter, 5% of the profit after tax is required to be transferred to this reserve. Accordingly, HBL MfB transfers 20% of its profit after tax every year to the statutory reserve.

19.6 Exchange translation reserve

This comprises of all foreign currency differences arising from the translation of the net investment in foreign branches, associates, joint venture and subsidiaries.

20 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Note	2023			2022		
	Attributable to			Attributable to		
	Equity holders	Non-controlling interest	Total	Equity holders	Non-controlling interest	Total
(Rupees in '000)						

Surplus / (deficit) arising on revaluation of:

- Fixed assets	20.1	46,670,279	108,466	46,778,745	28,838,565	16,137	28,854,702
- Fixed assets of associates		405,171	-	405,171	374,325	-	374,325
- Non-banking assets acquired in satisfaction of claims	20.2	191,591	-	191,591	175,125	-	175,125
- Available-for-sale securities	8.1	(31,854,365)	(32,631)	(31,886,996)	(44,375,327)	(71,367)	(44,446,694)
- Available-for-sale securities held by associates	8.1	(1,625,403)	-	(1,625,403)	(1,001,561)	-	(1,001,561)
		13,787,273	75,835	13,863,108	(15,988,873)	(55,230)	(16,044,103)

Deferred tax liability / (asset) on surplus / (deficit) on revaluation of:

- Fixed assets	20.1	3,929,223	36,227	3,965,450	1,927,095	-	1,927,095
- Fixed assets of associates		198,534	-	198,534	160,960	-	160,960
- Non-banking assets acquired in satisfaction of claims		-	-	-	-	-	-
- Available-for-sale securities	12.1	(15,401,360)	(12,726)	(15,414,086)	(18,881,626)	(23,551)	(18,905,177)
- Available-for-sale securities held by associates	12.1	(796,447)	-	(796,447)	(430,671)	-	(430,671)
		(12,070,050)	23,501	(12,046,549)	(17,224,242)	(23,551)	(17,247,793)

Surplus / (deficit) on revaluation of assets - net of tax

		25,857,323	52,334	25,909,657	1,235,369	(31,679)	1,203,690
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
	(Rupees in '000)	
20.1 Surplus on revaluation of fixed assets		
Surplus on revaluation of fixed assets as at January 01	28,854,702	28,902,931
Recognised during the year	18,229,736	-
Transferred from non-banking assets during the year	-	79,789
Surplus realized on disposal of revalued properties during the year	(58,857)	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	(97,509)	(72,970)
Related deferred tax liability on incremental depreciation charged during the year	(92,778)	(55,048)
Related deferred tax liability on surplus realised on disposal of revalued properties	(56,549)	-
Surplus on revaluation of fixed assets as at December 31	46,778,745	28,854,702
Less: related deferred tax liability on		
- Revaluation as at January 01	1,927,095	1,777,800
- revaluation recognised during the year	1,924,746	-
- Effect of change in tax rate	262,936	204,343
- Incremental depreciation charged during the year	(92,778)	(55,048)
- surplus realised on disposal of revalued properties during the year	(56,549)	-
	3,965,450	1,927,095
	<u>42,813,295</u>	<u>26,927,607</u>
20.2 Surplus on revaluation of non-banking assets acquired in satisfaction of claims		
Surplus on revaluation as at January 01	175,125	224,064
Recognised during the year	16,466	30,850
Transferred to fixed assets during the year	-	(79,789)
Surplus on revaluation as at December 31	191,591	175,125
Less: related deferred tax liability on		
- Revaluation as at January 01	-	-
- Surplus recognised during the year	-	-
- Incremental depreciation charged during the year	-	-
	-	-
	<u>191,591</u>	<u>175,125</u>
21 CONTINGENCIES AND COMMITMENTS		
- Guarantees	21.1 287,792,267	262,493,102
- Commitments	21.2 942,629,409	942,909,348
- Other contingent liabilities	21.3 23,112,726	23,215,134
	<u>1,253,534,402</u>	<u>1,228,617,584</u>
21.1 Guarantees:		
Financial guarantees	49,168,948	54,186,950
Performance guarantees	227,207,668	201,579,675
Other guarantees	11,415,651	6,726,477
	<u>287,792,267</u>	<u>262,493,102</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	Note	2023	2022
		(Rupees in '000)	
21.2 Commitments:			
Trade-related contingent liabilities		332,525,700	280,869,037
Commitments in respect of:			
- forward foreign exchange contracts	21.2.1	500,720,574	434,583,053
- forward Government securities transactions	21.2.2	24,383,498	132,295,940
- derivatives	21.2.3	53,095,033	65,409,610
- forward lending	21.2.4	19,813,834	21,948,516
		598,012,939	654,237,119
Commitments for acquisition of:			
- fixed assets		4,675,879	10,436,315
- intangible assets		7,414,891	5,471,469
		12,090,770	15,907,784
		<u>942,629,409</u>	<u>951,013,940</u>
21.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		302,797,932	284,366,183
Sale		197,922,642	150,216,870
		<u>500,720,574</u>	<u>434,583,053</u>
21.2.2 Commitments in respect of forward Government securities transactions			
Purchase		21,450,842	117,020,407
Sale		2,932,656	15,275,533
		<u>24,383,498</u>	<u>132,295,940</u>
21.2.3 Commitments in respect of derivatives			
Foreign currency options			
Purchase		2,289,956	4,052,296
Sale		2,289,956	4,052,296
		<u>4,579,912</u>	<u>8,104,592</u>
Cross currency swaps			
Purchase		18,112,623	23,863,687
Sale		28,827,498	30,407,998
		<u>46,940,121</u>	<u>54,271,685</u>
Interest rate swaps			
Purchase		-	-
Sale		1,575,000	3,033,333
		<u>1,575,000</u>	<u>3,033,333</u>
21.2.4 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to extend credit		<u>19,813,834</u>	<u>21,948,516</u>

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Group without the risk of incurring significant penalty or expense.

	2023	2022
	(Rupees in '000)	
21.3 Other contingent liabilities		
21.3.1 Claims against the Group not acknowledged as debts	<u>23,112,726</u>	<u>23,215,134</u>

These mainly represent counter claims by borrowers for damages, claims filed by former employees of the Group and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is unlikely. Accordingly, no provision has been made in these consolidated financial statements.

21.3.2 Tax related contingencies are disclosed in note 32.2.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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22 DERIVATIVE INSTRUMENTS

A derivative is a financial instrument whose value changes in response to changes in a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or a similar variable, sometimes called the underlying. Derivatives include forwards, futures, swaps, options and structured financial products that have one or more of the characteristics of forwards, futures, swaps and options.

The Bank, as an Authorized Derivative Dealer (ADD), is an active participant in the Pakistan derivatives market. The ADD license covers only transactions permitted under the Financial Derivatives Business Regulations issued by the SBP, which are:

- (a) Foreign Currency Options
- (b) Forward Rate Agreements
- (c) Interest Rate Swaps
- (d) Cross Currency Swaps

The Bank also offers other derivative products to satisfy customer requirements, for which specific approval is sought from the SBP on a transaction by transaction basis.

These transactions cover the aspects of both market making and hedging. The risk management processes and policies related to derivatives are disclosed in note 45.6 to these consolidated financial statements.

22.1 Product Analysis

Counterparties	2023					
	Foreign currency options		Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market loss	Notional principal	Mark to market loss	Notional principal	Mark to market loss
----- (Rupees in '000) -----						
With Banks for						
Hedging	2,289,956	(73,396)	-	-	-	-
Market Making	-	-	-	-	-	-
With FIs other than banks for						
Hedging	-	-	-	-	-	-
Market Making	-	-	2,428,835	(452,492)	375,000	(35,105)
With other entities for						
Hedging	-	-	-	-	-	-
Market Making	2,289,956	73,396	44,511,286	(9,656,796)	1,200,000	(103,293)
Total						
Hedging	2,289,956	(73,396)	-	-	-	-
Market Making	2,289,956	73,396	46,940,121	(10,109,288)	1,575,000	(138,398)
----- (Rupees in '000) -----						
2022						
Counterparties	Foreign currency options		Cross currency swaps		Interest rate swaps	
	Notional principal	Mark to market loss	Notional principal	Mark to market loss	Notional principal	Mark to market loss
----- (Rupees in '000) -----						
With Banks for						
Hedging	4,052,296	(218,962)	-	-	-	-
Market Making	-	-	573,571	(106,423)	-	-
With FIs other than banks for						
Hedging	-	-	-	-	-	-
Market Making	-	-	4,161,383	(458,056)	625,000	(58,909)
With other entities for						
Hedging	-	-	-	-	-	-
Market Making	4,052,296	218,962	49,536,731	(6,070,726)	2,408,333	(187,778)
Total						
Hedging	4,052,296	(218,962)	-	-	-	-
Market Making	4,052,296	218,962	54,271,685	(6,635,205)	3,033,333	(246,687)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

22.2 Maturity Analysis

Remaining Maturity	No. of Contracts	2023			
		Notional Principal	Mark to Market		
			Loss	Gain	Net
----- (Rupees in '000) -----					
Upto 1 Month	33	2,710,436	(447,567)	14,571	(432,996)
1 to 3 Months	101	3,991,215	(182,208)	58,825	(123,383)
3 Months to 6 Months	-	-	-	-	-
6 Months to 1 Year	3	2,206,898	(389,514)	-	(389,514)
1 to 2 Years	7	6,960,178	(2,027,385)	-	(2,027,385)
2 to 3 Years	5	5,790,995	(2,002,723)	-	(2,002,723)
3 to 5 Years	-	-	-	-	-
5 to 10 Years	3	23,179,655	(3,499,258)	-	(3,499,258)
Over 10 Years	2	8,255,656	(1,772,427)	-	(1,772,427)
	<u>154</u>	<u>53,095,033</u>	<u>(10,321,082)</u>	<u>73,396</u>	<u>(10,247,686)</u>

Remaining Maturity	No. of Contracts	2022			
		Notional Principal	Mark to Market		
			Loss	Gain	Net
----- (Rupees in '000) -----					
Upto 1 Month	55	2,899,683	(120,810)	14,386	(106,424)
1 to 3 Months	38	3,207,880	(213,268)	67,937	(145,331)
3 Months to 6 Months	54	3,540,494	(136,639)	136,639	-
6 Months to 1 Year	16	2,388,718	(277,304)	-	(277,304)
1 to 2 Years	5	6,660,462	(1,047,552)	-	(1,047,552)
2 to 3 Years	7	9,351,486	(1,794,142)	546	(1,793,596)
3 to 5 Years	5	6,675,780	(1,668,031)	-	(1,668,031)
5 to 10 Years	3	22,578,089	(953,010)	-	(953,010)
Over 10 Years	2	8,107,018	(890,644)	-	(890,644)
	<u>185</u>	<u>65,409,610</u>	<u>(7,101,400)</u>	<u>219,508</u>	<u>(6,881,892)</u>

23 MARK-UP / RETURN / PROFIT / INTEREST EARNED	2023	2022
	(Rupees in '000)	
On:		
Loans and advances	300,113,714	192,939,922
Investments	370,788,429	226,000,345
Lendings to financial institutions	30,364,394	15,354,518
Balances with banks	11,078,541	1,806,252
	<u>712,345,078</u>	<u>436,101,037</u>

24 MARK-UP / RETURN / PROFIT / INTEREST EXPENSED	2023	2022
	On:	
Deposits	353,949,375	196,757,107
Securities sold under repurchase agreement borrowings	72,977,249	50,773,232
Borrowings	29,163,689	11,550,696
Subordinated debt	4,281,784	1,891,880
Cost of foreign currency swaps against foreign currency deposits / borrowings	6,494,349	6,420,260
Lease liability against right-of-use assets	3,345,591	3,145,165
	<u>470,212,037</u>	<u>270,538,340</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Note	2023	2022
		(Rupees in '000)	
25 FEE AND COMMISSION INCOME			
Branch banking customer fees		5,355,431	3,900,870
Branchless banking customer fees		489,227	925,974
Consumer finance related fees		2,523,833	2,267,096
Card related fees (debit and credit cards)		13,195,815	8,949,280
Credit related fees		2,755,123	2,749,465
Commission on trade related products and guarantees		7,760,715	5,359,484
Commission on cash management		1,656,008	1,137,506
Commission on remittances (including home remittances)		853,434	698,204
Commission on bancassurance		825,535	767,109
Commission on Government to Person (G2P) payments		1,294,581	778,410
Investment banking fees		1,349,991	1,168,462
Management fee		1,429,784	722,412
Merchant discount and interchange fees		6,925,807	5,453,015
Wealth management fee		490,291	498,978
Others		610,245	176,485
		<u>47,515,820</u>	<u>35,552,750</u>
Less: Sales tax / Federal Excise Duty on fee and commission income		<u>(5,265,637)</u>	<u>(4,042,607)</u>
		<u>42,250,183</u>	<u>31,510,143</u>
26 GAIN / (LOSS) ON SECURITIES - NET			
Realised	26.1	665,658	950,565
Unrealised - held-for-trading	8.1	280,323	(84,390)
		<u>945,981</u>	<u>866,175</u>
26.1 Gain / (loss) on securities - realised			
On:			
Federal Government securities			
- Market Treasury Bills		569,741	(303,312)
- Pakistan Investment Bonds		748,108	1,489,573
- Ijarah Sukuk		371,143	81,974
- Government of Pakistan US Dollar Bonds		(532,408)	-
Shares		(327,033)	(377,550)
Non-Government debt securities		(163,893)	69,795
Foreign securities		-	(9,915)
		<u>665,658</u>	<u>950,565</u>
27 OTHER INCOME			
Incidental charges		687,601	427,508
Gain on sale of fixed assets - net		48,681	42,024
Rent on properties		4,787	19,459
Gain on derecognition of joint venture		3,731,399	-
		<u>4,472,468</u>	<u>488,991</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

28 OPERATING EXPENSES	Note	2023 (Rupees in '000)	2022
Total compensation expense	28.1	61,230,940	49,744,010
Property expense			
Rent and taxes		1,373,249	1,353,529
Insurance		321,396	192,579
Utilities cost		5,614,346	4,228,354
Security (including guards)		3,174,118	2,527,974
Repairs and maintenance (including janitorial charges)		4,636,026	3,819,508
Depreciation on owned fixed assets	10.2	5,495,026	4,171,011
Depreciation on right-of-use assets	10.2	4,426,688	3,978,154
		25,040,849	20,271,109
Information technology expenses			
Software maintenance		9,409,710	6,272,575
Hardware maintenance		2,430,102	1,321,105
Depreciation	10.2	3,300,283	2,690,992
Amortisation	11.1	2,246,980	1,852,350
Network charges		2,113,190	1,589,404
Consultancy charges		1,014,720	725,049
		20,514,985	14,451,475
Other operating expenses			
Legal and professional charges		10,731,670	1,750,542
Outsourced services costs		2,933,631	2,478,270
Travelling and conveyance		2,439,393	1,715,492
Insurance		1,749,498	1,446,878
Remittance charges		794,472	686,097
Cash transportation and sorting charges		3,437,020	2,653,622
Repairs and maintenance		2,514,833	1,765,816
Depreciation	10.2	885,026	920,491
Training and development		692,552	516,875
Postage and courier charges		950,207	864,745
Communication		3,058,941	1,485,240
Stationery and printing		3,382,282	2,701,064
Marketing, advertisement and publicity		3,594,453	3,140,838
Donations	28.3	1,012,070	649,013
Auditors' remuneration	28.4	597,120	346,058
Brokerage and commission		885,398	867,970
Subscription		758,621	435,873
Documentation and processing charges		9,324,388	5,736,200
Entertainment		933,295	640,604
Consultancy charges		3,091,884	1,429,633
Deposit insurance premium expense		3,109,400	2,702,417
Product feature cost		4,787,954	4,012,368
Others		1,679,213	1,394,755
		63,343,321	40,340,861
		<u>170,130,095</u>	<u>124,807,455</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

28.1 Total compensation expense	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Non-Executive Directors' fees	39.2	98,850	94,800
Shariah Board's fees and allowances	39.3	34,136	34,079
Managerial Remuneration			
i) Fixed		34,857,272	27,168,951
ii) Variable		7,690,248	5,274,049
Charge for defined benefit plan		1,739,959	570,049
Contribution to defined contribution plan		1,836,511	1,511,104
Rent and house maintenance		6,027,674	5,324,780
Utilities		1,514,950	1,223,232
Medical		2,913,901	2,504,618
Conveyance		3,844,529	3,067,247
General group staff insurance		45,677	33,884
Hajj Allowance		12,148	-
Sub-total		60,615,855	46,806,793
Sign-on bonus		24,818	69,637
Severance payments		590,267	2,867,580
Grand Total		<u>61,230,940</u>	<u>49,744,010</u>
		No. of persons	
Sign-on bonus		37	57
Severance payments		79	931

28.2 The total cost for the year included in other operating expenses relating to outsourced activities is as follows:

	2023 (Rupees in '000)	2022 (Rupees in '000)
- In Pakistan	3,261,406	2,671,201
- Outside Pakistan	442,569	375,071
	<u>3,703,975</u>	<u>3,046,272</u>

The material outsourcing arrangements along with the nature of services provided by them are as follows:

Name of company	Nature of service		
A.S.C. First Solutions (Pvt) Limited	Document archival and storage	175,491	142,472
First Solutions - UAE	Document archival and storage	17,970	16,447
Iron Mountain Information Management LLC	Document archival and storage	716	615
Recall Bangladesh Limited	Document archival and storage	2,345	2,119
Infofort Private Limited Bahrain	Document archival and storage	3,385	3,954
Euronet Pakistan (Private) Limited	Host environment configuration, POS terminal and card outsourcing services	164,389	96,220
Interactive Printer Solutions W.L.L	Printing of chequebooks and banker's cheques	1,582	1,362
Virtual World (Private) Limited	Call centre and customer support services	22,967	5,513
Spectrum Engineering Consortium Limited	Software Maintenance	2,752	2,746
		<u>391,597</u>	<u>271,448</u>

28.3 Details of Donations

Donations individually exceeding Rs 100,000

HBL Foundation	866,494	515,961
EPS Solutions Pakistan (Pvt) Ltd - Prefabricated houses for flood affectees	136,000	128,000
National Institute of Child Health Trust	500	300
Taskeen Health Initiative	250	-
Pakistan Special Olympics	2,700	-
Progressive Education Network	1,000	-
CHAL Foundation	1,513	-
DEİK – Dış Ekonomik İlişkiler Kurulu – construction of a container house for earthquake victims in Turkey	1,743	-
AFAD – Afad ve Acil Durum Yönetimi Başkanlığı – for earthquake victims in Turkey	1,209	-
Türkiye Bankalar Birliği – participation in project for construction of Children's Earthquake Rehabilitation Center in Turkey	155	-
Macmillan Cancer Support - UK	349	-
Financial Assistance for Medical Students – UK	157	-
Al-Shifa Trust	-	1,200
Peoples University of Medical and Health Sciences For Women	-	1,000
Hope Uplift Foundation	-	500
Depilex Smileagain Foundation	-	500
Pakistan Agricultural Coalition	-	700
Developments in Literacy Foundation	-	600
Wesminister Local Council	-	252
	<u>1,012,070</u>	<u>649,013</u>

Mr. Muhammad Aurangzeb, President and Chief Executive Officer, Mr. Sagheer Mufti, Chief Operating Officer up to December 31, 2023, Mr. Raymond Kotwal, Chief Financial Officer and Mr. Jamal Nasir, Chief Human Resources Officer are Trustees of the HBL Foundation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

28.4 Auditors' remuneration

	2023			2022		
	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)					
Audit and audit related fees						
Audit fee of the Bank	39,899	259,399	299,298	34,086	132,546	166,632
Audit fee of subsidiaries	8,321	164,059	172,380	4,719	75,821	80,540
Fees for other statutory and related certifications	31,045	6,899	37,944	25,075	12,655	37,730
Fees for other statutory certifications of subsidiaries	3,700	24,418	28,118	2,150	21,345	23,495
Out of pocket expenses on audit fees	12,826	5,993	18,819	9,033	1,976	11,009
Sales tax on audit fees	4,218	20,847	25,065	3,450	10,234	13,684
	100,009	481,615	581,624	78,513	254,577	333,090
Other services						
Special certifications and sundry advisory services	10,844	3,100	13,944	9,883	936	10,819
Tax services	-	348	348	-	533	533
Out of pocket expenses	439	18	457	557	46	603
Sales tax on other services	282	465	747	856	157	1,013
	11,565	3,931	15,496	11,296	1,672	12,968
	<u>111,574</u>	<u>485,546</u>	<u>597,120</u>	<u>89,809</u>	<u>256,249</u>	<u>346,058</u>

29 WORKERS' WELFARE FUND

The Group has made a provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

30 OTHER CHARGES

Penalties imposed by the State Bank of Pakistan
Penalties imposed by other regulatory bodies

Note	2023 (Rupees in '000)	2022
	305,754	454,259
	49,199	22,328
	<u>354,953</u>	<u>476,587</u>

31 PROVISIONS / (REVERSALS) AND WRITE OFFS - NET

(Reversal of) / provision for diminution in the value of investments
Provision against loans and advances
Provision against other assets
Reversal of provision against off-balance sheet obligations
Recoveries against written off / charged off bad debts
Recoveries against other assets written off
Other write offs and operational losses
Bad debts written off directly

Note	2023	2022
8.8	(184,104)	3,851,708
9.5	13,469,201	5,943,661
13.2.1	1,140,717	624,244
18.1	(93,890)	(1,331,585)
	(1,157,225)	(905,966)
	(15,022)	(1,809)
	106,102	301,508
	-	-
	<u>13,265,779</u>	<u>8,481,761</u>

32 TAXATION

- Current
- For the year
- Prior years

- Deferred
- For the year
- Prior years

	57,298,838	36,126,045
	510,082	5,595,916
	57,808,920	41,721,961
	(2,111,494)	1,303,366
	96,154	(393,719)
12.1	(2,015,340)	909,647
	<u>55,793,580</u>	<u>42,631,608</u>

32.1 Relationship between tax expense and accounting profit

Accounting profit for the current year
Tax on income @ 49% (2022: 49%)
Permanent differences
Impact of:
- Different tax rates of subsidiaries
- Disallowance of penalties imposed by the SBP and other regulatory bodies
- Disallowance of 50% of contribution to gratuity and pension funds
- Deferred tax booked at tax rates applicable to future years (@ 43%)
- Others

Prior years - charge
Tax charge for the current year

	113,550,996	77,029,938
	55,639,988	37,744,670
	(1,179,987)	(574,029)
	172,700	233,528
	137,215	297,596
	-	(192,815)
	417,428	(79,539)
	(452,644)	(315,259)
	606,236	5,202,197
	<u>55,793,580</u>	<u>42,631,608</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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32.2 The income tax returns of the Bank have been submitted up to and including for the accounting year 2022. The tax returns submitted are deemed assessments under section 120 of the Income Tax Ordinance, 2001.

The Income Tax Department has amended the assessments of the Bank for prior years, up to and including for the tax year 2022. The amendments mainly relate to gain on translation of net investment in foreign branches, taxable income subject to enhanced rate, retirement benefits, and provisions against loans and advances, investments and other assets. These matters are at various stages of appeal with the appellate authorities. The management of the Bank, in consultation with its tax advisors, is confident that the decisions in respect of these appeals would be in the Bank's favor.

The income tax returns of the Bank's Azad Kashmir, Gilgit-Baltistan and overseas branches have been submitted up to and including for the accounting year 2022. The tax returns submitted in Azad Kashmir and Gilgit Baltistan are considered as deemed assessments under section 120 of the Income Tax Ordinance, 2001.

The income tax returns of domestic and overseas subsidiaries have been submitted to the respective tax authorities up to and including for the accounting year 2022.

During the year, a windfall tax was imposed on the foreign exchange income of the Bank for the years 2021 and 2022. The aggregate tax liability for both years, if calculated in the manner specified, amounts to Rs. 4,865 million against which a recovery notice has also been issued by the tax department.

The Bank has filed a Constitutional Petition before the Honourable High Court of Sindh, challenging the operation of the S.R.O 1588 (I)/2023 dated November 21, 2023 imposing the windfall tax. The Court has suspended the operation of the said S.R.O till the next hearing date. Similar orders have also been passed by the High Courts of Lahore, Islamabad and Peshawar for other banks. The management, based on legal advice, is confident that the banks' view is likely to prevail and as such, no provision is required in these financial statements.

	2023 (Rupees in '000)	2022 (Rupees in '000)
33 BASIC AND DILUTED EARNINGS PER SHARE		
Profit for the year attributable to equity holders of the Bank	<u>57,676,040</u>	<u>34,070,087</u>
	(Number)	
Weighted average number of ordinary shares	<u>1,466,852,508</u>	<u>1,466,852,508</u>
	(Rupees)	
Basic and diluted earnings per share	<u>39.32</u>	<u>23.23</u>

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
34 CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks	5	547,528,581	296,015,386
Balances with other banks	6	<u>56,603,548</u>	<u>41,513,022</u>
		<u>604,132,129</u>	<u>337,528,408</u>

34.1 **Reconciliation of movement in liabilities to cash flows arising from financing activities**

	2023				
	Liabilities		Equity		
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit	Non- controlling
	(Rupees in '000)				
Balance as at January 01, 2023	18,874,000	229,795,069	87,771,332	178,467,639	2,878,949
Changes from financing cash flows					
Proceeds from issuance of subordinated debt	825,000	-	-	-	-
Dividend paid	-	-	-	(12,358,209)	-
Payment of lease liability against right-of-use assets	-	(5,683,153)	-	-	-
Payment of mark-up on subordinated debt	-	(4,287,065)	-	-	-
	825,000	(9,970,218)	-	(12,358,209)	-
Other changes:					
Liability-related					
Changes in other liabilities					
- Cash based	-	55,522,237	-	-	-
- Dividend payable	-	(1,723,528)	-	1,723,528	-
- Non-cash based	-	15,909,752	-	-	-
Derecognition of joint venture	-	-	(3,395,823)	1,441,263	-
Transfer of profit to statutory reserve	-	-	5,899,954	(5,899,954)	-
Total liability related other changes	-	69,708,461	2,504,131	(2,735,163)	-
Equity related	-	-	10,529,694	58,509,489	(73,057)
Balance as at December 31, 2023	<u>19,699,000</u>	<u>289,533,312</u>	<u>100,805,157</u>	<u>221,883,756</u>	<u>2,805,892</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2022				
	Liabilities		Equity		
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit	Non-controlling
	(Rupees in '000)				
Balance as at January 01, 2022	12,374,000	153,872,354	81,375,519	158,441,418	4,040,969
Changes from financing cash flows					
Repayment of subordinated debt	6,500,000	-	-	-	-
Dividend paid	-	-	-	(8,493,514)	-
Payment of lease liability against right-of-use assets	-	(4,939,145)	-	-	-
Payment of mark-up on subordinated debt	-	(1,847,577)	-	-	-
Effect of translation of net investment by non-controlling interest in subsidiary	-	-	-	-	44,140
	6,500,000	(6,786,722)	-	(8,493,514)	44,140
Other changes:					
Liability-related					
Changes in other liabilities					
- Cash based	-	67,997,391	-	-	-
- Dividend payable	-	2,507,880	-	(2,507,880)	-
- Non-cash based	-	12,204,166	-	-	-
Transfer of profit to statutory reserve	-	-	3,494,860	(3,494,860)	-
Total liability related other changes	-	82,709,437	3,494,860	(6,002,740)	-
Equity related	-	-	2,900,953	34,522,475	(1,206,160)
Balance as at December 31, 2022	<u>18,874,000</u>	<u>229,795,069</u>	<u>87,771,332</u>	<u>178,467,639</u>	<u>2,878,949</u>

	2023	2022
35 STAFF STRENGTH	(Number)	
Permanent	20,301	21,635
On contract	339	206
Total staff strength	<u>20,640</u>	<u>21,841</u>

35.1 In addition to the above, 3,890 employees (2022: 4,013 employees) of outsourcing services companies were assigned to the Bank as at the end of the year to perform services other than janitorial services and as guards.

	2023	2022
35.2 Staff strength bifurcation	(Number)	
Domestic	20,016	21,157
Overseas	624	684
	<u>20,640</u>	<u>21,841</u>

36 DEFINED BENEFIT PLANS

36.1 General Information

The Bank operates the following schemes:

36.1.1 Pension Fund (defined benefit scheme)

The Bank operates an approved funded pension scheme which is applicable to:

- All clerical employees who opted for this scheme when it was introduced in 1974 and those who joined after this date.
- Executives and officers who joined the Bank during the period from May 01, 1977, till December 31, 2001, and those who joined the Bank prior to introduction of the scheme and opted for this scheme when it was introduced.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

For clerical employees, the benefit is based on their actual years of service as of the statement of financial position date and their current basic salary.

For executives and officers, the benefit is based on their years of service up to March 31, 2005, and their basic salary as on March 31, 2014. For service subsequent to this date (i.e., from April 01, 2005), they are entitled to the Bank's contributory provident fund (refer note 37.1) and contributory gratuity fund (refer note 37.2).

All eligible employees are entitled to a certain minimum pension as per applicable rules.

36.1.2 **Benevolent Fund (defined benefit scheme)**

The Bank operates an approved funded benevolent fund scheme for all employees who joined on or before December 31, 2018 and who retire from or expire during service. Under this scheme, a fixed monthly subscription is made by employees by way of a salary deduction and a matching monthly contribution is made by the Bank. All eligible employees are entitled to receive a fixed monthly amount or a one-time lump sum payment in lieu of a fixed monthly amount, as per the rules of the Fund. Clerical employees are additionally entitled to marriage and funeral grants during the period of their service as specified in the rules of the Fund.

36.1.3 **Post-Retirement Medical Benefits (defined benefit scheme)**

The Bank operates a non-funded scheme for post-retirement medical benefits for all employees.

Executives and officers who retire on or after January 01, 2006, receive a lump sum payment as a full and final settlement in lieu of post-retirement medical benefits. Executives and officers who retired prior to this date, and all clerical employees, receive these benefits as reimbursements when incurred.

36.1.4 **Compensated Absences (defined benefit scheme)**

The Bank maintains a non-funded scheme for compensated absences. This is applicable to those employees who were in the service of the Bank as of December 31, 2008, and who had accumulated leave balances up to a maximum of 365 days as at that date. Employees are entitled to proceed on Leave Prior to Retirement (LPR) up to the amount of their accrued leaves or up to 365 days, whichever is less, while continuing to receive gross salary. This benefit vests on retirement or, in the case of premature retirement, on the completion of 30 years of service. In the case of death-in-service, up to 50% of accrued leave or 180 days, whichever is less, may be encashed.

Employees may be required by the Bank to continue working during the whole or part of their LPR period. Such employees are additionally entitled to leave encashment amounting to 50% of this period up to a maximum of 180 days.

Clerical employees have the option of not proceeding on LPR and instead encashing 50% of their accumulated leave balance up to a maximum of 180 days.

36.1.5 **Other Post-Retirement Benefits (defined benefit scheme)**

The Bank offers an additional benefit to all executives on retirement. Under this scheme, a lump sum amount equal to six months of house rent allowance, utilities allowance, car benefit allowance and conveyance allowance is paid to the executive on retirement. In the case of death-in-service of an executive, an additional six months of house rent allowance will be payable to the family along with the above-mentioned benefits.

36.1.6 **Pension and Life Assurance Scheme (defined benefit scheme)**

The Bank operates a pension and life assurance scheme for those employees who joined its UK operations prior to December 26, 2001. The scheme was established with effect from May 01, 1978, under a Trust Deed of that date and is governed by that Trust Deed together with various supplemental and amending deeds executed over the lifetime of the scheme.

The triennial actuarial valuation as at May 01, 2022, revealed a deficit of £2.373 million under the Statement of Funding Principles (SFP). In order to address this deficit, the Bank is required to pay £50,500 per month starting from September 01, 2020 till July 2024.

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36.2 Principal actuarial assumptions

The latest actuarial valuation was carried out as at December 31, 2023 using the Projected Unit Credit Method. The following significant assumptions were used for the valuation:

	2023	2022
	(Per annum)	
Valuation discount rate	16.00%	14.50%
Expected rate of increase in salary	15.00%	13.50%
Expected rate of increase in minimum pension	5.00%	5.00%
Expected rate of increase in medical benefit	14.00%	12.50%
Expected rate of return on funds invested	16.00%	14.50%

36.3 Number of beneficiaries under the scheme

(Number)

Pension fund	5,243	5,344
Benevolent fund	10,063	11,440
Post retirement medical benefit scheme	18,626	19,793
Compensated absences	1,851	2,118
Other Post-Retirement Benefits	2,780	2,757

36.4 Pension, gratuity, benevolent fund schemes and other benefits

36.4.1 The fair value of plan assets and the present value of defined benefit obligations of funded schemes are as follows:

	2023		2022	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	----- (Rupees in '000) -----			
Fair value of plan assets	4,117,822	3,011,098	3,414,936	2,648,950
Present value of defined benefit obligations	<u>(3,272,418)</u>	<u>(695,535)</u>	<u>(3,525,906)</u>	<u>(804,430)</u>
Receivable / (payable)	<u>845,404</u>	<u>2,315,563</u>	<u>(110,970)</u>	<u>1,844,520</u>

36.4.2 The present value of defined benefit obligations of non-funded schemes as at December 31, 2023 are as follows:

	2023			2022		
	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----					
Present value of defined benefit obligations	<u>(3,966,429)</u>	<u>(746,630)</u>	<u>(888,416)</u>	<u>(3,522,518)</u>	<u>(762,192)</u>	<u>(824,150)</u>

36.4.3 Movement in the present value of defined benefit obligations

	2023				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Obligations at the beginning of the year	3,525,906	804,430	3,522,518	762,192	824,150
Current service cost	11,955	14,698	113,916	21,088	149,976
Interest cost	502,888	114,384	501,573	103,278	124,280
Benefits paid by the Bank	(454,255)	(144,450)	(297,990)	(148,455)	(70,248)
Remeasurement (gains) / losses	(314,076)	(93,527)	126,412	8,527	(139,742)
Obligations at the end of the year	<u>3,272,418</u>	<u>695,535</u>	<u>3,966,429</u>	<u>746,630</u>	<u>888,416</u>

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	2022				
	Pension Fund	Benevolent Fund	Post- retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
Obligations at the beginning of the year	6,157,971	1,103,573	4,557,833	2,177,565	667,894
Current service cost	67,090	26,529	179,927	57,563	124,802
Interest cost	709,267	122,940	535,401	242,452	82,080
Benefits paid by the Bank	(3,680,262)	(451,894)	(649,055)	(676,702)	(45,603)
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Remeasurement gains	(789,728)	(208,576)	(128,614)	(296,245)	(5,023)
Obligations at the end of the year	<u>3,525,906</u>	<u>804,430</u>	<u>3,522,518</u>	<u>762,192</u>	<u>824,150</u>

36.4.4 Movement in fair value of plan assets

	2023		2022	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	----- (Rupees in '000) -----			
Fair value at the beginning of the year	3,414,936	2,648,950	6,917,325	2,754,021
Expected return on plan assets	487,338	364,331	793,667	278,438
Contribution by the Bank	110,970	20,596	-	25,507
Contributions by employees	-	20,596	-	25,507
Benefits paid by the Bank	(454,255)	(144,450)	(3,680,262)	(451,894)
Remeasurement gains / (losses)	558,833	101,075	(615,794)	17,371
Fair value at the end of the year	<u>4,117,822</u>	<u>3,011,098</u>	<u>3,414,936</u>	<u>2,648,950</u>

36.4.5 Movement in amounts payable / (receivable)

	2023				
	Pension Fund	Benevolent Fund	Post- retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
Opening balance	110,970	(1,844,520)	3,522,518	762,192	824,150
Charge / (reversal) for the year	27,505	(255,845)	615,489	132,893	274,256
Contribution by the Bank - net	(110,970)	(20,596)	-	-	-
Remeasurement (gains) / losses recognised in OCI during the year	(872,909)	(194,602)	126,412	-	(139,742)
Benefits paid by the Bank	-	-	(297,990)	(148,455)	(70,248)
Closing balance	<u>(845,404)</u>	<u>(2,315,563)</u>	<u>3,966,429</u>	<u>746,630</u>	<u>888,416</u>
	2022				
	Pension Fund	Benevolent Fund	Post- retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
Opening balance	(759,354)	(1,650,448)	4,557,833	2,177,565	667,894
Charge / (reversal) for the year	1,044,258	57,382	(257,646)	(738,671)	206,882
Contribution by the Bank - net	-	(25,507)	-	-	-
Remeasurement gains recognised in OCI during the year	(173,934)	(225,947)	(128,614)	-	(5,023)
Benefits paid by the Bank	-	-	(649,055)	(676,702)	(45,603)
Closing balance	<u>110,970</u>	<u>(1,844,520)</u>	<u>3,522,518</u>	<u>762,192</u>	<u>824,150</u>

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36.4.6 Charge for defined benefit plans

36.4.6.1 Cost recognised in profit and loss

	2023				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Current service cost	11,955	14,698	113,916	21,088	149,976
Net interest payable / (receivable) on defined benefit asset / liability	15,550	(249,947)	501,573	103,278	124,280
Actuarial losses recognised	-	-	-	8,527	-
Contributions by the employees	-	(20,596)	-	-	-
	<u>27,505</u>	<u>(255,845)</u>	<u>615,489</u>	<u>132,893</u>	<u>274,256</u>
	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Current service cost	67,090	26,529	179,927	57,563	124,802
Net interest (receivable) / payable on defined benefit asset / liability	(84,400)	(155,498)	535,401	242,452	82,080
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Actuarial gains recognised	-	-	-	(296,245)	-
Contributions by the employees	-	(25,507)	-	-	-
	<u>1,044,258</u>	<u>57,382</u>	<u>(257,646)</u>	<u>(738,671)</u>	<u>206,882</u>

36.4.6.2 Remeasurement (gains) / losses recognised in OCI during the year

	2023			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	----- (Rupees in '000) -----			
(Gains) / losses on obligation				
- Financial assumptions	(252,232)	(26,483)	14,188	6,601
- Experience adjustment	(61,844)	(67,044)	112,224	(146,343)
	(314,076)	(93,527)	126,412	(139,742)
Gains on plan assets	(558,833)	(101,075)	-	-
Total remeasurement (gains) / losses recognised in OCI	<u>(872,909)</u>	<u>(194,602)</u>	<u>126,412</u>	<u>(139,742)</u>
	2022			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	----- (Rupees in '000) -----			
(Gains) / losses on obligation				
- Financial assumptions	(604,453)	(37,522)	27,560	11,577
- Experience adjustment	(185,275)	(171,054)	(156,174)	(16,600)
	(789,728)	(208,576)	(128,614)	(5,023)
Losses / (gains) on plan assets	615,794	(17,371)	-	-
Total remeasurement (gains) / losses recognised in OCI	<u>(173,934)</u>	<u>(225,947)</u>	<u>(128,614)</u>	<u>(5,023)</u>

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36.4.7 Components of fair value of plan assets

	2023		2022	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Cash and cash equivalents - net	119,000	60,280	153,842	128,216
Government securities	3,044,557	2,850,889	2,725,011	2,451,235
Shares	954,265	-	536,083	-
Non-Government debt securities	-	99,931	-	69,500
	<u>4,117,822</u>	<u>3,011,100</u>	<u>3,414,936</u>	<u>2,648,951</u>

The funds invest primarily in Government securities (Market Treasury Bills, Pakistan Investment Bonds and Special Savings Certificates) which do not carry any credit risk but are subject to interest rate risk based on market movements. Equity securities are subject to price risk whereas non-Government debt securities are subject to both credit risk and interest rate risk. These risks are regularly monitored by the Trustees of the employee funds.

36.4.8 Sensitivity analysis of defined benefit obligations

A sensitivity analysis has been performed by varying one assumption while keeping all other assumptions constant and calculating the impact on the present value of defined benefit obligations under the various employee benefit schemes. The increase / (decrease) in the present value of defined benefit obligations as a result of changes in each assumption is summarized below:

	2023				
	Pension Fund	Benevolent Fund	Post retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
1% increase in discount rate	(162,196)	(16,103)	(350,024)	(22,686)	(56,720)
1% decrease in discount rate	180,405	17,320	414,121	24,178	63,667
1% increase in expected rate of salary increase	18,801	-	-	27,522	67,797
1% decrease in expected rate of salary increase	(17,998)	-	-	(26,224)	(61,278)
1% increase in expected rate of increase in minimum pension	190,990	-	-	-	-
1% decrease in expected rate of increase in minimum pension	(160,425)	-	-	-	-
1% increase in expected rate of increase in medical benefit	-	-	91,012	-	-
1% decrease in expected rate of increase in medical benefit	-	-	(78,050)	-	-

36.4.9 Expected contributions to the schemes in the next financial year

The Bank contributes to the pension fund according to the actuary's advice. Contribution to the benevolent fund is made by the Bank as per the rates set out in the benevolent fund scheme.

	2024				
	Pension Fund	Benevolent Fund	Post retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Expected (reversal) / charge for the year	<u>(114,401)</u>	<u>(372,288)</u>	<u>715,830</u>	<u>129,314</u>	<u>288,526</u>

36.4.10 Maturity profile

	2023				
	Pension Fund	Benevolent Fund	Post retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
The weighted average duration of the obligation (in years)	<u>4.96</u>	<u>2.12</u>	<u>8.98</u>	<u>3.13</u>	<u>6.75</u>

36.4.11 Funding Policy

The Bank endeavors to ensure that liabilities under the various funded employee benefit schemes are covered by the assets of the Fund on any valuation date, based on actuarial assumptions.

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36.4.12 The significant risks associated with the defined benefit schemes are as follows:

Mortality risks

The risk that the actual mortality experience is different. The impact depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk that the investments of the Funds will underperform and not be sufficient to meet the liabilities.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated based on the final salary, the benefit amount increases similarly.

Withdrawal risks

The risk that withdrawals from the plan will be higher or lower than assumed. The impact depends on the beneficiaries' service / age distribution and the benefit.

37 DEFINED CONTRIBUTION PLANS

37.1 Provident Fund

For executives and officers hired on or after January 01, 2002, the Bank operates an approved provident fund under which both the Bank and the employees make monthly contributions of 7% of basic salary to the fund. Executives and officers hired up to December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for the Bank's contributory provident fund benefits effective April 01, 2005.

In the case of clerical staff, only employees make monthly contributions of 12% of basic salary to the fund.

This scheme covers 14,838 employees (2022: 14,634 employees).

Payments are made to employees on retirement, death, resignation and discharge as specified in the rules of the Fund.

37.2 Contributory Gratuity Fund

For employees hired on or after January 1, 2002, the Bank operates an approved funded Bank contributory gratuity scheme. Executives and officers hired up to December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for gratuity fund benefits effective April 1, 2005.

The Bank contributes an amount equal to half of the employees' monthly basic salary for each completed year of service and, on a pro-rata basis, for partially completed years of service. This benefit vests on retirement, death, resignation after completion of at least 10 years of continuous service, and discharge as specified in the rules of the Fund.

This scheme covers 15,518 employees (2022: 16,859 employees).

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38 DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS OF SUBSIDIARIES AND OVERSEAS BRANCHES

38.1 HBL Bank UK Limited

Pension Fund (defined contribution scheme)

HBL Bank UK (HBL UK) operates a funded defined contribution pension scheme for its employees. Under current UK legislation, employees have the right to opt out of the pension scheme. HBL UK contributes an amount equal to 5% of each member's monthly basic salary and the cost is recognised when the contributions are made. The minimum employee contribution is 3% of basic salary, but can be increased at the discretion of the employee. The total amount contributed by the Bank and the employee is capped at £40,000 per annum.

This scheme covers 110 employees (2022: 106).

38.2 HBL Asset Management Limited (HBL AMC)

Gratuity Fund (defined benefit scheme)

HBL AMC operates an approved funded defined benefit gratuity fund for all employees, with a vesting period of 5 years. Eligible employees are entitled to half the monthly basic salary for each completed year of service, with partially completed years rounded off to the nearest year. Payments are made to employees upon retirement, resignation or death. Actuarial valuations are conducted annually by an independent actuary, using the Projected Unit Credit Method.

This scheme covers 307 employees (2022: 253).

Provident Fund (defined contribution scheme)

HBL AMC also operates a funded defined contribution provident fund scheme for its eligible employees. Monthly contributions are made by HBL AMC and by its employees at 8.33% of monthly basic salary in accordance with the rules of the Fund.

This scheme covers 239 employees (2022: 175).

38.3 HBL Microfinance Bank Limited (HBL MfB)

Gratuity Fund (defined benefit scheme)

HBL MfB operates an approved funded defined benefit gratuity fund for all employees, with a vesting period of 5 years. Eligible employees are entitled to one month's basic salary for each completed year of service, with partially completed years paid on a pro-rata basis. Payments are made to employees upon retirement, resignation or death. Actuarial valuations are conducted annually by an independent actuary, using the Projected Unit Credit Method.

This scheme covers 3,480 employees (2022: 3,639).

Provident Fund (defined contribution scheme)

HBL MfB also operates a funded defined contribution provident fund scheme for its eligible employees. Monthly contributions are made by HBL MfB and by its employees at 10% of monthly basic salary in accordance with the rules of the Fund.

This scheme covers 3,294 employees (2022: 3,428).

38.4 HBL Currency Exchange (Private) Limited (HCEL)

Gratuity Scheme (defined contribution scheme)

HCEL operates an approved unfunded defined contribution gratuity scheme for all employees, with a vesting period of 5 years. Eligible employees are entitled to half the monthly basic salary for each completed year of service with partially completed years paid on a pro-rata basis. Payments are made to employees upon retirement, resignation or death.

This scheme covers 194 employees (2022: 130).

Provident Fund (defined contribution scheme)

HCEL also operates a funded defined contribution provident fund scheme for its eligible employees. Monthly contributions are made by HCEL and by its employees at 6% of basic salary, in accordance with the rules of the Fund.

This scheme covers 133 employees (2022: 112).

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38.5 Other schemes

Employee benefit schemes offered by the Bank's overseas branches are governed by the laws of the respective countries in which the branches operate.

39 COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

39.1 Total Compensation Expense

Items	2023					
	Chairman	Non-Executive Directors	Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	----- (Rupees in '000) -----					
Fees and Allowances etc.	12,000	86,850	34,136	-	-	-
Managerial Remuneration						
i) Fixed	-	-	-	164,428	1,344,611	1,655,535
ii) Total Variable						
- Bonus paid in cash	-	-	-	119,000	667,376	461,309
- Bonus paid in shares	-	-	-	24,646	100,689	84,411
- Guaranteed Bonus	-	-	-	-	-	14,960
Charge for defined benefit plan	-	-	-	-	5,553	8,519
Contribution to defined contribution plan	-	-	-	-	55,525	92,902
Rent & house maintenance	-	-	-	19,853	331,819	448,631
Utilities	-	-	-	3,054	63,276	93,938
Medical	-	-	-	11,425	85,581	85,439
Conveyance	-	-	-	9,975	101,722	320,940
Sub-total	12,000	86,850	34,136	352,381	2,756,152	3,266,584
Sign-on bonus	-	-	-	-	-	-
Grand Total	12,000	86,850	34,136	352,381	2,756,152	3,266,584
Total Number of Persons	1	5	3	1	30	145
Sign-on bonus - Number of Persons	-	-	-	-	-	-
Guaranteed bonus - Number of Persons	-	-	-	-	-	3
	----- (Rupees in '000) -----					
	2022					
Items	Chairman	Non-Executive Directors	Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	----- (Rupees in '000) -----					
Fees and Allowances etc.	10,200	84,600	34,079	-	-	-
Managerial Remuneration						
i) Fixed	-	-	-	151,107	929,889	1,422,639
ii) Total Variable						
- Bonus paid in cash	-	-	-	98,000	522,293	369,572
- Bonus paid in shares	-	-	-	23,819	104,063	60,237
- Guaranteed Bonus	-	-	-	-	-	6,759
Charge for defined benefit plan	-	-	-	-	4,325	5,638
Contribution to defined contribution plan	-	-	-	-	50,346	87,479
Rent & house maintenance	-	-	-	17,023	261,846	395,351
Utilities	-	-	-	1,987	54,004	83,778
Medical	-	-	-	8,400	67,470	78,856
Conveyance	-	-	-	6,903	97,704	314,788
Sub-total	10,200	84,600	34,079	307,239	2,091,940	2,825,097
Sign-on bonus	-	-	-	-	14,000	4,950
Grand Total	10,200	84,600	34,079	307,239	2,105,940	2,830,047
Total Number of Persons	1	5	3	1	32	154
Sign-on bonus - Number of Persons	-	-	-	-	2	3
Guaranteed bonus - Number of Persons	-	-	-	-	-	3

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39.1.1 The total movement of deferred bonus during the year for the President / Chief Executive Officer (CEO), Key Management Personnel and Other Material Risk Takers (MRTs) / Material Risk Controllers (MRCs) is as follows:

	2023	2022
	(Rupees in '000)	
Opening balance	714,607	479,598
Add: deferred during the year	478,261	428,449
Less: paid / vested during the year	(316,372)	(177,296)
Less: reversed during the year	(19,183)	(16,144)
Closing balance	<u>857,313</u>	<u>714,607</u>

39.1.2 The CEO and certain Executives are provided with free club memberships. The CEO and the Chief Operating Officer (COO) are also provided with free use of Bank maintained cars in accordance with their entitlements.

39.2 Remuneration paid to Directors for participation in Board and Committee Meetings

2023											
Sr. No.	Name of Director	Meeting Fees and Allowances Paid									
		For Board Committees									
		For Board Meetings	Board Audit Committee (BAC)	Board Risk Management Committee (BRMC)	Board Compliance and Conduct Committee (BCNC)	Board Human Resource & Remuneration Committee (BHRC)	Board IT Committee (BITC)	Board Development Finance Committee (BDFC)	Board Nomination & Remuneration Committee (BNRC)	Board Strategy Input & Monitoring Committee (BSIMC)	Total Amount Paid

(Rupees in '000)

1	Mr. Sultan Ali Allana	6,000	-	-	-	2,700	-	-	-	3,300	12,000
2	Mr. Moez Ahamed Jamal	5,400	4,050	-	4,050	-	2,700	-	1,350	3,300	20,850
3	Mr. Salim Raza	5,400	-	4,050	-	-	2,700	2,700	1,350	-	16,200
4	Dr. Najeeb Samie	5,400	4,050	-	-	2,700	-	-	1,350	3,300	16,800
5	Mr. Khaleel Ahmed	5,400	4,050	-	4,050	2,700	-	2,700	-	-	18,900
6	Ms. Saba Kamal	5,400	-	-	-	-	2,700	2,700	-	3,300	14,100
7	Mr. Shaffiq Dharamshi*	-	-	-	-	-	-	-	-	-	-
	Total Amount Paid	33,000	12,150	4,050	8,100	8,100	8,100	8,100	4,050	13,200	98,850

* Mr. Shaffiq Dharamshi is an employee of AKFED (the sponsor shareholder) and is not paid meeting fees or any other allowances by HBL

In addition to the above, where applicable as per the Bank's policy, Rs 3 million was also paid to the Directors on account of daily allowance for attending Board and Committee meetings during the year.

2022											
Sr. No.	Name of Director	Meeting Fees and Allowances Paid									
		For Board Committees									
		For Board Meetings	Board Audit Committee (BAC)	Board Risk Management Committee (BRMC)	Board Compliance and Conduct Committee (BCNC)	Board Human Resource & Remuneration Committee (BHRC)	Board IT Committee (BITC)	Board Development Finance Committee (BDFC)	Board Nomination & Remuneration Committee (BNRC)	Board Oversight Committee - International Governance (BOC IG)	Total Amount Paid

(Rupees in '000)

1	Mr. Sultan Ali Allana	5,400	-	-	-	3,600	-	-	-	1,200	10,200
2	Mr. Moez Ahamed Jamal	5,400	4,800	-	4,800	-	2,400	-	2,400	-	19,800
3	Mr. Salim Raza	5,400	-	3,600	-	-	2,400	2,400	2,400	-	16,200
4	Dr. Najeeb Samie	5,400	4,800	-	-	3,600	-	-	2,400	1,200	17,400
5	Mr. Khaleel Ahmed	5,400	4,800	-	4,800	3,600	-	2,400	-	-	21,000
6	Ms. Saba Kamal	5,400	-	-	-	-	2,400	2,400	-	-	10,200
7	Mr. Shaffiq Dharamshi*	-	-	-	-	-	-	-	-	-	-
	Total Amount Paid	32,400	14,400	3,600	9,600	10,800	7,200	7,200	7,200	2,400	94,800

* Mr. Shaffiq Dharamshi is an employee of AKFED (the sponsor Shareholder) and is not paid meeting fees or any other allowances by HBL

In addition to the above, where applicable as per the Bank's policy, Rs 3.375 million was also paid to the Directors on account of daily allowance for attending Board and Committee meetings during the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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39.3 Remuneration paid to Shariah Board Members

Items	2023				2022			
	Chairman	Resident Member	Non-Resident Member	Total	Chairman	Resident Member	Non-Resident Member	Total
	(Rupees in '000)							
Fixed Remuneration	11,400	10,440	10,800	32,640	11,400	10,440	10,800	32,640
Allowances	567	729	200	1,496	613	680	146	1,439
Total Amount	<u>11,967</u>	<u>11,169</u>	<u>11,000</u>	<u>34,136</u>	<u>12,013</u>	<u>11,120</u>	<u>10,946</u>	<u>34,079</u>
Total Number of Persons	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>

40 FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices.

The fair values of unquoted equity investments are estimated using the break-up value of the investee company.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported as part of this disclosure.

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 they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these consolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement:

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

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

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Valuation techniques used in determination of fair values within Level 2 and Level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices taken from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of foreign Government debt securities are determined on the basis of rates taken from Bloomberg/ Reuters.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Group enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity, required for Level 3 assets, has not been presented in these consolidated financial statements.

40.1 Fair value of financial assets

The following table provides the fair values of those of the Group's financial assets that are recognised or disclosed at fair value in these consolidated financial statements:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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On balance sheet financial instruments

Financial assets - measured at fair value

Investments

- Federal Government securities
- Shares - listed companies
- Non-Government debt securities - Listed
- Foreign securities
 - Government debt securities
 - Non-Government debt securities - Listed
- National Investment Unit Trust units
- Real Estate Investment Trust units- Listed
- Preference Shares -Listed

As at December 31, 2023				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
1,805,587,783	-	1,805,587,783	-	1,805,587,783
16,524,041	9,057,018	7,467,023	-	16,524,041
49,614,767	40,000,000	9,614,767	-	49,614,767
173,543,607	-	173,543,607	-	173,543,607
5,600,618	-	5,600,618	-	5,600,618
50,745	-	50,745	-	50,745
68,700	68,700	-	-	68,700
877,400	877,400	-	-	877,400
2,051,867,661	50,003,118	2,001,864,543	-	2,051,867,661

Financial assets - disclosed but not measured at fair value

Investments

- Federal Government securities
- Non-Government debt securities - Listed
- Foreign securities
 - Government debt securities

419,521,386	-	385,681,455	-	385,681,455
1,899,450	-	1,898,829	-	1,898,829
14,663,737	-	14,720,027	-	14,720,027
436,084,573	-	402,300,311	-	402,300,311
2,487,952,234	50,003,118	2,404,164,854	-	2,454,167,972

Off-balance sheet financial instruments - measured at fair value

Commitments

- Forward foreign exchange contracts
- Forward Government securities transactions
- Derivative instruments

As at December 31, 2023				
Notional value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
500,720,574	-	(1,955,598)	-	(1,955,598)
24,383,498	-	(46,908)	-	(46,908)
53,095,033	-	(10,247,686)	-	(10,247,686)

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

- Federal Government securities
- Shares - listed companies
- Non-Government debt securities - Listed
- Foreign securities
 - Government debt securities
 - Non-Government debt securities - Listed
- National Investment Unit Trust units
- Real Estate Investment Trust units
- Preference Shares - Listed

As at December 31, 2022				
Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
1,318,416,185	-	1,318,416,185	-	1,318,416,185
3,988,281	3,988,281	-	-	3,988,281
49,084,350	40,000,000	9,084,350	-	49,084,350
127,850,272	-	127,850,272	-	127,850,272
8,107,344	-	8,107,344	-	8,107,344
38,170	-	38,170	-	38,170
68,200	68,200	-	-	68,200
872,200	872,200	-	-	872,200
1,508,425,002	44,928,681	1,463,496,321	-	1,508,425,002

Financial assets - disclosed but not measured at fair value

Investments

- Federal Government securities
- Non-Government debt securities - Listed
- Foreign securities
 - Government debt securities
 - Non-Government debt securities - Listed

346,125,167	-	315,021,272	-	315,021,272
1,733,442	-	1,739,778	-	1,739,778
14,365,073	-	14,109,487	-	14,109,487
145,714	-	145,714	-	145,714
362,369,396	-	331,016,251	-	331,016,251
1,870,794,398	44,928,681	1,794,512,572	-	1,839,441,253

Off-balance sheet financial instruments - measured at fair value

Commitments

- Forward foreign exchange contracts
- Forward Government securities transactions
- Derivative instruments

As at December 31, 2022				
Notional value	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
434,583,053	-	1,149,564	-	1,149,564
132,295,940	-	(38,938)	-	(38,938)
57,305,018	-	(6,881,892)	-	(6,881,892)

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40.2 Fair value of non-financial assets

	As at December 31, 2023				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
- Land and building	80,915,520	-	-	80,915,520	80,915,520
- Non-banking assets acquired in satisfaction of claims	433,908	-	-	433,908	433,908
	<u>81,349,428</u>	<u>-</u>	<u>-</u>	<u>81,349,428</u>	<u>81,349,428</u>
	As at December 31, 2022				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
- Land and building	58,446,722	-	-	58,446,722	58,446,722
- Non-banking assets acquired in satisfaction of claims	407,234	-	-	407,234	407,234
	<u>58,853,956</u>	<u>-</u>	<u>-</u>	<u>58,853,956</u>	<u>58,853,956</u>

41 SEGMENT INFORMATION

41.1 Segment details with respect to business activities

	For the year ended December 31, 2023									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
	(Rupees in million)									
Profit and loss account										
Net mark-up / return / profit / interest income	(231,003)	51,804	32,192	87,441	268,525	29,783	(35)	10,531	(7,105)	242,133
Inter segment revenue / (expense) - net	359,460	(35,514)	-	(43,671)	(282,573)	(2,801)	-	-	5,099	-
Non mark-up / interest income	4,873	18,367	2,604	5,779	9,335	7,053	1,575	2,264	5,601	57,451
Total income / (loss)	<u>133,330</u>	<u>34,657</u>	<u>34,796</u>	<u>49,549</u>	<u>(4,713)</u>	<u>34,035</u>	<u>1,540</u>	<u>12,795</u>	<u>3,595</u>	<u>299,584</u>
Segment direct expenses	34,154	20,095	8,300	4,238	986	26,305	649	9,579	68,461	172,767
Inter segment expense allocation	32,766	10,867	1,190	13,736	1,506	1,820	-	-	(61,885)	-
Total expenses	<u>66,920</u>	<u>30,962</u>	<u>9,490</u>	<u>17,974</u>	<u>2,492</u>	<u>28,125</u>	<u>649</u>	<u>9,579</u>	<u>6,576</u>	<u>172,767</u>
Provisions - charge / (reversal)	832	2,323	4,180	(748)	(727)	2,099	-	2,556	2,751	13,266
Profit / (loss) before tax	<u>65,578</u>	<u>1,372</u>	<u>21,126</u>	<u>32,323</u>	<u>(6,478)</u>	<u>3,811</u>	<u>891</u>	<u>660</u>	<u>(5,732)</u>	<u>113,551</u>

	As At December 31, 2023									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
	(Rupees in million)									
Statement of financial position										
Cash and bank balances	195,852	-	40,896	590	190,638	158,585	3	16,825	743	604,132
Lendings to financial institutions	-	-	19,500	-	69,098	-	-	-	-	88,598
Inter segment lending	2,081,029	-	-	-	-	75,036	-	-	197,755	2,353,820
Investments	-	-	226,552	4,417	2,016,021	237,105	1,021	27,553	49,630	2,562,299
Advances - performing	-	256,677	206,739	844,497	-	400,319	-	96,117	40,016	1,844,365
Advances - non-performing	-	2,072	6,316	3,272	-	3,753	-	1,408	158	16,979
Others	35,158	7,642	39,132	81,020	92,166	47,600	3,567	16,854	94,835	417,974
Total assets	<u>2,312,039</u>	<u>266,391</u>	<u>539,135</u>	<u>933,796</u>	<u>2,367,923</u>	<u>922,398</u>	<u>4,591</u>	<u>158,757</u>	<u>383,137</u>	<u>7,888,167</u>
Borrowings	-	6,313	32,119	134,047	379,835	106,213	-	6,516	-	665,043
Subordinated debt	-	-	-	-	-	-	-	825	18,874	19,699
Deposits and other accounts	2,258,343	1,465	422,710	604,853	-	700,664	-	128,234	26,083	4,142,352
Inter segment borrowing	-	234,859	7,414	143,314	1,968,233	-	-	-	-	2,353,820
Others	53,696	23,754	32,967	51,582	32,810	40,542	1,107	8,966	95,810	341,234
Total liabilities	<u>2,312,039</u>	<u>266,391</u>	<u>495,210</u>	<u>933,796</u>	<u>2,380,878</u>	<u>847,419</u>	<u>1,107</u>	<u>144,541</u>	<u>140,767</u>	<u>7,522,148</u>
Equity	-	-	43,925	-	(12,955)	74,979	3,484	14,216	242,370	366,019
Total equity and liabilities	<u>2,312,039</u>	<u>266,391</u>	<u>539,135</u>	<u>933,796</u>	<u>2,367,923</u>	<u>922,398</u>	<u>4,591</u>	<u>158,757</u>	<u>383,137</u>	<u>7,888,167</u>
Contingencies and commitments	-	-	57,017	538,382	388,637	234,993	-	-	34,505	1,253,534

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	For the year ended December 31, 2022									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Profit and loss account	----- (Rupees in million) -----									
Net mark-up / return / profit / interest income	(123,407)	38,987	18,351	62,295	152,735	9,518	(74)	10,248	(3,090)	165,563
Inter segment revenue / (expense) - net	201,010	(22,101)	-	(34,259)	(149,605)	3,591	-	-	1,364	-
Non mark-up / interest income	3,604	12,418	1,508	4,739	14,482	8,047	756	1,928	(750)	46,732
Total income / (loss)	81,207	29,304	19,859	32,775	17,612	21,156	682	12,176	(2,476)	212,295
Segment direct expenses	27,046	14,627	5,984	3,624	1,190	19,733	451	8,017	46,111	126,783
Inter segment expense allocation	19,790	7,713	1,205	10,539	1,446	1,459	-	-	(42,152)	-
Total expenses	46,836	22,340	7,189	14,163	2,636	21,192	451	8,017	3,959	126,783
Provisions - charge / (reversal)	-	1,705	1,434	(1,480)	263	3,113	-	2,393	1,054	8,482
Profit/ (loss) before tax	34,371	5,259	11,236	20,092	14,713	(3,149)	231	1,766	(7,489)	77,030

	As At December 31, 2022									
	Branch Banking	Consumer, SME & Agriculture lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Asset management	Microfinance	Head office / others	Total
Statement of financial position	----- (Rupees in million) -----									
Cash and bank balances	72,736	-	17,948	1,678	99,301	131,089	2	13,723	1,051	337,528
Lendings to financial institutions	-	-	-	-	254,593	-	-	-	-	254,593
Inter segment lending	1,950,230	-	257	-	-	3,586	-	-	201,897	2,155,970
Investments	-	-	183,655	9,460	1,496,496	178,785	409	31,396	48,600	1,948,801
Advances - performing	-	231,909	221,885	875,294	-	325,465	-	84,150	31,158	1,769,861
Advances - non-performing	-	1,993	2,089	3,433	-	3,895	-	1,226	-	12,636
Others	4,725	7,948	16,341	70,783	59,889	24,437	3,245	11,871	116,147	315,386
Total assets	2,027,691	241,850	442,175	960,648	1,910,279	667,257	3,656	142,366	398,853	6,794,775
Borrowings	-	5,841	74,694	132,506	245,413	118,745	-	6,572	-	583,771
Subordinated debt	-	-	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	1,999,352	691	319,884	508,589	-	466,414	-	116,063	58,349	3,469,342
Inter segment borrowing	-	218,253	-	264,154	1,648,566	24,997	-	-	-	2,155,970
Others	28,339	17,065	15,714	55,399	34,606	15,467	753	6,506	107,948	281,797
Total liabilities	2,027,691	241,850	410,292	960,648	1,928,585	625,623	753	129,141	185,171	6,509,754
Equity	-	-	31,883	-	(18,306)	41,634	2,903	13,225	213,682	285,021
Total equity and liabilities	2,027,691	241,850	442,175	960,648	1,910,279	667,257	3,656	142,366	398,853	6,794,775
Contingencies and commitments	-	-	34,569	477,222	449,835	228,876	-	-	38,116	1,228,618

41.2 Segment details with respect to geographical locations

	For the year ended December 31, 2023				
	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
Profit and loss account	----- (Rupees in million) -----				
Net mark-up / return / profit / interest income	216,254	10,751	6,995	8,133	242,133
Non mark-up / interest income	52,118	1,971	1,987	1,375	57,451
Total income	268,372	12,722	8,982	9,508	299,584
Segment direct expenses	147,423	9,772	7,283	8,289	172,767
Provisions - charge / (reversal)	11,309	1,258	676	23	13,266
Profit before tax	109,640	1,692	1,023	1,196	113,551

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FOR THE YEAR ENDED DECEMBER 31, 2023**

As at December 31, 2023

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
Statement of financial position ----- (Rupees in million) -----					
Cash and bank balances	446,223	79,248	35,471	43,190	604,132
Lendings to financial institutions	88,598	-	-	-	88,598
Investments	2,333,567	126,835	67,074	34,823	2,562,299
Advances - performing	1,495,408	161,181	84,076	103,701	1,844,366
Advances - non-performing	15,811	659	509	-	16,979
Others	390,265	9,197	10,565	7,947	417,974
Total assets	4,769,872	377,120	197,695	189,661	5,534,348
Borrowings	558,831	95,218	3,822	7,172	665,043
Subordinated debt	19,699	-	-	-	19,699
Deposits and other accounts	3,587,705	278,652	123,161	152,834	4,142,352
Others	305,950	14,845	11,364	9,075	341,234
Total liabilities	4,472,185	388,715	138,347	169,081	5,168,328
Equity	297,687	(11,595)	59,348	20,580	366,020
Total equity and liabilities	4,769,872	377,120	197,695	189,661	5,534,348
Contingencies and commitments	1,019,726	132,178	65,380	36,250	1,253,534

For the year ended December 31, 2022

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
Profit and loss account ----- (Rupees in million) -----					
Net mark-up / return / profit / interest income	151,377	6,309	4,233	3,644	165,563
Non mark-up / interest income	39,919	1,674	2,768	2,371	46,732
Total income	191,296	7,983	7,001	6,015	212,295
Segment direct expenses	107,710	7,578	5,087	6,408	126,783
Provisions	5,407	2,409	1,017	(351)	8,482
Profit / (loss) before tax	78,179	(2,004)	897	(42)	77,030

As at December 31, 2022

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
Statement of financial position ----- (Rupees in million) -----					
Cash and bank balances	207,114	62,005	26,705	41,704	337,528
Lendings to financial institutions	254,593	-	-	-	254,593
Investments	1,784,643	77,323	57,780	29,055	1,948,801
Advances - performing	1,495,344	126,831	65,112	82,574	1,769,861
Advances - non-performing	8,742	2,032	567	1,295	12,636
Others	291,836	7,952	8,587	7,011	315,386
Total assets	4,042,272	276,143	158,751	161,639	4,638,805
Borrowings	465,026	105,595	5,299	7,851	583,771
Subordinated debt	18,874	-	-	-	18,874
Deposits and other accounts	3,041,791	199,291	101,824	126,436	3,469,342
Others	251,202	9,964	7,885	12,745	281,796
Total liabilities	3,776,893	314,850	115,008	147,032	4,353,783
Equity	265,379	(38,707)	43,743	14,607	285,022
Total equity and liabilities	4,042,272	276,143	158,751	161,639	4,638,805
Contingencies and commitments	1,000,757	126,159	50,960	50,742	1,228,618

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

42 TRUST ACTIVITIES

The Group undertakes Trustee and other fiduciary activities that result in the holding or placing of assets on behalf of individuals and other organisations. These are not assets of the Bank and therefore, are not included as such in the consolidated financial statements. Assets held under trust are shown in the table below:

2023						
Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuks	Naya Pakistan Certificates	
----- (Rupees in '000)						
Asset management companies	10	35,325,000	6,050,500	772,000	-	42,147,500
Charitable institutions	4	316,260	359,300	-	-	675,560
Companies	79	80,342,760	89,966,900	-	-	170,309,660
Employee funds	66	35,084,630	93,390,235	1,513,500	-	129,988,365
Individuals	7,222	17,421,220	1,205,085	322,210	39,852,466	58,800,981
Insurance companies	4	76,026,155	437,285,300	45,142,250	-	558,453,705
Others	11	13,720,610	107,600	-	-	13,828,210
	7,396	258,236,635	628,364,920	47,749,960	39,852,466	974,203,981

2022						
Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuks	Naya Pakistan Certificates	
----- (Rupees in '000)						
Asset management companies	1	-	-	21,000	-	21,000
Charitable institutions	2	128,545	-	-	-	128,545
Companies	91	101,822,645	96,018,500	-	-	197,841,145
Employee funds	65	29,770,140	63,581,235	797,500	-	94,148,875
Individuals	4,781	13,188,413	2,923,193	95,861	36,159,009	52,366,476
Insurance companies	4	152,292,140	406,140,300	15,147,050	-	573,579,490
Others	10	9,110,495	631,500	-	-	9,741,995
	4,954	306,312,378	569,294,728	16,061,411	36,159,009	927,827,526

43 RELATED PARTY TRANSACTIONS

The Group has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, associated companies, joint venture and employee benefit schemes of the Group.

Transactions with related parties, other than those under the terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

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Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

Details of transactions and balances with related parties as at the year end are as follows:

	As at December 31, 2023					
	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----						
Statement of financial position						
Balances with other banks						
In current accounts	-	-	24,874	-	-	161
Investments						
Opening balance	-	-	-	31,882,845	8,149,052	9,755,368
Investment made during the year	-	-	-	2,220,186	-	-
Investment redeemed / disposed off during the year	-	-	-	(1,747,775)	-	-
Share of profit - net of tax	-	-	-	4,108,866	313,829	-
Share of other comprehensive income - net of tax	-	-	-	996,110	-	-
Dividend received during the year	-	-	-	(908,215)	(203,366)	-
Transfer (out) / in - net	-	-	-	-	(9,564,089)	9,564,089
Revaluation of investments during the year	-	-	-	(631,613)	2,522	(2,686,132)
Exchange adjustment	-	-	-	334,160	1,302,052	589,066
Provision for diminution in the value of investments	-	-	-	-	-	(17,696)
Other adjustments	-	-	-	(121,941)	-	-
Closing balance	-	-	-	36,132,623	-	17,204,695
Provision for diminution in the value of investments	-	-	-	-	-	60,639
Advances						
Opening balance	1,412	1,009,459	4,547,709	625,000	-	11,738,739
Addition during the year	9,645	547,024	30,558,900	-	-	16,310,969
Repaid during the year	(9,088)	(409,622)	(30,662,682)	(250,000)	-	(17,834,982)
Exchange adjustment	-	146,143	908,792	-	-	15,679
Closing balance	1,969	1,293,004	5,352,719	375,000	-	10,230,405
Other assets						
Interest / mark-up accrued	-	741	68,692	17,214	-	298,466
Receivable from defined benefit plan	-	-	-	-	-	845,404
Other receivables / prepayments	-	2,673	9,779	569,142	-	13,445
	-	3,414	78,471	586,356	-	1,157,315
Borrowings						
Opening balance	-	-	3,982,280	12,950,894	2,717,171	1,589,426
Borrowings during the year	-	-	20,166,148	83,310,506	2,348,700	19,662,958
Settled during the year	-	-	(20,138,269)	(82,799,183)	(3,131,600)	(18,863,443)
Transfer (out) / in - net	-	-	-	-	(2,554,127)	2,554,127
Exchange adjustment	-	-	1,159,109	3,224,127	619,856	823,712
Closing balance	-	-	5,169,268	16,686,344	-	5,766,780
Deposits and other accounts						
Opening balance	164,865	523,637	26,259,254	18,870,625	4,204	2,080,873
Received during the year	1,125,982	6,527,029	467,780,827	1,502,762,670	3,996	194,999,583
Withdrawn during the year	(1,241,035)	(6,485,317)	(456,372,751)	(1,468,086,851)	(7,583)	(195,658,804)
Transfer (out) / in - net	-	-	-	-	(1,412)	1,412
Exchange adjustment	22,601	59,515	192,882	37,425	795	17,484
Closing balance	72,413	624,864	37,860,212	53,583,869	-	1,440,548
Other liabilities						
Interest / mark-up payable	1	1,566	1,258,002	242,951	-	40,946
Payable to defined benefit plan	-	-	-	-	-	851,133
Other payables	-	-	8,276	84,594	-	1,191,884
	1	1,566	1,266,278	327,545	-	2,083,963
Contingencies and commitments						
Letters of credit	-	-	380,194	-	-	924,060
Guarantees	-	-	174,650	5	-	3,535,727
Forward purchase of Government securities	-	7,116	90,212	-	-	334,534
Interest rate swaps	-	-	-	375,000	-	-
	-	7,116	645,056	375,005	-	4,794,321
Others						
Securities held as custodian	-	152,360	22,460,475	214,735,000	-	29,021,560

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended December 31, 2023

	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----						
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	71	73,822	477,594	111,975	-	2,506,003
Fee and commission income	859	11,919	326,541	764,189	-	62,423
Share of profit	-	-	-	4,108,866	313,829	-
Dividend income	-	-	-	-	-	1,405,709
Unrealised loss on derivatives	-	-	-	(42,027)	-	-
Expenses						
Mark-up / return / profit / interest expensed	14,958	40,610	3,852,767	5,829,522	12,526	939,984
Operating expenses						
Total compensation expense	-	3,108,533	-	-	-	1,854,388
Non-Executive Directors' fees	98,850	-	-	-	-	-
Insurance premium expense	-	-	-	3,162,959	-	-
Product feature cost	-	-	247,863	-	-	-
Travelling	-	-	29,214	-	-	-
Subscription	-	-	-	-	-	16,249
Donations	-	-	-	-	-	866,494
Brokerage and Commission	-	-	-	-	-	298,049
Other Expenses	-	-	64,717	68,562	-	118,831
Provision for diminution in the value of investments	-	-	-	-	-	17,696
Others						
Purchase of Government securities	260,867	352,127	121,785,445	214,711,363	-	61,701,982
Sale of Government securities	248,577	520,671	162,984,369	226,999,718	-	107,296,193
Purchase of foreign currencies	-	29,122	5,520,438	1,712,088	-	14,053,992
Sale of foreign currencies	59,862	264,605	7,711,091	6,472	-	65,708
Insurance claims settled	-	-	-	233,493	-	-

As at December 31, 2022

	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----						
Statement of financial position						
Balances with other banks						
In current accounts	-	-	1,592	-	122	-
Investments						
Opening balance	-	-	-	28,790,446	6,297,914	7,763,055
Investment made during the year	-	-	-	1,953,309	-	2,000,000
Investment redeemed / disposed off during the year	-	-	-	(3,921,300)	-	-
Share of profit - net of tax	-	-	-	2,175,235	853,218	-
Share of other comprehensive income - net of tax	-	-	-	631,674	4,902	-
Dividend received during the year	-	-	-	(714,419)	-	-
Transfer in - net	-	-	-	-	-	29,287
Revaluation of investments during the year	-	-	-	(893,206)	(11,169)	-
Exchange adjustment	-	-	-	3,861,106	1,004,187	-
Provision for diminution in the value of investments	-	-	-	-	-	(36,974)
Closing balance	-	-	-	31,882,845	8,149,052	9,755,368
Provision for diminution in the value of investments	-	-	-	-	-	42,943
Advances						
Opening balance	527	837,259	4,001,392	3,348,613	-	11,166,809
Addition during the year	30,557	445,438	23,281,985	-	-	13,996,551
Repaid during the year	(29,672)	(400,569)	(23,534,128)	(2,964,170)	-	(13,433,197)
Transfer in - net	-	30,988	-	-	-	-
Exchange adjustment	-	96,343	798,460	240,557	-	8,576
Closing balance	1,412	1,009,459	4,547,709	625,000	-	11,738,739
Other assets						
Interest / mark-up accrued	-	29,028	44,798	19,286	-	268,993
Advance to suppliers	-	-	35,090	-	-	-
Other receivables / prepayments	-	2,475	-	480,322	-	16,353
	-	31,503	79,888	499,608	-	285,346

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As at December 31, 2022

	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----						
Borrowings						
Opening balance	-	-	3,177,871	3,969,060	-	1,264,962
Borrowings during the year	-	-	7,519,611	22,569,599	11,050,690	500,000
Settled during the year	-	-	(6,953,154)	(16,014,977)	(8,594,981)	(175,536)
Exchange adjustment	-	-	237,952	2,427,212	261,462	-
Closing balance	-	-	<u>3,982,280</u>	<u>12,950,894</u>	<u>2,717,171</u>	<u>1,589,426</u>
Deposits and other accounts						
Opening balance	155,051	546,158	19,836,563	50,630,080	-	3,504,348
Received during the year	1,063,923	4,131,411	423,294,698	1,018,289,986	13,607	73,378,120
Withdrawn during the year	(1,061,773)	(4,197,717)	(417,151,038)	(1,050,062,333)	(15,287)	(74,914,514)
Transfer out - net	-	(30,270)	-	-	-	-
Exchange adjustment	7,664	74,055	279,031	12,892	5,884	112,919
Closing balance	<u>164,865</u>	<u>523,637</u>	<u>26,259,254</u>	<u>18,870,625</u>	<u>4,204</u>	<u>2,080,873</u>
Other liabilities						
Interest / mark-up payable	434	1,340	246,677	46,016	28,530	5,943
Payable to defined benefit plan	-	-	-	-	-	607,424
Other payables	-	-	34,384	150,978	-	649,607
	<u>434</u>	<u>1,340</u>	<u>281,061</u>	<u>196,994</u>	<u>28,530</u>	<u>1,262,974</u>
Contingencies and Commitments						
Letters of credit	-	-	693,802	-	-	440,141
Guarantees	-	-	159,480	-	-	3,535,727
Forward purchase of Government securities	-	-	-	-	-	2,452,570
Forward purchase of foreign exchange contracts	-	-	-	1,500	-	-
Interest rate swaps	-	-	-	625,000	-	-
	-	-	<u>853,282</u>	<u>626,500</u>	-	<u>6,428,438</u>
Others						
Securities held as custodian	2,500	94,830	24,812,555	134,281,000	-	18,455,830

For the year ended December 31, 2022

	Directors	Key Management Personnel	Group Entities	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----						
Profit and loss account						
Income						
Mark-up / return / profit / interest earned	84	52,801	260,043	116,178	-	1,800,305
Fee and commission income	1,174	8,782	255,255	774,913	-	11,873
Share of profit	-	-	-	2,175,235	853,218	-
Dividend income	-	-	-	-	-	795,007
Unrealised loss on derivatives	-	-	-	(58,909)	-	-
Loss on disposal	-	(313)	-	-	-	-
Expense						
Mark-up / return / profit / interest expensed	22,909	23,831	1,643,575	3,695,021	33,170	376,498
Operating expenses						
Total compensation expense	-	2,399,179	-	-	-	2,312,163
Non-Executive Directors' fees	94,800	-	-	-	-	-
Insurance premium expense	-	-	-	2,607,916	-	-
Product feature cost	-	-	156,473	-	-	-
Travelling	-	-	22,875	-	-	-
Subscription	-	-	-	-	-	10,555
Donations	-	-	-	-	-	515,961
Brokerage and Commission	-	-	-	-	-	233,146
Other Expenses	-	-	44,243	60,066	-	115,282
Provision for diminution in the value of investments	-	-	-	-	-	28,709
Others						
Purchase of Government securities	-	15,411	192,562,933	68,269,517	-	28,286,144
Sale of Government securities	-	90,168	225,852,074	119,912,273	-	32,414,714
Purchase of foreign currencies	-	7,015	2,786,947	116,676	-	209,933
Sale of foreign currencies	7,423	178,403	2,179,139	-	-	9,215,185
Insurance claims settled	-	-	-	280,092	-	-

43.1 Balances and transactions with group entities include deposits of Rs 0.695 million (2022: Rs 0.590 million) from the parent and Rs 6 thousand (2022: 2 thousand) as mark-up expense thereon.

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44 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	2023	2022
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>14,668,525</u>	<u>14,668,525</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>247,390,727</u>	<u>203,251,762</u>
Eligible Additional Tier 1 (AT 1) Capital	<u>19,129,359</u>	<u>19,093,425</u>
Total Eligible Tier 1 Capital	<u>266,520,086</u>	<u>222,345,187</u>
Eligible Tier 2 Capital	<u>76,305,829</u>	<u>56,977,624</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>342,825,915</u>	<u>279,322,811</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>1,641,019,720</u>	<u>1,511,840,742</u>
Market Risk	<u>197,111,025</u>	<u>105,217,738</u>
Operational Risk	<u>303,760,456</u>	<u>266,263,405</u>
Total	<u>2,141,891,201</u>	<u>1,883,321,885</u>
CET 1 CAR	<u>11.55%</u>	<u>10.79%</u>
Tier 1 CAR	<u>12.44%</u>	<u>11.81%</u>
Total CAR	<u>16.01%</u>	<u>14.83%</u>
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	9.00%	9.00%
of which: capital conservation buffer requirement	1.50%	1.50%
of which: countercyclical buffer requirement	-	-
of which: D-SIB buffer requirement	1.50%	1.50%
CET1 available to meet buffers (as a percentage of risk weighted assets)	5.55%	4.79%
Other information:	2023	2022
Minimum capital requirements prescribed by the SBP		
CET1 ratio (%)	9.00%	9.00%
Tier 1 ratio (%)	10.50%	10.50%
Total capital ratio (%)	13.00%	13.00%
Leverage Ratio (LR)	2023	2022
	(Rupees in '000)	
Eligible Tier-1 Capital	266,520,086	222,345,187
Total Exposure	6,158,603,788	5,292,442,000
Leverage Ratio (%)	<u>4.33%</u>	<u>4.20%</u>
Minimum Requirement (%)	<u>3.00%</u>	<u>3.00%</u>
Liquidity Coverage Ratio (LCR)	2023	2022
	(Rupees in '000)	
Average High Quality Liquid Assets	1,879,073,951	1,609,446,790
Average Net Cash Outflow	693,860,676	632,560,916
Average Liquidity Coverage Ratio (%)	<u>270.81%</u>	<u>254.43%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>
Net Stable Funding Ratio (NSFR)	2023	2022
	(Rupees in '000)	
Available Stable Funding	3,812,112,933	3,225,111,950
Required Stable Funding	2,384,738,674	2,171,559,048
Net Stable Funding Ratio (%)	<u>159.85%</u>	<u>148.52%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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44.1 Capital management

The Group's policy is to maintain a strong capital base to maintain investor, depositor, creditor and market confidence and to sustain future development of the business, while providing adequate returns to shareholders.

The Group's lead regulator, the SBP, sets and monitors capital requirements for the Bank and the Group as a whole. The Bank's branches and subsidiaries outside Pakistan are required to follow capital requirements applicable in their respective jurisdictions.

The SBP, through BSD Circular No. 07 dated April 15, 2009, has required that Banks should maintain a minimum paid-up capital of Rs. 10 billion (net of accumulated losses). The paid-up capital of the Bank as at December 31, 2023 stood at Rs. 14.669 billion (2022: Rs. 14.669 billion) and is in compliance with SBP requirements.

The Group and its individually regulated operations are in compliance with all applicable capital requirements.

The Group's regulatory capital is classified as follows:

- Tier 1 capital comprises of CET 1 and AT 1 capital.
- CET1 capital includes fully paid-up capital, balance in share premium account, reserves (excluding exchange translation reserves), unappropriated profit and non-controlling interest meeting the eligibility criteria.
- AT 1 capital includes perpetual TFCs meeting the prescribed SBP criteria.
- Tier 2 capital includes general provisions for loan losses, surplus / (deficit) on revaluation of fixed assets and investments and exchange translation reserves.

Banking operations are categorised as either Trading Book or Banking Book.

- On and off-balance sheet exposures in the banking book are segregated into various asset classes for the calculation of credit risk weighted assets. Ratings reflecting the credit worthiness of counterparties are applied using various External Credit Assessment Institutions (ECAIs) and are mapped to appropriate risk buckets. Collateral, if any, is used as an outflow adjustment. Eligible collateral includes Government of Pakistan (GoP) guarantees, GoP securities, bank guarantees, lien on deposits and margin accounts. Risk weights notified by the SBP are applied to net exposures to arrive at risk weighted assets.
- The Group calculates capital requirements for market risk in its trading book based on the methodology provided by the SBP, which takes into account interest rate risk using the maturity method, equity position risk and foreign exchange risk.

44.2 The full disclosures on the Capital Adequacy Ratio, Leverage Ratio & Liquidity Requirements calculated as per SBP instructions issued from time to time have been placed on the Bank's website. The link to the full disclosure is available at <https://www.hbl.com/capitalandliquidity>.

45 RISK MANAGEMENT FRAMEWORK

HBL has a well-developed and robust risk management framework, appropriate for its size, regional and target market diversification and complexity of operations. The Bank's risk management framework includes a clearly documented risk appetite, well-articulated policies and procedures and multi-tier management supervision, supported by strong Board oversight.

The Board of Directors provides the strategic direction for effective risk management and ensures that the risk management framework covers all aspects of the Bank's operations, including human resources, policies, procedures, and systems, and is updated regularly to safeguard the Bank against emerging risks. It is supported in this task by the Board Risk Management Committee (BRMC) as well as by various management committees.

For effective implementation of the risk management framework, the Risk Management function, headed by the Chief Risk Officer (CRO), operates independently of the business units within the Bank. Risk Management is responsible for the development and implementation of risk policies and for monitoring the risks associated with various activities of the Bank. The CRO reports to the President, with a functional reporting line to the BRMC.

The Risk Management function comprises of the following areas:

- Credit Approvals
- Credit Administration
- Market Risk & Financial Risk Modeling
- Operational Risk
- Enterprise Risk Management
- Risk Corporate Governance

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45.1 Credit risk management

Credit risk is defined as the risk of financial loss stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. While loans are the largest and most obvious source, credit risk also stems from both on and off-balance sheet activities. The Bank's credit risk appetite is defined through a Global Risk Appetite Statement that is approved by the Board. It also covers the concentration risks the Bank is willing to take with reference to risk ratings, sectors and large exposures. The credit process at the Bank is governed by well-defined and documented credit policies and procedures including dedicated policies for consumer loans, agriculture banking and SME financing. Certain types of exposures/ facilities are managed under product programs that contain their own detailed credit criteria, compliance and documentation requirements.

The core pillars of credit risk management at the Bank are:

- Approval rules based on a three-initial system and joint Business / Risk sign-offs.
- An independent Internal Audit function which includes a Business Risk Review (BRR) unit.

Credit approval authorities are delegated to individuals based on their qualifications and experience. Disbursement authorization, collateral and security management, documentation and monitoring are managed by the Credit Administration Department. Proactive monitoring is ensured for assets under stress. This enables the Bank to put in place viable solutions to prevent further deterioration in credit quality. An independent Structured Credits and Remedial Assets function handles stressed assets and ensures a focused remedial strategy.

Credit risk management software to automate loan origination has been implemented domestically for Corporate, Commercial and Retail (non-program based) lending and is being rolled out to overseas locations. The software is designed to improve approval efficiency; enable capture, storage and retrieval of approval data; and generate MIS for decision making.

Stress testing on the credit portfolio is performed in line with SBP guidelines. In addition to the mandatory stress tests defined by the regulator, the Bank has also developed advanced stress tests for credit risk including macroeconomic stress tests and reverse stress tests to test the adequacy of the Bank's capital under various stress conditions. The Bank also regularly conducts rapid portfolio reviews in line with emerging risks.

The Bank has undertaken several initiatives to strengthen its credit risk management framework including the establishment of a Financial Risk Modelling & Stress Testing unit which carries out back testing, validation of credit risk scorecards, internal risk ratings (obligor risk rating and facility risk rating) and probability of default models for the portfolio. The performance of the risk rating models over the years is continuously monitored.

BRR performs an independent review of the credit portfolio. It provides an assessment of portfolio quality by reviewing the efficacy of the relevant processes, ensuring regulatory / policy compliance, and assessing the appropriateness of risk ratings, classification and provisioning.

45.1.1 Credit risk - general disclosures

The Bank follows the Standardized Approach for its credit risk exposures, which sets out fixed risk weights corresponding to external credit ratings or type of exposure, whichever is applicable.

Under the Standardized Approach, the capital requirement is based on the credit rating assigned to counterparties by External Credit Assessment Institutions (ECAIs) duly recognized by the SBP. The Bank selects different ECAIs for each type of exposure. The Bank utilizes credit ratings assigned by Pakistan Credit Rating Agency (PACRA), Vital Information Services (VIS), Fitch, Moody's and Standard & Poor's (S&P). The Bank also utilizes rating scores of Export Credit Agencies (ECAs).

Types of exposure and ECAIs used

	Fitch	Moody's	S&P	PACRA	VIS	ECA scores
Corporates	✓	✓	✓	✓	✓	-
Banks	✓	✓	✓	✓	✓	-
Sovereigns	-	✓	-	-	-	✓
Public sector enterprises	✓	-	-	✓	✓	-

Mapping to SBP rating grades

For all exposures, the selected ratings are mapped to the standard rating grades given by the SBP, using the mapping tables given below:

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Long-Term rating grades mapping

SBP Rating grade	Fitch	Moody's	S&P	PACRA	VIS	ECA Scores
1	AAA	Aaa	AAA	AAA	AAA	0
	AA+	Aa1	AA+	AA+	AA+	1
	AA	Aa2	AA	AA	AA	
	AA-	Aa3	AA-	AA-	AA-	
2	A+	A1	A+	A+	A+	2
	A	A2	A	A	A	
	A-	A3	A-	A-	A-	
3	BBB+	Baa1	BBB+	BBB+	BBB+	3
	BBB	Baa2	BBB	BBB	BBB	
	BBB-	Baa3	BBB-	BBB-	BBB-	
4	BB+	Ba1	BB+	BB+	BB+	4
	BB	Ba2	BB	BB	BB	
	BB-	Ba3	BB-	BB-	BB-	
5	B+	B1	B+	B+	B+	5
	B	B2	B	B	B	6
	B-	B3	B-	B-	B-	
6	CCC+ and below	Caa1 and below	CCC+ and below	CCC+ and below	CCC+ and below	7

Short-Term rating grades mapping

SBP rating grade	Fitch	Moody's	S&P	PACRA	VIS
S1	F1	P-1	A-1+	A-1+	A-1+
S1	F1	P-1	A-1	A-1	A-1
S2	F2	P-2	A-2	A-2	A-2
S3	F3	P-3	A-3	A-3	A-3
S4	Others	Others	Others	Others	Others

45.1.2 Credit Risk Mitigation under the Standardized Approach

The Bank has adopted the Simple Approach for Credit Risk Mitigation in the Banking Book. Under this approach, cash, deposits under lien, Government securities and eligible guarantees etc. are considered as eligible collateral. The Bank has detailed guidelines regarding the valuation and management of each of these types of collateral. Where the Bank's exposure on an obligor is wholly or partially guaranteed by an eligible guarantee, the risk weight / credit rating of the guarantor is substituted for the risk weight of the obligor.

No credit risk mitigation benefit is taken in the Trading Book.

For each asset class, the risk weights as specified by the SBP or corresponding to the SBP rating grades are applied to the net exposure for the calculation of Risk Weighted Assets.

45.1.3 Country Risk

The Bank has in place a comprehensive Country Risk Policy applicable to domestic and international branches. Country risk is generated through trade, guarantees, lending and investing transactions in foreign currency and / or accepting a sovereign guarantee as collateral for a loan in foreign currency. Country risk limits are approved after detailed due diligence and risk assessment of the country by considering political risk, economic and environmental factors, and contagion risk. Ratings assigned by international rating agencies, where available, are also considered while extending country limits.

All transactions that generate cross-border risk are carried-out with countries that have approved limits. These limits are approved at Head Office and allocation to international branches is extended from the approved limits. Country risk exposures are reported to the BRMC on a quarterly basis.

45.1.4 Lendings to financial institutions

	Gross lendings	Non-performing lendings	Provision held	Gross lendings	Non-performing lendings	Provision held
	2023			2022		
Credit risk by public / private sector	(Rupees in '000)					
Public / Government	12,224,850	-	-	176,265,131	-	-
Private	76,373,310	-	-	78,328,156	-	-
	<u>88,598,160</u>	<u>-</u>	<u>-</u>	<u>254,593,287</u>	<u>-</u>	<u>-</u>

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45.1.5 Investment in debt securities	Gross investments	Non-performing investments	Provision held	Gross investments	Non-performing investments	Provision held
	2023			2022		
Credit risk by industry sector	----- (Rupees in '000) -----					
Textile	251,136	251,136	251,136	261,318	261,318	261,318
Automobile and transportation equipment	-	-	-	679,948	-	-
Aviation	930,380	-	-	980,000	-	-
Financial	2,445,752,693	1,407,756	1,407,756	1,842,155,550	1,132,100	953,654
Oil and gas	-	-	-	161,426	-	-
Power and energy	60,863,781	-	-	57,143,804	-	-
Telecommunication	151,914	151,914	151,914	151,914	151,914	151,914
Wholesale and retail trade	1,398,980	1,398,980	1,398,980	1,065,339	1,065,339	1,065,339
Metal and allied	612,000	-	-	675,000	-	-
Real Estate Investment Trust	300,000	-	-	-	-	-
	<u>2,510,260,884</u>	<u>3,209,786</u>	<u>3,209,786</u>	<u>1,903,274,299</u>	<u>2,610,671</u>	<u>2,432,225</u>
Credit risk by public / private sector						
Public / Government	2,487,529,773	1,407,756	1,407,756	1,875,486,292	1,132,100	953,654
Private	22,731,111	1,802,030	1,802,030	27,788,007	1,478,571	1,478,571
	<u>2,510,260,884</u>	<u>3,209,786</u>	<u>3,209,786</u>	<u>1,903,274,299</u>	<u>2,610,671</u>	<u>2,432,225</u>

45.1.6 Advances

	Gross advances	Non-performing advances	Provision held	Gross advances	Non-performing advances	Provision held
	2023			2022		
Credit risk by industry sector	----- (Rupees in '000) -----					
Chemical and pharmaceuticals	52,613,514	2,196,546	2,182,314	60,357,354	2,815,684	2,809,796
Agribusiness	185,010,510	4,012,476	1,803,053	192,386,285	3,349,804	1,816,848
Aviation	27,961,111	-	-	28,055,556	-	-
Textile	223,810,608	20,885,537	16,960,881	223,104,999	13,509,135	13,359,927
Cement	33,323,527	2,077,319	1,433,638	37,904,091	1,967,010	1,083,273
Sugar	15,792,328	1,220,342	1,285,262	13,489,105	1,230,342	1,230,342
Shoes and leather garments	7,403,085	1,143,985	1,140,025	6,927,199	1,075,523	1,061,566
Automobile and transportation equipment	30,228,176	5,454,661	5,136,882	35,997,366	4,304,713	4,148,166
Financial	156,757,573	3,393,480	3,393,480	133,353,142	2,636,969	2,636,969
Hotel and tourism	7,962,648	825,029	679,974	7,268,950	741,813	622,677
Insurance	1,068,132	-	-	1,810,043	-	-
Electronics and electrical appliances	19,479,297	389,871	389,871	12,206,287	1,806,788	1,806,788
Oil and gas	107,049,099	7,491,832	7,547,431	88,838,490	7,044,242	7,044,242
Power and energy	208,198,542	2,525,674	641,420	208,489,782	2,670,231	697,041
Education and medical	11,897,769	168,140	161,127	9,462,860	190,157	183,652
Telecommunication	42,228,368	660,530	660,530	41,499,857	972,759	972,759
Printing and publishing	6,107,972	343,637	340,887	7,879,661	350,887	350,887
Construction	69,407,499	683,154	480,082	72,931,970	525,052	332,581
Mining and quarrying	7,100,843	110,077	56,098	7,610,041	116,398	59,258
Food, tobacco and beverages	97,070,011	4,273,992	3,352,345	97,198,656	4,322,670	3,172,574
Wholesale and retail trade	95,515,440	16,009,132	14,164,713	89,267,374	15,242,757	13,217,286
Metal and allied	25,617,918	2,285,092	1,061,077	29,735,539	3,881,615	2,389,675
Individuals	181,162,704	4,102,539	3,288,359	174,064,390	3,356,290	2,533,983
Farming, cattle and dairy	35,783,097	1,585,148	877,255	30,822,873	1,038,256	614,966
Trust funds and non profit organisations	4,237,145	2,991	2,991	2,863,815	2,991	2,991
Others	311,869,968	20,057,976	17,880,378	261,143,220	17,743,863	16,111,230
	<u>1,964,656,884</u>	<u>101,899,160</u>	<u>84,920,073</u>	<u>1,874,668,905</u>	<u>90,895,949</u>	<u>78,259,477</u>
Credit risk by public / private sector						
Public / Government	366,786,486	4,804,551	3,222,958	338,142,516	3,536,499	2,595,687
Private	1,597,870,398	97,094,609	81,697,115	1,536,526,389	87,359,450	75,663,790
	<u>1,964,656,884</u>	<u>101,899,160</u>	<u>84,920,073</u>	<u>1,874,668,905</u>	<u>90,895,949</u>	<u>78,259,477</u>

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45.1.7 Contingencies and Commitments

	2023	2022
	(Rupees in '000)	
Credit risk by industry sector		
Chemical and pharmaceuticals	36,167,390	27,718,235
Agribusiness	4,178,806	4,139,021
Textile	80,634,652	72,095,669
Cement	14,765,985	21,590,809
Defence	290,546	429,676
Sugar	3,109,657	3,431,617
Shoes and leather garments	4,320,346	3,023,150
Automobile and transportation equipment	39,722,529	41,297,298
Financial	570,328,562	572,685,923
Hotel and tourism	875,811	1,600,123
Insurance	993,400	992,398
Electronics and electrical appliances	19,355,327	18,449,164
Oil and gas	60,339,941	54,104,406
Power and energy	131,803,825	134,893,365
Education and medical	2,670,328	1,220,519
Telecommunication	13,422,268	20,429,418
Printing and publishing	3,414,375	1,861,738
Construction	29,976,998	31,520,324
Mining and quarrying	849,292	725,931
Food, tobacco and beverages	54,607,091	46,742,487
Wholesale and retail trade	33,187,800	21,805,011
Metal and allied	20,889,158	12,799,000
Individuals	18,930,486	17,938,405
Farming, cattle and dairy	1,264,486	2,270,796
Ports and shipping	407,567	5,473,533
Trust funds and non profit organisations	17,086,309	35,550,221
Research and Development	8,598,177	2,247,002
Others	81,343,290	71,582,345
	<u>1,253,534,402</u>	<u>1,228,617,584</u>
Credit risk by public / private sector		
Public / Government	217,765,026	246,037,765
Private	<u>1,035,769,376</u>	<u>982,579,819</u>
	<u>1,253,534,402</u>	<u>1,228,617,584</u>

45.1.8 Concentration of Advances

The Group's top 10 exposures on the basis of total (funded and non-funded) exposure aggregated to Rs 574,511.968 million (2022: Rs 484,034.142 million).

	2023	2022
	Rupees in '000	
Funded	360,158,898	349,449,339
Non - funded	214,353,070	134,584,803
Total exposure	<u>574,511,968</u>	<u>484,034,142</u>

The sanctioned limits against these top 10 exposures aggregated to Rs 682,802.632 million (2022 : 705,733.152 million).

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45.1.9 Advances - Province / Region-wise disbursement and utilisation

Province / Region	2023						
	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
	(Rupees in '000)						
Punjab	4,805,527,265	4,640,559,555	68,893,587	8,152,174	-	87,921,949	-
Sindh	9,136,103,261	436,257,482	8,119,069,563	18,604,761	308,720,828	253,023,052	427,575
KPK including FATA	94,697,596	-	2,156,808	92,540,788	-	-	-
Balochistan	19,722,650	-	-	-	19,722,650	-	-
Islamabad	2,082,980,387	1,005,844,380	16,410,904	-	-	1,060,725,103	-
AJK including Gilgit-Baltistan	38,825,645	-	-	-	-	-	38,825,645
Total	16,177,856,804	6,082,661,417	8,206,530,862	119,297,723	328,443,478	1,401,670,104	39,253,220

Province / Region	2022						
	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
	(Rupees in '000)						
Punjab	4,216,303,883	4,056,922,038	154,449,300	4,932,545	-	-	-
Sindh	10,327,220,126	670,728,239	9,417,058,107	12,814,439	114,338,086	110,048,348	2,232,907
KPK including FATA	79,549,825	151,364	3,020,300	76,378,161	-	-	-
Balochistan	16,312,428	-	-	-	16,312,428	-	-
Islamabad	1,319,001,272	210,256,356	19,305,283	-	-	1,089,439,633	-
AJK including Gilgit-Baltistan	26,382,979	-	-	-	-	-	26,382,979
Total	15,984,770,513	4,938,057,997	9,593,832,990	94,125,145	130,650,514	1,199,487,981	28,615,886

45.2 Market Risk Management

Market risk is the risk that the fair value of a financial instrument will fluctuate due to movements in market prices. It results from changes in interest rates, exchange rates and equity prices as well as from changes in the correlations between them. Each of these components of market risk consists of a general market risk and a specific market risk that is driven by the nature and composition of the portfolio.

The Bank is exposed to market risk in several ways. The largest component is Interest Rate Risk on the Banking Book, which refers to the interest rate risk that the Bank is exposed to due to mismatches in the repricing of its on-balance sheet assets and liabilities. The Bank also has a Trading Book in which the assets are marked-to-market through the profit and loss account.

The objective of the Bank's market risk management strategy is to assess an acceptable level of risk for each market variable (as stated in the Bank's Risk Appetite Statement), and to manage the risk arising from fluctuations in these variables to optimize the Bank's income streams.

Treasury and Global Markets is tasked with proactively managing exposures. The Bank's ALCO provides governance with respect to market risk exposures and limits, while monitoring and measurement is carried out by Market Risk Management (MRM). MRM provides a dynamic and proactive approach to market risk monitoring, including the use of tools such as portfolio sensitivity, scenario analysis, stress testing and the use of Management Action Triggers (MAT) and limits.

45.2.1 Statement of financial position split by trading and banking books

	2023			2022		
	Banking book	Trading book	Total	Banking book	Trading book	Total
	(Rupees in '000)					
Cash and balances with treasury banks	547,528,581	-	547,528,581	296,015,386	-	296,015,386
Balances with other banks	56,603,548	-	56,603,548	41,513,022	-	41,513,022
Lendings to financial institutions	88,598,160	-	88,598,160	254,593,287	-	254,593,287
Investments	1,322,776,416	1,239,522,671	2,562,299,087	1,177,215,851	771,585,191	1,948,801,042
Advances	1,861,344,592	-	1,861,344,592	1,782,497,923	-	1,782,497,923
Fixed assets	141,894,467	-	141,894,467	113,871,657	-	113,871,657
Intangible assets	22,720,543	-	22,720,543	18,422,200	-	18,422,200
Deferred tax assets	480,874	-	480,874	5,797,045	-	5,797,045
Other assets	250,224,474	2,653,977	252,878,451	173,654,999	3,639,550	177,294,549
	4,292,171,655	1,242,176,648	5,534,348,303	3,863,581,370	775,224,741	4,638,806,111

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45.2.2 Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank manages this risk by setting and monitoring currency-wise exposure limits. The Bank's assets in a particular currency are typically funded in the same currency to minimize foreign currency exposure. However, the Bank maintains a net open position in various currencies resulting from its transactions. Foreign exchange risk is controlled and monitored through limits approved by ALCO, within the overall limit advised by the SBP.

	2023				2022			
	Assets	Liabilities	Off-balance sheet items	Net currency exposure	Assets	Liabilities	Off-balance sheet items	Net currency exposure
	(Rupees in '000)							
United States Dollars	554,372,858	622,590,691	45,117,280	(23,100,553)	389,787,718	533,549,462	105,687,771	(38,073,973)
Great Britain Pounds	117,080,299	109,031,034	10,882,237	18,931,502	87,827,741	87,228,143	12,240,071	12,839,669
UAE Dirhams	108,257,369	101,701,038	15,318,789	21,875,120	89,657,961	70,961,159	(21,492)	18,675,310
Japanese Yen	151,119	37,776	(103,526)	9,817	138,868	35,785	(65,974)	37,109
Euros	27,066,312	24,192,255	(1,674,425)	1,199,632	22,480,267	21,369,356	1,813,255	2,924,166
Chinese Yuan	12,535,688	11,543,559	1,778,261	2,770,390	14,742,504	10,887,629	331,995	4,186,870
Other Currencies	181,698,056	121,408,094	(11,164,503)	49,125,459	137,844,736	103,345,402	(15,865,280)	18,634,054
	<u>1,001,161,701</u>	<u>990,504,447</u>	<u>60,154,113</u>	<u>70,811,367</u>	<u>742,479,795</u>	<u>827,376,936</u>	<u>104,120,346</u>	<u>19,223,205</u>
					<u>2023</u>			<u>2022</u>
					<u>Banking book</u>	<u>Trading book</u>	<u>Banking book</u>	<u>Trading book</u>
					(Rupees in '000)			
Impact of 1% increase in foreign exchange rates on								
- Profit and loss account					-	708,114	-	192,232
- Other comprehensive income					1,000,926	-	706,789	-

45.2.3 Equity Position Risk

Equity position risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in the prices of individual stocks or the levels of equity indices.

The Bank has exposure to a range of equity instruments, and is thus exposed to losses arising from movements in equity prices. The Bank holds equity investments in both the AFS and HFT portfolios. The realization of short-term capital gains is the principal objective of the HFT portfolio while the AFS portfolio takes a medium-term market view with the objective of earning both capital gains and dividend income. The portfolios are managed by the Bank within the structure encapsulated in the Equity Investment Policy approved by the Board, which defines position limits, portfolio limits and loss triggers for the equity desk. The Bank also applies stress tests on the equity portfolio which is part of the Bank's overall market risk exposure limit on the trading book.

	2023		2022	
	Banking book	Trading book	Banking book	Trading book
	(Rupees in '000)			
Impact of 5% change in equity prices on				
- Profit and loss account	-	5,384	-	5
- Other comprehensive income	376,786	447,467	3,410	199,409

45.2.4 Interest Rate Risk

Interest rate risk arises due to changes in interest rates, including changes in the shape of the yield curve. The Bank is exposed to interest rate risk in both the Trading and Banking Books. Interest rate sensitivity analysis is conducted at both Banking Book and Trading Book levels, at least on a monthly basis or more frequently, if required. The analysis helps in estimating and managing the impact of interest rate volatility on the Bank's earnings and on the economic value of equity within defined tolerance limits. Limits are also in place for fixed income investments of the treasury portfolio at dealer, transaction, portfolio and Trading / Banking Book levels. Regulatory stress testing is conducted on a quarterly basis. Metrics to assess Interest Rate Risk include Interest Rate Gap Reports, Earnings at Risk (EAR) and Economic Value of Equity (EVE). These metrics are also calculated based on different stress testing scenarios.

To further strengthen interest rate risk management, the Bank has developed a standardized framework for computing the Interest Rate Risk in the Banking Book (IRRBB) under the updated guidelines issued by the Basel Committee on Banking Supervision Standards.

	2023		2022	
	Banking book	Trading book	Banking book	Trading book
	(Rupees in '000)			
Impact of 1% increase in interest rates on				
- Profit and loss account	(3,210,391)	(3,996,524)	5,165,824	(1,221,300)
- Other comprehensive income	(425,167)	-	7,348,444	-

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45.2.4.1 Mismatch of interest rate sensitive assets and liabilities

Interest rate sensitivity gaps for assets and liabilities which have contractual maturities have been reported based on the earlier of the re-pricing date or maturity date. Assets and liabilities which do not have any contractual maturities have been bucketed on the basis of a behavioural study conducted by Market Risk Management and approved by ALCO.

		2023										
Effective yield / interest rate	Total	Exposed to yield / interest risk									Not exposed to yield / interest risk	
		Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years		
----- (Rupees in '000) -----												
On-balance sheet assets												
Financial assets												
Cash and balances with treasury banks	0.57%	547,528,581	66,673,935	71,448	-	-	-	-	-	-	-	480,783,198
Balances with other banks	1.69%	56,603,548	22,691,297	5,445,688	1,926,373	837,519	-	-	-	-	-	25,702,671
Lendings to financial institutions	20.49%	88,598,160	88,598,160	-	-	-	-	-	-	-	-	-
Investments	16.60%	2,562,299,087	281,297,842	245,503,481	867,613,585	492,651,560	132,539,264	134,461,919	92,773,078	196,954,620	46,924,917	71,578,821
Advances	16.96%	1,861,344,592	548,664,475	762,024,545	201,828,130	39,461,027	38,558,116	30,548,309	55,132,799	27,404,294	9,244,047	148,478,850
Other assets		242,736,251	-	-	-	-	-	-	-	-	-	242,736,251
		<u>5,359,110,219</u>	<u>1,007,925,709</u>	<u>1,013,045,162</u>	<u>1,071,368,088</u>	<u>532,950,106</u>	<u>171,097,380</u>	<u>165,010,228</u>	<u>147,905,877</u>	<u>224,358,914</u>	<u>56,168,964</u>	<u>969,279,791</u>
Financial liabilities												
Bills payable		51,700,823	-	-	-	-	-	-	-	-	-	51,700,823
Borrowings	6.16%	665,042,679	431,007,390	110,783,686	68,732,233	3,410,938	4,732,584	87,313	16,803,118	16,467,134	12,517,583	500,700
Deposits and other accounts	9.68%	4,142,351,836	363,700,150	1,836,991,968	163,886,203	249,564,861	42,847,728	30,519,949	23,311,951	31,070,627	15,758,315	1,384,700,084
Subordinated debt	22.65%	19,699,000	-	18,874,000	825,000	-	-	-	-	-	-	-
Other liabilities												
Lease liability against right-of-use asset	8.65%	30,489,986	152,810	297,457	452,383	898,413	1,796,566	1,778,916	3,409,492	7,659,447	14,044,502	-
Others		232,889,802	-	-	-	-	-	-	-	-	-	232,889,802
		<u>5,142,174,126</u>	<u>794,860,350</u>	<u>1,966,947,111</u>	<u>233,895,819</u>	<u>253,874,212</u>	<u>49,376,878</u>	<u>32,386,178</u>	<u>43,524,561</u>	<u>55,197,208</u>	<u>42,320,400</u>	<u>1,669,791,409</u>
On-balance sheet gap		<u>216,936,093</u>	<u>213,065,359</u>	<u>(953,901,949)</u>	<u>837,472,269</u>	<u>279,075,894</u>	<u>121,720,502</u>	<u>132,624,050</u>	<u>104,381,316</u>	<u>169,161,706</u>	<u>13,848,564</u>	<u>(700,511,618)</u>
Net non - financial assets		<u>149,084,560</u>										
Total net assets		<u><u>366,020,653</u></u>										
Off-balance sheet financial instruments												
Foreign exchange contracts - forward purchases		302,797,932	102,749,716	122,726,953	75,348,649	1,972,614	-	-	-	-	-	-
Foreign exchange contracts - forward sales		(197,922,642)	(98,720,427)	(75,296,700)	(23,315,611)	(589,904)	-	-	-	-	-	-
Government Securities transactions - forward purchases		21,450,842	21,450,842	-	-	-	-	-	-	-	-	-
Government Securities transactions - forward sales		(2,932,656)	(2,932,656)	-	-	-	-	-	-	-	-	-
Foreign currency options - purchases		2,289,956	514,729	1,775,227	-	-	-	-	-	-	-	-
Foreign currency options - sales		(2,289,956)	(514,729)	(1,775,227)	-	-	-	-	-	-	-	-
Cross Currency Swaps - purchases		18,112,623	624,000	158,900	-	454,894	2,291,298	1,857,701	-	9,520,179	3,205,651	-
Cross Currency Swaps - sales		(28,827,498)	(1,056,978)	(281,861)	-	(752,004)	(4,293,880)	(3,733,294)	-	(13,659,476)	(5,050,005)	-
Interest rate swaps - sales		(1,575,000)	-	-	-	(1,000,000)	(375,000)	(200,000)	-	-	-	-
Off-balance sheet gap		<u>111,103,601</u>	<u>22,114,497</u>	<u>47,307,292</u>	<u>52,033,038</u>	<u>85,600</u>	<u>(2,377,582)</u>	<u>(2,075,593)</u>	<u>-</u>	<u>(4,139,297)</u>	<u>(1,844,354)</u>	<u>-</u>
Total yield / interest rate risk sensitivity gap		<u>235,179,856</u>	<u>(906,594,657)</u>	<u>889,505,307</u>	<u>279,161,494</u>	<u>119,342,920</u>	<u>130,548,457</u>	<u>104,381,316</u>	<u>165,022,409</u>	<u>12,004,210</u>	<u>(700,511,618)</u>	
Cumulative yield / Interest rate risk sensitivity gap		<u>235,179,856</u>	<u>(671,414,801)</u>	<u>218,090,506</u>	<u>497,252,000</u>	<u>616,594,920</u>	<u>747,143,377</u>	<u>851,524,693</u>	<u>1,016,547,102</u>	<u>1,028,551,312</u>	<u>328,039,694</u>	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

		2022										
Effective yield / interest rate	Total	Exposed to yield / interest risk									Not exposed to yield / interest risk	
		Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years		
----- (Rupees in '000) -----												
On-balance sheet assets												
Financial assets												
Cash and balances with treasury banks	0.11%	296,015,386	61,230,526	78,365	-	-	-	-	-	-	-	234,706,495
Balances with other banks	2.69%	41,513,022	16,584,295	2,980,350	240,594	567,535	-	-	-	-	-	21,140,248
Lendings to financial institutions	12.70%	254,593,287	254,593,287	-	-	-	-	-	-	-	-	-
Investments	11.45%	1,948,801,042	486,539,567	348,175,889	504,257,638	81,479,252	141,127,675	121,282,529	40,498,150	125,268,160	48,224,107	51,948,075
Advances	11.83%	1,782,497,923	514,600,572	832,361,502	198,348,625	48,597,784	33,646,253	37,842,266	63,125,400	42,045,484	2,462,280	9,467,757
Other assets		159,854,891	-	-	-	-	-	-	-	-	-	159,854,891
		<u>4,483,275,551</u>	<u>1,333,548,247</u>	<u>1,183,596,106</u>	<u>702,846,857</u>	<u>130,644,571</u>	<u>174,773,928</u>	<u>159,124,795</u>	<u>103,623,550</u>	<u>167,313,644</u>	<u>50,686,387</u>	<u>477,117,466</u>
Financial liabilities												
Bills payable		52,001,577	-	-	-	-	-	-	-	-	-	52,001,577
Borrowings	8.69%	583,771,399	60,227,050	315,772,669	59,704,698	34,998,780	23,588,588	4,891,011	13,269,544	68,649,120	2,669,939	-
Deposits and other accounts	6.24%	3,469,342,252	255,655,896	1,482,420,793	160,852,100	170,524,435	20,442,371	12,502,454	10,265,838	6,404,175	7,195	1,350,266,995
Subordinated debt	15.20%	18,874,000	-	18,874,000	-	-	-	-	-	-	-	-
Other liabilities												
Lease liability against right-of-use asset	11.61%	27,079,479	135,718	264,184	401,781	797,919	1,595,608	1,579,932	3,028,118	6,802,687	12,473,532	-
Others		180,202,302	-	-	-	-	-	-	-	-	-	180,202,302
		<u>4,331,271,009</u>	<u>316,018,664</u>	<u>1,817,331,646</u>	<u>220,958,579</u>	<u>206,321,134</u>	<u>45,626,567</u>	<u>18,973,397</u>	<u>26,563,500</u>	<u>81,855,982</u>	<u>15,150,666</u>	<u>1,582,470,874</u>
On-balance sheet gap		<u>152,004,542</u>	<u>1,017,529,583</u>	<u>(633,735,540)</u>	<u>481,888,278</u>	<u>(75,676,563)</u>	<u>129,147,361</u>	<u>140,151,398</u>	<u>77,060,050</u>	<u>85,457,662</u>	<u>35,535,721</u>	<u>(1,105,353,408)</u>
Net non - financial assets		<u>133,017,272</u>										
Total net assets		<u>285,021,814</u>										
Off-balance sheet financial instruments												
Foreign exchange contracts - forward purchases		284,366,183	121,003,450	81,121,232	76,868,066	5,373,435	-	-	-	-	-	-
Foreign exchange contracts - forward sales		(150,216,870)	(89,485,965)	(33,541,544)	(22,003,460)	(5,016,085)	-	(169,816)	-	-	-	-
Government Securities transactions - forward purchases		117,020,407	115,303,606	1,331,036	385,765	-	-	-	-	-	-	-
Government Securities transactions - forward sales		(15,275,533)	(15,275,533)	-	-	-	-	-	-	-	-	-
Foreign currency options - purchases		4,052,296	1,163,056	1,118,993	1,770,247	-	-	-	-	-	-	-
Foreign currency options - sales		(4,052,296)	(1,163,056)	(1,118,993)	(1,770,247)	-	-	-	-	-	-	-
Cross Currency Swaps - purchases		23,863,687	2,746,513	308,700	-	709,425	2,394,210	166,808	5,947,340	8,012,291	3,578,400	-
Cross Currency Swaps - sales		(30,407,998)	(3,319,106)	(452,862)	-	(679,293)	(3,266,252)	(169,816)	(8,918,301)	(9,073,750)	(4,528,618)	-
Interest rate swaps - sales		(3,033,333)	-	(208,333)	-	-	(1,000,000)	(1,625,000)	(200,000)	-	-	-
Off-balance sheet gap		<u>226,316,543</u>	<u>130,972,965</u>	<u>48,558,229</u>	<u>55,250,371</u>	<u>387,482</u>	<u>(1,872,042)</u>	<u>(1,797,824)</u>	<u>(3,170,961)</u>	<u>(1,061,459)</u>	<u>(950,218)</u>	<u>-</u>
Total yield / interest rate risk sensitivity gap			<u>1,148,502,548</u>	<u>(585,177,311)</u>	<u>537,138,649</u>	<u>(75,289,081)</u>	<u>127,275,319</u>	<u>138,353,574</u>	<u>73,889,089</u>	<u>84,396,203</u>	<u>34,585,503</u>	<u>(1,105,353,408)</u>
Cumulative yield / Interest rate risk sensitivity gap			<u>1,148,502,548</u>	<u>563,325,237</u>	<u>1,100,463,886</u>	<u>1,025,174,805</u>	<u>1,152,450,124</u>	<u>1,290,803,698</u>	<u>1,364,692,787</u>	<u>1,449,088,990</u>	<u>1,483,674,493</u>	<u>378,321,085</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

45.3 Enterprise Risk Management (ERM)

The Bank's ERM framework, approved by the Board, outlines the essential ERM components, principles and concepts, and the use of a common ERM language, while providing a clear direction and guidance for integrated risk management within the Bank. Day-to-day responsibility for risk management is distributed through the delegation of accountability to individuals, with reporting and escalation facilitated through a governance structure. Standards, policies, and limits are well defined to ensure tasks and processes are consistently controlled.

A Bank-wide Integrated Risk and Control Repository (IRCR) is fully embedded in the organization with the objective of identifying and assessing all risks and issues in a holistic manner and ensuring that they are adequately monitored and mitigated.

45.4 Operational Risk Management (ORM)

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

A comprehensive ORM framework is in place which addresses all significant aspects of ORM. The Bank uses loss data management, Risk and Control Self Assessments (as part of IRCR self-testing) and tracking of Key Risk Indicators to gauge the likelihood and severity of operational risk. Operational Risk coordinators are present in all departments and are responsible for implementation of the framework in coordination with the ORM department. A specialized SAS software is used for tracking operational risk issues, leading to identification of prevalent themes to better mitigate operational risks issues faced by the Bank. An Operational Risk Management Committee (ORMC) monitors and oversees operational risk issues.

The Bank uses stress testing to proactively assess impacts to the Bank. Operational risk reports are regularly submitted to the senior risk forums and to the BRMC.

45.4.1 Business Continuity Management (BCM)

The Bank maintains a well-defined business continuity plan with clearly defined roles, responsibilities and ownership for crisis management, to ensure business continuity and IT disaster recovery. The Bank's Business Continuity Steering Committee includes representation from the senior management of the Bank and is the governing body for BCM. It meets on a periodic basis to review key initiatives, testing results and action plans for strengthening the Bank's ability to manage crisis situations. The Bank's business continuity program complies with the regulatory framework and with the leading BCM standard, ISO 22301. The business continuity program is subject to regular internal, external and regulatory reviews and audits.

45.4.2 IT related controls

The Bank's governance structures have been reviewed and updated to ensure alignment with contemporary industry standards and technological innovations. This approach has established robust and adaptable governance mechanisms, capable of navigating the complexities of the modern digital landscape.

The Bank's compliance measures have been rigorously aligned with regulatory standards, ensuring adherence to the highest levels of compliance. Enhancements in cloud computing arrangements has enabled the Bank to utilize cloud technology more effectively, offering scalable and secure solutions.

Additionally, substantial improvements in IT service management have led to redefining the enterprise change management and incident management processes. The integration of best practices and innovative solutions has uplifted the Bank's overall operational efficiency. Change management frameworks have been further reinforced to ensure that IT changes are integrated smoothly and efficiently, minimizing disruptions and enhancing system stability.

Overall, the collective efforts in developing and updating IT governance frameworks, coupled with IT service management have enhanced the Bank's operational resilience.

45.4.3 Information Security Risk

It is the Bank's priority to protect its customers and their data from cyberattacks and data breaches. The Bank's Information Security Group is responsible for protecting the Bank's data assets from both internal and external threats through effective cybersecurity risk management, supported by preventive and detective controls capable of responding to emerging threats. The Bank's 24x7 Security Operations Centre continues to contribute to a robust security posture through continuous monitoring, detection, and preventive mechanisms.

The Bank runs regular information security awareness campaigns to provide internal training and guidance on information security related matters. These are supplemented by targeted awareness enhancement campaigns for customers, using multiple delivery channels, to better equip them to counter ever-increasing security challenges. The Bank also completes an annual certification of compliance to the SWIFT Customer Security Program as well as to ISO 27001.

The Bank continues to strengthen its cyber-defenses through the use of advanced automation and modern technologies, in particular, AI and machine learning, while proactively mitigating against advanced security threats.

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45.5 Liquidity Risk Management

Liquidity risk is the risk that the Bank may be unable to meet its cash obligations as they become due, or to fund assets at a reasonable cost, because of the inability to liquidate assets, or to obtain adequate funding.

The Bank follows a comprehensive liquidity risk management policy duly approved by the Board. The policy provides guidelines for establishing a robust liquidity risk management framework which helps in identifying the key liquidity and funding risks to which the bank is exposed, describes how these risks are identified, measured, monitored and reported, and prescribes the techniques and resources used to manage and mitigate these risks. The policy stipulates maintenance of various ratios, funding preferences, and evaluation of the Bank's liquidity under normal and crisis situations (stress testing). The Bank also has a Contingency Funding Plan in place to address liquidity issues in times of crisis. This plan identifies early warning indicators to preempt unforeseen liquidity crises. Triggers are used to ascertain potential stress scenarios.

The Bank's ALCO is responsible for the formulation of overall strategy and oversight of asset and liability management. Liquidity Risk is monitored using a range of metrics, including Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR); liquidity gaps and various liquidity ratios are regularly monitored by Market Risk Management. Liquidity risk is reviewed by ALCO on a monthly basis and an update is provided to the BRMC on a quarterly basis.

45.5.1 Maturities of Assets and Liabilities - based on contractual maturity of the assets and liabilities of the Group

	2023													
	Total	Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 Years	Over 5 Years
	(Rupees in '000)													
Assets														
Cash and balances with treasury banks	547,528,581	546,545,414	911,719	-	71,448	-	-	-	-	-	-	-	-	-
Balances with other banks	56,603,548	35,358,460	-	-	15,048,748	-	2,453,058	-	-	3,743,282	-	-	-	-
Lendings to financial institutions	88,598,160	-	17,000,000	71,598,160	-	-	-	-	-	-	-	-	-	-
Investments	2,562,299,087	69,146,601	3,811,243	8,410,487	10,654,829	-	-	-	-	767,527,879	439,072,821	229,940,336	297,180,922	736,553,969
Advances	1,861,344,592	310,233,068	119,172,275	25,987,231	36,103,774	43,449,396	32,070,531	66,119,400	99,794,918	132,467,952	222,541,606	216,031,377	214,941,020	342,432,044
Fixed assets	141,894,467	103,571	621,426	724,997	1,686,552	894,719	894,719	2,684,158	2,684,158	2,684,158	15,512,535	10,453,625	11,387,461	91,562,388
Intangible assets	22,720,543	54,562	327,369	381,932	878,717	174,347	174,347	523,040	523,040	523,040	7,259,900	2,092,162	2,659,198	7,148,889
Deferred tax assets	480,874	13,952	53,711	62,663	152,181	972,247	972,247	1,285,325	668,239	668,239	1,950,454	2,269,441	4,686,440	(13,274,265)
Other assets	252,878,451	2,442,520	14,655,126	17,097,647	38,333,570	33,139,644	31,382,797	82,357,195	14,096,465	14,096,465	4,845,059	191,591	-	240,372
	5,534,348,303	963,898,148	156,552,869	124,263,117	102,929,819	78,630,353	67,947,699	152,969,118	117,766,820	921,711,015	691,182,375	460,978,532	530,855,041	1,164,663,397
Liabilities														
Bills payable	51,700,823	51,700,823	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	665,042,679	500,700	5,141,029	42,415,417	177,795	173,004,271	46,140,712	219,339,158	21,390,720	5,526,253	900,347	69,138,872	14,770,726	66,596,679
Deposits and other accounts	4,142,351,836	3,219,366,821	97,768,096	81,805,856	103,725,912	55,582,739	92,852,310	199,269,409	94,844,666	125,544,953	29,988,451	15,815,659	16,536,095	9,250,869
Subordinated debt	19,699,000	-	-	-	-	-	-	-	-	-	-	-	-	19,699,000
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities														
Lease liability against right-of-use asset	30,489,986	-	-	-	152,810	146,853	150,604	452,383	448,918	449,494	1,796,566	1,778,916	3,409,492	21,703,950
Others	259,043,326	8,139,536	48,837,213	56,976,749	135,135,467	-	-	9,954,361	-	-	-	-	-	-
	5,168,327,650	3,279,707,880	151,746,338	181,198,022	239,191,984	228,733,863	139,143,626	429,015,311	116,684,304	131,520,700	32,685,364	86,733,447	34,716,313	117,250,498
Net assets	366,020,653	(2,315,809,732)	4,806,531	(56,934,905)	(136,262,165)	(150,103,510)	(71,195,927)	(276,046,193)	1,082,516	790,190,315	658,497,011	374,245,085	496,138,728	1,047,412,899
Share capital	14,668,525													
Reserves	100,805,157													
Surplus on revaluation of assets - net of tax	25,857,323													
Unappropriated profit	221,883,756													
Non-controlling interest	2,805,892													
	<u>366,020,653</u>													

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

2022

	Total	Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 Years	Over 5 Years
----- (Rupees in '000) -----														
Assets														
Cash and balances with treasury banks	296,015,386	294,937,045	999,976	-	78,365	-	-	-	-	-	-	-	-	-
Balances with other banks	41,513,022	27,116,526	-	-	11,745,453	-	1,914,596	-	-	736,447	-	-	-	-
Lendings to financial institutions	254,593,287	-	254,593,287	-	-	-	-	-	-	-	-	-	-	-
Investments	1,948,801,042	-	2,238,282	265	127,113,085	14,824,099	248,316,856	96,963,627	252,686,160	212,501,914	332,341,640	112,944,792	434,675,047	114,195,275
Advances	1,782,497,923	259,547,814	105,507,594	22,394,196	30,737,454	40,274,353	31,306,341	66,487,966	96,043,481	124,315,073	225,884,029	210,207,153	234,241,479	335,550,990
Fixed assets	113,871,657	211,023	1,266,141	1,477,164	3,401,332	759,093	759,093	2,277,278	2,277,278	2,277,278	11,402,331	9,109,113	9,818,856	68,835,677
Intangible assets	18,422,200	64,800	388,800	453,601	1,041,366	138,857	138,857	416,571	416,571	416,571	5,068,642	1,666,285	2,117,895	6,093,384
Deferred tax assets	5,797,045	210,325	64,597	75,364	183,026	1,162,638	1,162,638	1,541,380	805,100	805,100	1,878,758	2,206,326	4,632,460	(8,930,667)
Other assets	177,294,549	1,029,416	6,176,545	7,205,969	16,606,264	25,147,106	22,733,775	58,066,577	14,010,872	14,010,872	11,901,410	175,124	-	230,619
	4,638,806,111	583,116,949	371,235,222	31,606,559	190,906,345	82,306,146	306,332,156	225,753,399	366,239,462	355,063,255	588,476,810	336,308,793	685,485,737	515,975,278
Liabilities														
Bills payable	52,001,577	52,001,577	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	583,771,399	354,731	22,624,531	36,114,622	172,380	131,873,741	44,024,208	169,652,830	19,846,991	5,152,948	949,508	67,913,017	15,771,052	69,320,840
Deposits and other accounts	3,469,342,252	2,723,069,657	80,119,079	67,405,184	84,861,493	44,469,669	73,438,855	158,494,285	78,794,809	100,197,829	24,468,728	13,095,258	13,449,375	7,478,031
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	-	-	-	-	18,874,000
Other liabilities														
Lease liability against right-of-use asset	27,079,479	-	-	-	135,717	130,426	133,758	401,781	398,704	399,215	1,595,608	1,579,932	3,028,118	19,276,220
Others	202,715,590	6,444,791	38,668,742	45,113,532	106,149,910	-	5,896,515	442,100	-	-	-	-	-	-
	4,353,784,297	2,781,870,756	141,412,352	148,633,338	191,319,500	176,473,836	123,493,336	328,990,996	99,040,504	105,749,992	27,013,844	82,588,207	32,248,545	114,949,091
Net assets	285,021,814	(2,198,753,807)	229,822,870	(117,026,779)	(413,155)	(94,167,690)	182,838,820	(103,237,597)	267,198,958	249,313,263	561,462,966	253,720,586	653,237,192	401,026,187
Share capital	14,668,525													
Reserves	87,771,332													
Surplus on revaluation of assets - net of tax	1,235,369													
Unappropriated profit	178,467,639													
Non-controlling interest	2,878,949													
	285,021,814													

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

45.5.2 Maturities of assets and liabilities - based on expected maturities of the assets and liabilities of the Group

Assets and liabilities which have contractual maturities have been reported as per their remaining maturities. Assets and liabilities which do not have any contractual maturities have been reported as per their expected maturities calculated on the basis of a behavioral study approved by ALCO.

	2023									
	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
------(Rupees in '000)-----										
Assets										
Cash and balances with treasury banks	547,528,581	383,862,390	11,812,539	17,679,066	26,724,791	18,753,315	12,504,404	17,283,996	30,709,400	28,198,680
Balances with other banks	56,603,548	52,860,266	3,743,282	-	-	-	-	-	-	-
Lendings to financial institutions	88,598,160	88,598,160	-	-	-	-	-	-	-	-
Investments	2,562,299,087	38,190,217	299,543,207	131,040,208	446,942,877	401,760,035	222,738,045	271,505,214	629,632,289	120,946,995
Advances	1,861,344,592	220,319,356	131,630,914	108,917,956	173,289,612	292,005,934	220,950,076	282,939,638	340,051,782	91,239,324
Fixed assets	141,894,467	3,251,249	2,053,162	3,079,742	6,159,485	17,133,971	12,318,970	16,267,522	5,868,178	75,762,188
Intangible assets	22,720,543	1,629,332	328,882	493,324	986,647	7,141,032	1,973,295	3,019,141	-	7,148,890
Deferred tax assets	480,874	253,264	464,284	953,256	3,376,516	5,452,757	2,466,787	3,780,741	458,220	(16,724,951)
Other assets	252,878,451	69,610,088	66,585,945	83,561,237	27,936,794	5,014,726	-	169,661	-	-
	<u>5,534,348,303</u>	<u>858,574,322</u>	<u>516,162,215</u>	<u>345,724,789</u>	<u>685,416,722</u>	<u>747,261,770</u>	<u>472,951,577</u>	<u>594,965,913</u>	<u>1,006,719,869</u>	<u>306,571,126</u>
Liabilities										
Bills payable	51,700,823	20,558,018	-	31,142,805	-	-	-	-	-	-
Borrowings	665,042,679	398,006,842	109,863,802	51,726,791	3,949,349	8,451,287	4,565,927	18,354,584	69,943,575	180,522
Deposits and other accounts	4,142,351,836	1,151,896,624	288,603,958	358,607,581	534,351,821	324,389,846	211,958,387	289,455,442	513,918,166	469,170,011
Subordinated debt	19,699,000	-	-	-	-	-	-	-	-	19,699,000
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-
Other liabilities										
Lease liability against right-of-use asset	30,489,980	152,810	297,457	452,383	898,413	1,796,566	1,778,916	3,409,492	7,659,442	14,044,501
Others	259,043,332	93,845,963	72,042,598	42,045,846	28,192,550	2,751,498	823,632	1,647,265	17,554,733	139,247
	<u>5,168,327,650</u>	<u>1,664,460,257</u>	<u>470,807,815</u>	<u>483,975,406</u>	<u>567,392,133</u>	<u>337,389,197</u>	<u>219,126,862</u>	<u>312,866,783</u>	<u>609,075,916</u>	<u>503,233,281</u>
Net assets	<u>366,020,653</u>	<u>(805,885,935)</u>	<u>45,354,400</u>	<u>(138,250,617)</u>	<u>118,024,589</u>	<u>409,872,573</u>	<u>253,824,715</u>	<u>282,099,130</u>	<u>397,643,953</u>	<u>(196,662,155)</u>
Share capital	14,668,525									
Reserves	100,805,157									
Surplus on revaluation of assets - net of tax	25,857,323									
Unappropriated profit	221,883,756									
Non-controlling interest	2,805,892									
	<u>366,020,653</u>									

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2022									
	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
------(Rupees in '000)-----										
Assets										
Cash and balances with treasury banks	296,015,386	210,396,382	4,828,207	9,287,517	12,764,975	10,032,402	6,963,382	9,341,767	16,665,452	15,735,302
Balances with other banks	41,513,022	40,209,023	736,446	-	567,553	-	-	-	-	-
Lendings to financial institutions	254,593,287	254,593,287	-	-	-	-	-	-	-	-
Investments	1,948,801,042	129,351,632	263,140,955	96,963,627	252,686,160	212,501,914	332,341,640	112,944,792	434,675,047	114,195,275
Advances	1,782,497,923	260,893,926	120,926,432	67,482,894	182,927,125	284,298,753	220,245,291	274,916,691	295,930,751	74,876,060
Fixed assets	113,871,657	6,341,102	1,518,186	2,277,278	4,554,557	11,402,331	9,109,113	9,828,722	14,418,220	54,422,148
Intangible assets	18,422,200	2,209,482	277,714	416,571	833,142	4,805,064	1,666,285	2,120,558	-	6,093,384
Deferred tax assets	5,797,043	1,536,893	2,720,925	977,601	2,567,878	479,495	4,077,271	2,469,546	(1,106,172)	(7,926,394)
Other assets	177,294,549	28,440,463	49,783,695	59,029,395	27,655,238	12,309,958	-	75,800	-	-
	<u>4,638,806,109</u>	<u>933,972,190</u>	<u>443,932,560</u>	<u>236,434,883</u>	<u>484,556,628</u>	<u>535,829,917</u>	<u>574,402,982</u>	<u>411,697,876</u>	<u>760,583,298</u>	<u>257,395,775</u>
Liabilities										
Bills payable	52,001,577	20,432,434	-	31,569,143	-	-	-	-	-	-
Borrowings	583,771,399	325,968,809	28,906,885	52,353,543	3,723,589	29,960,056	7,413,921	20,084,490	115,170,805	189,301
Deposits and other accounts	3,469,342,252	940,821,398	197,138,019	306,794,361	421,558,486	287,312,110	195,673,927	254,534,203	450,936,301	414,573,447
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	18,874,000
Other liabilities										
Lease liability against right-of-use asset	27,079,480	135,717	264,184	401,781	797,919	1,595,608	1,579,932	3,028,118	6,802,687	12,473,534
Others	202,715,589	78,591,334	49,725,375	26,923,857	27,889,229	2,398,410	765,084	1,530,168	14,755,970	136,162
	<u>4,353,784,297</u>	<u>1,365,949,692</u>	<u>276,034,463</u>	<u>418,042,685</u>	<u>453,969,223</u>	<u>321,266,184</u>	<u>205,432,864</u>	<u>279,176,979</u>	<u>587,665,763</u>	<u>446,246,444</u>
Net assets	<u>285,021,812</u>	<u>(431,977,502)</u>	<u>167,898,097</u>	<u>(181,607,802)</u>	<u>30,587,405</u>	<u>214,563,733</u>	<u>368,970,118</u>	<u>132,520,897</u>	<u>172,917,535</u>	<u>(188,850,669)</u>
Share capital	14,668,525									
Reserves	87,771,332									
Surplus on revaluation of assets - net of tax	1,235,369									
Unappropriated profit	178,467,639									
Non-controlling interest	2,878,949									
	<u>285,021,814</u>									

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

45.6 Derivatives Risk

The policy guidelines for derivatives exposures are approved by the Board.

The responsibility for derivatives activity lies with the Treasury and Global Markets business. Measurement and monitoring of market and credit risk limits and exposure, and their reporting to senior management and the Board is done by the Market Risk Management (MRM) unit within Risk Management. MRM, in coordination with the business, also presents limits for review and approval to ALCO and the BRMC. Treasury Operations records derivatives activity in the Bank's books, executes settlements of trades and carries out regulatory reporting to the SBP.

45.6.1 Credit Risk

Credit risk is the risk of non-performance by a counterparty which could result in an adverse impact on the Bank's profitability. The credit risk associated with derivative transactions is categorized into settlement risk and pre-settlement risk. Pre-settlement and settlement risk limits for derivative transactions are determined and monitored daily using an approved framework.

45.6.2 Market Risk

The Bank, as a policy, hedges all Options transactions back-to-back. The Bank minimizes the exchange rate risk on its Cross Currency Swaps portfolio by hedging the exposure in the interbank market on a rolling basis. The Bank also manages the interest rate risk of Interest Rate Derivatives and Cross Currency Swaps through Price Value of a Basis Point (PVBP) limits which are monitored and reported by MRM to senior management on a daily basis. These limits are approved by ALCO annually and then approved by the Board on the recommendation of the BRMC.

45.6.3 Operational Risk

The Bank has put in place a robust control framework for derivatives transactions. Front office staff dealing in derivatives have the requisite training and experience to conduct this business; responsibilities have been divided amongst the Structuring Desk (tasked with the overall ownership of derivatives and structured products), Treasury Sales (who are involved in marketing and executing transactions with the Bank's client base) and Trading (which proactively manages the risk from a business perspective).

A detailed product program, approved by the Board, governs the entire value chain for derivatives, including credit and market risk management, booking, sales and settlement. There is a clear segregation of duties whereby operational aspects are handled by Treasury Operations, whereas all risk issues are the responsibility of the Risk department. MRM carries out daily monitoring of exposures, while Compliance monitors any deviation from approved policies and procedures. Internal Audit also regularly reviews systems, transactional processes, accounting practices and end-user roles and responsibilities as part of their reviews of this function.

45.6.4 Liquidity Risk

The types of derivative transactions entered into by HBL are typically straightforward, or 'vanilla' transactions, whereby the Bank is exposed to a negligible amount of liquidity risk.

46 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

46.1 The Board of Directors, in its meeting held on February 23, 2024, has proposed a final cash dividend of Rs 4.00 per share for the year 2023. This is in addition to the Rs 5.75 already paid during the year bringing the total dividend for the year to Rs 9.75 per share (2022: Rs 6.75 per share). This appropriation is expected to be approved by the shareholders in the forthcoming Annual General Meeting. The consolidated financial statements for the year ended December 31, 2023 do not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the year ending December 31, 2024.

47 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue in the Board of Directors meeting held on February 23, 2024.

48 GENERAL

48.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

ANNEXURE I: ISLAMIC BANKING BUSINESS

The Bank operates 408 (2022: 294) Islamic Banking branches and 553 (2022: 573) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION	Note	2023	2022
		(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks		40,418,980	17,497,223
Balances with other banks		476,714	451,114
Due from financial institutions	1	19,500,000	-
Investments	2	226,552,494	183,654,832
Islamic financing and related assets - net	3	213,054,465	223,974,766
Fixed assets		13,918,759	6,497,224
Intangible assets		48,248	30,066
Due from Head Office	4	-	257,428
Deferred tax assets		1,270,557	1,160,304
Other assets		23,894,137	8,653,602
		539,134,354	442,176,559
LIABILITIES			
Bills payable		40,454	20,267
Due to financial institutions	5	32,119,436	74,694,404
Deposits and other accounts	6	422,709,734	319,883,948
Due to Head Office	4	9,382,906	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities		32,015,803	15,693,460
		496,268,333	410,292,079
NET ASSETS			
		42,866,021	31,884,480
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Deficit on revaluation of investments - net of tax		(1,322,417)	(1,538,078)
Unappropriated profit	8	43,688,438	32,922,558
		42,866,021	31,884,480
Contingencies and commitments			
	9		
PROFIT AND LOSS ACCOUNT			
Profit / return earned	10	73,627,054	46,415,296
Profit / return expensed	11	41,435,302	28,064,213
Net profit / return		32,191,752	18,351,083
Other income			
Fee and commission income		1,688,541	1,053,121
Dividend income		-	-
Foreign exchange income		902,080	372,255
Income from derivatives		-	-
Gain on securities - net		13,354	82,252
Others		-	625
Total other income		2,603,975	1,508,253
Total income		34,795,727	19,859,336
Other expenses			
Operating expenses		9,066,754	6,786,714
Workers' Welfare Fund		422,497	234,083
Other charges		781	168,439
Total other expenses		9,490,032	7,189,236
Profit before provisions and taxation		25,305,695	12,670,100
Provisions and write offs - net		4,180,859	1,434,083
Profit before taxation		21,124,836	11,236,017
Taxation		10,351,170	5,505,648
Profit after taxation		10,773,666	5,730,369

ANNEXURE I: ISLAMIC BANKING BUSINESS

	Note	2023	2022
(Rupees in '000)			
1 DUE FROM FINANCIAL INSTITUTIONS			
Call money lendings	1.2	17,000,000	-
Secured lendings	1.3	2,500,000	-
		<u>19,500,000</u>	<u>-</u>

1.1 Amounts due from financial institutions are all in local currency.

1.2 Call money lendings carry mark-up at rates ranging from 21.75% to 22.05% per annum and are due to mature latest by January 04, 2024.

1.3 Secured lendings carry mark-up at a rate of 21.75% per annum and are due to mature latest by January 04, 2024.

2 INVESTMENTS BY SEGMENT

	2023				2022			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
(Rupees in '000)								
Available-for-sale (AFS) securities								
Ijarah Sukuks	164,825,661	-	(2,631,310)	162,194,351	125,360,260	-	(2,772,531)	122,587,729
Other Federal Government Securities	5,543,158	-	-	5,543,158	4,686,060	-	-	4,686,060
Non-Government debt Securities								
- Listed	44,891,462	-	36,836	44,928,298	45,943,545	-	57,829	46,001,374
- Unlisted	1,401,000	-	1,500	1,402,500	1,401,000	-	16,320	1,417,320
	<u>216,661,281</u>	<u>-</u>	<u>(2,592,974)</u>	<u>214,068,307</u>	<u>177,390,865</u>	<u>-</u>	<u>(2,698,382)</u>	<u>174,692,483</u>
Held-to-maturity (HTM) securities								
Non-Government debt Securities								
-Unlisted	12,484,187	-	-	12,484,187	8,962,349	-	-	8,962,349
Total Investments	<u>229,145,468</u>	<u>-</u>	<u>(2,592,974)</u>	<u>226,552,494</u>	<u>186,353,214</u>	<u>-</u>	<u>(2,698,382)</u>	<u>183,654,832</u>

	Note	2023	2022
(Rupees in '000)			
3 ISLAMIC FINANCING AND RELATED ASSETS - NET			
Diminishing Musharakah		93,090,122	94,643,200
Running Musharakah		46,748,573	57,261,410
Wakalah		15,112,848	14,541,328
Ijarah	3.1	3,771,372	2,294,057
Murabaha	3.2	1,937,342	3,791,439
Currency Salam		82,738	-
Tijarah		2,422,198	2,887,334
Istisna		2,053,597	1,994,354
Musawamah		3,191,914	777,472
Advance for Diminishing Musharakah		3,820,249	5,364,119
Advance for Ijarah		3,498,372	3,599,862
Advance for Murabaha	3.2	10,561,441	5,546,361
Advance for Salam		2,032,234	2,029,702
Advance for Istisna		16,079,982	13,169,142
Advance for Musawamah		595,848	3,856,574
Inventories against Murabaha	3.2	5,784,149	5,410,563
Inventories against Tijarah		5,088,392	5,427,552
Inventories against Istisna		3,842,828	3,853,373
Islamic financing and related assets - gross		<u>219,714,199</u>	<u>226,447,842</u>
Provision against Islamic financing and related assets			
- Specific		(5,523,177)	(1,376,081)
- General		(1,136,557)	(1,096,995)
		<u>(6,659,734)</u>	<u>(2,473,076)</u>
Islamic financing and related assets - net of provision		<u>213,054,465</u>	<u>223,974,766</u>

ANNEXURE I: ISLAMIC BANKING BUSINESS
3.1 Ijarah

	2023						
	Cost			Accumulated Depreciation			Book value as at Dec 31, 2023
	As at Jan 1, 2023	Additions / (deletions)	As at Dec 31, 2023	As at Jan 1, 2023	Charge for the year / (depreciation on deletion)	As at Dec 31, 2023	
	(Rupees in '000)						
Plant and machinery	1,396,266	-	1,249,375	490,380	176,758	531,462	717,913
		(146,891)			(135,676)		
Vehicles	2,273,070	2,950,107	4,328,505	884,899	895,234	1,275,046	3,053,459
		(894,672)			(505,087)		
Total	3,669,336	2,950,107	5,577,880	1,375,279	1,071,992	1,806,508	3,771,372
		(1,041,563)			(640,763)		
	2022						
	Cost			Accumulated Depreciation			Book value as at Dec 31, 2022
	As at Jan 1, 2022	Additions / (deletions)	As at Dec 31, 2022	As at Jan 1, 2022	Charge for the year / (depreciation on deletion)	As at Dec 31, 2022	
	(Rupees in '000)						
Plant and machinery	1,331,602	297,695	1,396,266	367,007	196,738	490,380	905,886
		(233,031)			(73,365)		
Vehicles	2,030,992	948,330	2,273,070	900,053	467,810	884,899	1,388,171
		(706,252)			(482,964)		
Total	3,362,594	1,246,025	3,669,336	1,267,060	664,548	1,375,279	2,294,057
		(939,283)			(556,329)		

3.1.1 Future Ijarah payments receivable

	2023				2022			
	Not later than one year	Later than one and upto five years	More than five years	Total	Not later than one year	Later than one and upto five years	More than five years	Total
	(Rupees in '000)							
Ijarah rentals receivable	2,181,161	4,619,144	316,473	7,116,778	1,322,523	2,377,212	540,108	4,239,843

3.2 Murabaha

	Note	2023		2022	
		(Rupees in '000)		(Rupees in '000)	
Murabaha financing	3.2.1	1,937,342	3,791,439		
Advance for Murabaha		10,561,441	5,546,361		
Inventories against Murabaha		5,784,149	5,410,563		
		18,282,932	14,748,363		
3.2.1 Murabaha receivable - gross	3.2.1.1	2,035,977	3,866,887		
Deferred murabaha income	3.2.1.2	(31,067)	(23,780)		
Profit receivable shown in other assets		(67,568)	(51,668)		
Murabaha financing		1,937,342	3,791,439		
3.2.1.1 The movement in gross Murabaha receivable during the year is as follows:					
Opening balance			3,866,887	1,915,375	
Sales during the year			11,437,582	16,310,831	
Adjusted during the year			(13,268,492)	(14,359,319)	
Closing balance			2,035,977	3,866,887	
3.2.1.2 The movement in deferred Murabaha income during the year is as follows:					
Opening balance			23,780	8,223	
Arising during the year			1,857,377	1,301,204	
Recognised during the year			(1,850,090)	(1,285,647)	
Closing balance			31,067	23,780	
3.2.1.3 Murabaha sale price		2,035,977	3,866,887		
Murabaha purchase price		(1,937,342)	(3,791,439)		
Total profit receivable		98,635	75,448		

ANNEXURE I: ISLAMIC BANKING BUSINESS

4 Due from Head Office mainly represents inter- branch transactions.

	Note	2023 (Rupees in '000)	2022
5 DUE TO FINANCIAL INSTITUTIONS			
Unsecured acceptances of funds		-	19,000,000
Acceptances from the SBP under:			
- Islamic export refinance scheme	5.2	19,406,548	19,931,491
- Islamic export refinance scheme for bill discounting	5.3	556,808	-
- Islamic long term financing facility	5.4	6,481,973	7,183,674
- Islamic financing facility for renewable energy power plants	5.5	644,321	693,399
- Islamic refinance facility for modernization of Small & Medium Enterprises (SMEs)	5.6	286,208	129,838
- Islamic refinance and credit guarantee scheme for women entrepreneurs	5.7	1,765	5,720
- Islamic refinance facility for combating COVID-19	5.8	355,448	143,564
- Islamic temporary economic refinance facility	5.9	2,386,365	2,749,061
- Secured Mudarabah Agreement		-	24,689,405
Acceptances from Pakistan Mortgage Refinance Company	5.10	2,000,000	168,252
		<u>32,119,436</u>	<u>74,694,404</u>

5.1 Amounts due to financial institutions are all in local currency.

5.2 These acceptances have been obtained from the SBP for extending Islamic export finance to customers. These carry profit at a rate of 18.00% per annum (2022: 11.00% to 12.00% per annum) and are due to mature latest by November 03, 2024.

5.3 These borrowings have been obtained from the SBP for providing export bill discounting facilities to customers. These carry profit at rates from 1.00% to 2.00% and are due to mature latest by November 01, 2024.

5.4 These acceptances have been obtained from the SBP for providing financing facilities to exporters for adoption of new technologies and modernization of their plant and machinery. These carry profit at a rate of 12.00% per annum (2022: 12.00% per annum) and are due to mature latest by June 20, 2032.

5.5 These acceptances have been obtained from the SBP for providing financing for renewable energy power plants to promote renewable energy projects in the country. These carry profit at a rate of 2.00% per annum (2022: 3.00% per annum) and are due to mature latest by December 31, 2035.

5.6 These acceptances have been obtained from the SBP to provide financing for the modernization of Small and Medium Enterprises. These carry profit at a rate of 2.00% per annum (2022: 2.00%) and are due to mature latest by December 31, 2030.

5.7 These acceptances have been obtained from the SBP to provide financing to women entrepreneurs for setting up of new business enterprises or for expansion of existing ones. These carry profit at a rate of 0.00% per annum (2022: 0.00% per annum) and are due to mature latest by December 27, 2024.

5.8 These acceptances were obtained from the SBP to provide emergency financing to hospitals and medical centres to develop capacity for the treatment of COVID-19 patients. The maximum financing under the facility was Rs 500 million per hospital / medical centre with a tenor of 5 years, including a grace period of up to 6 months. These carry profit at a rate of 0.00% per annum (2022: 0.00% per annum) and are due to mature latest by December 31, 2026.

5.9 These acceptances were obtained from the SBP to provide concessionary finance for setting up new industrial units in the backdrop of challenges faced by industries during the COVID-19 pandemic. The maximum financing granted under this facility was Rs 5 billion per project with a tenor of 10 years, including a grace period of 2 years. These carry profit at a rate of 1.00% per annum (2022: 1.00% per annum) and are due to mature latest by February 04, 2032.

5.10 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 2,000 million (2022: Rs 168.252 million) for on-lending to customers. The principal amount is payable in semi-annual installments from April 2025 to October 2026. Profit at a rate of 16.61% per annum (2022: 11.21% per annum) is payable semi-annually.

ANNEXURE I: ISLAMIC BANKING BUSINESS

6 DEPOSITS AND OTHER ACCOUNTS

Note	2023			2022		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	101,490,493	7,514,646	109,005,139	81,787,557	3,711,186	85,498,743
Savings deposits	277,660,673	2,250,352	279,911,025	159,782,570	2,207,605	161,990,175
Term deposits	27,604,315	1,634,209	29,238,524	24,360,643	475,406	24,836,049
	406,755,481	11,399,207	418,154,688	265,930,770	6,394,197	272,324,967
Financial Institutions						
Current deposits	92,442	-	92,442	414,372	-	414,372
Savings deposits	4,360,958	-	4,360,958	47,142,963	-	47,142,963
Term deposits	101,646	-	101,646	1,646	-	1,646
	4,555,046	-	4,555,046	47,558,981	-	47,558,981
6.2	<u>411,310,527</u>	<u>11,399,207</u>	<u>422,709,734</u>	<u>313,489,751</u>	<u>6,394,197</u>	<u>319,883,948</u>

6.1 Composition of deposits

	2023 (Rupees in '000)	2022 (Rupees in '000)
- Individuals	292,376,413	173,366,447
- Government (Federal and Provincial)	22,688,380	9,991,846
- Banking Companies	358,446	187,810
- Non-Banking Financial Institutions	4,196,600	47,371,171
- Other public sector entities	6,244,650	476,817
- Other private sector entities	96,845,245	88,489,857
	<u>422,709,734</u>	<u>319,883,948</u>

6.2 This includes deposits amounting to Rs 313,089.892 million (2022: Rs 192,155.426 million) which are eligible to be covered under insurance arrangements.

7 CHARITY FUND

Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Opening balance	25,121	44,724
Additions during the year		
- Received from customers on account of delayed payment	44,803	24,144
- Profit on savings account	3,654	1,053
	48,457	25,197
Payments / Utilization during the year		
- Health	7.1 (63,000)	(44,800)
Closing balance	<u>10,578</u>	<u>25,121</u>

7.1 Details of charity payments

Details of charity payments individually exceeding Rs 100,000

Indus Hospital & Health Network	13,000	32,800
Childlife Foundation	50,000	-
Patients Aid Foundation	-	12,000
	<u>63,000</u>	<u>44,800</u>

8 ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT

Opening Balance	32,922,558	27,194,762
Add: Islamic Banking profit for the year	21,124,836	11,236,017
Less: Taxation	(10,351,170)	(5,505,648)
Less: Transferred / Remitted to Head Office	(7,786)	(2,573)
Closing Balance	<u>43,688,438</u>	<u>32,922,558</u>

9 CONTINGENCIES AND COMMITMENTS

- Performance Guarantees	3,783,771	2,862,623
- Commitments	9.1 53,232,828	31,705,993
	<u>57,016,599</u>	<u>34,568,616</u>

ANNEXURE I: ISLAMIC BANKING BUSINESS

	Note	2023 (Rupees in '000)	2022
9.1	Commitments:		
	Trade-related contingent liabilities	30,703,557	26,704,850
	Commitments in respect of forward foreign exchange contracts	9.1.1 22,529,271	5,001,143
		<u>53,232,828</u>	<u>31,705,993</u>
9.1.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	11,450,911	2,405,370
	Sale	11,078,360	2,595,773
		<u>22,529,271</u>	<u>5,001,143</u>
10	PROFIT / RETURN EARNED		
	On:		
	Financing	34,907,772	22,097,669
	Investments	36,747,435	23,606,961
	Amounts due from financial institutions	1,971,847	710,666
		<u>73,627,054</u>	<u>46,415,296</u>
11	PROFIT / RETURN EXPENSED		
	On:		
	Deposits and other accounts	30,180,899	19,944,630
	Amounts due to financial institutions	10,160,697	7,553,435
	Foreign currency deposits for Wa'ad based transactions	123,723	15,157
	Lease liability against right-of-use assets	969,983	550,991
		<u>41,435,302</u>	<u>28,064,213</u>

12 The Islamic Banking Business maintains the following pools:

General Pool PKR (Mudarabah)

Remunerative rupee deposits of customers form part of the General Pool.

The objective of this pool is to effectively manage Rupee deposits of customers to earn and distribute returns from Rupee denominated earning assets. The funds in this pool are generally deployed in financing assets, placements with FIs, investments in Sukuks etc. A loss, if any, is borne by the depositors as per their proportionate share in the overall volume of the pool.

Special Pool PKR (Mudarabah)

HBL also manages a Rupee denominated Special Pool, with the objective of offering higher returns for selected clients.

The objective of this pool is to effectively manage Rupee deposits of customers to earn and distribute higher returns from Rupee denominated earning assets. The funds in this pool are generally deployed in financing assets, placement with FIs, investments in Sukuks etc. A loss, if any, is borne by the depositors as per their proportionate share in the overall volume of the pool.

Treasury Pool(s) (Mudarabah / Wakalah / Musharakah)

Treasury pools are created when the Bank accepts placements of funds from FIs for liquidity management. Treasury pools may be based on the principle of Mudarabah, Wakalah or Musharakah. These pools are maintained separately from depositors' pools as these are formed by funds from professional counterparties and are generally obtained for a shorter tenor. The liquidity can also be deployed to fund earning assets in the depositor pools. HBL's preference is to accept funds from Islamic Banking Institutions but is permitted to deal with conventional banks as well. A loss, if any, is borne by the FIs as per their proportionate share of investment.

General Pool FCY (Mudarabah)

Remunerative foreign currency (FCY) deposits of customers form part of the FCY General Pool.

The objective of this pool is to effectively manage FCY deposits of customers to earn and distribute returns, generally from FCY denominated assets. However, in case FCY denominated assets are not available, the Bank may invest these funds in local currency assets by converting the funds to local currency and charging the cost of Shariah compliant hedging to the pool. The funds in this pool are generally deployed in financing assets, placements with FIs, investments in Sukuks etc. A loss, if any, is borne by the depositors as per their proportionate share in the overall volume of the pool.

ANNEXURE I: ISLAMIC BANKING BUSINESS

Special Pool FCY (Mudarabah)

HBL also manages an FCY denominated Special Pool, with the objective of offering higher returns for selected clients.

The objective of this pool is to effectively manage FCY deposits of customers to earn and distribute higher returns, generally from FCY denominated assets. However, in case FCY denominated assets are not available, the Bank may invest these funds in local currency assets by converting the funds to local currency and charging the cost of Shariah compliant hedging to the pool. The funds in this pool are generally deployed in financing assets, placements with FIs, investments in Sukuks etc. A loss, if any, is borne by the depositors as per their proportionate share in the overall volume of the pool.

Islamic Export Refinance Scheme (IERS) Pool PKR (Musharakah)

IERS is an SBP program which offers the Islamic equivalent of conventional export refinance and enables exporters to avail refinance through Islamic Banks under Shariah compliant modes. This pool is created on a Musharakah basis and the profit distribution mechanism is the same as that for pre-agreed profit sharing. Since this is structured as a Musharakah (partnership) as opposed to Mudarabah (fund management), there is no Mudarib share in the profit.

13 The Mudarib's share of profit is 33.44% (2022: 28.63%) and, after netting of Hiba to depositors amounting to Rs 154.214 million (2022: Rs 4.99 million), amounts to Rs. 14.670 million (2022: Rs 7.347 million). For the Bank's overseas branch, the Mudarib's share of profit is 14.58% (2022: 12.71%) and, after netting of Hiba to depositors amounting to Rs 28.641 million (2022: Rs 6.488 million), amounts to Rs 18.477 million (2022: Rs 4.280 million).

14 The following parameters are used for profit distribution from the pool:

- Permissible direct expenses can be charged to the relevant pool. Administrative and operating expenses are paid by the Mudarib and not charged to the relevant pool.
- No profit or loss is passed on to current account depositors, however these funds are treated as equity for the purpose of profit calculation and any profit earned / loss incurred on these funds are allocated to the equity of the Bank.
- The Bank first charges the proportionate profit on average equity allocated to the pools and then charges the Mudarib fee before distribution of profit to depositors.
- The Bank gives priority to depositors' funds over its own equity for placement in investing activities.
- Provisions for non-performing accounts are borne by the Mudarib. These are only charged to the respective pool on write off.
- Income generated from non-funded activities is not considered as income of the pool.

15 The average rate of profit earned on the earning assets of the Islamic banking business during the year was 17.91% (2022: 12.80%) and a profit rate of 11.02% (2022: 7.65%) was distributed to depositors. For the overseas branch, the average rate of profit earned on the earning assets of the Islamic banking business during the year was 14.58% (2022: 12.71%) and a profit rate of 8.60% (2022: 7.24%) was distributed to depositors.

16 DEPLOYMENT OF MUDARABAH BASED DEPOSITS BY ECONOMIC SECTOR

	2023	2022
	(Rupees in '000)	
Agriculture, forestry, hunting and fishing	22,849,471	21,858,084
Aviation	10,000,000	10,000,000
Automobile and transportation equipment	935,261	927,822
Cement	8,212,535	6,597,323
Chemicals and pharmaceuticals	12,788,586	13,777,662
Construction	8,885,227	8,867,496
Education and medical	154,056	368,793
Financial	171,331,676	130,584,655
Food, tobacco and beverages	32,580,435	24,685,890
Individuals	20,895,427	17,926,643
Printing and publishing	364,838	1,062,126
Production and transmission of energy	71,041,488	90,124,630
Telecommunication	5,554,045	5,666,666
Textile	29,110,947	35,353,751
Metal and allied	2,414,863	5,249,472
Oil and gas	1,001,915	578,814
Mining and quarrying	583,566	528,383
Sugar	3,032,234	3,124,716
Wholesale and retail trade	2,346,399	3,169,885
Others	42,183,724	29,649,863
Total gross Islamic financing and related assets and investments	446,266,693	410,102,674
Total due from financial institutions	19,500,000	-
Total deployed funds	465,766,693	410,102,674
16.1 Deployment of Mudarabah based deposits by economic sector by public / private sector		
Public / Government	282,109,572	237,725,136
Private	183,657,121	172,377,538
Total	465,766,693	410,102,674

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
1	UNIQUE POULTRY INTERNATIONAL PVT LTD KHASRA 500 502 CHAKBELI ROAD DHOK BUDHAL RAWALPINDI	SHAKEEL AHMED 42301-1577320-3 AHMAD SHUJA PASHA 34101-8806715-3	MUHAMMAD JAMEEL NAZIR AHMAD QURESHI	603,951	209,999	-	813,950	-	-	209,999	-	209,999
2	INDUS INTERNATIONAL 149 RAZA TOWN 204 R.B. FAISALABAD	UMAIR AHMED KHAN 33100-8710534-7	AHMAD SHUJJAH KHAN	1,030	1,581	-	2,611	1,030	-	1,581	-	2,611
3	LAHORE SPINNING MILLS (PVT) LTD 47.5 KM MULTAN ROAD DINA NATH BHAI PHERU DISTT KASUR	KHAWAJA MUSTAJAB HASSAN 42301-1956842-7	KHAWAJA GHULAM SADIQ	33,719	60,026	-	93,745	-	-	42,745	-	42,745
4	JASMINE INTERNATIONAL 33 PAKISTAN HANDICRAFT CHAMBER ABDULLAH HAROON ROAD KARACHI	SALAHUDDIN MUHAMMAD ABDUL KHALIQ REHMANI RAIS KHAN SARWAR ISLAM MANZAR ALAM ASLAM MOTIWALA	M A SHAKOOR KHAN MIAN ABDUL SAMAD REHMANI MUHAMMAD AZIM KHAN S M ISLAM MUHAMMAD USMAN NOOR MUHAMMAD	1,250	1,090	-	2,340	1,250	-	1,090	-	2,340
5	PAZHONG TRADERS 707 STOCK EXCHANGE BUILDING II CHUNDRIGAR ROAD KARACHI	SALAHUDDIN MUHAMMAD ABDUL KHALIQ REHMANI ALI MUZZAFAR EHSAN UR RAB	M A SHAKOOR KHAN MIAN ABDUL SAMAD REHMANI ABDUL QADIR KHAN MANAZIR AHMED	1,250	1,495	-	2,745	1,250	-	1,495	-	2,745
6	ALI DOTT BUCKRAM FACTORY SANAT SINGH ROAD, NEAR EX-BOMBAY FOUNDRY, FAISALABAD.	RAO ASGHAR ALI 33100-7069317-9	MUHAMMAD IQBAL	29,998	27,039	-	57,036	10,595	-	27,039	-	37,634
7	CAPTIVATORS H NO 1823 MOHALLAH HAZARIAN O/S DEHLI GATE MULTAN	MEHMOOD AHMED 36302-4439719-9 AYUB KHAN 322-55-018848	MUSHTAQ AHMED ANSARI GHULAM MAHBOOB KHAN	1,948	1,667	-	3,615	-	-	1,405	-	1,405
8	ESCORT COMPUTERS INTERNATIONAL H 69 K PHASE 1 DEFENCE HOUSING AUTHORITY LAHORE CANTT	SHEIKH SHUAIB SAEED 35201-0309267-3	YUNUS SAEED SHEIKH	8,909	7,815	-	16,725	8,909	-	7,815	-	16,725
9	ASHFAQ FABRICS SHOP NO.4 22-ICHRA ROAD, ICHRA, LAHORE	ASHFAQ AHMAD 35202-2904451-9	SIRAJ DIN	24,975	15,077	-	40,051	-	-	9,751	-	9,751
10	JEEA TEXTILES PVT LTD 209-REGENCY ARCADE THE MALL FAISALABAD	ASAD MAJEED 33100-0960341-5 NAZLI ASAD 33100-2400903-0 AHSAN MAJEED 33100-9266595-7	SHAIKH ABDUL MAJEED ASAD MAJEED ASAD MAJEED SHEIKH	537,604	498,498	-	1,036,101	312,780	-	477,978	20,520	811,278
11	AMJAD SPORTS NOUL P.O. HARAR TEH. SIALKOT DISTT. SIALKOT	AMJAD MAHMOOD 34603-4087626-9	MUHAMMAD TUFAIL	17,000	1,236	-	18,236	-	-	1,236	-	1,236
12	MATSA ENTERPRISES VILLAGE NOUL PO HARRAR WAZIRABAD ROAD SIALKOT	SHAHID MEHMOOD 34603-7282411-9	MUHAMMAD TUFAIL	23,426	4,855	-	28,280	-	-	3,530	-	3,530

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
13	RANA ALUMINIUM INDUSTRY PLOT NO.193/6 KACHA RAHEEM ROAD MISRI SHAH BADAMI BAGH LAHORE	RANA MUHAMMAD ARIF 35202-4914228-7	RANA MUHAMMAD ASHIQ	44,996	27,316	-	72,311	-	-	24,811	-	24,811
14	BELA AUTOMOTIVES LTD PLOT NOS 1 & 3 MOUZA PATHRA TEH HUB LASBELLA DISTT BALUCHISTAN	ABDUL MATEEN ALLAHWALA 42201-0551108-7 OMER MATEEN ALLAHWALA 42201-0551099-1 FAZAL KAFEEL 42301-0930296-1 NELOFAR MATEEN ALLAHWALA 42201-0475880-6 ANWAR IQBAL 35202-2493830-1 FARNAZ ANWAR 35202-2379328-6 KHILAT KAFEEL 42000-0459030-4	MUHAMMAD SAEED ABDUL MATEEN ALLAHWALA FAZAL JALEEL ABDUL MATEEN ALLAHWALA IQBAL AHMAD ANWAR IQBAL FAZAL KAFEEL	80,000	251,001	-	331,001	-	-	251,001	-	251,001
15	SHAN TRADERS GHALLA MANDI KAMOKE DISTT GUJRANWALA	SAFDAR ZAMAN KHAN 34102-7430223-5 MANZOOR HUSSAIN 34102-2400343-7	MUHAMMAD AYUB KHAN HAJI REHMATULLAH	1,213	5,977	-	7,190	1,213	-	5,375	602	7,190
16	FINE PACK 17-C SMALL INDUSTRIAL ESTATE SARGODHA ROAD NALKA KOHALA FAISALABAD	ZAFAR IQBAL ZUBAIR 33100-0657404-7	MUHAMMAD IQBAL	33,000	25,532	-	58,531	-	-	25,331	-	25,331
17	MOHSIN ALI QURESHI HOUSE NO A 1237 MOHALLAH DHORA LANE ROHRI DISTRICT SUKKUR	45502-2641171-3	ASHFAQ AHMAD	4,417	836	-	5,252	-	-	754	-	754
18	TAIMOOR TEXTILE MILLS PVT LTD P-49 KHAYABAN COLONY FAISALABAD	ATTA ULLAH SAJJAD 245-5518407-0 MRS.SHAMIM AKHTER 321-8629325-8 HAJI MUHAMMAD SHARIF 245-8818406-5 NABILA KHANUM 245-7333385-2 MUHAMMAD AKRAM 245-6014297-5 MUHAMMAD TARIQ ALI 245-89-184072	HAJI MUHAMMAD SHARIF MUHAMMAD ALI HAJI REHMAT ULLAH MUHAMMAD TARIQ ALI MUHAMMAD ISMAIL HAJI MUHAMMAD SHARIF	3,386	4,363	-	7,749	3,386	-	4,363	-	7,749
19	RAKISH TEXTILE P-970 MILLAT ROAD NOOR PUR FAISALABAD	AAMIR NAZIR 33100-8529309-7	NAZIR AHMED	9,000	5,553	-	14,553	-	-	3,303	-	3,303
20	FOCUS APPAREL PVT. LTD PLOT NO 364 SECTOR 7A KORANGI INDUSTRIAL AREA KARACHI	GHALIB JAVED 42301-1080239-5 AMINA JAVED 42000-0499619-4	JAVED IQBAL JAVED IQBAL	16,624	14,756	-	31,379	16,624	-	14,756	-	31,379
21	ALI OIL MILLS ADDA SADIQWALA NEAR PULL DAWA BHAWALPUR ROAD MULTAN	AMJAD ALI 36302-9697677-7	MUHAMMAD RAMZAN	5,991	5,852	-	11,844	-	-	4,744	-	4,744

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
22	ZAHIDA HASSAN HOUSE NUMBER 175 MOHALA PAK BLOCK ALLAMA IQBAL TOWN LAHORE	35202-0789400-2	ZEESHAN HAMEED	2,692	1,374	-	4,066	-	-	1,374	-	1,374
23	CANNON LINEN TOWELS PAK PVT LTD 18 KM MULTAN ROAD OPP SHABAB STUDIO LAHORE	MUSTAJAB HASSAN 42301-1956842-7 TEMUR HASSAN 42301-1966247-7 ABIDA MUSTAJAB HASSAN 42301-1502887-8	KHAWAJA GHULAM SADIQ MUSTAJAB HASSAN MUSTAJAB HASSAN	17,496	22,717	-	40,213	-	-	12,800	-	12,800
24	MIAN LIGHT PALACE 2-BEADON ROAD LAHORE	MUHAMMAD AZHAR 35202-7759462-9	MIAN MUHAMMAD AFZAL	10,000	6,244	-	16,244	-	-	6,244	-	6,244
25	TARIQ CAR TRACK TARIQ CAR TRACK HOUSE # 24-B, JAIL ROAD LAHORE	TARIQ MEHMOOD 35202-2967496-5	TAJ DIN	11,000	5,936	-	16,935	-	-	5,435	-	5,435
26	AGHA MOHAMMAD & BROTHERS 6-HAIDER PLAZA BLOCK 05 GULSHAN E IQBAL KARACHI	AGHA MUHAMMAD 42201-7948678-7	SHER JAN	15,000	12,193	-	27,193	15,000	-	12,193	-	27,193
27	MUHAMMAD FAHEEM RATHORE HOUSE NO 131 E PIA SOCIETY LAHORE	35202-2891930-5	MUHAMMAD SALEEM RATHORE	3,780	1,762	-	5,542	-	-	1,362	-	1,362
28	OYSTER WORKS PVT LTD OFFICE # 218 2ND FLOOR PARK TOWERS F 1-5 CLIFTON KARACHI	JALEES OSMAN ABIDI 42301-9079012-3 ASHRAF JEHAN ABIDI 42301-1438543-0	SYED AZMAT ALI ABIDI SYED AZMAT ALI ABIDI	1,647	2,294	-	3,941	-	-	1,241	-	1,241
29	MENSUN CO MENSUN CO AVENUE TOORABAD DASKA ROAD TEHSIL & DISTRICT SIALKOT	ZAHEER ASGHAR 34603-1779017-1 WAHEED ASGHAR 34603-3633843-9 TANVEER ASGHAR 34603-3548248-9	MUHAMMAD ASGHAR MUHAMMAD ASGHAR MUHAMMAD ASGHAR	1,750	9,410	-	11,160	-	-	8,810	-	8,810
30	FAYSAL METAL WORKS MIAN SANSI STREET LINK SHEIKHUPURA ROAD GUJRANWALA	ABDUL RASHEED 34101-6445178-1	MUHAMMAD HUSSAIN	3,489	8,515	-	12,005	-	-	7,005	-	7,005
31	MODEST ENTERPRISES 34 KM MAIN FERAZEPUR ROAD ADJACENT TO NIZAM DIN & SONS KOT NABI BUKSH LAHORE	KAISAR RASHID 35200-1447880-5	KHAWAJA ABDUL RASHID	29,952	10,521	-	40,473	-	-	6,473	-	6,473
32	MUHAMMAD SALMAN KHAN H. NO. 141, BLOCK B-4, WAPDA TOWN LAHORE	35202-8421956-5	RAEES AZAM KHAN	3,784	1,606	-	5,390	-	-	1,190	-	1,190

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
33	AL-SHAHAB INTL TRADERS 35 KM GT ROAD SADHOKI TEHSIL KAMOKE DISTT GUJRANWALA	MUHAMMAD HUSSAIN GHUMAN 34102-8286342-1 MUHAMMAD ARSHAD 34601-0853139-1 MUHAMMAD MASOOD GHUMAN 34601-0578536-3 HUSSAIN MANSOOR GHUMAN 34601-0853144-5	REHMAT KHAN GHUMMAN MUHAMMAD HUSSAIN GHUMMAN MUHAMMAD HUSSAIN GHUMMAN MUHAMMAD HUSSAIN GHUMMAN	79,958	80,668	-	160,627	-	-	64,627	-	64,627
34	ALI POULTRY FARM 4KM MAIN MANGA RAIWIND ADA SARAY TALAB	MALIK ASIF ALI 35202-6925396-5	MUHAMMAD ASHRAF	8,997	7,385	-	16,382	-	-	6,382	-	6,382
35	SAQIB MUSHIR A-60 SECTOR 15-A/5 BUFFERZONE KARACHI NEAR PEOPLES CHOWRANGI	42000-0365376-5	MUHAMMAD MUSHIR JAVED	4,212	1,360	-	5,572	-	-	860	-	860
36	A D MANZOOR IMPEX VILL & P/O TALWARA MUGHLAN SIALKOT	NOOR HUSSAIN BHATTI 34603-6689855-5	ALLAH DITTA BHATTI	6,224	6,373	-	12,597	-	-	6,373	-	6,373
37	KAMRAN ALI KHAN HOUSE NUMBER E-817 MOHALA JOHAR TOWN LAHORE	35202-7924961-9	IQBAL ALI KHAN	5,337	1,339	-	6,676	-	-	1,339	-	1,339
38	RABIA INTERNATIONAL 45F PECHS KARACHI	JAVED RAFAT SIDDIQUE 42201-2916774-9	RAFAT SAEED SIDDIQUI	9,097	10,827	-	19,925	9,097	-	10,827	-	19,925
39	NAEEM BROTHER PLOT NO 710 NOOR ROAD ALMAS COLONY BADAMI BAGH LAHORE	MAQSOOD AHMED 35202-2985170-1	AKBER ALI	43,173	33,416	-	76,589	-	-	23,589	-	23,589
40	MUHAMMAD ARIF VIRK AKBER PURA NARANG MANDI POST OFFICE KHAS TEHSIL FEROZE WALA DISTT SHEKHU PURA	295-9455802-9	MUHAMMAD SADIQ	968	5,816	-	6,784	968	-	5,816	-	6,784
41	AL NOOR FLOUR MILLS SHER SHAH BYE PASS NEAR NAAG SHAH CHOWK MULTAN	NAVEED HUSSAIN 36302-9033460-9 MUZAMMIL HUSSAIN 36302-4902519-1	ALI HUSSAIN ALI HUSSAIN	32,000	21,638	-	53,638	-	-	16,438	-	16,438
42	SARHAD RE ROLLING MILLS F-92 SITE KARACHI	M ZAFAR ALI KHAN 42201-1547406-7	M. SHAFIQ ALI KHAN	125,801	113,515	-	239,317	-	-	89,317	-	89,317
43	MUHAMMAD USMAN ANWAR HOUSE 13 BLOCK F MILLAT TOWN FAISALABAD	33100-2254806-7	M ANWAR TAHIR	1,259	647	-	1,906	-	-	505	-	505
44	Y&R ENTERPRISES AFZAL STREET,PULLY # 5 NAWAB PURA HAJVERY PUL, HARBANS PURA LAHORE	ZARRAR AHMED CHAUDHARY 35202-2414399-7 MUZAMMIL HUSSAIN 35202-2556831-7	MUHAMMAD HUSSAIN CHAUDHRY MUHAMMAD IQBAL	9,086	5,033	-	14,118	-	-	4,318	-	4,318

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
45	JEHAN ZEB ENTERPRISES 228-B MODEL TOWN GUJRANWALA	JAHANZAB TAUSEEF CHAUDHRY 34101-2510001-1	FAROOQ TAUSEEF	35,003	26,342	-	61,345	-	-	21,345	-	21,345
46	BEADON HYGIENIC PRODUCTS (PVT) LTD 42-COOPER ROAD LAHORE	SYED ATHAR ALI SHAH 35201-1587734-3 SYED TAHIR ALI 35201-1587760-3 SYED AZFAR ALI 35201-1587751-1	SYED AZHAR ALI SHAH SYED AZHAR ALI SYED AZHAR ALI	73,349	66,954	-	140,303	-	-	65,303	-	65,303
47	MODERN RICE GENERL MILLS VILLAGE P O FERROZE WALA DISTT GUJRANWALA	MUSHTAQ AHMAD 34101-8330474-5 RANA IFTIKHAR ALI 34101-2403709-9 RANA IMTIAZ ALI 34101-2694510-1 KAUSAR PARVEEN 34101-9885027-0 TAHIRA PARVEEN 34101-2656369-0 NASEEM AKHTAR 34101-4531240-8	RANA NIAZ AHMAD RANA NIAZ AHMAD NIAZ MUHAMMAD KHAN RANA AMANULLAH RANA MUSHTAQ AHMAD RANA MUHAMMAD ASHFAQ	45,084	45,802	-	90,886	-	-	45,802	-	45,802
48	HI-TECH PRINTING PVT LTD 20-B SPINZER PLAZA JAMRUD ROAD PESHAWAR	COL RTD IFTIKHAR AHMED COL RTD IQBAL SHAHEEN DR. ZULFIQAR AHMED KHAN SARFARAZ HUSSAIN BHATTI MRS. SHAGUFTA TARIQ	ABDUL HAMID KHAN DR CAPT GHAYUR AHMED JANAS KHAN MUHAMMAD HUSSAIN BHATTI MUHAMMAD UMER KHAN	10,004	34,640	-	44,644	10,004	-	34,640	-	44,644
49	TARIQ AZIZ BURRO FLAT NO 4 PLOT NO 8 SINDHI MUSLIM SOCIETY GULISTAN E ZAFAR P R E C H S KARACHI EAST	42201-5890011-7	ABDUL AZIZ BIRRIRO	8,000	20,362	-	28,362	-	-	20,362	-	20,362
50	SHADMAN COTTON MILLS LTD 3.5 KM FERROZ WATTAN WARBURTAN ROAD KOT SHAH MUHAMMAD NEAR CHANDI KOT STOP TEH & DISTT NANKANA SAHIB	SHAHID MAZHAR 35201-1575426-3 AHMED BIN SHAHID 35201-9223604-9 GHAZALA SHAHID	MAZHAR HUSSAIN SHAHID MAZHAR SHAHID MAZHAR	8,106	6,784	-	14,890	-	-	6,390	-	6,390
51	MANZOOR AHMAD DAAK KHANA CHINIOT SALARAY CHINIOT	33201-0203348-9	KAREEM MUHAMMAD	2,500	1,584	-	4,084	-	-	1,184	-	1,184
52	HAMEED RICE MILLS 5KM CHUNIAN ROAD ALLAHABAD DISTT KASUR	MOHAMMAD HAFEEZ ANWAR 35101-7639305-3	HAMEED ANWAR	11,999	5,824	-	17,823	-	-	5,252	-	5,252
53	SABI VILLAGE ALI MUHAMMAD RIND SANJAR CHANG TALUKA CHAMBER DISTT TANDO ALLAHYAR	41307-4568282-4	ALLAH DINO	994	716	-	1,710	-	-	560	-	560

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
54	FASHION POINT FASHION POINT HOUSE SCHOOL UNIFORM OLD NADRA OFFICE TEH DASKA DISTT SIALKOT	ABRAR AHSAN 34603-0766857-9	MUHAMMAD YAQOOB	2,500	727	-	3,227	-	-	652	-	652
55	SHAHID NAWAZ KOT SARWAR P/O KHAS TEHSIL PIANDI BHATTIAN	34302-1184675-7	MUHAMMAD YAR	2,200	1,122	-	3,321	-	-	956	-	956
56	NAEEM ANWAR PIPE INDUSTRY GALA GHARTALIAN WALA STREET NO 01 HAFIZABAD RD GUJRANWALA	HAROON ANWAR 34101-3006777-5	MUHAMMAD ANWAR	999	1,327	-	2,326	-	-	1,159	41	1,201
57	TARIQ TRADERS GRAIN MARKET GOJRA DISTT TOBA TEK SINGH	TARIQ HAYAT 33301-3845316-5 UMAR HAYAT 33301-8535426-5	ALI MUHAMMAD ALI MUHAMMAD	11,474	4,660	-	16,134	-	-	4,657	-	4,657
58	PUNJAB FOOD & FLOUR MILLS PVT NISHAT ABAD FAISALABAD	TANVEER IQBAL 33100-1616674-1 MUHAMMAD IQBAL 33100-4920515-3 SAEED IQBAL 33100-7753602-7 TASEER IQBAL 33100-6085240-1	CHAUDHARY MUHAMMAD IQBAL CHAUDHARY SHAH MUHAMMAD CHAUDHARY MUHAMMAD IQBAL CHAUDHARY MUHAMMAD IQBAL	4,991	1,690	-	6,681	-	-	1,681	-	1,681
59	ALI NAWAZ KHAN CHAK NO 169 E.B P.O CHAK NO 171 EB TEH BUREWALA DISTT VEHARI	36601-4066219-5	FALIK SHER	1,342	1,389	-	2,732	-	-	1,252	-	1,252
60	MUHAMMAD FAHAD KHAN KHAKWANI HOUSE NO 291/AMOHALLAH SHAMAS ABAD KHANEWAL ROAD MULTAN	36302-1696784-1	M HASHIM KHAN	1,342	654	-	1,996	-	-	546	-	546
61	MOHAMMAD NAWAZ CHAK NO.23 MB P.O. CHAK NO.24 MB	38201-1109147-1	HAJI GHULAM HAIDER	1,500	1,505	-	3,005	-	-	1,405	-	1,405
62	MUHAMMAD SAJJAD CHAK NO 435 JB DAK KHANA KHAS TEHSIL GOJRA DISTT TOBA TEK SINGH	33100-2671575-5	MUHAMMAD ISHAQ	2,500	1,329	-	3,829	-	-	1,029	-	1,029
63	WAKEEL TRADING CO 38 3 FLOOR RALEIGH HOUSE BANK SQUARE LAHORE	MUHAMMAD YOUSUF NADEEM 35402-5863917-9 MUHAMMAD WAKEEL 35402-5883012-9	MUHAMMAD YQAOOB MUHAMMAD YQAOOB	1,015	783	-	1,798	-	-	709	-	709

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
64	MALIK KHALID BIN QASIM KHAR HOUSE, ARA AKBAR SHAH, POST OFFICE KHAS, TEHSIL KOT ADU DISTT MUZAFFAR GARH	32303-9739540-5	MALIK GHULAM QASIM	5,999	3,082	-	9,081	-	-	3,081	-	3,081
65	AMIR SHAHZAD VILLAGE HALLOWAL P/O SAME TEH DIST NAROWAL	34501-5951986-5	MUHAMMAD ASLAM	1,808	1,027	-	2,835	-	-	935	-	935
66	MUMTAZ MAI MOUZA KOT BAHADUR P O MUBARIK PUR TEH KABIRWALA DISTT KHANEWAL	36102-7761171-2	MUHAMMAD RAFIQUE KHAN	1,441	1,180	-	2,621	-	-	971	-	971
67	MUHAMMAD ISHAQ 151/9-L DISTT SAHIWAL	36502-4489137-3	MUHAMMAD ABBAS	1,050	691	-	1,741	-	-	541	-	541
68	HAJI ASHIQ HUSSAIN MARBELS BHIMBER ROAD MIAN CHOCHAN KOTLA TEH KHARIAN DIST GUJRAT	NADEEM ASHIQ 34202-7531948-3	MALIK ASHIQ HUSSAIN	4,000	2,070	-	6,070	-	-	2,070	-	2,070
69	SHAH MUHAMMAD V.DAIRA CHEEMA P/O.NOUKHAR TEH.NOWSHERA VERKAN DISTT. GUJRANWALA	34103-3091942-1	NAZAR MUHAMMAD	1,150	640	-	1,790	-	-	640	-	640
70	KHALID MEHMOOD CHAK NO 92 JANOobi P.O KHAS LAHORE ROAD SARGODHA	38403-0244964-1	MUHAMMAD ARIF	2,850	2,922	-	5,772	-	-	2,622	-	2,622
71	G TEX INTERNATIONAL P 73 STREET NO 03 GULISTAN MARKET RAILWAY ROAD FAISALABAD	SYED SULTAN ALI 33100-2070742-3	SYED FAKHAR MUNIR BADAR	9,750	2,636	-	12,386	-	-	2,636	-	2,636
72	QASIR MEHMOOD VILLAGE BHATIAWAD P/O SALLOKE TEHSIL DASKA DISTT SIALKOT	34601-1845258-3	MUHAMMAD YOUSAF	1,496	1,315	-	2,811	-	-	1,171	-	1,171
73	MUHAMMAD YOUSAF CHAK NO 249 RB.BALOOCH WALA, KHACHRAL P/O 248 RB BISMILLAH PUR FAISALABAD	33100-2159356-1	NORANG	1,500	1,279	-	2,779	-	-	979	-	979
74	NASEEM BIBI VILL KOTLI TARAR P/O GULLCHI VIRAKA TEH MURIDKE DISTRICT SHEIKHUPURA	35405-0650027-0	MUHAMMAD BOOTA	2,499	2,432	-	4,930	-	-	2,180	-	2,180
75	MUSHTAQ AHMAD KOTLI KOROTANA P/O DALA WAHGA TEHSIL MURIDKE DISTT. SHEIKHU PURA	35401-1821694-9	KHURSHID AHMAD	1,199	1,255	-	2,454	-	-	1,004	-	1,004

Details of advances written-off

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Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
76	RAFI MEDICAL STORE RAIL BAZAR MURIDKE	SH MUHAMMAD RAFI 35401-7431627-9	SH MUHAMMAD SHAFI	1,000	964	-	1,963	-	-	764	-	764
77	JAHENGIR AHMAD VILLAGE BAHARKAY SARGANAY P/O PINDI BHATTIAN DISTT. HAFIZ ABAD	34302-1244805-5	SARANG KHAN	290	641	-	931	-	-	511	-	511
78	CHEEMA & BROTHERS SHARQI MANDI KALASKE P/O KHAS TEH WAZIRABAD DISTT GUJRANWALA	AHMED NASEER CHEEMA 34104-2347867-7	CH SANA ULLAH CHEEMA	2,000	1,547	-	3,547	-	-	1,547	-	1,547
79	MITHU KHAD & OIL DEALER V.P.O PATHANKE CHEEMA DISTT. GUJRANWALA	ZAKA ULLAH 34104-0690832-9 ARSHAD ULLAH 34104-2971363-3	MUHAMMAD ANWAR MUHAMMAD MALIK	952	1,080	-	2,032	-	-	792	-	792
80	HOUSE OF MEDICINES 1404-B PEOPLES COLONY FAISALABAD	MIRZA QAMAR BAIG 33100-0933270-7	MIRZA BASHIR BAIG	956	1,038	-	1,994	-	-	1,029	-	1,029
81	MUHAMMAD KHALID KHAN MOHALLAH MALOOK KHEL VPO ROKHR I DISTT.MIANWALI	38302-1116757-5	KHAN ZAMAN	804	691	-	1,495	-	-	635	-	635
82	SHABBIR AHMAD SHABBIR HOUSE NO 245 STREET NO 9 MOHALLAH MAZHAR FAREED COLONY SADIQABAD RAHIM YAR KHAN	31304-8031637-5	BASHIR AHMAD	4,905	2,333	-	7,239	-	-	2,198	-	2,198
83	DANYAL THEBO VILL.RIP.PO.PEERU LASHARI DISTT.BADIN	41105-4865660-9	ABDUL RAUF	1,008	867	-	1,875	-	-	675	-	675
84	MUHAMMAD MALIK CHAK NO 66M,P/O CHAK NO 73M, TEHSIL JALAL PUR PIR WALA DISTT. MULTAN	36301-8549427-3	PEER MUHAMMAD	1,194	953	-	2,146	-	-	921	-	921
85	MUHAMMAD SAFDAR NEW ABADI MAZDOR PULI HOUSE NO 220 STREET NO 2 SAHIWAL	36502-4619816-9	SHEIKH MUHAMMAD ASHRAF	1,619	675	-	2,295	-	-	637	-	637
86	SARDAR MUHAMMAD WASIF DOGER VILLAGE KAKAR GILL POST OFFICE SAME TEHSIL AND DISTT SHEIKHUPURA	35404-6723320-7	SARDAR MEHBOOB HUSSAIN	984	851	-	1,835	-	-	835	-	835
87	ZAHID IQBAL VILL LALWAN P/O LALIAN TEH SHAKARGARH DISTT NAROWAL	34502-1605872-9	ABDUL GHANI	800	676	-	1,476	-	-	600	-	600

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
88	ARAIN CORPORATION GRAIN MARKET TEH & DISTT SAHIWAL	MUHAMMAD RAFIQUE 36502-3327221-9	IMAN DIN	2,250	1,962	-	4,212	-	-	1,797	-	1,797
89	AFTAB TRADERS NEAR RAILWAY STATION RAILWAY ROAD GUJRAT	AFTAB AHMED 34201-8927928-3	MUHAMMAD ISHAQ QURESHI	14,699	1,650	-	16,349	-	-	1,650	-	1,650
90	KHUDA BUKSH AWAN VILLAGE MELOKEY P/O TALWANDI BHINDRAN TEH DISTT NAROWAL	34501-2727786-5	ALLAH DITTA AWAN	1,998	1,573	-	3,571	-	-	1,571	-	1,571
91	MUHAMMAD IBRAHIM KHAN HOUSE NO 3704/70 HASSAN PERWANA ROAD COLONY POST OFFICE G P O MULTAN	36302-9148629-3	MUHAMMAD HUSSAIN KHAN	15,000	8,248	-	23,248	-	-	6,748	-	6,748
92	AHMED NAWAZ KHAN CHAH ALAM KHANWALA PO GHUNDI TEHSIL DISTRICT MIANWALI	38302-1207418-9	MUHAMMAD AKBAR KHAN	762	795	-	1,557	-	-	657	-	657
93	RAI MUHAMMAD MUMTAZ SHAHWALA P O DERA JARA TEH SAHIWAL DISTT SARGODHA	38402-1745313-3	ALLAH BAKHSH	900	917	-	1,817	-	-	797	-	797
94	ADNAN BROTHERS SHOP NO.7 AL HUSSAIN CENTER 20.AABKARI ROAD PAPER MKT NEW ANARKALI LAHORE	ABDUL MANAN BABAR 35202-2799926-5	MAQBOOL AHMAD MALIK	1,500	708	-	2,208	-	-	708	-	708
95	MARK TOOLS 20 QADRI CENTRE CHOWK DALGRAN RAILWAY ROAD	HAFIZ MOHSIN 35202-6416677-5	S M AKBAR NAZ	1,500	1,366	-	2,866	-	-	1,366	-	1,366
96	GHAZANFAR AHMAD DUBBER BHATIAIN P/O MANDI SUKHAKP HAFIZABAD GUJRANWALA	34302-1213084-1	SHABEER AHMAD	5,002	1,146	-	6,147	-	-	1,145	-	1,145
97	NADEEM ALI SHOP 64 RAZA ELECTRIC MARKET BRENDRETH ROAD LAHORE	35202-6365547-3	FAQEER HUSSAIN	1,838	579	-	2,417	-	-	579	-	579
98	AL ZAIB PETROLIUM SERVICES NEAR DARBAR KAMAL CHISHTI KASUR	MUHAMMAD IMRAN 35102-7369562-9	HAJI CHIRAGH DIN	1,500	503	-	2,002	-	-	502	-	502
99	ALLAH WASAYA SANDHI WALA, MOHALLAH PATHANWALA LODHRAN	36203-8864297-5	MALIK DUR MUHAMMAD	1,400	1,851	-	3,251	-	-	1,551	-	1,551
100	SYED AKHTER HUSSIAN VILLAGE KOTLI BABA HEERA P/O SATRAH TEHSIL DASKA DISTT SIAL KOT	34601-3984105-7	ABDUL QADIR	1,100	911	-	2,010	-	-	910	-	910

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
101	JAVED IQBAL VILLAGE KHAN JAJA P O QILA KALERWALA TEHSIL PASRUR DISTT SIALKOT	34602-4388975-1	RASHEED AHMED	1,007	861	-	1,868	-	-	718	-	718
102	UBAID MEHMOOD HOUSE R 180 SEC 14 B SHADMAN TOWN NORTH KARACHI KARACHI	42101-1952180-9	MEHMOOD MIAN	893	361	-	1,254	249	-	360	-	608
103	KENT FOOT WEAR SHOPE C-52 CANTT SHOPING CENTER SADAR HYDERABAD	KHALID MEHMOOD SHAIKH 41304-6186568-9	SHAIKH ABDUL RAZZAQUE	9,958	6,146	-	16,104	-	-	4,827	-	4,827
104	PIR WARIS SHAH FILLING STATION HOUSE NO 187 ASKARI-9 ZARRAR SHAHEED ROAD LAHORE CANTT	AMANT ALI 35201-7647004-5	BASHIR AHMAD	9,995	2,938	-	12,933	-	-	2,933	-	2,933
105	MUHAMMAD SALEH SOBHO VILLAGE HAJI MUHAMMAD SOBHO JALALAN I P.O TNADO MUHAMMAD KHAN TULKA & DISTT. T.M. KHAN	41308-5965756-7	SATTAR DINO SOBHO	900	854	-	1,754	-	-	604	-	604
106	NASEER AHMAD MEHRUM KATHIA CHAK NO 741/GB PIRMAHAL DISTRICT TOBA TEK SINGH	33302-2239104-7	FAAZAL	600	532	-	1,132	-	-	532	-	532
107	KHAN MUHAMMAD CHAK NO 74A/5-L P.O SAME TEH & DISTT SAHIWAL	36502-2332320-9	BALIA	1,099	1,119	-	2,218	-	-	1,118	-	1,118
108	SHAHID SULTAN PANJY WALA P/O BARANA TEHSIL LALIAN DISTRICT CHINIOT	33201-6740892-3	KHUDA BAKHSH	300	1,723	-	2,023	-	-	1,373	-	1,373
109	SANAULLAH VILLAGE UDOFATEH TEHSIL PASRUR DISTT SIALKOT	34602-8013543-7	AHMED DIN	2,399	1,644	-	4,043	-	-	1,443	-	1,443
110	LASANI AMJAD TRADERS SHOP NO.12/13 GHALLAH MANDI NARANG MANDI TEHSIL MURIDKE	AMJAD ALI 35401-4615402-7	REHMAT ALI	2,499	1,231	-	3,730	-	-	1,230	-	1,230
111	MUHAMMAD MERAJ MOUZA ALI UD DIN CHAH LAKHWERIAN WALA LUDDAN P O SAME TEH & DISTT VEHARI	36603-1458037-1	HAJI MOHABAT KHAN	900	621	-	1,521	-	-	556	-	556
112	ATTAULLAH BROHI NEAR HANFIYA MASJID MUHALLA RAILWAY COLONY JACOBABAD	43102-2465331-7	HAJI MIR MUHAMMAD	754	296	-	1,050	754	-	296	-	1,050
113	SHAHEEN AMEEN ISLAMI COLONY BLK 7 BAHAWALPUR	31301-6537779-2	AMEEN GUL	442	260	-	702	442	-	260	-	702

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
114	SALMAN HOUSE NO 05 STREET NO 5 GHAZAI PARK ASHIQ ABAD NEAR MASJID OUTQAT LAHORE	35202-8784140-3	MUHAMMAD ASLAM	359	192	-	551	359	-	192	-	551
115	ATIF SARFRAZ ELITE POLICE TRAINING SCHOOL BEDIAN ROAD LAHORE	34301-0486363-3	MUHAMMAD SARFRAZ	553	263	-	816	553	-	263	-	816
116	ANEEL SULEMAN H NO J-385 ST NO 7 DHOKE ELAHI BAKHSH RAWALPINDI	37405-6935449-5	ANDERAS LOZALIAM	323	188	-	511	323	-	188	-	511
117	FARMAN ALI AIRPORT RD MEHDABAD COLONY LARKANA	43201-1867914-1	GHULAM RASOOL RAZ ABTO	555	253	-	808	555	-	253	-	808
118	MOHAMMAD SHAFIQUE WAPDA OFFICE SCHEME 2 STELLITE TOWN MIRPUR KHAS	42201-9320750-7	MUHAMMAD ILYAS	333	187	-	519	333	-	187	-	519
119	MUHAMMAD ISHFAQ GRAND PARENT POULTRY PVT LTD 2A AHMAD BLOCK NEW GARDEN TOWN LAHORE	35102-4536479-3	MUHAMAMD RAFIQ	368	157	-	525	368	-	157	-	525
120	ABDUL SATTAR H NO D-3 CHAINA HOUSING COLONY ISKANDERABAD MIANWALI	38401-8387396-5	ABDUL MAJEED	454	196	-	650	454	-	196	-	650
121	KASHIF JAHANGHEER NAIZD FAROOQ HOSPITAL HOUSE NO 2 MOHALA ASIF BLOCK ALLAMA IQBAL TOWN LAHORE	35501-0236393-1	JAHANGHEER MASIH	357	199	-	556	357	-	199	-	556
122	AKHTAR KHAN HOUSE NO B 111 2672 MOHALA MIR SERAJ UD DIN BAHAWALPUR	31202-0314978-3	NAZAR HUSSAIN KHAN	381	183	-	565	381	-	183	-	565
123	USMAN UMER SANTE PHARAMA UDL DISTRIBUTION GUL PLAZA CHARADDA ROAD PESHAWAR	17301-7556083-5	MUHAMMAD UMER	404	213	-	616	404	-	213	-	616
124	ALI FARHAN ZAFAR H NO 558 ST NO B MOHALLAH ZAFAR COLONY SARGODHA	38403-0127147-9	ZAFAR IQBAL	539	91	-	630	539	-	91	-	630
125	WAQAR SHOUKAT 116089 SEW L 05 US APPAREL UNIT 3&420KM OFF FEROPUR RD GLAXO TOWN ANAM RD LHR	35201-2649680-3	SHOUKAT MASIH	422	231	-	653	422	-	231	-	653

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
126	SAMUEL BALOCH P/O SAHOWALA NEAR UNION COUNCIL SIALKOT	34604-0451567-7	BALOCH BHATTI	572	215	-	787	572	-	215	-	787
127	TAHIR ZIA AND CO MANDI LOHARIAN BAZAR ALMARIAN GUJRANWALA	MUHAMMAD ZIA 34101-5997349-3	MUHAMMAD IBRAHIM	7,500	6,661	-	14,161	-	-	6,476	-	6,476
128	HUSNAIN MALIK GARMENTS PURANI GHALLA MANDI PATTOKI TEH PATTOKI DISTT KASUR	MAQBOOL HUSSAIN 35202-5658157-7	FAZAL HUSSAIN	2,000	867	-	2,866	-	-	866	-	866
129	MUHAMMAD ALI KHAN CHAK NO HASSU KAY TEHSIL TANDLIANWALA DISTT FAISALABAD	33106-9619865-1	TAJAY KHAN	1,328	963	-	2,291	-	-	741	-	741
130	GHULAM GHOUS VILL & POST OFFICE ADAMKE CHEEMA TEH.DASKA DISTT.SIALKOT	34601-9788360-1	MUHAMMAD IQBAL	1,199	1,000	-	2,199	-	-	899	-	899
131	KHAN OIL MILLS & ICE FACTROY CHAK NO.157-NB SHAH NIKDAR TEHSIL SILLANWALI DISTRICT SARGODHA	AHMED SHER 38405-2264714-9 ZULQURNAIN ASHRAF 33202-3141081-3 MUHAMMAD SHOAIB ZAFAR 38405-2296382-1	KHAN MUHAMMAD MUHAMMAD ASHRAF MUHAMMAD BAKHSH	9,998	2,000	-	11,998	-	-	1,998	-	1,998
132	MUHAMMAD RIZWAN AHMED AHALI RAWAN CHAK NO 110 SB DAAK KHANA KHAS TEHSIL AND DISTRICT SARGODHA	38403-6297971-1	MUHAMMAD RAMZAN	2,000	1,566	-	3,566	-	-	1,341	-	1,341
133	GHULAM ABBAS PO LANGAR MAKHDOOM KARIM PUR TEH LALLIAN DISSTT CHINIOT	33402-0439416-9	AHMAD	2,397	829	-	3,226	-	-	826	-	826
134	MUHAMMAD NAWAZ PO CHAK NO 31 JANUBI CHAK NO 51 BS TEH AND DISTT SARGODHA	38403-2514158-1	SHAHOO	2,000	852	-	2,852	-	-	812	-	812
135	CHISHTI ELECTRONICS KASUR ROAD ELLAH ABAD TEHSIL CHUNIAN DISTT KASUR	KHALID NAWAZ 35101-8305441-7	MUHAMMAD MANSHA	1,696	678	-	2,374	-	-	574	-	574
136	MUHAMMAD TARIQ ALI VILLAGE NATHAL KAY P/O USMAN WALA TEH & DISTT KASUR	35201-1989215-1	SADIQ ALI	1,356	767	-	2,123	-	-	767	-	767
137	MUNAWAR HUSSAIN VILLEGE TARAGAY WALI P/O SAME SHEIKHUPURA	35404-3593667-9	REHMAT ALI	960	717	-	1,677	-	-	577	-	577

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
138	MUHAMMAD SALEEM MEMON MOHALLA BULARI TALKA BULARI SHAH KARIM DISTT TANDO MUHAMMAD KHAN	41308-5054205-7	HAJI BACHOO	850	661	-	1,511	-	-	511	-	511
139	RASHID JAVED VILL BHAGWANPUR P/O KOTNAINA TEH SHAKARGARH DIST NAROWAL	37405-8246584-1	ZAHOR AHMAD	800	853	-	1,653	-	-	753	-	753
140	HAJI AHMED SHAH HUSSAIN P/O KHAS TEH NOOR PUR DISTT KHUSHAB	38202-5121980-9	DILAWAR	1,150	723	-	1,873	-	-	566	-	566
141	SAJJAD HUSSAIN MANSOOR H NO B VII 62/83 MOHALA NAZIRABAD COLONY BWP BAHAWALPUR	31202-5906628-3	MIAN NOOR MUHAMMAD	614	193	-	808	614	-	193	-	808
142	MUHAMMAD BILAL NASEER HOUSE NO 02 W9 MADINA TOWN FAISALABAD	33100-8848197-9	CH NASEED AHMED	397	229	-	626	397	-	229	-	626
143	ALI RAZA MAIN ROAD RAZAABAD KHAS CHAK NO 199 MUHALLA MADAR FAISALABAD	33102-1624694-5	SAFDER HUSSAIN	349	188	-	538	349	-	188	-	538
144	SYED KHAWAR ABBAS DAAK KHANA ABBAS NAGR THATTHI KHUDA YAR TEHSIL LALIAN DISTRICT CHINIOT	33201-1652787-9	SYED AZHAR HUSSAIN SHAH	479	722	-	1,201	-	-	501	-	501
145	SAJID ALI CHAK NO 249 JB SYED WALA TEHSIL BHOWANA DISTT CHINIOT	33201-5338191-1	LAL KHAN	2,500	982	-	3,482	-	-	672	-	672
146	ABID HAMEED KHAN VILLAGE KHUSHHAL GRAH P/O ZAFARWAL TEHSIL ZAFARWAL DISTT NAROWAL	34501-7320414-3	ABDUL HAMEED KHAN	1,358	1,257	-	2,616	-	-	1,191	-	1,191
147	MUHAMMAD RIAZ H NO 12/6 CAMP 7 PAF BASE MASROOR KARACHI	36202-8634638-3	MUHAMMAD YASEEN KHAN	514	175	-	689	514	-	175	-	689
148	MARINA ASGHAR HOLY FAMILY HOSPITAL SATTLITE TOWN RAWALPINDI	37303-8970932-0	S M ASGHAR	546	267	-	812	546	-	267	-	812
149	RAJA SIMAB KHAN KAT TARHALA TEH AND DIST MUZAFFARABAD	82203-8805393-9	SHAH ZAMAN KHAN	587	101	-	688	587	-	101	-	688
150	ABDUL REHMAN QURESHI HOUSE NUMBER 6 GALI NUMBER 8 MOHALA MOHANI ROAD LAHORE	35202-6875679-3	MOIN QURESHI	482	258	-	741	482	-	258	-	741

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
151	SHARIF RAZA BALOCHISTAN RESIDENTIAL COLLEGE UTHAL QUETTA	52203-7185003-1	WALI MUHAMMAD	434	253	-	687	434	-	253	-	687
152	BASHRAT HUSSAIN SYALYAN KATHARPO NEW AFZAL PUR KOTLI	81203-1661326-5	M HUSSAIN	428	148	-	577	428	-	148	-	577
153	MUHAMMAD SHAHBAZ QUALITY CONTROL 754826 M BLOCK GULBERG III LAHORE	35201-6933135-7	MUHAMMAD ALI	699	322	-	1,021	699	-	322	-	1,021
154	MUHAMMAD TASLEEM ASLAM KOHINOOR MILLS LIMITED 8TH KM MANGA RAIWIND ROAD KASUR	31102-9813223-1	MUHAMMAD ASLAM KHAN	358	173	-	531	358	-	173	-	531
155	ABID JAVED ABID JAVED HOUSE # 129-B SHAMSHABAD COLONY MULTAN	36502-3167004-7	MUHAMMAD ASLAM	585	140	-	725	585	-	140	-	725
156	QAISAR KHAN JUBILEE FAMILY TAKAFUL 2ND FLOOR SAMAD PLAZA UNIVERSITY ROAD PESHAWAR	21201-3993469-9	MEHRABAN SHAH	599	224	-	822	599	-	224	-	822
157	HOBDAR HUSSAIN IBDAL PO KHAS TEH BHALWAL	38401-3999883-3	FAIZ MUHAMMAD	347	196	-	543	347	-	196	-	543
158	SYED ZAKA UD DULLAH HAMDARD MOH GARHI SHAHDOLA T/D GUJRAT	34201-0334499-3	SHUJA UD DOULA	586	300	-	886	586	-	300	-	886
159	KHAWAJA SHAHARYAR ANSARI HOSUE NO A 150 BLOCK 4A SCHEME NO33 ABBAS TOWN GULISTAN E HIJRI KARACHI	42201-8307809-1	KHAWAJA ASGHAR	340	195	-	535	340	-	195	-	535
160	SAMI ULLAH BARRACK 1 PLATOON NO 438 FC LINE MANZAI	14202-1324253-5	DARYA KHAN	429	220	-	649	429	-	220	-	649
161	MUHAMMAD FAHEEM HOUSE NO 28 STREET NO 02 NASHEMAN TOWN ATTARI SAROBA LAHORE	35201-6702560-7	NASIR KHAN	455	198	-	654	455	-	198	-	654
162	RIZWAN ALI KUNBHAR VILLAGE VEHRO SHARIF PO UMERKOT REHRO THAR	44401-3430945-5	M ACHAR	745	117	-	862	745	-	117	-	862
163	NOMAN TARIQ NUST CENTRAL LIBRARY SEC H-12 ISLAMABAD	37105-0228154-7	TARIQ MEHMOOD	351	154	-	505	351	-	154	-	505

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
164	NAVEED AHMAD HOUSE 4-A US RESIDENT COLONY 3 KM DEFENCE ROAD RAWIND ROAD LAHORE	35404-4240441-9	MUHAMMAD ASGHAR	674	314	-	989	674	-	314	-	989
165	YASIR JAVED NO9 MR SQN PAF BASE MUSHAF SARGODHA	37405-2221171-1	JAVEED IQBAL	425	139	-	564	425	-	139	-	564
166	MUHAMMAD IJAZ VILLAGE LADHEKEY PO KHAS TEH DISTT LAHORE	35202-7378853-7	MUHAMMAD NISAR	388	155	-	543	388	-	155	-	543
167	ANWAR UL HAQ H NO 7 ST NO 9 BLOCK B EDEN VALUE HOME OPP HONDA GATEWAY MAIN MULTAN ROAD LAHORE	35301-4174724-7	MUHAMMAD NAWAZ	346	160	-	506	346	-	160	-	506
168	EJAZ ALI H NO SN 72 AWAN COLONY DHOK KALA KHAN RAWALPINDI	35200-9425732-1	MEHR IMAM DIN	402	227	-	629	402	-	227	-	629
169	GULRAIZ KHAN UNIV OF KOLTI, KOTLI	81202-0664172-3	NAJEEB ULLAH KHAN	378	127	-	505	378	-	127	-	505
170	WALEED SABIR C/O FAZLE RABI GENERAL STORE ALSAIF PLAZA GOJRA MUZAFARABAD AJK	82203-2280412-5	SABIR HUSSAIN QURESHI	328	186	-	514	328	-	186	-	514
171	RANA UMAIR SHABBIR H NO 546 Q BLK JOHAR TOWN LAHORE	35202-2553486-7	RANA SHABBIR AHMED KHAN	648	366	-	1,013	648	-	366	-	1,013
172	NAZIR MASIH H NO 340 STREET NO 15 GUL BAHAR COLONY LAHORE	35201-1296230-5	NARLTON	444	249	-	693	444	-	249	-	693
173	JAVED IQBAL CHAK 93/12-L P/O SAME TEHSIL CHICHAWATNI DISTT SAHIWAL	36501-4846358-3	MUHAMMAD SIDDIQ	900	1,018	-	1,918	-	-	793	-	793
174	WAQAR ALI HOUSE NO 03 HEAD QUARTER POLICE LINE PESHAWAR	17301-4867103-1	ALAMDAR HUSSAIN	382	201	-	583	382	-	201	-	583
175	INAYAT HUSSAIN SHAH HOUSE NUMBER D263 MUHALLAH MIANWALI MOWACH GOTH HUB RIVER RD BALDIA TOWN KARACHI	51507-8636283-9	KIFAYAT HUSSAIN SHAH	388	225	-	613	388	-	225	-	613
176	SAJJAD MASIH QTR NO 20 LODHI CAMP PAF BASE LAHORE	45505-0360270-5	CHAMAN MASIH	488	153	-	641	488	-	153	-	641

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
177	ABDUL TOUFEEQ IMTIAZ SUPER STORE MAIN SHARF ABAD ROAD KARACHI	41304-6664747-3	ABDUL RAFEEQ SHAIKH	345	188	-	533	345	-	188	-	533
178	SUNDAS HOUSE NO. L-796 SECTOR 5/L NORTH KARACHI, KARACHI	42501-6594651-6	MUHAMMAD SALEEM	427	184	-	610	427	-	184	-	610
179	KHALID HUSSAIN HOUSE NO 03 IST FLOOR STREET NO.1 AL REHMAN BUILDING BIHAR COLONY KARACHI	42201-3960831-9	GHULAM HUSSAIN	411	232	-	643	411	-	232	-	643
180	ALI HASSAN HOUSE NO 507, ST # 31, ASKARI 9, ZARAR SHAHEED ROAD, LAHORE CANTT.	36302-8989377-5	SH SALEEM AKHTAR	505	223	-	728	505	-	223	-	728
181	MANTHAR HUSSAIN FLAT NO 303 KHURSHEED TOWN HALA NAKA HYDERABAD	41307-3716739-1	KHADAM HUSSAIN	653	319	-	972	653	-	319	-	972
182	SAJJAD ABBAS ASF COLONY PANJGUR AIRPORT PAK MULTAN	32103-6054419-7	GHULAM ABBAS	512	336	-	848	512	-	336	-	848
183	AMIR ALI SNPC PLANT INDUSTRIAL ESTATE MULTAN	35202-2308574-7	MUHAMMAD INAYAT	387	158	-	545	387	-	158	-	545
184	MUHAMMAD SHAHID EXTENSION BLOCK DEFENCE VIEW HOUSE 141 ST 5 JARANWALA FAISALABAD	33104-7055238-1	BASHIR AHMED	485	208	-	693	485	-	208	-	693
185	ABDUL BASIT H 2 MOH AFZAL SHAH COILONY NAWAB SHAH	45402-3504750-3	M JAMALI	434	237	-	671	434	-	237	-	671
186	MUHAMMAD AMIR KHAN MUHALA EID GAA WARD NO 2 STREET MUSHTAQ HOTLE WALI NEAR WARYA CLINIC LODHRAN	36203-6043164-3	ABDUL KHALIQ	471	234	-	705	471	-	234	-	705
187	MIRZA FARHAN BAIG FLAT NO 79 TOWER 4 BEHRIA TOWN BAHOTA APARTMENT KARACHI	41304-6188693-7	MIRZA ATHESHAME	1,021	540	-	1,562	1,021	-	540	-	1,562
188	ADIL MEHMOOD P O DOKHUA TEHSIL GUJARKHAN RAWALPINDI	37401-0148280-9	MEHMOOD HUSSAIN	462	237	-	699	462	-	237	-	699

Details of advances written-off

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Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
189	TAHIR IQBAL HOUSE NO 9/4 C BLOCK C SATELLITE TOWN RAWALPINDI	37405-0226089-5	KHUSHI MASHI	619	305	-	924	619	-	305	-	924
190	ALAMGIR BALAL HANDS(HEALTH AND NUTRITION DEV SOC) VEHRO BYPASS VEHRO SHARIF TEHSIL AND DSIT UMERKOT	41301-8904548-5	AZEEM KHAN BILAL	440	247	-	687	440	-	247	-	687
191	MUHAMMAD ASIF OUTFITTERS STORE DEFENCE ROAD TOWARDS FEROPUR ROAD NEAR DHA RAHBAR PHASE XI LAHORE	35202-7512994-5	NAZIR AHMAD	517	150	-	666	517	-	150	-	666
192	MUHAMMAD IKRAM HILALPUR PO KHAS TEH KOTMOMIN DISTT SARGODHA	38406-0497327-1	ZAFAR HUSSAIN	996	806	-	1,803	-	-	673	-	673
193	UMER HAYAT VILLAGE MACHANA POST OFFICE BADDOMALHI TEHSIL AND DISTRICT NAROWAL	34501-4188948-7	ASAD ULLAH KHAN	2,200	1,217	-	3,417	-	-	917	-	917
194	MUHAMMAD AMIN CHAK LADHAYWAL P/O BASIRPUR TEHSIL DEPALPUR DISTT, OKARA	35301-1940740-1	MUHAMMAD MUSA	546	1,569	-	2,115	-	-	1,365	-	1,365
195	WASEEM OIL TRADETRS HASILPUR KANAL NEIMI TALLAR ROAD CHAK NO.18 PO KHAS TEH HASIL PUR BAHAWALPUR	FAZAL HUSSAIN 31203-7426315-9	DIL MOHAMMAD	3,809	1,116	-	4,925	-	-	1,115	-	1,115
196	CH.ABDUL MAJEED PSO PETROLPUMP FAISAL COLONY PASRUR DISTT SIALKOT	34602-1490432-7	GHULAM MUHAMMAD	1,100	1,189	-	2,289	-	-	1,039	-	1,039
197	SHAH DEEN VILLAGE KOT RAJKOUR POST OFFICE GUNNA KALAN TEH AND DISTT SIALKOT	34603-0410336-1	HASHAM DEEN	999	582	-	1,581	-	-	581	-	581
198	M AKRAM NADEEM CHAK NO 388 JB POST OFFICE SAME TEHSIL & DISTT TOBA TEK SINGH	33303-2184109-5	GHULAM NABI	1,800	1,604	-	3,404	-	-	1,604	-	1,604
199	PAK KASHMIR LEATHER COMPLEX VILLAGE AND PO BARATLA DISTT KOTLI AK	ABID HUSSAIN 81202-5741867-3	SAID MUHAMMAD	9,911	1,184	-	11,095	-	-	1,184	-	1,184
200	CH ALI NAWAZ KHAN NAWAZ CHAK SHAH NAWAZ KHANWANA WALA P/O SUKH PUR TEHSIL DEPAL PUR DISTT.OKARA	35301-2000633-9	ALLAH NAWAZ	988	1,142	-	2,130	-	-	1,030	-	1,030

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
201	MUHAMMAD AKRAM HOUSE NO. 158/82 CHINIOT MORE KOT SAI SINGH TEH & DISTT JHANG	33202-1335040-9	CHIRAGH DIN	900	636	-	1,536	-	-	636	-	636
202	MALIK GHULAM ABBAS 11-ZIKRIA TOWN BOASAN ROAD MULTAN	36302-0631340-7	MALIK MUHAMMAD BAKHSH	1,994	1,651	-	3,645	-	-	1,645	-	1,645
203	SAJID HUSSAIN BASTI PEER MUBARAK MULTAN SHUJABADS SHUJABAD MULTAN	36304-6811083-5	DEEN MUHAMMAD	464	67	-	531	464	-	67	-	531
204	JAMAL AHMAD 126 /3 QAUID E AZAM INDUSTRIAL STATE KOT LAKH PAT LAHORE	37405-7152216-1	LAL DIN	378	178	-	556	378	-	178	-	556
205	NAFEES ASGHAR PO BEHRA HATHI WIND BHALWAL DISTT SARGODHA	38401-0194197-9	SYED ASGHAR ALI SHAH	557	140	-	697	557	-	140	-	697
206	MUHAMMAD HAYAT IMAM BUX BUGTI NEAR NADRA OFFICE TEHSIL SUI DISTRICT DERA BUGHTI	55101-4914651-5	BAHAR KHAN	551	268	-	819	551	-	268	-	819
207	LAL HAN LABOUR QTR DERA BUGHTI	55103-6321134-9	DUR MUHAMMAD	386	228	-	613	386	-	228	-	613
208	MUAZZAM ALI AWAN P-264 STREET NO 03 NAWABAN WALA FAISALABAD	33100-0990778-1	MUHAMMAD AFZAL HUSSAIN	637	181	-	818	637	-	181	-	818
209	ULFAT ALI CHAK 2 KB PO PAK PATTAN TEH AND DIST PAK PATTAN PAKISTAN	36402-0821269-9	NAZAR KHAN	544	336	-	880	544	-	336	-	880
210	SAEED ANWER A.J DAIRY FARM P/O SHORKOT CANTT RAKH KAKKI KOHNA TEHSIL SHORKOT DISTT JHANG	33203-5324890-1	MUHAMMAD ANWER	346	167	-	513	346	-	167	-	513
211	SHAHANSHAH MUHALLA EID GAH NAUERO TALUKA RATDERO DIST LARKANA	42201-4680865-1	ARIZ MUHAMMAD SHAH	422	175	-	597	422	-	175	-	597
212	SHAMILA VILLAGE LASHKARI CHANDIO P O KAMMBER ALI KHAN KAMBER SHAHDAD KOT	43402-0744039-4	MUHAMMAD MALOOK	363	176	-	539	363	-	176	-	539
213	USMAN MASIH IDEAS GULL AHMED STORE 189 F PIA HOUSEING SOCIETY WAPDA TOWN LAHORE	35202-0794426-3	MASIH KALA	337	180	-	517	337	-	180	-	517

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
214	RIAZ AHMED STREET # 04 MUHALLA ATTA KALEEM COLONY TEH SADIQ ABAD RAHIM YAR KHAN	31304-2998305-7	GHULAM HUSSAIN	483	247	-	730	483	-	247	-	730
215	EHSAN ULLAH PO KHAS CHAK NO 6 NB TEHSIL DISTT SARGODHA BHALWAL	38401-1694751-1	M MUNIR	344	204	-	548	344	-	204	-	548
216	MUHAMMAD SHAKEEL POST OFFICE SAME CHAK NO 360/W B TEH DUNYA PUR DISTT LODHRAN	36201-2669757-1	MUHAMMAD MANZOOR	540	261	-	802	540	-	261	-	802
217	ASAD MEHMOOD RAJO P.O BADIANA TEH & DISTT SIALKOT	34603-2914637-5	NASIR MAHMOOD	1,803	1,122	-	2,925	-	-	1,025	-	1,025
218	SALAHUDDIN KHAN HOUSE NO A-M1801UHALLAH SHAHRA-E-FAISAL SEA BREEZE PLAZA CLIFTON CANTT KARACHI	42301-0994706-3	FATAH MUHAMMAD KHAN	1,091	770	-	1,862	-	-	699	-	699
219	ARIF AGENCIES TAXILA	ARIF BUTT 37406-4200479-1	MUHAMMAD IBRAHIM	5,000	904	-	5,904	-	-	904	-	904
220	IRFAN AKBAR VILL.BHETAY WAD P.OFFICE SALLO KEY TEH.DASKA DISTT.SIALKOT	34601-3015909-3	AKBAR ALI	1,000	977	-	1,977	-	-	827	-	827
221	MUHAMMAD SADIQ VILL AND P O KAKRALI TEH KHARIAN DISTT GUJRAT	34202-0756788-5	FATEH DIN	2,483	2,045	-	4,527	-	-	2,045	-	2,045
222	MUHAMMAD IMRAN KORAY KOT P.O KHAS TEHSIL KOT MOMIN SARGODHA	38406-0344429-3	MUHAMMAD RIAZ	718	895	-	1,613	-	-	788	-	788
223	TAIMUR ALI TIWANA MOHALLAH, QAZIAN WALAN, MITHA TIWANA, TEHSIL AND DISTT KHUSHAB	38403-0207793-7	M ZUBAIR TIWANA	2,390	2,524	-	4,914	-	-	2,264	-	2,264
224	ZULIFQAR ALI THATTA TAHIR KA P/O SHREEN TEH OKARA DISTT OKARA	35302-6616368-7	MUHAMMAD ALI	3,500	686	-	4,186	-	-	686	-	686
225	MUHAMMAD AFZAL VILL MAHAL CHANAWAN P/O SAHOWALI CHAMRANGAN TEH DISTT SIALKOT	34603-2150365-5	NOOR AHMED	1,998	1,641	-	3,639	-	-	1,639	-	1,639
226	MUHAMMAD NASIR WAHEED HOUSE NO KH 611 STREET NO 06 SHABBIR LANE OPPOSITE PEPSI WARE HOUSE PESHAWAR ROAD RAWALPINDI	35202-2385498-7	ABDUL WAHEED	656	353	-	1,008	656	-	353	-	1,008

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
227	TAHIR KABEER NOSHERA RD ST NO 5 MOH MUHAMMAAD NAGAR GUJRANWALA	34101-0903953-1	KABEER	425	181	-	605	425	-	181	-	605
228	ATIF ALI KHAN HOUSE NO 798/6-B MODEL TOWN B KARBALA RD BAHAWALPUR	31202-6759044-3	LIAQAT ALI KHAN	500	240	-	740	500	-	240	-	740
229	MANZOOR AHMED MOHALLA NAYABAD NEAR AIRPORT RD GAWDER DIST QUETTA	51503-0740392-5	HADAYAT ULLAH	385	152	-	537	385	-	152	-	537
230	MOHAMMAD AQEEL SHAH TIBA GAMME SHAH P/O TIBA MEHERBAN TEHSIL PIPLAN DISTT MIANWALI	38303-6515547-3	SYED MUHAMMAD SHAH	700	1,004	-	1,704	-	-	904	-	904
231	MUNAWAR KHAN VILLAGE MUSAPUR PO KOT NAINAN TEH SHAKERGARH DISTRICT NAROWAL SIALKOT	34502-5838780-1	MUHAMMAD KHAN	1,430	2,353	-	3,783	-	-	2,093	-	2,093
232	ABDUL GHAFAR CHIYANWALI P.O SATRAN TEHSIL DASKA DISTRICT SIALKOT	34601-8085505-9	SABIR KHAN	2,100	724	-	2,824	-	-	724	-	724
233	CAR CLUB CAR CLUB PINDI BY PASS MAIN GT ROAD GUJRANWALA	SAJJAD AMIR 34101-2079502-9	ZULFIQAR AHMED	9,500	4,725	-	14,224	-	-	3,764	-	3,764
234	PERVEZ AKHTAR HEGARWALA,PO KHAS,GUJRAT SARGODA RD TEH PHALIA DISTT MANDI BAHAUDDIN	34403-1955630-1	MUHAMMAD INAYAT	1,500	1,318	-	2,817	-	-	1,317	-	1,317
235	HASSAN IRFAN BHIRI KHURD NEAR SARDAR SHAKEEL DEERA TEHSIL NOSHEHRA VIRKAN DISTRICT	34103-3534254-9	IRFAN AHMED	346	807	-	1,153	-	-	553	-	553
236	MUHAMMAD USMAN MANDIALA PO CHOBARA TEH PASROOR DISTT SIALKOT	34602-0412402-5	MANZOOR AHMED	999	1,918	-	2,917	-	-	1,727	-	1,727
237	MUHAMMAD YOUSAF P O DOGRI HARIAN TEH PASRUR DISTT. SIALKOT	34602-9683418-1	ABDUL LATIF	1,150	1,252	-	2,401	-	-	1,101	-	1,101
238	MUHAMMAD ARFAN CHEEMA VILL DILAWAR CHEEMA P/O SAME TEH WAZIRABAD	34104-3659525-3	MUHAMMAD HUSSAIN	761	1,077	-	1,838	-	-	938	-	938

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
239	FAQIR MOHAMMAD CHAK NO 327/HR P/O MAROOT TEHSIL FORT ABBAS DISTT BAHAWAL NAGAR	31103-1156070-3	MUHAMMAD RAMZAN	3,233	604	-	3,837	-	-	604	-	604
240	MUHAMMAD AFTAB MOUZA GULHARI P/O ASHRAF SHAH TEH MAILSI DISTT VEHARI	36602-1991032-1	MUHAMMAD ARSHAD	4,000	1,457	-	5,457	-	-	1,457	-	1,457
241	ALI RAZA KHAN H NO 20 ST NO 32 ZAKARYA TOWN BOSAN ROAD MULTAN	36602-1422403-3	GHULAM MURTAZA KHAN	2,003	1,578	-	3,581	-	-	1,578	-	1,578
242	CHAUDHRY WEAVING FACTORY REHMANABAD GULSHAN SIZING WALI GALI GHULAMABAD FAISALABAD	MUHAMMAD SALEEM 33100-3484452-7	SALAMAT ALI	2,000	807	-	2,807	-	-	807	-	807
243	MUHAMMAD HANIF CHAK NO 29/14 L P/O CHAK NO 92/12 L TEHSIL CHICHAWATNI DISTT SAHIWAL	36603-1453064-5	KHUSHI MUHAMMAD	1,650	1,376	-	3,026	-	-	1,376	-	1,376
244	RAZA ASKARI HOUSE NO B-1105 ALPINE PLAZA BLOCK 10 GULISTAN E JOHAR KARACHI	42201-1263017-3	SYED SHAHID HASSAN	1,796	517	-	2,314	496	-	517	-	1,014
245	ATIB UL HASSAN 3RD FLOOR DIN ZAMEEN.COM BLUE AREA ISLAMABAD	82302-7554407-3	MUHAMMAD AKHTAR KHAN	1,223	312	-	1,534	437	-	310	-	747
246	MUHAMMAD YOUNIS GOVT MODEL PRIMARY SCHOOL ANNOKI TEHSIL AND DISTT BAHAWALNAGAR	31101-0497136-9	MANZOOR AHMAD	1,799	1,208	-	3,007	-	-	1,207	-	1,207
247	GHULAM ABBAS CHAK NO 438 JB PO KHAS TEH GOJRA DISTT TOBA TEK SINGH	33301-4242850-1	GHULAM ALI	1,300	1,311	-	2,611	-	-	1,311	-	1,311
248	AHMAD YAR MOZA SALARY P/O CHINIOT TEHSIL & DISTT CHINIOT	33201-9331741-5	NOOR MUHAMMAD	3,000	1,701	-	4,701	-	-	1,701	-	1,701
249	AKHTAR ALI MEHMOOD HOUSE NO 4 STREET NO 2 SAKHI SARWER COLONY RAHIM YAR KHAN	31303-7188868-9	ALLAH DITTA	1,298	1,408	-	2,706	-	-	1,081	-	1,081
250	JAWAD AHMED MALIK VACCINE HOUSE NW-695/2 OPPOSITE KALI TANKI, SAID PUR ROAD RAWALPINDI	37405-4637403-3	MALIK MUSHTAQ AHMED	29,369	5,481	-	34,851	-	-	5,481	-	5,481

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
251	HASEEB DAIRY FARM SHAH ROAD HOUSE NO 138 STREET NO.2 MOHLA ASKRIA COLONY MULTAN CANT TEHSIL DISTT BAHAWALPUR	HASEEB HASSAN 36302-3606073-7	MUHAMMAD HASSAN PIRZADA	2,000	1,577	-	3,578	-	-	1,478	-	1,478
252	GHULAM MUHAI-U-DIN MOUZA GULHARI P/O ASHRAF SHAH TEH. MAILSI DISTT. VEHARI	36602-6044608-5	MUHAMMAD AMEER	1,009	913	-	1,921	-	-	791	-	791
253	MUHAMMAD ASHRAF GONDAL DHORI PO KHAS PHULARWAN TEH BHALWAL DISTT SARGODHA	38401-0286186-7	CHAUDHARY MUHAMMAD NAWAZ	2,134	2,556	-	4,690	-	-	2,390	-	2,390
254	HASSAN JAVAID CHATHA GALI PATWARIAN, MOHALLAH ABU BAKAR TOWN, KOTHI BARKAT RAM, SIALKOT ROAD GUJRANWALA	34101-5767031-9	JAVAID IQBAL CHATTA	3,000	651	-	3,651	-	-	651	-	651
255	CH EHSAN ULLAH VILLAGE BARRI WALA SAIRY TARAR P/O BARRI WALA DISTT HAFIZABAD	34301-4557425-5	MUHAMMAD INAYAT	1,098	1,039	-	2,137	-	-	1,037	-	1,037
256	GHULAM DASTAGIR CHAK NO 190 NB JHAMTANWALA TEH AND DISTT SARGODHA	38403-2763269-1	SULTAN AHMED	1,651	2,222	-	3,873	-	-	2,132	-	2,132
257	SUN SHINE BROKER SHAMA TRADING CO SUKPUL ROAD SHIKARPUR	SARWAN KUMAR 43304-6485000-5	WASHOO MAL	6,982	3,100	-	10,081	-	-	2,646	-	2,646
258	SAJID IMRAN SHAIR GARAH KHURD P/O KAMOKE TEHSIL KAMOKI DISTT GUJRANWALA	34102-5894797-5	BASHARAT ALI	1,100	2,776	-	3,876	-	-	2,336	-	2,336
259	MOHAMMAD ASGAR KHAN CHAK QUDRAT ALLAH P/O CHAK BADI DISTT PAKPATTAN	36502-9601602-9	ISHAQ MOHAMMAD	2,000	1,073	-	3,073	-	-	1,073	-	1,073
260	MANSAB CORPORATION KASSESEY ROAD JALAL PUR BHATTI AN TEH PINDI BHATTIAN	MANSIB ALI 34302-1220878-3	AHMAD KHAN	1,000	1,591	-	2,591	-	-	1,356	-	1,356
261	GHULAM MUHAMMAD KHARA MOHALLAH GAMY KHAIL SHAH HUSSAIN P/O KHAS TEH NOORPUR DISTT KHUSHAB	38202-1262898-9	MIAN NAMDAR	1,300	838	-	2,138	-	-	638	-	638
262	AZHAR FEED SUPPLIER JHUNDI CHONTARA TEHSIL SAMAHNI DISTT BHIMBER AJK	AZHAR IQBAL 81103-7620094-7	CH MUHAMMAD ALI	2,000	1,012	-	3,012	-	-	1,012	-	1,012

Details of advances written-off

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
263	KAISER RIAZ P/O SAME NATHU SIVIA TEHSIL NOWSHERA VIRKAN DISTT GUJRANWALA	34103-2807198-9	MUHAMMAD RIAZ	898	924	-	1,822	-	-	641	-	641
264	MILLAT TRADERS C/O BISMILLAH RICE MILLS QILA KALAR WALA ROAD BADDOMALHI TEH & DISTT NAROWAL	MIAN MUSSADAQ SAGHEER 34501-1904019-5	MIAN MUHAMMAD SADIQ	3,257	2,144	-	5,401	-	-	2,144	-	2,144
265	ALIA KALSOOM CHAK NO 9/JB BHOLEWA PO CHAK 100/JB TEH AND DISTT FAISALABAD	33100-0616071-8	SAEED ASLAM GILL	894	809	-	1,703	-	-	603	-	603
266	ZAHID MEHMOOD CHAK NO 395 JB PO KHAS TEHSIL TOBA TEK SINGH DISTT. TOBA TEK SINGH	33303-0133993-9	MUHAMMAD IBRAHIM	5,797	686	-	6,483	-	-	686	-	686
267	M AFZAL TRADERS SHOP NO 244 A NEW GRAIN MKT DIJKOT ROAD FAISALABAD	MUHAMMAD ZEESHAN AFZAL 33100-6241747-3	MUHAMMAD AFZAL	10,000	3,731	-	13,731	-	-	3,731	-	3,731
268	BISMILLAH DISTRIBUTION H.NO.C-128 MOHALLA SIKANDAR BHATTI JILANI ROAD SUKKUR	HARIS AHMED KHOKHAR 45504-3590225-1	SHABIR AHMED	4,154	1,730	-	5,884	-	-	1,730	-	1,730
269	ZAHID MEHMOOD WATTOO BASTI MUHAMMAD PUR SANSARAN POST OFFICE SAME TEHSIL MINCHINABAD	31105-3674844-9	MUHAMMAD AFZAL WATTOO	893	772	-	1,665	-	-	595	-	595
270	HAMAND CHAK NO 379/GB P.O CHAK NO 378/GB TEHSIL JARANWALA DISTT FAISALABAD	33104-5413450-3	MUTAL	578	602	-	1,180	-	-	602	-	602
271	WAQAR NADEEM SHABANA YOUSAF E SER MOHALLAH EID GAH WARBURTON DISTT NAKANA SAHIB	35402-2017907-7	MUHAMMAD ALI	719	938	-	1,656	-	-	938	-	938
272	NASEER AHMED VILL DALIWALA P/O SATRAH SANDU AN TEH DASKA DISTT SIALKOT NEAR GIRLS COLLEGE SATRAH	34601-0757537-5	ZAFAR AHMED	2,500	2,293	-	4,793	-	-	1,782	-	1,782
273	HAMMAD HASAN VILLAGE AND P/O CHANGI TEH DASKA DISTT SIALKOT	34601-8091689-7	SHAHID MEHMOOD NAGRA	2,030	2,269	-	4,299	-	-	2,024	-	2,024
274	AMANULLAH VILL HAMEEDPUR BASRAWAN P/O BHAGIAN TEH MURIDKE DISTT SHEIKHUPURA	35401-1856306-1	INAYATULLAH	2,500	1,411	-	3,911	-	-	1,281	-	1,281

Details of advances written-off

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
275	AHMED KHAN MOUZA BAKHSHU OKARA	35302-1882690-3	MUHAMMAD ASHIQ	460	541	-	1,001	-	-	541	-	541
276	MUHAMMAD RAMZAN MOUZA SAHAB LANGRA PO SARIA SADDUH TEH KABIRWALA DISTT KHANEWAL	36102-1854116-3	SHAMIR KHAN	450	863	-	1,313	-	-	768	-	768
277	SCHONTECH STREET NO.1.KATAR BUND INDUSTR IAL ESTATE THOKAR NIAZ BAIG OFF MULTAN ROAD LAHORE	KHALIL AHMAD 35202-6663717-7	MUHAMMAD AHMED	8,483	8,593	-	17,076	-	-	2,943	269	3,212
278	IFTIKHAR AHMED VILLAGE CHAO KEY KALAN.P.O. BEGOWALA TEHSIL SAMBRIAL DISRICT SIALKOT	34601-0749279-9	MUHAMMAD HUSSAIN	360	1,908	-	2,268	-	-	1,665	-	1,665
279	HASSAN SANAULLAH H # 143-D PIA HOUSING SOCIETY NEAR WAPDA TOWN LAHORE	90702-3886058-3	CHAUDHARY SANAULLAH	1,500	927	-	2,427	-	-	764	-	764
280	MISBAHULLAH GHALLA MANDI TANGI TANGI BARZAI P/O TANGI TEH TANGI DISTRICT CHARSADE	MISBAH ULLAH 17102-1134490-7	KARIMULLAH	957	1,243	-	2,200	-	-	1,132	-	1,132
281	MUHAMMAD ZAMAN TARAR AL HUSNAIN CNG PETROLIUM VANIKEY TARAR ROAD HAFIZABAD	34301-8546464-5	MUHAMMAD INAYAT	2,754	1,882	-	4,637	-	-	1,881	-	1,881
282	RANA MOHAMMAD SAFDAR VILLAGE MOOSA DOUGEL P/O QILA DIDER SINGH DISTT GUJRANWALA	34101-3563559-7	MUHAMMAD YASEEN	1,491	1,978	-	3,469	-	-	1,669	-	1,669
283	MUHAMMAD SARWAR FATEH PURI MURIEDKAY TEHSIL FEROZWALA DISTT SHEIKHUPURA	35405-0357901-3	GHULAM NABI	1,491	1,355	-	2,845	-	-	1,195	-	1,195
284	MUHAMMAD ILYAS VILL GALHAM P/O PIND KAMAL KHAN TEH & DISTT HARIPUR	13302-6906763-9	MUHAMMAD DIN	2,000	658	-	2,658	-	-	508	-	508
285	GHULAM RASOOL HOUSE NO 75 STREET NO 2 MUHALLA GHULAM HAIDER SHAH COLONY NAWAB SHAH	45402-0955882-5	RAB NAWAZ KHAN	1,499	2,075	-	3,575	-	-	2,075	-	2,075
286	NADEEM BROTHERS H.NO.21/22 MOHALLAH HUSSAINABAD SADDAR ROAD PESHAWAR CANTT.	NADEEM IQBAL MIRZA 17301-9349554-1	MIRZA IQBAL BAIG	9,450	3,451	-	12,901	-	-	3,451	-	3,451
287	KHURRAM TRADERS SHOP NO W 141 MAIN NANKARI BAZAR RAWALPINDI	KHURRAM KHURSHID 37405-0250727-5	SHEIKH KHURSHID AHMED	5,000	750	-	5,750	-	-	750	-	750

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
288	INAM ULLAH VILLAGE MADINA TOWN BARATH P.O SAME TEH & DISTT SIALKOT	34603-6182617-3	CH FAIZ ALI	1,500	1,121	-	2,621	-	-	1,016	-	1,016
289	MUHAMMAD RAMZAN ABU BAQAR MOHALLA NAMBERDARAN WALA SHAH HUSSAIN P/O KHAS TEH NOORPUR DISTT KHUSHAB	38202-1277740-1	ALAM SHER	1,348	871	-	2,219	-	-	769	-	769
290	SAFIA BEGUM H NO 450 MOHALLA KHOSKI TOWN TALUKA TANDO BAGO DISTT BADIN	41104-1033311-4	GULZAR HUSSAIN	1,999	1,588	-	3,587	-	-	1,267	-	1,267
291	INTIKHAB ALAM KHAN PUR SYEDAN JOYIA TEH PASRUR DISTT NAROWAL	34602-4954832-1	M ASLAM	2,500	819	-	3,319	-	-	719	-	719
292	ASGHAR ALI VILLAGE DADHORAY P/O MEERAK PUR TEHSIL AND DISTT NAROWAL	34501-5973762-5	NOOR AHMAD	1,900	619	-	2,518	-	-	509	-	509
293	MUHAMMAD KHAN NEAR PURANA LORY ADDA VANEYKEY TARAR PO SAME TEHSIL AND DISTT HFZ	34301-7010804-3	SAIF ULLAH	1,260	991	-	2,251	-	-	891	-	891
294	MUHAMMAD ASIF CHAH HAJI SAJWAR ALI DARBAARI WALA POST OFFICE MCLEOD GUNJ TEHSIL MINCHINABAD	31105-0274583-5	MUHAMMAD SABIR	2,275	741	-	3,016	-	-	666	-	666
295	SAROKI COMMISSION SHOP GUJRAT SARGODHA ROAD SAROKI TEHSIL& DISTT GUJRAT	MUHAMMAD ARSHAD JAVED 34201-0343454-5	CHARAGH DIN	3,997	3,086	-	7,084	-	-	3,086	-	3,086
296	ASMAT HAYAT VILLAGE KOTLA FATEH KHAN P/O RABANA TEHSIL SAHIWAL DISTT SARGODHA	38402-9807050-5	SKINDER HAYAT	1,500	745	-	2,245	-	-	645	-	645
297	SAFDAR HUSSAIN GHARBI MANDI KALASKEY P/O SAME TEH WAZIRABAD	34104-2205754-1	NAZIR AHMAD	1,542	1,602	-	3,144	-	-	1,602	-	1,602
298	S.A ENTERPRISES P 152 FIRST FLOOR JAVAID MANZIL CIRCULAR ROAD OPP POST OFFICE KATCHEHREY FAISALABAD	SAJID ALI 33100-0997935-7 ARSHAD ALI 33100-8458332-1	INAYAT MUHAMMAD SHEIKH INAYAT MUHAMMAD	3,500	1,239	-	4,738	-	-	1,238	-	1,238
299	MOHAMMED SHABBIR MOUZA MIRAN PUR CHAK HIMTA DISTT LODHRAN	36203-1471224-1	MUHAMMAD RAFIQUE	1,209	1,056	-	2,264	-	-	864	-	864

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
300	TANVEER AHMED VILLAGE MANGHA P/O SAME TEHSIL PASRUR DISTT SIALKOT	34602-2881194-7	AHMED ALI	999	1,331	-	2,331	-	-	1,101	-	1,101
301	MUHAMMAD SULEEMAN VILLAGE ABDUL SAMAD SAFAL 2 POSINDHRI MIRPURKHAS HYDERABAD	44202-6464216-3	ABDUL SAMAND PANGRI	1,000	714	-	1,714	-	-	564	-	564
302	SHAHNAWAZ VILLAGE HAJI MUREED WASSAN P.O KANDYARI TALUKA & DISTT SANGHAR	44203-6127579-1	KHAN MUHAMMAD	2,000	1,673	-	3,672	-	-	1,172	-	1,172
303	ASIA SEED CORPORATION 11 A ZAMANDARA COLONY RAHIM YAR KHAN	MUHAMMAD AKHTAR 31303-2548196-5 SARMAD QAYYUM 31304-0931938-9 NAHEED KAUSAR 31303-4158794-0	NOOR MUHAMMAD ABDUL QAYYUM MUHAMMAD AKHTAR	997	1,269	-	2,267	-	-	619	-	619
304	SHAHZAD & CO. EHSAN PLAZA BLOCK NO 20 SARGODHA	SHEIKH PERVEZ AHMED 38403-6930113-9	SHEIKH EHSAN ELAHI	39,973	7,279	-	47,252	-	-	7,252	-	7,252
305	SH YAQEEEN UD DIN & SONS SHAH PUR ROAD KAHROR PACCA DISTT LODHRAN	YAQEEEN UDDIN 36202-6848528-5	HAKIM UDDIN	2,110	1,105	-	3,215	-	-	1,105	-	1,105
306	RANA BROTHERS GODOWN NO.98/3 ELLAHI BUX MKT NEAR TARIQ JAVED ARHAT MISRISHAH LAHORE	MUHAMMAD SAFDAR HUSSAIN 35202-8808042-3	MUHAMMAD AKRAM	4,995	2,230	-	7,225	-	-	1,175	-	1,175
307	QAMAR UZ ZAMAN BABAR REHAN WALA P/O MANDI FAIZABAD TEH NANKANA SAHIB DISTT SHEIKHUPURA	35402-2008750-3	ALLAH DITTA	1,461	1,674	-	3,135	-	-	1,285	-	1,285
308	MUDASSAR HUSSAIN CHAK NO.110 S.B.AHLI RAWAN P.O.CHAK NO.46 S.B. TEHSIL & DISTT.SARGODHA	38403-5323761-7	MUHAMMAD ISMAIL	600	603	-	1,203	-	-	518	-	518
309	D.M POULTRY SERVICES HAROONABAD ROAD DAHRANWALA PO SAME TEHSIL	MUHAMMAD SAEED 31102-2230192-1	MUHAMMAD SALEEM	1,000	755	-	1,755	-	-	719	-	719
310	HASSAN IMPEX KHALEEJ PLAZA 52.LYTTON ROAD LAHORE	MANZOOR ABBAS BOKHARI 35201-5501412-3	SYED MUMTAZ ALI BUKHARI	3,799	3,199	-	6,999	-	-	2,309	-	2,309
311	MUHAMMAD USMAN ATIF HOUSE NUMBER 237/1 STREET NO 4 MOHALA MIAN MEER COLONY LAHORE	35201-1696266-5	CHAUDHRY REHMAT ALI BAGHRI	1,941	2,220	-	4,162	-	-	2,197	-	2,197

Details of advances written-off

ANNEXURE II

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
312	MUHAMMAD AKRAM BASTI HAYAT PUR P O SAME MOUZA KHANWAH GHALWAN SOUTH LODHRAN	36203-6284512-5	KARAM ALI	980	905	-	1,885	-	-	885	-	885
313	MUHAMMAD AKRAM CHAK # 214 G.B TEH SAMUNDRI DISTT FAISALABAD	33105-0395238-1	MUHAMMAD SIDDIQ	800	702	-	1,501	-	-	660	-	660
314	MUHAMMAD ASLAM VILL.RATTA DHOTHER P/O BHIRI KHURD TEH.NOWSHERA VIRKAN DISTT.GUJRANWALA	34103-5620524-1	PEER MUHAMMAD	552	940	-	1,493	-	-	743	-	743
315	ZAFAR IQBAL CHAIND PUR P/O CHAIND PUR NANKANA SAHIB	35501-0305813-7	MUHAMMAD TUFAIL	3,000	749	-	3,749	-	-	599	-	599
316	JAMIL BRICKS CO MOHLANWAL MULTAN ROAD LAHORE	MUHAMMAD JAMIL 35202-2459622-1	ALI MUHAMMAD	1,299	5,527	-	6,826	-	-	5,009	516	5,526
317	AMEER KALEEMULLAH KHAN VILLAGE DATEY WAL P O TALWANDI BHINDRAN TEH NAROWAL DISTT NAROWAL	34501-5139314-7	SHABBIR HUSSAIN	512	963	-	1,475	-	-	815	-	815
318	ALI RAZA VILLAGE BHITTAY WAD P/O SALHOKAY TEH. DASKA DISTT. SIALKOT	34601-7501065-7	AKBAR ALI	800	606	-	1,406	-	-	506	-	506
319	ALI GOHAR CHAK MUHAMMAD ZAMAN PO AKOKA TEHSIL & DISTRICT BAHAWALNAGAR	31101-5115454-1	ALI SHER	1,879	2,182	-	4,060	-	-	1,860	-	1,860
320	SALAMAT ALI R/O HOUSE 81-496/7 GALI NO 1 MOHALLAH GOUSIA WARD #1 STREET #1 COUNCIL NO 1 NAROWAL	34501-9646573-5	REHMAT ALI	999	695	-	1,694	-	-	694	-	694
321	CH MUHAMMAD IQBAL GOVT.CONTRACTOR HOUSE NO.9, STREET NO.1 GULSHAN-E-SIDDIQUE, QUEEN'S ROAD, SARGODHA	MUHAMMAD IQBAL 38403-3062837-1	ALLAH DITTA KHAN	3,351	573	-	3,924	-	-	572	-	572
322	ALI RAZA H NO 14 ST 5 MOH MAIN BAZAR GAWAN H LAHORE	35201-5037904-9	MUHAMMAD LATIF	376	329	-	705	376	-	329	-	705
323	AMIR HAMZA 10233 ADMIN & IR MAPLE LEAF CEMENT ISKANDERABAD TEH & DISTT MIANWALI	38303-9233826-9	RANA MUKARRAM ALI SHAHID	375	163	-	539	375	-	163	-	539

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
324	MANAL TAHIR HOUSE NO 696 X BLOCK STREET NO 23 PHASE 3 DHA LAHORE	42301-2017043-6	IRFAN TAHIR	651	259	-	910	651	-	259	-	910
325	JAVAD AKRAM H/14-B ST/07 MALI PURA RAVI ROAD LAHORE	35202-5595680-7	M AKRAM	427	251	-	679	427	-	251	-	679
326	RANA MUHAMMAD ADNAN IHSAN STREET NO 5 SIDDIQUE AKBAR PARK FARID TOWN GUJRANWALA	34101-2926234-7	RANA IHSAN UL HAQ	462	259	-	721	462	-	259	-	721
327	RIAZ ALI BARAK 1 P NO 18 FC LINE SWAT	42201-8032971-5	BAQIR ALI	427	190	-	618	427	-	190	-	618
328	MALIK ADNAN ASLAM H NO 11 ST 29 KOTLI PEER ABDUL REHMAN MOH RASHID PURA AKHRI PAINT LAHORE	35201-6776305-9	MUHAMMAD ASALM TAHIR	517	204	-	722	517	-	204	-	722
329	AFAQ AHMED KHAN FLAT NO 401, 4TH FLOOR ILYAS TOWER NAZIMABAD NO.3, KARACHI	14203-0409872-5	GULZAR KHAN	675	383	-	1,058	675	-	383	-	1,058
330	MUHAMMAD ASHFAQ BABAR BASTI MEHMOOD ABAD PO KHAWAJA BHANKOT DADU GHILO BAHAWALPUR	31202-0897139-7	SHAFIQ AHMED	400	221	-	621	400	-	221	-	621
331	KALEEM ULLAH BARAK NO 1 P NO 562 FC LINE TANK	12104-8737818-5	GUL KHAN	352	157	-	509	352	-	157	-	509
332	MUHAMMAD FAISAL QURESHI H NO 685 ST NO 11 SECTOR F-10 PHASE 6 HAYATABAD PESHAWAR	17301-1585093-5	MASHI UD DIN QURESHI	637	286	-	924	637	-	286	-	924
333	ZUL HASNAIN KHASKHELI WARD.02, MOHALLA SOOMRA MEHRABPUR P.O & TAL. MEHRABPUR DISTT, N. FEROZE	45302-9163107-5	KHADIM HUSSAIN	460	198	-	658	460	-	198	-	658
334	MUHAMMAD AYAZ HUSSAIN LABOUR MANAGEMNET SERVICES(PVT) LTD. 10-KM, RAIWIND ROAD LAHORE	35202-9241395-3	ARSHAD HUSSAIN	476	180	-	656	476	-	180	-	656
335	SHAHBAZ AHMAD 30-C F.C.C ZAHOOR ELLAHI ROAD GULBERG II, LAHORE	34104-2319009-5	M TUFAIL MAHROOM	771	346	-	1,118	771	-	346	-	1,118
336	GULSHAN IQBAL KOT KHAZAN SINGH NEAR CIVIL HOSPITAL, RAIWIND ROAD LAHORE	35202-9225760-0	MUHAMMAD IQBAL	474	205	-	679	474	-	205	-	679

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
337	ARSHAD H NO P-4850/B STREET NO 11 DATA PARK MOHALLAH MANSOOR ABAD FAISALABAD	37405-2343010-1	KHUDA DAD	361	157	-	518	361	-	157	-	518
338	MUHAMMAD SAQLAIN RAZA GOGHAN PO BOX KHAS LODRAN	36203-3135210-1	RANA M RUSTAM RAZA	805	388	-	1,192	805	-	388	-	1,192
339	TAJ MOHAMMAD KHAN MUHALLAH NASIRABAD NAWA, KILLI QUETTA	56302-1930285-5	KARIM KHAN	427	237	-	664	427	-	237	-	664
340	SHAMAS UD DIN ATTAULLAH COLONY THE JATIO DISTT M GARH MULTAN	35202-2313458-7	AKHLAQ AHMAD	372	194	-	566	372	-	194	-	566
341	INAAM HYDER GHAREEBABAD, MUHALLA SONARA DADU	41201-5623994-9	GHULAM HYDER	552	257	-	809	552	-	257	-	809
342	AWAIS SAMI PO ASHRAFAI COLONY ST 2 MOH AFZAL ABAD PESHAWAR	17301-8058664-7	MUKHTAR AHMED	509	282	-	791	509	-	282	-	791
343	MOHAMMAD SHABAN POLICE LINE GULISTAN RD QUETTA	53404-0793782-1	ABDUL HALEEM	485	274	-	759	485	-	274	-	759
344	RAJA SAFWAN ALI PURANI KACHERY NEAR PAILOT MODAL SCHOOL MOHALLAH GHORA TEHSIL AND DISTRICT MANDI BAHAUDDIN	37302-6356307-5	RAJA NAZAR HUSSAIN SHAD	383	170	-	554	383	-	170	-	554
345	EJAZ KHOKHAR BLUEEX 158S QUAID E AZAM INDUSTRIAL ESTATE GHARI SHAHU LAHORE	35202-0576757-7	ASHIQ KHOKHAR	374	157	-	531	374	-	157	-	531
346	IMRAN GHAFOR DAAK KHANA KHAS CHAK NO 132 SB TEHSIL SILLANWALI DISTT SILLAAN WALI SARGODHA	38405-2277934-1	ABDUL GHAFOR	351	149	-	500	351	-	149	-	500
347	USMA HAKIM PAF BASE SAMNGLI SAMNGHLI ROAD QUETTA	32301-4076224-5	ABDUL HAKIM	445	142	-	587	445	-	142	-	587
348	AZAM SOHAIL H NO 617 A BLOCK 3 SECTOR D 1 NEW TOWNSHIP	35202-0694194-5	SOHAIL JOEL	378	164	-	542	378	-	164	-	542

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
349	USSAMA BIN NAEEM AQAB GOVERNMENT GIRLS HA EY SCHOOL DAAK KHANA SADAR CANTT BERTA TEHSIL & DISTRICT SIALKOT	34603-7850345-3	MUHAMMAD NAEEM ANWAR	366	216	-	582	366	-	216	-	582
350	MUHAMMAD IRFAN HOUSE NO 4 ST NO 2 PEER NASEER HARSPAN PURA LAHORE	45204-1543288-7	FARZAND ALI RAJPOOT	327	185	-	512	327	-	185	-	512
351	IMRAN SHAH H NO 2 ST NO 18 MARIR HASSAN RAWALPINDI	13301-2972597-1	SYED BAQIR SHAH	356	250	-	605	356	-	250	-	605
352	JASMIN MARY MODEL TOWN BLOCK 585 LAHORE	35202-9705034-2	WALTER JAN	402	326	-	729	402	-	326	-	729
353	MUHAMMAD YOUSUF HOUSE NO 725 11TH COMMERCIAL STREET SEC A AKHTAR COLONY KORANGI ROAD DHA KARACHI	43205-3987565-5	GHULAM MUHAMMAD JOHKIO	562	288	-	850	562	-	288	-	850
354	GHULAM MURSALEEN PO MALKANI GHOUS ABAD RAHIM YAR KHAN	31302-7360730-1	GHULAM SARWAR	337	247	-	583	337	-	247	-	583
355	TOUSEEF UR REHMAN H NO P 98 ST NO 5 RUBANI COLONY BANKER FAISALABAD	33100-9012969-5	M ASHRAF	348	252	-	600	348	-	252	-	600
356	MUHAMMAD ASIF GOUHAR RADAR OPERATOR SOE PAF BASE KORANGI CREEK KARACHI	38403-2026960-7	ABDUL HAMEED	342	161	-	503	342	-	161	-	503
357	FAQIR MUHAMMAD H NO 255 ST NO 6 NISHAT COLONY BAHAWALPUR	31202-5562871-9	QADIR KHAN	431	219	-	650	431	-	219	-	650
358	MOHSIN SALEEM HOUSE NO 2 STREET NO 4 BABA FAREED COLONY KOCHA JAIL ROAD CHUNGI AMER SADHU LAHORE	35202-2740869-7	M SALEEM	338	249	-	587	338	-	249	-	587
359	SANA ARSHAD HOUSE D 444 BLOCK D SATELITE TOWN RAWALPINDI	37405-0470556-2	RIZWAN ZAFAR	343	251	-	594	343	-	251	-	594
360	NASIM ULLAH JAN VILLAGE NAR SHAHZAD P/O SERAI NAURA NG TEHSIL AND DISTRICT LAKKI MSARW	11201-8881153-9	OBAID ULLAH JAN	676	417	-	1,094	676	-	417	-	1,094
361	SAEED UR RAHMAN VILLAGE HOSPITAL COLONY PO TIMERGARA LOWER DIR TIMERGARA	17101-2803635-7	FAZLI RAHMAN	814	427	-	1,241	814	-	427	-	1,241

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
362	AWAIS AHMAD BADAR COLONY PATTOKI TEH PATTOKI KASUR	36402-4497206-7	AFZAL AHMAD QURASHI	471	99	-	570	471	-	99	-	570
363	ANUM KHALEEQ HOUSE NO 439 ST MOH TIBI SHAIRKHA KATCHERY RD MULTAN	36101-4480705-8	M KHOLEEQ AHMED	367	249	-	616	367	-	249	-	616
364	UBAID UR REHMAN VILLAGE DHAKHA HIKIMAAL P/O NOSHEHRA KHUSHAAB	38201-1043219-9	ABDUL REHMAN	357	182	-	539	357	-	182	-	539
365	AHMED USMAN POLICE HEAD QUATER H 11 ISLAMABAD	33100-0743862-1	MUHAMMAD SALEEM KHAN	436	242	-	678	436	-	242	-	678
366	FAZAL AZIM BACHA DHERI BAGH DHERI FATEH PUR TEHSIL KHWAZAKHELA DISTRICT SWAT	15605-0351667-7	ABDUL GHAFOOR	421	213	-	634	421	-	213	-	634
367	M AMIR MAHMOOD 55160 MECHANDISING CHENONE 92-93 E1 GULBER-3 LAHORE	33301-0838842-1	MAHBOOB ALAM	640	244	-	884	640	-	244	-	884
368	ABDUL KHALIQ HOUSE NO B 114 LABOUR COLONY HUB LASBELA	51503-2189296-3	MUHAMMAD ASHRAF	373	211	-	585	373	-	211	-	585
369	SHAUKET BEDDING STORE F-1123, LAHORE BLOCK AZAM CLOTH MARKET LAHORE	SHEIKH SHAUKAT ALI 35202-5472721-5	SHEIKH BARKAT ALI	11,713	3,200	-	14,914	-	-	1,690	-	1,690
370	KHAN AND BROTHERS SUPER MARKET MANDI BAHAUDDIN TEHSIL MANDI BAHAUDDIN DISTT MANDI BAHAUDDIN	MUHAMMAD ZAHEER KHAN 34402-1711607-3 MUHAMMAD MUNIR KHAN 34402-1711608-9	MUHAMMAD SHARIF KHAN MUHAMMAD SHARIF KHAN	1,948	811	-	2,759	-	-	811	-	811
371	NABILA JAVED GALI PATWARIAN WALI CHAHTA HOUSE ABU BAKAR TOWN GUJRANWALA	34101-4707397-6	GHULAM RASOOL	1,000	579	-	1,579	-	-	579	-	579
372	LIQAT ALI NEAR MASJID BAHAR E MADINA VIL WAZIR PUR POST OFFICE.LORHIKKI TEH DASKA DISTT.SIALKOT	34601-3048468-9	ALLAH DITTA	2,500	838	-	3,338	-	-	688	-	688
373	QAISER SHARIF RANDHEER BAGHRIYAN, PO SAMBRIAL TEHSIL SAMBRIAL,SIALKOT	34603-9462795-3	MUHAMMAD SHARIF SAJJAD MALIK	1,500	1,407	-	2,907	-	-	1,117	-	1,117
374	MS INDUSTRIES 96-B TIMBER MARKET RAVI ROAD LAHORE	MALIK ABUZAR 35202-4094565-1 AISHA MALIK 35202-3652860-4	SAJJAD MALIK	5,000	1,731	-	6,731	-	-	1,441	-	1,441

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
375	AZAM POULTRY FARM HAFIZABAD ROAD GHALLAH MANDI QILA DIDAR SINGH DISTT GUJRANWALA	MUHAMMAD AZAM 34103-9173621-1	MUHAMMAD BASHIR	1,697	1,699	-	3,396	-	-	1,406	-	1,406
376	MUHAMMAD ARSHAD CHAK NO 290 JB DISTT TOBA TEK SINGH	33303-8527135-7	BASHIR AHMAD	912	680	-	1,592	-	-	542	-	542
377	ADIL HUSSAIN VILLAGE CHAK BHATTI,P/O SAME, TEHSIL PINDI BHATTIAN,DISTRICT HAFIZABAD	34302-9902506-1	ASHIQ HUSSAIN	410	1,197	-	1,607	-	-	947	-	947
378	KHADIM ALI TAHIR CHAK NO 47 GB KHETRA SAMMUNDRI	33105-3244125-7	PIRANDITTA	801	839	-	1,640	-	-	740	-	740
379	IMTIAZ AHMAD VILLAGE SERAY TARAR P/O BARY WALA DISTT,HAFIZABAD	34301-3235452-3	GHULAM MUHAMMAD	1,250	1,174	-	2,424	-	-	974	-	974
380	MIRZA RASHID GAGAR MUGHLAN PO KULOWAL TEHSIL AND DIST SIALKOT	34603-0773723-5	MIRZA BASHIR BAIG	508	613	-	1,121	-	-	514	-	514
381	MADINA TRADERS SUNDER ROAD RAIWIND DISTT LAHORE	MUHAMMAD ASGHAR 35202-5701756-5	RANG ELAHI	3,400	2,053	-	5,453	-	-	1,954	-	1,954
382	GHULAM AKBAR BASTI HAJANA P/O HAZRAT WALA NAWAN JANABI TEH.KOT CHUTTTA DERA GHAZI KHAN	32102-5992500-9	HAJI KHAMEESA KHAN	3,700	855	-	4,555	-	-	855	-	855
383	WALAYAT ASHRAF REHAN CLINIC & CHILDREN CENTRE MANGA VILLAGE QILLA SAMA KA NEAR GOVT MIDDLE SCHOOL	35501-0348751-5	MUHAMMAD ASHRAF	396	169	-	565	396	-	169	-	565
384	ABDUL MANAN QOOM MASOZAI TAPA MASTO KHEL OASI PESHAWAR	21301-4824323-1	ABDUL KHANA	341	193	-	534	341	-	193	-	534
385	MUHAMMAD RAMZAN MOH EID GAH KUMAN KOT KASHMORE	43103-6320192-3	AZIZ MUHAMMAD	436	222	-	658	436	-	222	-	658
386	KHURRAM JAMES H NO 3 MUHALLA RAILWAY COLONY BLOCK 84 E MULTAN	36302-4458485-3	JAMES AKHTER	513	267	-	780	513	-	267	-	780
387	MUHAMMAD BILAL ZAHOOR LALA RUKH HOUSE NUMBER C-218 GALI NUMBER 20 WAH CANTT TEHSIL TAXILA DISTRICT RAWALPINDI	37406-4682742-7	ZAHOOR AHMED	386	221	-	608	386	-	221	-	608

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
388	IRFAN ULLAH KAUSAR & ZAREEN LOGISTIC (PVT) LTD MOAZAM PO BAHADRI DERA ISMAIL KHAN	12101-6477719-1	ATTA ULLAH	494	78	-	573	494	-	78	-	573
389	WASEEM AYUB BHATTI H NO S 69 IQBAL LANE 13 PHASE 8 DHA KHI KARACHI	42301-0744188-7	AYUB M BHATTI	875	130	-	1,004	875	-	130	-	1,004
390	KHADAM HUSSIAN LABOUR MANAGEMNET SERVICES (PVT) LTD, 10-KM RAWIND ROAD LAHORE	35202-5576058-9	MUHAMMAD HUSSAIN	500	201	-	701	500	-	201	-	701
391	MUNIR HUSSAIN HOUSE NO 3634 ST NO 18 BAZAR NO.1 RAZABAD FAISALABAD	33100-1785389-5	REHMAT ALI	396	211	-	608	396	-	211	-	608
392	JAWAD UL HAQ REHMAT GHANI GEST HOUSE AND HOSPITAL REHMAT GHANI GUEST DASSU ISLAMABAD	71202-2335684-3	GUL AMAN	662	110	-	771	662	-	110	-	771
393	SYED NAHEED HUSSAIN SHAH PAK SECT BISP BLOCK F, ISLAMABAD	37405-6562677-9	SYED WAZIR HUSSAIN SHAH	423	225	-	648	423	-	225	-	648
394	MUHAMMAD NAEEM KHAN MOH JULBAI WAL BARA BANORA RISALPUR NOWSHERA	17201-8020336-5	KATCH KOL	406	142	-	548	406	-	142	-	548
395	NOOR MUHAMMAD KDA KOHAT PHASE II H 48 D-3 KOHAT	17301-2869977-5	AAMIR KHAN	526	294	-	820	526	-	294	-	820
396	MUHAMMAD AJMAL H NO 51 KAMYA ROAD NEAR MORCHI PULLI O LAHORE	35301-8766523-5	MUHAMMAD AKMAL	381	164	-	545	381	-	164	-	545
397	ARAIB MURTAZA HOUSE NO A-212 SECTOR X-6 GULS HAN E MAYMAR SUPER HIGHWAY KARACHI	42101-3359860-9	MUHAMMAD ASIF ALI	576	154	-	730	576	-	154	-	730
398	ATIF SHAUKAT FIRST FLKKR FLAT 202 NIZAM DIN BUILDING, KARACHI	36303-3514077-3	SHAUKAT HUSSAIN	490	277	-	767	490	-	277	-	767
399	SOHAIL SHAHZAD CHUNGI NO 1 JAMIL ABAD ST 02 MULTAN CANTT MULTAN	36302-9928075-1	RAHMAT SHAHZAD	436	107	-	543	436	-	107	-	543

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
400	ZIADAT ALI KHAN DIST PUBLIC PROSECUTOR OFFICE GOVT OF PUNJAB MUZAFFARGARH	42201-1132747-5	KABIR KHAN	842	382	-	1,224	842	-	382	-	1,224
401	AMIR MUHAMMAD ZARKOON PHE COLONY PURANA RD KILLA SAIFULLAH QUETTA	56301-5357477-3	AKHTAR MUHAMMAD	578	187	-	765	578	-	187	-	765
402	SYED ASJAD ALI JAFRI FLAT NO 37 BLOCK A8 4TH FLOOR JOHAR SQUARE GULISTAN E JOHAR BLOCK 18 KARACHI	42101-7850922-3	SYED KHURSHEED ABBAS	369	157	-	526	369	-	157	-	526
403	RAZA YOUSAF MOHALLA NAWA KILLI BASHIRABAD QUETTA	54401-6789196-1	YOUSAF GILL	366	161	-	526	366	-	161	-	526
404	SHAHZAD HUSSAIN SHAH QUARTER 20 BLOCK 2 POLICE H/Q H 11, ISLAMABAD	42201-0396521-7	SYED ANWAR SHAH	465	222	-	687	465	-	222	-	687
405	ARSHAD KHAN IRRIGATION DEPTT KANAL DIVISION PESHAWAR	17101-0375163-3	RAHMAT KHAN	389	147	-	536	389	-	147	-	536
406	MUHAMMAD AMAN ULLAH MOUZA KUNAIL SHERWANA P/O MACHIWAL TEHSIL 18-HAZARI DISTT	33202-0570700-5	ZAFAR KHAN	442	233	-	675	442	-	233	-	675
407	M SALEEM & SONS PETROLEUM SERVICES HOUSE NO 9, ST NO 3, BABAR COLONY DHOKE GHANGHAL K.R.L. ROAD RAWALPINDI	CH AMMAD SALEEM 37405-2461597-3	CH MUHAMMAD SALEEM	2,873	1,112	-	3,984	-	-	1,111	-	1,111
408	FATIMA GARMENTS HOUSE NO. R-41 BLOCK NO.8 GULSHAN E YASIN F B AREA KARACHI	MUHAMMAD KAMRAN 42101-1928800-1	ABDUL REHMAN	789	559	-	1,348	-	-	559	-	559
409	MUHAMMAD AFZAL MOZA KALOKA P.O NOOR PUR BHATTA TEHSIL LALIAN DISTT CHINIOT	33201-2815337-3	ATTA MUHAMMAD	2,012	2,457	-	4,469	-	-	2,319	-	2,319
410	FAZAL BARI COLD STORAGE ADDA DING SHAH P/O SAME TEH & DISTT KASUR	ZAIGHAM SALIK BARI 35200-6277455-9	MALIK FAZAL BARI	3,000	4,052	-	7,052	-	-	3,595	-	3,595
411	BASHIR AHMAD VILL DULEKI KALAN P/O PINDI BHATTI TEH PINDI BHATTIAN DISTT HAFIZABAD	34302-5827742-9	REHMAT ALI	1,308	1,156	-	2,465	-	-	840	-	840

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
412	BABA FARID GLOVES STREET 04 MUHAMMAD KHAN TOWN MANSOORABAD FAISALABAD	MIAN SHAHID EHSAN 33100-9755391-7 MUHAMMAD YASIN 33100-6859845-3	HAJI IHSAN UL HAQ JAFAR HUSSAIN	1,200	654	-	1,854	-	-	654	-	654
413	KHALID RAFIQUE MUHALA SULTAN PARK STREET NO15 MURIDKE	35401-7002073-3	MUHAMMAD RAFIQUE	448	273	-	721	448	-	273	-	721
414	HAMDULLAH ASSISTANT MM SECTION ACCOUNTS DEPTT UNIVERSITY OF BALOCHISTAN SARIAB ROAD QUETTA	54400-6616864-9	NAIK MUHAMMAD	1,482	329	-	1,811	500	-	325	-	825
415	MUHAMMAD JAMSHED KHAN A-228/11 PAF DOMESTIC CAMP PAF BASE MUSHAF SARGODHA	11201-1992077-3	MIRIZAT KHAN	538	273	-	811	538	-	273	-	811
416	YAHYA TRACTORS PULL DAT DERA GHAZI KHAN	MUHAMMAD NADIR 32102-7312235-1	MUHAMMAD IBRAHIM	3,378	645	-	4,023	-	-	643	-	643
417	AHMAD RAEES MOUZA FATEH PUR P/O DOST PURA TEH & DIST KASUR	35102-3993443-9	MUHAMMAD HANIF KHAN	2,750	1,930	-	4,680	-	-	1,680	-	1,680
418	GUL MUHAMMAD PAKKA P/O KANDI WAL TEHASIL LALIAN DISTT.CHINIOT	33201-1559959-5	MALIK AMEER KHAN	366	757	-	1,123	-	-	723	-	723
419	MUHAMMAD KHALID ADNAN CHAUDHARY HOUSE CHAUDHARY ST RANGE ROAD SHALLY VALLEY RWP ISLAMABAD	37405-1689423-1	MUHAMMAD ASLAM JAVED	1,847	751	-	2,598	-	-	535	-	535
420	ZAFAR FARID DHOGRI DHOGRA KHINGARWALA P.O BUNGA HAYAT TEHSIL AND DISTT	36402-6890785-7	MIAN FAZIL	2,506	2,469	-	4,974	-	-	1,903	-	1,903
421	AZHAR FARID NEAR SAKANDER CHOWK P/O BUNGA HAYAT TEHSIL AND DISTT PAKPATTAN	36402-0485251-3	FAZAL KHAN	3,006	2,122	-	5,127	-	-	1,542	-	1,542
422	NEW GHOUSIA COMMISSION SHOP 33-B GRAIN MARKET MIAN CHANNU DISTRICT KHANEWAL	UMAR SUBHANI 36104-4660544-5	MUHAMMAD SHAFIQ	7,493	1,521	-	9,014	-	-	737	-	737
423	ZUHNARA BIBI HOUSE NO 495 PURANI ABADI P/O SAME TEHSIL SAFDAR ABAD DISTT SHEIKHUPURA	35403-1074532-0	MIAN LIAQAT ALI	1,500	1,393	-	2,892	-	-	1,392	-	1,392

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
424	LAL KHAN CHAK NO 82 NB P.O KHAS TEH & DISTT. SARGODHA	38403-9533971-9	MUHAMMAD RAMZAN	293	654	-	947	-	-	507	-	507
425	MUHAMMAD MANSHA VILLAGE BOPRA KALAN POST OFFICE SAME TEHSIL NOSHEHRA VIRKAN GUJRANWALA	34103-0506202-1	AMANULLAH	1,999	1,630	-	3,630	-	-	1,430	-	1,430
426	GANJ SHAKKAR RICE MILLS 18 KM DEPALPUR ROAD FATEH PUR P/O DOST PURA TEH KASUR	MUHAMMAD YOUNIS 35101-2469238-5 REHMAT ALI 35102-0608051-1	MUHAMMAD HASSAN CH MUHAMMAD YOUSAF	10,000	1,397	-	11,397	-	-	1,397	-	1,397
427	AWAMI AUTO STORE WARD NO 06 MUHALLA SAEED NAGAR TEH SAFDARABAD DISTT SHEIKHUPURA	AFTAB QAMAR AKASH 35403-1171061-3	MUHAMMAD RAFIQUE	4,000	1,733	-	5,733	-	-	1,733	-	1,733
428	MUHAMMAD NADEEM KHAN KOT KHAN MUHAMMAD KHAN DHALOO P/O ADDA HARI CHAND TEHSIL MAILSI DISTT VEHARI	36602-0999829-7	KHAN MUHAMMAD KHAN	6,405	5,045	-	11,450	-	-	4,040	-	4,040
429	MUHAMMAD TAHIR CHAK NO.136-NB PO SILLANWALI TEHSIL SILLANWALI DISTRICT SARGODHA	38405-1350476-1	MUHAMMAD YAR	2,460	2,173	-	4,632	-	-	2,082	-	2,082
430	IMDAD ALI MUNDEKI BERIAN PO KHAS TEH PASROOR DISTT SIALKOT	34602-4594738-9	TALIB HUSSAIN	928	760	-	1,688	-	-	688	-	688
431	NASIR UMAIR VILL DOGAL P/O SABOKI DANIAN TEH KAMOKI DISTRICT SIALKOT	34102-5337012-9	MUHAMMAD ASGHAR	2,500	2,939	-	5,439	-	-	2,639	-	2,639
432	MUHAMMAD ABBAS SHIEKH WAHIN P O KHAS TEHSIL KHAIR PUR TAMYWALI DISTT BAHAWAL PUR	31202-3744757-7	SAJJAD HUSSAIN	4,500	3,620	-	8,120	-	-	3,420	-	3,420
433	ANJUM IQBAL CHAK NO 156 MURAD PO CHAK NO 157 MURAD TEH HASILPUR DISTT BAHAWALPUR	31203-8552693-7	MUHAMMAD IQBAL	1,029	827	-	1,856	-	-	706	-	706
434	FAKHAR ABBAS MOUZA KHUNDA HIRAJ,POSTOFFICE SARAI SIDHU, TEHSIL KABIRWALA DISTT.KHANEWAL	36102-5984736-7	MEHAR ALLAH DITTA	693	1,616	-	2,309	-	-	1,209	-	1,209
435	MUHAMMAD SARWAR ZAFAR P/O USMAN WALA HER DO SHEIKH SAAD TEHSEEL DISTT KASUR	35102-8202230-7	MIAN PALLA	2,003	760	-	2,763	-	-	613	-	613

Details of advances written-off

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Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
436	SHAUKAT HUSSAIN BASI MUHAMMAD YOUSAF MERALI MUHAMMAD PURA PO JAMAL PUR TEH HASIL PUR DIST BAHAWAL PUR	31203-1043579-7	MUHAMMAD YOUSAF	1,850	1,365	-	3,215	-	-	1,265	-	1,265
437	SHABIR AHMED VILLAGE MUHAMMAD SADIQUE SHER 3 JAMRAO P O JAM SAHIB TALUKA SINJHORO DIST SANGHAR	44205-7198572-7	DIN MUHAMMAD	597	654	-	1,251	-	-	551	-	551
438	HABIB ULLAH KHAN HUSSAIN WALA PO TEH. & DISTT. MIANWALI	38302-1242265-9	MUHAMMAD NAWAZ KHAN	465	1,130	-	1,595	-	-	970	-	970
439	TRAVEL CHAIN INTERNATIONAL (PVT)LTD 6 ATS HEIGHTS AMIN ARCADE, 7 DURAND ROAD, LAHORE	HABIB UR REHMAN 35202-2920931-9 ASHIQ HUSSAIN 35202-6735148-7 MUHAMMAD NADEEM 35202-2920933-3	ASHIQ HUSSAIN AHMED DIN ASHIQ HUSSAIN	7,399	2,386	-	9,785	-	-	2,243	-	2,243
440	MUKHTAR AHMAD CHAK NO 142 RB GHARTAL KHURD P O BOX KHAS CHAK JHUMRA DISTRICT FAISALABAD JAMIA MASJID GULZAR-E-MADINA	33101-1707020-9	NAWAB DIN	2,200	863	-	3,063	-	-	663	-	663
441	ASGHAR ALI AZMAT POST OFFICE KHAS CHAK NO 9 GB TEH & DISTT NANKANA SAHIB	35501-0164264-9	ALAM KHAN	998	991	-	1,989	-	-	989	-	989
442	ASGHAR ALI VILLAGE PURANIKEY P/O PINDI BHATTIAN TEH PINDI BHATTIAN DISTT HAFIZABAD	34302-1681056-1	MUHAMMAD SHARIF	2,458	2,526	-	4,984	-	-	2,174	-	2,174
443	MUBASHIR IQBAL NEAR CHAH MUNDAWALA GALI NO 6 MUHALA GHULZAR COLONY SECTOR B GUJRANWALA	34101-3000890-7	MUHAMMAD IQBAL	900	872	-	1,772	-	-	782	-	782
444	ROYAL GRAMMAR SCHOOL SYSTEM 14-MUSTAFA ROAD NEAR BILAL MASJID SINGH PURA LAHORE	ZIA UD DIN 35201-1575396-3	MEERAJ DIN	7,011	3,390	-	10,402	-	-	3,390	-	3,390
445	BILAL KHALID NAGRAH NAGRA HOUSE PASRUR RD CHANGI TEH DASKA DISTT SIALKOT	34601-0863663-5	CHAUDHRY KHALID MEHMOOD	2,099	1,857	-	3,956	-	-	1,591	-	1,591
446	ADNAN NAZIR BASTI NAZIR ABAD QAZI KALTRA P/O INAYATI TEHSIL KHAIRPUR TAME WALI	31204-1618621-9	NAZIR HUSSAIN	960	775	-	1,735	-	-	685	-	685

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
447	ALI RICE TRADERS VILLAGE BATHANWALA P.O. BATHANWALA TEHSIL & DISTT NAROWAL	AZHAR ABBAS 34501-1968614-3	GHULAM SHABBIR	2,738	2,118	-	4,855	-	-	2,118	-	2,118
448	MUHAMMAD AMIR H NO 186/187 PIRACHA STREET BAHAWAL NAGAR	31101-7191756-5	FAIZ MUHAMMAD	436	1,399	-	1,835	-	-	885	-	885
449	MUHAMMAD ANWER KHAN HOUSE NO 240 MOHALLA QAIM KHANI BLOCK C KOT GHULAM MUHAMMAD DISTT MIRPURKHAS	41304-4631928-1	MUHAMMAD HANIF KHAN	2,500	3,051	-	5,551	-	-	2,851	-	2,851
450	HAZRO KARACHI GOODS TRANSPORT CO. HAZRO KARACHI GOODS TR. CO. NEAR TAJ CO. CHOWK SAGGIAN ROAD LAHORE	SAJJAD AFZAL 42101-1882879-9	MUHAMMAD AFZAL ARAEEN	6,850	1,908	-	8,758	-	-	1,759	-	1,759
451	MUGHAL TRADERS SADAR BAZAR NARANG MANDI TEH MURIDKE DISTT SHEIKHUPURA	MUHAMMAD RIAZ 35401-5149054-5	MUHAMMAD SADIQ	1,500	899	-	2,399	-	-	799	-	799
452	ITEHAD OIL MILL MIRWAH ROAD NEAR CATTLE COLONY MIRPURKHAS SINDH	ABDUL KHALID 44103-9603166-3	ABDUL HAMEED	2,933	1,236	-	4,169	-	-	1,119	-	1,119
453	KHADIM HUSSAIN DAAK KHANA 248 RB CHAK 249 RB BALOCH WALA KACHRAL FAISALABAD	33100-9106364-5	KHAN MUHAMMAD	1,200	1,149	-	2,349	-	-	899	-	899
454	MANZOOR CHAK NUM 27 S.B P,O KHAS TEH DISTT. SARGODHA	38403-0570618-3	JAMEEL MUHAMMAD KHAN	544	1,387	-	1,931	-	-	1,281	-	1,281
455	UMAIR ABDULLAH DARA BABA SHAHADAT P/O FAROOKA TEHSIL SAHIWAL DISTT SARGODHA	38403-8668046-7	MUHAMMAD ABDULLAH	1,000	1,041	-	2,041	-	-	804	-	804
456	DEEN MUHAMMAD BASTI RAIS NABI BAKHSH DAAK KHANA FATEHPUR KAMAL QADIR PUR TEHSIL KHANPUR DISTT RAHIM YAR KHAN	31301-9369408-5	RAIS AHMAD YAR	1,900	1,200	-	3,100	-	-	1,000	-	1,000
457	MAIN ALAM SHER BHATTI JILAL ABAD P/O AJNIANWALA DISTT SHEIKHUPURA	35404-1572212-9	BAHAWAL	770	872	-	1,642	-	-	612	-	612
458	AHMED ALI VILLAGE KALU WATTU WALA POST OFFICE JALALPUR BHATTIAN TEHSIL PINDI BHATTIAN DISTRICT HAFIZABAD	34302-6004073-1	WALI DAD	1,219	933	-	2,152	-	-	932	-	932

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
459	RAHEEL TRADERS SAMMA SATTI ROAD NEAR GRID STATION BAHAWALPUR	MUHAMMAD RAHEEL KHALID 31202-2753398-9	MUHAMMAD KHALID	4,500	2,855	-	7,355	-	-	2,855	-	2,855
460	SHAFQAT YASEEN CHAK NO 82/D P/O 83/D TEHSIL / DISTRICT PAK PATTAN	36402-0801481-7	NOOR AHMAD	1,000	832	-	1,832	-	-	632	-	632
461	DHOLA SADDAR USMANWALLA P/O USMANWALLA TEH KASUR DISTT KASUR	35102-6120336-3	REHMAT ALI	810	650	-	1,460	-	-	510	-	510
462	RAJA ABID ASLAM C/O KHAWJA ABDUL MOHEED NEAR NBP HAJIRA DISTT POONCH AZAD KASHMIR	ABID ASLAM KIANI 82302-5338178-7	MUHAMMAD ASLAM KHAN	3,397	523	-	3,920	-	-	523	-	523
463	IMRAN & CO HOUSE NO.505 MOHALLAH NAQSHBAND COLONY KHANEWAL ROAD MULTAN	NOOR MUHAMMAD 36302-6481617-7	SHER MUHAMMAD	1,899	1,236	-	3,135	-	-	1,236	-	1,236
464	TARIQ REHMAN HOUSE NO 01 MOHALLA HAJI BARKET STREET MAMOKAN JAN FAISALABAD	33106-3129774-5	HAJI ABDUL REHMAN	2,341	1,029	-	3,370	-	-	720	-	720
465	USMAN CLOTH HOUSE H 15-A 21 CHIRAGH HAZARAT ABU BAKAR ROAD SHAD BAGH LAHORE	MAZHAR ALI 35202-6249688-3	MUZAFFAR HUSSAIN KAUSARI	2,497	1,145	-	3,642	-	-	1,145	-	1,145
466	S.S.S TRADING COMPANY NEAR SITE AREA KANDHKOT ROAD SHIKARPUR	ANIL KUMAR 43104-6207626-5	HIRA NAND	7,448	773	-	8,221	-	-	773	-	773
467	M. LATIF SHAH RICE MILLS 38/GD FAISALABAD ROAD TEHSIL & DISTT. OKARA	MUHAMMAD LATIF 35302-6889803-3 MUHAMMAD YASIR 35302-3745999-1	AHMED DIN MUHAMMAD LATIF	4,199	4,115	-	8,314	-	-	4,114	-	4,114
468	BISMILLAH RICE MILL BISMILLAH RICE MILL BAGIRJEE SUKKUR	AZIZULLAH 45504-1132178-3	GULL MUHAMMAD	4,000	1,633	-	5,633	-	-	1,633	-	1,633
469	RUSTAM ALI NEAR MADRISSA AYESHA SIDDIQA VILL BHITTAY WAD P O SALLAKE TEH DASKA DISTT SIALKOT	34601-4783633-1	MURAD ALI	800	812	-	1,611	-	-	586	-	586

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
470	MUHAMMAD IQBAL BASTI JAM MUHAMMAD NAWAZ NAZAR MUHAMMAD JHULAN P/O JAMAL DIN WALI TEHSIL SADIQ ABAD DISTT RAHIM YAR KHAN	31304-2059900-7	DUR MUHAMMAD	1,230	778	-	2,008	-	-	778	-	778
471	MUSLIM ZARAE SREVICES GHALLAH MANDI HAROON ABAD TEHSIL HAROON ABAD	AFZAL MEHMOOD 31104-1710331-5	MUHAMMAD ASHRAF	112	1,034	-	1,146	-	-	946	-	946
472	MUHAMMAD ARSHAD VILLAGE HALLOWAL P/O HALLOWAL TEHSIL & DISTT NAROWAL	34501-5195275-5	ABDUL MAJEED	1,500	1,205	-	2,705	-	-	1,055	-	1,055
473	MIRZA QURBAN HUSSAIN CHAK NO 9B/8R PO SAME TEH. MIAN CHANNU DISTT.KHANEWAL	36104-5466674-3	MIRZA NAZAR HUSSAIN	1,164	940	-	2,103	-	-	938	-	938
474	H.S.SIKANDAR OIL MILLS CHAK NO23/10/R P/O SAME TEH KHANEWAL DISTT KHANEWAL	MUHAMMAD SALEEM KHAN 36103-1905028-7	SULTAN SIKANDAR KHAN	1,449	1,412	-	2,861	-	-	1,252	-	1,252
475	MOHAMMAD HAYYAT GOTH HAJI TAYYAB DARS MORADI POST OFFICE KHIPRO DISTT SANGHAR	44202-1761830-1	MOHAMMAD TAYYAB	1,000	816	-	1,816	-	-	636	-	636
476	BILAL ABDULLAH TRADERS MOHALLAH KASHMIRYAN AURANGZEB ROAD HOUSE NO.BI-S2-20,FAROOQ ABAD TEH & DISTT.SHEIKHUPURA	HAFIZ ABDUL HAMEED 35404-1518845-7	ABDUL JABBAR	4,481	2,487	-	6,968	-	-	2,198	-	2,198
477	MUHAMMAD RIASAM KHAN SHOP # 62 GHALLA MANDI MIAN CHANNU DISTT KHANEWAL	61101-9391635-5	MALIK ZOHAR KHAN	799	976	-	1,775	-	-	970	-	970
478	MUHAMMAD IMRAN CHAK NO 6/11 L P/O SAME TEH CHICHA WATNI DISTT SAHIWAL	36501-1984650-1	MUHAMMAD YOUSAF	750	797	-	1,547	-	-	622	-	622
479	MUHAMMAD NAWAZ VILL NAYA BAN BAJWA P/O KHAS TEH PASRUR DISTT SIALKOT	34602-8670450-9	MUHAMMAD YAQOOB	1,800	1,460	-	3,260	-	-	1,262	-	1,262
480	GHULAM SARWAR VILLAGE WALANA P/O KHASS TEH DISTT SIALKOT	34603-1245512-3	IMAM DIN	1,348	1,133	-	2,481	-	-	1,131	-	1,131
481	ASAD ALI SHAH VILLAGE TIBBA GAYMA SHAH P.O TIBBA MEHRBAN SHAH TEHSIL PIPLAN DISTT MAINWALI	38303-5709491-1	KHADIM HUSSAIN	1,799	1,736	-	3,535	-	-	1,310	-	1,310

Details of advances written-off

ANNEXURE II

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Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
482	YMS ENTERPRISES PAKI KOTLI DASKA ROAD SILKOT	RAFIQ MASIH 34603-4491930-5 YAQOOB 34603-6119626-5 MEHBOOB HAMEED 34603-7443755-7	HAMEED MASIH HAMEED MASIH HAMEED MASIH	5,498	1,960	-	7,458	-	-	980	-	980
483	RASOOL STORE H NO 373 BLOCK 15 FB AREA DASTAGIR SOCIETY KARACHI	SHARAFAT HUSSAIN CHAUDHRY 42101-4899044-1	CHAUDHRY GHULAM HUSSAIN	4,998	707	-	5,705	-	-	707	-	707
484	AFFAN SIDDIQUE HOUSE NUMBER 38-A MOHALA SETLITE TOWN GUJRANWALA	34101-2497360-7	MUHAMMAD SIDDIQUE	1,500	910	-	2,410	-	-	785	-	785
485	HUSSAIN FLOUR RICE MILLS BHAROKI ROAD WAZIRABAD DISTT; GUJRANWALA	EJAZ AHMAD 34104-2285535-5 MUKHTAR AHMAD 34104-3764386-7	CH. MUIHAMMAD SHAFI CH. MUIHAMMAD SHAFI WARRAICH	100,000	11,201	-	111,201	-	-	4,426	-	4,426
486	MUHAMMAD ABBAS VILLAGE BUDHA RAJADHA POST OFFICE KOT KHIZRI TEHSIL WAZIRABAD DISTT GUJRANWALA	34104-2573032-1	KHUSHI MUHAMMAD	1,000	897	-	1,897	-	-	597	-	597
487	BASHIR AHMED SHAHEED PUR THROO PO KHAS TEH.PASRUR DISTT. SIALKOT	34602-8279487-7	NIZAM DIN	1,499	1,248	-	2,747	-	-	1,247	-	1,247
488	SINDHU ZARI CORPORATION VILLAGE KALU KLAN P/O WANDO TEHSIL KAMOKI DISTT GUJRANWALA	MUHAMMAD ZAMAN 34102-9901323-1	ATTA ULLAH	900	841	-	1,741	-	-	700	-	700
489	SYED KAREEM ADIL HOUSE NUMBER 220 BLOCK HH PHASE 04 DHA LAHORE	42201-9864146-9	ALI AZHAR SHAH	1,046	367	-	1,413	308	-	366	-	674
490	DAIM SHAH MOHALLAH HASHIMIAN VILL & PO URMUR MIANA DISTT PESHAWAR	17301-1583428-7	NAEEM SHAH	1,000	1,617	-	2,616	-	-	1,616	-	1,616
491	MUHAMMAD ASLAM VILLAGE LODHRA POST OFFICE PINDI BHATTIAN THESIL PINDI BHATTIAN DISTRICT HAFIZABAD	34302-1238487-7	DOST MUHAMMAD	700	670	-	1,370	-	-	530	-	530
492	SARFARAZ BAN BAJWA P/O KHAAS TEHSIL PASROOR DISTT SIALKOT	34602-5070987-9	BARKAT ALI	1,500	612	-	2,112	-	-	502	-	502

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
493	MALIK MUHAMMAD ISHAQ & BROTHERS THANA ROAD, MAIN BAZAAR NEAR RAILWAY STATION NARANG MANDI	MUHAMMAD ISHAQ 35401-1858159-1	MEHR ALI MUHAMMAD	3,000	2,320	-	5,320	-	-	2,320	-	2,320
494	MOHAMMAD ABBAS VILLAGE SUCHA SAUDA MOHALLAH JATTAN TEH & DISTT SHEIKHUPURA	35404-1154993-1	MOHAMMAD HUSAIN	699	822	-	1,521	-	-	721	-	721
495	AL REHMAN TRADERS SHOP NO A-11B ABDULLAH COMPLEX SECTOR 5 I NORTH KARACHI	ABDUL MAJEED 42101-1703776-3	ABDUL RASHEED	983	1,498	-	2,481	-	-	1,079	-	1,079
496	MUHAMMAD MALIK TIBI JAHAR CHAK NO 29 RB P/O MOMIN CHAK NO 30 RB TEHSIL SANGLA HILL DISTT NANKANA SAHI	35403-1154381-5	SARANG KHAN	514	1,290	-	1,804	-	-	804	-	804
497	CHAUDHARY TEX P 181 TEEKA GALI NO.3YARN MARKET FAISALABAD	CH SIDDIQUE ALI 33100-0624443-5	CH MUHAMMAD ALI	6,000	2,233	-	8,233	-	-	1,817	-	1,817
498	HAMAD MANZOOR WARD NO 21 HOUSE NO 2060 MOHALLAH MUHAMMAD ABAD CHICHAWATNI	36501-1135803-1	MANZOOR AHMAD	324	176	-	500	324	-	176	-	500
499	M YAUQOOB CMEC THAR COAL BLOCK 2	44301-5932527-7	BILWAL	644	283	-	927	644	-	283	-	927
500	AFRASIAB KHAN KOT KEH NIKAM KHAN DAAK KHANA HUYAD LANDI DAAK SHAH NAJEEB TEHSIL	11101-1305768-7	ABDUL RASHID KHAN	670	275	-	945	670	-	275	-	945
501	ABBAS ALI MOHALA NAZD T M O BUNGLOW LOCAL BOARD SUKKUR	45105-1856700-7	UBEDULLAH	707	306	-	1,013	707	-	306	-	1,013
502	ZULFIQAR ALI PO SHAH QABOOL MOH PEER ABDULLAH SHAH	17301-1705559-9	ABDUL JALIL	396	211	-	607	396	-	211	-	607
503	WAQAS ALI 080247 PRINTING PRODUCTION B STYLE TEXTILE 126 3 KOT LAKH PAT BSU-(LHR)	35201-9677429-3	REHMAT ALI	355	152	-	508	355	-	152	-	508
504	MUHAMMAD YOUSAF SADAR POLICE STATION KATCHERY ROAD AHMED PUR EAST	31304-6343833-7	ALLAH DITTA	402	170	-	572	402	-	170	-	572

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
505	MUDASSIR DHQ KPK POLICE DISTT PESHAWAR	17301-4529384-7	JANBAR KHAN	354	184	-	538	354	-	184	-	538
506	SHAHID ALI KUMBHAR PARO NAGAR PARKAR PO NANGARPARKAR THARPARKAR	44304-0804189-7	ALLAH BACHAYAO	340	198	-	538	340	-	198	-	538
507	HUJAT ALI OFFICE OF THE MUNICIPL COMMITTEE KANOH KOT KASHMORE	43103-1388980-1	BERO KHAN	546	230	-	776	546	-	230	-	776
508	SHAUKAT ALI MAYAR MEDICINE POINT MISS SHARJA MASJID TIMERGARA	16102-2325129-1	ABDULLAH KHAN	478	230	-	708	478	-	230	-	708
509	DARBAN ALI MUHALLA OPF COLONY	43203-7505212-9	TALIB HUSSAIN AIZRO	500	258	-	758	500	-	258	-	758
510	AZHAR HUSSAIN WARD NO 1 MUHALLAH DHARIYA TEHSIL AND	81102-0244735-1	NAZAR HUSSAIN	432	191	-	623	432	-	191	-	623
511	METCO ENGINEERING CO 547 DIL MUHAMMAD ROAD PATHI GROUND LAHORE	NAWAZ AHMAD 35201-1650708-1	MUHAMMAD ISHAQ	3,600	2,578	-	6,178	-	-	2,478	-	2,478
512	JAVED IQBAL BASTI DHAR MOZA MUD BHURA PO KHANPUR DISTT RAHIM YAR KHAN	31301-2056855-1	ABDUL MAJEED	1,200	1,092	-	2,292	-	-	592	-	592
513	GULLFAREEN KANWAL HOUE NO 04 STREET NO 33 MAIN ZIKRIA TOWN BOASAN ROAD	32302-0285952-0	MUHAMMAD KALEEM	1,600	1,657	-	3,257	-	-	1,517	-	1,517
514	MUHAMMAD SHAHID KHAN DUDA ST. P.O KANJROOR, TEH SHAKARGARH DIST NAROWAL	34502-1508916-9	M SAFDAR KHAN	1,200	1,207	-	2,407	-	-	1,057	-	1,057
515	TAJWAR DAL FACTORY CHAK NO. 5-M/L TEH; PIPLAN DISTT; MIANWALI	MUHAMMAD TANVEER ASIF 38303-6996079-1	GHULAM SHABBIR	2,500	1,806	-	4,306	-	-	1,626	-	1,626
516	AL SIDDIQUE RICE MILLS BUN BAJWA PASRUR SIALKOT	MUHAMMAD ASLAM BAJWA 34602-0731087-1 HAROON ASHRAF BAJWA 34602-0731011-5	MUHAMMAD SIDDIQUE BAJWA MUHAMMAD ASHRAF BAJWA	7,995	3,214	-	11,209	-	-	3,214	-	3,214
517	RUSTAM ALI MOHALLA DIN PUR KALAN TEH SHAKARGARH DISTT NAROWAL	34502-8186287-7	KARIM BUX	2,499	2,593	-	5,093	-	-	2,413	-	2,413

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
518	MANZOOR HUSSAIN BHATTI SADDIQUE ABAD P/O SAME TEH & DISTT NANKANA SAHIB	35201-6923146-3	CH ABDUL GHANI	1,993	1,530	-	3,523	-	-	1,523	-	1,523
519	PAK TEA STORE SHOP NO W 171/18-20 MUSLIM MARKET NANKARI BAZAR RWP	SHEIKH ATIF KHURSHID 37405-4928846-9	SHEIKH KHURSHID AHMED	14,168	2,694	-	16,862	-	-	1,620	-	1,620
520	SYED HAIDER RAZA H NO 949 A CHCH KOREY WALA BEHIND EID GHAAH MAIN ROAD MULTAN	36302-5626916-1	AGA HUSSAIN	694	651	-	1,344	-	-	594	-	594
521	SARDAR MUHAMMAD IQBAL KHAN KHAN HOUSE SARGODHA ROAD MIANWALI	38302-1193229-9	SARDAR KHAN	400	777	-	1,177	-	-	677	-	677
522	OSAMA BANDIAL DAAK KHANA KHAS BANDIYAL SOUTH TEHSIL QUADABAD DISTRICT KHUSHAB	38203-0360626-3	NAEEM ULLAH	4,403	1,422	-	5,825	-	-	1,090	-	1,090
523	GHULAM MUSTAFA HOUSE NO. 96 STREET NO. 23 MOHALLAH SALIK ABAD MOHRA SHARIF BAND ROAD	34502-1514562-3	ABDUL MAJEED	1,000	1,073	-	2,073	-	-	933	-	933
524	TOUSEEF AHMED LAL MANZIL PLOT NO 136 NEW INDUSTRIAL AREA MIRPUR AK	81302-1919338-5	FAZAL AHMED QURESHI	393	162	-	555	393	-	162	-	555
525	KANWAR ABDUL REHMAN ASIF SHAIR PUR P.O BHARTAN WALATEHSIL DASKA SIALKOT	34601-3145864-7	M NISAR ULLAH KHAN	896	496	-	1,392	896	-	496	-	1,392
526	SAJAD HUSSAIN M-4 ABDUL HAKEEM KHANEWAL MOTORWAY BEAT 21 MULTAN	36102-1890500-1	ALLLHA DITTA	633	345	-	979	633	-	345	-	979
527	REHAN AHMED KHAN MUHAL SHAMS PURA DEFENCE ROAD HAMZA GHOUS	34603-2925202-9	IMTIAZ AH,MAD KHAN	462	261	-	723	462	-	261	-	723
528	AQIB MANAN MOHALLA MAQBOOL SHAHEED ABAD AIMNABAD TEH DIST GUJRANWALA	34101-0553363-5	ABDUL MANAN	459	251	-	711	459	-	251	-	711
529	TAHA AYUBI ST DARBAR BABA HAYAT WALI H NO 470 JHELUM	37301-5272090-5	WAJID ALI AYUBI	647	266	-	913	647	-	266	-	913
530	BASHARAT HUSSAIN SKILLS HUB NEAR SUNDAY BAZAR H-9 3	13101-0965611-1	MUHAMMAD ARIF KHAN	344	195	-	539	344	-	195	-	539

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
531	MUHAMMAD ANWAR GARRISON ENGINEER (DP) RAILWAY ROAD, CHAKLALA	33105-0348259-1	MUHAMMAD HANIF	649	267	-	916	649	-	267	-	916
532	MUHAMMAD TALHA HOUSE # 62 WAHDAT COLONY LAHORE	35200-5683720-9	IJAZ HUSSAIN SHAH	485	136	-	621	485	-	136	-	621
533	ZAHID MASIH HOUSE 111 ST NO 4 MOH ESSA NAGRI GMABAD FAISALABAD	33100-8062015-7	RAFIQUE MASIH	332	187	-	518	332	-	187	-	518
534	MUHAMMAD JAHAN ZAIB HOUSE NO P-368 ST NO 5 TAHIR ROAD AHMAD ABAD GULISTAN COLONY NEAR	33100-5409987-3	ABDUL SATTAR	624	295	-	920	624	-	295	-	920
535	SAJID AHMAD DILDAR HUSSAIN MANAGER OPERATIONS EBR ENERGY 43/4 MAIN	71402-7742633-9	SULIMAN SHAH	411	185	-	596	411	-	185	-	596
536	MUHAMMAD HAFEEZ HOUSE NO 40 41 STREET 02 MUHALLADITTA WALA KHUSHAB	38201-1153676-3	M RAMZAN	496	275	-	772	496	-	275	-	772
537	ABDULLAH VPO RAJAKI	34201-0591672-9	MUHAMMAD ARSHAD	399	170	-	569	399	-	170	-	569
538	IMRAN ASHIQ SELECTO MOBILES D GROUND	33100-7385287-1	ASHIQ HUSSAIN	414	199	-	613	414	-	199	-	613
539	SHUMAILA MUHALLA BENAIZIR COLONY MAIN ROAD NAUSHHARO FEROZE TEHSIL & DISTRICT	45304-2333456-4	NAZAR MUHAMMAD MEMON	478	202	-	681	478	-	202	-	681
540	IYYAZ HUSSAIN H NO B 12 FLAG LINE NEAR KASHIF CENTRE SHAHRA E FAISAL KARACHI	33202-4603452-9	RIAZ HUSSAIN	406	182	-	588	406	-	182	-	588
541	YAWAR ABBAS MARGALLA TAXILA MILL 112GT VRD MANNOO, NAGAR, ATTOCK	37406-8828812-9	MUBARIK ALI SHAH	373	216	-	589	373	-	216	-	589
542	BAHADUR ALI RAHIM YAR KHAN	31303-8969474-3	ABDUL GHAFOOR	651	285	-	937	651	-	285	-	937
543	KIRAN SARWAR H NO 106 ST NO 20 JAAM STREET MOHALLAH BAHAR COLONY KOT LAKHPAT LAHORE	35201-6007460-0	SARWAR	949	362	-	1,312	949	-	362	-	1,312

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
544	JAWAID MASIH H45 SAHABADAD GOTH BARF KHANA MALIR KARACHI	42201-8326318-5	INAYAT MASIH	367	203	-	570	367	-	203	-	570
545	MUHAMMAD MUJTABA H NO 109 BASTI RAHIM BAKHSH RENALA OKARA	35103-1317441-9	MUHAMMAD RAFIQUE	382	206	-	588	382	-	206	-	588
546	SYED MUHAMMAD ALI KAZMI FIRST FLOOR BISMILLAH PLAZA NEAR PIA BUILDING GT ROAD KHARIAN GUJRAT	34202-9179836-9	SYED SHAFQAT HUSSAIN SHAH	564	244	-	808	564	-	244	-	808
547	SHAKEEL AHMED AIMS AMBORE MUZAFFARABAD	82203-3315154-7	MUHAMMAD SIDIQUE	573	191	-	763	573	-	191	-	763
548	MUHAMMAD KASHIF QAMAR KHAN COLONY STREET NO 11 HAROONABAD	31104-2160829-7	AMANAT ALI QAMAR	401	187	-	588	401	-	187	-	588
549	ASFAND YAR QURESHI BASTI HAFIZABAD P.O CHABRI TEH & DISTT DERA GHAZI KHAN	32102-8734693-5	AMEER BAKSH QURESHI	330	188	-	517	330	-	188	-	517
550	SARMAD SUFYAN PLATOON 562 DOFC SWAT	12104-8931316-7	MUHAMMAD NAWAZ	347	154	-	501	347	-	154	-	501
551	AHMED SALIM HOUSE NO.C-49, BLOCK-8, GULSHAN-E-IQBAL,	42201-4309128-9	HAJI SALIM	1,074	527	-	1,601	1,074	-	527	-	1,601
552	RAO KASHIF JAMIL WRD7 PLT 1171 BABBU MOH SIALKOT CANTT SIALKOT	35202-0738058-9	RAO JAMIL AHMAD	404	217	-	621	404	-	217	-	621
553	HABIBULLAH MOH.BARCHAM VILLAGE & P.O.	16101-1153811-1	SAR BAHADAR	459	196	-	655	459	-	196	-	655
554	MAZHAR IQBAL QUARTER NO II RANGER , HQ GANDA SINGH WALA , MASJID, KASUR	36502-2546728-3	SIKANDAR	390	174	-	564	390	-	174	-	564
555	GULZAR AHMED KACHI ABADI H NO 39 C SEC G 7/ 3 ISLAMABAD	61101-3575831-5	ARJUN MASIH	440	231	-	671	440	-	231	-	671
556	TAHIRA HAMID ALI PLOT NUMBER D-52 A/2, BLOCK 2 CLIFTON KARACHI	42301-9238104-6	HAMID ALI	590	275	-	865	590	-	275	-	865
557	IBRAR AHAMD VILLAGE HODIGAN PO KATLANG MARDAN	16101-0644470-1	SHAHID ISRAR	408	212	-	620	408	-	212	-	620

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
558	SALMAN LATIF SAJID FLAT NO FE-19 MOHALLA WAHDAT COLONY	35202-4773411-3	ABDUL LATIF SAJID	561	239	-	800	561	-	239	-	800
559	SALMAN ISMAIL H NO 18 ST 15 KARAM ST GHARI SHAHU	35202-2848365-3	MUHAMMAD ISMAIL CH	500	234	-	734	500	-	234	-	734
560	RASHID AHMED GADHPUR PO BHAKHIYANWALA TEHSIL DASKA SIALKOT	34601-0841037-9	MALIKI GHULAM NABI	917	463	-	1,380	917	-	463	-	1,380
561	MOHAMMAD YASIR ANWAR BZU MULTAN	36302-8709707-3	CH MUHAMMAD ANWAR	458	179	-	636	458	-	179	-	636
562	ASIF ALI K&NS HP HATCHERY CHANGA MANGA ROAD JAMBER KHURAD	35301-7830076-1	HAKIM ALI	630	341	-	971	630	-	341	-	971
563	AZIZ SAEED 14030 C L B7 PUNJAB POLICE (P-C BATALIAN 4) NEAR MAKUANA	36303-8342524-9	SAEED AHMAD	620	325	-	944	620	-	325	-	944
564	AGHA'S SUPERMARKET AGHA'S SUPERMARKET NO 1 UZMA COURT DC-3 BLOCK 8 CLIFTON KARACHI CLIFTON KARACHI	FARID VIRANI 42301-8890418-7 FEROZ VIRANI 42301-3085859-3 ANWER ALI 42301-0869599-7	NOOR ALI VIRANI NOOR ALI VIRANI MOLOO VERANY	39,844	1,188	-	41,032	-	-	1,188	-	1,188
565	SHABBIR AHMED STEEL MERCHANT AFSHAN PARK M S FACTORY ROAD DAROGHAWALA	SHABBIR AHMAD 35201-1218226-3	MIAN REHMAT ALI	697	1,688	-	2,385	-	-	1,285	-	1,285
566	CHOUDHRY IMTIAZ RASOOL VILLAGE MAHAL MEHNAY WALI MAHAL MAHNAY WALI SIALKOT	34603-2134241-9	CHOUDHRY GHULAM RASOOL	2,298	1,973	-	4,271	-	-	1,971	-	1,971
567	GULAM QADIR KOT BHAGAT P.O.KOTLI NOONAN TEHSIL SAMBRIAL	34601-6679333-5	NADIR KHAN	1,999	848	-	2,848	-	-	738	-	738
568	FATIMA AHMED HOUSE NO E-14 GVOT COLLEGE TECHNOLOGY KOHAT RD PESHAWAR	17301-4954730-4	MUNIR AHMED	328	172	-	500	328	-	172	-	500
569	NAEEM YOUSAF GHOGHIAN WALA CHAK NO 35/2 RA	35302-2468998-9	MUHAMMAD YOUSAF RANA	448	173	-	621	448	-	173	-	621
570	MUHAMMAD SAJID STREET NO 10 MILLAT COLONY ONE UNIT STAFF COLONY BAHAWAL PUR	31202-3231309-9	ABDUL SHAKOOR	468	200	-	668	468	-	200	-	668

Details of advances written-off

ANNEXURE II

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
571	ASIF MASIH MOH KRISCHAN COLONY GOR COLONY LATIFABAD HYDERABAD	41304-5324721-5	RIASAT MASIH	400	161	-	560	400	-	161	-	560
572	NOMI JAHANGIR CHOTTA BAZAR HOUSE NO 3119-20 MOHALA CHAMAN CHOWK	12101-5023464-1	JAHANGIR MASIH	402	168	-	570	402	-	168	-	570
573	AAMIR MUNIR POPALZAI HOUSE NO.58 MOHALLAH MALIK ZAMAN KHAN NOTHIA QADEEM PESHAWAR CANTT.	17301-3290687-3	MUHAMMAD SHAFI JALAL	411	174	-	585	411	-	174	-	585
574	JAVED MASIH SHAD BAGH CHRISTIAN COLONY H NO 2 ST A 1 ZARGHAR ABAD PESHAWAR	17301-3197795-5	JOZAF MASIH	1,178	524	-	1,702	1,178	-	524	-	1,702
575	MUHAMMAD AZAM SADAQAT LIMITED 521348 2 KM SAHIANWALA ROAD	33104-6174062-5	MUHAMAMD IQBAL	370	173	-	543	370	-	173	-	543
576	AHMED HAROON HOUSE NO 4 MOHALLAH SHAHEEN PURA KHALI SHAH PUR	34101-2956851-9	RANA M AKBAR	400	207	-	607	400	-	207	-	607
577	MUHAMMAD IQBAL MOUZA NAIMAT ALI TEHSIL MAILSI DIST VEHARI	36602-8799873-3	GHULAM HAIDAR KHAN	50	1,175	-	1,224	-	-	774	-	774
578	SARFRAZ AHMAD JASLANI KALAN POST OFFICE WARBURTON TEHSIL AND DISTRICT NANKANA SAHIB	35402-7021130-5	KAMEER KHAN	1,700	1,100	-	2,800	-	-	830	-	830
579	NISAR ELECTRONICS SHOP# 11-B HASHOO CENTRE ABDULLAH HAROON ROAD SADDAR KARACHI	NISAR AHMED 42301-1091335-9	UBAIDULLAH KHAN	4,994	2,950	-	7,944	-	-	2,631	-	2,631
580	CH BASHIR POULTARY FARM VILLAGE RAKH JODHOO DHEER PO RAIWIND DISTT.LAHORE	M ZAHEER ABBAS BHULLAR 35202-3023146-1	CH BASHIR AHMAD BHULLAR	7,000	6,872	-	13,872	-	-	6,372	-	6,372
581	MUHAMMAD ASIF ALI VILL BOLAR P/O KHAAS TEHSIL AND DISTT NAROWAL	34501-3078421-7	MANZOOR AHMED	900	709	-	1,609	-	-	634	-	634
582	SAGHEER AHMAD VILL GUJJOO CHAK P/O TALWANDI KHAJLOORWALI TEH GUJRANWALA	34101-1918870-9	NAZIR AHMAD	1,740	1,917	-	3,657	-	-	1,582	-	1,582

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
583	MOHAMMAD ALI & SONS WARD NO 1 MOHALLAH NAWAN PIND POST OFFICE BADDOMALHI TEH & DISTT NAROWAL	MUHAMMAD HANIF 34501-0952652-1	MUHAMMAD ALI	1,885	1,313	-	3,198	-	-	1,313	-	1,313
584	MOHAMMAD AFZAL KOPRA TEHSIL SAMBRIAL DISTRICT SIALKOT	34604-0392015-9	REHMAT ALI	2,250	1,223	-	3,473	-	-	998	-	998
585	SARDAR M AKRAM DAOKEY KHANYANA POST OFFICE USMAN WALA TEHSIL CHUNIAN DISTT KASUR	35101-2474498-1	SARDAR GHULAM MUHAMMAD	647	636	-	1,283	-	-	509	-	509
586	MOHAMMAD HANIF DARS VILLAGE HAJI MOHAMMAD DARS P O 12 MILE TALUKA SINDHRI DISTT MIRPURKHAS	44103-0306394-1	MOHAMMAD DARS	1,198	709	-	1,907	-	-	607	-	607
587	TAJ MEHMOOD MIRZA CHAK NO 1 SHUMALI GAKHRA PO PHULARWAN TEH BHALWAL DISTT SARGODHA	38401-8999482-1	SULTAN MEHMOOD MIRZA	2,000	1,894	-	3,893	-	-	1,743	-	1,743
588	BADAR SALEEM HOSIERY KNITTING FACTORY DOGRANWAN ROAD SHARIF CHOWK SAMUNDRI ROAD FAISALABAD	MUHAMMAD SALEEM 33100-8986262-1	GHULAM RASOOL	4,699	655	-	5,354	-	-	518	-	518
589	MOHAMMAD YASEEN BOOTAY KHAN ADD. VILLAGE FALEEZPUR PO AHMEDABAD TEHSIL DISTRICT NAROWAL SIALKOT	34501-7504670-5	MOHAMMAD BOOTA KHAN	1,087	962	-	2,049	-	-	749	-	749
590	SYED YOUSIF ALI SHAH DAIRY FARM SHERAZI ZARI FARM CHAK NO.48 S.B P/O SAME TEHSIL SILANWALI DISTT SARGODHA	S.YOUSIF ALI SHAH SHERAZI 38405-7891368-5	SYED SALHOON SHAH SHERAZI	1,810	2,420	-	4,230	-	-	2,080	-	2,080
591	SANGHAR VILLAGE FAQIR MUHAMMAD AMIN MANGRIO DEH TEBHRI POST OFFICE CHHORE TALUKA & DISTT UMERKOT	44107-9391942-7	GAMAN	999	825	-	1,824	-	-	674	-	674
592	INYAT ALI RID VILL BOOLO KHAN RID P/O SOOMAR FAQIR HINGORO TAL SHAHDADPUR DISTT SANGHAR	44204-7833613-1	HAJI ARAB RID	1,452	2,954	-	4,406	-	-	2,169	-	2,169
593	MUHAMMAD YAQOOB CHAK NO 415 JB POST OFFICE SAME TEHSIL GOJRA DISTRICT TOBA TEK SINGH	33301-9426949-3	MUHAMMAD ISMAIL	1,614	2,039	-	3,654	-	-	1,804	-	1,804

Details of advances written-off

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Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
594	ABID ENTERPRISES 3 RAFIQ MANSION SUPER SHAH ALAM MARKET LAHORE	ABID RAFIQ 35202-2179313-5	MUHAMMAD RAFIQ	17,978	16,354	-	34,333	-	-	14,854	-	14,854
595	SAADI SARDAR MUHAMMAD HOUSE NO 6-E MUHALLA OFFICERS COLONY MULTAN	36302-0679637-5	ZIA MAHMOOD SARDAR	2,494	829	-	3,323	-	-	723	-	723
596	MIAN ZAKI MUHAMMAD JHANDIR HOUSE NO 6-E MUHALLA OFFICERS COLONY MULTAN	36302-1283672-3	MIAN ZAKA SARDAR	1,999	660	-	2,659	-	-	559	-	559
597	NASA CORPORATION 2/74 ABBOT ROAD SIALKOT	TARIQ MEHMOOD BHATTI 34603-0392097-1 MUHAMMAD ZAHID YOUNAS 34603-0382597-1	ABDUL KARIM BHATTI MUHAMMAD YOUNAS	7,436	3,648	-	11,084	-	-	2,852	-	2,852
598	BUTT TRADERS VILL REHMANPURA TALWANDI BHINDRAN TEH. & DISTT. NAROWAL	ASIF IQBAL BUTT 34501-2042743-5	MUHAMMAD IQBAL BUTT	1,197	728	-	1,926	-	-	626	-	626
599	MUZAFAR ALI KATEEN KHURD P/O & TEH CHUNIAN DISTT KASUR	35101-2515242-3	MALIK MUHAMMAD ALI	1,700	1,591	-	3,291	-	-	1,241	-	1,241
600	ZAMEER HAIDER WARD NO 12 DONGA BUNGA AKO KA TEHSIL AND DISTRICT BAHAWALNAGAR	31101-7261584-9	MUHAMMAD BAKIR	817	980	-	1,797	-	-	847	-	847
601	SARDAR M TAYAB SHAHEEN DOGAR NEAR WAPDA TOWN HOUSE NO 342-E MUHALLAH PIA SOCIETY LAHORE	35202-2129329-9	SARDAR MUHAMMAD ARIF	4,999	1,311	-	6,310	-	-	1,310	-	1,310
602	NASIR MATEEN FLAT NO H 13 BLK BNORTH NAZIMABAD OPP SAIMA BRIDGE VIEW APARTMENT KARACHI	42101-1640777-5	MATEEN ULLAH KHAN	637	211	-	849	637	-	211	-	849
603	FAIZ MOHAMMAD KAHN FLAT # 10 AL-RIZWAN APPARTMENT BLOCK L NORTH NAZIMABAD	42000-2344877-5	MUHAMMAD	363	148	-	511	363	-	148	-	511
604	TARIQUE HAFEEZ H.NO.151 BLOCK-E MANSOOR COLONY NASARPUR ROAD TANDO ALLAH YAR	41307-7015047-5	MUHAMMAD HAFEEZ	358	160	-	518	358	-	160	-	518
605	USMAN ELECTRIC STORE 4 JAMAL ELECTRIC MKT SHAMA BUILDING SHAH ALAM MKT	MUHAMMAD BABAR MEHMOOD 35201-1551896-5	MEHRAJ DIN	7,011	2,114	-	9,126	-	-	2,114	-	2,114

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
606	KOMAL IQBAL MOUZA HAKIM SADHARKEY P/O DEPAL PUR TEH DEPAL PUR DISTT OKARA	36402-2241063-0	PEER KHAN WATTOO	549	652	-	1,201	-	-	551	-	551
607	ALI AUTO STORE MAIN ROAD CHUNIAN DISTT KASUR MOHALLAH ZAFAR TOWN CHUNIAN DISTT KASUR	SHABBIR AHMED 35101-2019031-5	UMER DIN	756	649	-	1,405	-	-	645	-	645
608	AMJID BROTHERS SHOP NO 04 NEAR MARKEET COMMITTE GHALLA MANDI RAHIM YAR KHAN	AMJID HUSSAIN 45402-0921863-9	MUHAMMAD FAZIL	5,000	3,378	-	8,378	-	-	3,378	-	3,378
609	IHSAN ULLAH V P O LORIKI NEAR CHOOTI PULI TEH DASKA DISTT SIALKOT	34601-0834209-7	RIASAT ALI	1,620	960	-	2,580	-	-	760	-	760
610	ABDUL RAUF KHAN DHOBEREY P/O WANDO DISTT GUJRANWALA	34102-3590315-5	DIN MOHAMMAD	1,260	3,429	-	4,689	-	-	3,089	-	3,089
611	AL-KAUSAR TRADERS 404-B PAK BLOCK ALLAMA IQBAL TOWN LAHORE	RAHAT MAQSOOD 35202-5350969-7 NIAZ AHMED 34502-6305208-3 HASHMAT ALI 34502-1500252-7	MURAD ALI ISLAM DIN KHAWAJ DIN	2,996	1,829	-	4,825	-	-	1,325	-	1,325
612	MUHAMMAD YOUSAF NEAR DERA ARIF HUSSAIN TARAR KOT LADHA P/O KHAS DISTT GUJRANWALA	34103-2647173-3	GHULAM MUSTAFA	1,000	1,228	-	2,228	-	-	1,228	-	1,228
613	MUHAMMAD TUFAIL VILL.BHUDA GORAYA TEH.DASKA DISTT. SIALKOT	34601-6685416-5	MUHAMMAD HUSSAIN	952	1,085	-	2,037	-	-	987	-	987
614	ABASS TRADERS V. JEOWALI P/O MOHRIKAY JAJA TEHSIL PASRUR	MUHAMMAD ABBAS 34602-0740731-1	GHULAM HAIDER	2,687	996	-	3,683	-	-	933	-	933
615	GOHAR ATTIQUE HOUSE NUMBER 227AIII MOHALA GULBERG III LAHORE	35202-7955569-3	WASEEM AHMED	923	320	-	1,242	223	-	320	-	542
616	SHERAZ SALEEM CHUGHTAI UPPER CHATTER HOUSING SCHEME HOUSE NO D-88 MUZAFFARABAD	82203-0981953-9	SARDAR MUHAMMAD SALEEM	1,071	250	-	1,320	371	-	250	-	620
617	HAYAT DAAL FACTORY H-195-196 AKBARI MANDI LAHORE	MUHAMMAD IQBAL 35401-0664402-3	HAYAT MUHAMMAD	5,584	4,822	-	10,405	-	-	4,505	-	4,505

Details of advances written-off

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
618	NASEEM TRADERS INTERNATIONAL FLAT NO 12 SATELLITE PLAZA 6TH ROAD RAWALPINDI	MUHAMMAD NASIM 37405-0264243-9	RASHEED AHMED	20,136	5,815	-	25,951	-	-	5,535	-	5,535
619	ALLAH DITTA SIKANDAR PURA P/O KHUDIAN KHAS TEH & DISTT KASUR	35102-2502288-3	SULTAN	500	752	-	1,252	-	-	652	-	652
620	RANA WAQAS MAQSOOD D VILL BOLAR PO NAROWAL DISTT NAROWAL	34501-2988691-3	MAQSOOD AHMED	1,000	1,702	-	2,702	-	-	1,502	-	1,502
621	ALI AKBAR GOTH MOHAMMAD ALAM HINGORJO TALUKA KHIPRO DISTT SANGHAR	44202-1911332-7	MOHAMMAD ZAKIR	1,497	1,094	-	2,591	-	-	791	-	791
622	IQBAL AND CO PINDI BHATTIAN ROAD JALAL PUR BHATTIAN TEH PINDI BHATTIAN	MUHAMMAD IQBAL 34302-1214976-7	HABIB ULLAH	1,500	1,582	-	3,082	-	-	882	-	882
623	AHSAN IQBAL AHSAN DAIRY FARM NANGAL KASWALA TEHSIL MURIDKE DISTRICT SHEIKHUPURA	35401-9171931-1	CHAUDARY MUHAMMAD IQBAL	1,565	1,144	-	2,709	-	-	909	-	909
624	MUHAMMED YOUNAS HOUSE NO 80 BLOCK NO 2 MOHALLA CHHISHIAN TEH & DISTT SAHIWAL	36502-7493575-7	EID MUHAMMAD	2,505	6,090	-	8,595	-	-	5,445	-	5,445
625	FARRUKH IQBAL GOJRA ROAD NAZD MUDARSA SHEIKH UL ISLAM MAKAN NO 4 MOHALA ISLAMABAD JHANG	33202-0177872-9	ZAFAR IQBAL	1,351	494	-	1,845	181	-	494	-	675
626	QADEER MUHAMMAD HOUSE NO;101 MOHALLA PANHWER COLONY JARWARI SAKH MIRPURKHAS	44103-3062904-1	MUHAMMAD YASEEN	799	644	-	1,444	-	-	514	-	514
627	MUHAMMAD HARIS BAZEED BARAN AP/O SAME TEHSIL LALIAN DSITRICT CHINIOT	38405-8290989-5	ALLAH BAKHSH	700	918	-	1,618	-	-	818	-	818
628	MOHAMMAD ASLAM CHAK NO. 32 JHOLE NO. 4 P.O GOLARCHI	41102-9012961-5	HAKIM ALI	4,612	846	-	5,458	-	-	846	-	846
629	TOUSEEF RAZA BASTI SAMAIL BEILA SARBANA P/O H B SHAH TEH SHOR KOT DISTT JHANG	33203-8703147-7	AHMAD NAWAZ	497	559	-	1,056	-	-	556	-	556
630	MANZOOR AHMAD NAWAN LOAK HUJAN P O SAME TEH KOTMOMAN DISTT SARGODHA	38401-0363174-3	GHULAM MUHAMMAD	2,497	2,518	-	5,015	-	-	2,445	-	2,445

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
631	MUHAMMAD SHAFIQ VILL PINDI SANIAN P/O AMRIYAL TEH SHAKARGARH	34502-2171256-9	ALI AHMED	1,300	557	-	1,856	-	-	556	-	556
632	MUHAMMAD ASHRAF VILLAGE SAGHAR KHURAD P/O HAFIZABAD TEH & DISTT HAFIZABAD	34301-3275943-1	AHMED KHAN	730	928	-	1,658	-	-	718	-	718
633	A.SONS (PRIVATE) LIMITED H# 1106 ST# 38 SECTOR F-8/1 PHASE 8 BAHRIA TOWN RAWALPINDI	ANAYAT ULLAH 82401-4980859-5 SALMA WAQAS 37406-4711831-6 NIGHAT SHAHEEN 82303-9665285-8	MUHAMMAD ARIF WAQAS INAYAT INAYAT ULLAH	4,060	949	-	5,009	-	-	949	-	949
634	MUHAMMAD IRFAN NASIR VILLAGE SHAH MALOOK NEAR OLD AIR PORT MOHALLA SANDHU KALONI TEHSIL PASRUR DISTRICT SIALKOT	34602-0724106-1	CH. MUHAMMAD NASIR KHAN	1,754	1,401	-	3,155	-	-	1,055	-	1,055
635	ALLAH DITTA CHAK NO 207 JB PO 208 JB JHANG	33201-7588631-9	SULTAN	220	1,015	-	1,235	-	-	765	-	765
636	RAHMAN ALI & BROTHERS NEAR BAJI ROAD POST OFFICE AND TEHSIL PANO AKIL DISTT KASUR	MAHBAT KHOSO 45501-7799149-3	ABDULLAH KHOSO	2,500	1,250	-	3,750	-	-	1,250	-	1,250
637	HAJI M LATIF SHAH AND SONS 85- GHALLA MANDI OKARA TEH AND DISTT OKARA	MUHAMMAD YASIR 35302-3745999-1 MUHAMMAD LATIF 35302-6889803-3	MUHAMMAD LATIF AHMED DIN	5,000	4,460	-	9,460	-	-	3,460	-	3,460
638	FAHAD AHMAD BAKHAR BAR TEH SHAHPUR DISTT SARGODHA	38404-1594693-9	MAHAR SHAHAB KHAN	600	558	-	1,158	-	-	508	-	508
639	MUHAMMAD HASHIM KHAN HOUSE NO.291/A SHAMSABAD POST OFFIC GULGHASHT TEHSIL AND DISTT MULTAN	36302-1918956-9	KHAN ABUAL HASSAN KHAN	1,200	941	-	2,141	-	-	901	-	901
640	GHULAM MUHAMMAD CHAK NO 21 JB RANIKY BURJ MANDI NEAR GOVT BOYS HIGH SCHOOL FSD	33101-1702680-7	MUHAMMAND KHAN	800	1,002	-	1,802	-	-	757	-	757
641	FARAZ USMAN LOTHAR P.O RIAZABD TEHSIL 3 DIST MULTAN	36302-2028603-1	USMAN KHAN	1,010	1,008	-	2,018	-	-	743	-	743

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
642	ASKAR RASOOL BUX SHAH SYED MUHALLAH BHANOTH TEHSIL HALA NEW DISTRICT MATIARI BHANOTH	41301-4005531-5	SYED RASOOL BUX SHAH	998	1,687	-	2,686	-	-	1,286	-	1,286
643	AL MAKKA TRUCKING STATION NATIONAL HIGHWAY SARHAD DISTRICT GHOTKI	ZULFIQAR ALI 45102-4651724-1 SAEED AHMED 45102-1230067-1	MUHAMMAD ARAB DILDAR	1,957	553	-	2,511	-	-	553	-	553
644	SARDAR AGRO TRADING CO MAIN ROAD MANDI FAIZABAD TEH NANKANA SAHIB	SARDAR ALI 35402-7454201-1	MUHAMMAD HUSSAIN	9,000	5,230	-	14,230	-	-	4,730	-	4,730
645	MIAN NOOR ELAHI TEMBER MERCHANT MAAN SING ROAD KOT RADHA KISHAN	KAMAL DIN 35102-7366079-1	NOOR ELAHI	465	776	-	1,241	-	-	676	-	676
646	MUHAMMAD TUFAIL CHAH DIHLOWAN BARKORDAR P/O CHAK NO 641 GB DISTT NANKANA SAHIB	35402-8606207-9	NAJABT KHAN	798	959	-	1,757	-	-	957	-	957
647	JAMEEL SAHIB GRAIN TRADERS IMDAD GALI KAMBOH MUHALLA QAMBER SHAHDAD KOT	ALI RAZA 43406-0373313-3	GHULAM SARWAR BROHI	3,992	772	-	4,764	-	-	772	-	772
648	MUHAMMAD AHMED MOUZA BOONGI RAM SINGH P/O MANDI AHMED ABAD TEHSIL DEPAL PUR DISTT OKARA	35301-6486397-7	MUHAMMAD MUREED	1,000	703	-	1,703	-	-	578	-	578
649	SHER E RABBANI KIRYANA GENERAL STORE SHOP NO. 31, FRUIT MARKET, KOT LAKHPAT, LAHORE	M. SHEHZAD HABIB 35201-7249674-3	MUHAMMAD HABIB	2,000	890	-	2,890	-	-	790	-	790
650	SUNNY PETROLEUM SERVICE SUKKUR ROAD SHIKARPUR	ALLAH DINO SANJRANI 43304-0560112-3	HAJI AHMED BUX	5,934	970	-	6,905	-	-	970	-	970
651	MUHAMMAD ASIF NAVEED GHORRI POST OFFICE BOUNGA HAYAT TEH & DISTT PAKPATTAN	36402-0834445-5	MIAN MUHAMMAD ASHRAF	895	740	-	1,635	-	-	635	-	635
652	NEW KHOKHAR TRADERS AL-NOOR TOWN ISLAM NAGAR ROAD SILLANWALI DISTRICT SARGODHA.	MUHAMMAD ARSHAD 38405-2284165-9 IMTIAZ AHMAD 38405-8991485-5 EHSAN ULLAH 33201-7355198-9	ABDUL MAJEED RAMZAN AMIR KHAN	5,000	4,392	-	9,392	-	-	3,892	-	3,892
653	ADNAN & COMPANY FAKHAR-E-GHAFOOR MARKET GHALLA MANDI MURIDKE DISTRICT SHEIKHPURA	SHOUKAT ALI 35401-1754205-7	BARKAT ALI	2,500	2,109	-	4,609	-	-	2,109	-	2,109

Details of advances written-off

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Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
654	AL KARAM TRADER HOUSE NO 55 STREET NO 2 MOH CANAL PARK SARGODHA	CH IFTIKHAR AHMAD 38403-5491162-7	CH. REHMAT ALI	4,000	1,382	-	5,382	-	-	1,382	-	1,382
655	KHALID AHMED WARD 03 GAREB ABAD MOHALA TANDO BAGO DISTRICT BADIN	41104-5615657-7	SAIN BUX JAMALI	4,000	1,432	-	5,432	-	-	1,132	-	1,132
656	HABIB ULLAH KAD LATHI ARA PO SAME TEH SAHIWAL DISTT SARGODHA	38402-1568098-7	MUHAMMAD SAADULLAH	749	1,382	-	2,131	-	-	1,271	-	1,271
657	RANA SHAZAD COMMISSION SHOP WARD NO 4 MAIN P/O BOX AHMEDPUR MECLOAD GUNJ TEHSIL MINCHIN ABAD BAHAWALNAGAR	RANA SHAHZAD AHMAD 31105-0291319-3	MUKHTAR AHMAD	2,500	901	-	3,401	-	-	751	-	751
658	IMRAN AGRO SHOP GHALA MANDI SHARIQ HAFIZABAD DISTT HAFIZABAD	MUHAMMAD IMRAN RAZA 34301-5525900-7	GHULAM RASOOL	1,550	1,225	-	2,776	-	-	1,225	-	1,225
659	GHULAM QAMBER KIRYANA STORE GARH MORE MOHALLAH RAZA ABAD P/O GARHMAHARAJA TEH AHMAD PUR SIAL DISTT JHANG	GHULAM QAMBAR 33203-1380014-1	MUNIR HUSSAIN	1,177	934	-	2,111	-	-	851	-	851
660	GHULAM MUSTFA BALOCH MARH BALOCHAN GHARBI CHAK NO 110 RB P/O KHAS TEHSIL SANGLA HILL DISTT NANKANA SAHIB	35403-1536753-3	DOSAT MUHAMMAD	933	912	-	1,845	-	-	741	-	741
661	MUHAMMAD ASLAM CHAH SHAH ALAM WALA PATI BALAN DA P/O MANKARA TEH SAME DISTT.BHAKKAR	38104-7738527-9	MALIK ATTA ULLAH	2,499	1,957	-	4,457	-	-	1,457	-	1,457
662	JAKA KHAN DERA MAHLAY KA NASEER PUR KALAN TEH.KOTMOMIN DISTT. SARGODHA	38401-5912295-7	MUHAMMAD HAYAT	2,500	2,088	-	4,588	-	-	1,888	-	1,888
663	TANVEER AHMED BASTI HAVELI AMIN MOUZA HOUT WALA TEHSIL JALAL PUR PIRWALA DISTT MULTAN	36301-8077780-9	MALIK NOOR MUHAMMMAD	1,049	1,331	-	2,380	-	-	1,180	-	1,180
664	IRSHAD AHMED CHEEMA V.P.O BEGOWALA TEH.SAMBRIAL DISTT. SIALKOT	34601-3968247-7	NABI AHMED CHEEMA	2,500	1,655	-	4,155	-	-	1,405	-	1,405
665	RANA SAJJAD KHAN DAAK KHANA PEJOKAY KHARHAY TEHSIL PASROOR DISTRICT SIALKOT	34602-8285709-7	KHAN BAHADAR	1,999	1,933	-	3,932	-	-	1,547	-	1,547

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
666	MUHAMMAD AZMAT TAHIR VILLAGE DHILLAM GHAZI P/O GPO SIALKOT	34603-0571832-1	MANZOOR AHMED	1,868	1,140	-	3,008	-	-	1,088	-	1,088
667	RIASAT ALI V. HERVANCE PUR P/O QILA KALERWAL TEH. PASRUR DISTT SIALKOT	34602-0681284-9	NISAR AHMED	2,000	2,606	-	4,606	-	-	2,606	-	2,606
668	SAMIULLAH PLANT 4 LIFE PVT LTD PLOT NO A 23 NEAR MCB BANK SITE AREA FATEH CHOWK HYDER HYDERABAD	44103-3077414-1	MUHAMMAD ALI	1,119	259	-	1,377	314	-	256	-	570
669	ABDUL GHANI VILL HAJI MUHAMMAD KAPRI DEH SURJANI PO B SHAH KARIM TEH B SHAH KARIM DIST T MUHAMMAD	41308-9931552-7	ABDUL SATTAR	792	1,231	-	2,023	-	-	1,093	-	1,093
670	CH.MAQSOOD AHMED & CO GHALLA MANDI CHISHTIAN	SHAHID MAQSOOD 31102-0629400-5	MAQSOOD AHMED	1,500	924	-	2,424	-	-	924	-	924
671	KAMAL YASIR MUHALLA ISLAM ABAD NEAR AL YOUSAF CNG GALI NO A-1 JHANG	33202-3187424-3	ASGHAR ALI KHAN	698	1,009	-	1,707	-	-	957	-	957
672	BASHIR AHMED SHAH VILLAGE DADA SAIN DIN PUR PO SINDH ABADGAR SUGAR MILLS TEHSIL BULRI SHAH KARIM DISTRICT T T SINGH	41308-9346144-1	PEERAL SHAH	3,006	1,326	-	4,332	-	-	1,132	-	1,132
673	SHAHID MAHMOOD CHAUDHERY VILLAGE & PO RECHARA TEHSIL DASKA DISTT SIALKOT	34601-4233034-5	GHULAM HUSSAIN	2,004	1,643	-	3,647	-	-	1,347	-	1,347
674	MUHAMMAD ILYAS SIAN VILL.MASHRQI KUNDAN SIAN POST OFFICE KHAS TEH.DASKA SIALKOT	34601-0775161-5	MUHAMMAD SADIQ	1,599	1,710	-	3,309	-	-	1,549	-	1,549
675	KHALID IMRAN THIRKANAWAL P.O BARANA TEHSIL LALIAN DISTT CHINIOT	33201-8289371-7	HAJI M. ASLAM BHATTI	1,250	1,184	-	2,434	-	-	934	-	934
676	SYED GHULAM MUJTABA SHAH BANGLOW A-1 SUMERA HEIGHTS QASIM TOWN OPP QASIMABAD BOYS DEGREE COLLEGE HYDERABAD	41104-6677239-7	S GHULAM MUSTAFA SHAH	2,549	1,850	-	4,400	-	-	1,290	-	1,290
677	OMER FAROOQ P.O KHAS BHAKHIANWALA TEH DASKA DISTT SIALKOT	91105-0112192-7	MUHAMMAD MUSHTAQ	2,506	1,640	-	4,145	-	-	1,345	-	1,345

Details of advances written-off

ANNEXURE II

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Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
678	KOH E NOOR FLOUR & GENRAL MILLS HOUSE NO 202/1 BII MUHALLAH AAM KHAS BAHAWALPUR	MUHAMMAD SHAHZAD TARIQ 31202-2210932-7 MUHAMMAD BILAL KHAN 31202-5914176-3 MUHAMMAD ZEESHAN HUSSAIN 31202-1319210-5 ASIM SHAHZAD 31202-8913632-1 UMAIR TARIQ 31202-9580951-3	QAZI MUHAMMAD ABDULLAH MUHAMMAD NAWAZ KHAN BALOCH QAZI MUHAMMAD ABDULLAH MUHAMMAD SHAHZAD TARIQ MUHAMMAD SHAHZAD TARIQ	3,800	3,572	-	7,371	-	-	3,282	-	3,282
679	AMANULLAH OPPOSIT STATE LIFE BUILDING CIRCULAR ROAD DERA ISMAIL KHAN	12101-4705339-1	MUHAMMAD RAMZAN	1,154	1,315	-	2,469	-	-	1,226	89	1,315
680	IMRAN AZEEM A.C.T HOUSE 81-A REVENUE SOCIETY NEAR ALI PARK JOHAR TOWN LAHORE	35202-2658153-3	ABDUL HAFEEZ JAVAID	12,967	22,823	-	35,790	-	-	14,690	-	14,690
681	SAUD SALMAN GILL CHAK NO 153 MURAD HASILPUR DISTT BAHAWALPUR	31102-2338805-7	MUHAMMAD SAQLAIN	591	545	-	1,136	-	-	536	-	536
682	NISAR AHMED CHAK NO 30/11-L P.O SAME TEHSIL CHICHAWATNI DISTT SAHIWAL	36501-1811620-5	MAQSOOD AHMAD	691	846	-	1,538	-	-	846	-	846
683	AAMIR ALI NATIONAL TRANSPORT IBRAHIM TRADE TOWER R M.9 P 1 BLK-7&8 SHAHRAH E FAISAL KHI	45403-1393502-7	GHULAM SARWAR	433	234	-	667	433	-	234	-	667
684	MOHAMMAD TALHA NOOR HOUSE NO 1063-G, AKBAR CHOWK GULISTAN COLONY FAISALABAD	33100-9523092-3	MALIK NOOR MUHAMMAD AWAN	334	183	-	516	334	-	183	-	516
685	KHAIR UL WAHAB FC HEAD QAUATER SONERI MASJID RD PESHAWAR	42401-6585819-5	UMER ZADA	335	176	-	512	335	-	176	-	512
686	ZAIN ABBAS VILLAGE KUNG BUDHA DAAK KHANA JALAPUR JANN GUJRAT	34201-9933399-3	INAYAT HUSSAIN	633	358	-	991	633	-	358	-	991
687	ATIF MASIH HOUSE NO. 1438 BLOCK B PEOPLES COLONY FAISALABAD	35503-0225986-1	JAVED BHATTI	359	159	-	518	359	-	159	-	518
688	AYESHA ASHFAQ ROOM NO 07 NURSING HOSTEL S GANGA RAM HOSPITAL LAHORE	35401-6338193-4	MUHAMMAD ASHFAQ	574	302	-	876	574	-	302	-	876

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
689	YAQI KHAN VILLAGE ABDUL REHMAN CHACHAR MASO WALI KASHMORE	43104-3561904-1	PILLO KHAN	528	301	-	830	528	-	301	-	830
690	MUHAMMAD NOMAN CHAK NO 139 SB P/O SAME TEH. SILLANWALI DISTT SARGODHA	38405-5312192-7	MUHAMMAD IKRAM	359	164	-	523	359	-	164	-	523
691	MUHAMMAD ASGHAR HOUSE # 356 D- TYPE COLONY FAISALABAD	33100-0606966-5	MUHAMMAD ASLAM	383	174	-	557	383	-	174	-	557
692	MUHAMMAD NISAR KHAN MOH MOHA KHAL NOR MONAKHA MASJID PESHAWAR	11201-4861586-5	QULLI KHAN	406	220	-	626	406	-	220	-	626
693	AZMAT ALI RYK ZIMINDARA COLONY NEAR NATIONAL BANK MAIN BRANCH RAHIM YAR KHAN	31202-1114264-9	REHMAT ALI	425	246	-	671	425	-	246	-	671
694	MUHAMMAD ISMAIL ASF CONTROL ROOM, JINNAH INTERNATIONAL AIRPORT KARACHI	36304-8099328-9	MUHAMMAD NAWAZ	267	245	-	512	267	-	245	-	512
695	JAMIL AHMED HOUSE NO 10 ST NO 1 ABID MAJEED ROAD HQ NAWAZ LANE RAWALPINDI	45202-7100436-1	MUAHMAD SAIFAL	378	314	-	693	378	-	314	-	693
696	MUHAMMAD AZAM RAHEEM MOHALLA MAHBOOB ALI SHAH GHOTKI POST OFFICE AND TEHSIL GHOTKI DISTRICT GHOTKI	45102-5740603-7	ABDUL RAHIM	595	288	-	883	595	-	288	-	883
697	MUHAMMAD ADNAN KHAN BAHTA MAJHAN P/O FATEHPUR THAKYALA TEH FATEHPUR THAKYALA DISTT KOTLI AK	81201-6768694-5	M RASHEED KHAN	481	143	-	625	481	-	143	-	625
698	MADINA GHAEI STORE HAJI PURA BAZAR GUJRANWALA	MUHAMMAD SALEEM 34101-4624968-1	MUHAMMAD SADIQUE	935	1,293	-	2,228	-	-	1,243	-	1,243
699	ZAHID ABBAS DAAK KHANA VANIKAY TARAR DHARI WAL TEHSIL AND DISTRICT HAFIZABAD	34301-9941308-9	GHULAM ABBAS	2,035	1,084	-	3,119	-	-	909	-	909
700	MUHAMMAD QAISAR ASHRAF JHANGHAR LAL POST OFFICE MEERAN PUR TEH & DIST.NANKANA SAHIB	35402-7138560-3	MUHAMMAD ASHRAF	1,495	3,880	-	5,375	-	-	3,875	-	3,875
701	CH JAHANZEB TAHIR CHAK # 116/12-L P O KASSOWAL TEH CHICHAWATNI DISTT SAHIWAL	36501-7428338-7	CH TAHIR ANAYAT	550	1,235	-	1,785	-	-	1,175	-	1,175

Details of advances written-off

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702	LANGER HAYAT WANDHA SALMAY WALI P/O KAMAR MUSHNI TEHSIL ESSA KHEL MIANWALI	38301-5038715-5	UMER HAYAT	1,099	1,370	-	2,469	-	-	1,219	-	1,219
703	SAJJAD SADDIQUE KOT FAZAL DIN P.O PADHANA CHAK 45 TEH. PATTOKI DISTT. KASURUR	35103-9721704-5	M SIDDIQ	2,500	2,083	-	4,583	-	-	1,833	-	1,833
704	ASIF IFTIKHAR HOUSE NO.1 STREET NO.5 ABU UL HASSAN COLONY RAHIM YAR KHAN	31301-8636956-1	IFTIKHAR AHMED	376	158	-	534	376	-	158	-	534
705	ASIM GILL H NO B 123 SECT 11E NORTH KARACHI KARACHI	42101-1728385-9	ASIF MASIH	331	183	-	515	331	-	183	-	515
706	ADNAN ZAFAR STAFF RESIDENCE STYLO HAQI CENTER BAHAWALPUR	36203-5708988-5	ZAFAR IQBAL KHAN	571	248	-	820	571	-	248	-	820
707	ZAHEER ABBAS QTR 18 16 WHQS RANGER HQ ZARAR SHAHEED ROAD LAHORE	34301-4462585-7	MUHAMMAD BASHIR	346	189	-	535	346	-	189	-	535
708	HASNAT AHMAD KHAN SAEED HOUSE NO F-128 STREET NO.22 OFFICER COLONY PHASE-I, TAXILA	37406-6010631-7	SAEED AHMAD	478	231	-	709	478	-	231	-	709
709	AAMIR MASIH MOH IRRGIATION COLONY SWABI	16202-0938520-9	BARAKAT MASIH	428	190	-	618	428	-	190	-	618
710	KHAIR UL BASHAR PO JABAR KATAN BALA DIR UPPER	15701-3189632-3	FAZAL GHANI	351	194	-	545	351	-	194	-	545
711	SHAHID ABBAS H NO 145 NISHTER BLK ALLAMA IQBAL TOWN	33302-2235032-7	SYED ZAIGHUM HUSSAIN	1,243	689	-	1,932	1,243	-	689	-	1,932
712	AQSA IFTIKHAR LAHORE GARRISON UNIVERSITY DHA PH 6 SECTOR C LAHORE	35202-7337460-8	IFTIKHAR AHMAD	560	247	-	807	560	-	247	-	807
713	MUHAMMAD SHOAB RAZA CHAH RATIAN WALA P.O LUTKARAN MUZAFFARGARH	32304-6242228-5	HUSSAIN BAKSH	426	97	-	523	426	-	97	-	523
714	WAQAS SALEEM TRIBUNEL ANTI ENCROCHMENT REVENUE BUILDING 1ST FLOR COURT SADDAR KARACHI	42401-8330777-1	HASHIQAT ULLAH	403	200	-	603	403	-	200	-	603

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
715	TAIMOOR HASSAN MOUZA SHATAB GHAR TEHSIL MAILSI DISTT VEHARI	36602-0771823-7	SAJJAD HUSSAIN KHICHI	650	1,039	-	1,689	-	-	839	-	839
716	C.M. YOUSAF AND CO GALI HAJI MIRAJ DIN WALI MOHALLAH JAMIA MASJID QADEEM HAFIZABAD	ALLAU UD DIN 34301-8645197-3	MUHAMMAD SHARIF	14,999	4,416	-	19,415	-	-	1,782	-	1,782
717	SAROIA BROTHERS RAILWAY ROAD HAFIZABAD	ALLAU DIN 34301-8645197-3	MUHAMMAD SHARIF	3,500	1,662	-	5,162	-	-	1,282	-	1,282
718	MAQSOOD MAI REVENUE COLONY DCO OFFICE HOUSE NO.06 BAHAWALNAGAR	31101-2877414-6	JAM MUHAMMAD NAWAZ DAHAR	647	752	-	1,400	-	-	695	-	695
719	FIT RIGHT SHOES H # 7 ST # 51 SIRAJ STREET MOHALLAH CHAHMIRAN LAHORE	ZUBAIR ALI 35202-9016725-3	REHMAT ALI	7,587	1,089	-	8,676	-	-	1,089	-	1,089
720	JAM KAMRAN ABBAS REVENUE COLONY BAHAWAL NAGR	31101-4121307-1	JAM MUHAMMAD NAWAZ DAHAR	610	629	-	1,240	-	-	550	-	550
721	MOHAMMAD AFZAL VILLAGE BHOPRA KALAN P O KHAS TEHSIL NOSHERA VIRKAN DISTT GUJRANWALA	34103-9775803-3	MUZAFFAR HUSSAIN	699	843	-	1,542	-	-	662	-	662
722	GHULAM RASOOL NAWAN LOAK HUJHAN P/O SAME TEH.KOTMOMIN DISTT.SARGODHA	38401-6839907-5	GHULAM MUHAMMAD	2,493	2,115	-	4,608	-	-	2,115	-	2,115
723	ABDUL KHALIQ MOUZA AHMED WALA P/O KALRI TEHSIL LALIAN DISTRICT CHINIOT	33201-1704511-7	MUHAMMAD KHAN	1,569	1,923	-	3,492	-	-	1,923	-	1,923
724	SHAHROZ KHAN CHAH MASEET WALA DHALOO P/O KARAM PUR TEHSIL MAILSI DISTT VEHARI	36602-5471968-9	M. MUMTAZ KHAN	1,000	1,060	-	2,060	-	-	760	-	760
725	SADAT GENERAL STORE TURI BAZAR KURRAM AGENCY PARACHINAR	SYED HIDAYAT HUSSAIN 21303-2623538-3	SYED SHAH ABU UL HASSAN	1,066	1,807	-	2,874	-	-	1,807	-	1,807
726	SARDAR DILAWAR HOUSE # 130 NEW EDEN GARDEN SARGHODA	38401-8618581-5	JAVED AZAM WARAICH	568	256	-	824	568	-	256	-	824
727	MEHBOOB REGIONAL DIRECTORATE SINDH BUILDING CONTROL AUTHORITY HYDERABAD	41303-1516593-1	NABI BUX	327	184	-	511	327	-	184	-	511

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
728	IRFAN ALI CHOUDHRY HOUSE NO 15 GALI NO 8 MOHALLA SULTAN PURA NEAR SULTANI MASJID LAHORE	35202-0363537-1	MUHAMMAD MUMTAZ	382	196	-	578	382	-	196	-	578
729	YASMEEN ADEEL HOUSE NO 40 BLOCK 41 TARA CHAND RD KEAMRI KHI KARACHI	42401-8149248-0	ADEEL	650	327	-	978	650	-	327	-	978
730	WAZIR ALI PANHWAR VILLAGE TAJU PANHWAR PHULJI STATION DADU	41201-8450371-9	BUX ALI	942	570	-	1,512	942	-	570	-	1,512
731	SOHAIL ABBAS WARD NO 10 MOHALA BHUTIYA WALA KWL KABIRWALA	36102-1134995-5	ALLAH BAKSH	315	203	-	518	315	-	203	-	518
732	DEEN MUHAMMAD H NO C 21 SINDH UNIVERSITY COLONY KOTRI	41504-0367527-7	BAKSHAL LANGHA	395	147	-	543	395	-	147	-	543
733	MUHAMMAD JAMEEL H20 SERVANT QUARTAR HESCO POWER WING COLONY HUSSANABAD HYDERABAD	41303-0351575-9	M AYOUB	400	218	-	618	400	-	218	-	618
734	HAROON UR RASHEED RANGER POLICE HEAD QUARTER DULLAI MUZAFFARABAD AZAD KASHMIR	82203-7523311-7	ABDUL RASHID	553	234	-	787	553	-	234	-	787
735	ASHAR NAQASH BHATTI H NO 165 8 REHMAT PURA NASRAT ROAD KOT LAKHPAT LAHORE	35201-5418076-3	SULTANM AHMED BHATTI	350	213	-	563	350	-	213	-	563
736	NUSRAT BIN YAMEEN VPO PAKKI SHAH MARDAN DIST MIANWALI	38302-1114717-5	KARAM ABBAS SHAH	840	504	-	1,344	840	-	504	-	1,344
737	ZAHID ALI VILLAGE SABAR KHAN RIND P/O BOZDAR WADA SABIR RIND TALKA THARI MIRWAH DISTRICT KHAIRPUR	45206-8938939-9	SHER KHAN RIND	915	183	-	1,098	915	-	183	-	1,098
738	MUHAMMAD DILBAR NEAR SHARIF PURA OUTSIDE DOULAT CANTER ST15 MOH MAMIA MULTAN	36302-5539566-1	MALLA BUKHSH	312	222	-	534	312	-	222	-	534
739	SALEEM MASIH PAHALWAN GOTH MAKKAN NO R 707 NO R 707 BLOCK 9 GULISTAN E JOHAR KARACHI	42201-4074693-7	SADIQ MASIH	455	266	-	721	455	-	266	-	721

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
740	NADIA RAZZAQ HOUSE NO 1521 BLOCK 15 DASTAGIR FEDERAL B AREA KARACHI	42101-6649388-8	MUHAMMAD RAZZAQ	697	258	-	955	697	-	258	-	955
741	AQSA NAZ POST OFFICE KHAS CHAK NO 485 JB JHANG	33203-8180324-2	BAHADUR KHAN	416	217	-	632	416	-	217	-	632
742	FAIZA ABBAS H NO 32/33 ST 2 MOH BASHIR COLONY SARGODHA	33202-7291008-2	D/O. RUSTAM RASHEED	480	220	-	700	480	-	220	-	700
743	MUHAMMAD QASIM 4HAK NO 1/1 A.L PO KHAS TEH RENALA KHURD 0 MASJID OKARA	35303-2928744-9	RAO ABDUL QADEER	336	180	-	516	336	-	180	-	516
744	MAZHAR SAEED MIMING BLOCK I THARPARKAR ISLAMKOT DISTT METHI ISLAMKOT FAISALABAD	33104-2162200-1	MALIK YOUSAF SAEED	592	349	-	941	592	-	349	-	941
745	AMIR HUSSAIN N/A	35101-5040129-1	M ALI	369	204	-	573	369	-	204	-	573
746	M NASIR QUARTER NO 04 BACHELOR COLONY GUL AHMED QUAIDABAD 0 KARACHI	31302-3530033-5	ZAWAR KHAN	325	180	-	505	325	-	180	-	505
747	HARIS HOUSE NO 42 BLOCK 7 8 TIPU SULTAN ROAD KARACHI	42301-6585338-3	IMAM BUKSH	356	159	-	514	356	-	159	-	514
748	MASHHOOD ALI QURESHI H NO 2B HAFIZA TOWN UNIT 4 LATIFABAD HYDERABAD	41303-1726831-3	PARVEEZ AKHTER	797	346	-	1,143	797	-	346	-	1,143
749	HAMZA TAHIR TEAM 4TERRITORY MANAGER HIGHNOON LABORATORIES LTD 17.5 KM MULTAN ROAD LAHORE	42201-3323386-1	TAHIR KHAN	1,083	534	-	1,618	1,083	-	534	-	1,618
750	RANA ABDUL WAKEEL NEAR GOVT ELEMENTRY SCHOOL VILLAGE & PO RAJA GUMAN TEHSIL DASKA DISTRICT SIALKOT	34601-3786663-7	RANA M YOUSAS	375	187	-	562	375	-	187	-	562
751	DASKA DISTRICT SIALKOT BISP DIVISIONAL OFF NASIRABAD DIV CIVIL HOSPITAL DERA MURAD JAMALI	45101-9619753-7	RANJHAN KHAN BOZDAR	728	346	-	1,074	728	-	346	-	1,074
752	MUHAMMAD YAQOOB PANHWAR MUHALLA PANHWAR COLONY, PHULJI, TEHSIL & DISTRICT DADU	41201-7236346-1	BUDLAL	384	291	-	675	384	-	291	-	675

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
753	SHEIKH MUHAMMAD AFZAL HOUSE 3 A HOSPITAL RD TEH AND DISTT RAHIM YAR KHAN BAHAWALPUR	36302-1686652-5	SH M IBRAHIM	557	139	-	696	557	-	139	-	696
754	MUHAMMAD AHMED HOUSE # 53-D SCHEME-02 BLOCK # Z MOHALLAH GULSHAN IQBAL RAHIM YAR KHAN	31303-2432685-7	MOHAMMAD ABBAS NADEEM	1,984	316	-	2,300	1,984	-	316	-	2,300
755	WAQAR ASLAM IBRAHIM MOTORS JINAN MOTOR CYCLE NARWALA ROAD FAISALABAD	33100-1996164-5	PIRZADA M ASLAM	637	157	-	793	637	-	157	-	793
756	MOHAMMAD AMIN SARWAR HOUSE NO. 5879/2966, STREET NO. 5 ROZA PARK, MANSOORABAD FAISALABAD	33102-1765559-5	M SARWAR AKHTAR	700	193	-	894	700	-	193	-	894
757	MUHAMMAD AWAIS KHALID H NO 2 GALI NO 7 JINNJAH PARK P/O WAHDAT COLONY GUJRANWALA	34101-2412959-3	KHALID MAHMOOD	810	141	-	951	810	-	141	-	951
758	MUHAMMAD ARSLAN HOUSE#51 STREET#17 Y BLOCK PEOPLES COLONY GUJRANWALA	34101-2664092-7	MUHAMMAD RAFI	1,138	266	-	1,404	1,138	-	266	-	1,404
759	SANA MEHMOOD HOUSE NUM 6 SALEEMI STREET NO 5 MUSTAFA COLONY SUI GAS ROAD GUJRANWALA	35202-5253790-6	MUHAMMAD MOHSIN RAFI	1,381	278	-	1,659	1,381	-	278	-	1,659
760	TARIQ MEHMOOD H NO B II-802 MACHINE MOHALLA KOOCHA NAWAB DIN JHELMUM	37301-2258747-9	MUHAMMAD KHALIQ	449	71	-	520	449	-	71	-	520
761	ABDUL WAHAB NOONARI VILLA NO 173 ST NO 4 QUAID BLOCK BAHRIA TOWN KARACHI	41306-5611906-5	ABDUL MAJEED	447	129	-	576	447	-	129	-	576
762	AZHAR ALI ODHO G 303 3RD FLOOR CHAPPAL APAPRTMENT BLOCK 13 GULISTAN E JOHAR KARACHI	43301-1736607-5	ABDUL MAJEED	492	104	-	596	492	-	104	-	596
763	S A GHAZANFAR JAFRI R-40, GULSHAN-E-AMIN BLOCK# 21, F.B. AREA KARACHI	42101-0803381-3	SYED ALI NASIR JAFRI	460	75	-	536	460	-	75	-	536
764	ASIF ALI HOUSE #58 BLOCK S MODEL TOWN EXTENSION LAHORE	35200-1443803-1	M RAMZAN	621	129	-	751	621	-	129	-	751

Details of advances written-off

ANNEXURE II

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Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
765	MOHAMMAD KASHIF KHAN H:406,BLOCK D STREET NO 3 PHASE 1 NFT SOCIETY LAHORE	35202-2587889-1		496	103	-	599	496	-	103	-	599
766	WAQAS NIAZ MUSLIM GUNJ,MURIDKAY HOUSE# 686, LAHORE	35401-8031921-9	NIAZ AHMAD	1,023	212	-	1,235	1,023	-	212	-	1,235
767	MUHAMMAD IMRAN SAEEDA ABAD P/O KHAAS QAIM BHARWANA TASIL SHORKOOT DISTT JHANG SARGODHA	33203-3487470-5	HAQNAWAZ	464	128	-	592	464	-	128	-	592
768	MUHAMMAD RIZWAN CHONGI NO 25 SATELLITE TOWN MOHALLA SADDIQUE ABAD JHANG	33202-1774473-9	A MAJEED	423	101	-	524	423	-	101	-	524
769	ADNAN M SIDDIQUE VILLAGE ANDROON PALA SHAH GATE CHOWK ADD PASRURIAN ALLAMA IQBAL ROAD SIALKOT	34603-2181411-7	MUHAMMAD SIDDIQUE	1,092	203	-	1,295	1,092	-	203	-	1,295
770	ABID ALI 84, A-3, GULBERG 3, (near Hotel One), KASOORI ROAD, LAHORE	35202-8201591-7	AJMAL ALI	1,152	236	-	1,388	1,152	-	236	-	1,388
771	MUHAMMAD MUBASHIR SABIR HOUSE-286 A BLOCK VENIUS HOUSING SOCIETY FEROPURA RAOD LAHORE	35202-3229526-9	M SABIR	746	208	-	954	746	-	208	-	954
772	M RAFI NASIR H 1107/A WARD 6 M DOLAT MOH KARIM PURA MULTAN	36302-5453366-9	MALIK M SHAFI	607	118	-	725	607	-	118	-	725
773	BILAL MUSSADIQ H NO 24/ A MAIN BAZAR GOWAL MANDI LAHORE	35202-4205214-5	MUHAMMAD MUSSADIQ BUTT	771	173	-	944	771	-	173	-	944
774	SIKENDER JAVED KALYAR KOT KALYARAN P/O NOORPUR VIRKAN TEH SKP DISTT SHEIKHUPURA	35404-8241930-7	TABBASUM JAVED KALYAR	639	153	-	792	639	-	153	-	792
775	MUHAMMAD ADNAN ROOM#518 5TH FLOOR P-BLOCK P-BLOCK PAK SECTT ISLAMABAD	17201-4524320-7	ABDUL KHALIQ	478	115	-	593	478	-	115	-	593
776	AKBAR ALI OFFICE # 6 3RD FLOOR BLOCK 7-1 PIA HOUSING SOCIETY NEAR FAISAL FABRIC LAHORE	36302-9678731-3	MUSHTAQ ALI	494	85	-	579	494	-	85	-	579
777	JALIL UR REHMAN H NO P-224 MAIN BAZAR SANAT PURA FAISALABAD	33100-5091053-5	SAEED UL REHMAN	1,770	415	-	2,186	1,770	-	415	-	2,186

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
778	WASEEM PERVAIZ DUBAI GARMENTS HOUSE NO. 33/262 NEW ALLAMA IQBAL BUILDING ALLAMA IQBAL ROAD SIALKOT	34603-8487151-9	MUHAMMAD SULEMAN	560	274	-	834	560	-	274	-	834
779	ARSALAN SALEEM FLAT NO 807, PLOT NO 159 IR SHAMA BRODGE VIEW PECHS KARACHI	42301-8345497-3	MUHAMMAD SALEEM	445	106	-	550	445	-	106	-	550
780	ZAHOR AHMED BASTI FATTOO WALI SAMMA SATT BAHAWALPUR	31202-3624184-3	GHULAM SARWAR	624	137	-	761	624	-	137	-	761
781	MUHAMMAD ZIA ANWAR HOUSE# 4 BLOCK# 4 SECTOR A-2 TOWN SHIP LAHORE	34502-9322531-1	MUHAMMAD ANWAR	429	148	-	577	429	-	148	-	577
782	ZAFAR IQBAL MANDIAN WALA ROAD OLD MANDI KASUR PATTOKI SAHIWAL	35103-1366713-5	MUHAMMAD HANIF	423	105	-	528	423	-	105	-	528
783	SHAIKH OMAR SIDDIQ SUIT NUMBER 402 PLOT NUMBER 37-C JAMI COMMERCIAL STREET 2 PHASE 7 DHA	42301-0703422-5	SHAIKH MUHAMMAD SIDDIQ	572	119	-	690	572	-	119	-	690
784	ARSALAN SALEEM FLAT NO 1009, 10th FLOOR CHANDNI RESIDENCY, NEAR HAIDER SUPPER MARKET KARACHI	42301-8345497-3	MUHAMMAD SALEEM	1,200	255	-	1,454	1,200	-	255	-	1,454
785	UMAIR ABDUL SATTAR HOUSE NO.1264 MOHALLAH BAGH VEHRA OUTSIDE DELHI GATE MULTAN	36302-5984466-1	ABDUL SATTAR	459	107	-	566	459	-	107	-	566
786	MAZHAR NAUMANI HNO P-9 CADET COLLEGE PETARO JAMSHORO HYDERABAD	51602-1139972-1	MUHAMMAD ZAMEER NAUMANI	416	105	-	521	416	-	105	-	521
787	SYED ZULFIQAR ALI HOUSE # 1/1099-C BLOCK-25 TAUNSA ROAD GARDEN TOWN MULTAN	42301-4438034-1		520	118	-	638	520	-	118	-	638
788	JALIL UR REHMAN SIDDIQU CHOWK D TYPE COLONY MILLAT COLONY, 848-D FAISALABAD	33100-0901166-1		646	125	-	771	646	-	125	-	771
789	SYED HASNAIN ZAIDI BLOCK-N, NORTH NAZIMABAD HOUSE# A-249 KARACHI	42101-0539086-9		1,210	229	-	1,439	1,210	-	229	-	1,439
790	SUNAE HABIB E - 782 CANAL VIEW HOUSING SOCIETY LAHORE	35202-4466310-4	HABIB ULLAH	481	101	-	582	481	-	101	-	582

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
791	MUKHTAR AHMED CHEEMA GADYALA MASHRAQI P/O GADYALA SAMBRIAL SIALKOT	34601-1739313-1	MUHAMMAD NAWAZ CHEEMA	479	133	-	612	479	-	133	-	612
792	KHURRAM TUFAIL GOEANDI ZAIB ENTERPRISES 375 ASGHAR MALL SCHEME-1 SAID PUR ROAD RAWALPINDI	37405-5254531-1	SH M TUFAIL	563	107	-	670	563	-	107	-	670
793	ABID MASOOD HOUSE NO 107/25 REHMANIA COLONY TEHSIL & DISTRICT VEHARI	36603-8699087-3	TAJ DIN	426	120	-	546	426	-	120	-	546
794	NAQASH KHALID HNO 199/A MOHALLAHA NUMBERDARAN TECNH BHATTA RAWALPINDI	37405-5827632-5	CH MUHAMMAD KHALID	478	107	-	586	478	-	107	-	586
795	MUHAMMAD SOHAIL AKHTAR HOUSE NO:384-D-, SCHEEM NO:2 ,BLOCK-Y, GHULSHAN-E-IQBAL RAHEEM YAR KHAN	54400-0530201-3	MUHAMMAD NAEEM AKHTAR	628	129	-	757	628	-	129	-	757
796	HASSAN ABBAS HOUSE 535 ALIPUR CHATHA CICALAR ROAD TEH WAZIRABAD DISTT GUJRANWALA	34104-0445946-7	NASEER HASSAIN	500	112	-	612	500	-	112	-	612
797	FURQAN RAFIQUE WATER STREET, STREET#3 MOH PREM NAGAR SIALKOT	34603-7044599-9	MUHAMMAD RAFIQUE	849	193	-	1,042	849	-	193	-	1,042
798	MUKHTAR AHMED CHEEMA GADYALA MASHRAQI P/O GADYALA SAMBRIAL DASKA TEHSIL SIALKOT	34601-1739313-1	MUHAMMAD NAWAZ	477	132	-	609	477	-	132	-	609
799	MIRZA KAMRAN BAIG HOUSE # 07 BLOCK # C STREET # 16 EDEN VALU HOMES SOCIETY THOKAR NIAZ BAIG LAHORE	35202-4589648-3	MIRZA ASGHAR BAIG	604	136	-	740	604	-	136	-	740
800	FARHAN AHMED FARID HOUSE NO 762 L BLOCK FAREED TOWN SAHIWAL	36402-6697169-1	NASEEM AHMED	739	153	-	892	739	-	153	-	892
801	RIZWAN IQBAL OCEAN NETWORK EXPRESS PAKISTAN PVT LTD BAHRIA COMPLEX III M.T KHAN ROAD KARACHI	42301-5064717-3	M IQBAL	495	114	-	609	495	-	114	-	609
802	SHAKIL AHMAD CHAUDHARY APPARTMENT NO 505, WARDA HAMNA RESIDENCIA NO 2, STREET NO 91, G11/3 ISLAMABAD	61101-3150840-9		1,233	268	-	1,501	1,233	-	268	-	1,501
803	DANISH BILAL BILAL STEEL WORKS NEAR RAILWAY PHATAK CHAK#115/16L TEHSIL MIAN CHANNU KHANEWAL	36302-3816664-3	M BILAL	575	218	-	793	575	-	218	-	793

Details of advances written-off

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Rupees in '000'

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				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
804	MUHAMMAD IMRAN CHAUDHARY HOUSE#340 BLOCK A SHAH RUKN E ALAM MULTAN	35200-1526407-5	MUHAMMAD MUNAWAR	749	179	-	928	749	-	179	-	928
805	MUHAMMAD ADNAN MUSHTAQ H 1222 ST 2 MOH HASSAN PURA CHOWK SHAH ABBAS MULTAN	36302-0844423-9	MUHAMMAD MUSHTAQ	510	130	-	639	510	-	130	-	639
806	AFSHAN MANZOOR H 9 INDUS HOSPITAL 09 PLEADER LANE ATTOCK ATTOCK	61101-7451646-0	FARHAT JABEEN	430	116	-	545	430	-	116	-	545
807	TANVEER AHMAD 21 JINNAH PARK CHEEMA HOUSE ST NO. 10, RAHIM YAR KHAN	31303-4480823-5	ASGHAR ALI	706	116	-	821	706	-	116	-	821
808	HARIS ALAMGIR SHAIKH HOUSE NO.57-B/2/ KHAYABAN E SHAHBAZ PHASE 6 DHA KARACHI	42301-6219684-3	ALAMGIR ANWAR SHAIKH	796	143	-	938	796	-	143	-	938
809	ALI NAWAZ KHAN H NO B 64 BLK 5 GULSHAN E IQBAL KARACHI	36302-1818821-1	MUHAMMAD NAWAZ	568	126	-	695	568	-	126	-	695
810	EHSAN SAJJAD HOUSE # 39 STREET # 25 F-8/2 ISLAMABAD	13101-0967714-7	MUHAMMAD SAJJAD	813	164	-	977	813	-	164	-	977
811	SHAHID IQBAL H NO 1223 A BLOCK SATTELITTE TOWN JHANG SARGODHA	33203-0400629-1	MUHAMMAD IQBAL SADIQ	465	121	-	586	465	-	121	-	586
812	MUBASHAR KHAN VILL & P O VIRKAN BUTALA SHARAM SINGH GUJRANWALA	34101-2723184-1	MANZOOR KHAN	750	197	-	947	750	-	197	-	947
813	WASEEM ABBAS BLACK ARROWS 78-D1 3RD FLOOR ASHIANA SHOPPING CENTRE MAIN BOULEVARD GULBERG LAHORE	35202-3892620-9	MALIK MUHAMMAD SADDIQ	458	93	-	551	458	-	93	-	551
814	AMMAR ZULFIQAR GALI KHATIKA HOUSE NO 23/55 MOHALLA AMAN PURA SIALKOT	34603-0142538-3	ZULFIQAR ALI	522	105	-	627	522	-	105	-	627
815	MUHAMMAD ASAF DAR FLAT NO 407 TOWER 101 STREET NO 100 G 11/3 ISLAMABAD	37405-6458603-5	ASAF ALI DAR	453	98	-	551	453	-	98	-	551
816	SUNEEL MASIH KHOKHAR TIBA BASTI MOHALLAH KHOKHARAN PASRUR TEH PASRUR DISTT SIALKOT	34602-8558959-5	RAFIQUE KHOKHAR	564	118	-	682	564	-	118	-	682
817	GHULAM AKBAR HOUSE # 3, STREET # 02, BLOCK-E , SOAN GARDEN ISLAMABAD	61101-4418141-1	N/A	887	209	-	1,096	887	-	209	-	1,096

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
818	DILAWAR HUSSAIN CHITROR GARH P/O SARDAR PUR TEH KABIRWALA DIST KHANEWAL MULTAN	36102-1540345-3	ALLAH DITTA	1,671	414	-	2,085	1,671	-	414	-	2,085
819	MEHRAN MUHAYUDIN PATHAN WALI PO KHAS SIALKOT	34603-9022563-1	GHULAM MUHAYUDIN	474	95	-	569	474	-	95	-	569
820	AQEEL ABBAS HOUSE NO 30 ST NO 4 SADAAT COLONY SAMANABAD LAHORE	35202-4030169-7	SYED FAISAL HUSSAIN TIRMAZI	782	69	-	850	782	-	69	-	850
821	RUBINA AHMAD HOUSE 120 D BLOCK PUNJAB CO OPERATIVE HOUSING SOCIETY DHA LAHORE	35201-1123295-8	AHMED ALI	742	153	-	895	742	-	153	-	895
822	MALIK FAISAL AHMED PLOT R-40 1ST FLOOR HASRAT MOHANI SOCIETY OPP ASGHAR ALI SHAH STADIUM PAHAR GANJ NORTH NAZIMABAD KARACHI	42101-9189416-7	MALIK HUMAYUN BAKHT	470	109	-	578	470	-	109	-	578
823	IMRAN SALEEM APPARTEMENT NO 109 PARK TOWERS SECTOR F10 3 ISLAMABAD	37405-7784443-1	SHEIKH M SALEEM	987	213	-	1,200	987	-	213	-	1,200
824	DILSHAD HUSSAIN THE REVIVAL E TRADE OFFICE NO 1 BASEMENT BLOCK C MID CITY APPARTMENT KHOKHAR ROAD NEAR FAZAIYA COLONY RAWALPINDI	31203-9526787-3	M SHAFIQUE TAHIR	404	98	-	501	404	-	98	-	501
825	ABBAS AHMED RAILWAY ROAD PASRUR PASRUR SIALKOT	35201-5565840-7	CH RIAZ AHMED	431	114	-	545	431	-	114	-	545
826	IMRAN SALEEM APPARTEMENT NO 109 PARK TOWERS SECTOR F10 3 ISLAMABAD	37405-7784443-1	SH M SALEEM	485	112	-	597	485	-	112	-	597
827	IMRAN WAJIH HASSAN F-2/1 MAYMAR ARCADE BLOCK 16 GULSHAN-E-IQBAL KARACHI	42201-6432746-5	SALMAN WAJIH HASSAN	499	120	-	619	499	-	120	-	619
828	KHURSHID ALAM SUIT NO 7 2ND FLOOR GONDAL PLAZA F-10 MARKAZ ISLAMABAD	61101-1801102-5	MALIK MUHAMMAD ISHAQ	501	112	-	613	501	-	112	-	613
829	GHULAM MURTAZA BHATTI GM LAW ASSOCIATES CITY TOWER D 702 MAIN GULBERG BOULEVERD LAHORE	35202-9733275-5	GHULAM MUHAMMAD BHATTI	437	78	-	515	437	-	78	-	515
830	ABBAS AHMED ABBAS HOUSE GHALLA MANDI PASRUR SIALKOT	35201-5565840-7	CH RIAZ AHMED	1,100	223	-	1,323	1,100	-	223	-	1,323

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
831	KAMAL MIRAJ FLAT# 25-E, GROUP-B, KOHINOOR FLAT MADINA TOWN NEAR HOCKEY STADIUM FAISALABAD	33100-3037819-1	MUHAMMAD MIRAJ DIN	1,169	291	-	1,460	1,169	-	291	-	1,460
832	WAQAS MARGHOOB House No 620/5 Street No 1 Prem Nagar Abbot Road SIALKOT	34603-2939480-7	MIAN MARGHOOB ALAM	1,483	286	-	1,769	1,483	-	286	-	1,769
833	ABDUL WAHEED MUGHAL AUTOS A BLOCK STORE MARKET MODEL TOWN LAHORE	35202-1467867-5	MUHAMMAD TUFAIL	1,382	241	-	1,623	1,382	-	241	-	1,623
834	KAMRAN RAZA H # 172 SHAH JAMAL LAHORE	35202-3028406-5	MUHAMMAD KHALID	498	102	-	600	498	-	102	-	600
835	SIBTE AHMED JAFRI 121, KHAYABAN-E-SEHAR, PHASE VL,D.H.A, 26TH STREET, KARACHI	42101-4670001-7		837	192	-	1,030	837	-	192	-	1,030
836	ANWAR UL HAQ H NO 295-A MOHALLA HALL ROAD WESTRIDGE RAWALPINDI	37405-5832070-9	MUHAMMAD ASLAM	950	144	-	1,094	370	-	144	-	514
837	SHEIKH SHIRAZ MUBASHIR HONDA SHAHRAH E FAISAL KHI 13 BANGLORE TOWN KARACHI	42301-5749545-5	SHEIKH MUBASHIR	2,198	485	-	2,683	853	-	485	-	1,338
838	NOUMAN KHAN HOUSE NO 188 MEERAN NAKA GULISTAN COLONY ABDUL RAHEEM LAASI STREET LIYARI KARACHI	42301-8475198-3	M AYUB	1,218	234	-	1,452	418	-	234	-	652
839	WASEEM PERVAIZ DUBAI GARMENTS HOUSE NO 33/262 NEW ALLAMA IQBAL BUILDING ALLAMA IQBAL ROAD SIALKOT	34603-8487151-9	MUHAMMAD SULEMAN	1,393	274	-	1,667	560	-	274	-	834
840	MUHAMMAD IMRAN HOUSE NO 282 STREET NO 14 MOHALLAH ISLAMWALA KHIALI SHAHPUR GUJRANWALA	34101-1269589-5	AKBAR ALI	1,349	279	-	1,628	500	-	279	-	779
841	MUHAMMAD SALEEM MINHAS H NO 395 BLOCK C FT 100 ROAD SHAH RUKN E ALAM NEAR JINNAH PARK MULTAN	33203-8376657-7	ALLAH DITTA ASHRAF	1,250	1,518	-	2,768	480	-	269	-	748
842	ZAHID NAZIR HOUSE NO 18/456 MOHALLAH TAJ PURA KHADIM ALI ROAD SIALKOT	34603-2222245-1	MUHAMMAD NAZIR	1,136	1,399	-	2,535	435	-	264	-	698
843	FURQAN FAROOQ P.L.K BRIDAL SHOP NO. G-2 DUBAI SHOPPING MALL MAIN TARIQ ROAD NEAR MATEEN PLAZA KARACHI	42201-3929876-3		1,603	374	-	1,978	613	-	374	-	988

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
844	AMIR SALEEM PURA HEERAN NEAR MUHAMMAD ISHAQ COUNCLER RANG PURA MOHALLA NAAI ABADI ZAFAR ABAD SIALKOT	34603-2265374-9	MUHAMMAD SALEEM	975	181	-	1,155	397	-	181	-	578
845	ABRAIZ ALI KHAN SHAHEEN AIR TERMINAL 1 JINNAH INTL AIRPORT KARACHI	42101-7394720-3	PERVAIZ ALI	917	223	-	1,140	347	-	223	-	570
846	AHMAD ALI QAMAR HOUSE NO 22 B GULSHAN E MADINA COLONY MDA CHOWK MULTAN	32302-1277941-5		996	171	-	1,168	396	-	171	-	568
847	TUWAIQI STEEL MILLS LIMITED EXPORT PROCESSING ZONE, SURVEY NO. NC-49, DEH BAKHRAN, OPPOSITE KESC POWER PLANT, BIN QASIM, KARACHI	MOHAMMAD ASHRAF QAZI 37201-8019497-7 ZAIGHAM ADIL RIZVI 35202-2889684-3 MATEEN JALAL KHATTAK 42501-6981220-7 MUHAMMAD OVAIS HABIB 42501-6764801-9 AAMER RIAZ 54400-4480694-5	QAZI ABDUL KARIM SAEED AHMED RIZVI MUHAMMAD SHABIR KHATTAK HABIB AHMED SARDAR RIAZ AHMED KHAN	1,558,826	734,336	-	2,293,162	1,188,827	-	765,216	-	1,954,043
Total Holding				5,117,819	3,262,299	-	8,380,118	1,779,700	-	3,060,726	22,038	4,862,464
848	ASIF ALI MUHARRAM ABAD KOT YAQOOB P.O MURIDKAY TEH:MURIDKAY DIST: SHEIKHUPURA	3540505406995	NIAMAT ALI	785	-	-	785	785	-	132	-	917
849	S M SARFRAZ HUSSAIN GILLANI NAZD NISHTAR COLONY HOUSE 115 MOHALA GILLANI STREET FEROZPUR ROAD LHR	3520276640965	SYED LAL HUSSAIN SHAH GILLANI	762	-	-	762	762	-	115	-	877
850	MUKARAM ALI JANAH CHOK MOH SHAHAB PURA DASKA DISTT SIALKOT	3460121806127	NOOR HUSSAIN	740	-	-	740	740	-	127	-	867
851	DAWOOD AHMAD CHAK NO 451 EB BUREWALA VEHARI	3660109319043	MAHBOOB AHMAD	693	-	-	693	693	-	155	-	848
852	SHEIKH MAKHDoom ALI SHAHZAD CLOTH MARKET SHERAWALA GATE AZAM CLOTH MARKET LAHORE	3540117922111	SHEIKH ZAHoor AHMED JAFRI	662	-	-	662	662	-	156	-	818
853	MANZoor AHMAD P.O MURIDKAY NANGLE KOSOWAL TEH. MU P.O MURIDKAY NANGLE KOSOWAL TEH. MU	3540149653659	TALIB HUSSAIN	674	-	-	674	674	-	109	-	783

Details of advances written-off

ANNEXURE II

Statement showing written-off advances or any other financial relief of Five Hundred Thousand Rupees or above provided during the year ended December 31, 2023

Rupees in '000'

S. No.	Name & Address of the Borrower	Name of Proprietor/Partners/ Directors (with NIC No.)	Father's / Husband Name	Outstanding Liabilities at the beginning				Principal Write-off	Mark-up & Other Charges Write-off	Other Financial Relief		Total
				Principal	Mark-up (Debited + Undebited)	Other Charges	Total			Un-Debited (Waiver)	Debited (Reversal)	
854	MUHAMMAD AMEEN HAJI MUHAMMAD HASSAN PALLI PO UMERKOT UMERKOT	4410767880453	MUHAMMAD HASSAN	450	-	-	450	450	-	205	-	655
855	BASHIR AHMED KHASKHALI VILLAGE MUHAMMAD SEHNERO P.O UMER SAND TEHSIL JHANDO MARI DISTT TANDO ALLAYAR	4130766922155	ABDUL KAREEM	324	-	-	324	324	-	330	-	654
856	ZAHID IQBAL BASTI GHUNIAN KHAN PUR	3130199197819	ABDUL RAZZAQ	400	-	-	400	400	-	189	-	589
857	SYED IMRAN HUSSAIN SHAH BASTI NAWAB PURA P/O JHANGI WALA BAHAWALPUR	3120223072443	SYED SHER SHAH	450	-	-	450	450	-	138	-	588
858	MUSHTAQ HUSSAIN SARISHTA NASHEEB P/O JAMAN SHAH LAYYAH	3220318445165	KORO	350	102	-	452	350	-	207	-	557
859	MUHAMMAD NADEEM SHEHBAZ ABAD POST OFFICE LAYYAH CHAK NUMBER 148 T D A TEHSIL / DISTRICT LAYYAH T LAYYAH	3220369696661	KALU	350	98	-	448	350	-	207	-	557
860	MUHAMMAD SULEMAN POST OFFICE JUMMAN SHAH SARSHATA NA SHAIB TEHSIL LAYYAH DISTRICT LAYYAH	3220387335339	SAEED AHMED	350	98	-	448	350	-	207	-	557
861	FIAZ HUSSAIN SARISHTA NASHEEB P/O JAMAN SHAH LAYYAH	3220365930157	KORO KHAN	350	101	-	451	350	-	207	-	557
862	MUKHTIAR HUSSAIN JAMAN SHAH SARSHATA N LAYYAH	3220355889461	KORO	349	101	-	450	349	-	206	-	555
863	NOOR MUHAMMAD POST OFFICE DAJAL BASTI ONARH TEHSIL JAMPUR DISTRICT RAJANPUR	3240293579397	ALLAH DITTA	320	88	-	408	320	-	190	-	510
Total Group				5,125,828	3,262,887	-	8,388,715	1,787,709	-	3,063,606	22,038	4,873,353

**Details of disposal of fixed assets to related parties - Consolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2023**

ANNEXURE-III

The particulars of fixed assets sold to related parties, other than through a regular auction, are given below:

Description	Original cost	Accumulated depreciation	Book Value	Sale proceeds	Mode of disposal	Particulars of buyer
----- (Rupees in '000) -----						
Electrical, Office and Computer Equipment	3,594	2,086	1,508	2,968	Insurance Claim	Jubilee General Insurance Limited
Vehicles	123	82	41	117	Insurance Claim	Jubilee General Insurance Limited
Total	3,717	2,168	1,549	3,085		



UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023

HABIB BANK LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

2023 (US \$ in '000)	2022 (US \$ in '000)		Note	2023 (Rupees in '000)	2022 (Rupees in '000)
ASSETS					
1,792,308	913,104	Cash and balances with treasury banks	5	505,181,227	257,368,084
152,603	111,116	Balances with other banks	6	43,012,856	31,319,141
314,333	903,259	Lendings to financial institutions	7	88,598,160	254,593,287
8,869,380	6,677,324	Investments	8	2,499,929,784	1,882,075,268
5,903,683	5,756,771	Advances	9	1,664,016,203	1,622,607,447
481,343	387,874	Fixed assets	10	135,671,758	109,326,287
53,178	42,007	Intangible assets	11	14,988,816	11,840,205
40,466	60,100	Deferred tax assets	12	11,405,839	16,939,758
847,463	599,684	Other assets	13	238,866,520	169,027,440
18,454,757	15,451,239			5,201,671,163	4,355,096,917
LIABILITIES					
181,752	183,340	Bills payable	14	51,228,670	51,676,520
2,339,251	2,054,224	Borrowings	15	659,342,821	579,004,938
13,730,822	11,474,379	Deposits and other accounts	16	3,870,179,912	3,234,176,418
-	-	Liabilities against assets subject to finance lease		-	-
66,962	66,962	Subordinated debt	17	18,874,000	18,874,000
-	-	Deferred tax liabilities		-	-
951,769	771,975	Other liabilities	18	268,266,352	217,589,525
17,270,556	14,550,880			4,867,891,755	4,101,321,401
<u>1,184,201</u>	<u>900,359</u>	NET ASSETS		<u>333,779,408</u>	<u>253,775,516</u>
REPRESENTED BY					
Shareholders' equity					
52,042	52,042	Share capital	19	14,668,525	14,668,525
305,966	254,508	Reserves		86,239,700	71,735,697
93,591	7,042	Surplus on revaluation of assets - net of tax	20	26,379,538	1,984,774
732,602	586,767	Unappropriated profit		206,491,645	165,386,520
<u>1,184,201</u>	<u>900,359</u>			<u>333,779,408</u>	<u>253,775,516</u>
CONTINGENCIES AND COMMITMENTS					
			21		

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
UNCONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2023

2023	2022		Note	2023	2022
(US \$ in '000)				(Rupees in '000)	
2,377,535	1,450,976	Mark-up / return / profit / interest earned	23	670,134,034	408,973,236
1,584,964	911,217	Mark-up / return / profit / interest expensed	24	446,739,073	256,836,274
<u>792,571</u>	<u>539,759</u>	Net mark-up / return / profit / interest income		<u>223,394,961</u>	<u>152,136,962</u>
Non mark-up / interest income					
132,369	98,108	Fee and commission income	25	37,309,759	27,652,913
11,874	7,802	Dividend income		3,346,681	2,199,176
(2,636)	8,678	Foreign exchange (loss) / income - domestic		(743,087)	2,445,908
4,773	7,745	Foreign exchange income - international		1,345,348	2,183,063
11,803	17,217	Foreign exchange income - unrealized gain related to derivatives		3,326,752	4,852,666
(5,483)	(9,289)	Loss from derivatives		(1,545,453)	(2,618,084)
3,005	3,653	Gain on securities - net	26	846,986	1,029,524
35,533	1,814	Other income	27	10,015,266	511,232
<u>191,238</u>	<u>135,728</u>	Total non mark-up / interest income		<u>53,902,252</u>	<u>38,256,398</u>
<u>983,809</u>	<u>675,487</u>	Total income		<u>277,297,213</u>	<u>190,393,360</u>
Non mark-up / interest expenses					
540,477	391,950	Operating expenses	28	152,339,336	110,475,260
7,925	5,077	Workers' Welfare Fund	29	2,233,779	1,431,056
1,250	1,691	Other charges	30	352,450	476,587
<u>549,652</u>	<u>398,718</u>	Total non mark-up / interest expenses		<u>154,925,565</u>	<u>112,382,903</u>
<u>434,157</u>	<u>276,769</u>	Profit before provisions and taxation		<u>122,371,648</u>	<u>78,010,457</u>
37,730	22,904	Provisions and write offs - net	31	10,634,580	6,455,867
<u>396,427</u>	<u>253,865</u>	Profit before taxation		<u>111,737,068</u>	<u>71,554,590</u>
194,710	144,354	Taxation	32	54,881,073	40,687,587
<u>201,717</u>	<u>109,511</u>	Profit after taxation		<u>56,855,995</u>	<u>30,867,003</u>
(Rupees)					
Basic and diluted earnings per share			33	<u>38.76</u>	<u>21.04</u>

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

2023 (US \$ in '000)	2022		2023 (Rupees in '000)	2022 (Rupees in '000)
201,717	109,513	Profit after taxation for the year	56,855,995	30,867,003
		Other comprehensive income / (loss)		
		<i>Items that may be reclassified to the profit and loss account in subsequent periods:</i>		
31,286	(3,653)	Effect of translation of net investment in foreign branches - net of tax	8,818,403	(1,029,672)
31,466	(81,515)	Movement in surplus / deficit on revaluation of investments - net of tax	8,869,141	(22,975,780)
		<i>Items that are not to be reclassified to the profit and loss account in subsequent periods:</i>		
1,604	557	Remeasurement gain on defined benefit obligations - net of tax	451,982	156,861
55,441	(714)	Movement in surplus / deficit on revaluation of fixed assets - net of tax	15,626,586	(201,262)
-	283	Transferred from surplus on revaluation of non-banking assets - net of tax	-	79,789
55,441	(431)		15,626,586	(121,473)
58	108	Movement in surplus on revaluation of non-banking assets - net of tax	16,466	30,850
-	(283)	Transferred to surplus on revaluation of fixed assets - net of tax	-	(79,789)
58	(175)		16,466	(48,939)
<u>321,572</u>	<u>24,296</u>	Total comprehensive income	<u>90,638,573</u>	<u>6,848,000</u>

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

Share capital	Reserves			Surplus / (deficit) on revaluation of		Unappropriated profit	Total	
	Statutory (note 19.5)	Capital		Investments	Fixed / Non-Banking Assets			
		Exchange translation (note 19.6)	Non-distributable					
(Rupees in '000)								
Balance as at December 31, 2021	14,668,525	40,043,376	29,088,178	547,115	(2,045,362)	27,234,607	148,392,471	257,928,910
Comprehensive income for the year								
Profit after taxation for the year ended December 31, 2022	-	-	-	-	-	-	30,867,003	30,867,003
Other comprehensive income / (loss)								
Effect of translation of net investment in foreign branches - net of tax	-	-	(1,029,672)	-	-	-	-	(1,029,672)
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	156,861	156,861
Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	(22,975,780)	(170,412)	-	(23,146,192)
	-	-	(1,029,672)	-	(22,975,780)	(170,412)	31,023,864	6,848,000
Transferred to statutory reserves	-	3,086,700	-	-	-	-	(3,086,700)	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	(58,279)	58,279	-
Transactions with owners, recorded directly in equity								
Final cash dividend - Rs 2.25 per share declared subsequent to the year ended December 31, 2021	-	-	-	-	-	-	(3,300,418)	(3,300,418)
1st interim cash dividend - Rs 2.25 per share	-	-	-	-	-	-	(3,300,418)	(3,300,418)
2nd interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	(2,200,279)	(2,200,279)
3rd interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	(2,200,279)	(2,200,279)
	-	-	-	-	-	-	(11,001,394)	(11,001,394)
Balance as at December 31, 2022	14,668,525	43,130,076	28,058,506	547,115	(25,021,142)	27,005,916	165,386,520	253,775,516
Comprehensive income for the year								
Profit after taxation for the year ended December 31, 2023	-	-	-	-	-	-	56,855,995	56,855,995
Other comprehensive income / (loss)								
- Effect of translation of net investment in foreign branches - net of tax	-	-	8,818,403	-	-	-	-	8,818,403
- Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	451,982	451,982
- Movement in surplus / deficit on revaluation of assets - net of tax	-	-	-	-	8,869,141	15,643,052	-	24,512,193
	-	-	8,818,403	-	8,869,141	15,643,052	57,307,977	90,638,573
Transferred to statutory reserves	-	5,685,600	-	-	-	-	(5,685,600)	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	(117,429)	117,429	-
Transactions with owners, recorded directly in equity								
Final cash dividend - Rs 1.50 per share declared subsequent to the year ended December 31, 2022	-	-	-	-	-	-	(2,200,279)	(2,200,279)
1st interim cash dividend - Rs 1.50 per share	-	-	-	-	-	-	(2,200,279)	(2,200,279)
2nd interim cash dividend - Rs 2.00 per share	-	-	-	-	-	-	(2,933,705)	(2,933,705)
3rd interim cash dividend - Rs 2.25 per share	-	-	-	-	-	-	(3,300,418)	(3,300,418)
	-	-	-	-	-	-	(10,634,681)	(10,634,681)
Balance as at December 31, 2023	14,668,525	48,815,676	36,876,909	547,115	(16,152,001)	42,531,539	206,491,645	333,779,408

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
UNCONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

2023 (US \$ in '000)	2022 (US \$ in '000)		Note	2023	2022 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES					
396,427	253,865	Profit before taxation		111,737,068	71,554,590
(11,874)	(7,802)	Dividend income		(3,346,681)	(2,199,176)
15,191	6,712	Mark-up expensed on subordinated debt		4,281,784	1,891,880
<u>399,744</u>	<u>252,775</u>			<u>112,672,171</u>	<u>71,247,294</u>
Adjustments:					
32,033	25,354	Depreciation		9,028,898	7,146,419
7,466	6,175	Amortisation		2,104,309	1,740,448
13,067	11,732	Depreciation on right-of-use assets		3,683,074	3,306,791
10,912	10,424	Mark-up / return / profit / interest expensed on lease liability against right-of-use assets		3,075,788	2,938,166
(1,165)	13,665	(Reversal of) / provision for diminution in value of investments		(328,358)	3,851,708
37,855	14,096	Provision against loans and advances		10,669,794	3,973,049
4,402	2,215	Provision against other assets		1,240,885	624,244
(333)	(4,724)	Reversal of provision against off-balance sheet obligations		(93,890)	(1,331,585)
(33,113)	-	Gain on derecognition of joint venture		(9,333,221)	-
(990)	299	Unrealised (gain) / loss on held-for-trading securities		(278,955)	84,391
(243)	(133)	Gain on sale of fixed assets - net		(68,613)	(37,541)
7,925	5,077	Workers' Welfare Fund		2,233,779	1,431,056
<u>77,816</u>	<u>84,180</u>			<u>21,933,490</u>	<u>23,727,146</u>
<u>477,560</u>	<u>336,955</u>			<u>134,605,661</u>	<u>94,974,440</u>
(Increase) / decrease in operating assets					
588,926	(570,675)	Lendings to financial institutions		165,995,127	(160,850,855)
(607,610)	506,442	Held-for-trading securities		(171,261,433)	142,746,115
(184,767)	(858,690)	Advances		(52,078,550)	(242,031,020)
(276,560)	(122,953)	Other assets (excluding advance taxation)		(77,951,408)	(34,655,571)
(480,011)	(1,045,876)			(135,296,264)	(294,791,331)
Increase / (decrease) in operating liabilities					
(1,589)	27,754	Bills payable		(447,850)	7,822,660
285,027	520,623	Borrowings from financial institutions		80,337,883	146,743,284
2,256,446	177,093	Deposits and other accounts		636,003,494	49,915,531
176,221	260,458	Other liabilities		49,669,682	73,412,609
<u>2,716,105</u>	<u>985,928</u>			<u>765,563,209</u>	<u>277,894,084</u>
<u>2,713,654</u>	<u>277,007</u>			<u>764,872,606</u>	<u>78,077,193</u>
<u>(177,509)</u>	<u>(109,683)</u>	Income tax paid		<u>(50,032,776)</u>	<u>(30,915,464)</u>
<u>2,536,145</u>	<u>167,324</u>	Net cash flows generated from operating activities		<u>714,839,830</u>	<u>47,161,729</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
(1,221,990)	(414,379)	Net investment in available-for-sale securities		(344,431,320)	(116,797,488)
(275,376)	(152,828)	Net investment in held-to-maturity securities		(77,617,671)	(43,076,096)
(9,448)	(22,771)	Net investment in subsidiaries		(2,662,894)	(6,418,265)
1,013	7,732	Net investment in associates		285,486	2,179,336
11,855	8,446	Dividend received		3,341,471	2,380,506
(58,512)	(79,834)	Investment in fixed assets		(16,492,206)	(22,501,943)
(18,306)	(24,719)	Investment in intangible assets		(5,159,624)	(6,967,244)
754	194	Proceeds from sale of fixed assets		212,390	54,618
31,286	(3,653)	Effect of translation of net investment in foreign branches - net of tax		8,818,403	(1,029,672)
<u>(1,538,724)</u>	<u>(681,812)</u>	Net cash flows used in investing activities		<u>(433,705,965)</u>	<u>(192,176,248)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
-	23,060	Proceeds from issuance of subordinated debt		-	6,500,000
(15,210)	(6,555)	Payment of mark-up on subordinated debt		(4,287,065)	(1,847,577)
(17,674)	(14,682)	Payment of lease liability against right-of-use assets		(4,981,733)	(4,138,266)
(43,845)	(30,219)	Dividend paid		(12,358,209)	(8,517,481)
<u>(76,729)</u>	<u>(28,396)</u>	Net cash flows used in financing activities		<u>(21,627,007)</u>	<u>(8,003,324)</u>
<u>920,692</u>	<u>(542,884)</u>	Increase / (decrease) in cash and cash equivalents during the year		<u>259,506,858</u>	<u>(153,017,843)</u>
1,032,883	1,501,817	Cash and cash equivalents at the beginning of the year		291,129,069	423,303,270
(8,663)	65,287	Effect of exchange rate changes on cash and cash equivalents		(2,441,844)	18,401,798
<u>1,024,220</u>	<u>1,567,104</u>			<u>288,687,225</u>	<u>441,705,068</u>
<u>1,944,912</u>	<u>1,024,220</u>	Cash and cash equivalents at the end of the year	34	<u>548,194,083</u>	<u>288,687,225</u>

The annexed notes 1 to 47 and annexures I to III form an integral part of these unconsolidated financial statements.

President and
Chief Executive Officer

Chief Financial Officer

Director

Director

Director

HABIB BANK LIMITED
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1 STATUS AND NATURE OF BUSINESS

Habib Bank Limited (the Bank) is incorporated in Pakistan and is engaged in commercial banking services in Pakistan and overseas. The Bank's registered office is at Habib Bank Tower, 9th Floor, Jinnah Avenue, Blue Area, Islamabad, Pakistan, and its principal office is at HBL Tower, Plot # G-4, KDA Scheme 5, Block 7, Clifton, Karachi, Pakistan. The Bank's shares are listed on the Pakistan Stock Exchange. The Bank operates 1,728 (2022: 1,714) branches inside Pakistan including 408 (2022: 294) Islamic Banking Branches and 30 (2022: 32) branches outside the country including in the Karachi Export Processing Zone (KEPZ). The Aga Khan Fund for Economic Development S.A. (AKFED) is the parent company of the Bank, and its registered office is in Geneva, Switzerland.

- 1.1 The Bank had commenced an orderly winding down of its operations in Afghanistan and banking operations were ceased on June 10, 2019. The remaining formalities required for closure are in progress.
- 1.2 The Bank has decided to exit its operations in Mauritius and is considering various options regarding the same.
- 1.3 The Bank has commenced an orderly wind-down of its Lebanon operations. Formalities for completion of the wind-down are underway.
- 1.4 After obtaining approval from the Central Bank of Oman for the deregistration of its Oman operations, the Bank had commenced an orderly and phase wise exit. Banking operations were ceased on August 02, 2023 and the remaining formalities required for closure are in progress.
- 1.5 During the year, the Bank has subscribed to 100 million shares issued, as Rights by HBL Microfinance Bank Limited (HBL MfB). Consequently, the Bank's shareholding in HBL MfB has increased from 76.42% to 79.92%.
- 1.6 During the year, the Bank established a wholly owned subsidiary, HBL Zarai Services Limited (HZSL). HZSL is an unlisted public limited company, incorporated in Pakistan with the objective of promoting economic development by supporting the agricultural sector. HZSL intends to establish hubs for selling crop inputs, renting modern agricultural machinery to farmers, providing agronomy services etc. The registered office of HZSL is at 4th floor, Habib Bank Tower, Jinnah Avenue, Blue Area, Islamabad, Pakistan. HZSL is in the process of commencing its business.

2 BASIS OF PRESENTATION

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

Key financial figures of the Islamic banking branches are disclosed in Annexure I to the consolidated financial statements.

The US Dollar amounts shown in these unconsolidated financial statements are stated solely for information. The statement of financial position, profit and loss account, statement of comprehensive income and cash flow statement as at and for the years ended December 31, 2023 and 2022 have all been converted using an exchange rate of Rupees 281.8607 per US Dollar.

2.2 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

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

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002, has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

The SECP has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' with effect from January 1, 2014. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions.

IFRS 10, Consolidated Financial Statements, was notified by the SECP as applicable for accounting periods beginning from January 1, 2015. However, the SECP, through SRO 56(I)/2016 dated January 28, 2016, has directed that the requirement of consolidation under this standard and under Section 228 of the Companies Act, 2017, is not applicable in the case of investments by a bank in mutual funds managed by its own asset management company and established under the trust structure. Therefore, investments by the Bank in mutual funds managed by HBL AMC are not consolidated as would otherwise be required under the definition of control specified in IFRS 10.

These unconsolidated financial statements of the Bank are prepared using generally consistent accounting policies. However, Overseas branches comply with the local regulations enforced within their respective jurisdictions.

2.3 Amendments to existing accounting and reporting standards that have become effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2023. These are considered either to not be relevant or to not have any material impact on these unconsolidated financial statements.

2.4 Standards and amendments to existing accounting and reporting standards that are not yet effective

As directed by SBP vide BPRD Circular letter no. 7 of 2023, IFRS 9, Financial Instruments is effective for periods beginning on or after January 1, 2024.

The financial statements of overseas branches will continue to be based on the respective host country's regulatory regime. For accounting periods beginning on or after January 1, 2025, banks will be required to comply with the SBP's application instructions for overseas branches in preparing their unconsolidated financial statements.

The Bank expects that amendments to existing accounting and reporting standards will not affect its financial statements in the period of initial application.

2.4.1 IFRS 9, Financial Instruments

The management of the Bank has carried out an assessment of the impact of the application of IFRS 9, taking into account the SBP's application instructions. The assessment is based on currently available information and may be subject to change at the time of recognizing the initial impact of the adoption of IFRS 9. The actual impact on the Bank's financial statements for the year 2024 will depend on the financial instruments that the Bank holds during that period and the economic conditions at that time, as well as accounting elections and judgements that it will make in future.

Classification and measurement

The classification and measurement of financial assets depends on their contractual cash flow characteristics and the entity's business model. Financial assets that meet the Solely Payment of Principal and Interest (SPPI) criteria are measured at amortized cost, Fair Value Through Profit & Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVOCI). However, financial assets that do not meet the SPPI criteria are always measured at FVTPL. The Bank has reviewed the impact of the initial adoption of IFRS 9 on its financial assets as follows:

Equity Securities

Listed equity securities currently classified as held-for-trading will be classified as FVTPL.

For certain listed equity securities currently classified as available-for-sale (AFS) with gains and losses recorded in OCI, the Bank will apply the option to classify them as FVOCI. Therefore, the application of IFRS 9 will not have an impact on equity on initial adoption. However, in accordance with the requirements of the standard, gains and losses subsequently recognized in OCI will not be recycled through the profit and loss account, even on derecognition of these securities.

The remaining listed equity securities will be measured at FVTPL. The current surplus / deficit on revaluation of those securities will be transferred to retained earnings. Hence, there will be no impact on equity.

Unlisted equity securities are currently carried at the lower of cost or breakup value as per SBP instructions. These will be measured at fair value under IFRS 9, and the Bank is in the process of developing methodologies to assess their fair values. These will be classified in the same manner as described above for listed equity securities.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

Debt securities and Loans and advances

Debt securities may be classified at FVTPL, FVOCI or at amortized cost. Debt securities that pass the SPPI test will be measured at FVOCI or at amortized cost as per the Bank's business model i.e. either to hold those assets to collect contractual cash flows and also to sell those assets or just to hold the assets to collect contractual cash flows.

Debt securities that do not pass the SPPI test will be measured at FVTPL.

Impairment

The impairment requirements of IFRS 9 apply to financial assets measured at amortized cost and FVOCI (other than equity instruments), and certain loan commitments and financial guarantee contracts. At initial recognition, an impairment allowance (or provision in the case of commitments and guarantees) is required for expected credit losses (ECL) from potential default events.

For calculating ECL, the Bank shall classify its financial assets under the following three categories:

- Stage 1 - Performing assets: For financial assets where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition, the Bank shall recognize an impairment allowance based on the 12-month ECL.
- Stage 2 - Underperforming assets: For financial assets where there has been a SICR since initial recognition, but which are not credit impaired, the Bank shall recognize an impairment allowance based on lifetime ECL.
- Stage 3 - Non-performing assets: For financial assets which have evidence of credit impairment at the reporting date, the Bank shall recognize ECL using the higher of (a) the total lifetime ECL computed for all stage 3 loans under IFRS 9 and (b) the corresponding provision required as per the Prudential Regulations.

Under the SBP's instructions, the Bank is not required to compute ECL on Government Securities and on Government-guaranteed credit exposure in local currency.

Based on the SBP's IFRS 9 application instructions, the Bank has performed an ECL assessment taking into account the following key elements:

- Probability of Default (PD): The probability that a counterparty will default over the next 12 months from the reporting date (12-month ECL, Stage 1) or over the lifetime of the product (lifetime ECL, Stage 2).
- Exposure at Default (EAD): The expected balance sheet exposure at the time of default, incorporating expectations on drawdowns, amortization, prepayments and forward-looking information where relevant.
- Loss Given Default (LGD): An estimate of the loss incurred on a facility in the event of default by a customer. LGD is calculated as the difference between contractual cash flows due and those that the Bank expects to receive, including from the liquidation of any collateral. It is expressed as a percentage of the EAD.

Significant increase in credit risk (SICR)

A SICR is assessed in the context of an increase in the risk of a default occurring over the life of the financial instrument compared to the risk of default expected at the time of initial recognition. The Bank uses a number of qualitative and quantitative measures in assessing SICR including, inter alia, the deterioration of Obligor Risk Ratings (ORR), payments being past due by 60 days or more, unavailability of financial information and pending litigation.

At every reporting date, the Bank shall assess whether there has been a SICR since the initial recognition of the asset, in which case, the asset must be assigned to the appropriate stage of credit impairment (Stage 2 or 3).

Presentation and disclosure

IFRS 9 also requires expanded disclosures and changes in presentation which will be incorporated as per the SBP's revised format.

Impact of adoption of IFRS 9

The Bank has elected to follow the modified retrospective approach for restatement i.e. comparative figures will not be restated on the initial application of IFRS 9. Instead, the cumulative impact will be recorded as an adjustment to equity at the beginning of the accounting period.

Financial impact

The total estimated impact (net of tax) of the adoption of IFRS 9 on the opening balance of the Bank's equity as at January 1, 2024 is a decrease of approximately Rs. 17.611 billion due to ECL.

Impact on regulatory capital

The SBP has permitted banks to adopt a transitional approach to phase in the initial impact of the ECL for stage 1 and 2 financial assets over a period of five years.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Governance, ownership and responsibilities

The Bank has adopted a governance framework under which the Board Audit Committee is tasked with overseeing the implementation of IFRS 9. A Steering Committee for the implementation of IFRS 9, chaired by the CFO, is in place including representation from Risk, all front-line businesses, Operations and IT.

Risk Management has developed models / methodologies for calculating the PD, LGD, EAD and Credit Conversion Factors (CCF) for off-balance sheet exposures. These models shall be validated annually including:

- ECL model design, data quality and benchmarking with external best practices.
- Calibration testing which ensures the accuracy of the observed PDs.

Finance identifies, prepares and extracts the data required for the modelling of risk parameters and the ECL calculations. The Bank has also implemented an automated system for the calculation of ECL.

2.5 Critical accounting estimates

The preparation of unconsolidated financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain accounting estimates. It also requires the management to exercise its judgement in the process of applying the Bank's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Bank's financial statements or where judgement was exercised in the application of accounting policies are as follows:

- i) Classification of investments (note 4.3)
- ii) Valuation and impairment of subsidiaries, associates and investments (note 4.3)
- iii) Provision against advances (note 4.4)
- iv) Valuation and depreciation of fixed assets (note 4.5)
- v) Valuation and depreciation of right-of-use assets and their related lease liabilities (note 4.6)
- vi) Valuation and amortization of intangible assets (note 4.7)
- vii) Valuation of non-banking assets acquired in satisfaction of claims (note 4.8)
- viii) Valuation of defined benefit plans (note 4.12)
- ix) Taxation (note 4.15)
- x) Fair value of derivatives (note 4.21)

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

During the year, the Bank has reviewed its estimate of the useful life of vehicles used in its UAE business, resulting in a change in the Bank's estimate of their useful lives. These revisions have been accounted for as a change in accounting estimate as per the requirements of IAS 8 and accordingly, have been recognised prospectively in the unconsolidated profit and loss account from the current year.

The impact of this change is disclosed in note 10.2.1.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention except for:

- Certain classes of fixed assets and non-banking assets acquired in satisfaction of claims, which are stated at revalued amounts less accumulated depreciation.
- Investments classified as held-for-trading and available-for-sale, which are measured at fair value.
- Derivative financial instruments, including forward foreign exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liabilities, which are measured at their present values.
- Net obligations in respect of defined benefit schemes, which are measured at their present values.

3.2 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani rupees, which is the Bank's functional currency. Amounts are rounded to the nearest thousand Rupees.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these unconsolidated financial statements are consistent with those of the previous financial year.

4.1 Cash and cash equivalents

Cash and cash equivalents include cash and balances with treasury banks and balances with other banks.

4.2 Lending / borrowing transactions with financial institutions

The Bank enters into transactions of reverse repos and repos at contracted rates for a specified period of time. These are recorded as under:

4.2.1 Purchases under resale agreements (reverse repo)

Securities purchased under resale agreements are not recognised as investments in the financial statements and the amount extended to the counterparty is included in lendings to financial institutions. The difference between the purchase price and the contracted resale price is accrued on a time proportion basis over the period of the contract and recorded as markup / interest income.

4.2.2 Sales under repurchase agreements (repo)

Securities sold under repurchase agreements continue to be recognised as investments in the financial statements and the liability to the counterparty is included in borrowings. The difference between the sale price and the contracted repurchase price is accrued on a time proportion basis over the period of the contract and recorded as markup / interest expense.

4.2.3 Bai Muajjal

Bai Muajjal transactions represent sales of Sukuk on a deferred payment basis and are shown in lendings to financial institutions except for transactions undertaken directly with the Government of Pakistan which are disclosed as investments. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the life of the transaction.

4.3 Investments

The Bank classifies its investments, other than its investments in subsidiaries and associates, into the following categories:

Held-for-trading

These are securities included in a portfolio in which a pattern of short-term trading exists, or which are acquired for generating a profit from short-term fluctuations in market prices or interest rate movements. Barring under exceptional circumstances these securities are required to be sold within 90 days from the date of their purchase.

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 till maturity.

Available-for-sale

These are securities, other than investments in subsidiaries and associates, that do not fall under the held-for-trading or held-to-maturity categories.

4.3.1 Initial measurement

All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. The trade date is the date on which the Bank commits to purchase or sell the investment.

In the case of investments classified as held-for-trading, transaction costs are expensed through the profit and loss account. Transaction costs associated with investments other than those classified as held-for-trading are included in the cost of the investments.

4.3.2 Subsequent measurement

Held-for-trading

Investments classified as held-for-trading are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is taken to the profit and loss account.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Held-to-maturity

Investments classified as held-to-maturity are subsequently measured at amortised cost using the effective interest rate method, less any impairment recognised to reflect irrecoverable amounts.

Available-for-sale

Listed securities classified as available-for-sale are subsequently measured at fair value. Any unrealised surplus / deficit arising on revaluation is recorded in the surplus / deficit on revaluation of securities account (shown as part of equity in the statement of financial position) and is taken to the profit and loss account either when realised upon disposal or when the investment is considered to be impaired.

Unlisted equity securities are carried at the lower of cost and break-up value. The break-up value is calculated with reference to the net assets of the investee company as per its latest available audited financial statements. The Bank may also use unaudited or management accounts to determine if any additional impairment needs to be charged beyond amounts already charged based on audited financial statements. Other unlisted securities are valued at cost less impairment, if any.

4.3.3 Investments in subsidiaries and associates

Investments in subsidiaries and associates are recorded at cost less impairment, if any.

4.3.4 Impairment

The Bank determines that available-for-sale listed equity investments are impaired when there has been a significant or prolonged decline in the fair value of these investments below their cost. The determination of what is significant or prolonged requires judgement. In making this judgement, the Bank evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial condition of the investee, industry and sector performance and changes in technology. A subsequent increase in the fair value of a previously impaired listed equity security is recorded in the statement of financial position in the surplus / deficit on revaluation of securities account and only recorded through the profit and loss account when realised on disposal.

A decline in the carrying value of unlisted equity securities is charged to the profit and loss account. A subsequent increase in the carrying value, up to the cost of the investment, is credited to the profit and loss account.

Provision for diminution in the value of debt securities held in Pakistan is made as per the Prudential Regulations issued by the SBP. Provision against investments by the Bank's overseas branches is made as per the requirements of their respective regulatory regimes.

When a debt security, classified as available-for-sale, is considered to be impaired, the balance in the surplus / deficit on revaluation of securities account is transferred to the profit and loss account as an impairment charge. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the profit and loss account.

When a debt security, classified as held-to-maturity, is considered to be impaired, the impairment is directly charged to the profit and loss account as held-to-maturity securities are carried at amortized cost. Any subsequent reversal of an impairment loss, up to the cost of the investment in the debt security, is credited to the profit and loss account.

Provision for diminution in the value of other securities is made after considering objective evidence of impairment.

The Bank considers that a decline in the recoverable value of its investments in subsidiaries and associates below their carrying value may be evidence of impairment. Recoverable value is calculated as the higher of fair value less costs to sell and value in use. An impairment loss is recognised when the recoverable value falls below the carrying value and is charged to the profit and loss account. Any subsequent reversal of an impairment loss, up to the carrying value of the investment in subsidiaries and associates, is credited to the profit and loss account.

4.4 Advances

Advances are stated net of specific and general provisions. Provision against advances by the Bank's operations in Pakistan is made in accordance with the requirements of the Prudential Regulations. Provision against advances by the Bank's overseas branches is made as per the requirements of the respective regulatory regimes. Advances are written off in line with the Bank's policy when there are no realistic prospects of recovery.

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Since 2020, several borrowers have been severely impacted, initially by the COVID-19 pandemic, and since then, by the stressed economic conditions. The potential impact of the economic stress is difficult to predict, as many such borrowers have also availed the SBP enabled deferment / restructuring & rescheduling relief. Hence, management feels that it is appropriate to maintain an additional general provision on the domestic, funded performing credit portfolio excluding:

- Government guaranteed exposure
- Consumer and staff lending
- Exposure secured by cash / near cash collateral

This additional provision as at any statement of financial position date, is based on management's best estimate and can be upto and maximum of 1% of above mentioned portfolio. And on account of the devastating floods in 2022 which have impacted customers in its area of operations.

4.4.1 Finance lease receivables

Leases where the Bank transfers a substantial portion of the risks and rewards incidental to the ownership of an asset to the lessee are classified as finance leases. A receivable is recognised at an amount equal to the present value of the future lease payments including any guaranteed residual value discounted at the rate implicit in the lease. The net investment in finance lease is included in advances.

4.4.2 Islamic financing and related assets

Murabaha financing is a cost plus profit transaction. Funds disbursed for the purchase of goods are recorded as an advance against Murabaha. Once the goods are sold to the customers, the transaction is recorded as financing. Goods purchased by the Bank but remaining unsold are recorded as inventories.

The financing is recorded at the deferred sale price. Profit earned on financing is recognised as unearned income and amortised into the profit and loss account over the term of the Murabaha financing. It is possible for Bank to buy the inventory on a customer's behalf and sell it to the customers on spot basis. In this case, the entire profit is recognised immediately in the profit and loss account.

Under Ijarah financing, the Bank transfers the rights to use an asset to the customer for an agreed period for an agreed consideration. Assets given under Ijarah are stated at cost less accumulated depreciation, residual value and impairment losses, if any. The depreciation is calculated on a straight-line basis over the term of the Ijarah after taking into account the estimated residual value. Impairment of Ijarah assets is recognised in line with the Prudential Regulations or upon the occurrence of an impairment event which indicates that the carrying value of the Ijarah asset may exceed its recoverable amount. The Ijarah rental received / receivable is recognised as income on an accrual basis.

Gains or losses on disposal of Ijarah assets are taken to the profit and loss account in the period in which they arise.

For Running Musharakah the Bank and the customer enter a Musharakah (transaction or business partnership arrangement) where the Bank agrees to finance the operating activities of the customer's business and share the profit or loss at a pre-agreed ratio. Profit is provisionally recognised on an accrual basis and is adjusted once the customer declares the final profit after issuance of audited financial statements.

Under Diminishing Musharakah financing, the Bank and the customer create joint beneficial ownerships over tangible assets to fulfill the customer's capital expenditure / project requirements. The Bank receives periodic payments, partly for renting its portion of the assets to the customer and partly for the gradual transfer / sale of its share of ownership to the customer. The rental payment is recognised as profit while the asset transfer / sale payments are applied towards reducing the outstanding principal.

Under Istisna financing, the Bank gives an advance to customers for manufacturing goods and may allow their sale immediately after the goods are manufactured or allow a pre-agreed time to sell the goods on deferred payment basis as the Bank's agent to a third party. Profit is recognised at the time when the goods are sold to the third party. In case of a deferred sale, the profit is recognised on an accrual basis over the term of financing.

Under Tijarah financing, the Bank purchases finished goods from the customer against payment, takes possession and appoints the customer as an agent to sell these goods to the ultimate buyer, generally on a deferred payment basis. Goods purchased by the Bank and sold by the customer on a deferred payment basis are recognised as financing while goods purchased by the Bank but remaining unsold by the customer are recorded as inventories. Profit on the financing is recognised on an accrual basis over the period of transaction.

Wakalah is an agency contract in which the Bank provides funds to a customer to invest in a Shariah compliant manner. This is recorded as financing and profit is recognised on an accrual basis and is adjusted once the customer declares Wakalah business performance.

Salam is a sale whereby the Bank undertakes to supply some specific commodity (ies) / asset(s) to the customer at a future date in exchange for an advance price fully paid on spot.

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Currency Salam is exchange / sale of a currency with another currency at a future date, at conversion rate within the spot range on the day of such contract execution.

Under Musawamah financing, the Bank purchases the goods and, after taking possession, sells them to the customer at an agreed price without disclosing the cost incurred by the Bank. Goods purchased by the Bank can either be sold to the customer as a spot transaction or on a deferred payment basis. Goods purchased by the Bank but remaining unsold are recorded as inventories.

4.5 Fixed Assets

Fixed assets are stated at cost, except for land and buildings which are carried at revalued amounts, less any applicable accumulated depreciation and accumulated impairment losses.

Land, capital work-in-progress and works of art are not depreciated. Other items included in fixed assets are depreciated over their expected useful lives using the straight-line method. Depreciation is calculated so as to write down the assets to their residual values over their expected useful lives at the rates specified in note 10.2 to these unconsolidated financial statements. Depreciation on additions is charged from the month in which the assets are available for use. No depreciation is charged in the month in which the assets are disposed off. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Land and buildings are revalued by independent professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. If an asset's carrying value increases as a result of revaluation, such increase or surplus arising on revaluation is credited to the surplus on revaluation of fixed assets account. However, if the increase reverses a deficit on the same asset previously recognised in the profit and loss account, such increase is also recognised in the profit and loss account to the extent of the previous deficit and thereafter in the surplus on the revaluation of fixed assets account. Any accumulated depreciation at the date of revaluation is eliminated against any additional surplus on revaluation and the net carrying value is restated at the revalued amount of the asset. If the asset's carrying value decreases as a result of a revaluation, such decrease is recognised as a reduction in the surplus on revaluation of fixed assets account or, if no surplus exists / remains, is charged to the profit and loss account as an impairment of that asset.

Surplus on revaluation of fixed assets (net of associated deferred tax) is transferred to unappropriated profit to the extent of the incremental depreciation charged on the related assets.

Normal repairs and maintenance are charged to the profit and loss account as and when incurred. However, major repairs and renovations that increase the useful life of an asset are capitalised.

Gains or losses arising on the disposal of fixed assets are included in the profit and loss account. Surplus on revaluation (net of deferred tax) realised on disposal of fixed assets is transferred directly to unappropriated profit.

4.6 Right-of-use assets and their related lease liability

4.6.1 Right-of-use assets

On initial recognition, right-of-use assets (ROU) are measured at an amount equal to the initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to restore the underlying asset or the site on which it is located to its original condition.

ROU assets are subsequently stated at cost less any accumulated depreciation / accumulated impairment losses and are adjusted for any remeasurement of lease liability. Such remeasurement only occurs in cases where the terms of the lease are changed during the lease tenor.

ROU assets are depreciated using the straight-line method over a period starting from the commencement date of the lease contract to the end of the estimated useful life of the ROU asset or the end of the lease term, whichever is earlier. The estimated useful lives of ROU assets are determined on the same basis as that for owned assets. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

4.6.2 Lease liability against ROU assets

Lease liabilities against ROU assets are initially measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then at the applicable incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest rate method.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the profit and loss account as markup expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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4.7 Intangible assets

Intangible assets other than goodwill

Intangible assets having a finite useful life are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised over their estimated useful lives using the straight-line method. Amortisation is calculated to write down the assets to their residual values over their expected useful lives at the rates stated in note 11.1 to these unconsolidated financial statements. Amortisation on additions is charged from the month in which the assets are available for use. No amortisation is charged in the month in which the assets are disposed off. The residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Intangible assets which arise from contractual or other legal rights on the acquisition of another entity and are deemed separable are considered as part of the net identifiable assets acquired. These are initially measured at fair value. Intangible assets with a finite useful life are amortized over their expected useful lives and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets having an indefinite useful life are stated at cost less impairment, if any. Such intangible assets are tested for impairment annually, or whenever there is an indication of impairment, as per the requirements of IAS 36, Impairment of Assets. An impairment charge in respect of intangible assets is recognised through the profit and loss account. Any subsequent reversal of an impairment loss, up to the extent of the impairment, is credited to the profit and loss account.

4.8 Non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims are initially recorded at cost and are carried at revalued amounts less accumulated depreciation and impairment, if any. These assets are revalued with sufficient regularity by professionally qualified valuers to ensure that their net carrying value does not differ materially from their fair value. An increase in the market value over the acquisition cost is recorded as a surplus on revaluation. A decline in the market value is adjusted against the surplus of that asset or, if no surplus exists, is charged to the profit and loss account as an impairment. A subsequent increase in the market value of an impaired asset is reversed through the profit and loss account up to the extent of the impairment and thereafter credited to the surplus on revaluation of that asset. All direct costs of acquiring title to the asset are charged immediately to the profit and loss account.

Depreciation on assets acquired in satisfaction of claims is charged to the profit and loss account on the same basis as depreciation charged on the Bank's owned fixed assets.

If the recognition of such assets results in a reduction in non-performing loans, such reductions and the corresponding reductions in provisions held against non-performing loans are disclosed separately.

These assets are revalue generally intended for sale. Gains and losses realized on the sale of such assets are disclosed separately from gains and losses realized on the sale of fixed assets. Surplus on revaluation (net of deferred tax) realized on disposal of these assets is transferred directly to unappropriated profit.

However, if such an asset, subsequent to initial recording, is used by the Bank for its own operations, the asset, along with any related surplus, is transferred to fixed assets.

4.9 Borrowings / deposits

Borrowings / deposits are recorded at the amount of proceeds received. The cost of borrowings / deposits is recognised as an expense on an accrual basis in the period in which it is incurred.

4.10 Subordinated debt

Subordinated debt is recorded at the amount of proceeds received. Mark-up accrued on subordinated debt is charged to the profit and loss account.

4.11 Acceptances

Acceptances comprise undertakings by the Bank to pay bills of exchange drawn on customers. Acceptances are recognised as a financial liability in the statement of financial position with the contractual right of reimbursement from the customer recognised as a financial asset.

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4.12 Employee benefits

The Bank operates a number of post-retirement benefit plans, which include both defined contribution plans and defined benefit plans.

For defined contribution plans, the Bank pays contributions to the fund on a periodic basis, and such amounts are charged to the profit and loss account when the payment obligation is established. The Bank has no further payment obligations once the contributions have been paid.

For funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations less the fair value of plan assets as at the statement of financial position date. Contributions to the fund are made by the Bank on a periodic basis.

For non-funded defined benefit plans, the liability recognised in the statement of financial position is the present value of the defined benefit obligations as at the statement of financial position date.

The liability in respect of all obligations under defined benefit schemes is calculated annually by an independent actuary using the Projected Unit Credit Method.

Actuarial gains and losses

Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income with no subsequent recycling through the profit and loss account. However actuarial gains and losses on remeasurement of the liability for compensated absences are recognised in the profit and loss account.

Past Service Cost

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment and is recognised through the profit and loss account when the plan is amended.

Current Service Cost

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period, and is recognised through the profit and loss account.

4.13 Foreign currency

4.13.1 Foreign currency transactions

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

4.13.2 Foreign operations

The assets and liabilities of foreign operations are translated to Pakistani rupees at exchange rates prevailing on the date of the statement of financial position. The income and expenses of foreign operations are translated to Pakistani Rupees at average rates of exchange prevailing during the year.

4.13.3 Translation gains and losses

Gains and losses arising from foreign currency translations are taken to the profit and loss account, except those arising from the translation of the net investment in foreign branches, associates and subsidiaries, which are recognized through the statement of other comprehensive income as an Exchange Translation Reserve (ETR). Balances in the ETR are only taken to the profit and loss account on disposal of the investment.

4.13.4 Contingencies and Commitments

Commitments for outstanding forward foreign exchange contracts are disclosed in the financial statements at contracted rates. Contingent liabilities / commitments denominated in foreign currencies are expressed in rupee terms at the rates of exchange prevailing on the date of the statement of financial position.

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4.14 Income recognition

Revenue is recognised to the extent that the economic benefits associated with a transaction will flow to the Bank and the revenue can be reliably measured.

4.14.1 Advances and investments

Income on performing advances and debt securities is recognised on a time proportion basis as per the terms of the contract. Where debt securities are purchased at a premium or discount, such premium / discount is amortised through the profit and loss account over the remaining maturity of the debt security using the effective yield method.

Income recoverable on classified advances and investments is recognised on a receipt basis. Income on rescheduled / restructured advances and investments is recognised as permitted by SBP regulations or by the regulatory authorities of the countries in which the Bank operates.

4.14.2 Lease financing

Income from lease financing is accounted for using the financing method. Under this method, the unearned lease income (defined as the sum of total lease rentals and estimated residual value less the cost of the leased assets) is taken to income over the term of the lease so as to produce a constant periodic rate of return on the outstanding net investment in the lease. Gains and losses on termination of lease contracts are recognised through the profit and loss account when these are realised. For classified leases, unrealised lease income and other fees are recognised on a receipt basis.

4.14.3 Fee, Commission and Brokerage Income

Fee, commission and brokerage income is recognised on an accrual basis.

4.14.4 Dividend income

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

4.15 Taxation

Income tax expense comprises of the charge for current and prior years and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items which are recognized, net of tax, directly in equity.

4.15.1 Current

The charge for current taxation is calculated on taxable income earned during the year from local as well as foreign operations using tax rates enacted as at the date of the statement of financial position.

4.15.2 Prior years

The charge for prior years represents adjustments to the tax charge for prior years, arising from assessments, changes in estimates, and retrospectively applied changes to law, made during the current year.

4.15.3 Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deductible temporary differences (deferred tax assets) are temporary differences that are deductible from the taxable income of future periods when the carrying amount of the underlying asset or liability is recovered or settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Taxable temporary differences (deferred tax liabilities) are temporary differences that will result in a tax liability in future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax is calculated at the tax rates that are expected to be applicable to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted as at the date of the statement of financial position.

The Bank also records a deferred tax asset / liability on items recognised directly in the statement of comprehensive income such as surplus / deficit on revaluation of assets and actuarial gains / losses. These items are disclosed net of the related deferred tax asset / liability.

Deferred tax assets are reviewed annually for impairment. Where objective evidence exists that the carrying value of a deferred tax asset may not be recoverable, the deferred tax asset is reduced to its recoverable value. The difference between the carrying value and the recoverable value is recognised through the profit and loss account as a deferred tax expense.

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4.16 Impairment of non-financial assets

The carrying value of non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable value of the asset is estimated. An impairment loss is recognised through the profit and loss account whenever the recoverable value of an asset is lower than its carrying value.

A subsequent increase in the recoverable value of the asset results in a reversal of the impairment loss through the profit and loss account, up to the original carrying value of the asset, if the reversal can be objectively related to an event occurring after the impairment loss was recognised.

A provision is also recognised on other assets where the chances of recovery of those balances are very low.

4.17 Provisions

Provisions are recognised when the Bank has present legal or constructive obligations 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.

A provision for off balance sheet obligations is recognised when the Bank becomes aware of the obligation and reasonable certainty exists that the Bank will settle the obligation. The charge to the profit and loss account is stated net of expected recoveries and the obligation is recognised in other liabilities.

Provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate.

4.18 Contingent Liabilities

Contingent liabilities are not recognised in the statement of financial position as they are possible obligations where it has yet to be confirmed whether a liability, which will ultimately result in an outflow of economic resources to settle the obligation, will arise. In cases where the probability of an outflow of economic resources is considered remote, based on legal / professional opinions or other relevant assessments, it is not disclosed as a contingent liability.

4.19 Off setting

Financial assets and financial liabilities are set-off and the net amount is reported in the unconsolidated financial statements when there is a legally enforceable right to set-off and the Bank intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

4.20 Financial Assets and Liabilities

Financial assets and liabilities carried on the statement of financial position include cash and bank balances, lending to financial institutions, investments, advances, certain other receivables, bills payable, borrowings, deposits, subordinated debt, lease liabilities against ROU assets and certain payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the relevant policy notes.

4.21 Derivative Financial Instruments

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

4.22 Dividends and appropriation to reserves

Dividends and appropriations to reserves, which are approved subsequent to the date of the statement of financial position are except where required by law recognised in the year in which these are approved and disclosed as a non-adjusting event after the balance sheet date.

4.23 Earnings per share

The Bank presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing profit after tax for the year attributable to equity holders of the Bank by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is not calculated separately, as the Bank does not have any convertible instruments in issue.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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4.24 Segment reporting

A segment is a distinguishable component of the Bank that is engaged in providing unique products or services (business segment), or in providing products or services within a particular geographic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

4.24.1 Business segments

The Bank is managed along the following business lines for monitoring and reporting purposes:

i) *Branch banking*

This segment pertains to the branch distribution network, its related deposit and other products and general banking services.

ii) *Consumer, SME and agriculture lending*

This segment pertains to loan products offered to the Consumer, SME and Agriculture segments.

iii) *Islamic banking*

This segment pertains to all business lines of the Islamic banking network and includes all Islamic products offered by the bank.

iv) *Corporate, commercial and investment banking*

This segment provides a wide variety of financial products and services to large and medium sized clients, across the entire spectrum of industrial sectors.

v) *International and correspondent banking*

This segment includes all international branches, the financial institutions business and global remittances.

vi) *Treasury*

This segment is responsible for asset/liability management and includes all treasury related products such as fixed income, money market, FX and derivatives.

vii) *Head Office / Others*

This segment includes numbers related to HBL Konnect, Head Office functions.

4.24.2 Geographical segments

The Bank is managed along the following geographic lines for monitoring and reporting purposes:

i) *Pakistan (including KEPZ)*

This includes the domestic operations and HBL's KEPZ branch.

ii) *Middle East and Africa*

This includes United Arab Emirates (UAE), Bahrain, Oman, Lebanon and Mauritius.

iii) *Asia*

This includes Afghanistan, Bangladesh, China, Maldives, Singapore and Sri Lanka.

iv) *Europe*

This includes Belgium and Turkey.

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5	CASH AND BALANCES WITH TREASURY BANKS	Note	2023	2022
(Rupees in '000)				
	In hand			
	Local currency		59,791,328	71,656,001
	Foreign currencies		<u>11,079,805</u>	<u>7,193,966</u>
			70,871,133	78,849,967
	With State Bank of Pakistan in			
	Local currency current accounts	5.1	<u>173,022,678</u>	<u>107,551,161</u>
	Foreign currency current accounts	5.2	<u>12,284,194</u>	<u>292,436</u>
	Foreign currency deposit accounts	5.3	<u>25,275,511</u>	<u>655,439</u>
			210,582,383	108,499,036
	With other central banks in			
	Foreign currency current accounts	5.4	<u>44,773,670</u>	<u>32,490,538</u>
	Foreign currency deposit accounts	5.5	<u>32,466,191</u>	<u>35,609,011</u>
			77,239,861	68,099,549
	With National Bank of Pakistan in local currency current accounts		146,169,430	1,757,957
	National Prize Bonds		318,420	161,575
			<u>505,181,227</u>	<u>257,368,084</u>

- 5.1 These represent local currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.2 These represent foreign currency current accounts maintained under the Cash Reserve Requirement of the SBP.
- 5.3 This includes:
- a foreign currency deposit account maintained under the Special Cash Reserve Requirement (SCRR) of the SBP which carries mark-up at a rate of 4.34% per annum (2022: 3.14% per annum).
 - a foreign currency settlement account which carries mark-up at a rate of 0.00% per annum (2022: 0.00% per annum).
- 5.4 These represent balances held with the central banks of the countries in which the Bank operates, in accordance with local regulatory requirements. These include balances in remunerative current accounts amounting to Rs 870.786 million (2022: Rs 528.828 million), which carry mark-up at rates ranging from 1.89% to 5.68% per annum (2022: 1.04% to 2.04% per annum).
- 5.5 These represent balances held with the central banks of the countries in which the Bank operates, in accordance with local regulatory requirements. These carry mark-up at rates ranging from 0.00% to 5.40% per annum (2022: 0.00% to 14.50% per annum).

6	BALANCES WITH OTHER BANKS	Note	2023	2022
(Rupees in '000)				
	In Pakistan			
	In current accounts		17,161	81,588
	Outside Pakistan			
	In current accounts	6.1	<u>25,493,889</u>	<u>16,458,763</u>
	In deposit accounts	6.2	<u>17,501,806</u>	<u>14,778,790</u>
			42,995,695	31,237,553
			<u>43,012,856</u>	<u>31,319,141</u>

- 6.1 This includes an amount of Rs 5,078.358 million (2022: 5,564.242 million) in remunerative current accounts which carry mark-up at rates ranging from 0.01% to 1.00% per annum (2022: 0.01% to 1.00% per annum).
- 6.2 These carry mark-up at rates ranging from 0.50% to 43.50% per annum (2022: 0.01% to 30.50% per annum).

7	LENDINGS TO FINANCIAL INSTITUTIONS	Note	2023	2022
(Rupees in '000)				
	Call money lendings	7.2	17,000,000	-
	Repurchase agreement lendings (reverse repo)	7.3	<u>71,598,160</u>	<u>254,593,287</u>
			88,598,160	254,593,287

- 7.1 Lendings to financial institutions are all in local currency.
- 7.2 Call money lendings carry mark-up at rates ranging from 21.75% to 22.05% per annum and are due to mature latest by January 04, 2024.

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7.3 Repurchase agreement lendings carry mark-up at rates ranging from 21.00% to 22.95% per annum (2022: 15.95% to 16.60% per annum) and are due to mature latest by January 9, 2024.

7.3.1 Securities held as collateral against lendings to financial institutions

	2023			2022		
	Held by Bank	Further given as collateral	Total	Held by Bank	Further given as collateral	Total
	(Rupees in '000)					
Market Treasury Bills	2,887,003	-	2,887,003	92,318,287	-	92,318,287
Pakistan Investment Bonds	66,211,157	-	66,211,157	162,275,000	-	162,275,000
Ijarah Sukuk	2,500,000	-	2,500,000	-	-	-
	<u>71,598,160</u>	<u>-</u>	<u>71,598,160</u>	<u>254,593,287</u>	<u>-</u>	<u>254,593,287</u>

7.3.2 The market value of securities held as collateral against repurchase agreement lendings amounted to Rs 71,606.435 million (2022: Rs 254,221.016 million).

8 INVESTMENTS

8	INVESTMENTS	Note	2023				2022			
			Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
8.1	Investments by type		(Rupees in '000)							
	Held-for-trading (HFT) securities									
	Federal Government securities									
	- Market Treasury Bills		83,148,921	-	(31,591)	83,117,330	5,885,581	-	(7,865)	5,877,716
	- Pakistan Investment Bonds	8.3	139,454,335	-	96,035	139,550,370	52,471,296	-	(85,104)	52,386,192
	- Ijarah Sukuk		7,497,896	-	296,498	7,794,394	-	-	-	-
	Shares									
	- Listed companies		109,681	-	(1,994)	107,687	132	-	(42)	90
	Foreign securities									
	- Government debt securities		2,965,340	-	(79,993)	2,885,347	3,278,776	-	8,620	3,287,396
			<u>233,176,173</u>	<u>-</u>	<u>278,955</u>	<u>233,455,128</u>	<u>61,635,785</u>	<u>-</u>	<u>(84,391)</u>	<u>61,551,394</u>
	Available-for-sale (AFS) securities									
	Federal Government securities									
	- Market Treasury Bills	8.3 & 8.5	220,034,947	-	143,767	220,178,714	206,248,292	-	(363,332)	205,884,960
	- Pakistan Investment Bonds	8.3	1,129,055,695	-	(28,446,005)	1,100,609,690	925,726,908	-	(29,334,463)	896,392,445
	- Ijarah Sukuk		214,469,251	-	(992,900)	213,476,351	125,360,260	-	(2,772,531)	122,587,729
	- Government of Pakistan US Dollar Bonds		20,607,015	(3,015,329)	(307,522)	17,284,164	18,895,230	(2,213,447)	(8,221,230)	8,460,553
	- Other Federal Government securities		5,543,158	-	-	5,543,158	4,686,060	-	-	4,686,060
	Shares									
	- Listed companies		18,346,143	(1,355,890)	(573,899)	16,416,354	6,329,024	(2,097,873)	(242,961)	3,988,190
	- Unlisted companies		5,372,623	(137,414)	-	5,235,209	5,372,623	(119,718)	-	5,252,905
	Non-Government debt securities									
	- Listed		52,313,888	(1,288,294)	(1,410,827)	49,614,767	52,253,137	(602,689)	(2,566,098)	49,084,350
	- Unlisted		2,654,051	(403,050)	(16,875)	2,234,126	2,664,233	(413,232)	16,321	2,267,322
	Foreign securities									
	- Government debt securities		142,118,151	(1,920,274)	(241,068)	139,956,809	107,850,716	(1,672,462)	(582,189)	105,596,065
	- Non-Government debt securities - Listed		4,243,558	(24,966)	(11,593)	4,206,999	4,541,314	(59,375)	(42,714)	4,439,225
	- Equity securities - Unlisted		9,701	(239)	-	9,462	7,762	(197)	-	7,565
	National Investment Unit Trust units		11,113	-	39,632	50,745	11,113	-	27,057	38,170
	Real Estate Investment Trust units									
	- Listed		55,000	-	13,700	68,700	55,000	-	13,200	68,200
	- Unlisted		1,575,000	-	-	1,575,000	1,575,000	-	-	1,575,000
	Preference shares									
	- Listed		744,400	-	133,000	877,400	744,400	-	172,200	916,600
	- Unlisted		354,985	(316,505)	-	38,480	354,985	(285,793)	-	69,192
			<u>1,817,508,679</u>	<u>(8,461,961)</u>	<u>(31,670,590)</u>	<u>1,777,376,128</u>	<u>1,462,676,057</u>	<u>(7,464,786)</u>	<u>(43,896,740)</u>	<u>1,411,314,531</u>
	Held-to-maturity (HTM) securities	8.7								
	Federal Government securities									
	- Market Treasury Bills		111,622,170	-	-	111,622,170	108,085,213	-	-	108,085,213
	- Pakistan Investment Bonds	8.3, 8.4 & 8.5	297,803,454	-	-	297,803,454	229,410,921	-	-	229,410,921
	- Government of Pakistan US Dollar Bonds		5,247,920	(408,218)	-	4,839,702	4,307,651	(379,077)	-	3,928,574
	Non-Government debt securities									
	- Listed		1,899,450	-	-	1,899,450	1,733,442	-	-	1,733,442
	- Unlisted		23,419,101	-	-	23,419,101	17,300,182	-	-	17,300,182
	Foreign securities									
	- Government debt securities		13,123,544	-	-	13,123,544	14,365,073	-	-	14,365,073
	- Non-Government debt securities									
	- Listed		-	-	-	-	161,426	(15,712)	-	145,714
	- Unlisted		174,040	(14,611)	-	159,429	308,100	-	-	308,100
			<u>453,289,679</u>	<u>(422,829)</u>	<u>-</u>	<u>452,866,850</u>	<u>375,672,008</u>	<u>(394,789)</u>	<u>-</u>	<u>375,277,219</u>
	Investment in associates and joint venture	8.7	7,136,609	(77,854)	-	7,058,755	7,422,095	-	-	7,422,095
	Investment in subsidiary companies	8.8	29,172,923	-	-	29,172,923	26,510,029	-	-	26,510,029
	Total Investments		<u>2,540,284,063</u>	<u>(8,962,644)</u>	<u>(31,391,635)</u>	<u>2,499,929,784</u>	<u>1,933,915,974</u>	<u>(7,859,575)</u>	<u>(43,981,131)</u>	<u>1,882,075,268</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Note	2023				2022			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
----- (Rupees in '000) -----								
8.2 Investments by segment								
Federal Government securities								
Market Treasury Bills	414,806,038	-	112,176	414,918,214	320,219,086	-	(371,197)	319,847,889
Pakistan Investment Bonds	1,566,313,484	-	(28,349,970)	1,537,963,514	1,207,609,125	-	(29,419,567)	1,178,189,558
Ijarah Sukuk	221,967,147	-	(696,402)	221,270,745	125,360,260	-	(2,772,531)	122,587,729
Government of Pakistan US Dollar Bonds	25,854,935	(3,423,547)	(307,522)	22,123,866	23,202,881	(2,592,524)	(8,221,230)	12,389,127
Other Federal Government securities	5,543,158	-	-	5,543,158	4,686,060	-	-	4,686,060
	2,234,484,762	(3,423,547)	(29,241,718)	2,201,819,497	1,681,077,412	(2,592,524)	(40,784,525)	1,637,700,363
Shares								
Listed companies	18,455,824	(1,355,890)	(575,893)	16,524,041	6,329,156	(2,097,873)	(243,003)	3,988,280
Unlisted companies	5,372,623	(137,414)	-	5,235,209	5,372,623	(119,718)	-	5,252,905
	23,828,447	(1,493,304)	(575,893)	21,759,250	11,701,779	(2,217,591)	(243,003)	9,241,185
Non-Government debt securities								
Listed	54,213,338	(1,288,294)	(1,410,827)	51,514,217	53,986,579	(602,689)	(2,566,098)	50,817,792
Unlisted	26,073,152	(403,050)	(16,875)	25,653,227	19,964,415	(413,232)	16,321	19,567,504
	80,286,490	(1,691,344)	(1,427,702)	77,167,444	73,950,994	(1,015,921)	(2,549,777)	70,385,296
Foreign securities								
Government debt securities	158,207,035	(1,920,274)	(321,061)	155,965,700	125,494,565	(1,672,462)	(573,569)	123,248,534
Non-Government debt securities								
- Listed	4,243,558	(24,966)	(11,593)	4,206,999	4,702,740	(75,087)	(42,714)	4,584,939
- Unlisted	174,040	(14,611)	-	159,429	308,100	-	-	308,100
Equity securities-Unlisted	9,701	(239)	-	9,462	7,762	(197)	-	7,565
	162,634,334	(1,960,090)	(332,654)	160,341,590	130,513,167	(1,747,746)	(616,283)	128,149,138
National Investment Unit Trust units	11,113	-	39,632	50,745	11,113	-	27,057	38,170
Real Estate Investment Trust units - Listed								
- Listed	55,000	-	13,700	68,700	55,000	-	13,200	68,200
- Unlisted	1,575,000	-	-	1,575,000	1,575,000	-	-	1,575,000
	1,630,000	-	13,700	1,643,700	1,630,000	-	13,200	1,643,200
Preference shares								
- Listed	744,400	-	133,000	877,400	744,400	-	172,200	916,600
- Unlisted	354,985	(316,505)	-	38,480	354,985	(285,793)	-	69,192
	1,099,385	(316,505)	133,000	915,880	1,099,385	(285,793)	172,200	985,792
Investment in associates and joint venture								
Diamond Trust Bank Kenya, Limited	3,999,244	-	-	3,999,244	3,999,244	-	-	3,999,244
Himalayan Bank Limited, Nepal	-	-	-	-	135,665	-	-	135,665
Kyrgyz Investment and Credit Bank, Kyrgyz Republic	256,231	-	-	256,231	256,231	-	-	256,231
Jubilee General Insurance Company Limited	2,006,142	-	-	2,006,142	2,006,142	-	-	2,006,142
Jubilee Life Insurance Company Limited	677,739	-	-	677,739	677,739	-	-	677,739
HBL Investment Fund Class A	174,669	(77,854)	-	96,815	302,886	-	-	302,886
HBL Total Treasury Exchange Trading Fund	22,584	-	-	22,584	44,188	-	-	44,188
	7,136,609	(77,854)	-	7,058,755	7,422,095	-	-	7,422,095
Investment in subsidiary companies								
Habib Allied Holding Limited	20,740,423	-	-	20,740,423	19,077,529	-	-	19,077,529
Habib Bank Financial Services (Private) Limited	32,500	-	-	32,500	32,500	-	-	32,500
HBL Currency Exchange (Private) Limited	400,000	-	-	400,000	400,000	-	-	400,000
HBL Asset Management Limited	2,000,000	-	-	2,000,000	2,000,000	-	-	2,000,000
HBL Microfinance Bank Limited	6,000,000	-	-	6,000,000	5,000,000	-	-	5,000,000
	29,172,923	-	-	29,172,923	26,510,029	-	-	26,510,029
Total Investments	2,540,284,063	(8,962,644)	(31,391,635)	2,499,929,784	1,933,915,974	(7,859,575)	(43,981,131)	1,882,075,268

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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	2023	2022
	(Rupees in '000)	
8.2.1 Investments given as collateral		
The market value of investments given as collateral against borrowings is as follows:		
Federal Government securities		
- Market Treasury Bills	30,947,292	76,758,133
- Pakistan Investment Bonds	336,459,407	165,214,633
- Ijarah Sukuk	-	25,479,600
Foreign securities		
- Government debt securities	-	15,216,156
	<u>367,406,699</u>	<u>282,668,522</u>

- 8.3 Investments include securities amounting to Rs 517,483.172 million (2022: Rs 437,016.293 million) which are held to comply with the SBP's statutory liquidity requirements as set out under section 29 of the Banking Companies Ordinance, 1962.
- 8.4 Investments include Rs 227.500 million (2022: Rs 227.500 million) pledged with the SBP against TT/DD discounting facilities and demand loan facilities.
- 8.5 Investments include Rs 10.000 million (2022: Rs 10.000 million) pledged with the Controller of Military Accounts against Regimental Fund accounts being maintained at various branches of the Bank.
- 8.6 Investments include Rs 300.000 million (2022:Rs 300.000 million) pledged with National Clearing Company of Pakistan against trading margin.
- 8.7 The market value of investments classified as held-to-maturity and investment in listed associates and joint venture is as follows:

	2023		2022	
	Book value	Market value	Book value	Market value
	----- (Rupees in '000) -----			
- Investments classified as held-to-maturity	452,866,850	419,278,122	375,277,219	343,498,835
- Investment in listed associates and joint venture	6,802,524	6,788,865	7,165,864	23,324,728

- 8.8 This includes investment in the Variable Rate Subordinated Loan Notes issued by HBL Bank UK, a subsidiary company, amounting to Rs 4.792 billion equivalent to US \$ 17 million (2022: Rs 3.849 billion equivalent to US \$ 17 million). These notes are perpetual and are repayable at the option of the subsidiary after five years have passed from the date of issuance. Interest is payable on a six monthly basis at 6 months SOFR+4% and 0.42826% credit adjustment spread (2022: 6 month LIBOR+4%).

The Bank also has an investment in Additional Tier 1 instrument of the subsidiary amounting to Rs 3.664 billion equivalent to US \$ 13 million (2022: Rs 2.294 billion equivalent US \$ 13 million). These notes are perpetual and are repayable at option of the subsidiary after five years have passed from the date of issuance. The Prudential Authority (PRA) approval is required prior to repayment. Interest is payable on a six monthly basis at 6 months SOFR+4.75% and 0.42826% credit adjustment spread (2022: 6 months LIBOR+4.75%).

The Additional Tier 1 interest is required to be paid from distributable reserve of the subsidiary, however if on any date when a payment of interest would otherwise be due and the subsidiary has insufficient profits, payment of such interest shall be delayed until such time the subsidiary has sufficient profits.

	2023	2022
	(Rupees in '000)	
8.9 Particulars of provision held against diminution in the value of investments		
Opening balance	7,859,575	3,228,791
Exchange adjustments	1,209,319	604,306
Charge / (reversal)		
Charge for the year	2,424,752	4,565,152
Reversal for the year	(1,658,491)	(24,044)
Reversal on disposal during the year	(1,094,619)	(689,400)
Net (reversal) / charge	(328,358)	3,851,708
Transferred in	222,108	67,880
Other movement	-	106,890
Closing balance	<u>8,962,644</u>	<u>7,859,575</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

8.9.1 Particulars of provision against debt securities

Category of classification	2023		2022	
	Non-Performing Investments	Provision	Non-Performing Investments	Provision
	----- (Rupees in '000) -----			
Domestic				
Loss	403,050	403,050	413,232	413,232
Overseas				
Overdue by:				
91 to 180 days	-	-	452,912	452,912
181 to 365 days	-	-	679,188	500,742
> 365 days	1,407,756	1,407,756	-	-
	1,407,756	1,407,756	1,132,100	953,654
	1,810,806	1,810,806	1,545,332	1,366,886

8.9.1.1 In addition to the above, overseas branches hold a provision of Rs 5,263.936 million (2022: Rs 3,989.107 million) against investments in accordance with the ECL requirements of IFRS 9.

8.10 Quality of available-for-sale securities

Details regarding the quality of AFS securities are as follows:

	2023	2022
	Cost / amortised cost	
	(Rupees in '000)	
Federal Government securities - Government guaranteed		
Market Treasury Bills	220,034,947	206,248,292
Pakistan Investment Bonds	1,129,055,695	925,726,908
Ijarah Sukuk	214,469,251	125,360,260
Government of Pakistan US Dollar Bonds	20,607,015	18,895,230
Other Federal Government securities - Islamic Naya Pakistan Certificates	5,543,158	4,686,060
	1,589,710,066	1,280,916,750

Shares

	2023	2022
	Cost	
	(Rupees in '000)	
Listed companies		
Automobile Assembler	44,191	93,569
Automobile Parts and Accessories	-	85,167
Cement	1,059,479	659,875
Chemicals	224,083	224,084
Commercial Banks	11,246,890	949,350
Engineering	364,828	197,207
Fertilizer	1,036,767	811,050
Food and Personal Care Products	79,800	-
Insurance	-	69,484
Investment Banks / Investment Companies / Securities Companies	1,122,067	1,122,067
Oil and Gas Exploration Companies	1,335,469	513,230
Oil and Gas Marketing Companies	469,020	210,443
Pharmaceuticals	163,721	196,431
Power Generation and Distribution	481,109	551,141
Technology and Communication	151,616	48,836
Textile Composite	498,421	526,897
Miscellaneous	68,682	70,193
	18,346,143	6,329,024

Unlisted companies	2023		2022	
	Cost	Breakup value	Cost	Breakup value
	----- (Rupees in '000) -----			
Central Depository Company of Pakistan Limited	256,347	767,434	256,347	782,093
Engro Powergen Thar (Private) Limited	2,086,591	8,048,312	2,086,591	7,326,213
Sindh Engro Coal Mining Company Limited	2,267,346	6,163,513	2,267,346	5,536,372
Pakistan Mortgage Refinance Company Limited	500,000	1,205,087	500,000	1,015,616
First Women Bank Limited	63,300	223,020	63,300	203,928
SME Bank Limited	13,474	(44,567)	13,474	(43,229)
National Institutional Facilitation Technologies (Private) Limited	1,527	64,687	1,527	64,687
National Investment Trust Limited	100	700,276	100	910,231
Pakistan Agriculture Storage and Services Corporation Limited	5,500	3,551,928	5,500	3,551,928
Society for Worldwide Interbank Financial Telecommunication (SWIFT)	3,152	73,467	3,152	52,804
Naymat Collateral Management Company Limited	29,286	6,858	29,286	13,824
1 LINK (Private) Limited	50,000	733,214	50,000	537,279
Pakistan Credit Restructuring Company Limited	96,000	57,789	96,000	68,519
	5,372,623	21,551,018	5,372,623	20,020,265

8.10.1 The breakup value of unlisted companies is calculated using the latest available financial statements as described in note 4.3.2.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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Non-Government debt securities	Note	2023	2022
		Cost / amortised cost (Rupees in '000)	
Listed			
AA+, AA, AA-		45,200,000	46,200,000
A+, A, A-		493,545	493,545
B+, B, B-		-	4,559,592
CCC and below		5,672,422	-
Unrated		947,921	1,000,000
	8.10.2	52,313,888	52,253,137
Unlisted			
AAA		-	351,000
AA+, AA, AA-		1,801,000	1,900,000
A+, A, A-		450,000	-
Unrated		403,051	413,233
		2,654,051	2,664,233
		54,967,939	54,917,370

8.10.2 This includes listed Non - Government debt securities amounting to Rs 40 billion (2022: Rs 41 billion) guaranteed by the Government.

Foreign securities

Government debt securities	2023		2022	
	Cost / amortised cost (Rupees in '000)	Rating	Cost / amortised cost (Rupees in '000)	Rating
Bahrain	12,319,098	BB, B and B2	11,242,403	B2
Egypt	1,560,904	B3, CCC+ and below	3,103,659	B and B2
Kenya	2,844,472	B2	2,326,687	B2
Maldives	30,528,092	CCC+ and below	26,497,708	CCC+ and below
Mauritius	5,924,458	Baa3	4,450,149	Baa3
Oman	1,851,602	Ba3 and BB-	3,207,091	Ba3 and BB-
Singapore	7,216,850	AAA	11,751,254	AAA
South Africa	887,079	Ba2	731,411	Ba2
Sri Lanka	8,546,668	CCC+ and below	3,693,301	CCC+ and below
United Arab Emirates	64,589,454	Aa2 and Baa3	40,847,053	Aa2 and Baa3
United Kingdom	1,128,021	AAA	-	-
United States of America	4,721,453	AAA and AA+	-	-
	142,118,151		107,850,716	

Non-Government debt securities

Listed	2023	2022
	Cost / amortised cost (Rupees in '000)	
BB+, BB, BB-	-	1,090,959
B+, B, B-	4,243,558	3,450,355
	4,243,558	4,541,314

Equity securities - Unlisted

	2023		2022	
	Cost	Breakup value	Cost	Breakup value
(Rupees in '000)				
The Benefit Company, Bahrain	5,981	45,145	4,804	34,287
Credit Information Bureau, Sri Lanka	70	15,211	49	10,452
LankaClear (Private) Limited, Sri Lanka	435	12,299	308	7,182
SME Equity Fund Limited, Mauritius	3,215	2,976	2,601	2,404
	9,701	75,631	7,762	54,325

National Investment Unit Trust units - Listed	2023	2022
	Cost (Rupees in '000)	
	11,113	11,113

Real Estate Investment Trust units - Listed	55,000	55,000
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Real Estate Investment Trust units - Unlisted	2023		2022	
	Cost	Breakup value	Cost	Breakup value
(Rupees in '000)				
TPL REIT Management Company Limited	1,575,000	3,049,627	1,575,000	2,262,423

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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	2023		2022	
	Cost			
	(Rupees in '000)			
Preference shares - Listed				
Chemicals			700,000	700,000
Textile Composite			44,400	44,400
			<u>744,400</u>	<u>744,400</u>
	2023		2022	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)			
Preference shares - Unlisted				
Finja Inc Pvt Ltd	176,985	38,230	176,985	30,712
Healthwire Pvt Ltd	178,000	38,480	178,000	38,480
	<u>354,985</u>	<u>76,710</u>	<u>354,985</u>	<u>69,192</u>
8.11 Particulars of held-to-maturity securities are as follows:			2023	2022
			Cost / amortised cost	
			(Rupees in '000)	
Federal Government securities - Government guaranteed				
Market Treasury Bills			111,622,170	108,085,213
Pakistan Investment Bonds			297,803,454	229,410,921
GOP US Dollar Bond			5,247,920	4,307,651
			<u>303,051,374</u>	<u>233,718,572</u>
Non-Government debt securities				
Listed				
AA+, AA, AA-			1,249,750	1,249,850
A+, A, A-			649,700	483,592
			<u>1,899,450</u>	<u>1,733,442</u>
Unlisted				
AAA			21,557,531	14,856,052
AA+, AA, AA-			949,570	149,730
A+, A, A-			912,000	1,050,000
Unrated			-	1,244,400
			<u>23,419,101</u>	<u>17,300,182</u>
Foreign securities	2023		2022	
	Cost /	Rating	Cost /	Rating
	amortised cost		amortised cost	
	(Rupees in '000)		(Rupees in '000)	
Government debt securities				
Bahrain	-	-	1,204,012	B2
Bangladesh	11,839,387	Ba3	9,659,351	Ba3
Oman	-	-	1,931,607	BB-
Sri Lanka	1,284,157	CCC+ and below	1,570,103	CCC+ and below
	<u>13,123,544</u>		<u>14,365,073</u>	
Non-Government debt securities			2023	2022
			Cost / amortised cost	
			(Rupees in '000)	
Listed				
Unrated			-	161,426
Unlisted				
A+, A, A-			174,040	308,100

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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8.12 Summary of financial information of associates, joint venture and subsidiaries

2023								
	Based on the annual / interim financial statements as on	Country of Incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehen- sive income / (loss)
----- (Rupees in '000) -----								
Diamond Trust Bank Kenya, Limited	September 30, 2023	Kenya	16.15%	1,077,012,461	928,456,306	122,385,163	12,657,367	12,990,483
Kyrgyz Investment and Credit Bank	December 31, 2023	Kyrgyzstan	18.00%	176,146,026	142,334,016	19,307,295	6,441,372	6,441,372
Jubilee General Insurance Company Limited	September 30, 2023	Pakistan	19.80%	39,716,129	28,081,448	10,240,700	2,463,554	2,552,439
Jubilee Life Insurance Company Limited	September 30, 2023	Pakistan	18.52%	196,000,537	181,574,396	124,196,637	2,062,461	2,192,023
HBL Investment Fund Class A	December 31, 2023	Pakistan	9.88%	2,245,549	17,604	127,820	84,767	84,767
HBL Total Treasury Exchange Traded Fund	December 31, 2023	Pakistan	4.10%	557,461	1,493	109,898	103,524	103,524
Habib Allied Holding Limited	December 31, 2023	United Kingdom	100.00%	183,092,494	164,341,813	957,579	1,876,352	991,463
Habib Bank Financial Services (Private) Limited	December 31, 2023	Pakistan	100.00%	45,391	201	8,341	(107)	(107)
HBL Currency Exchange (Private) Limited	December 31, 2023	Pakistan	100.00%	3,852,873	343,889	1,539,507	566,976	566,976
HBL Asset Management Limited	December 31, 2023	Pakistan	100.00%	4,209,683	3,643,290	1,580,786	566,393	566,393
HBL Microfinance Bank Limited	December 31, 2023	Pakistan	79.92%	157,478,276	143,261,542	35,491,852	451,249	451,249
2022								
	Based on the annual / interim financial statements as on	Country of Incorporation	Percentage of Holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehen- sive income / (loss)
----- (Rupees in '000) -----								
Diamond Trust Bank Kenya, Limited	September 30, 2022	Kenya	16.15%	931,967,221	788,726,664	79,991,004	8,367,192	10,931,684
Himalayan Bank Limited	October 17, 2022	Nepal	20.00%	364,889,717	323,548,766	35,126,532	4,266,090	4,234,752
Kyrgyz Investment and Credit Bank	December 31, 2022	Kyrgyzstan	18.00%	125,991,587	104,107,720	11,125,792	2,345,277	2,155,369
Jubilee General Insurance Company Limited	September 30, 2022	Pakistan	19.80%	32,639,326	22,420,262	7,495,243	1,388,016	1,345,936
Jubilee Life Insurance Company Limited	September 30, 2022	Pakistan	18.52%	187,908,746	174,500,925	103,512,855	2,068,559	2,160,966
HBL Investment Fund Class A	December 31, 2022	Pakistan	17.13%	1,837,058	4,588	146,036	96,136	96,136
HBL Total Treasury Exchange Traded Fund	December 31, 2022	Pakistan	8.58%	523,730	1,271	24,213	22,459	22,459
Habib Allied Holding Limited	December 31, 2022	United Kingdom	100.00%	146,585,103	133,226,332	5,751,656	828,024	(31,754)
Habib Bank Financial Services (Private) Limited	December 31, 2022	Pakistan	100.00%	45,748	451	5,205	(2,249)	(2,249)
HBL Currency Exchange (Private) Limited	December 31, 2022	Pakistan	100.00%	3,179,239	244,000	1,770,627	844,596	844,596
HBL Asset Management Limited	December 31, 2022	Pakistan	100.00%	3,385,983	3,224,849	759,226	161,133	161,133
HBL Microfinance Bank Limited	December 31, 2022	Pakistan	76.42%	141,764,423	128,538,065	25,980,291	1,225,009	1,225,009

8.12.1 The Bank has significant influence in Diamond Trust Bank Kenya Limited, Kyrgyz Investment and Credit Bank, Jubilee General Insurance Company Limited and Jubilee Life Insurance Company Limited because of its Parent's holding in these entities.

8.12.2 Himalayan Bank Limited, Nepal (HBLN), which was previously recognized as a Joint Venture, has acquired Civil Bank Limited, Nepal with effect from February 24, 2023, by issuing new shares as consideration. As a result, the shareholding of the Bank in HBLN has been diluted from 20.00% to 12.93%. Accordingly, HBLN is now classified as an available for sale investment.

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9	ADVANCES	Note	Performing		Non - performing		Total	
			2023	2022	2023	2022	2023	2022
----- (Rupees in '000) -----								
	Loans, cash credits, running finances, etc.	9.1	1,313,235,990	1,314,811,542	73,208,971	72,548,664	1,386,444,961	1,387,360,206
	Islamic financing and related assets	9.2	208,404,435	222,982,477	11,309,850	3,465,365	219,714,285	226,447,842
	Bills discounted and purchased		144,388,017	86,852,316	9,753,378	8,760,951	154,141,395	95,613,267
	Advances - gross		<u>1,666,028,442</u>	<u>1,624,646,335</u>	<u>94,272,199</u>	<u>84,774,980</u>	<u>1,760,300,641</u>	<u>1,709,421,315</u>
	Provision against advances							
	- Specific	9.6	-	-	(80,251,974)	(74,638,423)	(80,251,974)	(74,638,423)
	- General		(16,032,464)	(12,175,445)	-	-	(16,032,464)	(12,175,445)
			<u>(16,032,464)</u>	<u>(12,175,445)</u>	<u>(80,251,974)</u>	<u>(74,638,423)</u>	<u>(96,284,438)</u>	<u>(86,813,868)</u>
	Advances - net of provision		<u>1,649,995,978</u>	<u>1,612,470,890</u>	<u>14,020,225</u>	<u>10,136,557</u>	<u>1,664,016,203</u>	<u>1,622,607,447</u>

9.1 This includes net investment in finance lease as disclosed below:

	2023				2022			
	Not later than one year	Later than one and upto five years	More than five years	Total	Not later than one year	Later than one and upto five years	More than five years	Total
----- (Rupees in '000) -----								
Total minimum lease payments	2,574,288	39,131,882	1,008,458	42,714,628	2,384,911	33,158,972	17,424,154	52,968,037
Financial charges for future periods	(282,698)	(8,642,192)	(314,698)	(9,239,588)	(242,212)	(5,941,536)	(4,891,260)	(11,075,008)
Net investment in finance lease	<u>2,291,590</u>	<u>30,489,690</u>	<u>693,760</u>	<u>33,475,040</u>	<u>2,142,699</u>	<u>27,217,436</u>	<u>12,532,894</u>	<u>41,893,029</u>

9.2 Information related to Islamic financing and related assets is given in note 3 of Annexure I to the consolidated financial statements and is an integral part of these unconsolidated financial statements.

9.3 Particulars of advances (gross)	2023	2022
	(Rupees in '000)	
In local currency	1,350,385,836	1,402,884,074
In foreign currencies	409,914,805	306,537,241
	<u>1,760,300,641</u>	<u>1,709,421,315</u>

9.4 Advances include Rs 94,272.199 million (2022: Rs 84,774.980 million) which have been placed under non-performing status as detailed below:

Category of Classification	2023		2022	
	Non - performing advances	Provision	Non - performing advances	Provision
----- (Rupees in '000) -----				
Domestic				
Other assets especially mentioned	700,185	-	470,336	-
Substandard	6,608,336	1,519,520	6,753,937	1,713,269
Doubtful	10,695,635	5,347,817	2,487,879	1,172,491
Loss	42,990,993	42,309,472	41,681,202	40,992,247
	<u>60,995,149</u>	<u>49,176,809</u>	<u>51,393,354</u>	<u>43,878,007</u>
Overseas				
Not past due but impaired	-	-	114,816	65,731
Overdue by:				
Up to 90 days	59,705	22,164	46,595	12,056
91 to 180 days	15,334	6,910	1,180,167	295,610
181 to 365 days	1,425,679	778,890	30,805	13,555
> 365 days	31,776,332	30,267,201	32,009,243	30,373,464
	<u>33,277,050</u>	<u>31,075,165</u>	<u>33,381,626</u>	<u>30,760,416</u>
Total	<u>94,272,199</u>	<u>80,251,974</u>	<u>84,774,980</u>	<u>74,638,423</u>

9.5 Exposure amounting to Rs 27,611.111 million relating to Pakistan International Airlines Corporation Limited, has not been classified as non-performing, pursuant to a relaxation given by the SBP.

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9.6 Particulars of provision against advances

	Note	2023			2022		
		Specific	General	Total	Specific	General	Total
							(Rupees in '000)
Opening balance		74,638,423	12,175,445	86,813,868	69,086,372	9,569,507	78,655,879
Exchange adjustment		7,357,277	774,217	8,131,494	6,837,158	669,003	7,506,161
Charge for the year		12,972,930	3,692,583	16,665,513	6,803,855	2,844,306	9,648,161
Reversal for the year		(5,385,938)	(609,781)	(5,995,719)	(4,767,741)	(907,371)	(5,675,112)
Net charge against advances		7,586,992	3,082,802	10,669,794	2,036,114	1,936,935	3,973,049
Charged off during the year - agriculture financing	9.8	(503,799)	-	(503,799)	(582,438)	-	(582,438)
Written off during the year	9.9	(8,826,919)	-	(8,826,919)	(2,670,903)	-	(2,670,903)
Transfer out		-	-	-	(67,880)	-	(67,880)
Closing balance		80,251,974	16,032,464	96,284,438	74,638,423	12,175,445	86,813,868

9.6.1 Particulars of provision against advances

In local currency	49,176,810	11,134,521	60,311,331	42,167,914	8,635,508	50,803,422
In foreign currencies	31,075,164	4,897,943	35,973,107	32,470,509	3,539,937	36,010,446
	80,251,974	16,032,464	96,284,438	74,638,423	12,175,445	86,813,868

9.7 General provision includes provision amounting to Rs 3,751.247 million (2022: Rs 3,307.203 million) against consumer finance portfolio. General provision also includes Rs 4,897.943 million (2022: Rs 3,539.937 million) pertaining to overseas advances to meet the requirements of the regulatory authorities of the respective countries in which the Bank operates. General provision also includes Rs 7,383.274 million (2022: Rs 5,328.305 million) carried as a matter of prudence, on account of borrowers impacted by the currently stressed economic conditions.

9.8 These represent non-performing advances for agriculture finance which have been classified as loss, are fully provided and are in default for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held, in accordance with the SBP's Prudential Regulations for Agriculture Financing. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

	Note	2023 (Rupees in '000)	2022
9.9 Particulars of write offs			
9.9.1 Against provisions	9.6	8,826,919	2,670,903
Directly charged to the profit and loss account		-	-
	9.9.2	8,826,919	2,670,903
9.9.2 Analysis of write offs			
Write offs of amounts of Rs 500,000 and above			
- Domestic including KEPZ	9.10.1	1,779,700	1,346,223
- Overseas	9.10.2	6,585,833	940,779
		8,365,533	2,287,002
Write offs of amounts below Rs 500,000		461,386	383,901
		8,826,919	2,670,903

9.10 Details of written off advances of Rs 500,000 and above

9.10.1 The statement required under sub-section (3) of Section 33A of the Banking Companies Ordinance, 1962 in respect of written off advances or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended December 31, 2023 is given in Annexure II to the consolidated financial statements and is an integral part of these unconsolidated financial statements.

9.10.2 These include write offs or financial relief allowed to borrowers in those countries where there are disclosure restrictions.

	Note	2023 (Rupees in '000)	2022
10 FIXED ASSETS			
Capital work-in-progress	10.1	6,900,469	7,264,167
Property and equipment	10.2	128,771,289	102,062,120
		135,671,758	109,326,287
10.1 Capital work-in-progress			
Civil works		919,737	2,478,945
Equipment		930,756	1,211,929
Advances to suppliers and contractors		5,049,976	3,573,293
		6,900,469	7,264,167

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10.2 Property and equipment

	2023										
	Freehold land	Leasehold land	Building on Freehold land	Building on Leasehold land	Machinery	Leasehold Improve-ments	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Right-of-use assets - Building	Total
	(Rupees in '000)										
At January 1, 2023											
Cost / revalued amount	1,018,561	37,252,830	377,332	20,410,662	3,938,142	15,004,218	6,633,296	33,235,616	1,169,712	30,360,152	149,400,521
Accumulated depreciation	-	-	(21,080)	(775,855)	(1,682,600)	(7,850,084)	(3,780,143)	(22,510,954)	(796,213)	(9,921,472)	(47,338,401)
Net book value	1,018,561	37,252,830	356,252	19,634,807	2,255,542	7,154,134	2,853,153	10,724,662	373,499	20,438,680	102,062,120
Exchange rate adjustments	299,927	-	(156)	4,904	-	57,829	28,671	92,946	20,620	382,848	887,589
Revaluation during the year	242,698	13,962,874	58,320	3,249,268	-	-	-	-	-	-	17,513,160
Additions	-	1,845,908	-	910,284	94,850	3,458,054	1,300,563	8,772,885	267,885	4,663,585	21,314,014
Disposals	-	-	(107,278)	-	-	(881)	(4,254)	(29,930)	(1,434)	(128,537)	(272,314)
Write off	-	-	-	(22,991)	-	-	-	(1,747)	(41)	-	(24,779)
Depreciation charge	-	-	(10,689)	(470,664)	(370,399)	(2,109,417)	(991,249)	(4,907,473)	(169,007)	(3,683,074)	(12,711,972)
Other adjustments	39,213	-	427	(4,403)	(3,149)	(1,163)	31,501	(33,489)	-	(25,466)	3,471
Transfers	-	-	(5,076)	1,374,608	(6,282)	(1,370,523)	-	7,273	-	-	-
Closing net book value	1,600,399	53,061,612	291,800	24,675,813	1,970,562	7,188,033	3,218,385	14,625,127	491,522	21,648,036	128,771,289
At December 31, 2023											
Cost / revalued amount	1,600,399	53,061,612	308,637	24,965,557	4,026,673	17,172,405	8,000,140	41,633,671	1,476,569	34,827,088	187,072,751
Accumulated depreciation	-	-	(16,837)	(289,744)	(2,056,111)	(9,984,372)	(4,781,755)	(27,008,544)	(985,047)	(13,179,052)	(58,301,462)
Net book value	1,600,399	53,061,612	291,800	24,675,813	1,970,562	7,188,033	3,218,385	14,625,127	491,522	21,648,036	128,771,289
Rate of depreciation (%)	-	-	3 - 5	1.67 - 4	10	10-20	10-20	10-33	10-20	2.5-100	
	2022										
	Freehold land	Leasehold land	Building on Freehold land	Building on Leasehold land	Machinery	Leasehold Improve-ments	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Right-of-use assets - Building	Total
	(Rupees in '000)										
At January 1, 2022											
Cost / revalued amount	864,856	34,252,266	363,195	17,854,067	3,701,947	9,499,890	5,184,747	26,556,978	1,077,462	24,527,488	123,882,896
Accumulated depreciation	-	-	(21,821)	(386,899)	(1,278,697)	(6,304,757)	(2,939,300)	(18,406,801)	(645,656)	(7,227,819)	(37,211,750)
Net book value	864,856	34,252,266	341,374	17,467,168	2,423,250	3,195,133	2,245,447	8,150,177	431,806	17,299,669	86,671,146
Exchange rate adjustments	153,705	-	22,649	4,582	-	51,792	26,210	79,184	18,971	266,644	623,737
Additions	-	2,920,775	683	2,548,894	175,367	5,273,311	1,334,884	6,535,187	76,664	6,184,054	25,049,819
Surplus transferred from non - banking assets	-	79,789	-	-	-	-	-	-	-	-	79,789
Disposals	-	-	-	-	(4)	(4,987)	(2,572)	(8,017)	(1,497)	(4,486)	(21,563)
Depreciation charge	-	-	(7,282)	(385,837)	(375,194)	(1,362,779)	(749,554)	(4,113,193)	(152,580)	(3,306,791)	(10,453,210)
Other adjustments	-	-	(1,172)	-	(1,669)	1,440	(1,262)	(5,830)	135	(410)	(8,768)
Transfers	-	-	-	-	33,792	224	-	87,154	-	-	121,170
Closing net book value	1,018,561	37,252,830	356,252	19,634,807	2,255,542	7,154,134	2,853,153	10,724,662	373,499	20,438,680	102,062,120
At December 31, 2022											
Cost / revalued amount	1,018,561	37,252,830	377,332	20,410,662	3,938,142	15,004,218	6,633,296	33,235,616	1,169,712	30,360,152	149,400,521
Accumulated depreciation	-	-	(21,080)	(775,855)	(1,682,600)	(7,850,084)	(3,780,143)	(22,510,954)	(796,213)	(9,921,472)	(47,338,401)
Net book value	1,018,561	37,252,830	356,252	19,634,807	2,255,542	7,154,134	2,853,153	10,724,662	373,499	20,438,680	102,062,120
Rate of depreciation (%)	-	-	3 - 5	1.67 - 4	10	10-20	10-20	10-33	10-20	2.5-100	

10.2.1 During the year, the Bank has revised its estimate of the useful life of vehicles used in the UAE business from 10 years to 5 years. This revision has been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8 and accordingly, has been recognised prospectively in the unconsolidated profit and loss account. The effect of this change on depreciation expense in the current year and the next year is as follows:

	2024	2023
	(Rupees in '000)	
Increase in other operating expenses - depreciation	9,215	9,215

10.3 Revaluation of properties

The properties of the Bank were revalued by independent professional valuers as at June 30, 2023. The revaluation in Pakistan was carried out by M/s Tristar International Consultant Pvt Ltd, M/s Joseph Lobo Pvt Ltd, M/s Luckyhiya Associates Pvt Ltd and M/s J&M Associates Pvt Limited, in Singapore by M/s United Valuers (Pte) Limited and in Sri Lanka by M/s Sunil Fernando & Associates (Pvt) Limited on the basis of an assessment of their present market values. The revaluation resulted in an increase of Rs 17,513.160 million in the surplus. The total surplus arising on revaluation of fixed assets as at December 31, 2023 amounts to Rs 46,019.383 million.

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10.4 Had there been no periodic revaluation, the carrying amounts of revalued assets would have been as follows:

	2023	2022
	(Rupees in '000)	
Freehold land	967,439	628,299
Leasehold land	15,184,350	13,338,443
Building on freehold land	103,995	118,911
Building on leasehold land	17,354,457	15,440,320
	<u>33,610,241</u>	<u>29,525,973</u>

10.5 Details of disposal of fixed assets

Information relating to disposal of fixed assets to related parties is given in Annexure III of the consolidated financial statements and is an integral part of these unconsolidated financial statements.

10.6 The carrying amount of fixed assets held for disposal amounted to Rs 10.933 million (2022: Rs 4.490 million).

10.7 The cost of fully depreciated fixed assets that are still in the Bank's use is as follows:

	Note	2023	2022
		(Rupees in '000)	
Building on freehold land		-	3,663
Leasehold improvements		5,039,012	4,267,202
Furniture and fixtures		2,446,044	1,073,204
Electrical, office and computer equipment		16,046,584	11,705,980
Vehicles		561,197	283,176
Machinery		303,834	282,831
		<u>24,396,671</u>	<u>17,616,056</u>

11 INTANGIBLE ASSETS

Capital work-in-progress - computer software		6,570,613	5,183,359
Intangible assets	11.1	<u>8,418,203</u>	<u>6,656,846</u>
		<u>14,988,816</u>	<u>11,840,205</u>

11.1 Intangible assets

Computer software

At January 1,

Cost		13,584,242	9,703,329
Accumulated amortisation		<u>(6,927,396)</u>	<u>(5,123,979)</u>
Net book value		6,656,846	4,579,350
Purchased during the year		3,772,370	3,873,823
Amortisation charge		(2,104,309)	(1,740,448)
Exchange rate adjustments		93,296	64,660
Transfers		-	(121,170)
Other adjustments		-	631
Closing net book value		<u>8,418,203</u>	<u>6,656,846</u>

At December 31,

Cost		17,501,676	13,584,242
Accumulated amortisation		<u>(9,083,473)</u>	<u>(6,927,396)</u>
Net book value		<u>8,418,203</u>	<u>6,656,846</u>
Rate of amortisation (%)		<u>10-33.33</u>	<u>10-33.33</u>
Useful life (years)		<u>3-10</u>	<u>3-10</u>

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11.2 The cost of fully amortised computer software that are still in the Bank's use amounted to Rs 3,631.946 million (2022: Rs 3,013.967 million).

12 DEFERRED TAX ASSETS / (LIABILITIES)	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Deductible temporary differences on			
- Provision against investments		638,780	879,614
- Provision against doubtful debts and off-balance sheet obligations		5,526,165	3,164,090
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001		2,847,597	2,717,261
- Deficit on revaluation of investments	20	15,518,589	18,875,598
- Provision against other assets		-	5,855
- Ijarah financing		332,429	187,389
		<u>24,863,560</u>	<u>25,829,807</u>
Taxable temporary differences on			
- Accelerated tax depreciation		(3,209,476)	(2,354,489)
- Surplus on revaluation of fixed assets	20	(3,679,435)	(1,905,686)
- Exchange translation reserve		(6,568,810)	(4,629,874)
		<u>(13,457,721)</u>	<u>(8,890,049)</u>
Net deferred tax assets		<u><u>11,405,839</u></u>	<u><u>16,939,758</u></u>

12.1 Movement in temporary differences during the year

	Balance as at January 1, 2022	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2022	Recognised in profit and loss	Recognised in equity	Balance as at December 31, 2023
	------(Rupees in '000)-----						
Deductible temporary differences on							
- Provision against investments	744,857	134,757	-	879,614	(240,834)	-	638,780
- Provision against doubtful debts and off-balance sheet obligations	3,033,816	130,274	-	3,164,090	2,362,075	-	5,526,165
- Liabilities written back under section 34(5) of the Income Tax Ordinance (ITO) 2001	2,583,250	134,011	-	2,717,261	130,336	-	2,847,597
- Deficit on revaluation of investments	1,307,690	-	17,567,908	18,875,598	-	(3,357,009)	15,518,589
- Provision against other assets	15,342	(9,487)	-	5,855	(5,855)	-	-
- Ijarah financing	156,250	31,139	-	187,389	145,040	-	332,429
Taxable temporary differences on							
- Accelerated tax depreciation	(1,675,533)	(678,956)	-	(2,354,489)	(854,987)	-	(3,209,476)
- Surplus on revaluation of fixed assets	(1,748,389)	43,965	(201,262)	(1,905,686)	64,582	(1,838,331)	(3,679,435)
- Exchange translation reserve	(672,350)	-	(3,957,524)	(4,629,874)	-	(1,938,936)	(6,568,810)
Net deferred tax (liabilities) / assets	<u><u>3,744,933</u></u>	<u><u>(214,297)</u></u>	<u><u>13,409,122</u></u>	<u><u>16,939,758</u></u>	<u><u>1,600,357</u></u>	<u><u>(7,134,276)</u></u>	<u><u>11,405,839</u></u>

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13 OTHER ASSETS	Note	2023 (Rupees in '000)	2022
Mark-up / return / profit / interest accrued in local currency - net of provision		119,691,426	78,399,836
Mark-up / return / profit / interest accrued in foreign currency - net of provision		8,499,414	6,236,421
Advances, deposits, advance rent and other prepayments		3,928,788	4,447,288
Advance taxation		5,107,654	11,990,565
Advances against subscription of securities		903,514	1,228,514
Stationery and stamps on hand		215,745	133,214
Accrued fees and commissions		430,308	459,300
Due from Government of Pakistan / SBP		6,622,630	3,654,276
Mark to market gain on forward foreign exchange contracts		2,263,654	2,848,919
Mark to market gain on derivative instruments	22.2	73,396	219,508
Non-banking assets acquired in satisfaction of claims		242,317	232,109
Receivable from defined benefit plan	36.4.5	845,404	-
Acceptances		53,823,454	54,403,050
Clearing and settlement accounts		37,268,393	4,352,389
Dividend receivable		9,093	3,883
Claims receivable against fraud and forgeries		634,106	694,460
Others		693,274	1,340,474
		<u>241,252,570</u>	<u>170,644,206</u>
Provision held against other assets	13.2	<u>(2,577,641)</u>	<u>(1,791,891)</u>
Other assets - net of provision		238,674,929	168,852,315
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20.2	191,591	175,125
Other assets - total		<u><u>238,866,520</u></u>	<u><u>169,027,440</u></u>

13.1 Details of revaluation of non-banking assets acquired in satisfaction of claims

Market value of non-banking assets acquired in satisfaction of claims	<u>433,908</u>	<u>407,234</u>
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13.1.1 Non-banking assets acquired in satisfaction of claims have been revalued by independent professional valuers as at December 31, 2023. The revaluation was carried out by M/s Tristar International Consultant (Pvt) Ltd and in Mauritius by M/s Elevante Property Services Ltd (Mauritius) on the basis of an assessment of present market values and resulted in an increase in the surplus by Rs 16.466 million. The total surplus arising against revaluation of non-banking assets acquired in satisfaction of claims as at December 31, 2023 amounts to Rs 191.591 (2022: Rs 175.125 million).

13.1.2 Non-banking assets acquired in satisfaction of claims	Note	2023 (Rupees in '000)	2022
Opening balance		407,234	680,986
Exchange adjustment		10,208	8,898
Revaluation during the year	20.2	16,466	30,850
Transferred to fixed assets		-	(313,500)
Depreciation		-	(35)
Reversal of impairment		-	35
Closing balance		<u>433,908</u>	<u>407,234</u>

13.2 Provision held against other assets

Claims receivable against fraud and forgeries	634,106	694,460
Suit filed cases	4,979	4,979
Others	1,938,556	1,092,452
	<u>2,577,641</u>	<u>1,791,891</u>

13.2.1 Movement in provision against other assets

Opening balance	1,791,891	1,243,645
Exchange adjustment	10,045	(7,806)
Charge for the year	1,240,885	661,462
Reversal for the year	-	(37,218)
Net charge	1,240,885	624,244
Written off during the period year	(243,072)	(67,820)
Transferred out	(222,108)	-
Other movement	-	(372)
Closing balance	<u>2,577,641</u>	<u>1,791,891</u>

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	Note	2023 (Rupees in '000)	2022
14	BILLS PAYABLE		
	In Pakistan	49,433,022	50,109,748
	Outside Pakistan	1,795,648	1,566,772
		<u>51,228,670</u>	<u>51,676,520</u>
15	BORROWINGS		
	Secured		
	Borrowings from the SBP under		
	- Export refinance scheme	15.2 64,648,652	69,820,144
	- Export refinance scheme for bill discounting	15.3 22,637,751	8,867,548
	- Long term financing facility	15.4 37,066,139	42,068,296
	- Financing facility for renewable energy power plants	15.5 7,216,949	7,168,301
	- Refinance facility for modernization of Small and Medium Enterprises (SMEs)	15.6 607,954	312,545
	- Refinance and credit guarantee scheme for women entrepreneurs	15.7 38,046	69,658
	- Financing facility for storage of agricultural produce	15.8 597,743	601,918
	- Refinance scheme for payment of wages and salaries	-	1,227,812
	- Refinance facility for combating COVID-19	15.9 1,567,557	1,793,800
	- Temporary economic refinance facility	15.10 32,214,444	34,998,333
	- Refinance facility for SME Asaan Finance (SAAF)	15.11 3,884,689	2,272,423
		170,479,924	169,200,778
	Repurchase agreement borrowings	15.13 379,043,704	284,971,485
		549,523,628	454,172,263
	Unsecured		
	- Call money borrowings	15.14 320,000	19,000,000
	- Overdrawn nostro accounts	470,727	348,674
	- Borrowings of overseas branches	15.15 41,743,891	39,653,052
	- Other long-term borrowings	15.16 67,284,575	65,830,949
		109,819,193	124,832,675
		<u>659,342,821</u>	<u>579,004,938</u>
15.1	Particulars of borrowings with respect to currencies		
	In local currency	551,843,628	458,123,126
	In foreign currencies	107,499,193	120,881,812
		<u>659,342,821</u>	<u>579,004,938</u>
15.2	These borrowings have been obtained from the SBP for extending export finance to customers. These carry mark-up at rates ranging from 17.00% to 18.00% per annum (2022: 11.00% to 12.00% per annum) and are due to mature latest by November 03, 2024.		
15.3	These borrowings have been obtained from the SBP for providing export bill discounting facilities to customers. These carry mark-up rates ranging from 1.00% to 2.00% (2022: 0.00% to 2.00% per annum) and are due to mature latest by November 01, 2024.		
15.4	These borrowings have been obtained from the SBP for providing financing facilities to exporters for adoption of new technologies and modernization of their plant and machinery. These carry mark-up at rates ranging from 11.00 % to 12.00% per annum (2022: 11.00 % to 12.00% per annum) and are due to mature latest by July 29, 2032.		
15.5	These borrowings have been obtained from the SBP for providing financing for renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at a rate of 2.00% per annum (2022: 2.00% to 3.00% per annum) and are due to mature latest by December 31, 2035.		
15.6	These borrowings have been obtained from the SBP to provide financing for modernization of Small and Medium Enterprises. These carry mark-up at a rate of 2.00% per annum (2022: 2.00% per annum) and are due to mature latest by December 31, 2030.		
15.7	These borrowings have been obtained from the SBP to provide financing to women entrepreneurs for setting up of new business enterprises or for expansion of existing ones. These carry mark-up at a rate of 0.00% per annum (2022: 0.00% per annum) and are due to mature latest by December 31, 2028.		

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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- 15.8 These borrowings have been obtained from the SBP to provide financing for the storage of agricultural produce to encourage the private sector to establish silos, warehouses and cold storages. These carry mark-up at a rate of 2.00% per annum (2022: 2.00% to 3.25% per annum) and are due to mature latest by December 31, 2029.
- 15.9 These borrowings were obtained from the SBP to provide emergency financing to hospitals and medical centres to develop capacity for the treatment of COVID-19 patients. The maximum financing limit under the facility was Rs 500 million per hospital / medical centre with a tenor of 5 years, including a grace period of up to 6 months. These carry mark-up at a rate of 0.00% per annum (2022: 0.00% per annum) and are due to mature latest by December 31, 2026.
- 15.10 These borrowings were obtained from the SBP to provide concessionary finance for setting up new industrial units in the backdrop of challenges faced by industries during the pandemic. The maximum limit granted under this facility was Rs 5 billion per project with a tenor of 10 years, including a grace period of 2 years. These carry mark-up at a rate of 1.00% per annum (2022: 1.00% per annum) and are due to mature latest by April 14, 2033.
- 15.11 These borrowings have been obtained from the SBP under a scheme to simplify and enhance lending to SMEs and to fulfil their financing requirements. These carry mark-up at a rate of 1.00% per annum (2022: 1.00% per annum) and are due to mature latest by December 31, 2034.
- 15.12 For all SBP borrowings, the SBP has the right to recover the outstanding amounts from the Bank at the date of maturity of the finances by directly debiting the Bank's current account maintained with the SBP.
- 15.13 Repurchase agreement borrowings carry mark-up at rates ranging from 21.60% to 22.10% per annum (2022: 7.60% to 16.15% per annum) and are due to mature latest by January 26, 2024. The market value of securities given as collateral against these borrowings is given in note 8.2.1.
- 15.14 Call money borrowings carry mark-up at a rate of 21.60% per annum (2022: 13.50% to 16.10% per annum) and are due to mature latest by January 2, 2024.
- 15.15 Borrowings of overseas branches and subsidiaries carry mark-up at rates ranging from 3.20% to 9.30% per annum (2022: 0.90% to 11.53% per annum) and are due to mature latest by January 24, 2029.
- 15.16 This includes the following:
- 15.16.1 A loan from the International Finance Corporation amounting to US\$ 49.980 million (2022: US\$ 99.990 million). The principal amount is payable in six equal semi-annual installments from June 2022 to December 2024. Interest at LIBOR + 5.00% per annum (December 31, 2022: LIBOR + 5.00% per annum) is payable semi-annually.
- 15.16.2 A long-term financing facility arrangement from China Development Bank, utilized for on-lending to projects of the Bank's customers. The current amount outstanding is US\$ 181.640 million (2022: US\$ 190 million). Drawn amounts are payable in semi-annual installments from January 2023 to January 2033. Interest at a fixed spread over LIBOR is payable semi-annually.
- 15.16.3 A mortgage refinancing facility on Musharakah basis from Pakistan Mortgage Refinance Company Limited (PMRC) amounting to Rs 2,000.000 million (2022: Rs 168.252 million) for on-lending to customers. The principal amount is payable in semi-annual installments from April 2025 to October 2026. Profit at 16.61% per annum (2022: 11.21% per annum) is payable semi-annually.

16 DEPOSITS AND OTHER ACCOUNTS

Note	2023			2022		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
(Rupees in '000)						
Customers						
Current deposits	1,080,853,309	195,260,092	1,276,113,401	1,133,774,070	162,565,484	1,296,339,554
Savings deposits	1,561,063,491	150,303,167	1,711,366,658	1,160,962,009	139,379,848	1,300,341,857
Term deposits	414,510,599	321,198,865	735,709,464	347,383,594	209,952,695	557,336,289
	3,056,427,399	666,762,124	3,723,189,523	2,642,119,673	511,898,027	3,154,017,700
Financial institutions						
Current deposits	9,785,450	2,312,605	12,098,055	8,499,505	3,163,648	11,663,153
Savings deposits	120,168,627	711,626	120,880,253	57,909,192	2,181,262	60,090,454
Term deposits	4,482,843	9,529,238	14,012,081	3,328,171	5,076,940	8,405,111
	134,436,920	12,553,469	146,990,389	69,736,868	10,421,850	80,158,718
16.2	3,190,864,319	679,315,593	3,870,179,912	2,711,856,541	522,319,877	3,234,176,418

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	2023	2022
	(Rupees in '000)	
16.1 Composition of deposits		
- Individuals	2,314,932,422	2,068,688,488
- Government (Federal and Provincial)	305,297,984	187,796,209
- Banking Companies	13,375,758	23,623,395
- Non-Banking Financial Institutions	133,614,631	56,535,323
- Other public sector entities	219,885,190	212,938,838
- Other private sector entities	883,073,927	684,594,165
	<u>3,870,179,912</u>	<u>3,234,176,418</u>

16.2 This includes deposits amounting to Rs 2,273,453.191 million (2022: Rs 1,943,375.180 million) which are eligible for coverage under insurance arrangements.

	Note	2023	2022
		(Rupees in '000)	
17 SUBORDINATED DEBT			
Additional Tier I Term Finance Certificates	17.1	12,374,000	12,374,000
Additional Tier I Term Finance Certificates	17.2	6,500,000	6,500,000
		<u>18,874,000</u>	<u>18,874,000</u>

17.1 The Bank has issued listed, fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue date	September 26, 2019
Issue amount	Rs 12.374 billion
Rating	AA+ (Double A plus) [2022: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 1.60%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the Investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

17.2 The Bank has issued fully paid up, rated, privately placed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of TFCs issued as instruments of redeemable capital under Section 66 of the Companies Act, 2017 which qualify as Additional Tier 1 Capital (AT 1) as outlined by the SBP under BPRD Circular No. 6 dated August 15, 2013.

The key features of the issue are as follows:

Issue date	December 28, 2022
Issue amount	Rs 6.500 billion
Rating	AA+ (Double A plus) [2022: AA+ (Double A plus)]
Original Tenor	Perpetual
Security	Unsecured and subordinated to all other indebtedness of the Bank including depositors and general creditors, but superior to the claims of ordinary shareholders.
Profit payment frequency	Quarterly in arrears
Redemption	Perpetual, hence not applicable.
Mark-up	Floating rate of return at Base Rate + 2.00%. The Base Rate is defined as the average "Ask Side" rate of the three months Karachi Interbank Offered Rate (KIBOR).
Call option	The Bank may, at its sole discretion, call the TFCs any time after five years from the Issue Date subject to the following: (a) Prior approval of the SBP having been obtained; and (b) The Bank replacing the TFCs with capital of the same or better quality and the capital position of the Bank being above the minimum capital requirement after the Call Option is exercised. If the Bank decides to exercise the Call Option, the Bank shall notify the Trustee and the Investors not less than 30 calendar days prior to the date of exercise of such Call Option, which notice shall specify the date fixed for the exercise of the Call Option (the "Call Option Exercise Date").
Lock-in clause	Mark-up will only be paid from the current year's earnings and only if the Bank is in compliance with regulatory capital and liquidity requirements.
Loss absorbency clause	The TFCs will be subject to a loss absorbency clause as stipulated under the SBP's "Instructions for Basel III Implementation in Pakistan".

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18	OTHER LIABILITIES	Note	2023 (Rupees in '000)	2022
	Mark-up / return / profit / interest payable in local currency		39,885,124	16,143,221
	Mark-up / return / profit / interest payable in foreign currency		9,462,487	5,733,644
	Security deposits		1,597,855	1,567,333
	Accrued expenses		31,647,978	22,174,107
	Mark to market loss on forward foreign exchange contracts		4,229,670	1,999,427
	Mark to market loss on derivative instruments	22.2	10,321,082	7,101,400
	Unclaimed dividends		764,376	751,907
	Dividends payable		2,075,679	3,811,676
	Provision for post retirement medical benefits	36.4.5	3,966,429	3,522,518
	Provision for employees' compensated absences	36.4.5	746,630	762,192
	Provision for staff retirement benefits		1,646,076	1,563,256
	Payable to defined benefit plans	36.1.6	851,133	607,424
	Provision against off-balance sheet obligations	18.1	1,927,866	1,633,326
	Acceptances		53,823,454	54,403,050
	Branch adjustment account		2,766,198	1,662,185
	Provision for Workers' Welfare Fund	29	11,168,661	8,934,881
	Unearned income		5,680,169	4,780,489
	Qarz-e-Hasna Fund		338,409	338,409
	Levies and taxes payable		14,349,438	13,191,257
	Insurance payable		669,442	1,030,409
	Provision for rewards program expenses		2,699,951	2,384,689
	Liability against trading of securities		15,963,126	22,768,986
	Clearing and settlement accounts		18,094,169	12,068,102
	Payable to HBL Foundation		866,494	515,961
	Contingent consideration payable		500,000	500,000
	Charity fund		10,578	25,121
	Lease liability against right-of-use assets		26,864,447	24,293,255
	Unclaimed deposits		2,030,722	528,656
	Others		3,318,709	2,792,644
			<u>268,266,352</u>	<u>217,589,525</u>
18.1	Provision against off-balance sheet obligations			
	Opening balance		1,633,326	2,687,054
	Exchange adjustment		388,430	277,857
	Charge for the year		191,387	150,910
	Reversal for the year		(285,277)	(1,482,495)
	Net reversal		(93,890)	(1,331,585)
	Closing balance		<u>1,927,866</u>	<u>1,633,326</u>
19	SHARE CAPITAL			
19.1	Authorised capital			
	2023	2022		
	Number of shares in '000			
	<u>2,900,000</u>	<u>2,900,000</u>	Ordinary shares of Rs 10 each	<u>29,000,000</u>
				<u>29,000,000</u>
19.2	Issued, subscribed and paid-up capital			
	2023	2022		
	Number of shares in '000			
	690,000	690,000	Ordinary shares of Rs 10 each	
	776,852	776,852	Fully paid in cash	6,900,000
	<u>1,466,852</u>	<u>1,466,852</u>	Issued as bonus shares	7,768,525
				<u>14,668,525</u>
				<u>14,668,525</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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19.3 Major shareholders (holding more than 5% of total paid-up capital)	2023		2022	
	Number of shares held	Percentage of shareholding	Number of shares held	Percentage of shareholding
Name of shareholder				
Aga Khan Fund for Economic Development	829,967,872	56.58%	748,094,778	51.00%

19.4 Shares of the Bank held by associated companies	2023	2022
	(Number of shares)	
Jubilee General Insurance Company Limited	4,270,000	4,270,000
Jubilee Life Insurance Company Limited	33,246,975	33,246,975

19.5 Statutory reserve

Every banking company incorporated in Pakistan is required to transfer 20% of its profit after tax to a statutory reserve until the amount of the reserve equals the paid-up share capital. Thereafter, 10% of the profit after tax of the Bank is required to be transferred to this reserve. Accordingly, the Bank transfers 10% of its profit after tax every year to the statutory reserve.

19.6 Exchange translation reserve

This comprises of all foreign currency differences arising from the translation of the net investment in foreign branches.

20 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX	Note	2023	2022
		(Rupees in '000)	
Surplus / (deficit) arising on revaluation of:			
- Fixed assets	20.1	46,019,383	28,736,477
- Available-for-sale securities	8.1	(31,670,590)	(43,896,740)
- Non-banking assets acquired in satisfaction of claims	20.2	191,591	175,125
		14,540,384	(14,985,138)
Deferred tax liability / (asset) on surplus / (deficit) on revaluation of:			
- Fixed assets	20.1	3,679,435	1,905,686
- Available-for-sale securities	12.1	(15,518,589)	(18,875,598)
- Non-banking assets acquired in satisfaction of claims		-	-
		(11,839,154)	(16,969,912)
Surplus on revaluation of assets - net of tax		26,379,538	1,984,774

20.1 Surplus on revaluation of fixed assets

Surplus on revaluation of fixed assets as at January 1	28,736,477	28,758,932
Transferred from non-banking assets during the year	-	79,789
Recognised during the period / year	17,513,160	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	(67,217)	(58,279)
Related deferred tax liability on incremental depreciation charged during the year	(64,582)	(43,965)
Surplus realised on disposal of revalued properties during the period	(50,212)	-
Related deferred tax liability on surplus realised on disposal of revalued properties	(48,243)	-
Surplus on revaluation of fixed assets as at December 31	46,019,383	28,736,477
Less: related deferred tax liability on		
- Revaluation as at January 1	1,905,686	1,748,389
- Effect of change in tax rate	259,949	201,262
- revaluation recognised during the year	1,626,625	-
- Incremental depreciation charged during the year	(64,582)	(43,965)
- surplus realised on disposal of revalued properties during the year	(48,243)	-
	3,679,435	1,905,686
	42,339,948	26,830,791

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	Note	2023 (Rupees in '000)	2022
20.2 Surplus on revaluation of non-banking assets acquired in satisfaction of claims			
Surplus on revaluation as at January 1		175,125	224,064
Recognised during the year		16,466	30,850
Transferred to fixed asset during the year		-	(79,789)
Surplus on revaluation as at December 31		191,591	175,125
Less: related deferred tax liability on			
- Revaluation as at January 01		-	-
- Revaluation recognised during the year		-	-
- Incremental depreciation charged during the year		-	-
		<u>191,591</u>	<u>175,125</u>
21 CONTINGENCIES AND COMMITMENTS			
- Guarantees	21.1	287,242,149	262,131,266
- Commitments	21.2	910,401,292	910,126,139
- Other contingent liabilities	21.3	22,969,646	22,813,357
		<u>1,220,613,087</u>	<u>1,195,070,762</u>
21.1 Guarantees :			
Financial guarantees		48,697,946	53,825,190
Performance guarantees		227,128,552	201,579,599
Other guarantees		11,415,651	6,726,477
		<u>287,242,149</u>	<u>262,131,266</u>
21.2 Commitments :			
Trade-related contingent liabilities		330,830,539	279,449,231
Commitments in respect of :			
- forward foreign exchange contracts	21.2.1	474,521,265	403,789,013
- forward Government securities transactions	21.2.2	24,383,498	132,295,940
- derivatives	21.2.3	53,095,033	65,409,610
- forward lending	21.2.4	15,480,187	21,379,153
		567,479,983	622,873,716
Commitments for acquisition of :			
- fixed assets		4,675,879	10,436,315
- intangible assets		7,414,891	5,471,469
		<u>12,090,770</u>	<u>15,907,784</u>
		<u>910,401,292</u>	<u>918,230,731</u>
21.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		290,314,260	268,910,504
Sale		184,207,005	134,878,509
		<u>474,521,265</u>	<u>403,789,013</u>
21.2.2 Commitments in respect of forward Government Securities transactions			
Purchase		21,450,842	117,020,407
Sale		2,932,656	15,275,533
		<u>24,383,498</u>	<u>132,295,940</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
	(Rupees in '000)	
21.2.3 Commitments in respect of derivatives		
Foreign currency options		
Purchase	2,289,956	4,052,296
Sale	<u>2,289,956</u>	<u>4,052,296</u>
	<u>4,579,912</u>	<u>8,104,592</u>
Cross currency swaps		
Purchase	18,112,623	23,863,687
Sale	<u>28,827,498</u>	<u>30,407,998</u>
	<u>46,940,121</u>	<u>54,271,685</u>
Interest rate swaps		
Purchase	-	-
Sale	<u>1,575,000</u>	<u>3,033,333</u>
	<u>1,575,000</u>	<u>3,033,333</u>
21.2.4 Commitments in respect of forward lending		
Undrawn formal standby facilities, credit lines and other commitments to extend credit	<u>15,480,187</u>	<u>21,379,153</u>
These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.		

	2023	2022
	(Rupees in '000)	
21.3 Other contingent liabilities		
21.3.1 Claims against the Bank not acknowledged as debts	<u>22,969,646</u>	<u>22,813,357</u>
These mainly represent counter claims by borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these unconsolidated financial statements.		

21.3.2 Tax related contingencies are disclosed in note 32.2.

22 DERIVATIVE INSTRUMENTS

A derivative is a financial instrument whose value changes in response to changes in a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, a credit rating or credit index or a similar variable, sometimes called the underlying. Derivatives include forwards, futures, swaps, options and structured financial products that have one or more of the characteristics of forwards, futures, swaps and options.

The Bank, as an Authorized Derivative Dealer (ADD), is an active participant in the Pakistan derivatives market. The ADD license covers only transactions permitted under the Financial Derivatives Business Regulations issued by the SBP, which are:

- (a) Foreign Currency Options
- (b) Forward Rate Agreements
- (c) Interest Rate Swaps
- (d) Cross Currency Swaps

The Bank also offers other derivative products to satisfy customer requirements, for which specific approval is sought from the SBP on a transaction by transaction basis.

These transactions cover the aspects of both market making and hedging. The risk management processes and policies related to derivatives are disclosed in note 44.5 to these unconsolidated financial statements.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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22.1 Product Analysis

		2023					
		Foreign Currency Options		Cross currency swaps		Interest rate swaps	
Counterparties		Notional principal	Mark to market loss	Notional principal	Mark to market loss	Notional principal	Mark to market loss
		----- (Rupees in '000) -----					
With Banks for							
Hedging		2,289,956	(73,396)	-	-	-	-
Market Making		-	-	-	-	-	-
With FIs other than banks for							
Hedging		-	-	-	-	-	-
Market Making		-	-	2,428,835	(452,492)	375,000	(35,105)
With other entities for							
Hedging		-	-	-	-	-	-
Market Making		2,289,956	73,396	44,511,286	(9,656,796)	1,200,000	(103,293)
Total							
Hedging		2,289,956	(73,396)	-	-	-	-
Market Making		2,289,956	73,396	46,940,121	(10,109,288)	1,575,000	(138,398)

		2022					
		Foreign Currency Options		Cross currency swaps		Interest rate swaps	
Counterparties		Notional principal	Mark to market loss	Notional principal	Mark to market loss	Notional principal	Mark to market gain / (loss)
		----- (Rupees in '000) -----					
With Banks for							
Hedging		4,052,296	(218,962)	-	-	-	-
Market Making		-	-	573,571	(106,423)	-	-
With FIs other than banks for							
Hedging		-	-	-	-	-	-
Market Making		-	-	4,161,383	(458,056)	625,000	(58,909)
With other entities for							
Hedging		-	-	-	-	-	-
Market Making		4,052,296	218,962	49,536,731	(6,070,726)	2,408,333	(187,778)
Total							
Hedging		4,052,296	(218,962)	-	-	-	-
Market Making		4,052,296	218,962	54,271,685	(6,635,205)	3,033,333	(246,687)

22.2 Maturity Analysis

		2023				
Remaining Maturity	No. of contracts	Notional principal	Mark to market			
			Loss	Gain	Net	
		----- (Rupees in '000) -----				
Up to 1 Month	33	2,710,436	(447,567)	14,571	(432,996)	
1 to 3 Months	101	3,991,215	(182,208)	58,825	(123,383)	
3 Months to 6 Months	-	-	-	-	-	
6 Months to 1 Year	3	2,206,898	(389,514)	-	(389,514)	
1 to 2 Years	7	6,960,178	(2,027,385)	-	(2,027,385)	
2 to 3 Years	5	5,790,995	(2,002,723)	-	(2,002,723)	
3 to 5 Years	-	-	-	-	-	
5 to 10 Years	3	23,179,656	(3,499,258)	-	(3,499,258)	
Over 10 years	2	8,255,655	(1,772,427)	-	(1,772,427)	
	154	53,095,033	(10,321,082)	73,396	(10,247,686)	

		2022				
Remaining Maturity	No. of contracts	Notional principal	Mark to market			
			Loss	Gain	Net	
		----- (Rupees in '000) -----				
Up to 1 Month	55	2,899,683	(120,810)	14,386	(106,424)	
1 to 3 Months	38	3,207,880	(213,268)	67,937	(145,331)	
3 Months to 6 Months	54	3,540,494	(136,639)	136,639	-	
6 Months to 1 Year	16	2,388,718	(277,304)	-	(277,304)	
1 to 2 Years	5	6,660,462	(1,047,552)	-	(1,047,552)	
2 to 3 Years	7	9,351,486	(1,794,142)	546	(1,793,596)	
3 to 5 Years	5	6,675,780	(1,668,031)	-	(1,668,031)	
5 to 10 Years	3	22,578,089	(953,010)	-	(953,010)	
Over 10 years	2	8,107,018	(890,644)	-	(890,644)	
	185	65,409,610	(7,101,400)	219,508	(6,881,892)	

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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23	MARK-UP / RETURN / PROFIT / INTEREST EARNED	Note	2023	2022
			(Rupees in '000)	
On:				
	Loans and advances		265,392,464	170,680,803
	Investments		366,012,140	223,260,844
	Lendings to financial institutions		29,734,737	13,739,200
	Balances with banks		8,994,693	1,292,389
			<u>670,134,034</u>	<u>408,973,236</u>
24	MARK-UP / RETURN / PROFIT / INTEREST EXPENSED			
On:				
	Deposits		331,662,813	183,552,414
	Securities sold under repurchase agreement borrowings		72,975,688	50,773,021
	Borrowings		28,248,651	11,251,699
	Subordinated debt		4,281,784	1,891,880
	Cost of foreign currency swaps against foreign currency deposits / borrowings		6,494,349	6,429,094
	Lease liability against right-of-use assets		3,075,788	2,938,166
			<u>446,739,073</u>	<u>256,836,274</u>
25	FEE AND COMMISSION INCOME			
	Branch banking customer fees		5,070,955	3,670,745
	Branchless banking customer fees		489,227	925,975
	Consumer finance related fees		2,523,833	2,267,096
	Card related fees (debit and credit cards)		12,678,928	8,686,409
	Credit related fees		1,067,447	979,900
	Investment banking fees		1,349,991	1,168,462
	Commission on trade related products and guarantees		7,226,287	4,974,222
	Commission on cash management		1,655,071	1,136,932
	Commission on remittances (including home remittances)		853,434	698,203
	Commission on bancassurance		825,535	767,109
	Commission on Government to Person (G2P) Payments		1,294,581	770,803
	Merchant discount and interchange fees		6,925,807	5,453,015
	Wealth Management Fee		34,266	22,891
	Others		580,034	173,758
			<u>42,575,396</u>	<u>31,695,520</u>
	Less: Sales tax / Federal Excise Duty on fee and commission income		<u>(5,265,637)</u>	<u>(4,042,607)</u>
			<u>37,309,759</u>	<u>27,652,913</u>
26	GAIN / (LOSS) ON SECURITIES - NET			
	Realised	26.1	568,031	1,113,915
	Unrealised - held-for-trading	8.1	278,955	(84,391)
			<u>846,986</u>	<u>1,029,524</u>
26.1	Gain / (Loss) on securities - realised			
On:				
	Federal Government securities			
	- Market Treasury Bills		568,373	(287,479)
	- Pakistan Investment Bonds		748,108	1,483,441
	- Ijarah Sukuk		371,143	81,974
	- Government of Pakistan US Dollar Bonds		(532,408)	-
	Shares		(327,033)	(377,550)
	Non-Government debt securities		(166,686)	75,927
	Foreign securities		-	(27,668)
	Associates		(93,466)	165,270
			<u>568,031</u>	<u>1,113,915</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Note	2023 (Rupees in '000)	2022
27 OTHER INCOME			
Incidental charges		536,587	407,425
Gain on derecognition of joint venture		9,333,221	-
Gain on sale of fixed assets - net		68,613	37,541
Rent on properties		76,845	66,266
		<u>10,015,266</u>	<u>511,232</u>
28 OPERATING EXPENSES			
Total compensation expense	28.1	50,734,676	41,532,374
Property expense			
Rent and taxes		1,313,026	1,221,058
Insurance		238,365	135,289
Utilities cost		5,153,618	3,872,904
Security (including guards)		2,822,588	2,222,257
Repairs and maintenance (including janitorial charges)		4,443,907	3,676,041
Depreciation on owned fixed assets	10.2	5,209,009	3,888,398
Depreciation on right-of-use assets	10.2	3,683,074	3,306,791
		22,863,587	18,322,738
Information technology expenses			
Software maintenance		8,814,649	5,828,860
Hardware maintenance		2,390,021	1,293,105
Depreciation	10.2	3,123,418	2,518,379
Amortisation	11.1	2,104,309	1,740,448
Network charges		1,752,307	1,431,681
Consultancy charges		931,042	694,169
		19,115,746	13,506,642
Other operating expenses			
Legal and professional charges		10,566,962	1,512,004
Outsourced services costs		2,933,631	2,478,270
Travelling and conveyance		2,000,806	1,389,771
Insurance		878,304	714,199
Remittance charges		597,414	516,310
Security charges		3,316,695	2,515,749
Repairs and maintenance		2,435,188	1,706,565
Depreciation	10.2	696,471	739,642
Training and development		576,623	432,927
Postage and courier charges		839,614	760,737
Communication		2,986,688	1,434,377
Stationery and printing		3,057,826	2,403,149
Marketing, advertisement and publicity		3,943,357	3,335,666
Donations	28.3	1,010,051	648,761
Auditors' remuneration	28.4	396,391	241,502
Brokerage and commission		885,398	867,970
Subscription		377,191	274,223
Documentation and processing charges		9,195,042	5,555,728
Entertainment		781,561	531,229
Consultancy charges		2,881,386	1,264,042
Deposits insurance premium expense		3,109,400	2,702,417
Product feature cost		4,787,954	4,012,368
Others		1,371,374	1,075,900
		<u>59,625,327</u>	<u>37,113,506</u>
		<u>152,339,336</u>	<u>110,475,260</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

		2023	2022
		(Rupees in '000)	
28.1	Total compensation expense		
	Non-Executive Directors' fees	38.2	98,850
	Shariah Board's fees and allowances	38.3	34,136
	Managerial Remuneration		
	i) Fixed	26,027,464	20,137,281
	ii) Variable	6,789,669	4,575,419
	Charge for defined benefit plan	1,605,232	473,361
	Contribution to defined contribution plan	1,637,417	1,375,306
	Rent and house maintenance	6,027,674	5,324,780
	Utilities	1,405,607	1,223,232
	Medical	2,760,615	2,401,852
	Conveyance	3,811,514	3,067,246
	General group staff Insurance	17,863	19,737
	Hajj Allowance	12,148	-
	Sub-total	50,228,189	38,727,093
	Sign-on bonus	24,818	69,637
	Severance payments	481,669	2,735,644
	Grand Total	<u>50,734,676</u>	<u>41,532,374</u>
		No of persons	
	Sign on bonus	37	57
	Severance payments	74	923

28.2 The total cost for the year included in other operating expenses relating to outsourced activities is as follows:

		2023	2022
		(Rupees in '000)	
	- In Pakistan	3,261,406	2,671,201
	- Outside Pakistan	334,904	312,905
		<u>3,596,310</u>	<u>2,984,106</u>

The material outsourcing arrangements along with the nature of services provided by them are as follows:

Nature of service

A.S.C. First Solutions (Pvt) Limited	Document archival and storage	175,491	142,472
First Solutions - UAE	Document archival and storage	17,970	16,447
Iron Mountain Information Management LLC	Document archival and storage	716	615
Recall Bangladesh Limited	Document archival and storage	2,345	2,119
Infofort Private Limited Bahrain	Document archival and storage	3,385	3,954
Euronet Pakistan (Private) Limited	Host environment configuration, POS terminal and card outsourcing services	164,389	96,220
Interactive Printer Solutions W.L.L	Printing of chequebooks and banker's cheques	1,582	1,362
Virtual World (Private) Limited	Call centre and customer support services	22,967	5,513
Spectrum Engineering Consortium Limited	Software Maintenance	2,752	2,746
		<u>391,597</u>	<u>271,448</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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28.3 Details of donations	2023	2022
	(Rupees in '000)	
Donations individually exceeding Rs 100,000		
HBL Foundation	866,494	515,961
EPS Solutions Pakistan (Pvt) Ltd - Prefabricated houses for flood affectees	136,000	128,000
National Institute of Child Health Trust	500	300
Taskeen Health Initiative	250	-
Pakistan Special Olympics	2,700	-
Progressive Education Network	1,000	-
DEİK – Dış Ekonomik İlişkiler Kurulu – construction of a container house for earthquake victims in Turkey	1,743	-
AFAD – Afad ve Acil Durum Yönetimi Başkanlığı – for earthquake victims in Turkey	1,209	-
Türkiye Bankalar Birliği – participation in project for construction of Children's Earthquake Rehabilitation Center in Turkey	155	-
Al-Shifa Trust	-	1,200
Peoples University of Medical and Health Sciences For Women	-	1,000
Pakistan Agricultural Coalition	-	700
Developments in Literacy Foundation	-	600
Hope Uplift Foundation	-	500
Depilex Smileagain Foundation	-	500
	<u>1,010,051</u>	<u>648,761</u>

Mr. Muhammad Aurangzeb, President and Chief Executive Officer, Mr. Sagheer Mufti, Chief Operating Officer up to December 31, 2023, Mr. Raymond Kotwal, Chief Financial Officer and Mr. Jamal Nasir, Chief Human Resources Officer are Trustees of the HBL Foundation.

28.4 Auditors' remuneration	2023			2022		
	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)					
Audit and audit related fees						
Audit fee of the Bank	39,899	259,399	299,298	34,086	132,546	166,632
Fees for other statutory and related certifications	31,045	6,899	37,944	25,075	12,655	37,730
Out of pocket expenses on audit fees	12,826	5,993	18,819	9,033	1,976	11,009
Sales tax on audit fees	4,218	20,847	25,065	3,450	10,234	13,684
	87,988	293,138	381,126	71,644	157,411	229,055
Other services						
Special certifications and sundry advisory services	10,614	3,098	13,712	9,480	935	10,415
Tax services	-	348	348	-	533	533
Out of pocket expenses	439	19	458	497	45	542
Sales tax on other services	282	465	747	799	158	957
	11,335	3,930	15,265	10,776	1,671	12,447
	<u>99,323</u>	<u>297,068</u>	<u>396,391</u>	<u>82,420</u>	<u>159,082</u>	<u>241,502</u>

29 WORKERS' WELFARE FUND

The Bank has made a provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

30 OTHER CHARGES	Note	2023	2022
		(Rupees in '000)	
Penalties imposed by the State Bank of Pakistan		303,251	454,259
Penalties imposed by other regulatory bodies		49,199	22,328
		<u>352,450</u>	<u>476,587</u>
31 PROVISIONS / (REVERSALS) AND WRITE OFFS - NET			
(Reversal of) / provision for diminution in the value of investments	8.9	(328,358)	3,851,708
Provision against loans and advances	9.6	10,669,794	3,973,049
Provision against other assets	13.2.1	1,240,885	624,244
Reversal of provision against off-balance sheet obligations	18.1	(93,890)	(1,331,585)
Recoveries against written off / charged off bad debts		(930,977)	(717,447)
Recoveries against other assets written off		(15,022)	(1,809)
Other write offs and operating losses		92,148	57,707
Bad debt written off directly		-	-
		<u>10,634,580</u>	<u>6,455,867</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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32 TAXATION	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
- Current			
- For the year		56,044,099	34,877,374
- Prior years		437,331	5,595,916
		56,481,430	40,473,290
- Deferred			
- For the year		(537,398)	556,424
- Prior years		(1,062,959)	(342,127)
	12.1	(1,600,357)	214,297
		<u>54,881,073</u>	<u>40,687,587</u>
32.1 Relationship between tax expense and accounting profit			
Accounting profit for the current year		111,737,068	71,554,590
Tax on income @ 49% (2022: 49%)		54,751,163	35,061,749
Permanent differences			
Impact of:			
- Disallowance of penalties imposed by the SBP and other regulatory bodies		172,700	233,528
- Disallowance of 50% of contribution to gratuity and pension funds		137,215	297,596
- Deferred tax booked at tax rates applicable to future years		-	(62,229)
- Others		445,623	(96,846)
		755,538	372,049
Prior years - charge		(625,628)	5,253,789
Tax charge for the current year		<u>54,881,073</u>	<u>40,687,587</u>

32.2 The income tax returns of the Bank have been submitted up to and including for the accounting year 2022. The tax returns submitted are deemed assessments under section 120 of the Income Tax Ordinance, 2001.

The Income Tax Department has amended the assessments of the Bank for prior years, up to and including for the tax year 2022. The amendments mainly relate to gain on translation of net investment in foreign branches, taxable income subject to enhanced rate, retirement benefits, and provisions against loans and advances, investments and other assets. These matters are at various stages of appeal with the appellate authorities. The management of the Bank, in consultation with its tax advisors, is confident that the decisions in respect of these appeals would be in the Bank's favor.

The income tax returns of the Bank's Azad Kashmir, Gilgit-Baltistan and overseas branches have been submitted up to and including the accounting year 2022. The tax returns submitted in Azad Kashmir and Gilgit Baltistan are considered as deemed assessments under section 120 of the Income Tax Ordinance, 2001.

During the year, a windfall tax was imposed on the foreign exchange income of the Bank for the years 2021 and 2022. The aggregate tax liability for both years, if calculated in the manner specified, amounts to Rs. 4,865 million against which a recovery notice has also been issued by the tax department.

The Bank has filed a Constitutional Petition before the Honourable High Court of Sindh, challenging the operation of the S.R.O 1588 (I)/2023 dated November 21, 2023 imposing the windfall tax. The Court has suspended the operation of the said S.R.O till the next hearing date. Similar orders have also been passed by the High Courts of Lahore, Islamabad and Peshawar for other banks. The management, based on legal advice, is confident that the banks' view is likely to prevail and as such, no provision is required in these financial statements.

33 BASIC AND DILUTED EARNINGS PER SHARE	2023 (Rupees in '000)	2022 (Rupees in '000)
Profit for the year	56,855,995	30,867,003
	(Number)	
Weighted average number of ordinary shares	1,466,852,508	1,466,852,508
	(Rupees)	
Basic and diluted earnings per share	38.76	21.04

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

34 CASH AND CASH EQUIVALENTS	Note	2023 (Rupees in '000)	2022 (Rupees in '000)
Cash and balances with treasury banks	5	505,181,227	257,368,084
Balances with other banks	6	43,012,856	31,319,141
		<u>548,194,083</u>	<u>288,687,225</u>

34.1 Reconciliation of movement in liabilities to cash flows arising from financing activities

	2023			
	Liabilities		Equity	
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit
	(Rupees in '000)			
Balance as at January 1, 2023	18,874,000	217,589,525	71,735,697	165,386,520
Changes from financing cash flows				
Proceeds from subordinated debt	-	-	-	-
Payment of lease liability against right-of-use assets	-	(4,981,733)	-	-
Payment of mark-up on subordinated debt	-	(4,287,065)	-	-
Dividend paid	-	-	-	(12,358,209)
	-	(9,268,798)	-	(12,358,209)
Other changes:				
Liability-related				
Changes in other liabilities				
- Cash based	-	49,669,682	-	-
- Dividend payable	-	(1,723,528)	-	1,723,528
- Non-cash based	-	11,999,471	-	-
Transfer of profit to statutory reserve	-	-	5,685,600	(5,685,600)
Total liability related other changes	-	59,945,625	5,685,600	(3,962,072)
Equity related	-	-	8,818,403	57,425,406
Balance as at December 31, 2023	<u>18,874,000</u>	<u>268,266,352</u>	<u>86,239,700</u>	<u>206,491,645</u>
	2022			
	Liabilities		Equity	
	Subordinated debt	Other liabilities	Reserves	Unappropriated profit
	(Rupees in '000)			
Balance as at January 1, 2022	12,374,000	143,908,895	69,678,669	148,392,471
Changes from financing cash flows				
Repayment of subordinated debt	6,500,000	-	-	-
Payment of lease liability against right-of-use assets	-	(4,138,266)	-	-
Payment of mark-up on subordinated debt	-	(1,847,577)	-	-
Dividend paid	-	-	-	(8,517,481)
	6,500,000	(5,985,843)	-	(8,517,481)
Other changes:				
Liability-related				
Changes in other liabilities				
- Cash based	-	73,412,610	-	-
- Dividend payable	-	2,483,913	-	(2,483,913)
- Non-cash based	-	3,769,950	-	-
Transfer of profit to statutory reserve	-	-	3,086,700	(3,086,700)
Total liability related other changes	-	79,666,473	3,086,700	(5,570,613)
Equity related	-	-	(1,029,672)	31,082,143
Balance as at December 31, 2022	<u>18,874,000</u>	<u>217,589,525</u>	<u>71,735,697</u>	<u>165,386,520</u>

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35	STAFF STRENGTH	2023	2022
		(Number)	
	Permanent	16,116	17,501
	On contract	237	101
	Total staff strength	<u>16,353</u>	<u>17,602</u>

35.1 In addition to the above, 3,866 employees (2022: 3,974 employees) of outsourcing services companies were assigned to the Bank as at the end of the year to perform services other than janitorial services and as guards.

35.2	Staff strength bifurcation	2023	2022
		(Number)	
	Domestic	15,855	17,047
	Overseas	498	555
		<u>16,353</u>	<u>17,602</u>

36 DEFINED BENEFIT PLANS AND OTHER BENEFITS

36.1 General Information

The Bank operates the following schemes:

36.1.1 Pension Fund (defined benefit scheme)

The Bank operates an approved funded pension scheme which is applicable to:

- All clerical employees who opted for this scheme when it was introduced in 1974 and those who joined after this date.
- Executives and officers who joined the Bank during the period from May 01, 1977, till December 31, 2001, and those who joined the Bank prior to introduction of the scheme and opted for this scheme when it was introduced.

For clerical employees, the benefit is based on their actual years of service as of the statement of financial position date and their current basic salary.

For executives and officers, the benefit is based on their years of service up to March 31, 2005, and their basic salary as on March 31, 2014. For service subsequent to this date (i.e., from April 01, 2005), they are entitled to the Bank's contributory provident fund (refer note 37.1) and contributory gratuity fund (refer note 37.2).

All eligible employees are entitled to a certain minimum pension as per applicable rules.

36.1.2 Benevolent Fund (defined benefit scheme)

The Bank operates an approved funded benevolent fund scheme for all employees who joined on or before December 31, 2018 and who retire from or expire during service. Under this scheme, a fixed monthly subscription is made by employees by way of a salary deduction and a matching monthly contribution is made by the Bank. All eligible employees are entitled to receive a fixed monthly amount or a one-time lump sum payment in lieu of a fixed monthly amount, as per the rules of the Fund. Clerical employees are additionally entitled to marriage and funeral grants during the period of their service as specified in the rules of the Fund.

36.1.3 Post-Retirement Medical Benefits (defined benefit scheme)

The Bank operates a non-funded scheme for post-retirement medical benefits for all employees.

Executives and officers who retire on or after January 01, 2006, receive a lump sum payment as a full and final settlement in lieu of post-retirement medical benefits. Executives and officers who retired prior to this date, and all clerical employees, receive these benefits as reimbursements when incurred.

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36.1.4 Compensated Absences (defined benefit scheme)

The Bank maintains a non-funded scheme for compensated absences. This is applicable to those employees who were in the service of the Bank as of December 31, 2008, and who had accumulated leave balances up to a maximum of 365 days as at that date. Employees are entitled to proceed on Leave Prior to Retirement (LPR) up to the amount of their accrued leaves or up to 365 days, whichever is less, while continuing to receive gross salary. This benefit vests on retirement or, in the case of premature retirement, on the completion of 30 years of service. In the case of death-in-service, up to 50% of accrued leave or 180 days, whichever is less, may be encashed.

Employees may be required by the Bank to continue working during the whole or part of their LPR period. Such employees are additionally entitled to leave encashment amounting to 50% of this period up to a maximum of 180 days.

Clerical employees have the option of not proceeding on LPR and instead encashing 50% of their accumulated leave balance up to a maximum of 180 days.

36.1.5 Other Post-Retirement Benefits (defined benefit scheme)

The Bank offers an additional benefit to all executives on retirement. Under this scheme, a lump sum amount equal to six months of house rent allowance, utilities allowance, car benefit allowance and conveyance allowance is paid to the executive on retirement. In the case of death-in-service of an executive, an additional six months of house rent allowance will be payable to the family along with the above-mentioned benefits.

36.1.6 Pension and Life Assurance Scheme (defined benefit scheme)

The Bank operates a pension and life assurance scheme for those employees who joined its UK operations prior to December 26, 2001. The scheme was established with effect from May 01, 1978, under a Trust Deed of that date and is governed by that Trust Deed together with various supplemental and amending deeds executed over the lifetime of the scheme.

The triennial actuarial valuation as at May 01, 2022, revealed a deficit of £2.373 million under the Statement of Funding Principles (SFP). In order to address this deficit, the Bank is required to pay £50,500 per month starting from September 01, 2020 till July 2024.

36.2 Principal actuarial assumptions

The latest actuarial valuation was carried out as at December 31, 2023 using the Projected Unit Credit Method. The following significant assumptions were used for the valuation:

	2023	2022
	(Per annum)	
Valuation discount rate	16.00%	14.50%
Expected rate of increase in salary	15.00%	13.50%
Expected rate of increase in minimum pension	5.00%	5.00%
Expected rate of increase in medical benefit	14.00%	12.50%
Expected rate of return on funds invested	16.00%	14.50%

36.3 Number of beneficiaries under the scheme

	2023	2022
	(Number)	
Pension fund	5,243	5,344
Benevolent fund	10,063	11,440
Post-retirement medical benefit scheme	18,626	19,793
Compensated absences	1,851	2,118
Other Post-Retirement Benefits	2,780	2,757

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36.4 Pension, gratuity, benevolent fund schemes and other benefits

36.4.1 The fair value of plan assets and the present value of defined benefit obligations of funded schemes are as follows:

	2023		2022	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Fair value of plan assets	4,117,822	3,011,099	3,414,936	2,648,950
Present value of defined benefit obligations	(3,272,418)	(695,535)	(3,525,906)	(804,430)
Receivable / (payable)	845,404	2,315,564	(110,970)	1,844,520

36.4.2 The present value of defined benefit obligations of non-funded schemes as at December 31, 2023 are as follows:

	2023			2022		
	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
Present value of defined benefit obligations	(3,966,429)	(746,630)	(888,416)	(3,522,518)	(762,192)	(824,150)

36.4.3 Movement in the present value of defined benefit obligations

	2023				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Obligations at the beginning of the year	3,525,906	804,430	3,522,518	762,192	824,150
Current service cost	11,955	14,698	113,916	21,088	149,976
Interest cost	502,888	114,384	501,573	103,278	124,280
Benefits paid by the Bank	(454,255)	(144,450)	(297,990)	(148,455)	(70,248)
Remeasurement (gains) / losses	(314,076)	(93,527)	126,412	8,527	(139,742)
Obligations at the end of the year	3,272,418	695,535	3,966,429	746,630	888,416

	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post-Retirement Benefits
	(Rupees in '000)				
Obligations at the beginning of the year	6,157,971	1,103,573	4,557,833	2,177,565	667,894
Current service cost	67,090	26,529	179,927	57,563	124,802
Interest cost	709,267	122,940	535,401	242,452	82,080
Benefits paid by the Bank	(3,680,262)	(451,894)	(649,055)	(676,702)	(45,603)
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Remeasurement gains	(789,728)	(208,576)	(128,614)	(296,245)	(5,023)
Obligations at the end of the year	3,525,906	804,430	3,522,518	762,192	824,150

36.4.4 Movement in fair value of plan assets

	2023		2022	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	(Rupees in '000)			
Fair value at the beginning of the year	3,414,936	2,648,950	6,917,325	2,754,021
Expected return on plan assets	487,338	364,331	793,667	278,438
Contribution by the Bank	110,970	20,596	-	25,507
Contributions by employees	-	20,596	-	25,507
Benefits paid by the Bank	(454,255)	(144,450)	(3,680,262)	(451,894)
Remeasurement gains / (losses)	558,833	101,075	(615,794)	17,371
Fair value at the end of the year	4,117,822	3,011,098	3,414,936	2,648,950

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	2023				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
36.4.5 Movement in amounts payable / (receivable)					
Opening balance	110,970	(1,844,520)	3,522,518	762,192	824,150
Charge / (reversal) for the year	27,505	(255,845)	615,489	132,893	274,256
Contribution by the Bank - net	(110,970)	(20,596)	-	-	-
Remeasurement (gains) / losses recognised in OCI during the year	(872,909)	(194,602)	126,412	-	(139,742)
Benefits paid by the Bank	-	-	(297,990)	(148,455)	(70,248)
Closing balance	<u>(845,404)</u>	<u>(2,315,563)</u>	<u>3,966,429</u>	<u>746,630</u>	<u>888,416</u>
	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
Opening balance	(759,354)	(1,650,448)	4,557,833	2,177,565	667,894
Charge / (reversal) for the year	1,044,258	57,382	(257,646)	(738,671)	206,882
Contribution by the Bank - net	-	(25,507)	-	-	-
Remeasurement gains recognised in OCI during the year	(173,934)	(225,947)	(128,614)	-	(5,023)
Benefits paid by the Bank	-	-	(649,055)	(676,702)	(45,603)
Closing balance	<u>110,970</u>	<u>(1,844,520)</u>	<u>3,522,518</u>	<u>762,192</u>	<u>824,150</u>
	2023				
36.4.6 Charge for defined benefit plans	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
36.4.6.1 Cost recognised in profit and loss					
Current service cost	11,955	14,698	113,916	21,088	149,976
Net interest payable / (receivable) on defined benefit asset / liability	15,550	(249,947)	501,573	103,278	124,280
Actuarial gains recognised	-	-	-	8,527	-
Contributions by the employees	-	(20,596)	-	-	-
	<u>27,505</u>	<u>(255,845)</u>	<u>615,489</u>	<u>132,893</u>	<u>274,256</u>
	2022				
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Employee compensated absences	Other Post- Retirement Benefits
	----- (Rupees in '000) -----				
Current service cost	67,090	26,529	179,927	57,563	124,802
Net interest (receivable) / payable on defined benefit asset / liability	(84,400)	(155,498)	535,401	242,452	82,080
Past service cost	1,061,568	211,858	(972,974)	(742,441)	-
Actuarial losses recognised	-	-	-	(296,245)	-
Contributions by the employees	-	(25,507)	-	-	-
	<u>1,044,258</u>	<u>57,382</u>	<u>(257,646)</u>	<u>(738,671)</u>	<u>206,882</u>
	2023				
36.4.6.2 Remeasurements (gains) / losses recognised in OCI during the year	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post- Retirement Benefits	
	----- (Rupees in '000) -----				
(Gains) / losses on obligation					
- Financial assumptions	(252,232)	(26,483)	14,188	6,601	
- Experience adjustment	(61,844)	(67,044)	112,224	(146,343)	
	(314,076)	(93,527)	126,412	(139,742)	
Gains on plan assets	(558,833)	(101,075)	-	-	
Total remeasurement (gains) / losses recognised in OCI	<u>(872,909)</u>	<u>(194,602)</u>	<u>126,412</u>	<u>(139,742)</u>	

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	2022			
	Pension Fund	Benevolent Fund	Post-retirement medical benefits	Other Post-Retirement Benefits
	----- (Rupees in '000) -----			
(Gains) / losses on obligation				
- Financial assumptions	(604,453)	(37,522)	27,560	11,577
- Experience adjustment	(185,275)	(171,054)	(156,174)	(16,600)
	(789,728)	(208,576)	(128,614)	(5,023)
Losses / (gains) on plan assets	615,794	(17,371)	-	-
Total remeasurement losses / (gains) recognised in OCI	<u>(173,934)</u>	<u>(225,947)</u>	<u>(128,614)</u>	<u>(5,023)</u>

36.4.7 Components of fair value of plan assets

	2023		2022	
	Pension Fund	Benevolent Fund	Pension Fund	Benevolent Fund
	----- (Rupees in '000) -----			
Cash and cash equivalents - net	119,000	60,280	153,842	128,216
Government securities	3,044,557	2,850,889	2,725,011	2,451,235
Shares	954,265	-	536,083	-
Non-Government debt securities	-	99,931	-	69,500
	<u>4,117,822</u>	<u>3,011,100</u>	<u>3,414,936</u>	<u>2,648,951</u>

The funds invest primarily in Government securities (Market Treasury Bills, Pakistan Investment Bonds and Special Savings Certificates) which do not carry any credit risk but are subject to interest rate risk based on market movements. Equity securities are subject to price risk whereas non-Government debt securities are subject to both credit risk and interest rate risk. These risks are regularly monitored by the Trustees of the employee funds.

36.4.8 Sensitivity analysis of defined benefit obligations

A sensitivity analysis has been performed by varying one assumption while keeping all other assumptions constant and calculating the impact on the present value of defined benefit obligations under the various employee benefit schemes. The increase / (decrease) in the present value of defined benefit obligations as a result of changes in each assumption is summarized below:

	2023				
	Pension Fund	Benevolent Fund	Post retirement medical benefit	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
1% increase in discount rate	(162,196)	(16,103)	(350,024)	(22,686)	(56,720)
1% decrease in discount rate	180,405	17,320	414,121	24,178	63,667
1% increase in expected rate of salary increase	18,801	-	-	27,522	67,797
1% decrease in expected rate of salary increase	(17,998)	-	-	(26,224)	(61,278)
1% increase in expected rate of increase in minimum pension	190,990	-	-	-	-
1% decrease in expected rate of increase in minimum pension	(160,425)	-	-	-	-
1% increase in expected rate of increase in medical benefit	-	-	91,012	-	-
1% decrease in expected rate of increase in medical benefit	-	-	(78,050)	-	-

36.4.9 Expected contributions to the schemes in the next financial year

The Bank contributes to the pension fund according to the actuary's advice. Contribution to the benevolent fund is made by the Bank as per the rates set out in the benevolent fund scheme.

	2024				
	Pension Fund	Benevolent Fund	Post retirement medical benefit	Employee compensated absences	Other Post-Retirement Benefits
	----- (Rupees in '000) -----				
Expected (reversal) /charge for the year	<u>(114,401)</u>	<u>(372,288)</u>	<u>715,830</u>	<u>129,314</u>	<u>288,526</u>

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36.4.10 Maturity profile

	2023				
	Pension Fund	Benevolent Fund	Post retirement medical benefit	Employee compensated absences	Other Post- Retirement Benefits
The weighted average duration of the obligation (in years)	4.96	2.12	8.98	3.13	6.75

36.4.11 Funding Policy

The Bank endeavors to ensure that liabilities under the various funded employee benefit schemes are covered by the assets of the Fund on any valuation date, based on actuarial assumptions.

36.4.12 The significant risks associated with the defined benefit schemes are as follows:

Mortality risks

The risk that the actual mortality experience is different. The impact depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk that the investments of the Funds will underperform and not be sufficient to meet the liabilities.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated based on the final salary, the benefit amount increases similarly.

Withdrawal risks

The risk that withdrawals from the plan will be higher or lower than assumed. The impact depends on the beneficiaries' service / age distribution and the benefit.

37 DEFINED CONTRIBUTION PLANS

37.1 Provident Fund

For executives and officers hired on or after January 01, 2002, the Bank operates an approved provident fund under which both the Bank and the employees make monthly contributions of 7% of basic salary to the fund. Executives and officers hired up to December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for the Bank's contributory provident fund benefits effective April 01, 2005.

In the case of clerical staff, only employees make monthly contributions of 12% of basic salary to the fund.

This scheme covers 14,838 employees (2022: 14,634 employees)

Payments are made to employees on retirement, death, resignation and discharge as specified in the rules of the Fund.

37.2 Contributory Gratuity Fund

For employees hired on or after January 1, 2002, the Bank operates an approved funded Bank contributory gratuity scheme. Executives and officers hired up to December 31, 2001, who are covered by the Bank's pension scheme (refer note 36.1.1 above) also became eligible for gratuity fund benefits effective April 1, 2005.

The Bank contributes an amount equal to half of the employees' monthly basic salary for each completed year of service and, on a pro-rata basis, for partially completed years of service. This benefit vests on retirement, death, resignation after completion of at least 10 years of continuous service, and discharge as specified in the rules of the Fund.

This scheme covers 15,518 employees (2022: 16,859 employees).

37.3 Other schemes

Employee benefit schemes offered by the Bank's overseas branches are governed by the laws of the respective countries in which the branches operate.

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38 COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

38.1 Total Compensation Expense

Items	2023					
	Chairman	Non-Executive Directors	Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	(Rupees in '000)					
Fees and Allowances etc.	12,000	86,850	34,136	-	-	-
Managerial Remuneration						
i) Fixed	-	-	-	164,428	1,128,670	1,655,535
ii) Total Variable						
- Bonus paid in cash	-	-	-	119,000	553,568	461,309
- Bonus paid in shares	-	-	-	24,646	100,689	84,411
- Guaranteed Bonus	-	-	-	-	-	14,960
Charge for defined benefit plan	-	-	-	-	-	8,519
Contribution to defined contribution plan	-	-	-	-	43,982	92,902
Rent & house maintenance	-	-	-	19,853	285,359	448,631
Utilities	-	-	-	3,054	56,937	93,938
Medical	-	-	-	11,425	79,153	85,439
Conveyance	-	-	-	9,975	92,325	320,940
Sub-Total	12,000	86,850	34,136	352,381	2,340,683	3,266,584
Sign-on bonus	-	-	-	-	-	-
Grand Total	12,000	86,850	34,136	352,381	2,340,683	3,266,584
Total Number of persons	1	5	3	1	26	145
Sign-on bonus - Number of Persons	-	-	-	-	-	-
Guaranteed bonus - Number of Persons	-	-	-	-	-	3
	2022					
Items	Chairman	Non-Executive Directors	Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers/ Controllers
	(Rupees in '000)					
Fees and Allowances etc.	10,200	84,600	34,079	-	-	-
Managerial Remuneration						
i) Fixed	-	-	-	151,107	776,940	1,422,639
ii) Total Variable						
- Bonus paid in cash	-	-	-	98,000	472,626	369,572
- Bonus paid in shares	-	-	-	23,819	104,063	60,237
- Guaranteed Bonus	-	-	-	-	-	6,759
Charge for defined benefit plan	-	-	-	-	-	5,638
Contribution to defined contribution plan	-	-	-	-	42,071	87,479
Rent & house maintenance	-	-	-	17,023	227,922	395,351
Utilities	-	-	-	1,987	49,369	83,778
Medical	-	-	-	8,400	62,873	78,856
Conveyance	-	-	-	6,903	89,857	314,788
Sub-Total	10,200	84,600	34,079	307,239	1,825,721	2,825,097
Sign-on bonus	-	-	-	-	14,000	4,950
Grand Total	10,200	84,600	34,079	307,239	1,839,721	2,830,047
Total Number of Persons	1	5	3	1	28	154
Sign-on bonus - Number of Persons	-	-	-	-	2	3
Guaranteed bonus - Number of Persons	-	-	-	-	-	3

38.1.1 The total movement of deferred bonus during the year for the President / Chief Executive Officer (CEO), Key Management Personnel and Other Material Risk Takers (MRTs) / Material Risk Controllers (MRCs) is as follows:

	2023	2022
	(Rupees in '000)	
Opening balance	714,607	479,598
Add: deferred during the year	478,261	428,449
Less: paid / vested during the year	(316,372)	(177,296)
Less: reversed during the year	(19,183)	(16,144)
Closing balance	<u>857,313</u>	<u>714,607</u>

The CEO and certain Executives are provided with free club memberships. The CEO and the Chief Operating Officer (COO) are also provided with free use of Bank maintained cars in accordance with their entitlements.

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38.3 Remuneration paid to Shariah Board Members

Items	2023				2022			
	Chairman	Resident Member	Non-Resident Member	Total	Chairman	Resident Member	Non-Resident Member	Total
----- (Rupees in '000) -----								
Fixed Remuneration	11,400	10,440	10,800	32,640	11,400	10,440	10,800	32,640
Allowances	567	729	200	1,496	613	680	146	1,439
Total Amount	<u>11,967</u>	<u>11,169</u>	<u>11,000</u>	<u>34,136</u>	<u>12,013</u>	<u>11,120</u>	<u>10,946</u>	<u>34,079</u>
Total Number of Persons	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>

39 FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices.

The fair values of unquoted equity investments are estimated using the break-up value of the investee company.

The fair value of unquoted debt securities, fixed term advances, fixed term deposits and borrowings, other assets and other liabilities, cannot be calculated with sufficient reliability due to the absence of a current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments and therefore, are not reported as part of this disclosure.

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 they are either short-term in nature or, in the case of customer advances, deposits and certain long term borrowings, are frequently repriced.

All assets and liabilities for which fair value is measured or disclosed in these unconsolidated financial statements are categorised within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

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

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

Level 3 - Fair value measurements using inputs that are not based on observable market data.

Valuation techniques used in determination of fair values within level 2 and level 3

Federal Government securities	The fair values of Federal Government securities are determined on the basis of rates / prices taken from Reuters.
Non-Government debt securities	Non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP). Non-Government debt securities denominated in other currencies are valued on the basis of rates taken from Bloomberg / Reuters.
Foreign Government debt securities	The fair values of Foreign Government debt securities are determined on the basis of rates taken from Bloomberg / Reuters.
Units of mutual funds	The fair values of units of mutual funds are determined based on their net asset values as published at the close of each business day.
Derivatives	The Bank enters into derivatives contracts with various counterparties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity, required for Level 3 assets, has not been presented in these unconsolidated financial statements.

39.1 Fair value of financial assets

The following table provides the fair values of those of the Bank's financial assets that are recognised or disclosed at fair value in these unconsolidated financial statements:

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

As at December 31, 2023					
On balance sheet financial instruments	Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,782,011,013	-	1,782,011,013	-	1,782,011,013
- Shares - listed companies	16,524,041	9,057,018	7,467,023	-	16,524,041
- Non-Government debt securities - Listed	49,614,767	40,000,000	9,614,767	-	49,614,767
- Foreign securities					
Government debt securities	142,842,156	-	142,842,156	-	142,842,156
Non-Government debt securities- Listed	4,206,999	-	4,206,999	-	4,206,999
- National Investment Unit Trust units	50,745	-	50,745	-	50,745
- Real Estate Investment Trust units	68,700	68,700	-	-	68,700
- Preference Shares - Listed	877,400	877,400	-	-	877,400
	1,996,195,821	50,003,118	1,946,192,703	-	1,996,195,821

As at December 31, 2023					
Financial assets - disclosed but not measured at fair value	Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
Investments					
- Federal Government securities	414,265,326	-	380,620,887	-	380,620,887
- Non-Government debt securities - Listed	1,899,450	-	1,898,829	-	1,898,829
- Foreign securities					
Government debt securities	13,123,544	-	13,179,876	-	13,179,876
- Associates and Joint venture	6,802,524	6,788,865	-	-	6,788,865
	436,090,844	6,788,865	395,699,592	-	402,488,457
	2,432,286,665	56,791,983	2,341,892,295	-	2,398,684,278

As at December 31, 2023					
Off-balance sheet financial instruments - measured at fair value	Notional Value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
Commitments					
- Forward foreign exchange contracts	474,521,265	-	(1,966,016)	-	(1,966,016)
- Forward Government securities transactions	24,383,498	-	(46,908)	-	(46,908)
- Derivative instruments	48,515,121	-	(10,247,686)	-	(10,247,686)

As at December 31, 2022					
On balance sheet financial instruments	Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
Financial assets - measured at fair value					
Investments					
- Federal Government securities	1,291,589,595	-	1,291,589,595	-	1,291,589,595
- Shares - listed companies	3,988,280	3,988,280	-	-	3,988,280
- Non-Government debt securities - Listed	49,084,350	40,000,000	9,084,350	-	49,084,350
- Foreign securities					
Government debt securities	108,883,461	-	108,883,461	-	108,883,461
Non-Government debt securities-Llisted	4,439,225	-	4,439,225	-	4,439,225
- National Investment Unit Trust units	38,170	-	38,170	-	38,170
- Real Estate Investment Trust units	68,200	68,200	-	-	68,200
- Preference shares - Listed	872,200	872,200	-	-	872,200
	1,458,963,481	44,928,680	1,414,034,801	-	1,458,963,481

As at December 31, 2022					
Financial assets - disclosed but not measured at fair value	Carrying value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
Investments					
- Federal Government securities	341,424,708	-	309,895,574	-	309,895,574
- Non-Government debt securities - Listed	1,733,442	-	1,739,778	-	1,739,778
- Foreign securities					
Government debt securities	14,365,073	-	14,109,487	-	14,109,487
Non-Government debt securities - Listed	145,714	-	145,714	-	145,714
- Associates and Joint venture	7,165,864	23,324,728	-	-	23,324,728
	364,834,801	23,324,728	325,890,553	-	349,215,281
	1,823,798,282	68,253,408	1,739,925,354	-	1,808,178,762

As at December 31, 2022					
Off-balance sheet financial instruments - measured at fair value	Notional Value	Level 1	Level 2	Level 3	Total
(Rupees in '000)					
Commitments					
- Forward foreign exchange contracts	403,789,013	-	849,492	-	849,492
- Forward Government securities transactions	132,295,940	-	(38,938)	-	(38,938)
- Derivative instruments	57,305,018	-	(6,881,892)	-	(6,881,892)

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39.2 Fair value of non-financial assets

	As at December 31, 2023				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and Building	79,629,624	-	-	79,629,624	79,629,624
Non-banking assets acquired in satisfaction of claims	433,908	-	-	433,908	433,908
	<u>80,063,532</u>	<u>-</u>	<u>-</u>	<u>80,063,532</u>	<u>80,063,532</u>
	As at December 31, 2022				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and Building	58,262,450	-	-	58,262,450	58,262,450
Non-banking assets acquired in satisfaction of claims	407,234	-	-	407,234	407,234
	<u>58,669,684</u>	<u>-</u>	<u>-</u>	<u>58,669,684</u>	<u>58,669,684</u>

40 SEGMENT INFORMATION

40.1 Segment details with respect to business activities

	For the year ended December 31, 2023							
	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Head office / others	Total
	(Rupees in million)							
Profit and loss account								
Net mark-up / return / profit / interest income	(231,003)	51,804	32,192	87,441	268,525	21,917	(7,481)	223,395
Inter segment revenue / (expense) - net	359,460	(35,514)	-	(43,671)	(282,573)	(2,801)	5,099	-
Non mark-up / interest income	4,873	18,367	2,604	5,779	9,335	6,095	6,849	53,902
Total income / (loss)	<u>133,330</u>	<u>34,657</u>	<u>34,796</u>	<u>49,549</u>	<u>(4,713)</u>	<u>25,211</u>	<u>4,467</u>	<u>277,297</u>
Segment direct expenses	34,154	20,095	8,300	4,238	986	19,123	68,030	154,926
Inter segment expense allocation	32,766	10,867	1,190	13,736	1,506	1,820	(61,885)	-
Total expenses	<u>66,920</u>	<u>30,962</u>	<u>9,490</u>	<u>17,974</u>	<u>2,492</u>	<u>20,943</u>	<u>6,145</u>	<u>154,926</u>
Provisions - charge / (reversal)	832	2,323	4,180	(748)	(727)	2,068	2,706	10,634
Profit / (loss) before tax	<u>65,578</u>	<u>1,372</u>	<u>21,126</u>	<u>32,323</u>	<u>(6,478)</u>	<u>2,200</u>	<u>(4,384)</u>	<u>111,737</u>
	As at December 31, 2023							
	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspondent banking	Head office / others	Total
	(Rupees in million)							
Statement of financial position								
Cash and bank balances	195,852	-	40,896	590	190,638	120,218	-	548,194
Lendings to financial institutions	-	-	19,500	-	69,098	-	-	88,598
Inter segment lending	2,081,029	-	-	-	-	75,037	215,727	2,371,793
Investments	-	-	226,552	4,417	2,016,021	216,242	36,698	2,499,930
Advances - performing	-	256,677	206,739	844,497	-	304,049	38,034	1,649,996
Advances - non-performing	-	2,072	6,316	3,272	-	2,202	158	14,020
Others	35,158	7,642	39,132	81,020	92,166	23,415	122,400	400,933
Total assets	<u>2,312,039</u>	<u>266,391</u>	<u>539,135</u>	<u>933,796</u>	<u>2,367,923</u>	<u>741,163</u>	<u>413,017</u>	<u>7,573,464</u>
Borrowings	-	6,313	32,119	134,047	379,835	107,029	-	659,343
Subordinated debt	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	2,258,343	1,465	422,710	604,853	-	553,103	29,706	3,870,180
Inter segment borrowing	-	234,859	7,414	143,314	1,968,233	17,973	-	2,371,793
Others	53,696	23,754	32,967	51,582	32,810	6,785	117,901	319,495
Total liabilities	<u>2,312,039</u>	<u>266,391</u>	<u>495,210</u>	<u>933,796</u>	<u>2,380,878</u>	<u>684,890</u>	<u>166,481</u>	<u>7,239,685</u>
Equity	-	-	43,925	-	(12,955)	56,273	246,536	333,779
Total equity and liabilities	<u>2,312,039</u>	<u>266,391</u>	<u>539,135</u>	<u>933,796</u>	<u>2,367,923</u>	<u>741,163</u>	<u>413,017</u>	<u>7,573,464</u>
Contingencies and commitments	-	-	57,017	538,382	388,637	202,072	34,505	1,220,613

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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For the year ended December 31, 2022

	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspon- dent banking	Head office / others	Total
(Rupees in million)								
Profit and loss account								
Net mark-up / return / profit / interest income	(123,407)	38,987	18,351	62,295	152,735	6,391	(3,215)	152,137
Inter segment revenue / (expense) - net	201,010	(22,101)	-	(34,259)	(149,605)	3,591	1,364	-
Non mark-up / interest income	3,604	12,418	1,508	4,739	14,482	5,976	(4,471)	38,256
Total income	81,207	29,304	19,859	32,775	17,612	15,958	(6,322)	190,393
Segment direct expenses	27,046	14,629	5,984	3,625	1,190	14,164	45,745	112,383
Inter segment expense allocation	19,790	7,713	1,205	10,539	1,446	1,459	(42,152)	-
Total expenses	46,836	22,342	7,189	14,164	2,636	15,623	3,593	112,383
Provisions - charge / (reversal)	-	1,705	1,434	(1,480)	263	3,479	1,055	6,456
Profit / (loss) before tax	34,371	5,257	11,236	20,091	14,713	(3,144)	(10,970)	71,554

As at December 31, 2022

	Branch Banking	Consumer, SME & Agriculture Lending	Islamic	Corporate, Commercial and Investment Banking	Treasury	International and correspon- dent banking	Head office / others	Total
(Rupees in million)								
Statement of financial position								
Cash and bank balances	72,736	-	17,948	1,678	99,301	97,024	-	288,687
Lendings to financial institutions	-	-	-	-	254,593	-	-	254,593
Inter segment lending	1,950,230	-	257	-	-	3,587	201,897	2,155,971
Investments	-	-	183,655	9,460	1,496,496	162,025	30,439	1,882,075
Advances - performing	-	231,909	221,885	875,294	-	252,225	31,158	1,612,471
Advances - non-performing	-	1,993	2,089	3,433	-	2,621	-	10,136
Others	4,725	7,948	16,341	70,783	59,889	21,696	125,753	307,135
Total assets	2,027,691	241,850	442,175	960,648	1,910,279	539,178	389,247	6,511,068
Borrowings	-	5,841	74,694	132,506	245,413	120,550	-	579,004
Subordinated debt	-	-	-	-	-	-	18,874	18,874
Deposits and other accounts	1,999,352	691	319,884	508,589	-	344,969	60,691	3,234,176
Inter segment borrowing	-	218,253	-	264,154	1,648,566	24,998	-	2,155,971
Others	28,339	17,065	15,714	55,399	34,606	20,358	97,786	269,267
Total liabilities	2,027,691	241,850	410,292	960,648	1,928,585	510,875	177,351	6,257,292
Equity	-	-	31,883	-	(18,306)	28,303	211,896	253,776
Total equity and liabilities	2,027,691	241,850	442,175	960,648	1,910,279	539,178	389,247	6,511,068
Contingencies and commitments	-	-	107,658	404,198	449,835	195,265	38,115	1,195,071

40.2 Segment details with respect to geographical locations

For the year ended December 31, 2023

	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total		
(Rupees in million)							
Profit and loss account							
Net mark-up / return / profit / interest income	205,381	9,917	6,995	1,102	223,395		
Non mark-up / interest income	49,527	1,971	1,987	417	53,902		
Total income	254,908	11,888	8,982	1,519	277,297		
Segment direct expenses			136,718	9,772	7,283	1,152	154,925
Provisions			8,709	1,258	676	(8)	10,635
Profit before tax	109,481	858	1,023	375	111,737		

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	As at December 31, 2023				
	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
	----- (Rupees in million) -----				
Statement of financial position					
Cash and bank balances	428,656	79,761	35,494	4,283	548,194
Lendings to financial institutions	88,598	-	-	-	88,598
Investments	2,306,021	126,835	67,074	-	2,499,930
Advances - performing	1,402,842	161,181	84,076	1,897	1,649,996
Advances - non-performing	12,852	659	509	-	14,020
Others	380,750	9,219	10,565	399	400,933
Total assets	4,619,719	377,655	197,718	6,579	5,201,671
Borrowings	552,315	96,627	3,822	6,579	659,343
Subordinated debt	18,874	-	-	-	18,874
Deposits and other accounts	3,463,095	278,722	123,161	5,202	3,870,180
Others	293,891	13,878	11,385	342	319,496
Total liabilities	4,328,175	389,227	138,368	12,123	4,867,893
Equity	291,544	(11,572)	59,350	(5,544)	333,778
Total equity and liabilities	4,619,719	377,655	197,718	6,579	5,201,671
Contingencies and commitments	1,019,726	132,178	65,380	3,329	1,220,613

	For the year ended December 31, 2022				
	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
	----- (Rupees in million) -----				
Profit and loss account					
Net mark-up / return / profit / interest income	141,079	6,309	4,233	516	152,137
Non mark-up / interest income	33,515	1,674	2,768	299	38,256
Total income	174,594	7,983	7,001	815	190,393
Segment direct expenses	98,850	7,682	5,141	710	112,383
Provisions	3,015	2,409	1,017	15	6,456
Profit / (loss) before tax	72,729	(2,108)	843	90	71,554

	As at December 31, 2022				
	Pakistan (including KEPZ)	Middle East and Africa	Asia	Europe	Total
	----- (Rupees in million) -----				
Statement of financial position					
Cash and bank balances	192,342	62,374	27,886	6,086	288,688
Lendings to financial institutions	254,593	-	-	-	254,593
Investments	1,733,386	90,909	57,780	-	1,882,075
Advances - performing	1,413,195	126,831	65,112	7,333	1,612,471
Advances - non-performing	7,516	2,032	567	22	10,137
Others	288,613	8,289	8,587	1,645	307,134
Total assets	3,889,645	290,435	159,932	15,086	4,355,098
Borrowings	458,472	107,859	5,299	7,375	579,005
Subordinated debt	18,874	-	-	-	18,874
Deposits and other accounts	2,928,070	199,329	101,826	4,951	3,234,176
Others	243,559	15,161	9,065	1,482	269,267
Total liabilities	3,648,975	322,349	116,190	13,808	4,101,322
Equity	240,670	(31,914)	43,742	1,278	253,776
Total equity and liabilities	3,889,645	290,435	159,932	15,086	4,355,098
Contingencies and commitments	1,000,757	126,159	50,960	17,195	1,195,071

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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41 TRUST ACTIVITIES

The Bank undertakes Trustee and other fiduciary activities that result in the holding or placing of assets on behalf of individuals and other organisations. These are not assets of the Bank and therefore, are not included as such in the unconsolidated financial statements. Assets held under trust are shown in the table below:

As at December 31, 2023						
Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuk	Naya Pakistan Certificates	
----- (Rupees in '000) -----						
Asset management companies	10	35,325,000	6,050,500	772,000	-	42,147,500
Charitable institutions	4	316,260	359,300	-	-	675,560
Companies	79	80,342,760	89,966,900	-	-	170,309,660
Employee funds	66	35,084,630	93,390,235	1,513,500	-	129,988,365
Individuals	7,222	17,421,220	1,205,085	322,210	39,852,466	58,800,981
Insurance companies	4	76,026,155	437,285,300	45,142,250	-	558,453,705
Others	11	13,720,610	107,600	-	-	13,828,210
Total	7,396	258,236,635	628,364,920	47,749,960	39,852,466	974,203,981

As at December 31, 2022						
Category	No. of IPS Accounts	Securities Held (Face Value)				Total
		Market Treasury Bills	Pakistan Investment Bonds	Government Ijarah Sukuk	Naya Pakistan Certificates	
----- (Rupees in '000) -----						
Asset management companies	1	-	-	21,000	-	21,000
Charitable institutions	2	128,545	-	-	-	128,545
Companies	91	101,822,645	96,018,500	-	-	197,841,145
Employee funds	65	29,770,140	63,581,235	797,500	-	94,148,875
Individuals	4,781	13,188,413	2,923,193	95,861	36,159,009	52,366,476
Insurance companies	4	152,292,140	406,140,300	15,147,050	-	573,579,490
Others	10	9,110,495	631,500	-	-	9,741,995
Total	4,954	306,312,378	569,294,728	16,061,411	36,159,009	927,827,526

42 RELATED PARTY TRANSACTIONS

The Bank has related party relationships with various parties including its Directors, Key Management Personnel, Group entities, subsidiaries, associated companies, joint venture and employee benefit schemes of the Bank.

Transactions with related parties, other than those under terms of employment, are executed on an arm's length basis i.e. do not involve more than normal risk and are substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties.

Contributions to and accruals in respect of staff retirement and other benefit schemes are made in accordance with the actuarial valuations / terms of the schemes.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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Details of transactions and balances with related parties as at the year end are as follows:

	As at December 31, 2023						
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
----- (Rupees in '000) -----							
Statement of financial position							
Balances with other banks							
In current accounts	-	-	24,874	866,164	-	-	-
Investments							
Opening balance	-	-	-	26,510,029	7,286,430	135,665	9,755,368
Investment made during the year	-	-	-	1,000,000	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	(149,821)	-	-
Transfer (out) / in - net	-	-	-	-	-	(135,665)	9,564,089
Revaluation of investment during the year	-	-	-	-	-	-	(2,686,132)
Exchange Adjustment	-	-	-	1,662,894	-	-	589,066
Provision for diminution in the value of investments	-	-	-	-	(77,854)	-	(17,696)
Closing balance	-	-	-	29,172,923	7,058,755	-	17,204,695
Provision for diminution in the value of investments	-	-	-	-	77,854	-	60,639
Advances							
Opening balance	1,412	520,240	4,547,709	3,357,440	625,000	-	11,714,938
Addition during the year	9,645	513,599	30,558,900	524,666	-	-	16,335,757
Repaid during the year	(9,088)	(383,976)	(30,662,682)	(2,141,858)	(250,000)	-	(17,849,815)
Exchange adjustment	-	-	908,792	345,755	-	-	-
Closing balance	1,969	649,863	5,352,719	2,086,003	375,000	-	10,200,880
Other Assets							
Interest / mark-up accrued	-	689	68,692	240,265	17,214	-	298,518
Receivable from defined benefit plan	-	-	-	-	-	-	845,404
Other receivables / prepayments	-	2,673	9,779	1,000	477,119	-	13,307
	-	3,362	78,471	241,265	494,333	-	1,157,229
Borrowings							
Opening balance	-	-	3,982,280	2,264,309	12,950,894	2,717,171	168,252
Borrowings during the year	-	-	20,166,148	9,812,754	83,310,506	2,348,700	19,662,958
Settled during the year	-	-	(20,138,269)	(11,214,576)	(82,799,183)	(3,131,600)	(18,672,303)
Transfer (out) / in - net	-	-	-	-	-	(2,554,127)	2,554,127
Exchange adjustment	-	-	1,159,109	546,817	3,224,127	619,856	823,712
Closing balance	-	-	5,169,268	1,409,304	16,686,344	-	4,536,746
Deposits and other accounts							
Opening balance	135,270	504,305	16,086,603	2,461,812	2,817,791	4,204	1,754,471
Received during the year	780,596	5,692,787	364,791,560	1,079,990,251	1,418,318,927	3,996	187,434,725
Withdrawn during the year	(915,056)	(5,668,415)	(357,247,971)	(1,078,868,722)	(1,387,958,486)	(7,583)	(187,844,746)
Transfer (out) / in - net	-	-	-	-	-	(1,412)	1,412
Exchange adjustment	22,601	43,837	192,882	115,020	37,425	795	17,474
Closing balance	23,411	572,514	23,823,074	3,698,361	33,215,657	-	1,363,336
Other liabilities							
Interest / mark-up payable	1	1,508	242,441	13,972	237,842	-	39,339
Payable to defined benefit plan	-	-	-	-	-	-	851,133
Other payables	-	-	7,876	27,730	9,594	-	869,064
	1	1,508	250,317	41,702	247,436	-	1,759,536
Contingencies and Commitments							
Letters of credit	-	-	380,194	-	-	-	924,060
Guarantees	-	-	174,650	1,535	5	-	3,535,727
Forward purchase of Government securities	-	7,116	90,212	-	-	-	334,534
Forward purchase of foreign exchange contracts	-	-	-	1,240,184	-	-	-
Interest rate swaps	-	-	-	-	375,000	-	-
	-	7,116	645,056	1,241,719	375,005	-	4,794,321
Others							
Securities held as custodian	-	152,360	22,460,475	-	214,735,000	-	29,021,560

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	For the year ended December 31, 2023						
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
	(Rupees in '000)						
Profit and loss account							
Income							
Mark-up / return / profit / interest earned	71	29,502	477,594	1,317,194	111,975	-	2,502,739
Fee and commission income	627	6,411	326,541	79,860	764,189	-	56,214
Dividend income	-	-	-	-	841,098	-	1,609,075
Foreign exchange gain	-	-	-	704,379	-	-	-
Unrealised loss on derivatives	-	-	-	-	(42,027)	-	-
Gain / (Loss) on sale of securities - net	-	-	-	-	(93,467)	-	-
Rent on properties	-	-	-	72,057	-	-	-
Other income	-	-	-	20,306	-	-	-
Expense							
Mark-up / return / profit / interest expensed	6,571	40,537	1,156,749	296,199	1,783,215	12,526	637,746
Operating expenses							
Total compensation expense	-	2,693,065	-	-	-	-	1,553,163
Non-Executive Directors' fees	98,850	-	-	-	-	-	-
Insurance premium expense	-	-	-	-	2,177,244	-	-
Product feature cost	-	-	247,863	-	-	-	-
Travelling	-	-	7,985	-	-	-	-
Subscription	-	-	-	-	-	-	16,249
Donation	-	-	-	-	-	-	866,494
Brokerage and commission	-	-	-	-	-	-	298,049
Other expenses	-	-	63,514	24,533	68,562	-	48,859
Provision for diminution in the value of investments	-	-	-	-	77,854	-	17,696
Others							
Purchase of Government securities	260,867	352,127	121,785,445	329,855,127	214,711,363	-	61,701,982
Sale of Government securities	248,577	520,671	162,984,369	333,627,236	226,999,718	-	107,296,193
Purchase of foreign currencies	-	-	5,520,438	31,673,287	1,712,088	-	14,054,844
Sale of foreign currencies	42,615	-	7,711,091	40,287,839	6,472	-	36,317
Insurance claims settled	-	-	-	-	233,146	-	-
As at December 31, 2022							
	Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties
	(Rupees in '000)						
Statement of financial position							
Balances with other banks							
In current accounts	-	-	1,592	1,602,967	-	-	-
Investments							
Opening balance	-	-	-	20,091,764	9,465,766	135,665	7,763,055
Investment made during the year	-	-	-	4,920,743	44,188	-	2,000,000
Investment redeemed / disposed off during the year	-	-	-	-	(2,223,524)	-	-
Transfer in - net	-	-	-	-	-	-	29,287
Revaluation of investment during the year	-	-	-	1,497,522	-	-	-
Provision for diminution in the value of investments	-	-	-	-	-	-	(36,974)
Closing balance	-	-	-	26,510,029	7,286,430	135,665	9,755,368
Provision for diminution in the value of investments	-	-	-	-	-	-	42,943
Advances							
Opening balance	527	447,007	4,001,392	2,092,521	1,845,811	-	11,132,886
Addition during the year	30,557	421,195	23,281,985	1,716,370	-	-	14,020,793
Repaid during the year	(29,672)	(378,950)	(23,534,128)	(613,375)	(1,375,527)	-	(13,438,741)
Transfer in - net	-	30,988	-	-	-	-	-
Exchange adjustment	-	-	798,460	161,924	154,716	-	-
Closing balance	1,412	520,240	4,547,709	3,357,440	625,000	-	11,714,938
Other Assets							
Interest / mark-up accrued	-	778	44,798	491,130	19,286	-	266,034
Other receivables / prepayments	-	2,475	-	-	319,317	-	14,391
Advance to suppliers	-	-	13,708	-	-	-	-
Advance subscription of shares	-	-	-	1,000,000	-	-	-
	-	3,253	58,506	1,491,130	338,603	-	280,425
Borrowings							
Opening balance	-	-	3,177,871	475,527	3,969,060	-	181,985
Borrowings during the year	-	-	7,519,611	2,116,002	22,569,599	11,050,690	-
Settled during the year	-	-	(6,953,154)	(620,884)	(16,014,977)	(8,594,981)	(13,733)
Exchange adjustment	-	-	237,952	293,664	2,427,212	261,462	-
Closing balance	-	-	3,982,280	2,264,309	12,950,894	2,717,171	168,252

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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As at December 31, 2022							
Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties	
----- (Rupees in '000) -----							
Deposits and other accounts							
Opening balance	42,382	545,067	10,820,031	6,314,465	50,605,027	-	2,960,354
Received during the year	585,700	4,083,660	349,416,139	734,132,907	938,266,443	13,607	70,836,494
Withdrawn during the year	(500,475)	(4,162,730)	(344,428,637)	(738,191,795)	(986,066,571)	(15,287)	(72,088,268)
Transfer out - net	-	(30,270)	-	-	-	-	-
Exchange adjustment	7,663	68,578	279,070	206,235	12,892	5,884	45,891
Closing balance	<u>135,270</u>	<u>504,305</u>	<u>16,086,603</u>	<u>2,461,812</u>	<u>2,817,791</u>	<u>4,204</u>	<u>1,754,471</u>
Other liabilities							
Interest / mark-up payable	434	1,340	116,735	7,570	42,367	28,530	4,022
Payable to defined benefit plan	-	-	-	-	-	-	607,424
Other payables	-	-	33,884	22,716	85,978	-	516,282
	<u>434</u>	<u>1,340</u>	<u>150,619</u>	<u>30,286</u>	<u>128,345</u>	<u>28,530</u>	<u>1,127,728</u>
Contingencies and Commitments							
Letters of credit	-	-	693,802	-	-	-	440,141
Guarantees	-	-	159,480	64,435	-	-	3,535,727
Forward purchase of Government securities	-	-	-	-	-	-	2,452,570
Forward purchase of foreign exchange contracts	-	-	-	183,409	1,500	-	-
Interest rate swaps	-	-	-	-	625,000	-	-
	<u>-</u>	<u>-</u>	<u>853,282</u>	<u>247,844</u>	<u>626,500</u>	<u>-</u>	<u>6,428,438</u>
Others							
Securities held as custodian	<u>2,500</u>	<u>94,830</u>	<u>24,812,555</u>	<u>-</u>	<u>134,281,000</u>	<u>-</u>	<u>18,455,830</u>
For the year ended December 31, 2022							
Directors	Key Management Personnel	Group Entities	Subsidiary companies	Associates	Joint venture	Other related parties	
----- (Rupees in '000) -----							
Profit and loss account							
Income							
Mark-up / return / profit / interest earned	84	25,701	260,043	988,407	112,004	-	1,798,616
Fee and commission income	1,032	5,577	255,255	63,063	774,913	-	8,171
Dividend income	-	-	-	-	714,419	-	795,007
Foreign exchange gain	-	-	-	1,221,099	-	-	-
Unrealised loss on derivatives	-	-	-	-	(58,909)	-	-
Loss on disposal	-	-	-	-	-	-	(313)
Gain on sale of securities - net	-	-	-	-	137,600	-	-
Rent on properties	-	-	-	46,808	-	-	-
Other income	-	-	-	38,909	-	-	-
Expense							
Mark-up / return / profit / interest expensed	5,544	23,795	469,165	161,806	1,502,501	33,170	291,030
Operating expenses							
Total compensation expense	-	2,132,960	-	-	-	-	2,091,697
Non-Executive Directors' fees	94,800	-	-	-	-	-	-
Insurance premium expense	-	-	-	-	1,779,128	-	-
Product feature cost	-	-	156,473	-	-	-	-
Travelling	-	-	8,286	-	-	-	-
Subscription	-	-	-	-	-	-	10,555
Donation	-	-	-	-	-	-	515,961
Brokerage and commission	-	-	-	-	-	-	233,146
Other expenses	-	-	44,243	104,994	60,066	-	88,132
Provision for diminution in the value of investments	-	-	-	-	-	-	28,709
Others							
Purchase of Government securities	-	15,411	192,562,933	130,501,818	68,269,517	-	28,286,144
Sale of Government securities	-	90,168	225,852,074	143,975,753	119,912,273	-	32,414,714
Purchase of foreign currencies	-	-	2,786,947	7,594,649	116,676	-	209,945
Sale of foreign currencies	-	-	2,179,139	9,009,588	-	-	9,192,949
Insurance claims settled	-	-	-	-	279,936	-	-

42.1 Balances and transactions with group entities include deposits of Rs 0.695 million (2022: Rs 0.590 million) from the parent and Rs 6.00 thousand (2022: Rs 2.00 thousand) as mark-up expense thereon.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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43 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	2023	2022
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>14,668,525</u>	<u>14,668,525</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	244,543,194	203,364,899
Eligible Additional Tier 1 (AT 1) Capital	15,209,811	15,901,419
Total Eligible Tier 1 Capital	259,753,005	219,266,318
Eligible Tier 2 Capital	74,258,880	37,987,540
Total Eligible Capital (Tier 1 + Tier 2)	<u>334,011,885</u>	<u>257,253,858</u>
Risk Weighted Assets (RWAs):		
Credit Risk	1,484,105,134	1,387,509,228
Market Risk	162,338,638	75,860,638
Operational Risk	286,469,768	252,065,484
Total	<u>1,932,913,540</u>	<u>1,715,435,350</u>
CET 1 CAR	<u>12.65%</u>	<u>11.86%</u>
Tier 1 CAR	<u>13.44%</u>	<u>12.78%</u>
Total CAR	<u>17.28%</u>	<u>15.00%</u>
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)		
of which: capital conservation buffer requirement	9.00%	9.00%
of which: countercyclical buffer requirement	1.50%	1.50%
of which: D-SIB buffer requirement	1.50%	1.50%
CET1 available to meet buffers (as a percentage of risk weighted assets)	6.65%	5.86%
Other information:		
Minimum capital requirements prescribed by the SBP		
CET1 ratio (%)	9.00%	9.00%
Tier 1 ratio (%)	10.50%	10.50%
Total capital ratio (%)	13.00%	13.00%
	2023	2022
	(Rupees in '000)	
Leverage Ratio (LR)		
Eligible Tier-1 Capital	259,753,005	219,266,318
Total Exposure	5,834,019,080	5,014,549,104
Leverage Ratio (%)	<u>4.45%</u>	<u>4.37%</u>
Minimum Requirement (%)	<u>3.00%</u>	<u>3.00%</u>
	2023	2022
	(Rupees in '000)	
Liquidity Coverage Ratio (LCR)		
Average High Quality Liquid Assets	1,879,073,951	1,609,446,790
Average Net Cash Outflow	693,860,676	632,560,916
Liquidity Coverage Ratio (%)	<u>270.81%</u>	<u>254.43%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>
	2023	2022
	(Rupees in '000)	
Net Stable Funding Ratio (NSFR)		
Available Stable Funding	3,812,112,933	3,225,111,950
Required Stable Funding	2,384,738,674	2,171,559,048
Net Stable Funding Ratio (%)	<u>159.85%</u>	<u>148.52%</u>
Minimum Requirement (%)	<u>100.00%</u>	<u>100.00%</u>

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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43.1 Capital management

The Bank's policy is to maintain a strong capital base so as to maintain investor, depositor, creditor and market confidence and to sustain future development of the business, while providing adequate returns to shareholders.

The Bank's lead regulator, the SBP, sets and monitors capital requirements for the Bank. The Bank's branches outside Pakistan are required to follow capital requirements applicable in their respective jurisdictions.

The SBP, through BSD Circular No. 07 dated April 15, 2009, has required that Banks should maintain a minimum paid-up capital of Rs. 10 billion (net of accumulated losses). The paid-up capital of the Bank as at December 31, 2023 stood at Rs 14.669 billion (2022: Rs. 14.669 billion) and is in compliance with SBP requirements.

The Bank and its individually regulated operations have complied with all capital requirements.

The Bank's regulatory capital is classified as follows:

- Tier 1 capital comprises of CET 1 and AT 1 capital.
- CET1 capital includes fully paid-up capital, balance in share premium account, reserves (excluding exchange translation reserves) and unappropriated profit meeting the eligibility criteria.
- AT 1 capital includes perpetual TFCs meeting the prescribed SBP criteria.
- Tier 2 capital includes general provisions for loan losses, surplus / (deficit) on revaluation of fixed assets and investments and exchange translation reserves.

Banking operations are categorised as either Trading or Banking Book.

- On and off-balance sheet exposures in the banking book are segregated into various asset classes for the calculation of credit riskweighted assets. Ratings reflecting the credit worthiness of counterparties are applied using various External Credit Assessment Institutions (ECAIs) and are mapped to appropriate risk buckets. Collateral, if any, is used as an outflow adjustment. Eligible collateral includes Government of Pakistan (GoP) guarantees, GoP securities, bank guarantees, lien on deposits and margin accounts. Risk weights notified by the SBP are applied to net exposures to arrive at risk weighted assets.
- The Bank calculates capital requirements for market risk in its trading book based on the methodology provided by the SBP, which takes into account interest rate risk using the maturity method, equity position risk and foreign exchange risk.

43.2 The full disclosures on the Capital Adequacy Ratio, Leverage Ratio & Liquidity Requirements calculated as per SBP instructions issued from time to time have been placed on the Bank's website. The link to the full disclosure is available at <https://www.hbl.com/capitalandliquidity>.

44 RISK MANAGEMENT FRAMEWORK

HBL has a well-developed and robust risk management framework, appropriate for its size, regional and target market diversification and complexity of operations. The Bank's risk management framework includes a clearly documented risk appetite, well-articulated policies and procedures and multi-tier management supervision, supported by strong Board oversight.

The Board of Directors provides the strategic direction for effective risk management and ensures that the risk management framework, covers all aspects of the Bank's operations, including human resources, policies, procedures, and systems, and is updated regularly to safeguard the Bank against emerging risks. It is supported in this task by the Board Risk Management Committee (BRMC) as well as by various management committees.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

For effective implementation of the risk management framework, the Risk Management function, headed by the Chief Risk Officer (CRO), operates independently of the business units within the Bank. Risk Management is responsible for the development and implementation of risk policies and for monitoring the risks associated with various activities of the Bank. The CRO reports to the President, with a functional reporting line to the BRMC.

The Risk Management function comprises of the following areas:

- Credit Approvals
- Credit Administration
- Market Risk & Financial Risk Modeling
- Operational Risk
- Enterprise Risk Management
- Risk Corporate Governance

44.1 Credit risk management

Credit risk is defined as the risk of financial loss stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. While loans are the largest and most obvious source, credit risk also stems from both on and off-balance sheet activities. The Bank's credit risk appetite is defined through a Global Risk Appetite Statement that is approved by the Board. It also covers the concentration risks the Bank is willing to take with reference to risk ratings, sectors and large exposures. The credit process at the Bank is governed by well-defined and documented credit policies and procedures including dedicated policies for consumer loans, agriculture banking and SME financing. Certain types of exposures/ facilities are managed under product programs that contain their own detailed credit criteria, compliance and documentation requirements.

The core pillars of credit risk management at the Bank are:

- Approval rules based on a three-initial system and joint Business / Risk sign-offs.
- An independent Internal Audit function which includes a Business Risk Review (BRR) unit.

Credit approval authorities are delegated to individuals based on their qualifications and experience. Disbursement authorization, collateral and security management, documentation and monitoring are managed by the Credit Administration Department. Proactive monitoring is ensured for assets under stress. This enables the Bank to put in place viable solutions to prevent further deterioration in credit quality. An independent Structured Credits and Remedial Assets function handles stressed assets and ensures a focused remedial strategy.

Credit risk management software to automate loan origination has been implemented domestically for Corporate, Commercial and Retail (non-program based) lending and is being rolled out to overseas locations. The software is designed to improve approval efficiency; enable capture, storage and retrieval of approval data; and generate MIS for decision making.

Stress testing on the credit portfolio is performed in line with SBP guidelines. In addition to the mandatory stress tests defined by the regulator, the Bank has also developed advanced stress tests for credit risk including macroeconomic stress tests and reverse stress tests to test the adequacy of the Bank's capital under various stress conditions. The Bank also regularly conducts rapid portfolio reviews in line with emerging risks.

The Bank has undertaken several initiatives to strengthen its credit risk management framework including the establishment of a Financial Risk Modelling & Stress Testing unit which carries out back testing, validation of credit risk scorecards, internal risk ratings (obligor risk rating and facility risk rating) and probability of default models for the portfolio. The performance of the risk rating models over the years is continuously monitored.

BRR performs an independent review of the credit portfolio. It provides an assessment of portfolio quality by reviewing the efficacy of the relevant processes, ensuring regulatory / policy compliance, and assessing the appropriateness of risk ratings, classification and provisioning.

44.1.1 Credit risk - general disclosures

The Bank follows the Standardized Approach for its credit risk exposures, which sets out fixed risk weights corresponding to external credit ratings or type of exposure, whichever is applicable.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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Under the Standardized Approach, the capital requirement is based on the credit rating assigned to counterparties by External Credit Assessment Institutions (ECAIs) duly recognized by the SBP. The Bank selects different ECAIs for each type of exposure. The Bank utilizes credit ratings assigned by Pakistan Credit Rating Agency (PACRA), Vital Information Services (VIS), Fitch, Moody's and Standard & Poor's (S&P). The Bank also utilizes rating scores of Export Credit Agencies (ECAs).

Types of exposure and ECAIs used

	Fitch	Moody's	S&P	PACRA	VIS	ECA scores
Corporates	✓	✓	✓	✓	✓	-
Banks	✓	✓	✓	✓	✓	-
Sovereigns	-	✓	-	-	-	✓
Public sector enterprises	✓	-	-	✓	✓	-

Mapping to SBP rating grades

For all exposures, the selected ratings are mapped to the standard rating grades given by the SBP, using the mapping tables given below:

Long - Term rating grades mapping

SBP rating grade	Fitch	Moody's	S&P	PACRA	VIS	ECA Scores
1	AAA	Aaa	AAA	AAA	AAA	0
	AA+	Aa1	AA+	AA+	AA+	1
	AA	Aa2	AA	AA	AA	
	AA-	Aa3	AA-	AA-	AA-	
2	A+	A1	A+	A+	A+	2
	A	A2	A	A	A	
	A-	A3	A-	A-	A-	
3	BBB+	Baa1	BBB+	BBB+	BBB+	3
	BBB	Baa2	BBB	BBB	BBB	
	BBB-	Baa3	BBB-	BBB-	BBB-	
4	BB+	Ba1	BB+	BB+	BB+	4
	BB	Ba2	BB	BB	BB	
	BB-	Ba3	BB-	BB-	BB-	
5	B+	B1	B+	B+	B+	5
	B	B2	B	B	B	6
	B-	B3	B-	B-	B-	
6	CCC+ and below	Caa1 and below	CCC+ and below	CCC+ and below	CCC+ and below	7

Short -Term Rating Grades mapping

SBP rating grade	Fitch	Moody's	S&P	PACRA	VIS
S1	F1	P-1	A-1+	A-1+	A-1+
S1	F1	P-1	A-1	A-1	A-1
S2	F2	P-2	A-2	A-2	A-2
S3	F3	P-3	A-3	A-3	A-3
S4	Others	Others	Others	Others	Others

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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44.1.2 Credit Risk Mitigation for under the Standardized Approach

The Bank has adopted the Simple Approach for Credit Risk Mitigation in the banking book. Under this approach, cash, deposits under lien, Government securities and eligible guarantees etc. are considered as eligible collateral. The Bank has detailed guidelines regarding the valuation and management of each of these types of collateral. Where the Bank's exposure on an obligor is wholly or partially guaranteed by an eligible guarantee, the risk weight / credit rating of the guarantor is substituted for the risk weight of the obligor.

No credit risk mitigation benefit is taken in the trading book.

For each asset class, the risk weights as specified by the SBP or corresponding to the SBP rating grades are applied to the net exposure for the calculation of Risk Weighted Assets.

44.1.3 Country Risk

The Bank has in place a comprehensive Country Risk Policy applicable to domestic and international branches. Country risk is generated through trade, guarantees, lending and investing transactions in foreign currency and / or accepting a sovereign guarantee as collateral for a loan in foreign currency. Country risk limits are approved after detailed due diligence and risk assessment of the country by considering political risk, economic and environmental factors, and contagion risk. Ratings assigned by international rating agencies, where available, are also considered while extending country limits.

All transactions that generate cross-border risk are carried-out with countries that have approved limits. These limits are approved at Head Office and allocation to international branches is extended from the approved limits. Country risk exposures are reported to the BRMC on a quarterly basis.

44.1.4 Lendings to financial institutions

Credit risk by public / private sector

	Gross lendings	Non-performing lendings	Provision held	Gross lendings	Non-performing lendings	Provision held
	2023			2022		
	(Rupees in '000)					
Public / Government	12,224,850	-	-	176,265,131	-	-
Private	76,373,310	-	-	78,328,156	-	-
	88,598,160	-	-	254,593,287	-	-

44.1.5 Investment in debt securities

Credit risk by industry sector

	Gross investments	Non-performing investments	Provision held	Gross investments	Non-performing investments	Provision held
	2023			2022		
	(Rupees in '000)					
Textile	251,136	251,136	251,136	261,318	261,318	261,318
Aviation	930,380	-	-	980,000	-	-
Financial	2,383,284,599	1,407,756	1,407,756	1,782,209,797	1,132,100	953,654
Oil and gas	-	-	-	161,426	-	-
Power and energy	60,863,782	-	-	57,143,771	-	-
Telecommunication	151,914	151,914	151,914	151,914	151,914	151,914
Metal and allied	612,000	-	-	675,000	-	-
Real Estate Investment Trust (REIT)	300,000	-	-	-	-	-
	2,446,393,811	1,810,806	1,810,806	1,841,583,226	1,545,332	1,366,886

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Credit risk by public / private sector

	Gross investments	Non-performing investments	Provision held	Gross investments	Non-performing investments	Provision held
	2023			2022		
	(Rupees in '000)					
Public / Government	2,426,455,253	1,407,756	1,407,756	1,823,043,384	1,132,100	953,654
Private	19,938,558	403,050	403,050	18,539,842	413,232	413,232
	<u>2,446,393,811</u>	<u>1,810,806</u>	<u>1,810,806</u>	<u>1,841,583,226</u>	<u>1,545,332</u>	<u>1,366,886</u>

44.1.6 Advances

Credit risk by industry sector

	Gross advances	Non-performing advances	Provision held	Gross advances	Non-performing advances	Provision held
	2023			2022		
	(Rupees in '000)					
Chemical and pharmaceuticals	49,027,542	2,196,546	2,182,314	60,357,354	2,815,684	2,809,796
Agribusiness	167,842,661	3,657,434	1,654,458	177,234,761	3,050,534	1,701,714
Aviation	27,961,111	-	-	28,055,556	-	-
Textile	221,310,242	20,885,538	16,960,881	220,903,763	13,509,135	13,359,927
Cement	33,323,527	2,077,319	1,433,638	37,904,091	1,967,010	1,083,273
Sugar	15,792,328	1,220,342	1,285,262	13,489,105	1,230,342	1,230,342
Shoes and leather garments	7,403,085	1,143,985	1,140,025	6,927,199	1,075,523	1,061,566
Automobile and transportation equipment	30,228,176	5,454,661	5,136,881	35,997,366	4,304,713	4,148,166
Financial	128,102,102	170,522	170,522	113,911,900	42,632	42,632
Hotel and tourism	4,549,858	825,029	679,974	4,542,602	741,813	622,677
Insurance	1,068,132	-	-	1,810,043	-	-
Electronics and electrical appliances	19,479,297	389,871	389,871	12,206,287	1,806,788	1,806,788
Oil and gas	107,049,099	7,491,832	7,547,431	88,838,490	7,044,242	7,044,242
Power and energy	5,992,549	343,637	340,887	208,489,782	2,670,231	697,041
Education and medical	7,896,307	161,773	158,468	7,987,021	182,896	180,538
Telecommunication	42,228,368	660,530	660,530	41,499,857	972,759	972,759
Printing and publishing	208,198,542	2,525,674	641,420	7,774,152	350,887	350,887
Construction	35,407,809	334,605	316,094	44,550,867	249,091	224,388
Mining and quarrying	7,100,843	110,077	56,098	7,610,041	116,398	59,258
Food, tobacco and beverages	91,535,400	3,991,486	3,271,806	92,785,003	4,104,209	3,111,242
Wholesale and retail trade	83,880,425	15,333,967	13,781,272	75,150,524	14,497,129	12,885,451
Metal and allied	25,455,295	2,285,092	1,061,077	29,711,375	3,881,615	2,389,675
Individuals	178,246,931	4,064,259	3,258,395	169,305,228	3,252,693	2,483,864
Farming, cattle and dairy	818,562	246,239	245,464	1,000,232	257,254	270,019
Trust funds and non profit organisations	4,237,145	2,991	2,991	2,863,815	2,991	2,991
Others	256,165,305	18,698,790	17,876,215	218,514,901	16,648,411	16,099,187
	<u>1,760,300,641</u>	<u>94,272,199</u>	<u>80,251,974</u>	<u>1,709,421,315</u>	<u>84,774,980</u>	<u>74,638,423</u>

Credit risk by public / private sector

	Gross advances	Non-performing advances	Provision held	Gross advances	Non-performing advances	Provision held
	2023			2022		
	(Rupees in '000)					
Public / Government	363,563,529	1,581,593	-	333,507,255	942,162	1,350
Private	1,396,737,112	92,690,606	80,251,974	1,375,914,060	83,832,818	74,637,073
	<u>1,760,300,641</u>	<u>94,272,199</u>	<u>80,251,974</u>	<u>1,709,421,315</u>	<u>84,774,980</u>	<u>74,638,423</u>

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44.1.7 Contingencies and Commitments

Credit risk by industry sector	2023	2022
	(Rupees in '000)	
Chemical and pharmaceuticals	36,167,390	27,718,235
Agribusiness	4,178,806	4,139,021
Textile	80,634,652	72,035,592
Cement	14,765,985	21,590,809
Defence	290,546	429,676
Sugar	3,109,657	3,431,617
Shoes and leather garments	4,320,346	3,023,150
Automobile and transportation equipment	39,641,511	41,234,364
Financial	543,896,288	541,926,838
Hotel and tourism	845,330	1,597,392
Insurance	993,400	992,398
Electronics and electrical appliances	19,355,327	18,449,164
Oil and gas	60,339,941	54,104,406
Power and energy	131,803,825	134,893,365
Education and medical	2,670,328	1,220,519
Telecommunication	13,422,268	20,429,418
Printing and publishing	3,414,375	1,861,738
Construction	28,793,627	31,520,324
Mining and quarrying	849,292	725,931
Research and development	8,598,176	2,247,002
Food, tobacco and beverages	54,607,091	46,742,487
Wholesale and retail trade	30,688,521	21,658,312
Metal and allied	20,889,158	12,799,000
Individuals	18,930,486	17,938,405
Farming, cattle and dairy	1,264,486	2,270,796
Ports and shipping	407,567	5,473,533
Trust funds and non profit organisations	17,086,309	35,550,221
Others	78,648,399	69,067,049
	<u>1,220,613,087</u>	<u>1,195,070,762</u>
Credit risk by public / private sector		
Public / Government	217,765,027	246,037,765
Private	<u>1,002,848,060</u>	<u>949,032,997</u>
	<u>1,220,613,087</u>	<u>1,195,070,762</u>

44.1.8 Concentration of Advances

The Bank's top 10 exposures on the basis of total (funded and non-funded) exposures aggregated to Rs 574,511.968 million (2022: Rs 484,034.142 million).

	2023	2022
	(Rupees in '000)	
Funded	360,158,898	349,449,339
Non-funded	214,353,070	134,584,803
Total exposure	<u>574,511,968</u>	<u>484,034,142</u>

The sanctioned limits against these top 10 exposures aggregated to Rs 682,802.632 million (2022: Rs 705,733.152 million).

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44.1.9 Advances - Province / Region-wise disbursement and utilization

Province / Region	2023						
	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
	(Rupees in '000)						
Punjab	4,767,707,084	4,602,739,374	68,893,587	8,152,174	-	87,921,949	-
Sindh	9,118,175,013	436,257,482	8,101,141,315	18,604,761	308,720,828	253,023,052	427,575
KPK including FATA	92,136,084	-	2,156,808	89,979,276	-	-	-
Balochistan	17,539,730	-	-	-	17,539,730	-	-
Islamabad	2,082,793,028	1,005,844,380	16,410,904	-	-	1,060,537,744	-
AJK including Gilgit-Baltistan	35,214,596	-	-	-	-	-	35,214,596
Total	16,113,565,535	6,044,841,236	8,188,602,614	116,736,211	326,260,558	1,401,482,745	35,642,171

Province / Region	2022						
	Disbursements	Utilization					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
	(Rupees in '000)						
Punjab	4,176,030,538	4,016,648,693	154,449,300	4,932,545	-	-	-
Sindh	10,307,147,036	670,728,239	9,396,985,017	12,814,439	114,338,086	110,048,348	2,232,907
KPK including FATA	76,987,178	151,364	3,020,300	73,815,514	-	-	-
Balochistan	11,988,271	-	-	-	11,988,271	-	-
Islamabad	1,318,398,211	210,256,356	19,305,283	-	-	1,088,836,572	-
AJK including Gilgit-Baltistan	22,876,294	-	-	-	-	-	22,876,294
Total	15,913,427,528	4,897,784,652	9,573,759,900	91,562,498	126,326,357	1,198,884,920	25,109,201

44.2 Market Risk Management

Market risk is the risk that the fair value of a financial instrument will fluctuate due to movements in market prices. It results from changes in interest rates, exchange rates and equity prices as well as from changes in the correlations between them. Each of these components of market risk consists of a general market risk and a specific market risk that is driven by the nature and composition of the portfolio.

The Bank is exposed to market risk in several ways. The largest component is Interest Rate Risk on the Banking Book, which refers to the interest rate risk that the Bank is exposed to due to mismatches in the repricing of its on-balance sheet assets and liabilities. The Bank also has a Trading Book in which the assets are marked-to-market through the profit and loss account.

The objective of the Bank's market risk management strategy is to assess an acceptable level of risk for each market variable (as stated in the Bank's Risk Appetite Statement), and to manage the risk arising from fluctuations in these variables to optimize the Bank's income streams.

Treasury and Global Markets is tasked with proactively managing exposures. The Bank's ALCO provides governance with respect to market risk exposures and limits, while monitoring and measurement is carried out by Market Risk Management (MRM). MRM provides a dynamic and proactive approach to market risk monitoring, including the use of tools such as portfolio sensitivity, scenario analysis, stress testing and the use of Management Action Triggers (MAT) and limits.

44.2.1 Statement of financial position split by trading and banking books

	2023			2022		
	Banking book	Trading book	Total	Banking book	Trading book	Total
	(Rupees in '000)					
Cash and balances with treasury banks	505,181,227	-	505,181,227	257,368,084	-	257,368,084
Balances with other banks	43,012,856	-	43,012,856	31,319,141	-	31,319,141
Lendings to financial institutions	88,598,160	-	88,598,160	254,593,287	-	254,593,287
Investments	1,267,595,929	1,232,333,855	2,499,929,784	1,112,775,561	769,299,707	1,882,075,268
Advances	1,664,016,203	-	1,664,016,203	1,622,607,447	-	1,622,607,447
Fixed assets	135,671,758	-	135,671,758	109,326,287	-	109,326,287
Intangible assets	14,988,816	-	14,988,816	11,840,205	-	11,840,205
Deferred tax assets	11,405,839	-	11,405,839	16,939,758	-	16,939,758
Other assets	236,529,470	2,337,050	238,866,520	165,959,013	3,068,427	169,027,440
Total	3,967,000,258	1,234,670,905	5,201,671,163	3,582,728,783	772,368,134	4,355,096,917

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44.2.2 Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank manages this risk by setting and monitoring currency-wise exposure limits. The Bank's assets in a particular currency are typically funded in the same currency to minimize foreign currency exposure. However, the Bank maintains a net open position in various currencies resulting from its transactions. Foreign exchange risk is controlled and monitored through limits approved by ALCO, within the overall limit advised by the SBP.

	2023				2022			
	Assets	Liabilities	Off-balance sheet items	Net currency exposure	Assets	Liabilities	Off-balance sheet items	Net currency exposure
	----- (Rupees in '000) -----							
United States Dollars	486,489,078	552,400,101	41,651,847	(24,259,176)	334,550,507	477,170,537	103,751,065	(38,868,965)
Great Britain Pounds	4,231,082	19,887,038	16,514,033	858,077	2,109,503	15,874,884	13,868,416	103,035
UAE Dirhams	108,124,048	101,576,057	15,318,789	21,866,780	89,553,909	70,879,577	(21,492)	18,652,840
Japanese Yen	111,494	-	(103,526)	7,968	83,825	-	(65,974)	17,851
Euros	26,604,242	21,613,165	(3,831,568)	1,159,509	19,194,954	18,310,142	1,813,255	2,698,067
Chinese Yuan	12,535,498	11,543,559	1,778,261	2,770,200	14,742,427	10,887,629	331,995	4,186,793
Other Currencies	179,311,228	119,160,959	(11,555,664)	48,594,605	136,550,941	102,282,618	(15,857,646)	18,410,677
	<u>817,406,670</u>	<u>826,180,879</u>	<u>59,772,172</u>	<u>50,997,963</u>	<u>596,786,066</u>	<u>695,405,387</u>	<u>103,819,619</u>	<u>5,200,298</u>

	2023		2022	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
Impact of 1% increase in foreign exchange rates on				
- Profit and loss account	-	509,980	-	95,914
- Other comprehensive income	813,419	-	573,201	-

44.2.3 Equity Position Risk

Equity position risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in the prices of individual stocks or the levels of equity indices.

The Bank has exposure to a range of equity instruments, and thus exposed to losses arising from movements in equity prices. The Bank holds equity investments in both the AFS and HFT portfolios. The realization of short-term capital gains is the principal objective of the HFT portfolio while the AFS portfolio takes a medium-term market view with the objective of earning both capital gains and dividend income. The portfolios are managed by the Bank within the structure encapsulated in the Equity Investment Policy approved by the Board, which defines position limits, portfolio limits and loss triggers for the equity desk. The Bank also applies stress tests on the equity portfolio which is part of the Bank's overall market risk exposure limit on the trading book.

	2023		2022	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
Impact of 5% change in equity prices on				
- Profit and loss account	-	5,384	-	5
- Other comprehensive income	376,786	447,467	3,410	199,409

44.2.4 Interest Rate Risk

Interest rate risk arises due to changes in interest rates, including changes in the shape of the yield curve. The Bank is exposed to interest rate risk in both the Trading and Banking Books. Interest rate sensitivity analysis is conducted at both Banking Book and Trading Book levels, at least on a monthly basis or more frequently, if required. The analysis helps in estimating and managing the impact of interest rate volatility on the Bank's earnings and on the economic value of equity within defined tolerance limits. Limits are also in place for fixed income investments of the treasury portfolio at dealer, transaction, portfolio and Trading / Banking Book levels. Regulatory stress testing is conducted on a quarterly basis. Metrics to assess Interest Rate Risk include Interest Rate Gap Reports, Earnings at Risk (EAR) and Economic Value of Equity (EVE). These metrics are assessed based on different stress scenarios.

To further strengthen interest rate risk management, the Bank has developed a standardized framework to for computing the Interest Rate Risk in the Banking Book (IRRBB) under the updated guidelines issued by the Basel Committee on Banking Supervision Standards.

	2023		2022	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
Impact of 1% change in interest rates on				
- Profit and loss account	(3,210,391)	(3,996,524)	5,165,824	(1,221,300)
- Other comprehensive income	(425,167)	-	7,348,444	-

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44.2.4.1 Mismatch of interest rate sensitive assets and liabilities

Interest rate sensitivity gaps for assets and liabilities which have contractual maturities have been reported based on the earlier of the re-pricing date or maturity date. Assets and liabilities which do not have any contractual maturities have been bucketed on the basis of a behavioural study conducted by Market Risk Management and approved by ALCO.

		2023										
Effective yield / interest rate		Exposed to yield / interest risk									Not exposed to yield / interest risk	
		Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years		Over 10 years
(Rupees in '000)												
On-balance sheet assets												
Financial Assets												
Cash and balances with treasury banks	0.51%	505,181,227	58,565,727	71,448	-	-	-	-	-	-	-	446,544,052
Balances with other banks	1.38%	43,012,856	9,398,347	3,500,361	-	3,500,361	-	-	-	-	-	26,613,787
Lendings to financial institutions	20.49%	88,598,160	88,598,160	-	-	-	-	-	-	-	-	-
Investments	17.01%	2,499,929,784	272,543,076	221,308,504	855,301,536	487,032,900	128,172,270	127,734,875	91,624,725	196,954,620	46,924,917	72,332,361
Advances	16.84%	1,664,016,203	538,410,210	666,026,369	189,899,842	27,262,305	23,933,369	17,427,815	34,667,373	12,463,029	6,696,292	147,229,599
Other assets		229,180,425	-	-	-	-	-	-	-	-	-	229,180,425
		<u>5,029,918,655</u>	<u>967,515,520</u>	<u>890,906,682</u>	<u>1,045,201,378</u>	<u>517,795,566</u>	<u>152,105,639</u>	<u>145,162,690</u>	<u>126,292,098</u>	<u>209,417,649</u>	<u>53,621,209</u>	<u>921,900,224</u>
Financial Liabilities												
Bills payable		51,228,670	-	-	-	-	-	-	-	-	-	51,228,670
Borrowings	6.26%	659,342,821	431,298,460	112,986,080	63,434,552	3,474,043	1,803,812	87,313	16,803,118	16,467,134	12,517,582	470,727
Deposits and other accounts	9.77%	3,870,179,912	266,281,454	1,812,055,446	158,295,203	211,071,854	40,530,672	26,669,284	20,235,602	31,070,627	15,758,314	1,288,211,456
Subordinated debt	22.69%	18,874,000	-	18,874,000	-	-	-	-	-	-	-	-
Other liabilities												
Lease liability against right-of-use asset	8.07%	26,864,447	134,640	262,086	398,591	791,583	1,582,938	1,567,386	3,004,072	6,748,668	12,374,483	-
Others		215,883,806	-	-	-	-	-	-	-	-	-	215,883,806
		<u>4,842,373,656</u>	<u>697,714,554</u>	<u>1,944,177,612</u>	<u>222,128,346</u>	<u>215,337,480</u>	<u>43,917,422</u>	<u>28,323,983</u>	<u>40,042,792</u>	<u>54,286,429</u>	<u>40,650,379</u>	<u>1,555,794,659</u>
On-balance sheet gap		<u>187,544,999</u>	<u>269,800,966</u>	<u>(1,053,270,930)</u>	<u>823,073,032</u>	<u>302,458,086</u>	<u>108,188,217</u>	<u>116,838,707</u>	<u>86,249,306</u>	<u>155,131,220</u>	<u>12,970,830</u>	<u>(633,894,435)</u>
Net non - financial assets		<u>146,234,409</u>										
Total net assets		<u>333,779,408</u>										
Off-balance sheet financial instruments												
Foreign exchange contracts - forward purchases		290,314,260	103,417,249	120,538,901	64,385,495	1,972,615	-	-	-	-	-	-
Foreign exchange contracts - forward sales		(184,207,005)	(98,148,051)	(73,109,756)	(12,359,294)	(589,904)	-	-	-	-	-	-
Government Securities transactions - forward purchases		21,450,842	21,450,842	-	-	-	-	-	-	-	-	-
Government Securities transactions - forward sales		(2,932,656)	(2,932,656)	-	-	-	-	-	-	-	-	-
Foreign currency options purchases		2,289,956	514,729	1,775,227	-	-	-	-	-	-	-	-
Foreign currency options sales		(2,289,956)	(514,729)	(1,775,227)	-	-	-	-	-	-	-	-
Cross Currency Swaps - purchases		18,112,623	624,000	158,900	-	454,894	2,291,298	1,857,701	-	9,520,179	3,205,651	-
Cross Currency Swaps - sales		(28,827,498)	(1,056,977)	(281,861)	-	(752,005)	(4,293,880)	(3,733,294)	-	(13,659,476)	(5,050,005)	-
Interest rate swaps - sales		(1,575,000)	-	-	-	(1,000,000)	(375,000)	(200,000)	-	-	-	-
Off-balance sheet gap		<u>112,335,566</u>	<u>23,354,407</u>	<u>47,306,184</u>	<u>52,026,201</u>	<u>85,600</u>	<u>(2,377,582)</u>	<u>(2,075,593)</u>	<u>-</u>	<u>(4,139,297)</u>	<u>(1,844,354)</u>	<u>-</u>
Total yield / interest risk sensitivity gap			<u>293,155,373</u>	<u>(1,005,964,746)</u>	<u>875,099,233</u>	<u>302,543,686</u>	<u>105,810,635</u>	<u>114,763,114</u>	<u>86,249,306</u>	<u>150,991,923</u>	<u>11,126,476</u>	<u>(633,894,435)</u>
Cumulative yield / Interest rate risk sensitivity gap			<u>293,155,373</u>	<u>(712,809,373)</u>	<u>162,289,860</u>	<u>464,833,546</u>	<u>570,644,181</u>	<u>685,407,295</u>	<u>771,656,601</u>	<u>922,648,524</u>	<u>933,775,000</u>	<u>299,880,565</u>

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2022

Effective yield / interest rate	Exposed to yield / interest risk										Not exposed to yield / interest risk	
	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years		
(Rupees in '000)												
On-balance sheet assets												
Financial Assets												
Cash and balances with treasury banks	0.13%	257,368,084	36,714,920	78,365	-	-	-	-	-	-	-	220,574,799
Balances with other banks	1.28%	31,319,141	17,691,989	2,083,508	-	567,535	-	-	-	-	-	10,976,109
Lendings to financial institutions	12.70%	254,593,287	254,593,287	-	-	-	-	-	-	-	-	-
Investments	11.64%	1,882,075,268	477,987,527	325,239,200	493,984,963	75,582,050	136,623,274	113,777,941	39,540,011	125,268,160	48,224,107	45,848,035
Advances	11.49%	1,622,607,447	506,220,285	759,970,517	188,156,432	37,948,511	20,890,595	26,388,535	45,256,618	28,990,315	256,804	8,528,835
Other assets		152,049,139	-	-	-	-	-	-	-	-	-	152,049,139
		<u>4,200,012,366</u>	<u>1,293,208,008</u>	<u>1,087,371,590</u>	<u>682,141,395</u>	<u>114,098,096</u>	<u>157,513,869</u>	<u>140,166,476</u>	<u>84,796,629</u>	<u>154,258,475</u>	<u>48,480,911</u>	<u>437,976,917</u>
Financial Liabilities												
Bills payable		51,676,520	-	-	-	-	-	-	-	-	-	51,676,520
Borrowings	8.73%	579,004,938	55,070,996	317,583,438	16,682,827	34,998,781	23,588,587	3,869,837	13,269,544	68,249,120	45,691,808	-
Deposits and other accounts	6.25%	3,234,176,418	271,297,675	1,483,559,841	80,627,556	94,566,914	10,639,144	5,081,682	18,167,433	7,987,650	1,006,254	1,261,242,269
Subordinated debt	15.20%	18,874,000	-	18,874,000	-	-	-	-	-	-	-	-
Other liabilities												
Lease liability against right-of-use asset	12.09%	24,293,254	121,753	237,002	360,441	715,821	1,431,435	1,417,372	2,716,553	6,102,754	11,190,123	-
Others		171,170,133	-	-	-	-	-	-	-	-	-	171,170,133
		<u>4,079,195,263</u>	<u>326,490,424</u>	<u>1,820,254,281</u>	<u>97,670,824</u>	<u>130,281,516</u>	<u>35,659,166</u>	<u>10,368,891</u>	<u>34,153,530</u>	<u>82,339,524</u>	<u>57,888,185</u>	<u>1,484,088,922</u>
On-balance sheet gap		<u>120,817,103</u>	<u>966,717,584</u>	<u>(732,882,691)</u>	<u>584,470,571</u>	<u>(16,183,420)</u>	<u>121,854,703</u>	<u>129,797,585</u>	<u>50,643,099</u>	<u>71,918,951</u>	<u>(9,407,274)</u>	<u>(1,046,112,005)</u>
Net non - financial assets		<u>132,958,413</u>										
Total net assets		<u>253,775,516</u>										
Off-balance sheet financial instruments												
Foreign exchange contracts - forward purchases		268,910,504	113,872,568	75,506,005	73,975,086	5,556,844	-	-	-	-	-	-
Foreign exchange contracts - forward sales		(134,878,509)	(82,486,646)	(27,960,540)	(19,245,422)	(5,016,085)	-	(169,816)	-	-	-	-
Government Securities transactions - forward purchases		117,020,407	115,303,606	1,331,036	385,765	-	-	-	-	-	-	-
Government Securities transactions - forward sales		(15,275,533)	(15,275,533)	-	-	-	-	-	-	-	-	-
Foreign currency options purchases		4,052,296	1,163,056	1,118,993	1,770,247	-	-	-	-	-	-	-
Foreign currency options sales		(4,052,296)	(1,163,056)	(1,118,993)	(1,770,247)	-	-	-	-	-	-	-
Cross Currency Swaps - purchases		23,863,687	2,746,513	308,700	-	709,425	2,394,210	166,808	5,947,340	8,012,291	3,578,400	-
Cross Currency Swaps - sales		(30,407,998)	(3,319,106)	(452,862)	-	(679,293)	(3,266,252)	(169,816)	(8,918,301)	(9,073,750)	(4,528,618)	-
Interest rate swaps - sales		(3,033,333)	-	(208,333)	-	-	(1,000,000)	(1,625,000)	(200,000)	-	-	-
Off-balance sheet gap		<u>226,199,225</u>	<u>130,841,402</u>	<u>48,524,006</u>	<u>55,115,429</u>	<u>570,891</u>	<u>(1,872,042)</u>	<u>(1,797,824)</u>	<u>(3,170,961)</u>	<u>(1,061,459)</u>	<u>(950,218)</u>	<u>-</u>
Total yield / interest risk sensitivity gap		<u>1,097,558,986</u>	<u>(684,358,685)</u>	<u>639,586,000</u>	<u>(15,612,529)</u>	<u>119,982,661</u>	<u>127,999,761</u>	<u>47,472,138</u>	<u>70,857,492</u>	<u>(10,357,492)</u>	<u>(1,046,112,005)</u>	
Cumulative yield / Interest rate risk sensitivity gap		<u>1,097,558,986</u>	<u>413,200,301</u>	<u>1,052,786,301</u>	<u>1,037,173,772</u>	<u>1,157,156,433</u>	<u>1,285,156,194</u>	<u>1,332,628,332</u>	<u>1,403,485,824</u>	<u>1,393,128,332</u>	<u>347,016,327</u>	

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44.3 Enterprise Risk Management (ERM)

The Bank's ERM framework, approved by the Board, outlines the essential ERM components, principles and concepts, and the use of a common ERM language, while providing a clear direction and guidance for integrated risk management within the Bank. Day-to-day responsibility for risk management is distributed through the delegation of accountability to individuals, with reporting and escalation facilitated through a governance structure. Standards, policies, and limits are well defined to ensure tasks and processes are consistently controlled.

A Bank-wide Integrated Risk and Control Repository (IRCR) is fully embedded in the organization with the objective of identifying and assessing all risks and issues in a holistic manner and ensuring that they are adequately monitored and mitigated.

44.3.1 Operational Risk Management (ORM)

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

A comprehensive ORM framework is in place which addresses all significant aspects of ORM. The Bank uses loss data management, Risk and Control Self Assessments (as part of IRCR self-testing) and tracking of Key Risk Indicators to gauge the likelihood and severity of operational risk. Operational Risk coordinators are present in all departments and are responsible for implementation of the framework in coordination with the ORM department. A specialized SAS software is used for tracking operational risk issues, leading to identification of prevalent themes to better mitigate operational risks issues faced by the Bank. An Operational Risk Management Committee (ORMC) monitors and oversees operational risk issues.

The Bank uses stress testing to proactively assess impacts to the Bank. Operational risk reports are regularly submitted to the senior risk forums and to the BRMC.

44.3.2 Business Continuity Management (BCM)

The Bank maintains a well-defined business continuity plan with clearly defined roles, responsibilities and ownership for crisis management, to ensure business continuity and IT disaster recovery. The Bank's Business Continuity Steering Committee includes representation from the senior management of the Bank and is the governing body for BCM. It meets on a periodic basis to review key initiatives, testing results and action plans for strengthening the Bank's ability to manage crisis situations. The Bank's business continuity program complies with the regulatory framework and with the leading BCM standard, ISO 22301. The business continuity program is subject to regular internal, external and regulatory reviews and audits.

44.3.3 IT related controls

The Bank's governance structures have been reviewed and updated to ensure alignment with contemporary industry standards and technological innovations. This approach has established robust and adaptable governance mechanisms, capable of navigating the complexities of the modern digital landscape.

The Bank's compliance measures have been rigorously aligned with regulatory standards, ensuring adherence to the highest levels of compliance. Enhancements in cloud computing arrangements has enabled the Bank to utilize cloud technology more effectively, offering scalable and secure solutions.

Additionally, substantial improvements in IT service management have led to redefining the enterprise change management and incident management processes. The integration of best practices and innovative solutions has uplifted the Bank's overall operational efficiency. Change management frameworks have been further reinforced to ensure that IT changes are integrated smoothly and efficiently, minimizing disruptions and enhancing system stability.

Overall, the collective efforts in developing and updating IT governance frameworks, coupled with IT service management have enhanced the Bank's operational resilience.

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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44.3.4 Information Security Risk

It is the Bank's priority to protect its customers and their data from cyberattacks and data breaches. The Bank's Information Security Group is responsible for protecting the Bank's data assets from both internal and external threats through effective cybersecurity risk management, supported by preventive and detective controls capable of responding to emerging threats. The Bank's 24x7 Security Operations Centre continues to contribute to a robust security posture through continuous monitoring, detection, and preventive mechanisms.

The Bank runs regular information security awareness campaigns to provide internal training and guidance on information security related matters. These are supplemented by targeted awareness enhancement campaigns for customers, using multiple delivery channels, to better equip them to counter ever-increasing security challenges. The Bank also completes an annual certification of compliance to the SWIFT Customer Security Program as well as to ISO 27001.

The Bank continues to strengthen its cyber-defenses through the use of advanced automation and modern technologies, in particular, AI and machine learning, while proactively mitigating against advanced security threats.

44.4 Liquidity Risk Management

Liquidity risk is the risk that the Bank may be unable to meet its cash obligations as they become due, or to fund assets at a reasonable cost, because of the inability to liquidate assets, or to obtain adequate funding.

The Bank follows a comprehensive liquidity risk management policy duly approved by the Board. The policy provides guidelines for establishing a robust liquidity risk management framework which helps in identifying the key liquidity and funding risks to which the bank is exposed, describes how these risks are identified, measured, monitored and reported, and prescribes the techniques and resources used to manage and mitigate these risks. The policy stipulates maintenance of various ratios, funding preferences, and evaluation of the Bank's liquidity under normal and crisis situations (stress testing). The Bank also has a Contingency Funding Plan in place to address liquidity issues in times of crisis. This plan identifies early warning indicators to preempt unforeseen liquidity crises. Triggers are used to ascertain potential stress scenarios.

The Bank's ALCO is responsible for the formulation of overall strategy and oversight of asset and liability management. Liquidity Risk is monitored using a range of metrics, including Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR); liquidity gaps and various liquidity ratios are regularly monitored by Market Risk Management. Liquidity risk is reviewed by ALCO on a monthly basis and an update is provided to the BRMC on a quarterly basis.

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44.4.1 Maturities of Assets and Liabilities - based on contractual maturity of the assets and liabilities of the Bank

	2023												
Total	Upto 1 day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 month	Over 1 to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 to 9 months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years
----- (Rupees in '000) -----													
Assets													
Cash and balances with treasury banks	505,181,227	504,198,060	911,719	-	71,448	-	-	-	-	-	-	-	-
Balances with other banks	43,012,856	25,511,050	-	-	14,362,304	-	2,467,397	-	-	672,105	-	-	-
Lendings to financial institutions	88,598,160	-	17,000,000	71,598,160	-	-	-	-	-	-	-	-	-
Investments	2,499,929,784	69,146,291	3,811,243	8,014,948	6,359,269	-	-	-	-	741,610,371	410,748,588	227,568,290	296,017,761
Advances	1,664,016,203	307,700,892	111,560,309	20,916,615	20,902,778	37,821,879	26,443,013	57,325,690	78,426,643	98,459,539	199,740,607	182,334,998	197,512,123
Fixed assets	135,671,758	96,700	580,200	676,901	1,574,387	826,862	826,862	2,480,587	2,480,587	2,480,587	14,737,348	9,922,343	10,141,640
Intangible assets	14,988,816	52,161	312,963	365,124	839,966	164,189	164,189	492,566	492,566	492,566	7,138,001	1,970,264	2,504,261
Deferred tax assets	11,405,839	3,707	22,244	25,952	63,026	736,390	736,390	971,208	511,548	511,548	(656,782)	1,749,852	3,696,663
Other assets	238,866,520	2,335,581	14,012,844	16,348,318	36,627,066	30,522,255	28,976,701	77,221,366	13,661,962	13,661,962	5,066,507	191,591	-
	5,201,671,163	909,044,442	148,211,522	117,946,018	80,800,244	70,071,575	59,614,552	138,491,417	95,573,306	857,888,678	636,774,269	423,737,338	509,872,448
Liabilities													
Bills payable	51,228,670	51,228,670	-	-	-	-	-	-	-	-	-	-	-
Borrowings	659,342,821	470,727	5,141,029	30,938,662	67,290,959	166,663,463	46,140,712	217,744,975	21,390,720	20,639,205	900,347	654,617	14,770,726
Deposits and other accounts	3,870,179,912	3,174,640,089	49,343,043	33,380,803	55,300,859	51,867,013	89,136,584	194,195,634	59,409,293	111,109,922	23,308,252	11,169,045	8,619,260
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities													
Lease liability against right-of-use asset	26,864,447	-	-	-	134,640	129,391	132,696	398,591	395,538	396,045	1,582,938	1,567,386	3,004,072
Others	241,401,905	7,561,705	45,370,230	52,931,935	125,789,033	-	-	9,749,002	-	-	-	-	-
	4,867,891,755	3,233,901,191	99,854,302	117,251,400	248,515,491	218,659,867	135,409,992	422,088,202	81,195,551	132,145,172	25,791,537	13,391,048	26,394,058
Net assets	333,779,408	(2,324,856,749)	48,357,220	694,618	(167,715,247)	(148,588,292)	(75,795,440)	(283,596,785)	14,377,755	725,743,506	610,982,732	410,346,290	483,478,390
Share capital	14,668,525												
Reserves	86,239,700												
Surplus on revaluation of assets													
- net of tax	26,379,538												
Unappropriated profit	206,491,645												
	<u>333,779,408</u>												

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FOR THE YEAR ENDED DECEMBER 31, 2023**

	2022													
Total	Upto 1 day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 month	Over 1 to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 to 9 months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years	
(Rupees in '000)														
Assets														
Cash and balances with treasury banks	257,368,084	256,289,743	999,976	-	78,365	-	-	-	-	-	-	-	-	
Balances with other banks	31,319,141	16,540,351	-	-	12,127,747	-	2,083,508	-	-	567,535	-	-	-	
Lendings to financial institutions	254,593,287	-	254,593,287	-	-	-	-	-	-	-	-	-	-	
Investments	1,882,075,268	-	-	-	125,747,706	-	235,284,800	84,050,205	249,569,755	207,872,101	324,793,532	111,986,622	434,675,047	108,095,500
Advances	1,622,607,447	257,479,213	99,585,149	18,549,526	18,915,499	35,756,783	26,788,771	59,302,036	78,559,746	96,478,225	207,272,291	182,647,435	220,030,191	321,242,582
Fixed assets	109,326,287	188,976	1,133,854	1,322,829	3,046,888	708,021	708,021	2,124,062	2,124,062	2,124,062	10,789,464	8,496,244	9,123,881	67,435,923
Intangible assets	11,840,205	63,635	381,811	445,447	1,022,433	129,835	129,835	389,505	389,505	389,505	4,960,379	1,558,024	1,980,291	-
Deferred tax assets	16,939,758	5,498	32,991	38,489	93,474	1,059,329	1,059,329	1,407,100	749,562	749,562	53,607	1,897,521	4,057,179	5,736,117
Other assets	169,027,440	957,390	5,736,525	6,692,612	15,312,835	23,683,363	21,650,798	54,958,141	13,858,291	13,858,291	11,913,452	175,125	-	230,617
	4,355,096,917	531,524,806	362,463,593	27,048,903	176,344,947	61,337,331	287,705,062	202,231,049	345,250,921	322,039,281	559,782,725	306,760,971	669,866,589	502,740,739
Liabilities														
Bills payable	51,676,520	51,676,520	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	579,004,938	348,674	22,624,531	36,114,622	172,380	131,873,741	44,024,208	185,372,153	19,846,991	51,895,548	949,508	690,690	15,771,055	69,320,837
Deposits and other accounts	3,234,176,418	2,684,008,937	38,605,900	25,892,005	43,348,314	41,124,471	70,093,657	153,988,139	47,318,912	88,168,502	18,653,854	9,018,016	6,931,134	7,024,577
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	-	-	-	-	18,874,000
Other liabilities														
Lease liability against right-of-use asset	24,293,255	-	-	-	121,753	117,007	119,996	360,441	357,681	358,140	1,431,435	1,417,372	2,716,555	17,292,875
Others	193,296,270	6,139,848	36,839,089	42,978,937	101,270,833	-	6,067,563	-	-	-	-	-	-	-
	4,101,321,401	2,742,173,979	98,069,520	104,985,564	144,913,280	173,115,219	120,305,424	339,720,733	67,523,584	140,422,190	21,034,797	11,126,078	25,418,744	112,512,289
Net assets	253,775,516	(2,210,649,173)	264,394,073	(77,936,661)	31,431,667	(111,777,888)	167,399,638	(137,489,684)	277,727,337	181,617,091	538,747,928	295,634,893	644,447,845	390,228,450
Share capital	14,668,525													
Reserves	71,735,697													
Surplus on revaluation of assets														
- net of tax	1,984,774													
Unappropriated profit	165,386,520													
	253,775,516													

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44.4.2 Maturities of assets and liabilities - based on expected maturities of the assets and liabilities of the Bank

Assets and liabilities which have contractual maturities have been reported as per their remaining maturities. Assets and liabilities which do not have any contractual maturities have been reported as per their expected maturities calculated on the basis of a behavioral study approved by ALCO.

	2023									
	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
----- (Rupees in '000) -----										
Assets										
Cash and balances with treasury banks	505,181,227	341,096,518	11,812,539	17,679,066	26,724,791	18,753,315	12,504,404	17,283,996	30,709,400	28,617,198
Balances with other banks	43,012,856	43,012,856	-	-	-	-	-	-	-	-
Lendings to financial institutions	88,598,160	88,598,160	-	-	-	-	-	-	-	-
Investments	2,499,929,784	33,914,665	290,642,224	117,838,266	442,883,425	382,861,053	219,867,072	268,551,710	622,880,954	120,490,415
Advances	1,664,016,203	197,022,648	119,020,570	98,414,589	153,532,048	256,570,775	197,447,225	251,789,469	307,220,826	82,998,053
Fixed assets	135,671,758	3,026,432	1,881,927	2,822,891	5,645,782	16,106,565	11,291,564	14,751,700	5,433,062	74,711,835
Intangible assets	14,988,816	1,557,736	309,720	464,581	929,161	7,026,060	1,858,323	2,843,235	-	-
Deferred tax assets	11,405,839	211,508	434,869	829,814	3,233,753	(334,149)	2,230,161	3,381,282	8,778,213	(7,359,612)
Other assets	238,866,520	66,901,656	61,143,692	78,435,747	26,979,591	5,236,174	-	169,660	-	-
	<u>5,201,671,163</u>	<u>775,342,179</u>	<u>485,245,541</u>	<u>316,484,954</u>	<u>659,928,551</u>	<u>686,219,793</u>	<u>445,198,749</u>	<u>558,771,052</u>	<u>975,022,455</u>	<u>299,457,889</u>
Liabilities										
Bills payable	51,228,670	20,085,865	-	31,142,805	-	-	-	-	-	-
Borrowings	659,342,821	397,742,608	107,295,231	51,417,292	3,602,927	7,827,500	4,411,945	18,192,621	68,672,175	180,522
Deposits and other accounts	3,870,179,912	958,972,159	281,251,518	353,728,901	499,263,455	310,325,517	205,539,836	285,175,952	506,661,542	469,261,032
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	18,874,000
Other liabilities										
Lease liability against right-of-use asset	26,864,447	134,640	262,086	398,591	791,583	1,582,938	1,567,386	3,004,070	6,748,668	12,374,485
Others	241,401,905	86,176,198	65,961,326	39,390,599	27,321,265	2,746,942	819,076	1,638,153	17,209,101	139,245
	<u>4,867,891,755</u>	<u>1,463,111,470</u>	<u>454,770,161</u>	<u>476,078,188</u>	<u>530,979,230</u>	<u>322,482,897</u>	<u>212,338,243</u>	<u>308,010,796</u>	<u>599,291,486</u>	<u>500,829,284</u>
Net assets	<u>333,779,408</u>	<u>(687,769,291)</u>	<u>30,475,380</u>	<u>(159,593,234)</u>	<u>128,949,321</u>	<u>363,736,896</u>	<u>232,860,506</u>	<u>250,760,256</u>	<u>375,730,969</u>	<u>(201,371,395)</u>
Share capital	14,668,525									
Reserves	86,239,700									
Surplus on revaluation of assets - net of tax	26,379,538									
Unappropriated profit	206,491,645									
	<u>333,779,408</u>									

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2022									
	Total	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Over 10 years
	(Rupees in '000)									
Assets										
Cash and balances with treasury banks	257,368,084	171,749,079	4,828,207	9,287,517	12,764,975	10,032,402	6,963,382	9,341,767	16,665,452	15,735,303
Balances with other banks	31,319,141	30,751,606	-	-	567,535	-	-	-	-	-
lendings to financial institutions	254,593,287	254,593,287	-	-	-	-	-	-	-	-
Investments	1,882,075,268	125,747,707	235,284,801	84,050,205	249,569,755	207,872,101	324,793,532	111,986,621	434,675,046	108,095,500
Advances	1,622,607,447	230,632,596	108,932,586	61,126,791	167,078,826	256,692,413	200,534,646	251,000,941	273,966,637	72,642,011
Fixed assets	109,326,287	5,678,969	1,416,041	2,124,062	4,248,123	10,789,464	8,496,246	9,133,139	13,180,737	54,259,506
Intangible assets	11,840,205	2,174,415	259,670	389,505	779,011	4,696,801	1,558,022	1,982,781	-	-
Deferred tax assets	16,939,758	1,307,177	2,444,201	843,969	2,543,210	(1,030,533)	3,910,531	2,265,361	7,463,704	(2,807,862)
Other assets	169,027,440	26,559,040	46,946,801	55,922,276	27,201,525	12,321,999	-	75,799	-	-
	<u>4,355,096,917</u>	<u>849,193,876</u>	<u>400,112,307</u>	<u>213,744,325</u>	<u>464,752,960</u>	<u>501,374,647</u>	<u>546,256,359</u>	<u>385,786,409</u>	<u>745,951,576</u>	<u>247,924,458</u>
Liabilities										
Bills payable	51,676,520	20,107,377	-	31,569,143	-	-	-	-	-	-
Borrowings	579,004,938	325,962,752	57,362,510	52,353,543	8,561,852	16,495,756	6,892,747	20,084,490	91,101,987	189,301
Deposits and other accounts	3,234,176,418	775,306,145	190,508,075	302,434,603	390,326,221	275,530,836	190,033,031	250,688,768	444,835,869	414,512,870
Subordinated debt	18,874,000	-	-	-	-	-	-	-	-	18,874,000
Other liabilities										
Lease liability against right-of-use asset	24,293,255	121,753	237,002	360,441	715,821	1,431,435	1,417,372	2,716,553	6,102,754	11,190,124
Others	193,296,270	71,154,869	37,932,790	14,062,252	4,153,895	9,263,623	7,700,367	15,400,734	33,491,579	136,161
	<u>4,101,321,401</u>	<u>1,192,652,896</u>	<u>286,040,377</u>	<u>400,779,982</u>	<u>403,757,789</u>	<u>302,721,650</u>	<u>206,043,517</u>	<u>288,890,545</u>	<u>575,532,189</u>	<u>444,902,456</u>
Net assets	<u>253,775,516</u>	<u>(343,459,020)</u>	<u>114,071,930</u>	<u>(187,035,657)</u>	<u>60,995,171</u>	<u>198,652,997</u>	<u>340,212,842</u>	<u>96,895,864</u>	<u>170,419,387</u>	<u>(196,977,998)</u>
Share capital	14,668,525									
Reserves	71,735,697									
Surplus on revaluation of assets - net of tax	1,984,774									
Unappropriated profit	165,386,520									
	<u>253,775,516</u>									

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

44.5 Derivatives Risk

The policy guidelines for derivatives exposures are approved by the Board.

The responsibility for derivatives activity lies with the Treasury and Global Markets business. Measurement and monitoring of market and credit risk limits and exposure, and their reporting to senior management and the Board is done by the Market Risk Management (MRM) unit within Risk Management. MRM, in coordination with the business, also presents limits for review and approval to ALCO and the BRMC. Treasury Operations records derivatives activity in the Bank's books, executes settlements of trades and carries out regulatory reporting to the SBP.

44.5.1 Credit Risk

Credit risk is the risk of non-performance by a counterparty which could result in an adverse impact on the Bank's profitability. The credit risk associated with derivative transactions is categorized into settlement risk and pre-settlement risk. Pre-settlement and settlement risk limits for derivative transactions are determined and monitored daily using an approved framework.

44.5.2 Market Risk

The Bank, as a policy, hedges all Options transactions back-to-back. The Bank minimizes the exchange rate risk on its Cross Currency Swaps portfolio by hedging the exposure in the interbank market on a rolling basis. The Bank also manages the interest rate risk of Interest Rate Derivatives and Cross Currency Swaps through Price Value of a Basis Point (PVBP) limits which are monitored and reported by MRM to senior management on a daily basis. These limits are approved by ALCO annually and then approved by the Board on the recommendation of the BRMC.

44.5.3 Operational Risk

The Bank has put in place a robust control framework for derivatives transactions. Front office staff dealing in derivatives have the requisite training and experience to conduct this business; responsibilities have been divided amongst the Structuring Desk (tasked with the overall ownership of derivatives and structured products), Treasury Sales (who are involved in marketing and executing transactions with the Bank's client base) and Trading (which proactively manages the risk from a business perspective).

A detailed product program, approved by the Board, governs the entire value chain for derivatives, including credit and market risk management, booking, sales and settlement. There is a clear segregation of duties whereby operational aspects are handled by Treasury Operations, whereas all risk issues are the responsibility of the Risk department. MRM carries out daily monitoring of exposures, while, Compliance monitors any deviation from approved policies and procedures. Internal Audit also regularly reviews systems, transactional processes, accounting practices and end-user roles and responsibilities as part of their reviews of this function.

44.5.4 Liquidity Risk

The types of derivative transactions entered into by HBL are typically straightforward, or 'vanilla' transactions, whereby the Bank is exposed to a negligible amount of liquidity risk.

45 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

45.1 The Board of Directors, in its meeting held on February 23, 2024, has proposed a final cash dividend of Rs 4.00 per share for the year 2023. This is in addition to the Rs 5.75 already paid during the year bringing the total dividend for the year to Rs 9.75 per share (2022: Rs 6.75 per share). This appropriation is expected to be approved by the shareholders in the forthcoming Annual General Meeting. The unconsolidated financial statements for the year ended December 31, 2023 do not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending December 31, 2024.

46 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue in the Board of Directors meeting held on February 23, 2024.

47 GENERAL

47.1 Comparative figures have been re-arranged and reclassified for comparison purposes.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Director

**Islamic banking business - Unconsolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2023**

ANNEXURE-I

Details of the Islamic banking business for the year ended December 31, 2023 is disclosed in Annexure I of the consolidated financial statements.

**Details of advances written-off - Unconsolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2023**

ANNEXURE-II

Details of advances written-off for the year ended December 31, 2023 are disclosed in Annexure II of the consolidated financial statements.

**Details of disposal of fixed assets to related parties- Unconsolidated Financial Statements
FOR THE YEAR ENDED DECEMBER 31, 2023**

ANNEXURE-III

Details of disposal of fixed assets to related parties for the year ended December 31, 2023 are disclosed in Annexure III of the consolidated financial statements.