



# Leading the way

in Asia, Africa and the Middle East

# Standard Chartered Bank (Pakistan) Ltd.

## Points of Interest

- In 2013, Standard Chartered commences its 150 year presence in Pakistan.
- The Bank's first agency office was opened in Karachi on 23 March 1863.
- The largest international Bank in Pakistan with 130 branches\* in 29 cities \*
- The first international Bank to get an Islamic Banking license and to open the first Islamic Banking branch in Pakistan
- Credit Ratings of AAA / A1+ (long and short term respectively).

## Strong Recognition by Stakeholders

### Finance Asia Country Awards 2012

Best Foreign Commercial Bank in Pakistan (second consecutive year)

### The Asset Triple A Awards for 2012

Best Bank in Pakistan (second consecutive year)

Best Debt House in Pakistan (fourth consecutive year)

### Global Finance Awards 2012

Best Foreign Exchange Provider in Pakistan (third consecutive year)

Best Consumer Internet Bank

## What we stand for

<b>Strategic intent</b>				
The world's best international Bank Leading the way in Asia, Africa and the Middle East				
<b>Brand promise</b>				
Here for good				
<b>Values</b>				
<b>Courageous</b> We stand up for what we believe is right	<b>Responsive</b> We deliver thoughtful, timely, high quality solutions	<b>International</b> We value our diversity and collaborate as one team	<b>Creative</b> We continuously improve the way we work	<b>Trustworthy</b> We are reliable, open and honest
<b>Competitive Positioning</b>				
<b>Delivery</b> Collaborating to combine global capability and deep local knowledge to provide innovative solutions	<b>Customers &amp; Clients</b> Building long term relationships with our customers and clients, delighting them with our service and solutions		<b>Discipline</b> Balancing the pursuit of growth with firm control of costs and risks	
<b>Commitment to Stakeholders</b>				
<b>Our People</b> A great place to work, enabling individuals to grow and teams to succeed	<b>Communities</b> Trusted and caring, dedicated to being a force for good	<b>Investors</b> A distinctive investment, delivering consistently superior performance	<b>Regulators</b> Demonstrating exemplary governance and ethics	

\* As of 31 December 2012



**Standard Chartered Bank (Pakistan) Limited - Board of Directors**  
Left to Right: Raheel Ahmed, Shahid Zaki, Najam I. Chaudhri, Christos Papadopoulos (Chairman),  
Mohsin A. Nathani (Chief Executive), Parvez Ghias



**Standard Chartered Bank (Pakistan) Limited**  
Executive Committee Members

## Company Information

### Board of Directors

Mr. Christos Papadopoulos	Chairman
Mr. Mohsin Ali Nathani	Chief Executive Officer
Mr. Ray Duggins	
Mr. Raheel Ahmed	
Mr. Najam I. Chaudhri	
Mr. Shahid Zaki	
Mr. Parvez Ghias	

### Company Secretary

Mr. Asif Iqbal Alam

### Audit Committee

Mr. Najam I. Chaudhri	Chairman
Mr. Shahid Zaki	Member
Mr. Ray Duggins	Member

### Human Resource & Remuneration Committee

Mr. Christos Papadopoulos	Chairman
Mr. Mohsin Ali Nathani	Member
Mr. Parvez Ghias	Member

### Auditors

M/s KPMG Taseer Hadi & Co  
Chartered Accountants

### Legal Advisors

Haidermota & Co  
Barristers at Law & Corporate Counselors

### Registered Office

Standard Chartered Bank (Pakistan) Limited  
P.O. Box No. 5556, I.I. Chundrigar Road  
Karachi 74000 Pakistan  
Tel: (021) 32450000  
Fax: (021) 32414914

### Main Office

Standard Chartered Bank (Pakistan) Limited  
P.O. Box No. 5556, I.I. Chundrigar Road  
Karachi 74000 Pakistan  
Tel: (021) 32450000  
Fax: (021) 32414914

### Website

[www.standardchartered.com.pk](http://www.standardchartered.com.pk)

### Registrar and Share Transfer Office

M/s Central Depository Company of Pakistan Limited  
(Share Registrar Department)  
CDC House, 99-B, Block B  
SMCHS, Main Shakra-e-Faisal  
Karachi 74400  
Toll Free: 0800-CDCPL (23275)  
Fax: (021) 35655595  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)

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# STANDARD CHARTERED BANK (PAKISTAN) LIMITED NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Seventh Annual General Meeting of the shareholders of **Standard Chartered Bank (Pakistan) Limited ("Bank")** will be held on Thursday, March 28, 2013 at 4:00 PM at Moosa G. Desai Auditorium, Institute of Chartered Accountants of Pakistan, ICAP House, Block 8, Clifton Karachi, to transact the following business:

## A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts (consolidated and unconsolidated) of the Bank and its subsidiaries for the year ended December 31, 2012 along with the Directors' and Auditors' Reports thereon.
2. To consider the appointment of external auditors namely M/s KPMG Taseer Hadi & Co., Chartered Accountants, for the year 2013 and to authorize the Chief Executive Officer and Chief Financial Officer to fix their remuneration. M/s KPMG Taseer Hadi & Co., Chartered Accountants, being eligible have offered themselves for re-appointment.
3. To consider and approve final cash dividend @12.5% (i.e. Rs. 1.25 per share) as recommended by the Board of Directors in addition to interim dividend of 7.5% already paid for the year 2012.

## B. SPECIAL BUSINESS

4. To grant approval to the remuneration paid to the Independent Non Executive Directors of the Bank for the year ended December 31, 2012 in accordance with the Articles of Association of the Bank and in that connection to pass the following resolution, as ordinary resolution, with or without modification, addition or deletion:

"RESOLVED THAT the decision of the Board of Directors of Standard Chartered Bank (Pakistan) Limited to pay a fee of Rs. 3,160,000 during the year ended December 31, 2012 to the independent non-executive members of the Board, in terms of their discretion under the Articles of Association of the Bank, be and is hereby confirmed and approved by the shareholders."

A statement of material facts under section 160 (1) (b) of the Companies Ordinance, 1984 relating to the aforesaid special business to be transacted in the said Annual General Meeting is appended below.

## C. OTHER BUSINESS

5. To transact any other business as may be placed before the meeting with the permission of the Chair.

By Order of the Board



**Asif Iqbal Alam**  
Company Secretary

Karachi: March 4, 2013

# NOTICE OF ANNUAL GENERAL MEETING

## Notes:

1. The Share Transfer Books of the Bank will remain closed from March 21, 2013 to March 28, 2013 (both days inclusive).
2. A member entitled to attend and vote at the above meeting is entitled to appoint another member as his/ her proxy to attend and vote instead of him/ her. Proxies, in order to be valid, must be received by the Bank at its registered office marked for the attention of the office of the Company Secretary, not less than forty-eight hours before the time for holding the meeting and must be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.
3. Members are requested to notify change in their address, if any, to the Share Registrars, M/s. Central Depository Company of Pakistan Limited (Share Registrar Department), CDC House, 99-B, Block B SMCHS, Main Shahra-et-Faisal, Karachi 74400, Toll Free: 0800-CDCPL (23275), Fax: (021) 35655595, Email: info@cdcpak.com.
4. In compliance with Securities and Exchange Commission of Pakistan's directive SRO 831(1)/2012 dated July 5, 2012, members are requested to provide a copy of their valid Computerized National Identity Card (CNIC), if they have not already done so, to our Share Registrar at their above referred office address.
5. **A. For attending the Meeting:**
  - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original CNIC or original passport at the time of attending the Meeting.
  - ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the Meeting.**B. For Appointing Proxies:**
  - i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
  - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
  - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - iv) The proxy shall produce his original CNIC or original passport at the time of the Meeting.
  - v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted along with proxy form to the Bank.

## Statement under section 160(1) (b)

The meeting fee payable to the independent non-executive members of the Board was approved by the Board of Directors in terms of Article 60 of the Articles of Association of the Bank. This meeting fee requires approval of the shareholders in Annual General Meeting in terms of paragraph C-2 of Regulation G-1 of prudential regulations for Corporate / Commercial Banking issued by the State Bank of Pakistan. The independent non-executive members of the Board are interested in the payment of fees and remaining members of the Board have no interest in the matter.



# Directors' Report

On behalf of the Board of Directors, I am pleased to present the Directors' Report of Standard Chartered Bank (Pakistan) Limited (SCBPL) along with the audited financial statements and auditors' report thereon for the year ended 31 December 2012.

## Economy

The macroeconomic conditions weakened during 2012 despite improvement in current account deficit and workers' remittances. CPI inflation softened to 6.9% by November 2012 - the lowest in the last 4 years which gave SBP space to cut policy rates by 250bps in H2-2012. However the same has increased again to 8.1% in January 2013.

Real GDP is expected to rise to 4% y/y in FY13 from 3.7% in FY12 while the current account has reflected a surplus after the release of USD 1.8 billion in US aid money. There are improvements in business confidence and the KSE 100 index has rallied 49% in 2012, making it one of the world's best-performing equity markets for the period. The security and political environment remains challenging.

Banks are well capitalised and highly liquid; profits rose 25% y/y in H1-2012. The spread between lending and deposit rates narrowed substantially and the banks' profitability was supported mainly by a decline in non-performing loans. Strong deposit growth and active liquidity management by the SBP have kept the markets sufficiently liquid.

However, concerns remain over the widening fiscal deficit and large external debt payments. External debt payments scheduled for FY13 total USD 6 billion (2.5% of GDP), including nearly USD 3 billion to the IMF. The official FX reserves declined to USD 8.9 billion as of end 2012 from USD 12.8 billion at end-2011. Concurrently, with a decline in net capital and financial flows, challenges on the balance of payments position are unlikely to subside.

## Operating Results and Business Overview

	December 31, 2012 (PKR millions)	December 31, 2011 (PKR millions)
<b>Balance Sheet</b>		
Paid-up capital	38,716	38,716
Total equity	54,292	54,589
Deposits	266,670	235,953
Advances - gross	159,646	151,610
Advances - net	135,184	129,620
Investments - net	131,977	104,375
<b>Profit and Loss</b>		
Revenue	26,796	26,755
Administrative expenses	13,856	13,240
Other non mark-up expenses	235	603
Operating profit (before provisions and tax)	12,705	12,912
Provisions (net of recoveries)	3,597	4,482
Profit before tax	9,108	8,430
Profit after tax	5,911	5,446

The bank continues to deliver consistent financial performance despite a challenging business environment and significant reduction in interest rates. Revenue has been resilient at PKR 26.8 billion despite reduction in net interest margins. Pre-tax profits have grown by 8% to PKR 9.1 billion in 2012, with earnings per share up at PKR 1.53 from PKR 1.41 in 2011.

Income from Consumer banking is stable and focus is on prudently building SME and retail assets portfolio while further enhancing a diversified cost effective retail liabilities base. Wholesale Banking income was slightly impacted due to the reduction in interest rates resulting in lower Net Interest Margins. However enhanced focus on Corporate Finance and Trading activities resulted in mitigating most of this impact.

Strategy of focused growth, improved cost discipline and prudent credit expansion has been successfully executed resulting in improved financial performance with steady revenue and reducing net provisions which were 20% lower than same period last year. Administrative costs increased by only 4.7% despite ongoing inflation and investments in the franchise. The cost to income ratio however remained more or less the same at 52%.

There has been an impressive growth in low cost CASA deposits, which enhanced by 18.7% and now accounts for around 88% of the total deposit base. Overall deposits increased by 13% to PKR 266.7 billion from PKR 235.9 billion in December 2011, while the bank's cost of funds decreased to 4.15% in 2012 despite increase in minimum profit on savings accounts. Both current and savings accounts continue to grow in double digits.

Advances (net of provisions) grew by 4.3% to PKR 135.2 billion from PKR 129.6 billion in December 2011. We continue to be prudent on provisioning against non-performing assets resulting in a high loss coverage ratio of 90%. Overall, the Bank is well capitalised with a Capital Adequacy Ratio of 14.28% and sufficiently liquid. Surplus funds continue to be deployed in Government Securities resulting in a low Advance to Deposits ratio of 51%.

## Outlook

Despite the challenging external environment we believe opportunities exist and intend to follow a prudent growth strategy at the back of the balance sheet strength, effective capital and risk management practices and unique global capabilities. In line with the strategic priorities, the bank will continue to focus on deepening client relationships, utilising cross selling opportunities and further improve customer service and engagement.

## Dividend

Final cash dividend of 12.5% (Rs. 1.25 per share) has been recommended by the Board of Directors for approval at the Seventh Annual General Meeting of the Bank's shareholders.

# Directors' Report

## External Annual Audit

The financial statements of SCBPL have been audited without any qualification by the auditors of the Bank, namely KPMG Taseer Hadi & Co., Chartered Accountants.

## Credit Rating

Pakistan Credit Rating Agency (PACRA) maintained the Bank's long-term and short-term ratings of "AAA" (Triple A) and "A1+" (A One Plus) respectively in 2012. The Bank's outstanding subordinated TFCs have also been assigned "AAA" rating. These ratings denote the lowest expectation of credit risk emanating from an exceptionally strong capacity for timely payment of financial commitments.

## Sustainability

As the largest International Bank in the country, with 130 branches in 29 cities of Pakistan, Standard Chartered is now truly a part of the social fabric of this country. Through our sustainability strategy we seek to strengthen relationships between our business, community, government and customers.

In Pakistan, the Bank's community efforts are focused on education and health. Through our education programme, the Bank has extended more than 3,500 scholarships to deserving students and supports institutions of both vocational and higher learning. Through our health programme, Seeing is Believing, we are contributing to the tackling of avoidable blindness, with more than 566,600 cataract operations funded to date. The Government of Pakistan has made Standard Chartered its official and only corporate partner.

The Bank extends support to a Hemodialysis facility, and also runs a programme called "Living with HIV" to create awareness about HIV and AIDS. To encourage employees to participate in these initiatives and engage with the communities, Standard Chartered provides three days paid volunteering leave to each member of staff. In 2012, SCBPL employees logged 4,555 volunteering days as opposed to 3,743 last year.

## Performance of the Group

In compliance with section 236(5) of the Companies Ordinance, 1984, attached with this report are the consolidated financial statements of SCBPL and its subsidiaries (the Group) namely - Standard Chartered Leasing Limited, Standard Chartered Services of Pakistan (Private) Limited and Standard Chartered Modarba, for the year ended December 31, 2012.

## Operating Results

	December 31, 2012 (PKR millions)	December 31, 2011 (PKR millions)
<b>Balance Sheet</b>		
Paid-up capital	38,716	38,716
Total equity	55,424	55,659
Deposits	266,599	235,875
Advances - gross	169,490	159,653
Advances - net	144,918	137,309
Investments - net	131,741	104,040
<b>Profit and Loss</b>		
Revenue	27,188	27,110
Administrative expenses	14,046	13,408
Non mark-up expenses	242	608
Operating profit (before provisions and tax)	12,900	13,094
Provisions (net of recoveries)	3,578	4,507
Profit before tax	9,322	8,586
Profit after tax	6,046	5,553

## Corporate Governance

As required by the Code of Corporate Governance (the Code), a prescribed statement by the Board, along with Auditors' Review Report thereon, forms part of this Annual Report.

The directors are pleased to give the following statement as required by clause (xvi) of the Code:

- The financial statements present fairly the Bank's state of affairs, results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Bank have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The International Financial Reporting Standards and International Accounting Standards as applicable in Pakistan have been followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no doubt upon the Bank's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- Summarized key operating and financial data is tabulated in this Annual Report.
- Details of Board and Audit Committee meetings held and attended by the directors/members form part of this report.
- All statutory liabilities, if any, have been adequately disclosed in the financial statements

# Directors' Report

## Statements on Internal Controls and Risk Management Framework

The management of SCBPL is responsible for establishing and maintaining a system of adequate internal controls and procedures. Management's statements on Internal Controls and Risk Management Framework form part of this Annual Report.

## Directors' Meetings

Five (5) meetings of the Board of Directors and four (4) meetings of Board Audit Committee were held during the year. Attendance by each director/member was as follows:

S. No.	Name of Director	Board of Directors Meetings		Board Audit Committee Meetings	
		Held during the tenor in the year	Attended*	Held during the tenor in the year	Attended *
1	Christos Papadopoulos	5	5	-	-
2	Mohsin Ali Nathani	5	5	-	-
3	Najam I. Chaudhri**	5	4	4	4
4	Parvez Ghias	5	5	-	-
5	Shahid Zaki**	5	5	4	4
6	Raheel Ahmed	5	3	-	-
7	Ray Duggins**	4	4	3	3

\* Leave of absence was granted to the Directors/Members who could not attend some of the meetings.

\*\* Member of Board Audit Committee.

## Statement of investments of Provident, Gratuity and Pension Funds

Value of investments including accrued income of provident and gratuity funds as at December 31, 2012 on the basis of un-audited accounts is:

	PKR '000
Provident Fund	1,783,847
Management Staff Gratuity Fund	977,330
Non- Management Staff Gratuity Fund	43,800
Management Staff Pension Fund	44,282
Non- Management Staff Pension Fund	78,093

## Pattern of Shareholding

The pattern of shareholding as required under section 236(2)(d) of the Companies Ordinance, 1984, and Clause (xvi) of the Code of Corporate Governance forms part of this Annual Report. At December 31, 2012, Standard Chartered Bank, UK (holding company) held 98.99% shares of SCBPL.

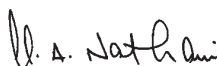
## External Auditors

The Audit Committee has suggested the name of KPMG Taseer Hadi & Co., Chartered Accountants as external auditors of the Bank for the next term. The Board of Directors, on the suggestion of Audit Committee recommended the name of retiring auditors KPMG Taseer Hadi & Co., Chartered Accountants as external auditors for the next term. The retiring auditors, being eligible, offer themselves for re-appointment in the forthcoming Annual General Meeting.

## Appreciation and Acknowledgment

We take this opportunity to express our gratitude to our customers and business partners for their continued support and trust. We offer sincere appreciation to the State Bank of Pakistan for their guidance and cooperation extended to the Bank. Finally, we are also thankful to our associates, staff and colleagues for their committed services provided to our valued customers.

On behalf of the Board



**Mohsin Ali Nathani**  
Chief Executive

Karachi: March 04, 2013

# Management's Statements on Internal Controls and Risk Management Framework

The following statements are made by the management to meet the requirements of the State Bank of Pakistan (SBP) BSD Circular letter No. 2 of 2005 and BSD Circular letter No. 3 of 2005.

## Internal Controls

Management of Standard Chartered Bank (Pakistan) Limited (the Bank) is responsible for establishing and maintaining a sound system of internal controls aimed at achieving the following objectives of the Bank:

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

1. The Management has adopted different strategies to ensure effective monitoring and improvement of internal controls. These include Internal Audit and Assurance and Operational Risk Management & Assurance Framework (ORMAF) in which assurance responsibilities are divided into three lines of defense i.e. first being the business function, second is the Operational Risk Assurance and support from Group Internal Audit is the third line of defense.
2. The policies and procedures in all significant areas and as per the directives of the regulators have been duly approved by the Board.
3. An organization structure has been established which supports clear lines of communication and tiered levels of authority with accountability.
4. The Bank has an effective Internal Audit Department, which reports directly to the Audit Committee of the Board. The department periodically carries out detailed risk-based reviews/audits of its branches and various departments / units based on a yearly plan which is approved by the Audit Committee.
5. Internal control policies, tools and reporting structures have been enhanced to provide greater clarity over roles and responsibilities. Relevant training materials have also been updated and deployment is underway.
6. Management gives due consideration to the recommendations made by the internal and external auditors for improvements in the internal control system and take action to implement such recommendations.
7. The management has put in place evaluation and approval procedures for major capital expenditure and other transactions.
8. There is an annual budgeting and strategic planning process. Financial forecasts are reviewed during the year on a periodic basis to reflect significant changes in business environment. Regular reporting and monitoring of financial performance of the departments and the Bank as a whole, using operating statistics and monthly management accounts which highlight key performance indicators and variance from budgets and forecasts is in place.
9. Review and implementation of health, safety, environment and contingency management processes and other significant policies are carried out and reporting mechanism is in place.
10. SCBPL has largely adopted the internationally accepted Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Controls Integrated Framework and available best international practices in relation to Internal Controls over Financial Reporting (ICFR) in compliance with SBP guidelines on Internal Controls. The Bank has devised a well defined and comprehensive Internal Control Program along the lines of staged roadmap, as suggested by SBP. Accordingly, the Bank has completed a detailed documentation of the existing processes and controls, together with a comprehensive gap analysis of the control design and development of implemented remediation plans for the gaps. Furthermore, the bank has developed a comprehensive management testing and reporting framework for ensuring ongoing operating effectiveness of majority of key controls and has significantly addressed the design improvement opportunities identified to complete the project related initiatives. Simultaneously, the bank has also deployed its resources in the form of a cross-functional dedicated team comprising personnel from various functions to complete the work on Quality Assurance/Validation on the implemented remediation plans, within the stipulated timeline and ensure the completion of the testing as per the Management Testing Plans.

# Management's Statements on Internal Controls and Risk Management Framework

In accordance with SBP directives, the Bank has completed all stages of ICFR roadmap and the Long Form Report (LFR) for the year 2012 issued by the external auditors has been submitted to SBP as per the given timeline, on December 31, 2012.

The Bank will continue enhancing its coverage and compliance with the SBP guidelines on Internal Controls and further strengthen its control environment on an ongoing basis.

## Risk Management Framework

The Bank in an effort to fully implement guidelines issued by State Bank of Pakistan (SBP) on risk management throughout the Bank, embarked on integrating enterprise wide risk management, which brings together various types of risks being faced by the entire organization under one umbrella. Through the risk management framework the Bank seeks to manage efficiently the core risk: credit, market and liquidity risk. These arise directly through the Bank's commercial activities whilst operational risk, reputational risk, pension risk, capital risk and strategic risk are normal consequences of any business undertaking.

The basic risk management principles followed by the Bank include:

**Balancing risk and return:** Risk is taken in line with the requirements of the Bank's stakeholders. Risk should be taken within the Bank's risk appetite, consistent with the approved strategy. Any such risks are avoided which have a material probability of causing financial distress to the Bank or its clients or customers.

**Responsibility:** Given the Bank is in the business of taking risk, it is everyone's responsibility to ensure that risk taking is both disciplined and focused. The Bank takes account of its social responsibilities and its commitment to customers in taking risk to produce a return.

**Accountability:** Risk is taken only within agreed authorities and where there is appropriate infrastructure and resource. All risk taking must be transparent, controlled and reported.

**Anticipation:** The Bank looks to anticipate future risks and to ensure awareness of all risk.

**Competitive Advantage:** The Bank seeks to achieve competitive advantage through efficient and effective risk management and control.

**Risk management:** The Bank aims to implement best practices and have a specialist risk function of international standards, with strength in depth, experience across risk types and economic scenarios.

Ultimate responsibility for the effective management of risk rests with the Company's Board of Directors. Acting within an authority delegated by the Board, the Executive Committee reviews specific risk areas and monitors the activities of the Risk Committee ("RC") and the Asset and Liability Committee ("ALCO").

RC headed by Chief Risk Officer (CRO), through authority delegated by the Board through the Bank's Executive Committee, is responsible for credit risk, market risk, operational risk, compliance and regulatory risk, legal risk and reputational risk. ALCO, through authority delegated by the Board through the Bank's Executive Committee, is responsible for management of the Bank's liquidity, capital adequacy and structural foreign exchange risk. The Pensions Executive Committee through authority delegated by the Board through the Bank's Executive Committee, is responsible for the management of pension risk.

The day to day responsibility for managing risk rests with CRO who oversees and manages the risk through a team of managers; Senior Credit Officer responsible for credit risk in Wholesale Bank, Head of Consumer Credit responsible for credit risk in Consumer Bank (including SME), Head of Special Assets Management responsible for remedial risk management, Head of Credit Risk Controls responsible for collateral management, security documentation, credit MIS and controls, Head of Market Risk responsible for liquidity risk and risks associated with price movements, arising from interest and exchange rate movements and Head of Operational Risk responsible for enterprise wide operations. The Bank has established policies, procedures, processes, and controls and have provided the Risk team adequate support by way of risk systems and tools for measuring and reporting risk for monitoring, controlling, reviewing and managing risk.

Following are the important factors of the risk management function within the Bank.

## Credit Risk

Credit risk is the risk that a counter party will not settle its obligations in accordance with agreed terms. Credit exposures may arise from lending, trade finance, securities and derivative exposures. Credit exposures include both individual borrowers and groups of connected counterparties and portfolios in the banking and trading books.

# Management's Statements on Internal Controls and Risk Management Framework

The Board of Directors has delegated down the authority to RC through the Bank's Executive Committee to establish risk appetite and make recommendations to the Board for approval of risk appetite and policies for managing credit risk. The CEO and the Executive Committee in turn rely on CRO and the Risk Committee to determine these and recommend for their support and Board's approval. The RC is also delegated down by the Board responsibility to delegate credit authorities to independent Risk Officers.

Credit risk appetite is established through business strategy papers and underwriting standards by the business managers, which are approved by the Board once recommended, and supported by the Executive Committee.

Specific procedures for managing credit risk within Wholesale and Consumer (including SME) are determined at the Senior Credit Officer and Head of Consumer Credit levels for their respective jurisdictions with specific policies and procedures being adapted to different risk environments and business goals. Credit analysis includes review of facility details, credit grade determination and financial spreading / ratio analysis. Portfolio review, Early Alerts and Stress Testing based on scenario analysis is a combined responsibility of Client Relationship and Risk and Finance function. Client relationship origination and credit approval roles are clearly segregated throughout Wholesale and Consumer Banks.

**Wholesale Banking:** Within the Wholesale Banking business, an alpha numerical risk grading system is used for quantifying the risk associated with a counter-party. The grading is based on a probability of default measure, with customers analysed against a range of quantitative and qualitative measures. Expected Loss is used for further assessment of individual exposures and portfolio analysis. There is a clear segregation of duties with loan applications being prepared separately from the approval chain.

**Consumer Banking:** For Consumer Banking, program based standard credit application forms are generally used, which are processed in central units for different products and market segments. Consumer Banking Analytics team has developed Bureau scores and uses Bureau data for portfolio monitoring and for underwriting new business. Medium enterprises relationship based business of Consumer Bank operates much like Wholesale banking with numerical risk grading system for quantifying counter party risk. As with Wholesale Banking, origination and approval roles are segregated.

## Market Risk

The Bank recognises market risk as the exposures created by potential changes in market prices and rates. Market risk exposures arise primarily from interest rate and foreign exchange related contracts. The Bank has no significant exposure to equity and commodity price risk.

Market risk is managed by the Head of Market Risk reporting directly to the CRO, who agrees policies and procedures and levels of risk appetite in terms of Value at Risk ("VaR"). Limits are then proposed by the business within the terms of agreed policy. These are agreed and delegated down by RC under delegated authority from the Board, and are monitored by the Head of Market Risk as part of an independent risk management function. Policies cover both trading and non-trading books. In addition to market risk policies, as well as VaR and other market risk limits, independent stress testing of portfolios, factor sensitivity measures and derivatives are also employed as additional risk management tools to manage and hedge market risk exposures. Risk models are periodically back tested against actual results to ensure that pre-determined levels of accuracy are maintained.

## Liquidity Risk

The Bank defines liquidity risk as the risk that the Bank either does not have sufficient financial resources available to meet all its obligations and commitments as and when they fall due, or can access them only at an excessive cost.

Liquidity risk is managed through the Asset and Liability Committee ("ALCO"). This committee, chaired by the CEO, is responsible for both statutory and prudential liquidity.

Liquidity risk is monitored through the internal liquidity risk management policy. A range of tools are used for the management of liquidity. These comprise commitment and wholesale borrowing guidelines, key balance sheet ratios, medium term funding requirements and day to day monitoring of future cash flows.

In addition, liquidity contingency funding plans are reviewed periodically to ensure that alternative funding strategies are in place and can be implemented on a timely basis to minimise the liquidity risk that may arise due to unforeseen adverse changes in the market place.

A substantial portion of the Bank's assets are funded by customer deposits made up of current and savings accounts and other deposits. These customer deposits, which are widely diversified by type and maturity, represent a stable source of funds.

The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

## Operational Risk

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and other risks having an operational risk impact.

# Management's Statements on Internal Controls and Risk Management Framework

The Country Operational Risk Committee ("CORC") has been established to ensure that an appropriate risk management framework is in place at a grass root level, and to report, monitor and manage operational, social, ethical and environmental risk. The CORC is chaired by the CEO, and CRO is an active member of this forum.

All business units within the Bank monitor their operational risks using set standards and indicators. Significant issues and exceptions are reported to CORC and are also picked up by the independent Risk function for discussion at the Risk Committee chaired by the CRO. Disaster recovery procedures, business contingency planning, self-compliance assurance and internal audits also form an integral part of the operational risk management process.

## Reputational Risk

Reputational risk is any material adverse effect on the relations between the Bank and any one of its significant stakeholders. It is Bank policy that the protection of the Bank's reputation should take priority over all activities including revenue generation at all times. Reputational risk is not a primary risk, but will arise from the failure to effectively mitigate one or more of country, credit, liquidity, market, legal, regulatory and operational risk. It may also arise from the failure to comply with Social, Environmental and Ethical standards. All staff are responsible for day to day identification and management of reputational risk.

## Pension Risk

Pension risk is the potential for loss due to having to meet an actuarially assessed shortfall in the Bank's defined benefits pension schemes. Pension obligation risk to a bank arises from its contractual or other liabilities to or with respect to an occupational pension scheme. It represents the risk that additional contributions will need to be made to a pension scheme because of a future shortfall in the funding of the scheme.

The Bank assesses and monitors the assets and liabilities within the defined benefit scheme with the support of independent actuarial advisers. Actuarial methodologies are used for determining the present values of the assets and liabilities of the scheme. The assumptions used allow for the projected trends in the salaries, turnover and mortality of the membership. The Bank's Pension Executive Committee has oversight of the pension schemes and reviews the assets and liabilities position on a regular basis.

## Capital Risk

Capital risk is the risk arising from sub optimal allocation of capital or increase in cost of capital.

The Bank manages its demand for capital by regular monitoring of capital requirements and asset exposures. The Bank's Asset and Liability Committee (ALCO) monitors Risk Weighted Assets (RWA) growth and provides guidance for RWA management, capital structure and maintenance of capital ratio.

## Strategic Risk

Strategic risk is the potential for opportunity loss from failure to optimise the earnings potential of the Bank's franchise.

The Bank reviews the capital implications of business growth and capital as part of the strategy process. The Bank regularly monitors its capital to ensure an appropriate capital adequacy level for the sustainability of expanding operations and ability to withstand various stress testing scenarios. The Bank has integrated robust risk management disciplines corresponding to the underlying strategic direction that has built a well balanced business between the business segments and appropriate liquidity level.

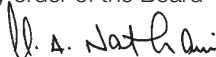
## Compliance and Regulatory Risk

Compliance and Regulatory risk includes the risk of non-compliance with regulatory requirements. The Compliance and Regulatory risk function is responsible for establishing and maintaining an appropriate framework of compliance policies and procedures. Compliance with such policies and procedures is the responsibility of all managers.

## Legal Risk

Legal Risk is the risk of unexpected loss, including reputational loss arising from defective transaction or contracts, claims being made or some other event resulting in a liability or other loss for the Bank, failure to protect the title to and ability to control the rights to assets of the Bank (including intellectual property rights), changes in the law or jurisdiction risk. The Bank manages legal risk through Legal function, Legal risk policies and procedures and effective use of its internal and external lawyers.

By order of the Board



**Mohsin Ali Nathani**  
Chief Executive Officer

# Report of SCBPL Shariah Advisor

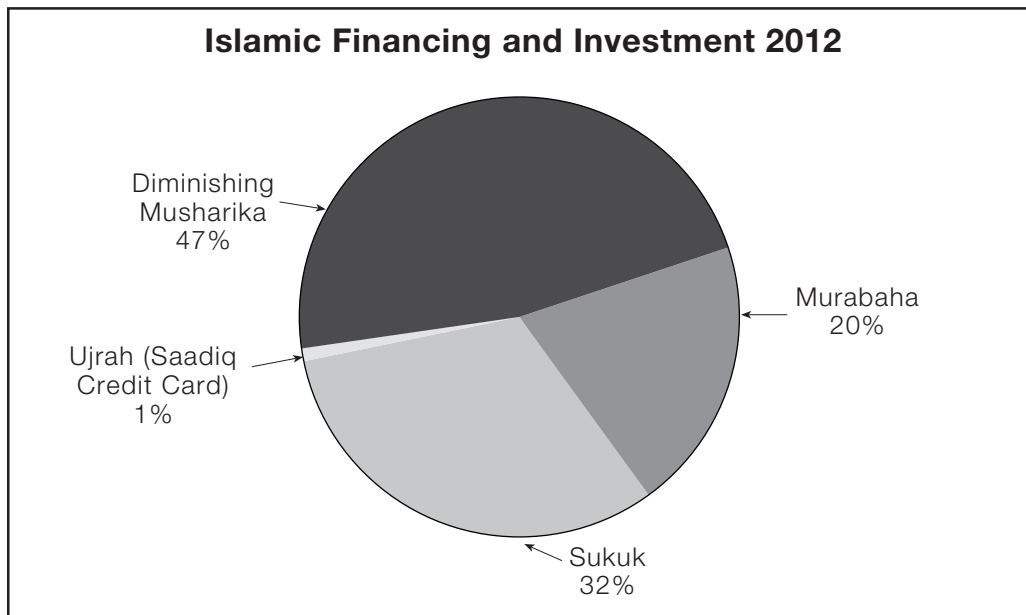
For the year ended December 31, 2012

الحمد لله رب العالمين، وصلى الله على سيدنا محمد وعلى آله وصحبه وسلم وبعد

The year under review was the ninth year of Islamic Commercial banking for Standard Chartered Bank (Pakistan) Limited (SCBPL) through the Saadiq platform. During this year the bank developed a number of new products and arranged a number of structured transactions after due approval from the Shariah Advisor.

## Business Review

At the close of the year ended December 31, 2012 the bank had total financing and related assets of Rs. 27.3 Billion. The breakup of these assets in different modes of Islamic finance is as follows:



During the year under review SCBPL selected several Islamic financing modes for investment. Significant percentage of the assets (47%) has been financed using the Diminishing Musharakah mode, (32%) represents Sukuk holdings under Islamic financing modes of Diminishing Musharakah and Ijarah and Murabaha transactions (including Export refinance and advance given against Murabaha) represented 20% of the portfolio.

## Shariah Review

Annual Shariah Review was carried out on a test check basis and standard agreements for Murabaha, Musawamah, Musharakah and Diminishing Musharakah, along with the relevant supplemental documents including declarations, purchase invoices, description of assets and recovery of payments etc. were reviewed. The allocation of funds, weightages, profit sharing ratios, profits and losses relating to Mudarabah accounts and the overall Shariah compliance of the bank's operation and their alignment with the Shariah guidelines were also checked.

During the review, some Murabaha transactions were identified as non Shariah compliant since basic elements of Murabaha were missing. The management was advised to transfer entire income (Rs. 25.381 million) of these transactions to Charity Fund. An amount of Rs. 6.345 million has been paid out to Charity and the remaining amount will be paid out by end of first quarter 2013.



# Report of SCBPL Shariah Advisor

For the year ended December 31, 2012

In addition, as part of continuous improvement necessary recommendations and corrective measures were suggested. An action plan was agreed for the implementation of recommended changes and all issues identified were duly addressed by management.

Subject to the aforesaid, the affairs of SCBPL, were found to have been carried out in accordance with the rules and principles of Shariah including Fatawas of the Shariah Advisor and SBP regulations & guidelines related to Shariah Compliance.

## Late Payment Charity

During the year an amount of approximately Rs. 4.683 million was received from the customers due to delay in payments and transferred to the charity fund. The collected Charity was disbursed as per the guidance of Shariah Advisor.

## Training

The year under review, SCBPL again paid attention on the development of Saadiq team and provided training to all stakeholders across the organization. During the year under review a total of 12 sessions were held including Shariah specific and product related trainings. This includes Islamic Banking certification program with the cooperation of Centre for Islamic Economics. The management maintains continuous emphasis on training as it is an essential ingredient to ensure Shariah compliance of Saadiq products.

## Recommendation

1. Given the findings of this year's Shariah review, the bank should give preference to experienced Islamic bankers at the time of hiring new resources to improve day to day Shariah practices.
2. The bank should send key staff from Islamic Banking for certificate/diploma programmes organized by reputable institutions of the country (e.g. NIBAF, CIE etc.).
3. There should be more emphasis on customer communication. Sales/relationship management teams must ensure that customers have been provided necessary information of a particular Islamic product and have understood the requirement of the same at onset of the relationship.

May Allah Subhanah wa Ta'ala accept our endeavors and grant us Ikhlas to fulfill our responsibility towards Islamic banking which is very mingled between service of deen and service for ourselves.



**Muhammad Abdul Mubeen**

Shariah Advisor

Standard Chartered Bank (Pakistan) Ltd.



**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
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## **Review Report to the Members on Statement of Compliance With Best Practices of Code of Corporate Governance**

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of Standard Chartered Bank (Pakistan) Limited (“the Bank”) to comply with the listing regulations of the respective Stock Exchanges where the Bank is listed.

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

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

Further, the sub-regulation (x) of the Listing Regulation 35 notified by Karachi Stock Exchange Limited (formerly Karachi Stock Exchange (Guarantee) Limited) vide circular KSE/N-269 dated 19 January 2009 requires the Bank to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm’s length transactions and transactions which are not executed at arm’s length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the Audit Committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm’s length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank’s compliance, in all material respects, with the best practices contained in the Code of Corporate Governance.

Date: 04 March, 2013  
Karachi

**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Muhammad Taufiq

# Statement of Compliance with the Code of Corporate Governance

The Board of Directors of Standard Chartered Bank (Pakistan) Limited ("Bank") supports and re-confirms its commitment to continued support and implementation of the highest standards of Corporate Governance at all times.

This statement is being presented to comply with the Code of Corporate Governance (the Code), contained in the listing regulations of Karachi, Lahore & Islamabad Stock Exchanges, for the purpose of establishing a framework of Good Governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance

The Bank has applied the principles contained in the Code in the following manner:

1. The Bank encourages representation of non-executive (independent) directors on its Board of Directors. At present the Board consists of the following directors:

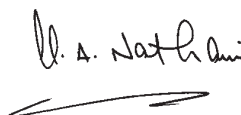
Mr. Christos Papadopoulos (Chairman)	Non Executive Director
Mr. Raheel Ahmed	Non Executive Director
Mr. Ray Duggins	Non Executive Director
Mr. Mohsin Ali Nathani (CEO)	Executive Director
Mr. Najam I. Chaudhri	Independent Non Executive Director
Mr. Shahid Zaki	Independent Non Executive Director
Mr. Parvez Ghias	Independent Non Executive Director

Independent non-executive directors meet the criteria of independence under clause i (b) of the Code.

2. Directors have confirmed that none of the directors of the Bank is serving as a director in more than seven listed companies, including this Bank.
3. All the resident directors of the Bank are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. The Bank has prepared a 'Code of Conduct', which has been approved by the Board and is disseminated to all the directors and employees of the Bank.
5. The Board has developed and approved a vision/mission statement. The Board has also approved significant policies and adopted certain Standard Chartered Group policies as far as they are in accordance with the local laws and regulations. A complete record of particulars of significant policies has been maintained.
6. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO have been taken by the Board.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose.
8. Casual vacancy created on the Board during the year was filled within stipulated time.
9. The Board has met at least once in a quarter. Notices of meetings, agendas and related papers are circulated at least seven days before the meeting except in case where an emergent meeting is to be held. The minutes of the meetings were appropriately recorded and circulated.
10. The Board has approved appointment of CFO, Head of Internal Audit and Company Secretary including their remuneration and terms and conditions of employment.
11. The Board has formed an Audit Committee. The terms of reference of this Committee have been approved by the Board and advised to the Committee for compliance. Committee also ensures independence of the internal audit function and independence and objectivity of the External Auditors.

12. The Audit Committee of the Board comprises of three members. Two members including the Chairman are independent non-executive directors while the other member is a non-executive director.
13. The meetings of the Audit Committee are held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code.
14. The Board has constituted a Human Resource and Remuneration Committee. It comprises of three members; one each of independent non-executive director, executive director and a non-executive director who is also the Chairman of the Committee.
15. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
16. The financial statements of the Bank were duly endorsed by CEO and CFO before approval of the Board.
17. The directors, CEO and executives do not hold any interest in the shares of the Bank other than that disclosed in the pattern of shareholding.
18. All Directors are provided with an Orientation Pack on their appointment. During the period under review, three non-executive directors have attended a training program organized by Pakistan Institute of Corporate Governance (PICG) while three independent non-executive directors have already completed their training programs with PICG.
19. The Bank has complied with all the corporate and financial reporting requirements of the Code.
20. The Board has set up an effective Internal Control (Audit) department. The Internal Control Department reports directly to the Chairman of the Board Audit Committee.
21. The statutory auditors of the Bank have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Bank and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.
22. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
23. All material / price sensitive information as described in clause (xx) of the Code has been disseminated to the Stock Exchanges and Securities and Exchange Commission of Pakistan in a timely manner.
24. The 'closed period' prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Bank's securities, was determined and intimated to directors, employees and stock exchange(s).
25. The Bank has complied with the requirements as stipulated in clause 35 (x) of the Listing Regulations relating to Related Party transactions.
26. All other material principles contained in the Code have been complied with.

By Order of the Board



**Mohsin Ali Nathani**  
Chief Executive Officer

## SIX YEARS KEY FINANCIAL DATA

Key Financial Data	Rupees in million					
	2007	2008	2009	2010	2011	2012
<b>Standard Chartered Bank (Pakistan) Limited</b>						
Revenue	22,339	22,985	23,167	23,473	26,755	<b>26,796</b>
Operating Profit	10,179	10,330	10,802	9,993	12,912	<b>12,705</b>
Profit before Tax	4,126	1,014	1,384	5,563	8,431	<b>9,108</b>
Profit after Tax	2,767	608	746	3,606	5,446	<b>5,911</b>
Net Mark-up Income before provision	16,192	16,419	16,284	17,278	20,540	<b>19,480</b>
Non Mark-up Income	6,147	6,566	6,883	6,195	6,215	<b>7,316</b>
Non Mark-up Expenses	12,160	12,655	12,365	13,480	13,843	<b>14,091</b>
Shareholder's Equity	43,066	42,769	47,717	51,073	54,589	<b>54,292</b>
Total Assets	255,545	264,629	312,845	321,923	356,405	<b>388,272</b>
Advances - net	119,537	125,601	124,447	139,269	129,620	<b>135,184</b>
Investments - net	40,696	29,587	83,785	72,637	104,375	<b>131,977</b>
Deposits	177,162	174,552	206,958	220,266	235,953	<b>266,670</b>
Expense / Income Ratio	54%	55%	53%	57%	52%	<b>53%</b>
Advances / Deposits Ratio	67%	72%	60%	63%	55%	<b>51%</b>
Return on Equity	6.64%	1.42%	1.65%	7.30%	10.31%	<b>10.86%</b>
Return on Assets	1.10%	0.23%	0.26%	1.14%	1.61%	<b>1.59%</b>

Standard Chartered Bank (Pakistan) Limited

# **Financial Statements**

For the year ended  
31 December 2012



**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
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Sheikh Sultan Trust Building No. 2  
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Karachi 75530 Pakistan

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## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed unconsolidated statement of financial position of Standard Chartered Bank (Pakistan) Limited ("the Bank") as at 31 December 2012 and the related unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the 'financial statements') for the year ended 31 December 2012, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

- a) in our opinion, proper books of account have been kept by the Bank as required by the Companies Ordinance, 1984 (XLVII of 1984);
- b) in our opinion:
  - i) the statement of financial position and the related profit and loss account together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962 (LVII of 1962), and the Companies Ordinance, 1984 (XLVII of 1984), and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied;
  - ii) the expenditure incurred during the year was for the purpose of the Bank's business; and
  - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Bank and the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- c) in our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Banking Companies Ordinance, 1962 (LVII of 1962), and the Companies Ordinance, 1984 (XLVII of 1984), in the manner so required and give a true and fair view of the state of the Bank's affairs as at 31 December 2012 and its true balance of profit, its cash flows and its changes in equity for the year then ended; and
- d) in our opinion Zakat deductible at source, under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Date: 04 March, 2013  
Karachi

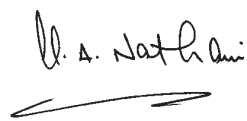
**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Muhammad Taufiq

# Un-Consolidated Statement of Financial Position

As at 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>ASSETS</b>			
Cash and balances with treasury banks	4	31,487,869	26,293,094
Balances with other banks	5	2,363,144	3,054,167
Lendings to financial institutions	6	19,845,269	20,205,971
Investments	7	131,976,863	104,375,499
Advances	8	135,184,145	129,620,134
Operating fixed assets	9	6,371,213	6,435,158
Intangible assets	10	26,274,033	26,412,571
Deferred tax assets	11	1,523,544	2,729,730
Other assets	12	33,845,937	37,278,550
		<b>388,872,017</b>	<b>356,404,874</b>
<b>LIABILITIES</b>			
Bills payable	13	6,164,867	4,576,789
Borrowings	14	23,399,389	19,361,864
Deposits and other accounts	15	266,670,061	235,952,722
Sub-ordinated loans	16	2,750,000	699,200
Other liabilities	17	35,595,406	41,225,688
		<b>334,579,723</b>	<b>301,816,263</b>
<b>NET ASSETS</b>		<b>54,292,294</b>	<b>54,588,611</b>
<b>REPRESENTED BY:</b>			
Share capital	18	38,715,850	38,715,850
Reserves	19	4,938,736	3,756,625
Unappropriated profit		6,676,380	8,797,964
		<b>50,330,966</b>	<b>51,270,439</b>
Surplus on revaluation of assets - net of deferred tax	20	3,961,328	3,318,172
		<b>54,292,294</b>	<b>54,588,611</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	21		

The annexed notes 1 to 42 and Annexure I form an integral part of these un-consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

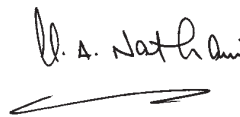


## Un-Consolidated Profit and Loss Account

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
Mark-up / return / interest earned	22	31,133,594	31,975,248
Mark-up / return / interest expensed	23	(11,653,723)	(11,435,212)
<b>Net mark-up / return / interest income</b>		<b>19,479,871</b>	<b>20,540,036</b>
Provision against non-performing loans and advances	8.3 & 17.2	(3,101,367)	(4,421,525)
Recovery of amounts written off		271,775	426,956
Provision for diminution in the value of investments	7.3	(442,167)	-
Bad debts written off directly	8.4.1	(325,188)	(486,608)
<b>Net mark-up / return / interest income after provisions</b>		<b>15,882,924</b>	<b>16,058,859</b>
<b>NON MARK-UP / NON INTEREST INCOME</b>			
Fees, commission and brokerage income		3,493,744	3,103,775
Dividend income		75,606	50,118
Income from dealing in foreign currencies		1,609,512	2,402,852
Gain on sale of securities - net	24	1,169,658	886,808
Unrealized gain on revaluation of investments classified as held for trading	7.11	15,850	56,673
Other income	25	951,576	(285,153)
<b>Total non mark-up / non interest income</b>		<b>7,315,946</b>	<b>6,215,073</b>
		<b>23,198,870</b>	<b>22,273,932</b>
<b>NON MARK-UP / NON INTEREST EXPENSES</b>			
Administrative expenses	26	(13,856,101)	(13,240,121)
Other provisions / asset write-offs	27	(50,320)	(399,182)
Other charges	28	(184,184)	(203,927)
<b>Total non mark-up / non interest expenses</b>		<b>(14,090,605)</b>	<b>(13,843,230)</b>
		<b>9,108,265</b>	<b>8,430,702</b>
Extra-ordinary / unusual items		-	-
<b>PROFIT BEFORE TAXATION</b>		<b>9,108,265</b>	<b>8,430,702</b>
Taxation - current		(2,326,067)	(2,504,289)
- prior years'		(21,136)	-
- deferred		(850,507)	(480,727)
	29	(3,197,710)	(2,985,016)
<b>PROFIT AFTER TAXATION</b>		<b>5,910,555</b>	<b>5,445,686</b>
----- (Rupees) -----			
<b>BASIC / DILUTED EARNINGS PER SHARE</b>	30	<b>1.53</b>	<b>1.41</b>

The annexed notes 1 to 42 and Annexure I form an integral part of these un-consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

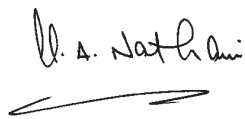
# Un-Consolidated Statement of Comprehensive Income

For the year ended 31 December 2012

	2012	2011
	----- (Rupees in '000) -----	
<b>Profit after tax for the year</b>	<b>5,910,555</b>	5,445,686
<b>Other comprehensive income:</b>		
Surplus / (deficit) on revaluation of 'Available for Sale' financial assets (i)	-	-
Surplus / (deficit) on revaluation of operating fixed assets (ii)	-	-
Actuarial gain / (loss) on defined benefit plans	<b>15,863</b>	(20,103)
Deferred tax on actuarial gain / (loss)	<b>(5,552)</b>	7,036
	<b>10,311</b>	(13,067)
<b>Total comprehensive income for the year</b>	<b>5,920,866</b>	<b>5,432,619</b>

- (i) Surplus / deficit on revaluation of 'Available for Sale' securities-net of deferred tax is presented under a separate head below equity as 'surplus / deficit on revaluation of assets' in accordance with the requirements specified by the State Bank of Pakistan vide its BSD circular 20 dated 04 August 2000 and BSD circular 10 dated 13 July 2004.
- (ii) Surplus on revaluation of fixed assets-net of deferred tax is presented under a separate head below equity as 'surplus / deficit on revaluation of assets' in accordance with the requirements of section 235 of the Companies Ordinance, 1984.


The annexed notes 1 to 42 and Annexure I form an integral part of these un-consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

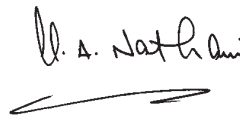
# Un-Consolidated Cash Flow Statement

For the year ended 31 December 2012

Note	2012	2011
	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax for the year	9,108,265	8,430,702
Less: Dividend income	(75,606)	(50,118)
	<b>9,032,659</b>	<b>8,380,584</b>
<b>Adjustments for:</b>		
Depreciation	485,249	433,196
Amortization	138,538	268,697
Gain on disposal of fixed assets - net	(37,086)	(7,628)
Unrealized gain on revaluation of investments classified as held for trading - net	(15,850)	(56,673)
Other provisions / asset write offs	50,320	399,182
Provision for diminution in the value of investments	442,167	-
Provision against loans and advances - net of recoveries	3,154,780	4,481,177
	<b>4,218,118</b>	<b>5,517,951</b>
	<b>13,250,777</b>	<b>13,898,535</b>
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	360,702	10,215,914
Net investments in 'held for trading' securities	2,261,499	2,013,808
Advances	(8,718,791)	5,168,102
Other assets (excluding advance taxation)	(1,044,458)	850,830
	<b>(7,141,048)</b>	<b>18,248,654</b>
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	1,588,078	(1,115,075)
Borrowings from financial institutions	4,037,525	3,447,521
Deposits and other accounts	30,717,339	15,686,960
Other liabilities	485,823	(3,065,965)
	<b>36,828,765</b>	<b>14,953,441</b>
<b>Cash inflow before taxation</b>	<b>42,938,494</b>	<b>47,100,630</b>
Income tax paid	(4,064,040)	(6,455,947)
<b>Net cash generated from operating activities</b>	<b>38,874,454</b>	<b>40,644,683</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in 'available for sale' securities	(29,288,552)	(33,152,705)
Dividend income received	75,606	50,118
Net investment in fixed assets (including intangible assets)	(482,274)	(355,802)
Sale proceeds on disposal of operating fixed assets	37,423	7,771
<b>Net cash used in investing activities</b>	<b>(29,657,797)</b>	<b>(33,450,618)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance / (repayment) of sub-ordinated Term Finance Certificates -net	2,050,800	(436,700)
Dividend paid	(6,763,705)	(2,319,877)
<b>Net cash used in financing activities</b>	<b>(4,712,905)</b>	<b>(2,756,577)</b>
<b>Increase in cash and cash equivalents for the year</b>	<b>4,503,752</b>	<b>4,437,488</b>
Cash and cash equivalents at beginning of the year	<b>29,347,261</b>	<b>24,909,773</b>
Cash and cash equivalents at end of the year	<b>33,851,013</b>	<b>29,347,261</b>

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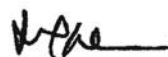
The annexed notes 1 to 42 and Annexure I form an integral part of these un-consolidated financial statements.



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Director

# Un-Consolidated Statement of Changes in Equity

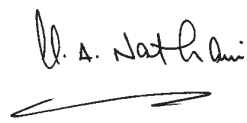
For the year ended 31 December 2012

	Share Capital	Share Premium	Statutory Reserve	Unappropriated Profit	Total
	(Rupees in '000)				
<b>Balance as at 31 December 2010</b>	38,715,850	1,036,090	1,631,398	6,716,831	48,100,169
<b>Total comprehensive income for the year</b>					
Profit after tax for the year ended 31 December 2011	-	-	-	5,445,686	5,445,686
Other comprehensive income					
Actuarial gain on defined plan - net of tax	-	-	-	(13,067)	(13,067)
	-	-	-	5,432,619	5,432,619
<b>Transactions with owners, recorded directly in equity</b>					
Share based payment transactions (Contribution from holding Company)	-	-	-	95,760	95,760
Payment against share based payment transactions (to holding Company)	-	-	-	(42,588)	(42,588)
	-	-	-	53,172	53,172
Transfer to statutory reserve	-	-	1,089,137	(1,089,137)	-
Cash dividend (Final 2010)	-	-	-	(2,322,951)	(2,322,951)
Transferred from surplus on revaluation of fixed asset - net of deferred tax	-	-	-	7,430	7,430
<b>Balance as at 31 December 2011</b>	38,715,850	1,036,090	2,720,535	8,797,964	51,270,439
<b>Total comprehensive income for the year</b>					
Profit after tax for the year ended 31 December 2012	-	-	-	5,910,555	5,910,555
Other comprehensive income					
Actuarial gain on defined plan - net of tax	-	-	-	10,311	10,311
	-	-	-	5,920,866	5,920,866
<b>Transactions with owners, recorded directly in equity</b>					
Share based payment transactions (Contribution from holding Company)	-	-	-	2,802	2,802
Payment against share based payment transactions (to holding Company)	-	-	-	(95,212)	(95,212)
	-	-	-	(92,410)	(92,410)
Transfer to statutory reserve	-	-	1,182,111	(1,182,111)	-
Cash dividend (Final 2011)	-	-	-	(3,871,585)	(3,871,585)
Cash dividend (Interim 2012)	-	-	-	(2,903,689)	(2,903,689)
Transferred from surplus on revaluation of fixed asset - net of deferred tax	-	-	-	7,345	7,345
<b>Balance as at 31 December 2012</b>	<b>38,715,850</b>	<b>1,036,090</b>	<b>3,902,646</b>	<b>6,676,380</b>	<b>50,330,966</b>

Details of final dividend for the year 2012 are mentioned in note 19.3 to these financial statements.

Included in unappropriated profits is Rs. 841.684 million which is not available for distribution as cash or stock dividend. This is further explained in note 8.2.1 to these financial statements.

The annexed notes 1 to 42 and Annexure I form an integral part of these un-consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 1. STATUS AND NATURE OF BUSINESS

Standard Chartered Bank (Pakistan) Limited ("the Bank") was incorporated in Pakistan on 19 July 2006 and was granted approval for commencement of banking business by State Bank of Pakistan, with effect from 30 December 2006. The ultimate holding company of the Bank is Standard Chartered PLC, incorporated in England. The registered office is at Standard Chartered Bank Building, I.I. Chundrigar Road, Karachi.

The Bank commenced formal operations on 30 December 2006 through amalgamation of entire undertaking of Union Bank Limited and the business carried on by the branches in Pakistan of Standard Chartered Bank, a bank incorporated by Royal Charter and existing under the laws of England. The scheme of amalgamation was sanctioned by State Bank of Pakistan vide its order dated 4 December 2006. The Bank's shares are listed on all stock exchanges in Pakistan.

The Bank is engaged in the banking business as defined in the Banking Companies Ordinance, 1962 and has a total number of 130 branches in Pakistan (2011: 143 branches in Pakistan) in operation at 31 December 2012.

Standard Chartered Bank (Pakistan) Limited has the following three subsidiaries. All of them are incorporated in Pakistan.

- Standard Chartered Leasing Limited
- Standard Chartered Modaraba
- Standard Chartered Services of Pakistan (Private) Limited

These financial statements are separate financial statements of the Bank in which investments in subsidiaries are accounted for on the basis of direct equity interest rather than on the basis of reported results. Consolidated financial statements are presented separately.

## 2. BASIS OF PREPARATION

### 2.1 Basis of presentation

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

The financial results of the Islamic banking branches have been consolidated in these financial statements for reporting purposes. Key financial figures of the Islamic banking branches are disclosed in note 41 to these financial statements.

### 2.2 Statement of compliance

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

The Securities and Exchange Commission of Pakistan has approved and notified the adoption of International Accounting Standard 39, 'Financial Instruments: Recognition and Measurement' (IAS 39) and International Accounting Standard 40, 'Investment Property' (IAS 40). The requirements of these standards have not been followed in the preparation of these financial statements as the State Bank of Pakistan has deferred the implementation of these standards for banks in Pakistan till further instructions. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the State Bank of Pakistan.

### 2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain available for sale, trading and derivative financial instruments have been measured at fair value, whereas certain fixed assets are stated at revalued amounts less accumulated depreciation and accumulated impairment losses, where applicable.

### 2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. 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 the revision and future periods if the revision affects both current and future periods.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following:

- Note 8.3	Provision against non-performing advances
- Note 9 & 10	Valuation and depreciation / amortisation rates for fixed / intangible assets
- Note 10.2	Goodwill impairment testing
- Note 11	Deferred taxation
- Note 21.7	Derivative instruments
- Note 29	Income taxes
- Note 33	Employees' retirement defined benefit plans

## 2.5 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Bank's functional currency. Except as indicated, financial information presented in Pakistan Rupees has been rounded to the nearest thousand.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

### 3.1 Business acquisitions

#### Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented. For this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the combining entity's financial statements.

#### Other acquisitions

Other business combinations are accounted for using the acquisition method. For acquisition prior to 1 January 2009, the cost of acquisition is measured as the fair value of the asset given, equity instruments issued and the liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identified assets acquired are fair valued at the acquisition date, irrespective of the extent of any minority interest. The excess of cost of acquisition over the fair value of identifiable net assets acquired is recorded as goodwill. Subsequently, any recoveries or losses to fair value of net assets are taken to profit and loss account and disclosed in note 25 to these financial statements.

### 3.2 Cash and cash equivalents

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

### 3.3 Investments

The Bank classifies its investments as follows:

#### a) Held for trading

These are securities, which are acquired with the intention to trade by taking advantage of short term market / interest rate movements and are carried at market value. The surplus / deficit arising as a result of revaluation at market value is recognised in the profit and loss account. These securities are to be sold within 90 days from the date of their classification as 'Held for trading' under normal circumstances, in accordance with the requirements specified by BSD Circular 10 dated 13 July 2004 issued by the State Bank of Pakistan.

#### b) Held to maturity

These are securities with fixed or determinable payments and fixed maturity that are held with the intention and ability to hold to maturity. These are carried at amortised cost.

#### c) Available for sale

These are investments that do not fall under the held for trading or held to maturity categories and are carried at market value. The surplus / deficit arising as a result of revaluation at market value is kept in a separate account below equity.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## d) Subsidiaries

Investments in subsidiaries are carried at cost less impairment in value, if any.

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

## 3.4 Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') remain on the balance sheet; the counterparty liability is included in borrowings from financial institutions. Securities purchased under agreements to resell ('reverse repos') are recorded as lendings to financial institutions. The difference between sale and repurchase price is treated as interest / mark-up / return and accrued over the life of the underlying agreement using the effective interest method.

## 3.5 Advances

Advances are stated net of provision against non-performing advances. Specific and general provisions are made based on an appraisal of the loan portfolio that takes into account Prudential Regulations issued by the State Bank of Pakistan from time to time. Specific provisions are made where the repayment of identified loans is in doubt and reflect an estimate of the amount of loss expected. The general provision is for the inherent risk of losses which, although not separately identified, are known from experience to be present in any loan portfolio. Provision made / reversed during the year is charged to the profit and loss account and accumulated provision is netted off against advances. Advances are written-off when there is no realistic prospect of recovery.

When the Bank is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the arrangement is presented within loans and advances.

Murabaha financings are reflected as receivables at the sale price. Actual sale and purchase is not reflected as the goods are purchased by the customer as agent of the Bank and all documents relating to purchase are in customer's name. Funds disbursed under Murabaha financing arrangements for purchase of goods are recorded as "Advance Against Murabaha".

In Diminishing Musharaka based financing, the Bank enters into a Musharaka based on Shirkat-ul-milk for financing an agreed share of fixed asset (e.g. house, land, plant or machinery) with its customers and enters into a periodic rental payment agreement for the utilization of the Bank's Musharaka share by the customer.

## 3.6 Operating fixed assets - tangible

### Owned

Operating fixed assets, other than land and buildings, are stated at cost less accumulated depreciation and accumulated impairment losses thereon. Cost includes expenditure that is directly attributable to the acquisition of fixed assets. Land and buildings are stated at revalued amounts less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to profit and loss account during the financial period in which they are incurred.

Land and buildings are revalued by independent professionally qualified valuer(s). Surplus arising on revaluation is credited to the 'surplus on revaluation of fixed assets' account (net of deferred tax). Under the provisions of the Companies Ordinance, 1984, deficit arising on revaluation of fixed assets is adjusted against the balance in the above-mentioned surplus account. The revaluation is carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would have been determined using fair value at the balance sheet date.

Accumulated depreciation on owned buildings, at the date of revaluation, is eliminated against the gross carrying amount of buildings. The net amount is then restated to the revalued amount.

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

Land is not depreciated. Depreciation on all other fixed assets is calculated using the straight line method to allocate their depreciable cost or revalued amount to their residual values over their estimated useful lives.

The residual values and useful lives of fixed assets are reviewed, and adjusted (if appropriate) at each balance sheet date.

Gains and losses on disposal of fixed assets are included in profit and loss account currently, except that the related surplus on revaluation of fixed assets (net of deferred tax) is transferred directly to unappropriated profits.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## Leased

Fixed assets held under finance lease are stated at the lower of fair value of asset and present value of minimum lease payments at the inception of lease, less accumulated depreciation. Financial charges are allocated over the period of lease term so as to provide a constant periodic rate of financial charge on the outstanding liability. Depreciation is charged on the basis similar to owned assets.

## 3.7 Intangible assets

### Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of the share of net identifiable assets acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment.

### Computer software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their expected useful lives using the straight line method.

### Acquired intangibles in business combination

Acquired intangibles in business combination that have finite lives are amortised over their economic useful life based on the manner that benefits of the relevant assets are consumed.

## 3.8 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated pre-tax future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

## 3.9 Staff retirement benefits

### Defined benefit plan

The Bank operates approved funded pension and gratuity schemes for all its non-management employees, and a management pension scheme only for its existing pensioners.

For defined benefit plans, the liability / asset recognised on the balance sheet is the present value of defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the "Projected Unit Credit Actuarial Cost Method".

Actuarial gains and losses that arise are recognised in other comprehensive income in the period in which they arise. Past service costs are recognised immediately to the extent that benefits are vested and are otherwise recognised over the average period until benefits are vested on a straight line basis. Current service costs and any past service costs together with the expected return on plan assets less the effect of unwinding of discount on plan liabilities are charged to operating expenses.

### Defined contribution plan

The Bank also operates a defined contribution gratuity scheme for all its management staff, and a provident fund scheme for all its permanent staff, contributing at 8.33 percent and 10 percent of basic salary respectively.

## 3.10 Foreign currency transactions

Transactions in foreign currencies are translated to Pakistan Rupees at exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Pakistan Rupees at the exchange rate prevailing at that reporting date. Foreign currency differences arising on retranslation are recognised in profit or loss.



# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 3.11 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

### Current tax

Current tax is the expected tax payable on the taxable income for the year (using tax rates enacted or substantively enacted at the balance sheet date), and any adjustment to tax payable in respect of previous years.

### Deferred tax

Deferred tax is provided for using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on temporary differences relating to: (i) the initial recognition of goodwill; (ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and (iii) differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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 utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 3.12 Revenue recognition

Mark-up / return on advances and investments is recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

Mark-up recoverable on classified loans, advances and investments is recognised on a receipt basis in accordance with the requirements of Prudential Regulations issued by the State Bank of Pakistan. Mark-up on rescheduled / restructured loans, advances and investments is also recognised in accordance with the requirements of these Prudential Regulations.

Where debt securities are purchased at a premium or discount, those premiums / discounts are amortized through profit and loss account over the remaining maturity, using the Effective Yield Method.

Fees and commission income are generally recognised on an accrual basis when the service has been provided. Fees and commission which in substance amount to an additional interest charge, are recognised over the life of the underlying transaction on a level yield basis.

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

The cost from award credits for loyalty points earned on use of various products of the Bank is measured by reference to their fair value and is recognised when award credits are redeemed.

Murabaha transactions are reflected as receivable. Actual sale and purchase are not reflected as the goods are purchased by the customer as agent of the Bank. Profit on the sales revenue due for payment is deferred by recording credit to 'Deferred Murabaha Income' account.

## 3.13 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative financial instruments is taken to profit and loss account.

## 3.14 Provisions

Provisions for restructuring costs and legal claims are recognised when: (i) the Bank has a present legal or constructive obligation as a result of past events; (ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and (iii) the amount has been reliably estimated.

## 3.15 Fiduciary activities

The Bank commonly acts in fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Bank.

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 3.16 Segment reporting

A segment is a distinguishable component of the Bank that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Bank's primary format for segment reporting is based on business segments. A brief description of the products and services offered by different segments of the Bank is given in note 37 to these financial statements.

### 3.17 Offsetting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the Bank has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 3.18 Subordinated liabilities

Subordinated liabilities are initially measured at fair value plus transaction costs, and subsequently measured at their amortised cost using the effective interest method.

### 3.19 Non-current assets and disposal groups held for sale

Non-current assets and disposal groups comprising of assets and liabilities that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before being classified as held for sale, the assets and components of disposal group are remeasured in accordance with the Bank's accounting policies. Thereafter, the assets and disposal group are measured at the lower of their carrying values and fair values less cost to sell.

### 3.20 Share-based compensation

The Group operates various share-based compensation plans which are accounted for as equity settled share based payment transactions, regardless of inter group repayment arrangements. The cost for such share based payment transactions is determined by reference to the fair value of options at the grant date. The fair value is determined based on the market price or using an appropriate valuation technique. The cost is charged to profit and loss account and credited to equity as a contribution from parent. The liability for these transactions which is based on the fair value of these options at the settlement date is settled through debiting equity.

### 3.21 Acceptances

Acceptances comprise undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be simultaneously settled with the reimbursement from the customers. Acceptances are accounted for as on-balance sheet transactions.

### 3.22 Basic and diluted earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period / year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any. There were no convertible dilutive potential ordinary shares in issue at 31 December 2012.

### 3.23 Dividend and appropriation to reserves

Dividend and appropriation to reserves, except appropriation which are required by law after the balance sheet date, are recognised as liability in the Bank's financial statements in the year in which these are approved.

### 3.24 Borrowings / deposits and their cost

- Borrowings / deposits are recorded at the proceeds received.
- Borrowing / deposit costs are recognised as an expense in the period in which these are incurred using effective mark-up / interest rate method.

### 3.25 Provision for guarantee claims and other off balance sheet obligations

Provision for guarantee claims and other off balance sheet obligations are recognised when intimated and reasonable certainty exists for the Bank to settle the obligation. Charge to profit and loss account is stated net of expected recoveries.

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 3.26 New standards and interpretations not yet adopted

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2013:

- IAS 19 Employee Benefits (amended 2011) - (effective for annual periods beginning on or after 1 January 2013). The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognised immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognise all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19; and that the expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation.
- Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) - (effective for annual periods beginning on or after 1 July 2012). The amendments require that an entity present separately the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met from those that would never be reclassified to profit or loss. The amendments do not address which items are presented in other comprehensive income or which items need to be reclassified. The requirements of other IFRSs continue to apply in this regard. The amendments would result in increased disclosures in the financial statements of the Bank.
- IAS 27 Separate Financial Statements (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 27 (2011) supersedes IAS 27 (2008). Three new standards IFRS 10 - Consolidated Financial Statements, IFRS 11- Joint Arrangements and IFRS 12- Disclosure of Interest in Other Entities dealing with IAS 27 would be applicable effective 1 January 2013. IAS 27 (2011) carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications.
- IAS 28 Investments in Associates and Joint Ventures (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 28 (2011) supersedes IAS 28 (2008). IAS 28 (2011) makes the amendments to apply IFRS 5 to an investment, or a portion of an investment, in an associate or a joint venture that meets the criteria to be classified as held for sale; and on cessation of significant influence or joint control, even if an investment in an associate becomes an investment in a joint venture.
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of ‘currently has a legally enforceable right of set-off’; and that some gross settlement systems may be considered equivalent to net settlement.
- Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) – (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement.
- Annual Improvements 2009–2011 (effective for annual periods beginning on or after 1 January 2013). The new cycle of improvements contains amendments to the following five standards, with consequential amendments to other standards and interpretations.
- IAS 1 Presentation of Financial Statements is amended to clarify that only one comparative period – which is the preceding period – is required for a complete set of financial statements. If an entity presents additional comparative information, then that additional information need not be in the form of a complete set of financial statements. However, such information should be accompanied by related notes and should be in accordance with IFRS. Furthermore, it clarifies that the ‘third statement of financial position’, when required, is only required if the effect of restatement is material to statement of financial position.
- IAS 16 Property, Plant and Equipment is amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of ‘property, plant and equipment’ in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 Inventories.
- IAS 32 Financial Instruments: Presentation - is amended to clarify that IAS 12 Income Taxes applies to the accounting for income taxes relating to distributions to holders of an equity instrument and transaction costs of an equity transaction. The amendment removes a perceived inconsistency between IAS 32 and IAS 12.

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

- IAS 34 Interim Financial Reporting is amended to align the disclosure requirements for segment assets and segment liabilities in interim financial reports with those in IFRS 8 Operating Segments. IAS 34 now requires the disclosure of a measure of total assets and liabilities for a particular reportable segment. In addition, such disclosure is only required when the amount is regularly provided to the chief operating decision maker and there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.
- IFRIC 20 - Stripping cost in the production phase of a surface mining (effective for annual periods beginning on or after 1 January 2013). The interpretation requires production stripping cost in a surface mine to be capitalized if certain criteria are met.

	Note	2012	2011
----- (Rupees in '000) -----			
<b>4. CASH AND BALANCES WITH TREASURY BANKS</b>			
In hand			
- Local currency	4.1	<b>2,640,598</b>	2,410,531
- Foreign currencies		<b>2,934,902</b>	1,180,606
With State Bank of Pakistan in:			
- Local currency current account		<b>12,693,648</b>	11,432,125
- Local currency current account-Islamic Banking		<b>1,362,417</b>	779,147
- Foreign currency deposit account			
Cash reserve account (5% of FE 25)		<b>2,742,536</b>	2,518,300
Special cash reserve account (15% of FE 25)		<b>7,666,714</b>	7,036,227
Local US Dollar collection account		<b>94,268</b>	28,689
With National Bank of Pakistan in:			
- Local currency current account		<b>1,352,786</b>	907,469
		<b>31,487,869</b>	26,293,094
<b>4.1</b>	This includes National Prize Bonds of Rs. 4.699 million (2011: Rs. 5.148 million).		
<b>5. BALANCES WITH OTHER BANKS</b>			
In Pakistan			
- In current accounts		<b>286</b>	10,751
Outside Pakistan			
- In current accounts	5.1	<b>2,362,858</b>	3,043,416
		<b>2,363,144</b>	3,054,167
<b>5.1</b>	This includes balances of Rs. 2,310.442 million (2011: Rs. 2,986.847 million) held with other branches and subsidiaries of Standard Chartered Group outside Pakistan.		

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>6. LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call money lendings	6.1	500,000	500,000
Repurchase agreement lendings (Reverse Repo)	6.4	-	9,351,574
Placements	6.2	19,345,269	10,354,397
		<u>19,845,269</u>	<u>20,205,971</u>

**6.1** This represents Islamic Modaraba deal and carries mark-up at the rate 8.0 percent per annum (2011: 9.7 percent per annum) payable at maturity, and are due to mature by January 2013.

**6.2** This represents placements with other branches and subsidiaries of Standard Chartered Group outside Pakistan at mark-up rates ranging from 0.1 percent to 0.55 percent per annum (2011: 0.15 percent to 0.45 percent per annum), and are due to mature by June 2013.

	2011	2010
----- (Rupees in '000) -----		
<b>6.3 Particulars of lending</b>		
In local currency	500,000	9,851,574
In foreign currencies	19,345,269	10,354,397
	<u>19,845,269</u>	<u>20,205,971</u>

### 6.4 Securities held as collateral against lendings to financial institutions

	2012			2011		
	Held by bank	Further given as collateral	Total	Held by bank	Further given as collateral	Total
----- (Rupees in '000) -----						
Market Treasury Bills	-	-	-	9,351,574	-	9,351,574
Pakistan Investment Bonds	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,351,574</u>	<u>-</u>	<u>9,351,574</u>

**6.4.1** The market value of securities held as collateral against lendings to financial institutions amounted to Rs. Nil (2011: Rs. 9,389.849 million).

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 7. INVESTMENTS

7.1 Investments by type	Note	2012			2011		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- (Rupees in '000) -----							
<b>Held for trading securities</b>							
Market Treasury Bills		3,152,257	-	3,152,257	5,607,171	-	5,607,171
Pakistan Investment Bonds		653,528	-	653,528	473,372	-	473,372
Sukuk Bond		13,259	-	13,259	-	-	-
<b>Available for sale securities</b>							
Market Treasury Bills	7.6	93,872,979	5,963,886	99,836,865	75,169,692	1,792,417	76,962,109
Pakistan Investment Bonds	7.6	17,674,933	18,845	17,693,778	14,908,368	18,904	14,927,272
Ordinary shares of listed companies	7.7	662,061	-	662,061	-	-	-
Units / certificates of mutual funds	7.8	-	-	-	-	-	-
Term Finance Certificates -unlisted	7.10	285,025	-	285,025	-	-	-
Ordinary shares of unlisted companies	7.9	3,899	-	3,899	86,987	-	86,987
Sukuk and Ijarah Bonds - unlisted	7.6 & 7.10	8,764,965	-	8,764,965	5,925,000	-	5,925,000
<b>Subsidiaries</b>							
Standard Chartered Services of Pakistan (Private) Limited	7.12	44,500	-	44,500	44,500	-	44,500
Standard Chartered Modaraba		42,000	-	42,000	42,000	-	42,000
Standard Chartered Leasing Limited		730,589	-	730,589	730,589	-	730,589
<b>Investments at cost</b>							
Provision for diminution in the value of investments	7.3	125,899,995	5,982,731	131,882,726	102,987,679	1,811,321	104,799,000
		(575,324)	-	(575,324)	(133,157)	-	(133,157)
<b>Investments (net of provisions)</b>							
Surplus on revaluation of held for trading securities - net	7.11	125,324,671	5,982,731	131,307,402	102,854,522	1,811,321	104,665,843
(Deficit) / surplus on revaluation of available for sale securities - net		15,850	-	15,850	56,673	-	56,673
		653,693	(82)	653,611	(345,647)	(1,370)	(347,017)
<b>Total Investments - net</b>		<b>125,994,214</b>	<b>5,982,649</b>	<b>131,976,863</b>	<b>102,565,548</b>	<b>1,809,951</b>	<b>104,375,499</b>

## 7.2 Investments by segment

7.2 Investments by segment	Note	2012	2011
		----- (Rupees in '000) -----	
<b>Federal Government Securities</b>			
Market Treasury Bills		102,989,122	82,569,280
Pakistan Investment Bonds		18,347,306	15,400,644
Gop Ijarah Sukuk Bonds		7,203,224	4,300,000
<b>Fully paid up ordinary shares</b>			
Listed companies		662,061	-
Unlisted companies		3,899	86,987
<b>Investment in subsidiaries</b>			
Standard Chartered Services of Pakistan (Private) Limited		44,500	44,500
Standard Chartered Modaraba		42,000	42,000
Standard Chartered Leasing Limited		730,589	730,589
<b>Bonds and Term Finance Certificates - Unlisted</b>			
Term Finance Certificates		285,025	-
Sukuk and Ijarah Bonds		1,575,000	1,625,000
<b>Other investments (mutual funds)</b>			
		-	-
<b>Total investment at cost</b>		<b>131,882,726</b>	104,799,000
Less: Provision for diminution in the value of investments		(575,324)	(133,157)
<b>Investment (net of provisions)</b>		<b>131,307,402</b>	104,665,843
Surplus on revaluation of held for trading securities - net		15,850	56,673
Surplus / (deficit) on revaluation of available for sale securities - net	20.2	653,611	(347,017)
<b>Total Investments - net</b>		<b>131,976,863</b>	104,375,499

## 7.3 Particulars of provision for diminution in the value of investments

Opening balance		133,157	133,157
Charge for the year		442,167	-
Reversals		-	-
Net charge		442,167	-
Closing Balance	7.3.1	575,324	133,157

## 7.3.1 The details of provision held against investments are as follows:

Ordinary shares / units - available for sale		444,508	2,341
Standard Chartered Leasing Limited - Subsidiary	7.12	130,816	130,816
		575,324	133,157

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

**7.4** Investments include securities having book value of Rs. 18.845 million (2011: Rs. 18.904 million) pledged with the State Bank of Pakistan as security to facilitate T.T. discounting facility to the Bank, including an amount earmarked against the facilities allocated to branches now in Bangladesh.

**7.5** Market Treasury Bills and Pakistan Investment Bonds are eligible for discounting with the State Bank of Pakistan.

Quality of 'Available for Sale' securities	Note	2012			2011		
		Rating	Cost	Market value	Rating	Cost	Market value
<b>7.6 Federal Government Securities</b>		----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Market Treasury Bills		Unrated	99,836,865	100,344,215	Unrated	76,962,109	77,050,046
Pakistan Investment Bonds		Unrated	17,693,778	17,918,680	Unrated	14,927,272	14,493,242
Gop Ijarah Sukuk Bonds	7.10.3	Unrated	7,189,965	7,115,437	Unrated	4,300,000	4,311,117
			<u>124,720,608</u>	<u>125,378,332</u>		<u>96,189,381</u>	<u>95,854,405</u>

### 7.7 Particulars of shares held - listed

2012	2011		2012			2011		
			Rating	Cost	Market value	Rating	Cost	Market value
(Number of shares)			----- (Rupees in '000) -----			----- (Rupees in '000) -----		
7,500	7,500	Sakrand Sugar Mills Limited	Unrated	-	36	Unrated	-	17
2,800	2,800	Bawany Sugar Mills Limited	Unrated	-	30	Unrated	-	33
11,000	11,000	Dadabhoy Cement Limited	Unrated	-	28	Unrated	-	-
4,800	4,800	Khurshid Spinning Mills	Unrated	-	-	Unrated	-	-
3,500	3,500	Taj Textile Mills Limited	Unrated	-	-	Unrated	-	-
1	-	Kohinoor Textile Mills Limited	Unrated	-	-	Unrated	-	-
2	-	Sind Provincial Cooperative Bank	Unrated	-	-	Unrated	-	-
1,646	-	Allied Bank Limited	AA+ / A1+	-	121	AA / A1+	-	-
18,916,023	-	Agriotech Limited	D	662,061	662,061	D	-	-
				662,061	662,276		-	50
		Provision for diminution in the value - note 7.3.1		-	(441,400)		-	-
				<u>662,061</u>	<u>220,876</u>		<u>-</u>	<u>50</u>

All shares are ordinary shares of Rs. 10 each except otherwise mentioned.

### 7.8 Particulars of units / certificates held in mutual funds

2012	2011		2012			2011		
			Rating	Cost	Market value	Rating	Cost	Market value
(Number of units)			----- (Rupees in '000) -----			----- (Rupees in '000) -----		
13,788	13,788	National Investment (Unit)Trust	AM 2-	-	458	AM2	-	358
				-	458		-	358
		Provision for diminution in the value - note 7.3.1		-	(103)		-	-
				-	355		-	358

### 7.9 Particulars of shares held - unlisted

2012	2011		2012		2011	
			Rating	(Rupees in '000)	Rating	(Rupees in '000)
-	8,000,000	Khushali Bank Limited Ordinary Shares of Rs. 10 each Chief Executive: M. Ghalib Nishtar	A/A-1	A-/A-1	-	83,088
573,769	573,769	Pakistan Export Finance Guarantee Agency Limited Chairman : Mr Muneer Kamal	Unrated	Unrated	3,004	3,004
8	8	Society for Worldwide Interbank Fund Transfer	Unrated	Unrated	895	895
					<u>3,899</u>	<u>86,987</u>
		Provision for diminution in the value - note 7.3.1			(3,004)	(2,341)
					<u>895</u>	<u>84,646</u>

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

	2012	2011
	----- (Rupees in '000) -----	
<b>7.10 Bonds and Term Finance Certificates - unlisted</b>		
<b>Term Finance Certificates</b>		
Agritech Limited	147,000	-
Azgard Nine Limited	138,025	-
	<u>285,025</u>	<u>-</u>

Note	2012			2011			
	Rating	Cost	Market value	Rating	Cost	Market value	
	----- (Rupees in '000) -----			----- (Rupees in '000) -----			
<b>Sukuk and Ijarah Bonds</b>							
Wapda Sukuk Bonds	7.10.1	Unrated	250,000	245,215	Unrated	300,000	287,551
Pakistan International Airlines (PIA) Sukuk Bonds	7.10.2	Unrated	1,325,000	1,325,000	Unrated	1,325,000	1,325,000
			<u>1,575,000</u>	<u>1,570,215</u>		<u>1,625,000</u>	<u>1,612,551</u>

**7.10.1** Wapda Sukuk Bonds carry mark-up rates 0.25% below 6 months KIBOR. The principal and profit is payable semi-annually with maturity in July 2017.

**7.10.2** PIA Sukuk bonds carry mark-up rates 1.75% above 6 months KIBOR. The principal and profit is payable semi-annually with maturity in October 2014.

**7.10.3** GoP Ijarah Sukuk Bonds carry mark-up rates of weighted average yield of 6 months treasury bills. The profit is payable semi-annually with principal redemption at maturity falling due between December 2013 and September 2015.

	2012	2011
	----- (Rupees in '000) -----	
<b>7.11 Unrealized gain / (loss) on revaluation of investments classified as held for trading</b>		
Market Treasury Bills	13,887	59,984
Pakistan Investment Bonds	1,792	(3,311)
Gop Ijarah Sukuk Bonds	171	-
	<u>15,850</u>	<u>56,673</u>

## 7.12 Investment in Subsidiaries

	2012	2011		
	----- (Rupees in '000) -----			
<b>(Number of shares)</b>				
4,450,000	4,450,000	Standard Chartered Services of Pakistan (Pvt) Limited - 100% owned	44,500	44,500
4,538,353	4,538,353	Standard Chartered Modaraba - Listed 20% owned	42,000	42,000
84,579,276	84,579,276	Standard Chartered Leasing Limited - Listed 86.45% owned	730,589	730,589
		Provision for diminution in the value - note 7.12.4 & 7.3.1	(130,816)	(130,816)
			<u>686,273</u>	<u>686,273</u>

**7.12.1** The above investments in subsidiaries are strategic investments of the Bank.

**7.12.2** Standard Chartered Services of Pakistan (Private) Limited (100% owned by the Bank) exercises control over Standard Chartered Modaraba as its management company and also has a direct economic interest of 10 percent. Therefore, Standard Chartered Modaraba is considered a subsidiary of the Bank.

**7.12.3** The market value of investments in listed subsidiaries, namely, Standard Chartered Modaraba and Standard Chartered Leasing Limited at 31 December 2012 amounted to Rs. 52.418 million and Rs. 503.247 million respectively (2011: Rs. 46.972 million and 253.738 million respectively).

**7.12.4** The Bank periodically reviews its investment in Standard Chartered Leasing Limited (SCLL) for evidence of any impairment. The recoverable amount of investment in SCLL is determined with reference to its value in use. The Bank uses present value techniques and financial projections of SCLL to calculate its value in use. The recoverable amount as at 31 December 2012 is estimated to be above the carrying value of Rs. 599.773 million. Based on these calculations, the Bank considers that no additional impairment loss has arisen during the year. Hence, the Bank continues to hold an accumulated impairment loss of Rs. 130.816 million.



## Notes to the Un-Consolidated Financial Statements

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8. ADVANCES	Note	2012	2011
		----- (Rupees in '000) -----	
Loans, cash credits, running finances, etc.			
- In Pakistan		143,632,574	137,201,988
- Outside Pakistan		-	-
		143,632,574	137,201,988
Net investment in Finance Lease			
- In Pakistan		-	-
- Outside Pakistan		-	-
		-	-
Bills discounted and purchased (excluding treasury bills)			
- Payable in Pakistan		8,659,942	6,224,555
- Payable outside Pakistan		7,353,551	8,183,008
		16,013,493	14,407,563
Advances - gross		159,646,067	151,609,551
Provision for non-performing advances	8.3	(24,461,922)	(21,989,417)
Advances - net of provision		135,184,145	129,620,134
<b>8.1 Particulars of advances - gross</b>			
<b>8.1.1 In local currency</b>		147,709,882	137,556,584
In foreign currencies		11,936,185	14,052,967
		159,646,067	151,609,551
<b>8.1.2 Short term (for upto one year)</b>		105,078,832	100,516,647
Long term (for over one year)		54,567,235	51,092,904
		159,646,067	151,609,551

8.2 Advances include Rs. 27,124.953 million (31 December 2011: Rs. 25,696.862 million) which have been placed under non-performing status as detailed below:

	2012								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	----- (Rupees in '000) -----								
<b>Category of classification</b>									
Substandard	841,325	-	841,325	153,382	-	153,382	153,382	-	153,382
Doubtful	2,569,007	-	2,569,007	1,265,022	-	1,265,022	1,265,022	-	1,265,022
Loss	23,714,621	-	23,714,621	22,472,866	-	22,472,866	22,472,866	-	22,472,866
	27,124,953	-	27,124,953	23,891,270	-	23,891,270	23,891,270	-	23,891,270
General provision	-	-	-	570,652	-	570,652	570,652	-	570,652
	27,124,953	-	27,124,953	24,461,922	-	24,461,922	24,461,922	-	24,461,922

	2011								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	----- (Rupees in '000) -----								
<b>Category of classification</b>									
Substandard	1,690,949	-	1,690,949	350,883	-	350,883	350,883	-	350,883
Doubtful	3,296,540	-	3,296,540	1,506,748	-	1,506,748	1,506,748	-	1,506,748
Loss	20,709,373	-	20,709,373	19,518,689	-	19,518,689	19,518,689	-	19,518,689
	25,696,862	-	25,696,862	21,376,320	-	21,376,320	21,376,320	-	21,376,320
General provision	-	-	-	613,097	-	613,097	613,097	-	613,097
	25,696,862	-	25,696,862	21,989,417	-	21,989,417	21,989,417	-	21,989,417

8.2.1 At 31 December 2012, the provision requirement has been reduced by Rs. 1,294.899 million (31 December 2011: Rs. 1,378.368 million) being benefit of Forced Sale Value (FSV) of commercial, residential and industrial properties (land and building only) held as collateral, in accordance with the State Bank of Pakistan Prudential Regulations (PR) and SBP Circular 10 dated 21 October 2011. Increase in accumulated profits amounting to Rs. 841.684 million due to the said FSV benefit is not available for distribution of cash and stock dividend.

# Notes to the Un-Consolidated Financial Statements

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## 8.3 Particulars of provision against non-performing advances

	2012			2011		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	21,376,320	613,097	21,989,417	17,971,285	665,745	18,637,030
Charge for the year	4,781,031	36,313	4,817,344	5,673,215	197,087	5,870,302
Reversals	(1,649,519)	(78,758)	(1,728,277)	(1,237,938)	(249,735)	(1,487,673)
	3,131,512	(42,445)	3,089,067	4,435,277	(52,648)	4,382,629
Amounts written off	(696,081)	-	(696,081)	(868,917)	-	(868,917)
Other movements	79,519	-	79,519	(161,325)	-	(161,325)
Closing balance	23,891,270	570,652	24,461,922	21,376,320	613,097	21,989,417

## 8.4 Particulars of write offs

	Note	2012	2011
		----- (Rupees in '000) -----	
8.4.1 Against provisions	8.3	696,081	868,917
Charged and written off during the year		325,188	486,608
		1,021,269	1,355,525
8.4.2 Write-offs of Rs. 500,000 and above		389,279	465,954
Write-offs of below Rs. 500,000		631,990	889,571
		1,021,269	1,355,525

## 8.5 Details of loans written-off of Rs. 500,000 and above

In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended 31 December 2012 is given in Annexure 1.

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

	Note	2012	2011
		----- (Rupees in '000) -----	
(i) Debts due by directors, executives or officers of the Bank or any of them either severally or jointly with any other persons			
Balance at beginning of the year		2,226,798	2,924,018
Loans granted during the year		-	1,152,452
Repayments		(573,863)	(1,849,672)
Balance at end of the year		1,652,935	2,226,798
(ii) Debts due by companies or firms in which the directors of the Bank are interested as directors, partners or in the case of private companies as members			
Balance at beginning of the year		-	-
Loans granted during the year		-	-
Repayments		-	-
Balance at end of the year		-	-
(iii) Debts due by subsidiary companies, controlled firms, managed modarabas and other related parties			
Balance at beginning of the year		191,300	117,187
Loans granted during the year		13,615,430	287,360
Repayments		(13,070,645)	(213,247)
Balance at end of the year		736,085	191,300

## 9. OPERATING FIXED ASSETS

Capital work-in-progress	9.1	121,779	82,439
Property and equipment	9.2	6,249,434	6,352,719
		6,371,213	6,435,158

### 9.1 Capital work-in-progress

Civil works	5,636	3,815
Advance payment towards property and equipment	113,624	77,891
Consultants' fee and other charges	2,519	733
	121,779	82,439

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 9.2 Property and equipment

	2012				
	Land and buildings on freehold land	Leased hold improvements	Furniture, fixtures and office equipment	Vehicles	Total
	(Rupees in '000)				
<b>Cost / Valuations</b>					
At 1 January 2012	5,418,534	1,280,649	3,430,902	65,877	10,195,962
Additions during the year	22,964	80,926	273,678	65,365	442,933
Transfers / write offs	-	(104,723)	(934,046)	-	(1,038,769)
Deletions	-	(62)	(67,503)	(32,625)	(100,190)
<b>At 31 December 2012</b>	<b>5,441,498</b>	<b>1,256,790</b>	<b>2,703,031</b>	<b>98,617</b>	<b>9,499,936</b>
<b>Accumulated Depreciation</b>					
At 1 January 2012	197,101	641,392	2,943,763	60,987	3,843,243
Charge for the year	100,590	96,406	273,439	14,814	485,249
Transfers / write offs	-	(43,906)	(934,230)	-	(978,136)
Deletions	-	(52)	(67,190)	(32,612)	(99,854)
<b>At 31 December 2012</b>	<b>297,691</b>	<b>693,840</b>	<b>2,215,782</b>	<b>43,189</b>	<b>3,250,502</b>
<b>Net book value</b>	<b>5,143,807</b>	<b>562,950</b>	<b>487,249</b>	<b>55,428</b>	<b>6,249,434</b>
<b>Rate of depreciation</b>	<b>6.67%</b>	<b>6.67%-10%</b>	<b>14.28% - 33.33%</b>	<b>33.33%</b>	
	2011				
	Land and buildings on freehold land	Leased hold improvements	Furniture, fixtures and office equipment	Vehicles	Total
	(Rupees in '000)				
<b>Cost / Valuations</b>					
At 1 January 2011	5,402,148	1,392,223	3,235,716	67,028	10,097,115
Additions during the year	16,386	9,966	253,064	3,006	282,422
Transfers / write offs	-	(121,540)	(18,257)	-	(139,797)
Deletions	-	-	(39,621)	(4,157)	(43,778)
<b>At 31 December 2011</b>	<b>5,418,534</b>	<b>1,280,649</b>	<b>3,430,902</b>	<b>65,877</b>	<b>10,195,962</b>
<b>Accumulated Depreciation</b>					
At 1 January 2011	97,956	602,139	2,743,557	60,629	3,504,281
Charge for the year	99,145	74,191	255,388	4,472	433,196
Transfers / write offs	-	(34,938)	(15,661)	-	(50,599)
Deletions	-	-	(39,521)	(4,114)	(43,635)
<b>At 31 December 2011</b>	<b>197,101</b>	<b>641,392</b>	<b>2,943,763</b>	<b>60,987</b>	<b>3,843,243</b>
<b>Net book value</b>	<b>5,221,433</b>	<b>639,257</b>	<b>487,139</b>	<b>4,890</b>	<b>6,352,719</b>
<b>Rate of depreciation</b>	<b>6.67%</b>	<b>6.67%-10%</b>	<b>14.28% - 33.33%</b>	<b>33.33%</b>	

9.3 The Bank's owned land and buildings were revalued by an independent accredited professional valuer, Iqbal A. Nanjee & Co. (Private) Limited. The valuation performed by the valuer was based on active market prices, adjusted for any difference in the nature, location or condition of the specific land and building. The date of revaluation was 31 December 2009. The revaluation resulted in a net surplus of Rs. 3,599.739 million over the book value. A similar valuation was carried out in the current year and no material differences in market value (from the carrying value) were found.

If the owned land and buildings were measured using the cost model, the carrying amounts would have been as follows:

	2012	2011
	(Rupees in '000)	
Cost	2,291,371	2,268,407
Accumulated depreciation	(712,963)	(623,673)
Carrying amount	1,578,408	1,644,734

The movement in surplus on revaluation of fixed assets is given in note 20.1 to the financial statements.

9.4 As at 31 December 2012, the cost of fully depreciated fixed assets still in use amounted to Rs. 2,241.287 million (2011: Rs. 2,848.861 million).

9.5 Depreciation rates for furniture, fixtures and office equipment are as follows:

Furniture and fixtures	33.33	percent
Printers	33.33	percent
Other office equipment	20.00	percent
Computer equipment	33.33	percent
ATM machines	14.28	percent

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

**9.6** Details of disposal of fixed assets whose original cost or book value exceeds Rs. 1 million or Rs. 250,000, which ever is less, and assets disposed of to the Chief Executive or to a director or to executives or to a shareholder holding not less than 10% of the voting shares of the bank or to any related party, irrespective of value, are given below:

Particulars	Cost	Accumulated depreciation	Book value	Sale Proceeds	Gain / (Loss) on Sale	Mode of Disposal	Particulars of Purchaser
	----- (Rupees in '000) -----						
<b>Furniture, fixtures and office equipment</b>	2,739	2,739	-	292	292	Tender	M/S Farhan & Company
	2,581	2,581	-	490	490	Tender	M/S National Traders
	2,497	2,497	-	299	299	Tender	M/S National Traders
	2,313	2,313	-	429	429	Tender	M/S National Traders
	1,625	1,625	-	202	202	Tender	M/S National Traders
	1,558	1,499	59	327	268	Tender	M/S Pakistan International SJ General Trading
	1,308	1,308	-	308	308	Tender	M/S Concept Traders
	1,269	1,269	-	494	494	Tender	M/S Farhan & Co
	1,168	1,168	-	62	62	Tender	M/S Adam Traders
	1,168	1,168	-	182	182	Tender	M/S National Traders
	1,147	1,147	-	410	410	Tender	M/S Pakistan International SJ General Trading
	1,122	1,122	-	114	114	Tender	M/S Muhammad Shahid Soomro
	1,011	1,011	-	180	180	Tender	M/S Muhammad Ibrahim Osama Soomro Merchant
	5,456	5,456	-	240	240	Tender	M/S Muhammad Shahid Soomro
	6,480	6,353	127	1,650	1,523	Tender	M/S Muhammad Ibrahim Osama Soomro Merchant
	4,761	4,743	18	347	329	Tender	M/S Pakistan International SJ General Trading
	3,162	3,160	2	1,219	1,217	Tender	M/S Farhan & Company
	2,734	2,734	-	133	133	Tender	M/S Farhan & Company
1,922	1,922	-	525	525	Tender	M/S National Traders	
1,350	1,350	-	23	23	Tender	M/S Ahsan & Brothers	
1,250	1,193	57	193	136	Tender	M/S Pakistan International SJ General Trading	
1,200	1,177	23	188	165	Tender	M/S Ilyas Soomro	
1,009	1,004	5	137	132	Tender	M/S Aslam Soomro	
<b>Vehicles</b>	3,611	3,611	-	900	900	Employee service rules	Mr. Mujahid Zuberi
	2,651	2,651	-	1,214	1,214	Tender	Mr. Ghulam Asghar
	2,602	2,602	-	1,860	1,860	Tender	Mr. Chaudhry Adeel Masood
	2,469	2,469	-	1,750	1,750	Tender	Mr. Idrees Khan
	2,290	2,290	-	1,585	1,585	Tender	Mr. Muhammad Nisar Khan
	2,263	2,263	-	1,518	1,518	Tender	Mr. Noman Ahmed Siddiqui
	1,375	1,375	-	851	851	Tender	Mr. Babar Khalid
	1,309	1,309	-	1,904	1,904	Tender	Mr. Danish Alvi
	1,288	1,288	-	902	902	Tender	Mr. Bilal Tariq
	1,288	1,288	-	907	907	Tender	Mr. Usman Shahid
	1,189	1,189	-	702	702	Tender	Mr. Muhammad Tariq Afridi
	<b>73,165</b>	<b>72,874</b>	<b>291</b>	<b>22,537</b>	<b>22,246</b>		

Items having book value of less than Rs. 250,000 and cost of less than Rs. 1,000,000:

Short leasehold property					
- Cost	62	52	10	78	68
Furniture, fixtures and office equipment	16,673	16,651	22	2,899	2,877
Vehicles	10,290	10,277	13	11,908	11,895
<b>Total</b>	<b>100,190</b>	<b>99,854</b>	<b>336</b>	<b>37,422</b>	<b>37,086</b>

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 10. INTANGIBLE ASSETS

	2012					Total
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Computer Software	
----- (Rupees in '000) -----						
<b>Cost</b>						
At 1 January 2012	26,095,310	1,982,413	774,680	389,400	338,350	29,580,153
Additions during the year	-	-	-	-	-	-
At 31 December 2012	<u>26,095,310</u>	<u>1,982,413</u>	<u>774,680</u>	<u>389,400</u>	<u>338,350</u>	<u>29,580,153</u>
<b>Amortisation</b>						
At 1 January 2012	-	1,924,272	720,780	207,865	314,665	3,167,582
Charge for the year	-	58,141	17,779	38,933	23,685	138,538
At 31 December 2012	-	<u>1,982,413</u>	<u>738,559</u>	<u>246,798</u>	<u>338,350</u>	<u>3,306,120</u>
<b>Net book value</b>	<u>26,095,310</u>	<u>-</u>	<u>36,121</u>	<u>142,602</u>	<u>-</u>	<u>26,274,033</u>
<b>Rate of amortisation</b>					20%	
----- (Rupees in '000) -----						
	2011					Total
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Computer Software	
<b>Cost</b>						
At 1 January 2011	26,095,310	1,982,413	774,680	389,400	338,350	29,580,153
Additions during the year	-	-	-	-	-	-
At 31 December 2011	<u>26,095,310</u>	<u>1,982,413</u>	<u>774,680</u>	<u>389,400</u>	<u>338,350</u>	<u>29,580,153</u>
<b>Amortisation</b>						
At 1 January 2011	-	1,761,348	681,430	168,933	287,174	2,898,885
Charge for the year	-	162,924	39,350	38,932	27,491	268,697
Transfers / write offs	-	-	-	-	-	-
At 31 December 2011	-	<u>1,924,272</u>	<u>720,780</u>	<u>207,865</u>	<u>314,665</u>	<u>3,167,582</u>
<b>Net book value</b>	<u>26,095,310</u>	<u>58,141</u>	<u>53,900</u>	<u>181,535</u>	<u>23,685</u>	<u>26,412,571</u>
<b>Rate of amortisation</b>					20%	

10.1 As at 31 December 2012, the gross carrying amount of fully amortised intangible assets (computer software) still in use amounted to Rs. 338.350 million (2011: Rs. 240.381 million).

10.2 The recoverable amount for the purpose of assessing impairment on goodwill on acquisition of Union Bank Limited was based on value in use. The calculations are based on the 2013 budget and forecasts for subsequent three years as approved by the management. These have then been extrapolated for a further period of 16 years using a steady long term forecast GDP growth rate and a terminal value determined based on a long term earnings multiple. The cash flows are discounted using a pre-tax discount rate which reflects the current market rate appropriate for the business. For the calculation as at 31 December 2012, the Bank has used a long term forecast GDP growth rate of 3.5 percent and a discount rate of 30.5 percent. The management believes that any reasonable possible changes to the key assumptions on which calculation of recoverable amount is based, would not cause the carrying amount to exceed the recoverable amount.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 11. DEFERRED TAX ASSETS

The following are major deferred tax assets / (liabilities) recognised and movement thereon:

	Note	2012			At 31 December 2012
		At 1 January 2012	(Charge) / credit to profit and loss	Debit/ (credit) to equity/ other comprehensive income	
----- (Rupees in '000) -----					
Available for sale investments		121,599	-	(350,127)	(228,528)
Provisions for loans and advances	11.1	6,602,645	(17,370)	-	6,585,275
Other assets		(77,869)	(1,422)	-	(79,291)
Fixed assets		(280,389)	17,358	-	(263,031)
Surplus on revaluation of fixed assets		(33,109)	3,955	-	(29,154)
Goodwill		(3,586,802)	(853,028)	-	(4,439,830)
Actuarial gains on retirement benefits		(16,345)	-	(5,552)	(21,897)
		<u>2,729,730</u>	<u>(850,507)</u>	<u>(355,679)</u>	<u>1,523,544</u>
----- (Rupees in '000) -----					
2011					
		At 1 January 2011	(Charge) / credit to profit and loss	Debit/ (credit) to equity/ other comprehensive income	At 31 December 2011
----- (Rupees in '000) -----					
Available for sale investments		311,500	-	(189,901)	121,599
Provisions for loans and advances		6,279,742	322,903	-	6,602,645
Other assets		(42,328)	(35,541)	-	(77,869)
Fixed assets		(317,102)	36,713	-	(280,389)
Surplus on revaluation of fixed assets		(37,110)	4,001	-	(33,109)
Goodwill		(2,777,999)	(808,803)	-	(3,586,802)
Actuarial gains on retirement benefits		(23,381)	-	7,036	(16,345)
		<u>3,393,322</u>	<u>(480,727)</u>	<u>(182,865)</u>	<u>2,729,730</u>

**11.1** The Finance Act, 2010 amended the Seventh Schedule to the Income Tax Ordinance, 2001 whereby the limit for claiming provisions for advances and off balance sheet items in respect of Consumer and SME advances has been enhanced from 1% to 5% of gross Consumer and SME advances. In case of Corporate advances, the limit continues to be 1% of gross Corporate advances.

The management carried out an exercise and based on that concluded that the Bank would achieve a deduction for provisions in excess of the limits prescribed by the Income Tax Law in future years. Accordingly, deferred tax asset of Rs. 2,345 million has been recognised on such provisions for income years 2009 upto 2012.

The Seventh Schedule has been further amended through Finance Act, 2010 by introducing transitional provisions, whereby amounts provided for against irrecoverable or doubtful advances in tax year 2008 (income year 2007) and prior years, would be allowed in the tax year in which these advances are actually written off.

The management considers that the amendment made vide Finance Act, 2009 in respect of provisions for bad debts being allowed at 1% of total advances is applicable for tax year 2010 (income year 2009), whereas for tax year 2009 (income year 2008), the provision for bad debts would continue to be allowed under the Seventh Schedule at the time of actual write-off.

The deferred tax asset recognized upto December 31, 2008 relating to provisions for advances and off balance sheet items amounting to Rs. 4,240 million has been carried forward.

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

12. OTHER ASSETS	Note	2012	2011
----- (Rupees in '000) -----			
Income / mark-up accrued in local currency		3,014,806	2,429,189
Income / mark-up accrued in foreign currencies		25,895	40,329
Advances, deposits, advance rent and other prepayments		665,665	907,707
Receivable from / (payable to) defined benefit plans		7,300	(222)
Advance taxation (payments less provisions)		9,239,777	7,522,940
Branch adjustment account		168,165	314,373
Unrealized gain on forward foreign exchange contracts		167,431	613,650
Interest rate derivatives and currency options - positive fair value		1,535,248	2,408,980
Receivable from SBP / Government of Pakistan		176,398	327,749
Receivable from associated undertakings		8,109	44,270
Receivable from Standard Chartered Bank, Sri Lanka operations	25.1	152,865	137,400
Non-banking assets acquired in satisfaction of claims	12.2	741,901	783,940
Advances against future Murabaha / Inventory		2,681,333	564,616
Advance Federal Excise Duty		188,443	100,000
Bank acceptances	12.3	15,322,698	21,542,782
Others		297,052	98,301
		<b>34,393,086</b>	<b>37,836,012</b>
Less: Provision against other assets	12.1	<b>(547,149)</b>	<b>(557,462)</b>
<b>Other Assets - net of provisions</b>		<b>33,845,937</b>	<b>37,278,550</b>
<b>12.1 Provision against other assets</b>			
Opening balance		557,462	301,916
Net charge for the year		(10,313)	255,546
Closing balance		<b>547,149</b>	<b>557,462</b>
<b>12.2</b> Market value of non-banking assets acquired in satisfaction of claims amounted to Rs. 433.400 million at 31 December 2012 (2011: Rs. 475.439 million). Accordingly, the differential between carrying amount and market value was provided at the time of valuation.			
<b>12.3</b> Included in these acceptances is Rs. 5.233 billion (2011: Rs. 2.606 billion) which have been further discounted by the Bank.			
13. BILLS PAYABLE	Note	2012	2011
----- (Rupees in '000) -----			
In Pakistan		5,980,351	4,377,080
Outside Pakistan		184,516	199,709
		<b>6,164,867</b>	<b>4,576,789</b>
<b>14. BORROWINGS</b>			
In Pakistan		23,372,739	19,360,413
Outside Pakistan		26,650	1,451
		<b>23,399,389</b>	<b>19,361,864</b>
<b>14.1 Particulars of borrowings with respect to currencies</b>			
In local currency		23,372,739	19,360,413
In foreign currencies		26,650	1,451
		<b>23,399,389</b>	<b>19,361,864</b>
<b>14.2 Details of borrowings secured / unsecured</b>			
<b>Secured</b>			
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	14.2.1	14,450,505	15,261,066
Repurchase agreement borrowings (Repo)	14.2.2	5,963,886	1,792,417
State Bank of Pakistan - LTFF	14.2.3	2,418,056	2,163,538
State Bank of Pakistan - LTF - Export Oriented Projects	14.2.4	10,938	21,028
		<b>22,843,385</b>	<b>19,238,049</b>
<b>Unsecured</b>			
Call borrowings	14.2.5	525,000	100,000
Overdrawn nostro accounts	14.2.6	31,004	23,815
		<b>23,399,389</b>	<b>19,361,864</b>

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

- 14.2.1** Mark-up on Export Refinance (ERF) from State Bank of Pakistan is charged at 8.5 percent to 10 percent (2011: 10.2 percent to 11 percent) per annum. ERF borrowings also include borrowings under Islamic Export Refinance scheme amounting to Rs. 1.368 billion (2011: Rs. 1.923 billion). These borrowings are secured against demand promissory notes executed by the Bank in favour of State Bank of Pakistan.
- 14.2.2** Repurchase agreement borrowings carry mark-up rates ranging from 8 percent to 9 percent (2011: 11.65 percent to 11.85 percent) per annum payable at maturity and are due to mature by January 2013.
- 14.2.3** Mark-up on Long Term Finance Facility (LTFF) from State Bank of Pakistan carry mark-up rates ranging from 7 percent to 11 percent (2011: 8.5 percent to 12.6 percent) per annum. These loans are secured against promissory notes executed by the Bank in favour of State Bank of Pakistan.
- 14.2.4** Mark-up on Long Term Finance for Export Oriented Projects (EOP) from State Bank of Pakistan carry mark-up rate at 5 percent (2011: 6.5 percent to 7 percent) per annum. These loans are secured against promissory notes executed by the Bank in favour of State Bank of Pakistan.
- 14.2.5** These carry mark-up at the rates ranging from 7.0 to 7.5 percent per annum (2011: 13.15 percent per annum) payable at maturity, and are due to mature by February 2013.
- 14.2.6** These include overdrawn nostro accounts with other branches and subsidiaries of Standard Chartered Group outside Pakistan amounting to Rs. 26.65 million (2011: Rs. Nil).

	Note	2012	2011
----- (Rupees in '000) -----			
<b>15. DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers</b>			
- Fixed deposits		31,200,653	37,616,096
- Savings deposits		127,476,619	103,630,972
- Current accounts (non-remunerative)		106,288,779	92,865,197
- Margin accounts		381,728	559,710
- Special exporters' account		506,714	540,657
		<u>265,854,493</u>	<u>235,212,632</u>
Financial Institutions			
- Non-remunerative deposits	15.1	815,568	740,090
		<u>266,670,061</u>	<u>235,952,722</u>
<b>15.1</b>	This includes Rs. 254.274 million (2011: Rs. 216.542 million) against balances of other branches and subsidiaries of Standard Chartered Group operating outside Pakistan.		
<b>15.2 Particulars of deposits</b>			
In local currency		211,580,131	189,987,132
In foreign currencies		55,089,930	45,965,590
		<u>266,670,061</u>	<u>235,952,722</u>
<b>16. SUB-ORDINATED LOANS</b>			
Term Finance Certificates issued	16.1	2,750,000	699,200
<b>16.1</b>	The Bank issued subordinated Term Finance Certificates (TFCs) in four issues. The first and second issues of Rs. 750 million each was fully repaid during FY 2008 and FY 2011 respectively. The third issue of Rs. 1,000 million is unsecured and is subordinated to the depositors and other creditors of the Bank. During the year, the Bank has issued fourth rated, unsecured, subordinated TFCs on 29 June 2012 of Rs. 2,500 million by way of private placement. Terms for both outstanding issues are as follows:		

	3rd Issue 2005 AAA	4th Issue 2012 AAA
Year of Issue	2.00% above the	0.75% above the
Rating	six months Karachi	six months Karachi
Rate	Inter-Bank Offered Rate ("KIBOR") prevailing one working day prior to the beginning of each semi annual period	Inter-Bank Offered Rate ("KIBOR") prevailing one working day prior to the beginning of each semi annual period



## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

17. OTHER LIABILITIES	Note	2012	2011
----- (Rupees in '000) -----			
Mark-up / return / interest payable in local currency		955,669	1,225,316
Mark-up / return / interest payable in foreign currencies		-	-
Accrued expenses		1,941,975	2,092,742
Advance payments		245,124	108,249
Sundry creditors		777,835	669,844
Unrealized loss on forward foreign exchange contracts		192,609	473,575
Unrealized loss on interest rate derivatives and currency options		4,381,831	8,413,722
Due to Holding Company	17.1	9,014,703	4,568,330
Unclaimed balances		1,353,896	1,120,420
Dividend Payable		14,643	3,074
Provision against off balance sheet obligations	17.2	134,761	122,361
Worker's Welfare Fund (WWF) payable		473,925	287,712
Bank acceptances	12.3	15,322,698	21,542,782
Unsettled trades		-	49,857
Others		785,737	547,704
		<u>35,595,406</u>	<u>41,225,688</u>
<b>17.1 Due to Holding Company</b>			
On account of reimbursement of executive and general administrative expenses		8,082,781	3,876,742
Royalty and other payable		931,922	691,588
		<u>9,014,703</u>	<u>4,568,330</u>
<b>17.2 Provision against off-balance sheet obligations</b>			
Opening balance		122,361	83,465
Charge / (reversal) for the year		12,400	38,896
Closing balance		<u>134,761</u>	<u>122,361</u>
<b>18. SHARE CAPITAL</b>			
<b>18.1 Authorized Capital</b>			
<b>2012</b>		2011	
(Number of shares)			
<u>4,000,000,000</u>	4,000,000,000	Note	2012
	Ordinary shares of Rs.10 each		2011
			----- (Rupees in '000) -----
		<u>40,000,000</u>	<u>40,000,000</u>
<b>18.2 Issued, subscribed and paid-up</b>			
<u>2,939,785,018</u>	2,939,785,018		
	Ordinary shares of Rs. 10 each		
	Fully paid in cash	<u>29,397,850</u>	29,397,850
	Issued in terms of scheme		
	of amalgamation	18.3	<u>9,318,000</u>
<u>931,800,003</u>	931,800,003		<u>9,318,000</u>
<u>3,871,585,021</u>	3,871,585,021		<u>38,715,850</u>
<b>18.3</b>	These represent 892,554,151 shares of Rs. 10/- each issued and allotted at par to Standard Chartered Bank, United Kingdom against transfer of entire undertaking of SCB Branch Business by SCB to the Bank, and 39,245,852 shares issued and allotted at par credited as fully paid up to persons who were registered shareholders of Union Bank. These shares have been issued in accordance with the scheme of amalgamation duly approved by State Bank of Pakistan on 4 December 2006.		
<b>18.4</b>	At 31 December 2012, Standard Chartered Bank, United Kingdom, held 98.99% shares of the Bank.		
<b>19. Reserves</b>		Note	2012
			2011
			----- (Rupees in '000) -----
Share premium	19.1	1,036,090	1,036,090
Statutory reserve	19.2	3,902,646	2,720,535
		<u>4,938,736</u>	<u>3,756,625</u>
<b>19.1</b>	This represents excess of fair value of the shares over par value of shares issued to registered shareholders of Union Bank in terms of the amalgamation scheme.		
<b>19.2</b>	In accordance with the Banking Companies Ordinance, 1962, the Bank is required to transfer twenty percent of its profit of each year to a reserve fund until the amount in such fund equals the paid-up capital of the Bank.		

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

**19.3** The Board of Directors in their meeting held on March 4, 2013 has announced a final cash dividend of 12.5% (Rs. 1.25 per share) in respect of the year ended December 31, 2012 (2011: Re. 1/- per share). This is in addition to 7.5% (Re. 0.75/- per share) interim cash dividend announced during the year. These financial statements for the year ended December 31, 2012 do not include the effect of final dividend appropriations which will be accounted for subsequent to the year end.

20.	<b>SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF DEFERRED TAX</b>	Note	<b>2012</b>	<b>2011</b>
			----- (Rupees in '000) -----	
	<b>Surplus / (deficit) arising on revaluation of:</b>			
	Fixed assets	20.1	3,536,245	3,543,590
	Available for Sale Securities	20.2	425,083	(225,418)
			<b>3,961,328</b>	<b>3,318,172</b>
<b>20.1</b>	<b>Surplus on revaluation of fixed assets - net of tax</b>			
	Surplus on revaluation of fixed assets as at 1 January		3,576,699	3,588,130
	Surplus on revaluation of owned properties recorded during the year		-	-
	Surplus realized on disposal of revalued properties		-	-
	Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax		(7,345)	(7,430)
	Related deferred tax liability		(3,955)	(4,001)
			<b>(11,300)</b>	<b>(11,431)</b>
	Surplus on revaluation of fixed assets as at 31 December - net of tax		<b>3,565,399</b>	3,576,699
	Less: Related deferred tax liability on:			
	Revaluation surplus as at 1 January		(33,109)	(37,110)
	Revaluation surplus recorded during the year		-	-
	Incremental depreciation charged during the year transferred to profit and loss account		3,955	4,001
			<b>(29,154)</b>	<b>(33,109)</b>
	Surplus on revaluation of fixed assets as at 31 December - net of tax		<b>3,536,245</b>	3,543,590
<b>20.2</b>	Surplus / (deficit) on revaluation of Available for Sale securities - net of tax			
	Market Treasury Bills		507,350	87,937
	Pakistan Investment Bonds		224,902	(434,030)
	Sukuk and Ijarah Bonds		(79,314)	(1,332)
	Listed shares and units of mutual funds		673	408
			<b>653,611</b>	<b>(347,017)</b>
	Related deferred tax (liability) / asset		(228,528)	121,599
			<b>425,083</b>	<b>(225,418)</b>
<b>21.</b>	<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>21.1</b>	Transaction-related contingent liabilities			
	Guarantees issued favouring:	21.1.1		
	- Government		36,307,266	35,465,770
	- Others		15,074,852	25,987,687
<b>21.1.1</b>	Guarantees relating to Islamic Banking Business amount to Rs. 1,593 million (2011: Rs. 2,025 million).			
<b>21.2</b>	<b>Trade-related contingent liabilities</b>			
	Letters of credit	21.2.1	22,946,980	19,526,195
<b>21.2.1</b>	Letters of credit relating to Islamic Banking Business amount to Rs. 8,287 million (2011: Rs. 2,860 million).			
<b>21.3</b>	<b>Other contingencies</b>			
	Claims against the Bank not acknowledged as debt	21.3.1	12,683,179	13,293,575
<b>21.3.1</b>	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and the possibility of an outflow of economic resources is remote.			
<b>21.4</b>	<b>Fine imposed by Competition Commission of Pakistan</b>			
	During the year the Competition Commission of Pakistan ("the Commission") imposed fine on the member banks of 1-Link network on account of uncompetitive behaviour and imposition of uniform cost on cash withdrawal from ATM transactions. The Bank's exposure in this regard is Rs. 50 million. The Bank alongwith other member banks have filed a constitutional petition before High Court of Sindh, which has suspended the order of Commission till next hearing date. The Bank has also filed an appeal before the Competition Appellate Tribunal against the order passed by the Commission. The matter has been heard in detail by the Tribunal which has reserved the judgement for final order.			

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 21.5 Commitments in respect of forward foreign exchange contracts

	2012	2011
	----- (Rupees in '000) -----	
Purchase from:		
State Bank of Pakistan	12,336,500	8,873,750
Other banks	19,978,336	34,228,360
Customers	3,018,333	8,517,556
Sale to:		
State Bank of Pakistan	-	-
Other banks	32,313,696	34,427,185
Customers	1,299,251	2,259,646

The maturities of the above contracts are spread over a period of one year.

## 21.6 Commitments to extend credit

The bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

## 21.7 Derivative instruments

### 21.7.1 Product analysis

Counterparties	2012			
	Interest Rate Swaps		FX Options	
	No. of Contracts	Notional Principal* (Rupees in '000)	No. of Contracts	Notional Principal * (Rupees in '000)
<b>With Banks for</b>				
Hedging	-	-	-	-
Market Making	26	33,070,963	301	3,370,375
<b>With FIs other than banks</b>				
Hedging	3	1,238,164	-	-
Market Making	-	-	-	-
<b>With other entities for</b>				
Hedging	-	-	-	-
Market Making	32	42,503,947	301	3,370,375
<b>Total</b>				
Hedging	-	-	-	-
Market Making	61	76,813,074	602	6,740,750
2011 Total Market Making	82	102,161,462	264	31,644,996

\* At the exchange rate prevailing at year end.

Contracts with banks represent contracts entered with branches of Standard Chartered Bank, UK to obtain cover against the contracts with customers, except for 12 contracts with local banks having notional principal of Rs. 14,744 million.

### 21.7.2 Maturity analysis

#### Interest Rate Swaps

#### Remaining Maturity

	No. of Contracts	Notional Principal	Mark to Market		
			Negative	Positive	Net
	----- (Rupees in '000) -----				
Upto 1 month	3	266,262	(3,837)	7,748	3,911
1 to 3 months	7	1,160,533	(17,232)	5,057	(12,175)
3 to 6 months	4	1,640,399	(810)	90,950	90,140
6 month to 1 year	10	27,101,539	(3,198,345)	358,271	(2,840,074)
1 to 2 year	6	5,040,371	(82,198)	13,464	(68,734)
2 to 3 years	7	14,296,308	(140,391)	220,291	79,900
3 to 5 years	17	23,696,763	(945,994)	520,208	(425,786)
5 to 10 years	7	3,610,899	(25,985)	186,268	160,283
Above 10 years	-	-	-	-	-
	<b>61</b>	<b>76,813,074</b>	<b>(4,414,792)</b>	<b>1,402,257</b>	<b>(3,012,535)</b>



# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
		----- (Rupees in '000) -----	
<b>26.1 Details of the donations given in excess of Rs. 100,000 are given below:</b>			
<b>Donee</b>			
Institute of Business Administration		7,000	7,000
The Citizen Foundation		2,500	5,200
The Kidney Centre	26.1.1	2,500	2,500
Care Foundation		-	1,250
Lahore University of Management Sciences		2,400	1,200
SST Public School Rashidabad		1,200	1,200
Rizwan Scholars		-	750
HOPE		-	250
AmanTech Foundation	26.1.2	-	152
<b>26.1.1</b> Mr. Mohsin Ali Nathani, CEO of the Bank is also a member of Board of Governors of The Kidney Centre.			
<b>26.1.2</b> Mr. Shahid Zaki, non executive director of the Bank is also CEO of AmanTech Foundation.			
<b>26.2 Auditors' remuneration</b>			
Audit fee		16,045	16,045
Fee for audit of pension, gratuity and provident funds		450	403
Special certifications and others		2,750	590
Taxation services		-	-
Out-of-pocket expenses		883	677
		<b>20,128</b>	<b>17,715</b>
<b>27. OTHER PROVISIONS / ASSET WRITE OFFS</b>			
<b>Fixed asset write offs</b>		60,633	89,198
<b>Other provisions</b>			
Provision released against receivable under cross currency swap arrangements		(10,313)	-
Provision against non-banking assets acquired in satisfaction of claims		-	309,984
		<b>(10,313)</b>	<b>309,984</b>
		<b>50,320</b>	<b>399,182</b>
<b>28. OTHER CHARGES</b>			
Net charge / (reversal) against fines and penalties imposed by SBP		(2,029)	29,051
Worker's Welfare Fund (WWF)		186,213	174,876
		<b>184,184</b>	<b>203,927</b>
<b>29. TAXATION</b>			
For the year			
- Current		2,326,067	2,504,289
- Deferred		850,507	480,727
		<b>3,176,574</b>	<b>2,985,016</b>
For prior years		21,136	-
		<b>3,197,710</b>	<b>2,985,016</b>
<b>29.1 Relationship between tax expense and accounting profit</b>			
Profit before taxation		9,108,265	8,430,702
Tax at the applicable tax rate of 35% (2011: 35%)		3,187,893	2,950,746
Incomes (dividend, capital gain etc.) at reduced rates		(18,902)	(17,116)
Expenses that are not deductible in determining taxable income		7,583	51,386
Prior year provision		21,136	-
		<b>3,197,710</b>	<b>2,985,016</b>
<b>29.2 Standard Chartered Bank (Pakistan) Limited</b>			

The return for income year 2012 (Tax Year 2013) is due for filing by 30 September 2013.

The tax department amended the assessments for income years 2007 to 2011 (tax years 2008 to 2012 respectively) under the related provisions of Income Tax Law, determining additional tax liability on account of various issues (such as disallowances of expenses relating to provision against loans and advances, goodwill amortisation, etc.). The resultant tax demands of Rs. 9,546 million have been paid by the Bank. Appeals against the amended assessment orders are pending before different appellate forums.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

The management considers that a significant amount of the additional tax liability is the result of timing differences and is confident that the issues in the above mentioned tax years will be decided in favour of the Bank at appellate forums. Consequently, no additional provision is required.

The Tax Authorities have passed an order for the income years 2009 and 2010 levying Federal Excise Duty amounting to Rs. 188 million on certain items. The Bank is contesting the order in the appeal. The Bank has paid entire amount under protest.

Further, an order for income year 2011 levying Federal Excise Duty of Rs. 515.6 million has been issued. The demand has been stayed by the Sindh High Court.

## 29.3 Standard Chartered Bank – Branch Operations

The assessments have been finalized upto and including tax year 2006. The Bank's / departmental appeals for the assessment / tax years 1976-77 to 2006 are pending before different appellate forums on various issues. The management expects favourable decisions in pending appeals and consequently, no additional provision is required.

## 29.4 Union Bank Limited

The tax assessments for the assessment years 1993-94 through tax year 2007 are pending at various appeal forums against certain disallowances. The management expects favourable decision in pending appeals and consequently, no additional provision is required.

## 30. EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the year

2012	2011
----- (Rupees in '000) -----	
<u>5,910,555</u>	<u>5,445,686</u>

----- (Numbers) -----

Weighted average number of ordinary shares in issue during the year

<u>3,871,585,021</u>	<u>3,871,585,021</u>
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----- (Rupees) -----

Earnings per share - basic and diluted

<u>1.53</u>	<u>1.41</u>
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## 31. CASH AND CASH EQUIVALENTS

Cash and balances with treasury banks  
Balances with other banks

2012	2011
----- (Rupees in '000) -----	
<u>31,487,869</u>	26,293,094
<u>2,363,144</u>	3,054,167
<u>33,851,013</u>	<u>29,347,261</u>

## 32. STAFF STRENGTH

Permanent  
Temporary / on contractual basis / direct contracts  
Bank's own staff at the end of year

----- (Number) -----	
<u>3,016</u>	3,009
<u>4</u>	3
<u>3,020</u>	<u>3,012</u>

Outsourced

**Total staff strength**

<u>1,944</u>	1,906
<u>4,964</u>	<u>4,918</u>

## 33. DEFINED BENEFIT PLANS

### 33.1 General description

#### Non Management Staff Pension Fund

The plan provides pension calculated at 50% of the average pensionable salary after completing 30 years of service. The employees of the bank are entitled to either pension or gratuity, but not both. However, the employees of ANZ Grindlays Bank transferred to the bank are entitled to both pension and gratuity and the minimum number of years required for entitlement of pension is 25 years for these employees. Pension is calculated as 1/120 times the last drawn merged salary for each year of service.

#### Non Management Staff Gratuity Fund

The plan provides a lump sum gratuity calculated at one month's salary for each completed year of service (maximum 39 months) after completing 5 years of service. For the employees of ex-ANZ Grindlays Bank, the plan provides a lump sum calculated at 50% of last drawn merged salary for each completed year of service (maximum 40 months) after completing 5 years of service. However, if the employee is not entitled for pension, the percentage is increased to 100%. The employees of SCB are entitled to either pension or gratuity, but not both.

#### Management Staff Pension Fund

The plan is closed to active employees. The entire liability is in respect of existing pensioners.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 33.2 Principal Actuarial Assumptions

The last actuarial valuation of the scheme was carried out on 31 December 2012 and the key assumptions used for actuarial valuation were as follows:

	2012	2011
Discount rate	12% p.a.	13% p.a.
Expected rate of increase in salary in future years	12% p.a.	12% p.a.
Expected rate of return on plan assets	12% p.a.	5.5%-11.7% p.a.
Expected long term rate of increase in pension	6% p.a.	7% p.a.
Mortality rate	LIC (1975-79) ultimate mortality table rated down one year Light	LIC (1975-79) ultimate mortality table rated down one year Light
Withdrawal rate		

	SCB Non Management Pension Fund		SCB Non Management Gratuity Fund		SCB Management Pension Fund		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>33.3 Reconciliation of (receivable) / payable from / to defined benefit plan</b>	(Rupees in '000)							
Present value of defined benefit obligations	60,408	68,506	69,634	55,950	38,387	45,189	168,429	169,645
Fair value of plan assets	(79,928)	(76,101)	(46,960)	(41,739)	(48,841)	(51,583)	(175,729)	(169,423)
(Asset) / liability recognised	(19,520)	(7,595)	22,674	14,211	(10,454)	(6,394)	(7,300)	222
<b>33.4 Movement in defined benefit obligation</b>								
Obligation as at 1 January	68,506	56,948	55,950	42,222	45,189	39,094	169,645	138,264
Current service cost	600	448	2,465	1,803	-	-	3,065	2,251
Interest cost	8,446	7,135	7,220	5,530	5,443	5,156	21,109	17,821
Benefits paid	(5,177)	(6,121)	-	-	(5,923)	(6,680)	(11,100)	(12,801)
Actuarial (gain) / loss on obligation	(11,967)	10,096	3,999	6,395	(6,322)	7,619	(14,290)	24,110
Past service cost resulting from change in Rules	-	-	-	-	-	-	-	-
Obligation as at 31 December	60,408	68,506	69,634	55,950	38,387	45,189	168,429	169,645
<b>33.5 Movement in fair value of plan assets</b>								
Fair value as at 1 January	76,101	73,662	41,739	37,182	51,583	46,335	169,423	157,179
Expected return on plan assets	8,523	9,526	4,657	5,135	2,653	6,377	15,833	21,038
Contribution by the bank	-	-	-	-	-	-	-	-
Benefits paid	(5,177)	(6,121)	-	-	(5,923)	(6,680)	(11,100)	(12,801)
Actuarial gain / (loss) on plan assets	481	(966)	564	(578)	528	5,551	1,573	4,007
Fair value as at 31 December	79,928	76,101	46,960	41,739	48,841	51,583	175,729	169,423
<b>33.6 Movement in (receivable) / payable from / to defined benefit plan</b>								
Balance as at 1 January	(7,595)	(16,714)	14,211	5,040	(6,394)	(7,241)	222	(18,915)
Charge for the year	523	(1,943)	5,028	2,198	2,790	(1,221)	8,341	(966)
Contribution to the fund during the year	-	-	-	-	-	-	-	-
Actuarial (gain) / loss on plan assets	(12,448)	11,062	3,435	6,973	(6,850)	2,068	(15,863)	20,103
Balance as at 31 December	(19,520)	(7,595)	22,674	14,211	(10,454)	(6,394)	(7,300)	222
<b>33.7 Charge for defined benefit plan</b>								
Current service cost	600	448	2,465	1,803	-	-	3,065	2,251
Interest cost	8,446	7,135	7,220	5,530	5,443	5,156	21,109	17,821
Expected return on plan assets	(8,523)	(9,526)	(4,657)	(5,135)	(2,653)	(6,377)	(15,833)	(21,038)
Recognition of past service cost	-	-	-	-	-	-	-	-
	523	(1,943)	5,028	2,198	2,790	(1,221)	8,341	(966)
<b>33.8 Actual return on plan assets</b>								
- Expected return on plan assets	8,523	9,526	4,657	5,135	2,653	6,377	15,833	21,038
- Actuarial gain / (loss) on plan assets	481	(966)	564	(578)	528	5,551	1,573	4,007
	9,004	8,560	5,221	4,557	3,181	11,928	17,406	25,045
<b>33.9 Cumulative amount of actuarial gains / (losses) recognised in comprehensive income</b>	31,371	18,923	(15,843)	(12,408)	47,035	40,185	62,563	46,700
<b>33.10 Expected contributions for next year</b>	-	-	-	-	-	-	-	-
<b>33.11 Components of plan assets as a percentage of total plan assets</b>								
Bonds	98%	94%	93%	89%	91%	18%		
Cash and net current assets	2%	6%	7%	11%	9%	82%		
Others	0%	0%	0%	0%	0%	0%		

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

	2012	2011	2010	2009	2008
<b>33.12 Five year data on surplus / (deficit) of the plans and experience adjustments</b>	----- (Rupees in '000) -----				
Present value of defined benefit obligation	<b>168,429</b>	169,645	138,264	136,940	112,326
Fair value of plan assets	<b>175,729</b>	169,423	157,179	154,680	148,852
Deficit / (Surplus)	<b>(7,300)</b>	222	(18,915)	17,740	36,526
Experience adjustments on plan liabilities - loss / (gain)	<b>(18,000)</b>	(741)	(4,247)	(7,621)	(7,620)
Experience adjustments on plan assets - loss / (gain)	<b>(7,637)</b>	(3,889)	330	3,566	(3,027)

## 34. SHARE BASED PAYMENTS

The Bank's employees participate in the following share compensation plans operated globally by the ultimate holding company, Standard Chartered PLC (SCPLC). For employees in Pakistan, the Group operates cash equivalent or "phantom" arrangements under which employees can receive a cash benefit linked to either the growth in Group's share (Share save scheme) or the value of the Group's share (restricted / performance share awards). The arrangement does not give an option to the Bank's employees to buy SCPLC shares. The market value of shares is denominated in pounds sterling at the time of grant.

The total expense recognised in respect of above schemes on equity settled basis amounts to Rs. 2.803 million (2011: Rs. 95.760 million) and is also included in managerial remuneration note 35. As also explained in note 3.20 in detail, the Bank's liability towards its parent, however continues to be determined and recorded on cash settled basis. The main features of each plan are as follows :

### i) Standard Chartered Share Plan (the 2011 Plan)

The 2011 Standard Chartered Share Plan replaced all the Group's existing discretionary share plan arrangements following approval by shareholders at the Group's Annual General Meeting on 5 May 2011. It is the Group's main share plan, applicable to all employees with the flexibility to provide a variety of award types including performance shares, deferred awards (shares or cash) and restricted shares. Performance and restricted share awards will generally be in the form of nil price options to participate in the shares of SCPLC. The remaining life of the plan is ten years.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	26	-	-	-
Granted during the year	45	-	27	-
Exercised during the year	-	-	-	-
Lapsed during the year	(1)	-	(1)	-
Adjustment due to right issue	-	-	-	-
At 31 December	<b>70</b>	-	<b>26</b>	-

The weighted average price at the time the options were exercised during 2012 was £ NIL (2011: £ NIL).

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life Expected years	Contractual years	Weighted average exercise price	No. of options	Weighted average remaining life Expected years	Contractual years
NIL	-	70	10	6.1 / 8.8	-	26	10	6.5 / 9.4

### ii) International Share save Scheme

The International Share save Scheme was first launched in 1996 and made available to all employees of the Bank. Employees have the choice of opening a three-year or a five-year savings contract. Within a period of six months after the third or fifth anniversary, employees may exercise the awards and receive any benefit in cash; alternatively, the employee may elect to have the savings, plus interest, repaid in cash. The price at which they may purchase shares is at a discount of up to 20 percent on the share price at the date of the invitation. There are no performance conditions attached to options granted. The options granted do not confer any right to participate in any share issue of any other company.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	118	11.42	109	11.67
Granted during the year	-	-	42	10.65
Exercised during the year	(19)	10.36	(14)	9.97
Lapsed during the year	(31)	11.03	(19)	11.02
Adjustment due to right issue	-	-	-	-
At 31 December	<b>68</b>	<b>11.88</b>	<b>118</b>	<b>11.42</b>

The weighted average price at the time the options were exercised during 2012 was £10.36 (2011: £14.81).



## Notes to the Un-Consolidated Financial Statements

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Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
£9.8/£14.63	11.88	68	3.33/5.33	2.1	11.42	118	3.33/5.33	2.4

### iii) Restricted Share Scheme

The Restricted Share Scheme is a discretionary share incentive scheme for high performing and high potential staff at any level of the organisation whom the Group wishes to motivate and retain. Except upon appointment when an executive director may be granted an award of restricted shares, the Restricted Share Scheme is not applicable to the Group's executive directors, as it has no performance conditions attached to it. Fifty per cent of the award vests two years after the date of the grant and the remainder after three years. The awards granted under this scheme are nil cost options with any benefit payable in cash. The options granted do not confer any right to participate in any share issue of any other company.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	110	-	116	-
Granted during the year	-	-	18	-
Exercised during the year	(45)	-	(21)	-
Lapsed during the year	(10)	-	(3)	-
Notional dividend	1	-	-	-
At 31 December	56	-	110	-

The weighted average price at the time the options were exercised during 2012 was Nil (2011: £15.74).

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
N/A	-	56	-	3.99	-	110	-	3.87

The intrinsic value of vested Restricted Share Scheme cash-settled awards as at 31 December 2012 was Rs. 33,143 thousand (2011: Rs. 32,870 thousand).

### iv) Supplementary Restricted Share Scheme

The Group operates a Supplementary Restricted Share Scheme which can be used to defer part of an employee's annual bonus in shares. The plan is principally used for employees in the global markets area and is similar to the RSS outlined above for three important factors: executive directors are specifically prohibited from the plan; no new shares can be issued to satisfy awards; and there is no individual annual limit.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	2	-	6	-
Granted during the year	-	-	1	-
Exercised during the year	(3)	-	(5)	-
Lapsed during the year	2	-	-	-
Adjustment due to right issue	-	-	-	-
At 31 December	1	-	2	-

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
N/A	-	1	5	5.03	-	2	5	6.29

The intrinsic value of vested Supplementary Restricted Share Scheme cash-settled awards as at 31 December 2012 was Rs. 414 thousand (2011: Rs. 4,487 thousand).

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### v) Performance Share Plan

The Performance Share Plan is designed as an intrinsic part of total remuneration for the Group's executive directors and for a small number of the Group's most senior executives. The awards granted under this scheme are nil cost options. Certain performance criteria need to be met before the options can be exercised.

The option granted do not confer any right to participate in any share issue of any other company.

Movements in the number of share options held by the Bank's employees are as follows:

	2012	2011
	------(Number in '000)-----	
At 1 January	39	73
Granted during the year	-	-
Exercised during the year	(18)	(20)
Lapsed during the year	(9)	(14)
Adjustment due to right issue	-	-
At 31 December	<u>12</u>	<u>39</u>

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
N/A	-	12	-	7.5	-	39	-	7.85

The intrinsic value of vested Performance Share Plan cash-settled awards as at 31 December 2012 was Rs. 1,833 thousand (2011: Rs. 3,574 thousand)

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 35. COMPENSATION OF CHIEF EXECUTIVE AND EXECUTIVES

	Note	Chief Executive		Directors		Executives	
		2012	2011	2012	2011	2012	2011
----- (Rupees in '000) -----							
Directors' remuneration / fees	35.1	-	-	3,160	3,580	-	-
Managerial remuneration	35.3	130,359	93,496	-	-	1,747,887	1,891,409
Contribution to defined contribution plan		3,422	3,422	-	-	172,804	185,882
Rent and house maintenance		7,467	7,467	-	-	381,055	413,899
Medical		1,867	1,867	-	-	105,462	112,238
Others		416	234	-	-	24,294	186,049
		<u>143,531</u>	<u>106,486</u>	<u>3,160</u>	<u>3,580</u>	<u>2,431,502</u>	<u>2,789,477</u>
Number of persons		<u>1</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>871</u>	<u>887</u>

**35.1** The director's remuneration / fees represents remuneration paid to the Bank's 3 non-executive directors (2011: 3) for attending Board and Sub-Committee meetings.

**35.2** The Chief Executive is entitled to Bank provided free use of furnished accommodation. The Chief Executive and some of the executives are also provided with Bank maintained cars. In addition, the Chief Executive and some of the executives are also reimbursed for cost of medical expenses and other benefits like club subscription, children education etc.

**35.3** Managerial remuneration also includes charge against share compensation plans.

### 36. FAIR VALUE OF FINANCIAL INSTRUMENTS

#### On-balance sheet financial instruments

Except for investment in subsidiaries, unlisted companies, fixed term advances of over one year, staff loans and fixed term deposits of over one year, the fair value of on balance sheet financial assets and liabilities are not significantly different from their book value as these assets and liabilities are either short term in nature or are frequently re-priced. The fair value of fixed term advances of over one year, staff loans, fixed term deposits of over one year and investment in equity of unlisted companies cannot be calculated with sufficient reliability due to non-availability of relevant active market for similar assets and liabilities. The fair value of investment in quoted subsidiaries is disclosed in note 7.12.3 to these financial statements.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 37. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

### Segment analysis with respect to business activity

Internal income  
 Net mark-up / return / interest income  
 Non mark-up / non interest income  
 Operating income  
 Non mark-up / non interest expenses  
 Internal non mark-up / non interest expenses  
 Operating profit before provisions and taxation  
 Direct write-offs / provisions against non-performing  
 loans and advances - net of recoveries  
 Provision for diminution in the value of investments - net

#### Profit before taxation

#### Other segment items:

Depreciation on tangible fixed assets  
 Amortisation on intangible assets  
 Segment assets (gross)  
 Segment non performing loans  
 Segment provision required  
 Segment liabilities  
 Segment return on net assets (ROA) (%)  
 Segment cost of funds (%)

2012		
Wholesale Banking	Consumer Banking	Total
----- (Rupees in '000) -----		
(13,443,551)	13,681,438	237,887
20,816,674	(1,336,803)	19,479,871
4,656,419	2,659,527	7,315,946
12,029,542	15,004,162	27,033,704
4,450,743	9,639,862	14,090,605
55,062	182,825	237,887
7,523,737	5,181,475	12,705,212
1,339,249	1,815,531	3,154,780
442,167	-	442,167
5,742,321	3,365,944	9,108,265
66,925	418,324	485,249
36,900	101,638	138,538
353,670,549	60,785,863	414,456,412
16,211,449	10,913,504	27,124,953
14,754,751	9,707,171	24,461,922
124,429,839	210,149,884	334,579,723
1.69%	6.59%	2.34%
6.11%	3.17%	4.15%

Internal income  
 Net mark-up / return / interest income  
 Non mark-up / non interest income  
 Operating income  
 Non mark-up / non interest expenses  
 Internal non mark-up / non interest expenses  
 Operating profit before provisions and taxation  
 Direct write-offs / provisions against non-performing  
 loans and advances - net of recoveries  
 Provision for diminution in the value of investments - net

#### Profit before taxation

#### Other segment items:

Depreciation of tangible fixed assets  
 Amortisation of intangible assets  
 Segment assets (gross)  
 Segment non performing loans  
 Segment provision required  
 Segment liabilities  
 Segment return on net assets (ROA) (%)  
 Segment cost of funds (%)

2011		
(12,553,240)	12,909,222	355,982
21,375,476	(835,440)	20,540,036
3,855,434	2,359,639	6,215,073
12,677,670	14,433,421	27,111,091
4,215,074	9,628,156	13,843,230
82,304	273,678	355,982
8,380,292	4,531,587	12,911,879
2,533,873	1,947,304	4,481,177
-	-	-
5,846,419	2,584,283	8,430,702
55,888	377,308	433,196
50,720	217,977	268,697
319,838,506	59,246,404	379,084,910
15,068,724	10,628,138	25,696,862
13,422,943	8,566,474	21,989,417
121,527,768	180,288,495	301,816,263
1.91%	5.10%	2.36%
6.45%	3.28%	4.41%

\* Segment ROA = Profit before tax / (Segment assets - Segment provisions)

\*\* Segment cost of funds have been computed based on the average balances.

The management reviews the performance of Corporate and Institutional Banking and Global Markets as one business segment, namely Wholesale Banking. Therefore the business activities of the Bank have been presented in two segments, Wholesale and Consumer Banking.

#### Wholesale banking

Deposits, trade, advisory services and other lending activities for corporates and financial institutions. It also includes the overall management of treasury of the Bank, which entails various cash and interest risk management products for customers. The products include FX forwards, FX options and interest rate swaps.

#### Consumer Banking

Wealth management, deposits, mortgages, unsecured lending (credit cards, personal loans etc.) and SME lending (including SME trade).

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 38. RELATED PARTY TRANSACTIONS

Related parties comprise of Standard Chartered Plc., ultimate parent company, its other subsidiaries and branches, key management personnel, employees' retirement benefit funds and other associated undertakings. The transactions with related parties are conducted at commercial / agreed terms. The bank also provides advances to employees at reduced rates in accordance with their terms of employment.

The transactions and balances with related parties are summarised as follows:

		2012	2011
		----- (Rupees in '000) -----	
<b>OUTSTANDING BALANCES</b>			
<b>Group</b>			
Nostro balances with other subsidiaries and branches of the holding company		2,310,442	2,986,847
Overdrawn nostro balances with other subsidiaries and branches of the holding company		26,650	-
Vostro balances of other subsidiaries and branches of the holding company		254,274	216,542
Placements with other subsidiaries and branches of the holding company		19,345,269	10,354,397
Deposits of group company		12,734	11,731
Due to holding company	38.1	9,014,703	4,568,330
Due to group company		33,867	32,803
Due from associated undertakings		158,311	179,828
Interest receivable from group companies		1,552	137
Inter-company derivative assets		433,119	782,787
Inter-company derivative liabilities		752,018	800,435
Other receivables - SLA		416	356
Transaction-related contingent liabilities - Guarantees		21,603,912	27,634,157
Commitments in respect of forward foreign exchange contracts		6,101,969	7,806,394
Derivative instruments- Interest rate swaps - Notional		18,327,414	19,322,804
Derivative instruments- FX options - Notional		3,370,375	15,822,498
<b>Subsidiaries</b>			
Deposits of subsidiaries	38.1	71,489	78,138
Loans to subsidiaries	38.1	633,690	64,563
Accrued interest receivable		5,634	1,941
Other receivables - SLA		1,440	1,494
<b>Key management personnel</b>			
Loans and advances to key management personnel	38.1	102,395	126,737
Deposits of key management personnel	38.1	181,751	89,958
<b>Others</b>			
Deposits by staff retirement benefit funds	38.1	61,450	72,074
Deposits by customers with common directorship (Payable to) / receivable from defined benefit plans	38.1	40,687	670
Derivative asset		7,300	(222)
Derivative liabilities		65,000	8,747
Transaction-related contingent liabilities - Guarantees		8,504	35,762
Trade-related contingent liabilities - Letter of Credit		235,170	8,702
		35,434	634,654
<b>PROFIT AND LOSS</b>			
<b>Group</b>			
Mark-up / return / interest earned		49,496	82,247
Mark-up / return / interest expensed		12,401	2,554
Fee and commission expense		93	83,768
Fee and commission income		16,513	46,758
Reimbursement of executive and general administrative expenses		4,206,039	3,875,954
Payment to group company for direct sales services rendered		697,879	536,781
Reimbursement of administrative expenses (including rent and other charges)		4,466	3,633
Net loss on inter-company derivatives		301,251	102,042
Royalty expense		137,459	136,512

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

Note	2012	2011
	----- (Rupees in '000) -----	
<b>Subsidiaries</b>		
Mark-up / return / interest earned	32,451	18,481
Mark-up / return / interest expensed	4,711	6,825
Reimbursement of administrative expenses (including rent and other charges)	16,503	10,428
Reimbursement of salaries	3,769	2,531
Dividend income	75,606	50,118
<b>Key management personnel</b>		
Mark-up / return / interest earned	3,670	6,178
Mark-up / return / interest expensed	4,415	1,038
Salaries and benefits	518,809	361,116
Post retirement benefits	16,938	17,128
Remuneration / fee paid to non-executive directors	3,160	3,580
<b>Others</b>		
Contribution to defined contribution plans - net of payments received	297,388	286,649
Charge for defined contribution plans	297,388	286,649
Net charge / (income) for defined benefit plans	8,341	(966)
Mark-up / return / interest expensed on deposits of staff retirement benefit funds	15,151	8,461
Mark-up / return / interest expensed on deposits of customers with common directorship	1,943	38
Donation to The Kidney Centre	26.1.1 2,500	2,500
Donation to Aman Tech Foundation	26.1.2 -	152
Net gain / (loss) on derivatives	83,511	(26,415)
Payment made to Central Depository Company of Pakistan Limited	38.2 10,303	-

### 38.1 Net movements in loans and deposits are summarised as follows:

	Balance as at 31 December 2011	Net disbursement / deposits	Net repayments / withdrawals	Balance as at 31 December 2012
	----- (Rupees in '000) -----			
<b>Loans and advances</b>				
Key management personnel	126,737	28,109	(52,451)	<b>102,395</b>
Subsidiaries	64,563	13,587,321	(13,018,194)	<b>633,690</b>
Others	-	-	-	-
<b>Deposits</b>				
Group companies	11,731	703,439	(702,436)	<b>12,734</b>
Subsidiaries	78,138	12,379,151	(12,385,800)	<b>71,489</b>
Key management personnel	89,958	751,126	(659,333)	<b>181,751</b>
Others	72,744	47,043,505	(47,014,112)	<b>102,137</b>

38.2 Mr. Mohsin Ali Nathani, CEO of the bank is also Director of Central Depository Company of Pakistan Limited.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 39. CAPITAL ASSESSMENT AND ADEQUACY

### 39.1 Capital Structure

The Bank's lead regulator, State Bank of Pakistan (SBP) sets and monitors capital requirements for the Bank as a whole. Effective 31 December 2008, SBP has advised all banks to calculate their capital requirements based on Basel II accord under the Standardised approach. The transition to the 'Advanced Approaches' of Basel II has been made discretionary for banks, and is subject to prior written approval from SBP.

The State Bank of Pakistan through its BSD Circular No.07 of 2009 dated April 15, 2009 requires the minimum paid up capital (net of losses) for all locally incorporated banks to be raised to Rs. 10 billion by the year ending on December 31, 2013. The raise is to be achieved in a phased manner requiring Rs. 9 billion paid up capital (net of losses) by the end of the financial year 2012. The paid up capital of the Bank is comfortably in compliance with the SBP requirement. Furthermore, SBP requires the Bank to maintain a prescribed total capital to total risk-weighted assets ratio. As at the year end, SBP's minimum prescribed capital adequacy ratio is 10 percent. The Bank's ratio is compliant with this minimum benchmark.

Banking operations are categorised in either the trading book or the banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Bank's regulatory capital is analysed into three tiers:

- Tier I capital, which includes ordinary share capital, balance in share premium account, reserve for issue of bonus shares, general reserves as disclosed on the balance sheet (except those included in Tier II) and un-appropriated profits (net of accumulated losses, if any). Goodwill and other intangibles are deducted from Tier I capital.
- Tier II capital includes sub-ordinated debt, revaluation reserves on assets, exchange translation reserves and impairment allowances that are not held against identified debts. Sub-ordinated debt is limited to 50 percent of Tier I capital. Information on the terms, conditions and other features of the Bank's sub-ordinated debt currently in issue is given in note 16 to these financial statements. Revaluation reserves are eligible upto 45 percent for treatment as Tier II capital. There is also a restriction on the amount of impairment allowances that are not held against identified debts upto 1.25 percent of total risk weighted assets.
- Tier III supplementary capital consists of short term sub-ordinated debt solely for the purpose of meeting a proportion of the capital requirements for market risk. The Bank currently does not have any Tier III capital.

Total of Tier II and Tier III capital is limited to Tier I capital. 50 percent of the amount of investments in subsidiaries and associates not consolidated on the balance sheet is deducted from both Tier I and Tier II capital.

	2012	2011
	----- (Rupees in '000) -----	
<b>Tier I Capital</b>		
Fully paid-up capital	38,715,850	38,715,850
Balance in share premium account	1,036,090	1,036,090
General reserves as disclosed on the balance sheet	3,902,646	2,720,535
Un-appropriated/ un-remitted profits (net of accumulated losses, if any)	6,676,380	8,797,964
Less:		
Book value of goodwill and other intangibles	(26,274,033)	(26,412,571)
Other deductions (50 percent of investments in equity and other regulatory capital of majority owned securities or other financial subsidiaries not consolidated in the balance sheet)	(343,137)	(343,137)
<b>Total Tier I Capital-----&gt;</b>	<b>23,713,796</b>	<b>24,514,731</b>
<b>Tier II Capital</b>		
Sub-ordinated debt - upto maximum of 50 percent of 'Total eligible Tier 1 capital'	2,500,000	50,000
General provisions or general reserves for loan losses - upto maximum of 1.25 percent of 'Risk Weighted Assets'	570,652	613,097
Revaluation reserves (upto 45 percent)	1,898,555	1,453,357
Less:		
Other deductions (50 percent of investments in equity and other regulatory capital of majority owned securities or other financial subsidiaries not consolidated in the balance sheet)	(343,137)	(343,137)
<b>Total Tier II Capital-----&gt;</b>	<b>4,626,070</b>	<b>1,773,317</b>
<b>Total Regulatory Capital Base</b>	<b>28,339,866</b>	<b>26,288,048</b>

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 39.2 Capital Adequacy

The Bank's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirements at all times and to maintain good credit ratings, maximising shareholder value and at the same time maintaining investor, creditor and market confidence.

The capital position is reviewed and monitored by the Asset and Liability Committee (ALCO) of the Bank. Regular reviews help to ensure that adequate levels of capital and an optimum mix of the different components of capital are maintained by the Bank to support the strategy. This is integrated with the Bank's annual planning process that takes into consideration business growth assumptions across products and business segments and the related impact on capital resources.

The following matters are taken into account while reviewing the Bank's capital position:

- current regulatory capital requirements and our assessment of future standards;
- demand for capital due to business growth forecasts;
- forecasted demand for capital to support credit ratings and as a signalling tool to the market;
- available supply of capital and capital-raising options.

For calculation of Capital Adequacy Ratio, the Bank adheres to the calculation of capital requirements for credit, market and operational risk as per the guidelines of SBP, for Basel II.

For credit risk, the Bank uses the 'Standardized Approach'. The Bank uses reputable and SBP approved rating agencies (ECAIs) for deriving risk weights for specific credit exposures. These are consistently applied across the Bank's credit portfolio for both on and off balance sheet exposures. The ECAIs used for rating various types of exposures are tabled in note 39.3 to these financial statements.

For the purposes of Credit Risk Mitigation under the 'Standardised Approach', the Bank follows the instructions laid down by SBP vide their Circular No. 08 dated 27 June 2006 with regard to eligibility of collaterals, valuation and management. Where a transaction is secured by an eligible collateral and meets the eligibility criteria and minimum requirements as laid down by SBP, the Bank reduces its exposure under that particular transaction by taking into account the risk mitigating effect of the collateral for the calculation of capital requirement. Collaterals used include: Government of Pakistan guarantees, Intra-group guarantees, margins / liens and saving certificates.

The Bank calculates its capital requirement for market risk in its portfolio, based on the methodology provided by SBP which takes account of specific and general market risk capital charge for interest rate risk using the duration method.

For calculation of operational risk capital charge, the business activities of the Bank are divided into eight business lines: corporate finance, trading and sales, retail banking, commercial banking, payments and settlement, agency services, asset management and retail brokerage. The Bank's operations are mapped into these eight business lines as per the criteria laid down by SBP vide Circular No 08 dated 27 June 2006.

Within each business line, gross income is the broad indicator that serves as a proxy for the scale of business operations and thus the likely scale of operational risk exposure within each of these business lines. The capital charge for each business line is calculated by multiplying gross income by beta factors assigned by SBP to that business line. Beta serves as a proxy for the industry-wide relationship between the operational risk loss experience for a given business line and the aggregate level of gross income for that business line.

The total capital charge is calculated as the three-year average of the simple summation of the regulatory capital charges across each of the business lines in each year.

The 'Standardised Approach' is preferred over the 'Basic Indicator Approach' so as to arrive at a capital charge that is reflective of the risks associated with each of the Bank's business lines.

The Bank's approach for mitigating operational risk is further detailed in note 40.9 to these financial statements.

The capital requirements for the Bank as per the major risk categories are indicated below:

		Capital Requirements		Risk Weighted Assets	
		31 December 2012	31 December 2011	31 December 2012	31 December 2011
----- (Rupees in '000) -----					
<b>Credit Risk</b>					
<u>Portfolios subject to 'Standardized Approach' - Simple</u>					
		9,427	2,869	94,268	28,689
	Government of Pakistan and State Bank of Pakistan				
	Public Sector Entities	380,174	323,094	3,801,735	3,230,936
	Banks	1,782,358	1,421,924	17,823,581	14,219,243
	Corporate Portfolio	10,180,305	11,298,284	101,803,053	112,982,843
	Retail Portfolio	822,916	755,585	8,229,158	7,555,854
	Residential Mortgage Finance	125,269	137,910	1,252,693	1,379,102
	Past Due Portfolio	307,195	423,276	3,071,948	4,232,757
	All other Risk Weighted Assets	1,263,966	1,184,617	12,639,662	11,846,173
<b>Market Risk</b>					
<u>Capital Requirement for portfolios subject to 'Standardized Approach'</u>					
	Interest Rate Risk	163,671	261,190	1,636,712	2,611,901
	Foreign Exchange Risk	65,094	61,304	650,944	613,037
<b>Operational Risk</b>					
<u>Capital Requirement for operational risk - 'Standardised Approach'</u>					
		4,745,618	4,509,837	47,456,180	45,098,371
	<b>Total</b>	<b>19,845,993</b>	<b>20,379,890</b>	<b>198,459,934</b>	<b>203,798,906</b>
<b>Capital Adequacy Ratio</b>		<b>2012</b>		<b>2011</b>	
	Total eligible regulatory capital held (Note 39.1)	(a) <b>28,339,866</b>		<b>26,288,048</b>	
	Total Risk Weighted Assets	(b) <b>198,459,934</b>		<b>203,798,906</b>	
	Capital Adequacy Ratio (a) / (b)	<b>14.28%</b>		<b>12.90%</b>	



# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

(Rupees in '000)

## Credit Exposures subject to Standardised Approach

Exposures	Rating Category	2012			2011		
		Amount outstanding*	Deduction/ CRM**	Net amount	Amount outstanding	Deduction/ CRM**	Net amount
Corporate	0%	-	-	-	-	-	-
	20%	15,062,177	11,910,944	3,151,233	20,343,061	14,774,636	5,568,425
	50%	19,398,788	2,660,524	16,738,264	3,017,661	989,238	2,028,423
	100%	1,223,746	-	1,223,746	2,282,744	-	2,282,744
	150%	684,576	(342,288)	1,026,864	3,829,574	(1,914,787)	5,744,361
Banks	0%	-	-	-	-	-	-
	20%	21,312,628	17,052,323	4,260,305	30,508,323	26,186,410	4,321,913
	50%	21,627,620	10,813,910	10,813,910	16,620,714	8,320,558	8,300,156
	100%	1,797,692	-	1,797,692	652,402	-	652,402
	150%	414,636	(207,318)	621,954	353,733	(176,866)	530,599
Sovereigns etc	0%	159,448,265	159,448,265	-	126,098,035	126,098,035	-
	20%	4,278,082	3,637,794	640,288	15,148,271	12,289,605	2,858,666
	50%	-	-	-	-	-	-
	100%	94,268	-	94,268	28,689	-	28,689
	150%	-	-	-	-	-	-
Unrated including retail	50% upto 150%	124,686,907	33,303,836	91,383,071	127,798,331	22,097,143	105,701,188
All Other Exposures		25,027,520	8,063,217	16,964,303	23,655,615	6,197,584	17,458,031
Total		395,057,305	246,341,207	148,716,098	370,337,153	214,861,556	155,475,597

CRM= Credit Risk Mitigation

\* Amount outstanding represents Original Exposure in the case of On-balance sheet items and the Credit Equivalent Exposure in the case of Off-balance sheet items.

\*\* Deduction/CRM reflects reduction in exposures due to ratings and collaterals.

## 39.3 Types of exposures and ECAI's used

	Corporate	Banks	Sovereigns
JCR - VIS	✓	✓	✓
PACRA	✓	✓	✓
STANDARD AND POORS	✓	✓	✓
MOODY'S	✓	✓	✓
FITCH	✓	✓	✓

The Bank adheres to the mapping instructions issued by SBP on the Revised Regulatory Capital Framework under Basel II, issued vide BSD Circular No. 8 of 2006 dated 27 June 2006, vide BSD Circular Letter No. 09 of 2007 dated 24 August 2007, vide BSD Letter No. BSD/BAI-2/201/1141/2009 dated 2 December 2009 and vide BSD Circular No. 5 of 2010 dated 5 October 2010 with regard to credit ratings to be used. These are as follows:

## LONG-TERM RATING GRADES MAPPING

Risk Weightage	Standard & Pools Ratings Services	Moody's Investors Services	Fitch Ratings	PACRA	JCR VIS
20%	AAA	Aaa	AAA	AAA	AAA
	AA+	Aa1	AA+	AA+	AA+
	AA	Aa2	AA	AA	AA
50%	AA-	Aa3	AA-	AA-	AA-
	A+	A1	A+	A+	A+
	A	A2	A	A	A
100%	A-	A3	A-	A-	A-
	BBB+	Baa1	BBB+	BBB+	BBB+
	BBB	Baa2	BBB	BBB	BBB
100%	BBB-	Baa3	BBB-	BBB-	BBB-
	BB+	Ba1	BB+	BB+	BB+
	BB	Ba2	BB	BB	BB
150%	BB-	Ba3	BB-	BB-	BB-
	B+	B1	B+	B+	B+
	B	B2	B	B	B
150%	B-	B3	B-	B-	B-
	CCC+	Caa1	CCC+	CCC+	CCC+
	CCC	Caa2	CCC	CCC	CCC
	CCC-	Caa3	CCC-	CCC-	CCC-
	CC	Ca	CC	CC	CC
	C	C	C	C	C
	D		D	D	D

## SHORT-TERM RATING GRADES MAPPING

Risk Weightage	Standard & Pools Ratings Services	Moody's Investors Services	Fitch Ratings	PACRA	JCR VIS
20%	A-1+	P-1	F1+	A-1	A-1
	A-1		F1		
50%	A-2	P-2	F2	A-2	A-2
	A-3	P-3	F3	A-3	A-3
150%	B	NP	B	Others	Others
	B-1		C		
	B-2		D		
	B-3				
	C				

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 40. RISK MANAGEMENT

Through its risk management structure, the Bank seeks to manage efficiently the core risks: credit, market, country, and liquidity risk. These arise directly through the Bank's commercial activities whilst compliance and regulatory risk, operational risk and reputational risks are normal consequences of any business undertaking.

The basic principles of risk management followed by the Bank include:

### Balancing risk and return

Risk is taken in line with the requirements of the Bank's stakeholders. Risk should be taken within the Bank's risk appetite, consistent with the approved strategy. Any such risks are avoided which have a material probability of causing financial distress to the Bank or its clients or customers.

### Responsibility

Given the Bank is in the business of taking risk, it is everyone's responsibility to ensure that risk taking is both disciplined and focused. The Bank takes account of its social responsibilities and its commitment to customers in taking risk to produce a return.

### Accountability

Risk is taken only within agreed authorities and where there is appropriate infrastructure and resource. All risk taking must be transparent, controlled and reported.

### Anticipation

The Bank looks to anticipate future risks and to ensure awareness of all risk.

### Competitive Advantage

The Bank seeks to achieve competitive advantage through efficient and effective risk management and control.

### Risk management

The Bank aims to implement best practices and have a specialist risk function of international standards, with strength in depth, experience across risk types and economic scenarios.

Ultimate responsibility for the effective management of risk rests with the Company's Board of Directors. Acting within an authority delegated by the Board, the Executive Committee reviews specific risk areas and monitors the activities of the Country Risk Committee ("CRC") and the Asset and Liability Committee ("ALCO").

CRC headed by Country Chief Risk Officer (CCRO), through authority delegated by the Board through the Bank's Executive Committee, is responsible for credit risk, market risk, operational risk, compliance risk and regulatory risk, legal risk and reputational risk. ALCO, through authority delegated by the Board through the Bank's Executive Committee, is responsible for management of the Bank's liquidity, capital adequacy and structural foreign exchange risk. The Pension Executive Committee, through authority delegated by the Board through the Bank's Executive Committee is responsible for management of pension risk.

The day to day responsibility for managing risk rests with CCRO who oversees and manages the risk through a team of managers; Senior Credit Officer responsible for credit risk in Wholesale Bank, Country Credit Head responsible for credit risk in Consumer Bank (including SME), Head of Special Assets Management responsible for remedial risk management, Head of Credit Risk Controls responsible for collateral management, security documentation, credit MIS and controls, Head of Market Risk responsible for liquidity risk and risks associated with price movements, arising from interest and exchange rate movements and Head of Operational Risk responsible for enterprise wide operations. The Bank has established policies, procedures, processes, and controls and have provided the Risk team adequate support by way of risk systems and tools for measuring and reporting risk for monitoring, controlling, reviewing and managing risk.

## 40.1 Credit risk

Credit risk is the risk that a counter party will not settle its obligations in accordance with agreed terms. Credit exposures may arise from lending, trade finance, securities and derivative exposures. Credit exposures include both individual borrowers and groups of connected counterparties and portfolios in the banking and trading books.

The Board of Directors has delegated down the authority to CRC through the Bank's Executive Committee to establish risk appetite and make recommendations to the Board for approval of risk appetite and policies for managing credit risk. The CEO and the Executive Committee in turn rely on CCRO and the Risk Committee to determine these and recommend for their support and Board's approval. The CRC is also delegated down by the BOD responsibility to delegate credit authorities to independent Risk Officers.

Credit risk appetite is established through business strategy papers and underwriting standards by the business managers, which are approved by the Board once recommended, and supported by the Executive Committee.

Specific procedures for managing credit risk within Wholesale and Consumer (including SME) are determined at the Senior Credit Officer and Country Credit Head levels for their respective jurisdictions with specific policies and procedures being adapted to different risk environments and business goals. Credit analysis includes review of facility details, credit grade determination and financial spreading / ratio analysis. Portfolio review, Early Alerts and Stress Testing based on scenario analysis is a combined responsibility of Client Relationship and Risk and Finance function. Client relationship origination and credit approval roles are clearly segregated throughout Wholesale and Consumer Banking segment.

### 40.1.1 Wholesale Banking

Within the Wholesale Banking business, an alpha numerical risk grading system is used for quantifying the risk associated with a counter-party. The grading is based on a probability of default measure, with customers analysed against a range of quantitative and qualitative measures. Expected Loss is used for further assessment of individual exposures and portfolio analysis. There is a clear segregation of duties with loan applications being prepared separately from the approval chain.

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 40.1.2 Consumer Banking

For Consumer Banking, program based standard credit application forms are generally used, which are processed in central units for different products and market segments. Consumer Banking Analytics team has developed Bureau scores and uses Bureau data for portfolio monitoring and for underwriting new business. Medium enterprises relationship based business of Consumer Bank operates much like Wholesale banking with numerical risk grading system for quantifying counter party risk. As with Wholesale Banking, origination and approval roles are clearly segregated.

### 40.1.3 Segment by class of business

	2012					
	Advances - Gross		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Chemical and pharmaceuticals	11,396,979	7.14	4,164,613	1.56	4,308,516	5.80
Agri business	5,714,958	3.58	193,476	0.07	34,181	0.05
Textile	29,111,057	18.23	938,788	0.35	1,655,619	2.23
Communication	1,092,990	0.68	15,083,632	5.66	2,437,299	3.28
Insurance	82,756	0.05	1,771,289	0.66	-	-
Telecommunications and information technology	5,886,625	3.69	2,457,249	0.92	44,628	0.06
Cement	5,482,201	3.43	15,671	0.01	823,837	1.11
Sugar	2,784,973	1.74	1,333	-	90,292	0.12
Automobile and transportation equipment	2,439,499	1.53	849,140	0.32	1,171,576	1.58
Transportation	3,046,874	1.91	3,466,291	1.30	1,373,578	1.85
Financial	2,683,563	1.68	1,873,085	0.70	28,726,780	38.65
Electronics and electrical appliances	1,755,137	1.10	3,487,607	1.31	4,975,420	6.69
Production and transmission of energy	24,144,407	15.12	11,080,729	4.16	16,017,525	21.55
Shoes and leather garments	2,542,747	1.59	94,264	0.04	153,727	0.21
Individuals	17,222,691	10.79	172,525,710	64.70	1,369	-
Others	44,258,610	27.74	48,667,184	18.24	12,514,751	16.82
	<u>159,646,067</u>	<u>100.00</u>	<u>266,670,061</u>	<u>100.00</u>	<u>74,329,098</u>	<u>100.00</u>

	2011					
	Advances - Gross		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Chemical and pharmaceuticals	8,891,626	5.86	3,151,112	1.34	3,783,790	4.67
Agri business	4,982,873	3.29	335,713	0.14	263,593	0.33
Textile	30,106,679	19.86	1,245,461	0.53	2,657,237	3.28
Communication	209,159	0.14	13,493,841	5.72	1,876,968	2.32
Insurance	47,677	0.03	1,369,266	0.58	-	-
Telecommunications and information technology	5,958,475	3.93	1,552,479	0.66	1,489,322	1.84
Cement	10,662,073	7.03	44,349	0.02	1,402,723	1.73
Sugar	3,097,848	2.04	1,552	0.00	74,392	0.09
Automobile and transportation equipment	1,536,177	1.01	692,307	0.29	1,919,255	2.37
Transportation	5,237,601	3.45	1,746,703	0.74	1,243,216	1.55
Financial	2,294,702	1.51	1,404,108	0.60	35,976,421	44.43
Electronics and electrical appliances	1,589,791	1.05	2,568,419	1.09	3,376,497	4.17
Production and transmission of energy	20,923,124	13.80	12,188,344	5.17	12,454,821	15.38
Shoes and leather garments	1,651,182	1.09	147,011	0.06	264,079	0.33
Individuals	18,704,875	12.34	149,630,030	63.42	2,094	0.00
Others	35,715,689	23.56	46,382,027	19.66	14,195,244	17.53
	<u>151,609,551</u>	<u>100.00</u>	<u>235,952,722</u>	<u>100.00</u>	<u>80,979,652</u>	<u>100.00</u>

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

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

	2012		2011	
	Classified Advances	Specific Provision held	Classified Advances	Specific Provision held
	(Rupees in '000)			
Chemical and pharmaceuticals	335,092	283,858	253,300	126,522
Agri business	16,799	15,967	16,799	16,799
Textile	7,617,809	7,547,686	7,646,561	7,484,393
Footwear and Leather garments	16,564	15,645	15,564	5,997
Automobile and transportation equipment	358,068	353,970	399,783	380,479
Financial	49,326	49,326	49,326	24,663
Production and transmission of energy	127,708	127,708	276,416	213,232
Individuals	5,684,022	4,493,025	6,003,225	4,351,597
Others	12,919,565	11,004,085	11,035,888	8,772,638
	<u>27,124,953</u>	<u>23,891,270</u>	<u>25,696,862</u>	<u>21,376,320</u>

## 40.1.5 Segment by sector

	2012					
	Advances		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Public / Government	10,826,928	6.78	4,138,018	1.55	3,398,836	4.57
Private	148,819,139	93.22	262,532,043	98.45	70,930,262	95.43
	<u>159,646,067</u>	<u>100.00</u>	<u>266,670,061</u>	<u>100.00</u>	<u>74,329,098</u>	<u>100.00</u>

	2011					
	Advances		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Public / Government	9,171,405	6.05	1,913,256	0.81	7,107,266	8.78
Private	142,438,146	93.95	234,039,466	99.19	73,872,386	91.22
	<u>151,609,551</u>	<u>100.00</u>	<u>235,952,722</u>	<u>100.00</u>	<u>80,979,652</u>	<u>100.00</u>

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

	2012		2011	
	Classified Advances	Specific Provision held	Classified Advances	Specific Provision held
	(Rupees in '000)			
Public / Government	-	-	-	-
Private	27,124,953	23,891,270	25,696,862	21,376,320
	<u>27,124,953</u>	<u>23,891,270</u>	<u>25,696,862</u>	<u>21,376,320</u>

## 40.1.7 GEOGRAPHICAL SEGMENT ANALYSIS

	2012			
	Profit before taxation	Total assets employed	Net Assets employed	Contingencies and Commitments
	(Rupees in '000)			
Pakistan	9,108,265	388,872,017	54,292,294	74,329,098
	<u>9,108,265</u>	<u>388,872,017</u>	<u>54,292,294</u>	<u>74,329,098</u>

	2011			
	Profit before taxation	Total assets employed	Net Assets employed	Contingencies and Commitments
	(Rupees in '000)			
Pakistan	8,430,702	356,404,874	54,588,611	80,979,652
	<u>8,430,702</u>	<u>356,404,874</u>	<u>54,588,611</u>	<u>80,979,652</u>

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 40.2 Market Risk

The Bank recognises market risk as the exposures created by potential changes in market prices and rates. Market risk exposures arise primarily from interest rate and foreign exchange related contracts. The Bank has no significant exposure to equity and commodity price risk.

Market risk is managed by the Head of Market Risk reporting directly to the CCRO, who agrees policies and procedures and levels of risk appetite in terms of Value at Risk ("VaR"). Limits are then proposed by the business within the terms of agreed policy. These are agreed and delegated down by RC under delegated authority from the BOD, and are monitored by the Head of Market Risk as part of an independent risk management function. Policies cover both trading and non-trading books.

In addition to market risk policies, as well as VaR and other market risk limits, independent stress testing of portfolios, factor sensitivity measures and derivatives are also employed as additional risk management tools to manage and hedge market risk exposures. Risk models are periodically back tested against actual results to ensure that pre-determined levels of accuracy are maintained.

### 40.3 Foreign Exchange Risk

	2012			
	Assets	Liabilities	Off-balance sheet items	Net foreign currency exposure
	----- (Rupees in '000) -----			
Pakistan Rupee	273,004,524	260,066,108	47,310,939	60,249,355
United States Dollar	62,079,954	64,306,661	(41,413,711)	(43,640,418)
Great Britain Pound	4,840,138	4,892,279	(125,476)	(177,617)
Euro	4,396,617	4,504,075	(2,950,089)	(3,057,547)
Swiss Franc	22,420	22,483	(27,538)	(27,601)
Japanese Yen	46,712	36,799	(2,211,800)	(2,201,887)
Others	38,006	24,437	(582,325)	(568,756)
	<b>344,428,371</b>	<b>333,852,842</b>	<b>-</b>	<b>10,575,529</b>
	----- (Rupees in '000) -----			
	2011			
	Assets	Liabilities	Off-balance sheet items	Net foreign currency exposure
	----- (Rupees in '000) -----			
Pakistan Rupee	270,627,492	245,662,985	40,311,498	65,276,005
United States Dollar	32,528,850	46,662,490	(32,133,785)	(46,267,425)
Great Britain Pound	3,881,735	3,881,726	(351,981)	(351,972)
Euro	4,746,625	4,971,547	(5,072,294)	(5,297,216)
Swiss Franc	24,443	20,224	(45,799)	(41,580)
Japanese Yen	-	-	(1,054,791)	(1,054,791)
Others	57,987	26,744	(1,652,848)	(1,621,605)
	<b>311,867,132</b>	<b>301,225,716</b>	<b>-</b>	<b>10,641,416</b>

**40.3.1** Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

**40.3.2** The management sets limits on the level of exposure by currency in total, for both overnight and intra day positions which are monitored daily.



## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

### 40.5 Yield / Interest Rate Risk

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The Bank is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Bank manages this risk by matching the re-pricing of assets and liabilities and off-balance sheet instruments.

### 40.6 Liquidity Risk

The Bank defines liquidity risk as the risk that the Bank either does not have sufficient financial resources available to meet all its obligations and commitments as and when they fall due, or can access them only at an excessive cost.

Liquidity risk is managed through the Asset and Liability Committee ("ALCO"). This committee, chaired by the CEO, is responsible for oversight of statutory and prudential liquidity management.

Liquidity risk is monitored through the internal liquidity risk management policy. A range of tools are used for the management of liquidity. These comprise commitment and wholesale borrowing guidelines, key balance sheet ratios, medium term funding requirements and day to day monitoring of future cash flows.

In addition, liquidity contingency funding plans are reviewed periodically to ensure that alternative funding strategies are in place and can be implemented on a timely basis to minimise the liquidity risk that may arise due to unforeseen adverse changes in the market place.

A substantial portion of the Bank's assets are funded by customer deposits made up of current and savings accounts and other deposits. These customer deposits, which are widely diversified by type and maturity, represent a stable source of funds.

The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 40.7 Maturities of assets and liabilities - based on contractual maturity of assets and liabilities of the Bank

In accordance with the guidelines issued by SBP through BSD Circular Letter No. 3 of 2011 and BSD Circular Letter No. 2 of 2013, Banks are required to disclose maturities of assets and liabilities separately for 'contractual maturities' and 'expected maturities'. The expected maturities are calculated using three (3) years historical balances and identifying "Core" and "Non-Core" balances using monthly volatility analysis. Fixed / intangible assets are presented on the basis of their depreciation / amortisation schedule.

	2012									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
------(Rupees in '000)-----										
<b>Assets</b>										
Cash and balances with treasury banks	31,487,869	31,487,869	-	-	-	-	-	-	-	-
Balances with other banks	2,363,144	2,363,144	-	-	-	-	-	-	-	-
Lendings to financial institutions	19,845,269	17,709,484	1,650,379	485,406	-	-	-	-	-	-
Investments	131,976,863	14,409,618	16,440,364	1,006,685	84,228,078	4,117,029	6,113,557	4,752,469	909,063	-
Advances	135,184,145	63,558,539	22,746,446	13,708,791	5,065,056	10,732,451	5,204,834	5,910,544	6,521,215	1,736,269
Other assets	33,845,937	211,337	15,745,919	9,615,106	7,326,044	20,764	220,291	520,208	186,268	-
Operating fixed assets	6,371,213	15,763	31,527	47,291	94,583	310,946	189,165	371,439	883,508	4,426,991
Intangible assets	26,274,033	629	1,257	1,886	3,772	7,543	-	15,088	37,719	26,198,596
Deferred tax assets	1,523,544	-	-	-	-	-	-	1,523,544	-	-
	<b>388,872,017</b>	<b>129,756,383</b>	<b>56,615,892</b>	<b>24,865,165</b>	<b>96,717,533</b>	<b>15,188,733</b>	<b>11,735,390</b>	<b>13,093,292</b>	<b>8,537,773</b>	<b>32,361,856</b>
<b>Liabilities</b>										
Bills payable	6,164,867	6,164,867	-	-	-	-	-	-	-	-
Borrowings	23,399,389	6,835,486	8,124,609	6,011,959	17,473	33,338	373,987	739,952	1,262,585	-
Deposits and other accounts	266,670,061	245,932,687	7,632,326	4,244,037	7,425,298	766,693	669,020	-	-	-
Sub-ordinated loans	2,750,000	-	250,000	-	-	-	-	-	2,500,000	-
Other liabilities	35,595,406	579,998	12,001,039	582,518	21,237,283	82,198	140,391	945,994	25,985	-
	<b>334,579,723</b>	<b>259,513,038</b>	<b>28,007,974</b>	<b>10,838,514</b>	<b>28,680,054</b>	<b>882,229</b>	<b>1,183,398</b>	<b>1,685,946</b>	<b>3,788,570</b>	<b>-</b>
	<b>54,292,294</b>	<b>(129,756,655)</b>	<b>28,607,918</b>	<b>14,026,651</b>	<b>68,037,479</b>	<b>14,306,504</b>	<b>10,551,992</b>	<b>11,407,346</b>	<b>4,749,203</b>	<b>32,361,856</b>
<b>Net assets</b>										
Share capital	38,715,850									
Reserves	4,938,736									
Unappropriated profit	6,676,380									
Surplus on revaluation of assets - net	3,961,328									
	<b>54,292,294</b>									

	2011									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
------(Rupees in '000)-----										
<b>Assets</b>										
Cash and balances with treasury banks	26,293,094	26,293,094	-	-	-	-	-	-	-	-
Balances with other banks	3,054,167	3,054,167	-	-	-	-	-	-	-	-
Lendings to financial institutions	20,205,971	20,205,971	-	-	-	-	-	-	-	-
Investments	104,375,499	15,000,084	6,369,343	13,675,077	49,803,163	3,654,103	2,746,629	12,068,221	1,058,879	-
Advances	129,820,134	58,014,394	25,317,422	11,566,121	5,618,710	9,172,009	4,934,330	6,932,078	6,629,870	1,435,200
Other assets	37,278,550	580,581	17,879,305	7,601,366	9,177,415	873,854	14,703	745,726	405,600	-
Operating fixed assets	6,435,158	25,227	50,452	75,678	151,357	385,152	302,714	605,428	1,513,569	3,325,581
Intangible assets	26,412,571	2,298	4,598	6,897	13,795	27,590	27,590	55,182	137,952	26,136,669
Deferred tax assets	2,729,730	-	-	-	-	-	-	2,729,730	-	-
	<b>356,404,874</b>	<b>123,175,816</b>	<b>49,621,120</b>	<b>32,925,139</b>	<b>64,764,440</b>	<b>14,112,708</b>	<b>8,025,966</b>	<b>23,136,365</b>	<b>9,745,870</b>	<b>30,897,450</b>
<b>Liabilities</b>										
Bills payable	4,576,789	4,576,789	-	-	-	-	-	-	-	-
Borrowings	19,361,864	2,471,056	10,724,431	4,712,443	579,614	429,525	-	430,172	14,623	-
Deposits and other accounts	235,952,722	213,516,893	8,007,044	5,403,371	7,263,965	799,270	962,179	-	-	-
Sub-ordinated loans	699,200	199,200	-	-	250,000	250,000	-	-	-	-
Other liabilities	41,225,688	1,031,144	15,821,907	362,373	18,584,316	3,201,364	1,383,376	607,036	234,172	-
	<b>301,816,263</b>	<b>221,795,082</b>	<b>34,553,382</b>	<b>10,478,187</b>	<b>26,677,895</b>	<b>4,680,159</b>	<b>2,345,555</b>	<b>1,037,208</b>	<b>248,795</b>	<b>-</b>
	<b>54,588,611</b>	<b>(98,619,266)</b>	<b>15,067,738</b>	<b>22,446,952</b>	<b>38,086,545</b>	<b>9,432,549</b>	<b>5,680,411</b>	<b>22,099,157</b>	<b>9,497,075</b>	<b>30,897,450</b>
<b>Net assets</b>										
Share capital	38,715,850									
Reserves	3,756,625									
Unappropriated profit	8,797,964									
Surplus on revaluation of assets - net	3,318,172									
	<b>54,588,611</b>									



# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 40.8 Maturities of assets and liabilities - based on expected maturity of assets and liabilities of the Bank

	2012									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
<b>Assets</b>										
Cash and balances with treasury banks	31,487,869	31,487,869	-	-	-	-	-	-	-	-
Balances with other banks	2,363,144	2,363,144	-	-	-	-	-	-	-	-
Lendings to financial institutions	19,845,269	17,709,484	1,650,379	485,406	-	-	-	-	-	-
Investments	131,976,863	6,180,831	24,669,151	1,006,685	84,228,078	4,117,029	6,113,557	4,752,469	909,063	-
Advances	135,184,145	20,254,272	24,669,151	16,592,849	10,833,171	43,461,840	5,204,834	5,910,544	6,521,215	1,736,269
Other assets	33,845,937	211,337	15,745,919	9,615,106	7,326,044	20,764	220,291	520,208	186,268	-
Operating fixed assets	6,371,213	15,763	31,527	47,291	94,583	310,946	189,165	371,439	883,508	4,426,991
Intangible assets	26,274,033	629	1,257	1,886	3,772	7,543	7,543	15,088	37,719	26,198,596
Deferred tax assets	1,523,544	-	-	-	-	-	-	1,523,544	-	-
	<b>388,872,017</b>	<b>78,223,329</b>	<b>66,767,384</b>	<b>27,749,223</b>	<b>102,485,648</b>	<b>47,918,122</b>	<b>11,735,390</b>	<b>13,093,292</b>	<b>8,537,773</b>	<b>32,361,856</b>
<b>Liabilities</b>										
Bills payable	6,164,867	6,164,867	-	-	-	-	-	-	-	-
Borrowings	23,399,389	6,835,486	8,124,609	6,011,959	17,473	33,338	373,987	739,952	1,262,585	-
Deposits and other accounts	266,670,061	23,836,795	14,423,041	14,430,109	27,797,441	185,513,655	669,020	-	-	-
Sub-ordinated loans	2,750,000	250,000	-	-	-	-	-	-	2,500,000	-
Other liabilities	35,595,406	579,998	12,001,039	582,518	21,237,283	82,198	140,391	945,994	25,985	-
	<b>334,579,723</b>	<b>37,667,146</b>	<b>34,548,689</b>	<b>21,024,586</b>	<b>49,052,197</b>	<b>185,629,191</b>	<b>1,183,398</b>	<b>1,685,946</b>	<b>3,788,570</b>	<b>-</b>
	<b>54,292,294</b>	<b>40,556,183</b>	<b>32,218,695</b>	<b>6,724,637</b>	<b>53,433,451</b>	<b>(137,711,069)</b>	<b>10,551,992</b>	<b>11,407,346</b>	<b>4,749,203</b>	<b>32,361,856</b>
<b>Net assets</b>										
Share capital	38,715,850									
Reserves	4,938,736									
Unappropriated profit	6,676,380									
Surplus on revaluation of assets - net	3,961,328									
	<b>54,292,294</b>									

	2011									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
<b>Assets</b>										
Cash and balances with treasury banks	26,293,094	26,293,094	-	-	-	-	-	-	-	-
Balances with other banks	3,054,167	3,054,167	-	-	-	-	-	-	-	-
Lendings to financial institutions	20,205,971	20,205,971	-	-	-	-	-	-	-	-
Investments	104,375,499	15,000,084	6,369,343	13,675,077	49,803,163	3,654,103	2,746,629	12,068,221	1,058,879	-
Advances	129,620,134	22,723,235	26,871,527	13,897,279	10,281,026	35,915,589	4,934,330	6,932,078	6,629,870	1,435,200
Other assets	37,278,550	580,581	17,879,305	7,601,366	9,177,415	873,854	14,703	745,726	405,600	-
Operating fixed assets	6,435,158	25,227	50,452	75,678	151,357	385,152	302,714	605,428	1,513,569	3,325,581
Intangible assets	26,412,571	2,298	4,598	6,897	13,795	27,590	27,590	55,182	137,952	26,136,669
Deferred tax assets	2,729,730	-	-	-	-	-	-	2,729,730	-	-
	<b>356,404,874</b>	<b>87,884,657</b>	<b>51,175,225</b>	<b>35,256,297</b>	<b>69,426,756</b>	<b>40,856,288</b>	<b>8,025,966</b>	<b>23,136,365</b>	<b>9,745,870</b>	<b>30,897,450</b>
<b>Liabilities</b>										
Bills payable	4,576,789	4,576,789	-	-	-	-	-	-	-	-
Borrowings	19,361,864	2,471,056	10,724,431	4,712,443	579,614	429,525	-	430,172	14,623	-
Deposits and other accounts	235,952,722	25,616,559	13,902,224	14,246,141	24,949,506	156,276,113	962,179	-	-	-
Sub-ordinated loans	699,200	199,200	-	-	250,000	250,000	-	-	-	-
Other liabilities	41,225,688	1,031,144	15,821,907	362,373	18,584,316	3,201,364	1,383,376	607,036	234,172	-
	<b>301,816,263</b>	<b>33,894,748</b>	<b>40,448,562</b>	<b>19,320,957</b>	<b>44,363,436</b>	<b>160,157,002</b>	<b>2,345,555</b>	<b>1,037,208</b>	<b>248,795</b>	<b>-</b>
	<b>54,588,611</b>	<b>53,989,909</b>	<b>10,726,663</b>	<b>15,935,340</b>	<b>25,063,320</b>	<b>(119,300,714)</b>	<b>5,680,411</b>	<b>22,099,157</b>	<b>9,497,075</b>	<b>30,897,450</b>
<b>Net assets</b>										
Share capital	38,715,850									
Reserves	3,756,625									
Unappropriated profit	8,797,964									
Surplus on revaluation of assets - net	3,318,172									
	<b>54,588,611</b>									

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

## 40.9 Operational Risk

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and impact of external events.

The Country Operational Risk Committee ("CORC") has been established to ensure that an appropriate risk management framework is in place at a grass root level, and to report, monitor and manage operational, social, ethical and environmental risk. The CORC is chaired by the CEO, and CCRO is an active member of this forum.

All business units within the Bank monitor their operational risks using set standards and indicators. Significant issues and exceptions are reported to CORC and are also picked up by the independent Risk function for discussion at the Country Risk Committee chaired by the CCRO. Disaster recovery procedures, business contingency planning, self-compliance assurance and internal audits also form an integral part of the operational risk management process.

## 41. ISLAMIC BANKING BUSINESS

The Bank is operating with 14 Islamic Banking branches as at the end of 2012 (2011: 15).

41.1 Balance Sheet	Note	2012	2011
----- (Rupees in '000) -----			
<b>Assets</b>			
Cash and balances with treasury banks		1,967,261	1,369,457
Balances with other banks		5,537,533	-
Due from Financial Institutions		500,000	500,000
Investments		8,685,651	5,923,668
Islamic Financing and Related Assets	41.1.1	18,575,327	20,355,861
Operating fixed assets		209,301	216,255
Other assets		395,812	340,135
		<b>35,870,885</b>	<b>28,705,376</b>
<b>Liabilities</b>			
Bills payable		10,108	3,103
Due to Financial Institutions		1,368,000	1,922,500
Deposits and other accounts			
Current Accounts		16,020,883	8,846,563
Saving Accounts		10,784,418	4,182,275
Term Deposits		3,200,580	3,420,838
Others		27,390	83,844
Deposit from Financial Institutions -Remunerative		206,593	-
Deposits from Financial Institutions-Non-Remunerative		-	-
		<b>30,239,864</b>	<b>16,533,521</b>
Due to Head Office		449,923	1,685,809
Other liabilities	41.3	806,046	5,638,620
		<b>32,873,941</b>	<b>25,783,554</b>
<b>Net Assets</b>			
		<b>2,996,944</b>	<b>2,921,822</b>
<b>Represented by:</b>			
Islamic Banking Fund		200,000	200,000
Unappropriated / Unremitted profit		2,886,293	2,723,154
		<b>3,086,293</b>	<b>2,923,154</b>
Deficit on revaluation of assets - net		(89,349)	(1,332)
		<b>2,996,944</b>	<b>2,921,822</b>
<b>Contingencies and Commitments</b>			
Remuneration to Shariah Advisor / Board	21	1,087	520
Charity fund			
Opening balance		2,023	-
Additions during the year		30,064	6,400
Payments / utilization during the year		(11,676)	(4,377)
Closing balance		<b>20,411</b>	<b>2,023</b>

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>41.1.1 Islamic Mode of Financing</b>			
Murabaha	41.1.1a	5,516,120	9,932,689
Musharaka	41.1.1b	-	64,563
Dimishing Musharaka	41.1.1c	12,887,191	10,238,647
Others	41.1.1d	172,016	119,962
		<b>18,575,327</b>	<b>20,355,861</b>
<b>41.1.1a Murabaha</b>			
Financings / Investments / Receivables		2,834,787	9,368,073
Advances		2,681,333	564,616
		<b>5,516,120</b>	<b>9,932,689</b>
<b>41.1.1b Musharaka</b>			
Financings / Investments / Receivables		-	64,563
<b>41.1.1c Dimishing Musharaka</b>			
Financings / Investments / Receivables		12,887,191	10,238,647
<b>41.1.1d Others</b>			
Financings / Investments / Receivables		172,016	119,962
<b>41.2 Profit and Loss</b>			
Profit / return earned on financings, investments and placements		3,008,214	2,355,604
Return on deposits and others dues expensed		(898,256)	(627,700)
Net spread earned		2,109,958	1,727,904
Provision against non performing financing		172,890	(185,514)
Net spread after provisions		2,282,848	1,542,390
<b>Other income</b>			
Fees, commission and brokerage income		765,288	461,960
Other income		181	7
Total other income		765,469	461,967
<b>Other expenses</b>			
Administrative expenses		(1,785,178)	(797,869)
<b>Profit before taxation</b>		<b>1,263,139</b>	<b>1,206,488</b>
<b>41.3</b>	This includes acceptances of Rs. 661 million (2011: Rs. 5,456 million).		
<b>41.4 Profit and Loss Distribution and Pool Management</b>			
The Bank manages following assets pools for profit and loss distribution:			
a) Islamic Export Refinance Scheme (IERS) Musharakah Pool; and			
b) General Depositors Pool			
<b>a) IERS Musharakah Pool</b>			
Key features, risks, rewards and calculation of profit/loss of this pool are in compliance with the SBP IER Scheme and the relevant circulars issued by SBP from time to time.			

# Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

**b) General Depositors Pool**

**i) Key features and risk & reward characteristics**

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab-ul-Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab-ul-Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of Investments.

**ii) Parameters used for allocation of profit, charging expenses and provisions**

The profit of deposit pool is calculated on all the remunerative assets booked by utilising the funds from the pool after deduction of expenses directly incurred in earning the income of such pool, if any, duly approved by Shariah Advisor. Resultant profit, net of Bank's share as investor, is distributed between Mudarib and Rab-ul-Maal based on declared sharing ratio before start of month. The ratio for Mudarib and Rab-ul-maal was 40:60 (January to November) and 50:50 for the month of December 2012. The directly related costs comprise of depreciation on ijarah assets, takaful premium, documentation charges etc. No general or administrative nature of expense is charged to pools. No provisions against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.

**iii) Deployment of Mudaraba based deposits**

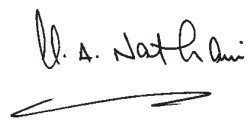
The deposits and funds accepted under the above mentioned pools are provided to diversified sectors and avenues of the economy / business and are also invested in Government of Pakistan backed Ijarah Sukuks.

**iv) Other information**

	2012	2011
Profit rate / weightage announcement frequency	<b>Monthly</b>	Monthly
Mudarib Share / percentage of distributable income	<b>Rs. 475 million / 29%</b>	Rs. 538 million / 32%
Amount / percentage of Mudarib Share transferred through Hiba	<b>Rs. 199 million / 30%</b>	Rs. 143 million / 21%
Average return on pool assets	<b>12.94%</b>	15.26%
Average return on deposits	<b>6.80%</b>	7.62%

**42. DATE OF AUTHORIZATION**

These financial statements were authorized for issue in the Board of Directors meeting held on 04 March 2013.




Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

# Un-Consolidated Financial Statements

## Annexure-1

Statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above as required under sub-section (3) of section 33A of the Banking Companies Ordinance, 1962 during the year ended 31 December, 2012.

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
					Amounts in PKR							
1	TASNEEM AMIN	C 148 BLOCK 6 GULSHAN E IQBAL, KARACHI	42201-3475461-9	AMIN UDDIN	19,988,686	14,315,185	-	34,303,872	10,488,686	14,315,185	-	24,803,872
2	RAVIN	2-B SHIREEN COURT M.T.KHAN LALAZAR QUEENS ROAD NEAR BAHRIA COMPLEX KARACHI	42000-0523281-7	RAJKUMAR	18,345,075	9,928,161	-	28,273,236	7,204,401	9,928,161	-	17,132,561
3	MUHAMMAD ASLAM	FLAT # D - 27, 4TH FLOOR, Noman Heaven, BLOCK 15, GULISTAN-E-JOHAR, FB AREA, KARACHI	42201-9146405-7	ABDUL JABBAR QURESHI	15,891,422	12,725,342	-	28,616,765	4,289,971	12,725,342	-	17,015,314
4	NAZIR AHMED TUNIO	HOUSE # 6/A, HASAN HOMES, CLIFTON DHA KARACHI	42301-6677758-9	ALI GOHAR TUNIO	15,272,449	9,157,920	-	24,430,369	4,721,119	9,157,920	-	13,879,039
5	S SALMAN HASSAN	B 152 BLOCK L NORTH NAZIMABAD, KARACHI	42101-9517941-9	SYED SARFARAZ HASSAN	14,216,994	6,621,614	-	20,838,608	6,216,994	6,621,614	-	12,838,608
6	AFSHAN TARIQ JUNEJO	53/11, 20TH STREET KHAYABAN-E-BADBAN PHASE V, D,H,A, KARACHI	42301-1085525-2	TARIQ SHAMSHER JUNEJO	14,957,085	6,490,848	-	21,447,933	4,487,299	6,490,848	-	10,978,147
7	AYAZ KHAN	H # 4 A/1, 4TH STREET PHASE I, DHA KARACHI	42301-6132377-7	SHEIKH AMEER MUHAMMAD	12,520,595	5,256,900	-	17,777,495	4,833,235	5,256,900	-	10,090,135
8	MUHAMMAD ILYAS KHAN	HOUSE NO 5 14-B-1 TOWN SHIP LAHORE	35202-2384224-5	MUHAMMAD IBRAHIM KHAN	15,494,687	4,578,298	-	20,072,985	4,519,191	4,085,221	-	8,604,412
9	GHULAM SAFDAR RASOOL	11-J, SUN FLOWER HOUSING SCHEME, MAIN CANAL ROAD, NIAZ BEG THOKAR F-10/2, LAHORE	61101-7423737-9	GHULAM RASOOL	20,552,347	9,938,377	-	30,490,724	2,552,347	6,043,522	-	8,595,869
10	MUHAMMAD MUBEEN	H NO 104, BLOCK H PHASE 4, DHA, LAHORE	35201-2104588-7	MUHAMMAD ASIF	10,992,394	4,583,178	-	15,575,572	8,340,873	99,587	-	8,440,460
11	AISHA PERVAIZ	HOUSE #38, B/2, MAIN KAYABAN-E-BAHRIA, PHASE-7, DHA KARACHI	42201-9872187-8	PARVAIZ NISAR	7,720,320	6,342,175	-	14,062,494	1,920,320	6,342,175	-	8,262,494
12	MUHAMMAD KHALID SHAHBAZ	HOUSE NO P-60 STREET NO1 SARFARAZ COLONY PEOPLES COLONY NO 2, FAISALABAD	33100-7004342-3	AMIR U DIN SHAHBAZ RANA	11,428,960	4,319,340	-	15,748,301	3,428,960	4,319,340	-	7,748,301
13	CHAUDHRY MUHAMMAD SALEEM	327 H-BLOCK CANAL BANK JOHAR TOWN LAHORE.	35201-3111859-7	ABDUL HAMEED	3,397,810	5,056,210	-	8,454,021	2,113,505	5,056,210	-	7,169,716
14	SYED AHMED OBAID	50-Q,101, BLOCK 2, KARACHI PECHS, KARACHI	42201-4509479-1	MIR MAKHDOOM ALI	19,670,943	9,257,595	-	28,928,538	3,670,943	3,416,287	-	7,087,230
15	S GHALIB HUSSAIN	H NO L 19 BLOCK 13 GULSHAN E IQBAL, KARACHI	42000-0450344-3	SYED SHAUKAT HUSSAIN	8,196,389	2,629,917	-	10,826,306	6,875,002	192,604	-	7,067,606
16	ASIF ALI	HOSUE NO 40 16 ST MOHAMMADI TRADE GARI KHATAR, KARACHI	42000-0501723-1	ASHIQ HUSSAIN	9,129,484	3,806,747	-	12,936,231	2,729,484	3,806,747	-	6,536,231
17	SYED NASIR IQBAL	81/3 30TH STREET KHAYABAN E SEHAR PHASE 6 DHA, KARACHI	42301-6174606-7	SYED MOHAMMAD IQBAL	13,994,619	5,779,011	-	19,773,630	574,619	5,779,011	-	6,353,630
18	SAHIBZADA SHAHID ABBAS	FLAT NO-G-107, 1 FLOOR, P/NO G-3 MARINE HEIGHT-2,, KARACHI	42301-8463191-9	SHEIKH MUSTAFA	8,620,150	3,631,174	-	12,251,324	2,520,150	3,631,174	-	6,151,324
19	NAEEM ABID	ST NO 4, NOUMAN CLINIC GULZAIB COLONY MUMTAZ ABAD, MULTAN	36602-0992315-7	MUHAMMAD SHARIF SIAL	7,899,573	2,387,334	-	10,286,907	5,932,821	193,729	-	6,126,549
20	SYED MUHAMMAD ILYAS	H # 37, ST # 8-A, SAWAMI NAGAR 45 LINK G T ROAD LAHORE	35202-2707523-9	SYED SAJJAD ALI	5,832,395	2,615,013	-	8,447,408	3,504,388	2,615,013	-	6,119,401
21	ABDUL GHAFOOR QURESHI	HOUSE NO 408 1 SHADMAN COLONY, LAHORE	35202-8703983-5	RAFIQ AHMAD QURESHI	8,012,612	3,469,240	-	11,481,852	2,553,747	3,469,240	-	6,022,987
22	MUHAMMAD MOEEN SAFDER	HOUSE # 885 E BLOCK JOHAR TOWN JOHAR TOWN, LAHORE	35202-6388663-3	SAFDER HUSSAIN	3,066,557	4,128,580	-	7,195,136	1,834,727	4,128,580	-	5,963,307
23	JAMSHAD SHAHDIN	6- COMMERCIAL ZONE LIBERTY MARKET GULBERG LAHORE	35202-2460531-7	MIAN SHAHDIN	10,792,253	4,310,434	-	15,102,687	1,295,071	4,310,434	-	5,605,505
24	MUHAMMAD SHAHBAZ	38/12 ICHRA ROAD NEAR USMAN BAZAR LAHORE	35202-2730416-3	SARAJ DIN	3,039,241	3,902,578	-	6,941,819	1,658,415	3,902,578	-	5,560,993

# Un-Consolidated Financial Statements

## Annexure-1

Amounts in PKR

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
25	FAYYAZ AHMED	HOUSE NO 228 STREET NO 51 F-10/4, ISLAMABAD.	61101-5494173-9	M ASGHAR	11,729,169	4,191,669	-	15,920,839	1,321,788	4,191,669	-	5,513,457
26	SYEDA RUBINA MASOOD	FLAT NO B 804 BELL VIEW APPT BLOCK 5 CLIFTON 8TH F, KARACHI	42301-8760443-0	SYED MOHAMMAD MASUD	7,497,711	3,253,800	-	10,751,511	2,257,711	3,253,800	-	5,511,511
27	PERVAIZ ALI KHAN	538 SHEET# 2 UPPER GIZRI KARACHI	42301-5803375-5	SHER ALI KHAN	7,913,635	3,297,612	-	11,211,247	2,213,635	3,297,559	-	5,511,194
28	SAIF ULLAH SAIFEE	BUNGLOW # 48 , STREET # 1 , OFF KHAYABAN-E-RAHAT , PHASE - VI , D.H.A. , GULSHAN -E-IQBAL, KARACHI	42301-8040845-9	ATTA ULLAH	11,027,262	3,456,039	-	14,483,302	2,000,000	3,456,039	-	5,456,039
29	JAMILA HASHMI	H NO 63 21 ACRE SCHEME SAMANABAD, LAHORE	35202-2832633-4	SAIFULLAH KHAN	7,794,942	3,380,695	-	11,175,636	1,894,942	3,380,695	-	5,275,636
30	NASIR MEHMOOD BUTT	C-36, DARAKSHAN VILLAS, BEACH AVENUE D.H.A. PHASE VI, KARACHI	42201-0656385-5	GHULAM HUSAIN BUTT	7,447,066	102,586	-	7,549,652	5,130,666	102,586	-	5,233,252
31	MAHMOOD UZZAMAN KHAN	F-33 CLIFTON BLOCK-5 CLIFTON, KARACHI	42301-9408201-1	QAMAR UZZAMAN KHAN	5,722,265	3,427,084	-	9,149,349	1,631,962	3,427,084	-	5,059,046
32	MOHAMMAD YASIR	PLOT# 5 MODERN COLONY MANGHOPIR ROAD SITE KARACHI	42301-2879959-1	MOHAMMAD ALAM KHAN	19,996,361	5,048,945	-	25,045,306	-	5,048,945	-	5,048,945
33	IRFAN AHMAD	329-F JOHAR TOWN JOHAR TOWN, LAHORE	33301-0889147-1	NASARULLAH LHAN	3,176,472	3,467,600	-	6,644,072	1,352,600	3,467,600	-	4,820,200
34	AASHIK ALI BHUTTO	F 5 BLOCK 3 K D A SCHEME 5 KEHKESHAN CLIFTON, KARACHI	42301-5708962-5	NAWAB NABI BAKHSH	2,695,717	2,583,529	-	5,279,247	2,145,717	2,583,529	-	4,729,247
35	MALIK ABID MEHMOOD	H NO 159-B ST NO 21 GULZAR-E-QAID RAWALPINDI	37105-4787453-1	MALIK FAQEER MOHAMMAD	8,027,441	3,252,471	-	11,279,912	1,404,264	3,252,471	-	4,656,735
36	MUHAMMAD AFZAL	HOUSE NO 36 STREET NO 1 AL- MASOOM TOWN, FAISALABAD	33100-6212013-7	MALIK GHULAM RASOOL	5,358,667	2,008,067	-	7,366,733	4,443,734	202,928	-	4,646,662
37	SHAISTA AZIZ UR REHMAN	122 /2 KHAYABAN-E-MUHAFIZ PHASE 6 D.H.A KARACHI	42301-0766504-4	AZIZ UR REHMAN	24,804,741	2,620,104	-	27,424,846	1,995,528	2,620,104	-	4,615,632
38	JUNAID YOUNUS	50-G/2, P.E.C.H SOCIETY KARACHI	42201-0459361-5	NAWAB MOHAMMAD YOUNUS	4,626,696	2,562,281	-	7,188,977	1,999,286	2,562,281	-	4,561,567
39	MAQBOOL HUSSAIN	H.NO 3 LUCHMEN STREET LAKE ROAD LAHORE	35401-7043968-9	MOHAMMAD ALI	4,635,464	3,742,269	-	8,377,733	776,968	3,742,269	-	4,519,237
40	MADAN LAL	FLAT # D / 5 / 2,IQBAL CENTRE M.A JINNAH ROAD PECHS, KARACHI	42301-3049885-1	RAM RATTAN	7,305,174	3,125,760	-	10,430,933	1,375,090	3,125,760	-	4,500,850
41	SHEIKH MOHAMMAD ARSHAD JABBAR	FLAT # D - 27, NOMAN HEAVEN, 4TH FLOOR,B / 15, GULISTAN-E-JOHAR, GULSHAN -E- IQBAL, KARACHI	42201-1752658-3	ABDUL JABBAR QURESHI	4,575,548	3,452,463	-	8,028,012	1,023,868	3,452,463	-	4,476,331
42	SUGHARA MAZHAR	FLAT NO 11 HANGING GARDEN KHYABAN E ROOMI CLIFTON, KARACHI	42301-5135515-2	S M MAZHAR	2,395,909	3,756,733	-	6,152,642	718,772	3,756,733	-	4,475,505
43	JAVED AKHTAR KHAN	H#314 ST#19 RA BAZAR LAHORE CANTT, LAHORE	35201-1555080-3	NIAZ GUL (LATE)	5,186,656	920,093	-	6,106,749	3,808,698	426,078	-	4,234,775
44	MOHAMMADI DURBAR	PLOT NO 53 A BLOCK 7 DAWOODI BOHRA SOCIETY NEAR K, KARACHI	42201-9513357-5	SHUJAUDDIN	7,497,383	3,155,298	-	10,652,681	997,383	3,155,298	-	4,152,681
45	SHEIKH AMJAD IQBAL	90-HH D.H.A DHA LAHORE	35202-4339678-7	SHEIKH MOHAMMAD NAZIR	6,198,387	2,783,387	-	8,981,775	1,280,458	2,783,387	-	4,063,846
46	MEHRUNISA SAIMA MAZARI	138 EDEN VENUE DEFENCE ROAD CANTT LAHORE.	35201-6914707-4	SARDAR SALIM JAN	4,702,373	2,638,673	-	7,341,047	1,081,688	2,638,673	-	3,720,361
47	MUHAMMAD QASIM QURESHI	151-B BLOCK, FAISAL PARK GULSHAN RAVI LAHORE	35202-6210868-1	ABDUL QADIR QURESHI	3,698,450	1,515,699	-	5,214,149	3,048,450	347,794	-	3,396,245
48	MUHAMMAD HAFEEZ	HOUSE NO.H-75 BLOCK-H CANTT BAZAR MALIR CANTT KARA, KARACHI	42501-1542491-7	MUHAMMAD YOUSUF CHEEMA	4,858,273	2,128,489	-	6,986,762	1,158,273	2,128,489	-	3,286,762
49	SADAQAT MEHMOOD SAHRAN	STREET NO 2 ALLAMA IQBAL COLONY JINNAH ROAD, GUJRANWALA	34101-7541547-1	MOHAMMAD BASHIR SAHRAN	5,083,998	2,092,011	-	7,176,010	3,209,148	59,090	-	3,268,238
50	MUHAMMAD ARIF	HOUSE # 58-59, BLOCK B, KAZIMABAD, MODEL COLONY, JINNAH AV RD MALIR, KARACHI	42501-8073619-7	SHER BAHADUR	2,741,793	2,042,527	-	4,784,320	1,218,381	2,042,527	-	3,260,908
51	MANZOOR HUSSAIN	GRAIN MARKET BUREWALA VEHARI	36601-1556067-7	KHUDA BUKHSH KHAN	4,998,233	1,952,186	-	6,950,419	1,247,533	1,952,186	-	3,199,719

# Un-Consolidated Financial Statements

## Annexure-1

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
52	SUPER TEXTILE	SUPER TEXTILE INDUSTRY KASHMIR ROAD NEAR HUDAIBIA MASJID IHSAN CHUGTAI STREET OPP POLICE STATION DHULLAY G, GUJRANWALA	34101-1529454-9	MUHAMMAD HUSSAIN	4,165,783	1,562,593	-	5,728,376	3,009,298	99,042	-	3,108,339
53	IRFAN QASIM	B 5 HASHOO GARDEN 63 GARDEN EAST, KARACHI	42201-0589650-3	QASIM ALI SHER ALI	4,199,766	1,608,469	-	5,808,235	3,017,648	75,324	-	3,092,972
54	SAJID TANVEER GILL	HOUSE NO. 09, STREET NO. 5/10, DHOBI GHAT, FAISALABAD	33100-8773465-9	CHAUDRY GHAFUOR AHMED	3,498,896	1,456,501	-	4,955,397	2,916,297	126,474	-	3,042,771
55	SYED HASAN TALIB	FLAT # H-5, JASON PARADISE, BLOCK-7 BOAT BASIN, CLIFTON, KARACHI	42301-3357140-3	SYED SHOKET HUSSAIN	3,571,425	1,646,480	-	5,217,905	1,266,071	1,646,480	-	2,912,550
56	ARSHAD SOHAIL	HOUSE NO AA 1392/B ST NO 15 GULSHAN ABAD, RAWALPINDI	37405-5460518-9	CHAUDRY GHULAM MOHAMAD	3,493,345	1,149,974	-	4,643,319	2,786,303	85,394	-	2,871,697
57	MUHTISHIM RAZA	140-G, ASKARI 4, GULISTAN E JOHAR, RASHID MINHAS ROAD, GULISTAN -E- JOHAR, KARACHI	42201-8955402-3	ASLAM RAZA	4,845,046	1,756,634	-	6,601,680	1,069,381	1,756,634	-	2,826,015
58	SYED ABDUL MOBEEN	H # 12-B, EAST AVENUE PHASE I, DHA, KARACHI	42201-0161533-9	S. A. SATTAR	3,798,101	1,569,337	-	5,367,438	1,138,101	1,569,337	-	2,707,438
59	MOHAMMAD NADEEM	HOUSE NO 45-C, 5TH EAST STREET, PHASE 1, D.H.A. KARACHI	42301-1964901-5	ALTAF HUSSAIN	6,178,090	1,384,025	-	7,562,115	1,197,669	1,384,025	-	2,581,694
60	ANAS MUSTAFA	E-65, BLOCK F, NORTH NAZIMABAD. 74700 DHA KARACHI	42101-8565282-5	HASAN ABBAS	5,287,274	1,701,256	-	6,988,529	1,287,274	1,243,919	-	2,531,193
61	MUHAMMAD NASIR MEHMOOD	HOUSE NO 649-B PEOPLES COLONY NO -1 NEAR REHMANIA MASJID FAISALABAD	33100-9772241-7	SHEIKH SHOUKAT ALI	4,299,255	1,201,691	-	5,500,946	2,419,611	76,385	-	2,495,996
62	MUHAMMAD IBRAHIM	HOUSE # A-28, ROW NO. 11, BLOCK-B, PROJECT NO. 1, NATIONAL CEMENT CO-OPERATIVE HOUSING SOCIETY LTD, KHI NATIONAL CEMENT CO-OPERATIVE HOUSING SOCIETY LTD, KARACHI	42000-0410284-7	FAJRO KHAN	4,431,246	1,497,568	-	5,928,814	982,176	1,497,568	-	2,479,744
63	MUMTAZ ABBASI	HOUSE NO 592 NEAR KAREMADE MKT AFSHAN COLONY, RAWALPINDI	37405-8243976-5	NIYAZ AHMED ABBASI	3,486,227	1,394,491	-	4,880,718	1,161,727	1,259,923	-	2,421,650
64	SALIM SHER ALI	HOUSE# D-4, BLOCK -7 KEHKASHAN CLIFTON CLIFTON, KARACHI	42301-0918526-3	SHER ALI MOHAMMAD	4,604,738	1,415,808	-	6,020,545	1,002,879	1,415,808	-	2,418,687
65	QISAR SHAHZAD	HOUSE NO E-65-A BLK E SATELLITE TOWN , ISLAMABAD	61101-9641807-9	SHEIKH MOHAMMAD SHARIF	4,228,228	1,751,478	-	5,979,705	628,228	1,751,478	-	2,379,705
66	TARIQ AHMED KHAN	H#390 ,BLOCK 2 AZIZABAD F.B AREA GULBERG FB AREA, KARACHI	42101-1045637-7	FAUZULLAH KHAN	2,764,600	1,716,558	-	4,481,158	621,079	1,716,558	-	2,337,637
67	MUHAMMAD SALEEM	FLAT # 012-A-1 BLOCK 13-D/3, SAVANA CITY GULSHAN-E-IQBAL GULISTAN -E- JOHAR, KARACHI	42201-7637097-7	NOORUL ISLAM	6,640,086	1,685,973	-	8,326,059	1,317,354	991,091	-	2,308,445
68	IMDAD HUSSAIN	P 348 DOST STREET SAMUNDRI ROAD, FAISALABAD	33100-5732983-1	MAZHER HUSSAIN	5,890,152	1,386,055	-	7,276,207	883,522	1,386,055	-	2,269,577
69	IRSHAD HUSSAIN	B-128, BLOCK H, NORTH NAZIMABAD, NORTH NAZIMABAD, KARACHI	42301-4460042-5	ALTAF HUSSAIN	11,016,108	1,075,417	-	12,091,525	1,180,208	1,075,417	-	2,255,625
70	MUSHTAQ AHMED	FLAT # 706/G3 HAMILTON COURT NEAR III TALWAR GULSHAN -E IQBAL, KARACHI	42301-0966121-9	MOHAMMAD HUSSAIN	1,737,925	1,662,090	-	3,400,014	546,762	1,662,090	-	2,208,852
71	KHAWAJA ADNAN LOAN	HOUSE NO 55 B PHASE 3 GULBERG 3, LAHORE	35202-6949617-1	KHUWAJA GHULAM NABI LOAN	9,938,809	2,206,724	-	12,145,533	-	2,206,724	-	2,206,724
72	MUHAMMAD IMRAN	CH. MUHAMMAD TUFAIL & COMPANY 9-G GRAIN MARKET TEH & DISTT VEHARI	36601-3218987-5	SHAH M ASLAM	3,491,381	1,308,547	-	4,799,929	871,381	1,308,547	-	2,179,929

# Un-Consolidated Financial Statements

## Annexure-1

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
73	BARAT KHAN	B IV 1391 HAIDER STREET CORNAL YOUSAF COLONY MUSLI, ISLAMABAD	37405-0442210-3	SYED KARIM	3,299,120	1,150,305	-	4,449,425	2,078,659	82,556	-	2,161,215
74	SYED MOHAMMAD ANWAR MOIN	HOUSE 2,STRREET 11, FIRDOS COLONY, NAZIMABAD, CLIFTON, KARACHI	42101-1528377-9	SYED MOHAMMAD MOIN	1,736,480	1,314,544	-	3,051,024	837,986	1,314,544	-	2,152,530
75	INAYAT ULLAH SHEIKH	H#14-B AL RAHIM HOUSE JUSTICE HAMEED COLONY NISHTAR ROAD MULTAN	36302-1181194-7	HAJI RAHIM ULLAH SHEIKH	3,142,526	1,309,546	-	4,452,073	833,631	1,309,546	-	2,143,178
76	KHURAM ZAFAR	C-195, BLOCK-10, FB AREA., KARACHI	42101-1820309-3	ZAFAR MOHAMMAD QURESHI	3,424,388	1,114,056	-	4,538,444	1,002,574	1,114,056	-	2,116,630
77	ABDUL MAJEED	H NO 622 ST NO 53 SECTOR I 10/1, ISLAMABAD	61101-9229623-1	JAMAL DIN	2,295,533	955,991	-	3,251,524	1,895,096	202,286	-	2,097,382
78	ZAHEER TAJ BHATTI	HOUSE NO 20 E E BLOCK SAIDPUR ROAD SATELITE TOWN, ISLAMABAD	37405-6967956-5	TAJ MOHAMMAD BHATTI	5,849,783	2,097,132	-	7,946,915	(0)	2,097,132	-	2,097,132
79	MUHAMMAD IBRAHIM	PLOT# 2-C, PENT HOUSE, 26TH STREET, PHASSE-VDHA KARACHI	42301-5419982-3	MOHAMMAD ILLYAS QURESHI	2,016,893	1,525,440	-	3,542,333	565,037	1,525,440	-	2,090,477
80	NAZ AHMED KHOKAR	R-168 AREA 37 F & J KHURRAM ABAD KANDHI # 1 CLIFTON, KARACHI	42201-8485156-9	NISAR AHMED KHAN	997,725	1,262,906	-	2,260,631	823,574	1,262,906	-	2,086,480
81	NADEEM KHAN	ZANIB HOUSE# 122/H, M A JOHAR TOWN , LAHORE	35202-1323179-9	SHAFIQ AHMED KHAN	2,428,616	1,434,282	-	3,862,898	644,443	1,434,282	-	2,078,725
82	KHALIL AHMED	H NO 1 MOHALLAH NEELKOT NEAR MASJID ANWAR E MADINA, MULTAN	36302-6692564-7	HAJI QADIR BUKHSH	3,198,492	1,224,814	-	4,423,306	1,809,420	221,824	-	2,031,244
83	MUHAMMAD HUSSAIN	CHANDINI ICE CREAM & JUICE CENTRE, RAFIQUE SQUARE, UNIT # 7 SHOP # 1,LATIFABAD, HYDERABAD	41304-7129158-5	MOHAMMAD HANIF	2,247,287	1,400,547	-	3,647,834	620,050	1,400,547	-	2,020,597
84	SHAIKAT HAYAT	FLAT # 203, 2ND FLOOR ,SAIEMA HEAVEN BLOCK 4 ,GULS, KARACHI	42201-9392820-5	SIRAJ MOHAMMAD	2,496,489	1,038,671	-	3,535,159	1,901,801	95,358	-	1,997,159
85	SHAIKAT ALI BAHATTI	H # 31, ST # 01 NEAR RAILWAY LINE MADINA COLONY, MULTAN	36302-1203629-7	M SHAREEF	3,661,293	1,344,982	-	5,006,275	620,293	1,344,982	-	1,965,275
86	OMAR SAQIB KHAN	SENSEI 14A/II, NORTH CENTRAL A/ENUE PH.-I DHA KARACHI	42301-2409731-5	NAJAM UL SAQIB KHAN	1,931,558	406	-	1,931,964	1,931,558	406	-	1,931,964
87	SHAHID NADEEM	352/4, B1, TOWNSHIP LAHORE.	35202-4949812-3	AHMED ALI	2,662,425	1,088,279	-	3,750,704	772,975	1,088,279	-	1,861,254
88	SHANAWAZ	FLAT NO 39 HANSING GARDEN BLOCK 5 CLIFTON, KARACHI	42301-8672224-7	MIRAN BAKHSH	2,586,690	1,077,731	-	3,664,420	761,273	1,077,731	-	1,839,003
89	RIZWAN AKRAM	H NO 1/1 B ST NO 8 BL I AL FAISAL TOWN GHAZI ROAD, LAHORE	35201-3362824-7	MOHAMMAD AKRAM KHAN	2,760,828	1,148,574	-	3,909,402	689,828	1,148,574	-	1,838,402
90	MUHAMMAD KHALID	HOUSE # 528, BLOCK # III, ZINDA PIR STREET, MASAN ROAD, KAMARI BHTA VILLAGE, KAMARI, GULSHAN -E- MAYMAR, KARACHI	42401-1910873-1	ABDUL HAMEED	2,668,875	1,118,379	-	3,787,253	719,429	1,118,379	-	1,837,808
91	S GOHAR ABID	H NO 42 FAROOQ AZAM TARQ COLONY MULTAN ROAD, LAHORE	35200-1423121-1	SYED ALI ABID	2,533,493	141,114	-	2,674,606	1,774,486	55,386	-	1,829,872
92	DR.SHAHIDA YAHYA JAN	H.NO 186 STREET-6 SECTOR L-1 PHASE-III HAYATABAD PESHAWAR.	17301-5606750-2	MOHAMMAD YAHYA KHAN	1,999,778	1,180,806	-	3,180,584	565,735	1,180,806	-	1,746,541
93	MUJAHID NAWAZ	14 NATIONAL COLONY REHMAN PURA PUNJAB GOVT EMPLOEES HOUSING SOCIETY, LAHORE	35202-5073228-9	MOHAMMAD NAWAZ	4,231,050	1,725,945	-	5,956,995	997,156	734,069	-	1,731,225
94	SALEEM ANEES AHMED	HOUSE 60 SHARFABAD STREET NO. 4 BLOCK-3 BAHADURABAD KARACHI	42201-4430506-5	ANIS AHMED	2,890,090	956,574	-	3,846,664	739,815	956,574	-	1,696,388
95	ATA-UR-REHMAN	HOUSE NO. 12 STREET NO. 6 MAIN BAZAR SAID PUR MULTAN ROAD LAHORE.	35202-5144511-9	MOHAMMAD ASHIQ	2,251,760	938,954	-	3,190,714	1,551,760	130,627	-	1,682,388



# Un-Consolidated Financial Statements

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					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
96	NASREEN BEGUM	H NO 9 JAHANGIR PARK NEW MOZANG, LAHORE	35202-2836479-8	FAZAL HAQ QURESHI	1,980,507	426,072	-	2,406,579	1,436,207	230,611	-	1,666,818
97	ASIF HUSSAIN	H 3 240 MAIN BAZAR JANI PURA SINGH PURA LAHORE	35201-1535092-1	KHUSHI MOHAMMAD	2,394,633	1,067,082	-	3,461,715	598,533	1,067,082	-	1,665,615
98	BASHIR AHMED	HOUSE # 430/2, STREET # 1, SIHAM ROAD, RAWALPINDI	61101-1966669-1	BASHIR AHMED	3,474,986	1,661,749	-	5,136,735	(4)	1,661,749	-	1,661,746
99	AMANULLAH KHAN	HOUSE NO 195 STREET 07 ASKARI 10, RAWALPINDI	37405-9448114-7	MUHAMMAD ASHRAF KHAN	6,870,401	285,882	-	7,156,283	1,374,080	285,882	-	1,659,962
100	SAMI UZ ZAMAN	HOUSE # 8,GANJ BAKHS ROAD BHAI BHAI STREET,ICHHRA 02 LAHORE	35202-2705751-9	MUHAMMAD ANWAR	2,597,638	1,002,574	-	3,600,212	647,638	1,002,574	-	1,650,212
101	AMEER ALI	HOUSE NO. 17 MUHAMMADI BLOCK LAHORE.	35202-4851043-3	ANWER ALI	4,532,758	854,226	-	5,386,984	776,961	854,226	-	1,631,187
102	MIRZA M AKBER BAIG	H.NO D 1 , REHMAN VILLAS SHAH KHAWAR TOWN, LAHORE CANTT.	35201-5361680-5	MIRZA MEHBOOB BAIG	3,395,743	1,069,291	-	4,465,035	903,363	682,550	-	1,585,913
103	IJAZ WEAVING	CHAK # 7J.B MAKKAH STATE SARGODHA ROAD, FAISALABAD	33100-5425160-3	RIAZ AHMED	2,748,206	1,031,273	-	3,779,479	549,642	1,031,273	-	1,580,915
104	ABDUL GHANI	237/1 C STREET NO 7 OFFICER COLONY 2, FAISALABAD	33100-2487660-9	NAWAB DIN	2,173,258	838,316	-	3,011,575	1,558,817	14,786	-	1,573,603
105	MUHMAD LATIF	ADDA CHAK NO 112 EB RAJAY WALA BUREWALA DIST.VEHARI	36601-1601910-5	M HANIF	3,174,042	1,072,260	-	4,246,302	474,042	1,072,260	-	1,546,302
106	MUHAMMAD HUSSAIN MUGHAL	79-80,4-B-1 TOWNSHIP LAHORE	35202-5412393-1	KHUSHI MUHAMMAD	1,669,698	1,036,185	-	2,705,883	489,698	1,036,185	-	1,525,883
107	MALIK SOHAIL AKHTER	FLAT NO. 39, 5TH FLOOR, ALI'S APARTMENT PHASE I, D.H.A, KARACHI	42301-0911423-1	MALIK MUHAMMAD HABIBULLAH	2,340,083	1,183,555	-	3,523,638	331,387	1,183,555	-	1,514,942
108	HAMMAD HASSAN CHEEMA	HOUSE NO 80-1, KH-E-HAFIZ, PHASE VI,DHA, KARACHI	61101-9242226-1	MUHAMMAD ASLAM	5,369,770	1,486,718	-	6,856,488	542,871	971,165	-	1,514,035
109	SIKANDAR HAYAT	HOUSE NO.127 BLOCK J SHAH RUKN-E-ALAM COLONY, MULTAN	36102-6327716-7	M NAWAZ	2,497,735	681,891	-	3,179,626	887,735	587,892	-	1,475,627
110	MUHAMMAD AYUB	371-K BLOCK GULISTAN COLONY, FAISALABAD	33100-7727570-7	MOHAMMAD LATIF	1,698,957	100,203	-	1,799,160	1,350,617	100,203	-	1,450,820
111	CHAUDHARY GHULAM MURTAZA	HOUSE # 124, STREET # 42, SECTOR # G-10/4,, ISLAMABAD	61101-9128137-3	GULZAR MUHAMMAD	2,994,167	991,158	-	3,985,325	453,234	991,158	-	1,444,392
112	M SAJID	A 169 BLOCK 15 GULISTAN E JAUHAR, KARACHI	42201-0674545-7	ABID HUSSAIN QURESHI	4,175,307	1,025,113	-	5,200,420	375,307	1,025,113	-	1,400,420
113	NAVEED ANWAR	P-168/B MILLAT CHOWK, GULISTAN COLONY, GULISTAN COLONY, FAISALABAD	33100-7789302-1	RANA ANWAR UL HAQ	2,063,093	955,263	-	3,018,355	421,134	955,263	-	1,376,397
114	MUHAMMAD NAEEM	HOUSE # 03 T/S YAKI GATE LAHORE	35202-3404783-3	MUHAMMAD SALEEM	1,969,950	754,518	-	2,724,468	1,306,682	50,135	-	1,356,817
115	AHMED RAZA	AFTAB TRADERS SHUJABAD ROAD BASTI MALOOK MULTAN	36302-7656380-5	GHULAM HUSSAIN	1,725,265	352,327	-	2,077,593	1,153,593	195,227	-	1,348,819
116	SALMAN QADEER	AURORA BROADCASTING HOUSE NO 238 ST NO 100 SECTOR I-8/4 ISL, ISLAMABAD	42101-1380783-5	ABDUL QADEER	1,190,358	157,248	-	1,347,606	1,190,358	157,248	-	1,347,606
117	M ANWAR ABBASI	HOUSE NO 238 ST NO 100 SECTOR I-8/4 ISL, ISLAMABAD	61101-6402884-1	MOHAMMAD IRFAN	4,996,893	84,879	-	5,081,772	1,246,893	66,539	-	1,313,432
118	ZAHoor AHMED	Z.A. TRADING COMPANY, KHARAL MARKET BY PASS ROAD, RAHIM YAR KHAN, RAHIM YAR KHAN	31303-1218738-9	KHAN MOHAMMAD	2,073,030	675,652	-	2,748,683	1,276,962	33,103	-	1,310,065
119	HABIB AHMED	HOUSE NO. 161, GULGASHT COLONY BUNGLow NO C 331 PRIME VILLAS GULISTAN E SAJJAD HOUSING SCHEME NEAR BAHRIA SCHOOL QASIMABAD HYD. GULISTAN E SAJJAD HOUSING SCHEME, HYDERABAD	35202-7448813-3	ALLAH DIN	1,030,708	792,557	-	1,823,265	504,323	792,557	-	1,296,880
120	AJAZ ALI	HOUSE NO. 161, GULGASHT COLONY BUNGLow NO C 331 PRIME VILLAS GULISTAN E SAJJAD HOUSING SCHEME NEAR BAHRIA SCHOOL QASIMABAD HYD. GULISTAN E SAJJAD HOUSING SCHEME, HYDERABAD	41201-4855874-9	HUSSAIN ALI	686,380	879,323	-	1,565,703	414,524	879,323	-	1,293,847

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					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
121	IMRAN	HOUSE NO.B-08 SECTOR Z-III GULSHAN-E- MAYMAR NEAR MINAR WALI MASJID KARACHI GULSHAN -E- MAYMAR, KARACHI	42501-1566892-9	MOHAMMAD SIRAJUDDIN	3,127,836	774,058	-	3,901,894	755,479	531,640	-	1,287,119
122	MOHAMMAD AKHTAR	ST BABU GHULAM HUSSAIN WALY GHAKHAR MANDI DISTT GR, GUJRANWALA	34101-2679831-5	MUHAMMAD SARW	1,190,498	1,071,123	-	2,261,622	190,498	1,071,123	-	1,261,622
123	MUHAMMAD SHUKAT BILAL	AL-MURTAZA TRADERS CHOWK MAKWAL MUZAFARGARH, MULTAN	32304-1550412-5	MIAN M IQBAL	2,094,283	781,068	-	2,875,352	469,283	781,068	-	1,250,352
124	QASIM SHAMSHAD	HOUSE NO 1272 B BLOCK PEOPLES COLONY NO 1, FAISALABAD	33100-3711707-5	SHAMSHAD ALI	1,734,640	624,471	-	2,359,110	1,166,496	35,630	-	1,202,126
125	ZEESHAN ZAFAR	H NO 3 A ANWAR ST 16 ISLAMIA PARK PUNCH ROAD, LAHORE	35202-4139837-7	ZAFAR IQBAL	1,999,891	795,461	-	2,795,351	399,991	795,461	-	1,195,451
126	ZULFIQAR ALI BUTT	50-A/II 4TH SUNSET STREET PHASE-II EXT DHA KARACHI	42301-0908377-3	YOUSAF ALI BUTT	999,997	183,342	-	1,183,339	999,997	183,342	-	1,183,339
127	MIAN ASAD HAMEED	HOUSE #59/ACHOWK MADINA HAQNAWAZ ROAD BEGBAN PURA LA SHOP #1MADINA MARKET MADINA CHOWKHAQ NAWAZ ROADLAHO, LAHORE	35201-1531866-3	MIAN ABDUL	999,244	183,279	-	1,182,523	999,244	183,279	-	1,182,523
128	MUHAMMAD MOHSIN KHAN	270,D-1 JOHAR TOWN JOHAR TOWN, LAHORE	35202-9050144-1	MOHAMMAD ASIF KHAN	1,943,120	918,404	-	2,861,524	393,120	773,110	-	1,166,230
129	AHMED EBRAHIM BAWANY	57 SHAHRAH E IRAN OLD CLIFTON KARACHI 2ND FLOOR HABIB BANK NO 1HABIB SQUARE KARACHI	42401-2033345-5	IBRAHIM AHMED BAWANI	999,190	165,294	-	1,164,484	999,190	165,294	-	1,164,484
130	TARIQ ALI	HOUSE NO 864 NEAR JAMEA MOSQUE ZAKARIYA TOWN BOSA, MULTAN	36302-4082369-1	SHEIKH KHURSHEED ALI	1,998,888	845,983	-	2,844,870	298,888	845,983	-	1,144,870
131	FARHAN AIJAZ	E 51 BLOCK 7GULSHAN E IQBALKARACHI C 429	42201-0420351-9	IJAZ-UD-DIN QURESHI	979,627	159,854	-	1,139,482	979,627	159,854	-	1,139,482
132	SYED ZAFAR ABBAS	619/ZDHALAHOE CANTT LAHORE 1ST FLOORALI COMPLEX EMPRESS ROAD LAHORE	35201-0914900-9	SYED GUL MOHAMMAD SHAH	940,422	154,691	-	1,095,113	940,422	154,691	-	1,095,113
133	MAJID HAMID	22/II/IMAIN MUHAFIZPHASE 6 DHAKARACHI 6TH FLOOR NJI BUILDINGI.I.CHUNDRIGAR ROAD KARACHI	42301-6935318-1	SYED HAMID ALI	897,212	148,053	-	1,045,265	897,212	148,053	-	1,045,265
134	SYED RAZA ALI HASHMI	35-I KHAYABAN E TARIQPHASE VI D H AKARACHI 301,307 KASHIF CENTRESHAHRAH E FAISAL KARACHI	42301-1083755-9	SYED EQTADAR ALI HASHMI	906,585	138,203	-	1,044,788	906,585	138,203	-	1,044,788
135	MUHAMMAD KHURRAM YAQOOB	258-D, BLOCK SABZAZAR SCHEME LAHORE. MARGHZAR SOCIETY, LAHORE	35202-8405727-5	SHEIKH MOHAMMAD YAQOOB	1,425,663	629,431	-	2,055,094	409,747	629,431	-	1,039,178
136	MUHAMMAD ILYAS	HOUSE # 721 N BLOCK SAMNABAD, LAHORE	35202-2636408-5	HAJI MOHAMMAD BASHIR	1,499,986	649,749	-	2,149,735	374,986	649,749	-	1,024,735
137	MALIK MUMTAZ ALI	H # 950 /10-A, ST # 7 ,DHERRI HASSAN ABAD ,RAWALPINDI, ISLAMABAD	37405-5553673-3	MALIK ASHIQ ELAHI	1,669,044	694,534	-	2,363,579	329,044	694,293	-	1,023,337
138	MOHAMMAD HANIF	DASTGEER TRADERS ADDA RATTA TIBA TEH & DISTT.VEHARI, MULTAN	36603-3290649-3	HAJI MOHAMMAD SHARIF	1,771,000	663,770	-	2,434,770	354,000	663,770	-	1,017,770
139	SHAKEEL AHMED	KASHAN-E-TAJ, BLOCK B, STREET NO. 2, GULBAHAR COLONY,NO. 2 PESHAWAR CITY, PESHAWAR.	17301-4260418-1	RIAZ AHMAD	2,033,151	685,982	-	2,719,133	324,898	685,982	-	1,010,880
140	MUSHTAQ AHMED	ANSAR COLONY BLOCK B STREET NO 3 BUDLA ROAD, MULTAN	38302-3806308-7	M ASHRAF	1,699,362	607,142	-	2,306,504	402,362	607,142	-	1,009,504

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141	ARIF KHALID	HOUSE:72, 11TH LANE OFF KHAYABAN E BADAR PH: 6 DHA KHI - KARACHI	42301-0994647-3	KHALID MEHBOOB	809,276	186,025	-	995,301	809,276	186,025	-	995,301
142	MUHAMMAD SHOAB	S-11, 12 TH LANE, PHASE IV, DHA CLIFTON, KARACHI	42301-4680826-9	ABDUL KARIM	4,208,506	573,052	-	4,781,558	419,109	573,052	-	992,161
143	ABDUL SATTAR ABBASI	H NO 981 AFSHAN COLONY DHOK HOUSE NO.4 ST 2 SINGH PURA BILAL PARK LAHORE.	37405-5094401-9	ABDUL GHAFAR ABBASI	1,344,672	537,869	-	1,882,541	933,775	28,767	-	962,541
144	KHALID ISLAM	HOUSE NO.4 ST 2 SINGH PURA BILAL PARK LAHORE.	35201-1310179-5	MALIK MOHAMMAD ISLAM	1,557,379	530,781	-	2,088,160	427,740	530,781	-	958,521
145	SHEIKH BADAR ASGHAR	89 ZAKARIA TOWN BOSAN ROAD MULTAN	36302-3581523-7	SHEIKH ASGHER ALI	1,666,306	650,463	-	2,316,769	890,036	49,762	-	939,798
146	M ARIF KALEEM	BHAYANI IMAGE CENTRE FLAT NO A 4 1ST FLOOR PLOT NO, KARACHI	42101-7929513-5	MOHAMMAD KALEEM UR REHMAN	1,400,000	582,543	-	1,982,543	356,000	582,543	-	938,543
147	KHALID MEHMOOD	H#1,50 AL MUMTAZ ROAD PAKKI THATTI SAMANABAD LAHORE	35202-2933348-5	MALIK MUHAMMAD LATIF	1,495,104	617,412	-	2,112,516	298,104	617,412	-	915,516
148	MUHAMMAD IQBAL	GALI # 11, ATTA MUHAMMAD ROAD SHAHEENABAD, GUJRANWALA	34101-2638418-1	KARIM-UD-DIN	1,409,472	587,463	-	1,996,935	301,472	587,463	-	888,935
149	NADEEM AHMED PIPRANI	PLOT # E-94 P-2 EXCELLENT RESIDENCY BLOCK -13-B R.H.S GULSHAN E IQBAL NCECHS, KARACHI	42201-0465743-5	JAN MOHAMMAD PIPRANI	1,374,428	516,355	-	1,890,782	365,204	516,355	-	881,558
150	SHABBIR AHMED	HOUSE # 286, BLOCK M, SABZAZAR KARACHI	35202-9603287-5	ANWAR UL HAQ	1,320,538	689,951	-	2,010,489	185,785	689,951	-	875,736
151	MUHAMMAD HANIF	FLAT NO. B-19,FIFTH FLOOR LAHKANI TOWERS NISHTER ROAD GARDEN WEST KARACHI.	42201-0751671-5	ABDUL GHANI	1,313,087	581,104	-	1,894,191	287,896	581,104	-	869,000
152	SH M ANSAN	45-S 35-A SHARIF PARK MULTAN RD, LAHORE	35202-2405034-1	SHEIKH MOHAMMAD ASHRAF	1,126,027	572,458	-	1,698,485	276,027	572,458	-	848,485
153	ASIF ZAFAR CHAUDRY	ZAFAR HOUSE 30-C SATELLITE TOWN RAWALPINDI FAISAL CHAMBERS D.A.V COLLEGE ROAD, RAWALPINDI	37405-9542754-3	R.A. ZAFAR CHAUDHRY	747,335	83,575	-	830,910	747,335	83,575	-	830,910
154	SH HASMAT ULLAH	H 10 /170 B SARWAR ROAD, RAWALPINDI	37405-6973188-3	SHEIKH BARKAT ULLAH	2,297,609	359,475	-	2,657,084	809,419	9,530	-	818,948
155	ASIM LATIF	HOUSE NO. 376 BLOCK (LN) SABZAZAR SCHEME MULTAN ROAD LAHORE.	35202-4608204-5	SHEIKH ABDUL LATIF	1,829,340	644,352	-	2,473,692	168,579	644,352	-	812,931
156	MUHAMMAD FAISAL	A-544 SECTOR 11-A NORTH KARACHI NORTH KARACHI, KARACHI	42201-1314579-1	SYED AFAQ HUSSAIN	3,031,260	384,373	-	3,415,633	415,794	384,373	-	800,167
157	SYD SAJJAD GAUJAR	B-316 CLIFTON GARDEN 1 BLK 3 CLIFTON, KARACHI	42301-1049194-5	SYED MOHAMMAD RAFIQ	2,397,194	587,303	-	2,984,497	197,194	587,303	-	784,497
158	ARIF KHALID	HOUSE NO 72LANE 11KHAYABAN-E-BADARPHASE V, DHAKARA SHOP NO 501ST FLOOR TEXTILE PLAZAM.A.JINNAH ROADKA, KARACHI	42301-0994647-3	KHALID MEHBOOB	667,030	108,241	-	775,271	667,030	108,241	-	775,271
159	RAFAQAT ALI	241-C FAISAL TOWN, LAHORE	35202-1308254-5	RASHEED AHMED	1,276,975	544,968	-	1,821,943	226,975	544,968	-	771,943
160	MOHAMMAD RAFIQ	PLOT # 167/2,FLAT # 4, 2ND FLOOR,HUSAINABAD, FEDERAL.B.AREA, GULSHAN -E- IQBAL, KARACHI	42101-1841452-9	MUHAMMAD YOUSUF	1,275,641	482,115	-	1,757,756	285,960	482,115	-	768,075
161	KHADIM HUSSAIN AWAN	941/485 KARIH MISRI SABRI STREET NAWAN SHEHAR, MULTAN	36302-5647560-7	MUMTAZ HUSSIAN AWAN	1,454,093	544,889	-	1,998,981	217,093	544,889	-	761,981
162	SHEIKH MOHAMMAD WARIS	HOUSE NO 1601/P ASGHAR MALL RD KOCHA KHURSHID, RAWALPINDI	37405-9554960-5	SHEIKH MOHAMMAD RAFIQ	1,234,820	494,488	-	1,729,308	730,367	18,354	-	748,722

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163	MANZOOR HUSSAIN BHATTI	130-F ST- STEHMASIBABADRAWAL PINDI 6 SHAHNAZ PLAZA CHANDNI CHOWK MURREE ROAD RAWALPINDI, ISLAMABAD	37405-0249952-3	FAZAL DIN BHATTI(LATE)	641,982	105,107	-	747,089	641,982	105,107	-	747,089
164	ASIFA MEHBOOB	G-9, BARADARI APPARTMENT BLOCK 13/D-3, GULSHAN E IQBAL, KARACHI	42201-6603274-6	SYED MEHBOOB HUSSAIN	1,313,617	402,876	-	1,716,493	337,078	402,876	-	739,954
165	AHMED NADEEM ASIF	H 121ALLAMA IQBAL ROADLAHORE ASIF CENTRE121 ALLAMA IQBAL ROAD, LAHORE	35202-2252492-5	NASEER AHMAD ASIF	612,885	103,143	-	716,028	612,885	103,143	-	716,028
166	PRINCE AMIR HASSAN	FIRST FLOOR SUITE # 65 GLASS TOWER KARACHI	42501-6727640-1	MUHAMMAD AHBAB UL HASSAN	670,107	37,876	-	707,983	670,107	37,876	-	707,983
167	MOHAMMAD ASLAM SHAHID	33/C FAIZ PARK MUGHAL PURA, LAHORE	35201-5195793-9	CHAUDHRY GHULAM NABI	860,122	541,406	-	1,401,529	160,122	541,406	-	701,529
168	AHMED E BAWANY	40/1 15TH ST OFF KHY-E-MUJAHID DHA PH 5, KARACHI	42401-2033345-5	IBRAHIM AHMED BAWANI	545,261	153,144	-	698,404	545,261	153,144	-	698,404
169	MOHAMMAD SAEED	670 SHADMAN COLONY, LAHORE	35202-9482211-7	SHEIKH MOHAMMAD MINIR	3,848,751	695,047	-	4,543,798	-	695,047	-	695,047
170	SAIMA AZAM	HOUSE NO.318/A GULBERG COLONY FAISALABAD GULBERG COLONY, FAISALABAD	33100-0831275-8	MOHAMMAD AZAM	1,847,387	372,397	-	2,219,784	315,298	372,397	-	687,695
171	ABDUL WAHAB	QUAID-I-AZAM ROAD KEHROR PACCA DISTT. LODAHRAN, MULTAN	36202-0780442-1	ABDUL SATTAR	1,132,313	404,607	-	1,536,921	282,313	404,607	-	686,921
172	MAHMUD AHMAD	17,KH-E-GHAZI PHASE 5,DHA KARACHI	42301-9124388-3	IFTIKHAR AHMED	674,461	-	-	674,461	674,461	-	-	674,461
173	RICHARD DULVY	100-SHERSHAH BLOCK NEW GARDEN TOWN LAHORE	35202-2588541-1	EDWIN DULVY	496,448	177,179	-	673,628	496,448	177,179	-	673,628
174	ASAD ALI KHOWAJA	K-4,ALI REHANA APARTMENT, FL-13 KHAYABAN-E- ROOMI, BLOCK V CLIFTON, KARACHI	42201-6333823-7	HATIM ALI KHOWAJA	570,178	94,831	-	665,009	570,178	94,831	-	665,009
175	ZAHID PERVEZ BUTT	FLAT-B-23 BLOCK-13-C 4TH FLOOR HAQ BAHOO PLAZA GULSHAN-E-IQBAL NEAR URDU SCIENCE COLLEGE KARACHI GULISTAN-E-JOHAR, KARACHI	42000-0523629-9	GHULAM MOHAMMAD BUTT	1,510,954	498,658	-	2,009,612	283,138	379,991	-	663,129
176	SOHAIL ZAKRIA PAREKH	203-AL KABIR ARCADE O-115/30AMIR KHUSRO ROADKARACH 96, 1ST FLOORGUL PLAZAM A JINNAH ROAD, KARACHI	42201-1145192-5	M. ZAKARIA PAREKH	549,773	103,926	-	653,700	549,773	103,926	-	653,700
177	FARHAN AIJAZ	E-51 BLOCK 7 GULSHAN-E-IQBAL, KARACHI	42201-0420351-9	IJAZ-UD-DIN QURESHI	509,330	140,693	-	650,023	509,330	140,693	-	650,023
178	YOUSAF IFTIKHAR	MITTRO ROAD MAILSI, VEHARI	36302-5958253-3	GHULAM RASOOL	1,198,527	468,113	-	1,666,640	179,527	468,113	-	647,640
179	CH M SAEED	HOUSE # 9-A, STREET # 70 SECTOR F-8/3, ISLAMABAD	61101-7786931-1	CHAUDHRY MOHAMMAD ZAMAN	478,155	168,744	-	646,898	478,155	168,744	-	646,898
180	MOHAMMAD ATEQ SHAMSI	HOUSE#A-3 STR. 1 RIZWAN BUNGLOWS SECT. 7-D-2 GULSHAN E FAROOQ NORTH KHI. GULSHAN E FAROOQ NORTH KARACHI, KARACHI	42101-9591169-5	MUHAMMAD SHARIF SOLAR	495,362	148,224	-	643,586	495,362	148,224	-	643,586
181	IFTIKHAR AHMED	H 138-E STREET 7 OFFICER COLONY WALTON ROAD LAHORE CANTT.	35201-8102002-7	SARDAR MOHAMMAD	600,426	369,477	-	969,902	269,868	369,477	-	639,344
182	ZULFIQAR A BUTT	HOUSE NO 60/1 LANE NO 12, DHA PHASE VII, KARACHI	42301-0908377-3	YUSUF ALI BUTT	488,492	150,198	-	638,690	488,492	150,198	-	638,690
183	JAVED HAMEED	CHAUDHRY CLOTH HOUSE 25 KALEEM M ARKET FACTORY AREA, FAISALABAD	33100-0952797-7	ABDUL	493,000	144,019	-	637,019	493,000	144,019	-	637,019

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Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
184	KHALID MEHMOOD	GRAIN MARKET JAHANIA DISTT KHANEWAL, MULTAN	36101-9704428-9	M ISMAIL	1,199,160	305,065	-	1,504,225	605,877	30,112	-	635,989
185	MIRZA SHAHID BAIG	HOUSE# 92/8, AREA 92, SAUDABAD #2, BALDIA	42401-1900254-3	MIRZA NASEER BAIG	847,313	388,769	-	1,236,082	242,890	388,769	-	631,659
186	MUHAMMAD ATIQ SHAMSI	HOUSE # A-3, ST 01, RIZWAN BANGLOWS GULSHAN-E-FAROOQ SECTOR 7D-2, NORTH KARACHI, KARA, KARACHI	42101-9591169-5	MUHAMMAD SHARIF SOLAR	486,027	144,395	-	630,421	486,027	144,395	-	630,421
187	IMRAN AKRAM	BRIGHT FUTURE COMMUNICATION 2728A ANGOORI BAGH SCHEME#2 SHALIMAR LINK ROAD BAGHBANPURA - LAHORE	35201-1345462-7	MUHAMMAD AKRAM	481,584	148,684	-	630,268	481,584	148,684	-	630,268
188	AMJAD ALI SHAIIDA	305PAK BLOCKALLAMA IQBAL TOWNLAHORE SUIT 318 3RD EDEN CENTER , LAHORE	35202-2733379-5	M. ABDUL RASHEED	541,487	88,435	-	629,922	541,487	88,435	-	629,922
189	MUHAMMAD IQBAL	MARINE ARCADE APARTMENT NO B/31/A BLK 3 CLIFTONKAR 106 1ST FLOOR THE FORUMBLOCK 9, KARACHI	42301-9927830-5	INAYAT ALLAH.	557,432	69,986	-	627,418	557,432	69,986	-	627,418
190	NAVEED AHMAD	C/O X=TRA, 5/A P. BLOCK, M M ALAM ROAD, GULBERG II, H #95, ST #50, F-11/3, ISLAMABAD	35202-2648398-5	CHAUDHRY GHULAM HUSSAIN	482,169	144,899	-	627,067	482,169	144,899	-	627,067
191	S HAMID RAZA SHAH		35201-4254228-5	SYED BAQIR HUSSAIN SHAH	482,960	143,829	-	626,789	482,960	143,829	-	626,789
192	MUHAMMAD ALI	H# 19 STREET# 8 DHANI CHAND STREET LAJ ROAD OLD ANARKALI - LAHORE	35202-2824775-7	MUHAMMAD ASLAM	478,304	142,330	-	620,633	478,304	142,330	-	620,633
193	ABDUL RASHEED	PREAM NAGAR OPPOSITE JAMIA MASJID SIALKOT.	34603-3347286-7	FARZAND ALI	956,187	359,193	-	1,315,381	257,866	359,193	-	617,060
194	WAJID ALI SHAH	H.NO 86 ALLAMA IQBAL ROAD LAHORE STREET CHAH BABA SHAID SHAH GARI SHAW LAHORE.	35202-8185788-3	MUZAFFAR ALI SHAH	847,468	419,462	-	1,266,931	192,368	419,462	-	611,830
195	SAQIB RIAZ	H#531-B S.TOWN GUJRANWALA	34101-2403410-7	SHEIKH RIAZ AHMAD	475,224	135,576	-	610,800	475,224	135,576	-	610,800
196	ABDUL HALEEM	153-B III ,JOHAR TOWN - LAHORE	35102-5720472-9	KHALID LATIF	479,643	123,516	-	603,159	479,643	123,516	-	603,159
197	M IMRAN ZAHID	IMPERIAL OPTICS 9 OUT SIDE LOHAR I GATE - LAHORE	35202-3050878-3	MIAN ZAHID ASLAM	498,652	93,341	-	591,993	498,652	93,341	-	591,993
198	HARROON LEGHARI	22/2 7TH ZAMZAMA STREET PHASE V DHA KARACHI	31304-4017085-7	LEGHARI SARDAR MOHAMMAD DISCIPLE	498,969	91,730	-	590,699	498,969	91,730	-	590,699
199	JAMSHED ALAM	HOUSE NO A/327SECTOR 14/B SHADMAN TOWNNORTH KARACH SHELL PETROL PUMPMMAIN SHHARA E QUAIDENBLOCK 2 P.E, KARACHI	42101-9094655-7	MOHAMMAD HANIF	499,000	90,886	-	589,886	499,000	90,886	-	589,886
200	SYED ALI RAZA HUSSAIN NAQVI	HOUSE NO 1 CENTRAL TELECOM RESEARCH LAB BUILDINGSEC OFFICE NO 2PTCL BUILDINGSECTOR H-9/1, ISLAMABAD	35202-3051132-7	SYED ABBAS ANWAR SHAH	498,176	91,412	-	589,588	498,176	91,412	-	589,588
201	BABAR BASHIR DOGAR	H NO 250 STREET NO 14JHANG ROAD AYUOOB COLONY FAISAL SHOP NO P-269 ST NO 15 AYUOOB COLONY FAISALABAD	33100-8575253-9	BSYRAHMD DOGAR	493,900	92,388	-	586,288	493,900	92,388	-	586,288
202	SYED TANWEER ABBAS TABISH	230/LMODEL TOWN EXTLAHOE 14/ARACE COURSE ROAD, LAHORE	35202-2836905-5	SYED ASHIQ HUSSAIN	500,522	84,883	-	585,405	500,522	84,883	-	585,405
203	MUHAMMAD ATIQ SHAMSI	H NO A/3, RIZWAN BANGLOWS GULSHAN E FAROOQ STREET 1 ROOM NO 305 3RD FLOOR J.J CENTRE DARYALAL STREET JOD, KARACHI	42101-9591169-5	MUHAMMAD SHARIF SOLAR	502,002	82,180	-	584,182	502,002	82,180	-	584,182

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204	NASREEN	HOUSE NO 559 QASR E JELANI SADDAR HYDERABAD NEAR QAID E AZAMI CENTER HYDERABAD	41303-4540434-6	MON GHULAM RASOOL SHAH JILANI	501,716	81,489	-	583,206	501,716	81,489	-	583,206
205	SHAHID AHMED	1-B SOUTH PARK STREET MAIN SUNSET BOULEVARD D H A KARACHI	42000-0484084-1	SALAHUDDIN AHMED	499,833	83,057	-	582,890	499,833	83,057	-	582,890
206	MUHAMMAD BABAR JAHANGIR KHAN	H NO SD 21 ASKARI OFFICERS COLONY CANTT LAHORE 19 BRIDGE COLONY ABID MAJEED ROAD LAHORE	35201-1779380-3	MOHAMMAD JAHANGIR KHAN	500,544	82,006	-	582,551	500,544	82,006	-	582,551
207	SHAHID MANZOOR	H NO 119, ISLAM BLOCKAZAM GARDEN MULTAN ROAD H NO 119, ISLAM BLOCKAZAM GARDEN MULTAN ROAD, LAHORE	35202-2651715-7	MANZOOR HUSSAIN	502,025	79,006	-	581,032	502,025	79,006	-	581,032
208	GOUHAR REHMAN	H NO 225ST NO 6GULRAZ IIRAWALPINDI 133/CKASHMIR ROAD RAWALPINDISARDAR RAWALPINDI	37405-4043509-9	SARDAR ALI MARDAN KHAN	485,087	94,359	-	579,447	485,087	94,359	-	579,447
209	FAWAD ZAHOR	134-B UMER PLAZA 3RD FLOOR NEAR CHANDNI CHOWK MURREE ROAD, RAWALPINDI	37405-3253324-7	ZAHOR HUSSAIN	500,000	78,946	-	578,946	500,000	78,946	-	578,946
210	VIQAR AHMED	A-351 BLOCK J NORTH NAZIMABAD - KARACHI	42101-6813601-3	ABDUL SIDDIQUI	450,385	128,166	-	578,551	450,385	128,166	-	578,551
211	ABID ALI	FLAT NO 5 3RD FLOOR 8-C 31 COMMERCIAL STREET PHASE V SHOP NO IVBUILDING # 3-C PHASE V D.H.A3 3RD COMMERC, KARACHI	42301-1069237-7	QADIR ALI	494,213	81,828	-	576,041	494,213	81,828	-	576,041
212	RAZA HASHMI	I A HASHMI & CO 301 307 KASHIF C ENTRE SHAHRE E FAISAL - KARACHI	42301-1083755-9	SYED ALI HASHMI POWER	455,374	120,140	-	575,514	455,374	120,140	-	575,514
213	JAVED HAMEED	H NO.404-B BLOCKPEOPLES COLONY NO.1 FAISALABAD SHOP NO.25 KALEEM MKT FACTORY AREA FAISALABAD	33100-0952797-7	ABD UL HAMEED	494,227	81,279	-	575,506	494,227	81,279	-	575,506
214	SYED FAZAL-E-ALI JAFRI	7-A/1PHASE IMAIN KORANGI ROADD.H.AKARACHI SUIT # 214 2ND FLOOR ACMAS HEIGHT P.E.C.H.S NURSERY, KARACHI	42301-4593963-9	SBT SYED MOHAMMAD JAFRI	493,131	80,889	-	574,021	493,131	80,889	-	574,021
215	JAVED MANZOOR	76 ISLAM BLOCK AZAM GARDEN MULTAN ROAD 211 RAVI BLOCKALLAMA IQBAL TOWNLAHORE 2-B 2-C KAREEM BLOCKALLAMA IQBAL TOWN LAHORE	35202-0131550-7	MANZOOR HUSSAIN	483,055	90,503	-	573,558	483,055	90,503	-	573,558
216	SHAHID HUSSAIN	211 RAVI BLOCKALLAMA IQBAL TOWNLAHORE 2-B 2-C KAREEM BLOCKALLAMA IQBAL TOWN LAHORE	35202-2958356-5	CHAUDHRY GHULAM HUSSAIN	455,911	116,976	-	572,887	455,911	116,976	-	572,887
217	SIRAJ AHMED	HOUSE# R-53TARIQ BIN ZIAD SOCIETY MALIR HALT - KARACHI	42201-3008661-9	GHULAM MURTAZA KHAN	457,944	111,927	-	569,870	457,944	111,927	-	569,870
218	MUHAMMAD ASIF	A-201, BLOCK NO 13 GULISTAN E JOHAR PLOT NO 427-428, SECTOR 7-A INDUSTRIAL AREA, KORANGI, KARACHI	42201-0371580-9	MOHAMMAD RAUF	478,122	90,839	-	568,962	478,122	90,839	-	568,962
219	SHOAIB AFROZE	SHARWANI TRADERS ALLAMA IQBAL MARKET MAILSI, VEHARI	36602-1048407-3	AFROZE AHMAD KHAN	908,681	339,435	-	1,248,116	227,166	339,435	-	566,601
220	CHAUDHRY ABDUL HAFEEZ	147 ABU BAKAR BLOCK NEW GARDEN TOWN, LAHORE	35202-4289290-3	CHAUDHRY NOOR MOHAMMAD	484,428	79,156	-	563,584	484,428	79,156	-	563,584
221	IRFAN ULLAH	H NO 68-2-EABDARA ROAD UNIVERSITY TOWN PESHAWAR FLAT NO 4 KHYBER BAZAR PESHAWAR	17301-6197482-1	HAMID ULLAH	483,343	79,828	-	563,171	483,343	79,828	-	563,171

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222	ABBAS ALI	A - 106, 2ND FLOOR, SUBHAN APPARTMENT 275 - D, CRO, KARACHI	42201-0341355-9	HAFIZ ALI	2,750,494	311,281	-	3,061,775	250,294	311,281	-	561,575
223	YASIR SHABBIR BALOCH	195 UPPER MALL OPP STATEGUEST HOUSELAHORE 2 RIWAZ GARDEN, LAHORE	35202-2678132-3	GHULAM SHABBIR BALOCH	492,793	68,213	-	561,006	492,793	68,213	-	561,006
224	TARIQ IQBAL	C-20,AL SHAMS COMPLEX, GULISTAN-E-JOHAR BLOCK# 19 GULISTAN -E- JOHAR, KARACHI	42201-8910164-7	MAQBOOL AHMED QURESHI(LATE)	966,207	352,002	-	1,318,209	208,658	352,002	-	560,660
225	ADNAN RIAZ	14-A OVERSEAS SOCIETYOFF AMIR KHUSRO ROADKARACHI ROOM 620 1ST FLOORNEW FADDOO BLDGM A JINNAH ROAD, KARACHI	42201-0770597-1	RIAZ AHMED	480,483	79,886	-	560,369	480,483	79,886	-	560,369
226	SHAFIQ UR RAHIM	H NO 2, ST NO 32 KORANG TOWN ISLAMABAD	61101-0674973-5	ABDUL RAHEEM	483,832	75,409	-	559,242	483,832	75,409	-	559,242
227	ASIF H HAJI	AL-MURTAZA FLATS, APPARTMENT NO 3, 162N BLOCK 3 P.E.C.H.S KARACHI	42201-0502695-3	HASAN ALI HAJI	435,784	123,246	-	559,030	435,784	123,246	-	559,030
228	M NAVEED IQBAL	E-29 / 8 D1 ST NO 5 GHOUSIA COLONY WALTON RD , LAHORE	35201-1386153-9	SHAWKAT HUSSAIN	979,567	408,453	-	1,388,020	147,567	408,453	-	556,020
229	MIRZA MUHAMMAD JODAT BAIG	C 59 BLOCK 13 D 1 GULSHAN IQBAL KARACHI	42201-2018031-7	MIRZA ASADULLAH BAIG	486,482	68,909	-	555,391	486,482	68,909	-	555,391
230	EHSAN ULLAH QURESHI	H NO 763 ST NO 25 SECTOR G-9/1 ISLAMABAD PLOT NO 149I & T CENTRE SECTOR G-9/1 ISLAMABAD	61101-5055306-7	AMANULLAH QURESHI	489,808	65,387	-	555,195	489,808	65,387	-	555,195
231	MUHAMMAD SAEED RANA	H NO.551 BLOCK-C FAISAL TOWN SHAFIQUE ST NO.5 PEER LAL PUL MUGHAL PURA SHELL PETROL, LAHORE	35202-2837694-7	RANA ABDUL	492,569	61,403	-	553,972	492,569	61,403	-	553,972
232	FAHIM UL KARIM SARWAT	AXACT HOUSE, AXACT STREET MAIN KHAYABAN-E- ITTEHAD PHASE VII D,H,A, KARACHI	42000-8419559-3	ABDUL KARIM KHAN	489,019	61,979	-	550,998	489,019	61,979	-	550,998
233	MUHAMMAD PERVAIZ	H # 5 INFANTRY ROADJALAL COLONY HERBANS PURA LAHORE	35201-5693608-3	TAJ DEEN	471,826	77,748	-	549,574	471,826	77,748	-	549,574
234	MOEED REHMAN	H # 78 ST # 2 CAVALRY GROUND CANTT LAHORE 4 TH FLOOR 124-C/271 BLOCK 14 GULTAN E JAUHAR KARACHI	35200-1408773-5	SA RAHMAN	475,822	69,789	-	545,611	475,822	69,789	-	545,611
235	SHAKIL AIJAZ QURESHI	LAHORE 4 TH FLOOR 124-C/271 BLOCK 14 GULTAN E JAUHAR KARACHI	42201-2098694-5	EJAZ UDDIN QURESHI	483,053	59,955	-	543,009	483,053	59,955	-	543,009
236	WAQAR AHMED	H NO A-20, BLOCK Q NORTH NAZIMABAD - KARACHI	42101-4931225-5	GULZAR AHMAD KHAWAJA	408,882	130,318	-	539,200	408,882	130,318	-	539,200
237	NADEEM ISHTIAQ	GLOBEL COMMUNICATIONS LOWER GROUND LDA PLAZA EGERTON ROAD, LAHORE	35202-4278103-7	ISHTIAQ AHMED KHAN	433,615	104,672	-	538,287	433,615	104,672	-	538,287
238	MUHAMMAD IFTIKHAR	HOUSE NO P-26 STREET NO 6 NAIMAT COLONY NO 2 POST OF P-72/A OFFICER COLONYNO 2 FAISLABAD	33100-3182124-1	NIAZ MOHAMMAD LATE	449,682	88,565	-	538,247	449,682	88,565	-	538,247
239	RANA BAKHTAWAR ALI TOOR	P 808 ST NO 7 ALLAH HOOD COLONYKARIM TOWN PEOPLES C 375 A OFFICE NO 3FLOOR HUSSAIN CENTREBABAR CHOWK P, FAISALABAD	33100-7470214-9	RANA GHULAM HUSSAIN TOOR	476,741	59,054	-	535,795	476,741	59,054	-	535,795
240	MIAN MUKHTAR MASOOD	BEHIND TAQCARGO UGOKI ROADS.IE SIALKOT AZIZ SHAHEED ROAD CANTT SIALKOT	34603-0707118-3	MIAN MASOOD AHMED	468,297	66,199	-	534,497	468,297	66,199	-	534,497

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					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
241	AZHAR HUSSAIN	AZAHAR FABRIC OFF NO 2 DATA MARK ET YARUMARKET FAISALABAD	33100-3078303-1	MAZHAR HUSSAIN	429,542	103,272	-	532,814	429,542	103,272	-	532,814
242	BAKHTIAR AHMED UQAILI	A-8 ERUM VIEW APPARTMENTS BLOCK-13-D GULSHAN-E-IQBAL KARACHI.	41409-1840858-1	ABDUL ALEEM AQEELI	454,791	77,119	-	531,910	454,791	77,119	-	531,910
243	TABASSUM JAVED PURI	H # 10ST # 67G-6/4 ISLAMABAD GINZA CENTRE ROOM # 52ND FLOOR NEAR HALEEM GHAR,BLUE, ISLAMABAD	61101-1801404-1	MOHAMMAD BASHIR PURI	452,535	75,735	-	528,270	452,535	75,735	-	528,270
244	ZAFAR IQBAL	HOUSE 55-B ST NO.16 AFZAL STREET GULGUSHT COLONY RUSTAM PARK LAHORE.	35202-2679584-5	MUHAMMAD YOUSAF	1,066,422	385,337	-	1,451,759	142,704	385,337	-	528,041
245	MUHAMMAD TASNEEM	H NO 21-S HUMA BLOCKALLAMA IQBAL TOWNLAHORE NPC 5-AFEROZPUR ROAD LAHORE	35202-6796136-5	LATE MOHAMMAD NAZEER	448,653	74,761	-	523,414	448,653	74,761	-	523,414
246	AMIR SALEEM KHAN	CHIMERA PVT LTD 32-1 LAWFRANCE RO AD - LAHORE	35202-3418643-7	MOHAMMAD ANWAR KHAN	406,880	113,818	-	520,698	406,880	113,818	-	520,698
247	IRSHAD AHMED	WONDER LAND BEHIND PUBLIC PARK MURREE ROAD RAWALPINDI.	37405-3014621-3	CHAUDHRY ALI AHMED	446,405	73,964	-	520,368	446,405	73,964	-	520,368
248	MUHAMMAD IQBAL	CANNON TRADERS PVT LTD 101 B GULBERG II LAHORE	35202-4847431-7	MOHAMMAD SHARIF	483,529	36,592	-	520,121	483,529	36,592	-	520,121
249	ADNAN SADDIQUE	HAKHEEM KHADIM ALI ROAD OPP. ALLAMA IQBAL GIRLS COLLEGE, SIALKOT	34603-9049225-9	MUHAMMAD SADDIQUE	484,353	33,399	-	517,751	484,353	33,399	-	517,751
250	KAZIM ALI RAUJANI	HOUSE NO B 141 BLOCK P HUSSAIN DSILVA TOWN NORTH NAZIMABAD, KARACHI	42101-3945973-1	RAZA HUSSAIN ROJANI	1,490,967	516,707	-	2,007,674	(33)	516,707	-	516,674
251	ANWAR AHMED AZAD	D 81 BLOCK 7GULSHAN E IQBALKARACHI 151-Q BLOCK 2P E C H SKHALID BIN WALEED ROAD, KARACHI	42201-5996684-7	SHUJA-UD-DIN	462,159	77,915	-	540,074	442,748	73,610	-	516,359
252	SIKANDER BEIDAR BAKHT QURESHI	H NO 103-AST NO 40SECTOR F-10/4ISLAMABAD 05NASEEM ARCADEI-9 MARKAZPOTHAR ROAD RAWALPINDI, ISLAMABAD	61101-9540285-1	AKHTAR HASSAN	442,521	73,024	-	515,545	442,521	73,024	-	515,545
253	BABAR HAMEED	P-574 WEST CANAL ROADAMIN TOWNFAISALABAD SHOP NO.116/3 PAK GOLBAZAR MUHAMMAD RAFI POULTRY F. FAISALABAD	33100-0622887-3	ABDUL HAMEED	438,880	74,772	-	513,652	438,880	74,772	-	513,652
254	MUHAMMAD YASIN	164 KASHANA E AMNAKARIM JEE STREETSOLDIER BAZAR 1K 1379/BAZIZABADF B AREA KARACHI	42201-0471446-3	MHMDABRAHYM	450,000	62,964	-	512,964	450,000	62,964	-	512,964
255	ASJED MAHMOOD	253 HUNZA BLOCK ALLAMA IQBAL TOWN LAHORE	35201-5654158-5	MEHMOOD AHMED	450,555	62,111	-	512,666	450,555	62,111	-	512,666
256	HAIDER Z QURESHI	36 BABAR BLOCK NEW GARDEN TOWN - LAHORE	36104-3466132-5	PIR ZAMAN QURESHI	434,240	77,952	-	512,193	434,240	77,952	-	512,193
257	BABER BASHIR DOGAR	P-269, ST NO 15 AYUB COLONY JHANG ROAD - FAISALABAD	33100-8575253-9	BSYRAHMD DOGAR	482,584	28,997	-	511,581	482,584	28,997	-	511,581
258	MIAN MUKHTAR MASOOD	BEHIND TAQ CARGO UGOKI ROAD S I E - SIALKOT	34603-0707118-3	MSUD AHMED MIAN	396,255	113,034	-	509,289	396,255	113,034	-	509,289
259	ASIF MUSHTAQ KHAN	H NO. 113-A PEOPLES COLONY NO. 1FAISALABAD 38-CHENAB MKTMADINA TOWN SUSAN ROAD FAISALABAD	33100-3088837-7	MUSHTAQ AHMED KHAN	428,611	79,995	-	508,606	428,611	79,995	-	508,606
260	FAKHRA SHAHZADI	195-1-Q DHA 195-1-Q DHA, LAHORE	35202-4406196-6	MUHAMMAD ASGHAR	425,686	79,342	-	505,028	425,686	79,342	-	505,028
261	SHEIKH M AKMAL	HOUSE NO. 221-A, DEFENSE HOUSING SOCIETY LAHORE	35202-1640087-9	SHEIKH MOHAMMAD ASLAM	480,789	23,824	-	504,613	480,789	23,824	-	504,613



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					Amounts in PKR							
262	ADNAN RIAZ	HOUSE 79-B/1 Q STREET PHASE VII DHA KARACHI	42201-0770597-1	RIAZ AHMED	388,684	115,574	-	504,258	388,684	115,574	-	504,258
263	YASMIN ANJUM	284-A CANAL VIEWLAHORE 278-ACANAL VIEW, LAHORE	35202-2730934-0	GHULAM NABI CU-DRY	431,015	72,025	-	503,040	431,015	72,025	-	503,040
264	CH. ASHIQ HUSSAIN	ASIF-ASHIQ & CO GHALLAH MANDI, PAKPATTAN, SAHIWAL	36402-0828247-7	CH SARDAR MUHAMMAD	2,281,767	39,756	-	2,321,523	797,767	39,756	-	837,523
265	MUHAMMAD TASLEEM KHAN	8-B,MASJID MARKET GRAIN MARKET, VEHARI	36603-5905701-7	GHOUS MUHAMMAD KHAN	2,677,917	1,016,945	-	3,694,862	481,917	1,016,945	-	1,498,862
266	GULZAIB RAEES / RAEES AHMAD	SHOP # 04 ABBAS PLAZA, MOON MARKET ALLAMA, IQBAL TOWN, LAHORE	35201-7779958-3	RAEES AHMAD	6,999,124	2,681,050	-	9,680,174	2,749,781	2,593,737	-	5,343,518
267	ADEEL KHAN	HOUSE # 218, STREET # 18, SECTOR, F-10/2, ISLAMABAD	61101-6785008-7	ABDUL GHAFOOR KHAN	14,559,742	5,986,192	-	20,545,935	2,059,742	5,986,192	-	8,045,935
268	M/S. MANDVIWALA PLASTIC INDUSTRIES LIMITED	MANDVIWALA BUILDING, OLD QUEENS ROAD, KARACHI.	01. MR. AZEEM H. MANDVIWALA, CHIEF EXECUTIVE, CNIC NO. 42005-0560201-1 02. MR. SALEEM H. MANDVIWALA, DIRECTOR, CNIC NO. 42301-3948350-1 03. MRS. SHIREEN H. MANDVIWALA, DIRECTOR CNIC NO. 42301-5350292-6 04. MR. NADEEM H. MANDVIWALA, DIRECTOR CNIC NO. 42301-6675532-1 05. MR. ALI H. MANDVIWALA, DIRECTOR CNIC NO. 42301-6236210-9 06. MR. QALBE ABBAS DHARAMSEY, DIRECTOR CNIC NO. 42301-0909968-9	1. MR. HAKIM G. MANDVIWALA. 2. MR. HAKIM G. MANDVIWALA. 3. MR. HAKIM G. MANDVIWALA. 4. MR. HAKIM G. MANDVIWALA. 5. MR. HAKIM G. MANDVIWALA. 6. MR. AZIZ DHARAMSEY	32,792,940	6,735,239	-	39,528,179	7,793,400	6,735,239	-	14,528,639
269	HOME SHOW	12/A3, GULBERG III, LAHORE.	01. GHAS SHAREEF, PARTNER, CNIC NO. 35202-3792550-7 02. SALEEM JAVED, PARTNER, CNIC NO. 35202-3433862-1	01. CHAUDHRY MUHAMMAD SHAREEF 02. MUHAMMAD ISHAQ	23,501,582	12,778,426	-	36,280,008	3,999,999	15,424,769	-	19,424,768
270	D.S. TEXTILE LIMITED	20-K, GULBERG II, LAHORE.	01. JAVED AHMED, DIRECTOR, CNIC 35202-497877-1 02. PERVEZ AHMED, DIRECTOR, 35202-5637832-7 03. HASSAN IBRAHIM JAVED, DIRECTOR, 35202-0104136-7 04. ALI PERVEZ AHMED, DIRECTOR, 35202-8633784-5 05. REHANA PERVEZ AHMED, DIRECTOR, 35202-5904987-0 06. MISBAH JAVED AHMED, DIRECTOR, 35202-9446565-6 07. HUMA JAVED AHMED, DIRECTOR, 35202-0122256-6	01. S.K. AHMAD 02. S.K. AHMAD 03. PERVEZ AHMED 04. PERVEZ AHMED 05. PERVEZ AHMED 06. JAVED AHMED 07. JAVED AHMED	107,937,773	10,182,496	-	118,120,269	81,760,773	10,182,496	-	91,943,269
					<b>1,026,889,364</b>	<b>376,680,611</b>	<b>-</b>	<b>1,403,569,975</b>	<b>389,279,037</b>	<b>334,090,515</b>	<b>-</b>	<b>723,369,552</b>

Standard Chartered Bank (Pakistan) Limited

**Consolidated  
Financial Statements**

For the year ended  
31 December 2012



**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
First Floor  
Sheikh Sultan Trust Building No. 2  
Beaumont Road  
Karachi 75530 Pakistan

Telephone + 92 (21) 3568 5847  
Fax + 92 (21) 3568 5095  
Internet [www.kpmg.com.pk](http://www.kpmg.com.pk)

## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed consolidated financial statements comprising consolidated statement of financial position of **Standard Chartered Bank (Pakistan) Limited and its subsidiary companies** as at 31 December 2012 and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated cash flow statement together with the notes forming part thereof, for the year then ended. We have also expressed separate opinion on the financial statements of Standard Chartered Bank (Pakistan) Limited and have reviewed its subsidiary company namely Standard Chartered Leasing Limited for the six months period ended 31 December 2012 except for Standard Chartered Modaraba which was reviewed by other firm of auditors for the six months period to 31 December 2012 whose report has been furnished to us and our opinion, in so far as it relates to the amounts included for such company, is based solely on the report of such other auditors and Standard Chartered Services of Pakistan (Pvt) Limited which has been consolidated based on un-audited returns for the six months period ended 31 December 2012. These financial statements are responsibility of the Holding Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the consolidated financial statements present fairly the financial position of Standard Chartered Bank (Pakistan) Limited and its subsidiary companies as at 31 December 2012 and the results of their operations for the year then ended.

Date: 04 March, 2013  
Karachi

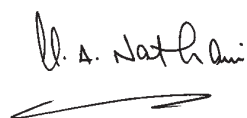
**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Muhammad Taufiq

# Consolidated Statement of Financial Position

As at 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>ASSETS</b>			
Cash and balances with treasury banks	4	31,487,972	26,293,151
Balances with other banks	5	2,700,218	3,204,253
Lendings to financial institutions	6	19,845,269	20,205,971
Investments	7	131,741,003	104,040,114
Advances	8	144,918,272	137,308,880
Operating fixed assets	9	6,381,584	6,437,023
Intangible assets	10	26,275,598	26,413,335
Deferred tax assets	11	1,447,553	2,719,906
Other assets	12	34,257,981	37,565,179
		<b>399,055,450</b>	<b>364,187,812</b>
<b>LIABILITIES</b>			
Bills payable	13	6,164,867	4,576,789
Borrowings	14	23,399,389	19,361,864
Deposits and other accounts	15	266,598,571	235,874,584
Sub-ordinated loans	16	2,750,000	699,200
Other liabilities	17	44,718,555	48,016,637
		<b>343,631,382</b>	<b>308,529,074</b>
<b>NET ASSETS</b>		<b>55,424,068</b>	<b>55,658,738</b>
<b>REPRESENTED BY:</b>			
Share capital	18	38,715,850	38,715,850
Reserves	19	5,068,628	3,879,491
Unappropriated profit		6,846,940	8,940,420
Attributable to equity holders of the bank		50,631,418	51,535,761
Minority interest		825,841	799,803
		<b>51,457,259</b>	<b>52,335,564</b>
Surplus on revaluation of assets - net of deferred tax	20	3,966,809	3,323,174
		<b>55,424,068</b>	<b>55,658,738</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	21		

The annexed notes 1 to 42 and Annexure I form an integral part of these consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



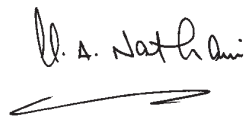
Shahid Zaki  
Director

## Consolidated Profit and Loss Account

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
Mark-up / return / interest earned	22	32,214,232	32,825,124
Mark-up / return / interest expensed	23	(12,337,997)	(11,907,713)
<b>Net mark-up / return / interest income</b>		<b>19,876,235</b>	<b>20,917,411</b>
Provision against non-performing loans and advances	8.5 & 17.4	(3,083,284)	(4,420,716)
Recovery of amounts written off		271,775	426,956
Reversal / (provision) for diminution in the value of investments	7.3	(441,903)	(27,109)
Bad debts written off directly	8.6.1	(325,187)	(486,608)
		<b>(3,578,599)</b>	<b>(4,507,477)</b>
<b>Net mark-up / return / interest income after provisions</b>		<b>16,297,636</b>	<b>16,409,934</b>
<b>NON MARK-UP / NON INTEREST INCOME</b>			
Fees, commission and brokerage income		3,509,405	3,113,571
Dividend income		-	-
Income from dealing in foreign currencies		1,609,512	2,402,852
Gain on sale of securities - net	24	1,170,953	885,562
Unrealized gain on revaluation of investments classified as held for trading	7.10.4	15,850	56,673
Other income	25	1,006,243	(266,105)
<b>Total non mark-up / non interest income</b>		<b>7,311,963</b>	<b>6,192,553</b>
		<b>23,609,599</b>	<b>22,602,487</b>
<b>NON MARK-UP / NON INTEREST EXPENSES</b>			
Administrative expenses	26	(14,045,547)	(13,408,462)
Other provisions / asset write-offs	27	(51,659)	(399,182)
Other charges	28	(190,038)	(208,515)
<b>Total non mark-up / non interest expenses</b>		<b>(14,287,244)</b>	<b>(14,016,159)</b>
		<b>9,322,355</b>	<b>8,586,328</b>
Extra-ordinary / unusual items		-	-
<b>PROFIT BEFORE TAXATION</b>		<b>9,322,355</b>	<b>8,586,328</b>
Taxation - current		(2,338,939)	(2,506,776)
- prior years'		(21,136)	-
- deferred		(916,416)	(526,411)
	29	<b>(3,276,491)</b>	<b>(3,033,187)</b>
<b>PROFIT AFTER TAXATION</b>		<b>6,045,864</b>	<b>5,553,141</b>
<b>Attributable to :</b>			
Equity holders of the bank		5,945,685	5,471,308
Minority shareholders		100,179	81,833
		<b>6,045,864</b>	<b>5,553,141</b>
----- (Rupees) -----			
EARNINGS PER SHARE - BASIC / DILUTED	30	1.54	1.41

The annexed notes 1 to 42 and Annexure I form an integral part of these consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

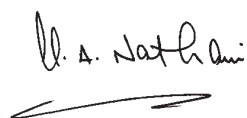
# Consolidated Statement of Comprehensive Income

For the year ended 31 December 2012

	2012	2011
	----- (Rupees in '000) -----	
<b>Profit after tax for the year</b>	<b>6,045,864</b>	5,553,141
<b>Other comprehensive income:</b>		
Surplus / (deficit) on revaluation of 'Available for Sale' financial assets (i)	-	-
Surplus / (deficit) on revaluation of operating fixed assets (ii)	-	-
Actuarial gain / (loss) on defined benefit plans	<b>15,863</b>	(20,103)
Deferred tax on actuarial gain / (loss)	<b>(5,552)</b>	7,036
	<b>10,311</b>	(13,067)
<b>Total comprehensive income for the year</b>	<b>6,056,175</b>	<b>5,540,074</b>
<b>Attributable to:</b>		
Equity holders of the bank	<b>5,955,996</b>	5,458,241
Minority shareholders	<b>100,179</b>	81,833
	<b>6,056,175</b>	<b>5,540,074</b>

- (i) Surplus / deficit on revaluation of 'Available for Sale' securities-net of deferred tax is presented under a separate head below equity as 'surplus / deficit on revaluation of assets' in accordance with the requirements specified by the State Bank of Pakistan vide its BSD circular 20 dated 04 August 2000 and BSD circular 10 dated 13 July 2004.
- (ii) Surplus on revaluation of fixed assets-net of deferred tax is presented under a separate head below equity as 'surplus / deficit on revaluation of assets' in accordance with the requirements of section 235 of the Companies Ordinance, 1984.

The annexed notes 1 to 42 and Annexure I form an integral part of these consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



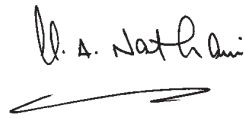
Shahid Zaki  
Director

# Consolidated Cash Flow Statement

For the year ended 31 December 2012

	2012	2011
	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax for the year	9,322,355	8,586,328
Less: Dividend income	-	-
	9,322,355	8,586,328
<b>Adjustments for:</b>		
Depreciation	486,603	436,488
Amortization	139,165	269,010
Exchange gain realised on disposal of Sri Lanka operations	-	-
Gain on disposal of fixed assets - net	(37,090)	(7,872)
Unrealized gain on revaluation of investments classified as held for trading - net	(15,850)	(56,673)
Other provisions / write offs	51,659	399,182
(Reversal) / provision for diminution in the value of investments	441,903	27,109
Provision against loans and advances - net of recoveries	3,136,696	4,480,368
	4,203,086	5,547,612
	13,525,441	14,133,940
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	360,702	10,215,914
Net investments in 'held for trading' securities	2,261,499	2,013,808
Advances	(10,746,088)	2,932,309
Other assets (excluding advance taxation)	(1,161,556)	706,871
	(9,285,443)	15,868,902
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	1,588,078	(1,115,075)
Borrowings from financial institutions	4,037,525	3,447,521
Deposits and other accounts	30,723,987	15,686,696
Other liabilities	2,818,023	(700,388)
	39,167,613	17,318,754
<b>Cash inflow before taxation</b>	43,407,611	47,321,596
Income tax paid	(4,086,568)	(6,476,546)
Net cash generated from operating activities	39,321,043	40,845,050
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in 'available for sale' securities	(29,387,076)	(33,182,619)
Dividend income received	-	-
Net investment in fixed assets (including intangible assets)	(493,808)	(357,349)
Sale proceeds on disposal of operating fixed assets	37,673	8,340
Net cash used in investing activities	(29,843,211)	(33,531,628)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance / (repayment) of sub-ordinated Term Finance Certificates - net	2,050,800	(436,700)
Dividend paid	(6,763,705)	(2,319,877)
Dividend paid to minority shareholders by the subsidiary	(74,141)	(69,257)
<b>Net cash used in financing activities</b>	(4,787,046)	(2,825,834)
<b>Increase in cash and cash equivalents for the year</b>	4,690,786	4,487,588
Cash and cash equivalents at beginning of the year	29,497,404	25,009,816
Cash and cash equivalents at end of the year	34,188,190	29,497,404

The annexed notes 1 to 42 and Annexure I form an integral part of these consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

# Consolidated Statement of Changes in Equity

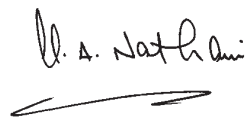
For the year ended 31 December 2012

	Share Capital	Share Premium	Statutory Reserve	Unappropriated Profit	Total	Minority Interest	Total
	(Rupees in '000)						
Balance as at 31 December 2010	38,715,850	1,036,090	1,749,139	6,838,790	48,339,869	787,227	49,127,096
<b>Total comprehensive income for the year</b>							
Profit after tax for the year ended 31 December 2011	-	-	-	5,471,308	5,471,308	81,833	5,553,141
Other comprehensive income							
Actuarial gain on defined plan - net of tax	-	-	-	(13,067)	(13,067)	-	(13,067)
	-	-	-	5,458,241	5,458,241	81,833	5,540,074
<b>Transactions with owners, recorded directly in equity</b>							
Share based payment transactions (contribution from holding company)	-	-	-	95,760	95,760	-	95,760
Payment against share based payment transactions (to holding company)	-	-	-	(42,588)	(42,588)	-	(42,588)
	-	-	-	53,172	53,172	-	53,172
Transfer to statutory reserve	-	-	1,094,262	(1,094,262)	-	-	-
Cash dividend (Final 2010)	-	-	-	(2,322,951)	(2,322,951)	-	(2,322,951)
Dividend paid to minority shareholders	-	-	-	-	-	(69,257)	(69,257)
Transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	-	7,430	7,430	-	7,430
<b>Balance as at 31 December 2011</b>	<b>38,715,850</b>	<b>1,036,090</b>	<b>2,843,401</b>	<b>8,940,420</b>	<b>51,535,761</b>	<b>799,803</b>	<b>52,335,564</b>
<b>Total comprehensive income for the year</b>							
Profit after tax for the year ended 31 December 2012	-	-	-	5,945,685	5,945,685	100,179	6,045,864
Other comprehensive income							
Actuarial gain on defined plan - net of tax	-	-	-	10,311	10,311	-	10,311
	-	-	-	5,955,996	5,955,996	100,179	6,056,175
<b>Transactions with owners, recorded directly in equity</b>							
Share based payment transactions (contribution from holding company)	-	-	-	2,802	2,802	-	2,802
Payment against share based payment transactions (to holding company)	-	-	-	(95,212)	(95,212)	-	(95,212)
	-	-	-	(92,410)	(92,410)	-	(92,410)
Transfer to statutory reserve	-	-	1,189,137	(1,189,137)	-	-	-
Dividend paid to minority shareholders	-	-	-	-	-	(74,141)	(74,141)
Cash dividend (Final 2011)	-	-	-	(3,871,585)	(3,871,585)	-	(3,871,585)
Cash dividend (Interim 2012)	-	-	-	(2,903,689)	(2,903,689)	-	(2,903,689)
Transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	-	7,345	7,345	-	7,345
<b>Balance as at 31 December 2012</b>	<b>38,715,850</b>	<b>1,036,090</b>	<b>4,032,538</b>	<b>6,846,940</b>	<b>50,631,418</b>	<b>825,841</b>	<b>51,457,259</b>

Details of Final dividend for the year 2012 are mentioned in note 19.3 to these financial statements.

Included in unappropriated profits is Rs. 841.684 million which is not available for distribution as cash or stock dividend. This is further explained in note 8.4.1 to these financial statements.

The annexed notes 1 to 42 and Annexure I form an integral part of these consolidated financial statements.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 1. STATUS AND NATURE OF BUSINESS

Standard Chartered Bank (Pakistan) Limited ("the Bank") was incorporated in Pakistan on 19 July 2006 and was granted approval for commencement of banking business by State Bank of Pakistan, with effect from 30 December 2006. The ultimate holding company of the Bank is Standard Chartered PLC, incorporated in England. The registered office is at Standard Chartered Bank Building, I.I. Chundrigar Road, Karachi.

The Bank commenced formal operations on 30 December 2006 through amalgamation of entire undertaking of Union Bank Limited and the business carried on by the branches in Pakistan of Standard Chartered Bank, a bank incorporated by Royal Charter and existing under the laws of England. The scheme of amalgamation was sanctioned by State Bank of Pakistan vide its order dated 4 December 2006.

The Bank is engaged in the banking business as defined in the Banking Companies Ordinance, 1962 and has a total number of 130 (2011: 143) branches in operation branches in Pakistan at 31 December 2012.

Standard Chartered Bank (Pakistan) Limited has the following three subsidiaries. All of them are incorporated in Pakistan.

- Standard Chartered Leasing Limited
- Standard Chartered Modaraba
- Standard Chartered Services of Pakistan (Private) Limited

These financial statements are consolidated financial statements of Standard Chartered Bank (Pakistan) Limited and its subsidiaries ("the Group").

## 2. BASIS OF PREPARATION

### 2.1 Basis of presentation

In accordance with the directives of the Federal Government regarding the shifting of the Grouping system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. One permissible form of trade related mode of financing comprises of purchase of goods by the Bank from its customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.

The financial results of the Islamic banking branches have been consolidated in these financial statements for reporting purposes. Key financial figures of the Islamic banking branches are disclosed in note 41 to these financial statements.

### 2.2 Statement of compliance

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

The Securities and Exchange Commission of Pakistan has approved and notified the adoption of International Accounting Standard 39, 'Financial Instruments: Recognition and Measurement' (IAS 39) and International Accounting Standard 40, 'Investment Property' (IAS 40). The requirements of these standards have not been followed in the preparation of these financial statements as the State Bank of Pakistan has deferred the implementation of these standards for banks in Pakistan till further instructions. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the State Bank of Pakistan.

### 2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain available for sale, trading and derivative financial instruments have been measured at fair value whereas certain fixed assets are stated at revalued amounts less accumulated depreciation and accumulated impairment losses, where applicable.

### 2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. 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 the revision and future periods if the revision affects both current and future periods.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following:

- Note 8.5	Provision against non-performing advances
- Note 9 & 10	Valuation and depreciation / amortisation rates for fixed / intangible assets
- Note 10.2	Goodwill impairment testing
- Note 11	Deferred taxation
- Note 21.7	Derivative instruments
- Note 29	Income taxes
- Note 33	Employees' retirement defined benefit plans

## 2.5 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Group's functional currency. Except as indicated, financial information presented in Pakistan Rupees has been rounded to the nearest thousand.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

### 3.1 Basis of consolidation

#### Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interest is measured at their proportionate share in the net assets of the subsidiaries.

Material intra group balances and transactions are eliminated.

#### Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented. For this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the combining entity's financial statements.

#### Other acquisitions

Other business combinations are accounted for using the acquisition method. For acquisitions prior to 1 January 2009, the cost of acquisition is measured as the fair value of the asset given, equity instruments issued and the liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identified assets acquired are fair valued at the acquisition date, irrespective of the extent of any minority interest. The excess of cost of acquisition over the fair value of identifiable net assets acquired is recorded as goodwill. Subsequently, any recoveries or losses to fair value of net assets are taken to profit and loss account and disclosed in note 25 to these financial statements.

### 3.2 Cash and cash equivalents

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

### 3.3 Investments

The Group classifies its investments as follows:

#### a) Held for trading

These are securities, which are acquired with the intention to trade by taking advantage of short term market / interest rate movements and are carried at market value. The surplus / deficit arising as a result of revaluation at market value is recognised in the profit and loss account. These securities are to be sold within 90 days from the date of their classification as 'Held for trading' under normal circumstances, in accordance with the requirements specified by BSD Circular 10 dated 13 July 2004 by the State Bank of Pakistan.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## b) Held to maturity

These are securities with fixed or determinable payments and fixed maturity that are held with the intention and ability to hold to maturity. These are carried at amortised cost.

## c) Available for sale

These are investments that do not fall under the held for trading or held to maturity categories and are carried at market value. The surplus / deficit arising as a result of revaluation at market value is kept in a separate account below equity.

## d) Subsidiaries

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

### 3.4 Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') remain on the balance sheet; the counterparty liability is included in borrowings from financial institutions. Securities purchased under agreements to resell ('reverse repos') are recorded as lendings to financial institutions. The difference between sale and repurchase price is treated as interest / mark-up / return and accrued over the life of the underlying agreement using the effective interest method.

### 3.5 Advances

Advances are stated net of provision against non-performing advances. Specific and general provisions are made based on an appraisal of the loan portfolio that takes into account Prudential Regulations issued by the State Bank of Pakistan from time to time. Specific provisions are made where the repayment of identified loans is in doubt and reflect an estimate of the amount of loss expected. The general provision is for the inherent risk of losses which, although not separately identified, are known from experience to be present in any loan portfolio. Provision made / reversed during the year is charged to the profit and loss account and accumulated provision is netted off against advances. Advances are written-off when there is no realistic prospect of recovery.

When the Group is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the arrangement is presented within loans and advances.

Assets given under Ijarah contracts entered after 1 July 2008 are depreciated over the period of lease on a straight line basis. The Ijarah arrangements are shown as financing under loans and advances.

Murabaha financings are reflected as receivables at the sale price. Actual sale and purchase is not reflected as the goods are purchased by the customer as agent of the Bank and all documents relating to purchase are in customer's name. Funds disbursed under Murabaha financing arrangements for purchase of goods are recorded as "Advance Against Murabaha".

In Diminishing Musharaka based financing, the Group enters into a Musharaka based on Shirkat-ul-milk for financing an agreed share of fixed asset (e.g. house, land, plant or machinery) with its customers and enters into a periodic rental payment agreement for the utilization of the Bank's Musharaka share by the customer.

### 3.6 Operating fixed assets - tangible

#### Owned

Operating fixed assets, other than land and buildings, are stated at cost less accumulated depreciation and accumulated impairment losses thereon. Cost includes expenditure that is directly attributable to the acquisition of fixed assets. Land and buildings are stated at revalued amounts less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to profit and loss account during the financial period in which they are incurred.

Land and buildings on freehold land are revalued by independent professionally qualified valuer(s). Surplus arising on revaluation is credited to the 'surplus on revaluation of fixed assets' account (net of deferred tax). Under the provisions of the Companies Ordinance, 1984, deficit arising on revaluation of fixed assets is adjusted against the balance in the above-mentioned surplus account. The revaluation is carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would have been determined using fair value at the balance sheet date.

Accumulated depreciation on buildings, at the date of revaluation, is eliminated against the gross carrying amount of buildings. The net amount is then restated to the revalued amount.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

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

Land is not depreciated. Depreciation on all other fixed assets is calculated using the straight line method to allocate their depreciable cost or revalued amount to their residual values over their estimated useful lives, except that the related surplus on revaluation of fixed assets (net of deferred tax) is transferred directly to unappropriated profits.

The residual values and useful lives of fixed assets are reviewed, and adjusted (if appropriate) at each balance sheet date.

Gains and losses on disposal of fixed assets are included in profit and loss account currently, except that the related surplus on revaluation of fixed assets (net of deferred tax) is transferred directly to unappropriated profits.

### Leased

Fixed assets held under finance lease are stated at the lower of fair value of asset and present value of minimum lease payments at the inception of lease, less accumulated depreciation. Financial charges are allocated over the period of lease term so as to provide a constant periodic rate of financial charge on the outstanding liability. Depreciation is charged on the basis similar to owned assets.

### 3.7 Intangible assets

#### Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of the share of net identifiable assets acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment.

#### Computer software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their expected useful lives using the straight line method.

#### Acquired intangibles in business combination

Acquired intangibles in business combination that have finite lives are amortised over their economic useful life based on the manner that benefits of the relevant assets are consumed.

### 3.8 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated pre-tax future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

### 3.9 Staff retirement benefits

#### Defined benefit plan

The Group operates approved funded pension and gratuity schemes for all its non-management employees, and a management pension scheme only for its existing pensioners.

For defined benefit plans, the liability / asset recognised on the balance sheet is the present value of defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the "Projected Unit Credit Actuarial Cost Method".

Actuarial gains and losses that arise are recognised in other comprehensive income in the period in which they arise. Past service costs are recognised immediately to the extent that benefits are vested and are otherwise recognised over the average period until benefits are vested on a straight line basis. Current service costs and any past service costs together with the expected return on plan assets less the effect of the unwinding of the discount on plan liabilities are charged to operating expenses.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## Defined contribution plan

The Group also operates a defined contribution gratuity scheme for all its management staff and a provident fund scheme for all its permanent staff, contributing at 8.33 percent and 10 percent of basic salary respectively.

## 3.10 Foreign currency transactions

Transactions in foreign currencies are translated to Pakistan Rupees at exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Pakistan Rupees at the exchange rate prevailing at that reporting date. Foreign currency differences arising on retranslation are recognised in profit or loss.

## 3.11 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

### Current tax

Current tax is the expected tax payable on the taxable income for the year (using tax rates enacted or substantively enacted at the balance sheet date), and any adjustment to tax payable in respect of previous years.

### Deferred tax

Deferred tax is provided for using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on temporary differences relating to: (i) the initial recognition of goodwill; and (ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred tax is measured at tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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 utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 3.12 Revenue recognition

Mark-up / return on advances and investments is recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

Mark-up recoverable on classified loans, advances and investments is recognised on a receipt basis in accordance with the requirements of Prudential Regulations issued by the State Bank of Pakistan and Securities and Exchange Commission of Pakistan. Mark-up on rescheduled / restructured loans, advances and investments is also recognised in accordance with the requirements of these Prudential Regulations.

The Group follows the effective interest method in accounting for the recognition of lease income. Under this method, the unearned lease income i.e. the excess of aggregate lease rentals and the estimated residual value over the cost of the leased assets is deferred and taken to income over the term of the lease, so as to produce a systematic return on the net investment in lease. Unrealised lease income pertaining to non-performing leases is held in suspense account, where necessary, in accordance with the requirements of the Non-Banking Finance Companies and Notified Entities Regulations, 2008. Processing, front end fee, commitment fee, penal charges and commission are recognised as income when realised.

The Group follows the finance method for recognising income on Ijarah contracts commencing prior to 30 June 2008 and accounted for as finance leases. Under this method the unearned income i.e. the excess of aggregate Ijarah rentals (including residual value) over the cost of the asset under Ijarah facility is deferred and then amortised over the term of the Ijarah, so as to produce a constant rate of return on net investment in the Ijarah. For Ijarah arrangements commencing on or after 1 July 2008, Ijarah rentals are recognized as income on accrual basis, as and when rentals become due. In case of Ijarah arrangements with staggered rentals, the income is recognised on a straight line basis over the Ijarah term. Documentation charges, front-end fee and other Ijarah income are recognised as income on receipt basis. Unrealized Ijarah income pertaining to non-performing Ijarahs is held in suspense account, where necessary, in accordance with the requirements of the Prudential Regulations.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

Fees and commission income are generally recognised on an accrual basis when the service has been provided. Fees and commission which in substance amount to an additional interest charge, are recognised over the life of the underlying transaction on a level yield basis.

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

The cost from award credits for loyalty points earned on use of various products of the Bank is measured by reference to their fair value and is recognised when award credits are redeemed.

Murabaha transactions are reflected as receivable. Actual sale and purchase are not reflected as the goods are purchased by the customer as an agent of the Bank. Profit on the sales revenue due for payment is deferred by recording credit to 'Deferred Murabaha Income' account.

### 3.13 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative financial instruments is taken to profit and loss account.

### 3.14 Provisions

Provisions for restructuring costs and legal claims are recognised when: (i) the Group has a present legal or constructive obligation as a result of past events; (ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and (iii) the amount has been reliably estimated.

### 3.15 Fiduciary activities

The Group commonly acts in fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

### 3.16 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segments. A brief description of the products and services offered by different segments of the Group is given in note 37 to these financial statements.

### 3.17 Offsetting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 3.18 Subordinated liabilities

Subordinated liabilities are initially measured at fair value plus transaction costs, and subsequently measured at their amortised cost using the effective interest method.

### 3.19 Non-current assets and disposal groups held for sale

Non-current assets and disposal groups comprising of assets and liabilities that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before being classified as held for sale, the assets and components of disposal group are remeasured in accordance with the Group's accounting policies. Thereafter, the assets and disposal group are measured at the lower of their carrying values and fair values less cost to sell.

### 3.20 Share-based compensation

Standard Chartered PLC operates various share-based compensation plans which are accounted for as equity settled share based payment transactions, regardless of inter group repayment arrangements. The cost for such share based payment transactions is determined by reference to the fair value of options at the grant date. The fair value is determined based on the market price or using an appropriate valuation technique. The cost is charged to profit and loss account and credited to equity as a contribution from parent. The liability for these transactions which is based on the fair value of these options at the settlement date is settled through debiting equity.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 3.21 Acceptances

Acceptances comprise undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be simultaneously settled with the reimbursement from the customers. Acceptances are accounted for as on-balance sheet transactions.

## 3.22 Basic and diluted earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period / year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any. There were no convertible dilutive potential ordinary shares in issue at 31 December 2012.

## 3.23 Dividend and appropriation to reserves

Dividend and appropriation to reserves, except appropriation which are required by law after the balance sheet date, are recognised as liability in the Bank's financial statements in the year in which these are approved.

## 3.24 Borrowings / deposits and their cost

- Borrowings / deposits are recorded at the proceeds received.
- Borrowing / deposit costs are recognised as an expense in the period in which these are incurred using effective mark-up / interest rate method.

## 3.25 Provision for guarantee claims and other off balance sheet obligations

Provision for guarantee claims and other off balance sheet obligations are recognised when intimated and reasonable certainty exists for the Bank to settle the obligation. Charge to profit and loss account is stated net of expected recoveries.

## 3.26 New standards and interpretations not yet adopted

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2013:

- IAS 19 Employee Benefits (amended 2011) - (effective for annual periods beginning on or after 1 January 2013). The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognised immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognise all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19; and that the expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation.
- Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) - (effective for annual periods beginning on or after 1 July 2012). The amendments require that an entity present separately the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met from those that would never be reclassified to profit or loss. The amendments do not address which items are presented in other comprehensive income or which items need to be reclassified. The requirements of other IFRSs continue to apply in this regard. The amendments would result in increased disclosures in the financial statements of the Bank.
- IAS 27 Separate Financial Statements (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 27 (2011) supersedes IAS 27 (2008). Three new standards IFRS 10 - Consolidated Financial Statements, IFRS 11- Joint Arrangements and IFRS 12- Disclosure of Interest in Other Entities dealing with IAS 27 would be applicable effective 1 January 2013. IAS 27 (2011) carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications.
- IAS 28 Investments in Associates and Joint Ventures (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 28 (2011) supersedes IAS 28 (2008). IAS 28 (2011) makes the amendments to apply IFRS 5 to an investment, or a portion of an investment, in an associate or a joint venture that meets the criteria to be classified as held for sale; and on cessation of significant influence or joint control, even if an investment in an associate becomes an investment in a joint venture.
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

- Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) – (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement.
- Annual Improvements 2009–2011 (effective for annual periods beginning on or after 1 January 2013). The new cycle of improvements contains amendments to the following five standards, with consequential amendments to other standards and interpretations.
- IAS 1 Presentation of Financial Statements is amended to clarify that only one comparative period – which is the preceding period – is required for a complete set of financial statements. If an entity presents additional comparative information, then that additional information need not be in the form of a complete set of financial statements. However, such information should be accompanied by related notes and should be in accordance with IFRS. Furthermore, it clarifies that the ‘third statement of financial position’, when required, is only required if the effect of restatement is material to statement of financial position.
- IAS 16 Property, Plant and Equipment is amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of ‘property, plant and equipment’ in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 Inventories.
- IAS 32 Financial Instruments: Presentation - is amended to clarify that IAS 12 Income Taxes applies to the accounting for income taxes relating to distributions to holders of an equity instrument and transaction costs of an equity transaction. The amendment removes a perceived inconsistency between IAS 32 and IAS 12.
- IAS 34 Interim Financial Reporting is amended to align the disclosure requirements for segment assets and segment liabilities in interim financial reports with those in IFRS 8 Operating Segments. IAS 34 now requires the disclosure of a measure of total assets and liabilities for a particular reportable segment. In addition, such disclosure is only required when the amount is regularly provided to the chief operating decision maker and there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.
- IFRIC 20 - Stripping cost in the production phase of a surface mining (effective for annual periods beginning on or after 1 January 2013). The interpretation requires production stripping cost in a surface mine to be capitalized if certain criteria are met.

	Note	2012	2011
----- (Rupees in '000) -----			
<b>4. CASH AND BALANCES WITH TREASURY BANKS</b>			
In hand			
- Local currency	4.1	2,640,672	2,410,564
- Foreign currencies		2,934,902	1,180,606
With State Bank of Pakistan in:			
- Local currency current account		12,693,677	11,432,149
- Local currency current account-Islamic Banking		1,362,417	779,147
- Foreign currency deposit account			
Cash reserve account (5% of FE 25)		2,742,536	2,518,300
Special cash reserve account (15% of FE 25)		7,666,714	7,036,227
Local US Dollar collection account		94,268	28,689
With National Bank of Pakistan in:			
- Local currency current account		1,352,786	907,469
		<b>31,487,972</b>	<b>26,293,151</b>

**4.1** This includes National Prize Bonds of Rs. 4.699 million (2011: Rs. 5.148 million).



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>5. BALANCES WITH OTHER BANKS</b>			
In Pakistan			
- In current accounts		337,360	10,837
- In fixed accounts		-	150,000
Outside Pakistan			
- In current accounts	5.1	2,362,858	3,043,416
		<b>2,700,218</b>	<b>3,204,253</b>

**5.1** This includes balances of Rs. 2,310.442 million (2011: Rs. 2,986.847 million) held with other branches and subsidiaries of Standard Chartered Group outside Pakistan.

## 6. LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings	6.1	500,000	500,000
Repurchase agreement lendings (Reverse Repo)	6.4	-	9,351,574
Placements	6.2	19,345,269	10,354,397
		<b>19,845,269</b>	<b>20,205,971</b>

**6.1** This represents Islamic Modaraba deal and carries mark-up at the rate 8.0 percent per annum (2011: 9.7 percent per annum) payable at maturity and are due to mature by January 2013.

**6.2** This represents placements with other branches and subsidiaries of Standard Chartered Group outside Pakistan at mark-up rates ranging from 0.1 percent to 0.55 percent per annum (2011: 0.15 percent to 0.45 percent per annum) and are due to mature by June 2013.

	2012	2011
----- (Rupees in '000) -----		
<b>6.3 Particulars of lending</b>		
In local currency	500,000	9,851,574
In foreign currencies	19,345,269	10,354,397
	<b>19,845,269</b>	<b>20,205,971</b>

## 6.4 Securities held as collateral against lendings to financial institutions

	2012			2011		
	Held by bank	Further given as collateral	Total	Held by bank	Further given as collateral	Total
----- (Rupees in '000) -----						
Market Treasury Bills	-	-	-	9,351,574	-	9,351,574
Pakistan Investment Bonds	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,351,574</b>	<b>-</b>	<b>9,351,574</b>

The market value of securities held as collateral against lendings to financial institutions amounted to Rs. Nil (2011: Rs. 9,389.849 million).

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 7. INVESTMENTS

### 7.1 Investments by type

	Note	2012			2011		
		Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- (Rupees in '000) -----							
<b>Held for trading securities</b>							
Market Treasury Bills		3,152,257	-	3,152,257	5,607,171	-	5,607,171
Pakistan Investment Bonds		653,528	-	653,528	473,372	-	473,372
Sukuk and Ijarah Bonds		13,259	-	13,259	-	-	-
Investment in commercial papers		-	-	-	-	-	-
<b>Available for sale securities</b>							
Market Treasury Bills	7.6	94,197,619	5,963,886	100,161,505	75,300,230	1,792,417	77,092,647
Pakistan Investment Bonds	7.6	17,674,933	18,845	17,693,778	14,908,368	18,904	14,927,272
Federal Investment Bonds		-	-	-	-	-	-
Ordinary shares of listed companies	7.7	662,061	-	662,061	-	-	-
Units / certificates of mutual funds	7.8	1,363	-	1,363	1,363	-	1,363
Term Finance Certificates -listed		-	-	-	-	-	-
Term Finance Certificates -unlisted	7.9	285,025	-	285,025	-	-	-
Ordinary shares of unlisted companies	7.11	3,899	-	3,899	86,987	-	86,987
Sukuk and Ijarah Bonds	7.6 & 7.10	8,764,965	-	8,764,965	5,925,000	-	5,925,000
<b>Held To Maturity</b>							
Pakistan Investment Bonds		111,359	-	111,359	205,615	-	205,615
Sukuk and Ijarah Bonds		59,225	-	59,225	60,547	-	60,547
<b>Investments at cost</b>		125,579,493	5,982,731	131,562,224	102,568,653	1,811,321	104,379,974
Provision for diminution in the value of investments	7.3	(496,353)	-	(496,353)	(54,450)	-	(54,450)
<b>Investments (net of provisions)</b>		125,083,140	5,982,731	131,065,871	102,514,203	1,811,321	104,325,524
Surplus on revaluation of held for trading securities - net	7.10.4	15,850	-	15,850	56,673	-	56,673
(Deficit) / surplus on revaluation of available for sale securities - net		659,364	(82)	659,282	(340,713)	(1,370)	(342,083)
<b>Total Investments - net</b>		125,758,354	5,982,649	131,741,003	102,230,163	1,809,951	104,040,114

### 7.2 Investments by segment

	Note	2012	2011
----- (Rupees in '000) -----			
<b>Federal Government Securities</b>			
Market Treasury Bills		103,313,762	82,699,818
Pakistan Investment Bonds		18,458,665	15,606,259
Gop Ijarah Sukuk Bonds		7,203,224	4,300,000
<b>Fully paid up ordinary shares</b>			
Listed companies		662,061	-
Unlisted companies		3,899	86,987
<b>Bonds and Term Finance Certificates</b>			
Sukuk and Ijarah Bonds		1,634,225	1,685,547
Term Finance Certificates		285,025	-
<b>Other investments (mutual funds)</b>		1,363	1,363
<b>Total investment at cost</b>		131,562,224	104,379,974
Less: Provision for diminution in the value of investments		(496,353)	(54,450)
<b>Investment (net of provisions)</b>		131,065,871	104,325,524
Surplus on revaluation of held for trading securities - net		15,850	56,673
Surplus / (deficit) on revaluation of available for sale securities - net		659,282	(342,083)
<b>Total Investments - net</b>		131,741,003	104,040,114

### 7.3 Particulars of provision for diminution in the value of investments

	Note	2012	2011
Opening balance		54,450	27,341
Charge for the year		442,167	27,109
Reversals		(264)	-
Net charge		441,903	27,109
Closing balance	7.3.1	496,353	54,450

### 7.3.1 The details of provision held against investments are as follows:

Ordinary shares / units - available for sale	444,508	2,341
Sukuk bonds - held to maturity	51,845	52,109
<b>Total</b>	496,353	54,450

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

**7.4** Investments include securities having book value of Rs. 18.845 million (2011: Rs. 18.904 million) pledged with the State Bank of Pakistan as security to facilitate T.T. discounting facility to the Bank, including an amount earmarked against the facilities allocated to branches now in Bangladesh.

**7.5** Market Treasury Bills and Pakistan Investment Bonds are eligible for discounting with the State Bank of Pakistan.

Quality of 'Available for Sale' securities	Note	2012			2011		
		Rating	Cost	Market value	Rating	Cost	Market value
		----- (Rupees in '000) -----			----- (Rupees in '000) -----		
<b>7.6 Federal Government Securities</b>							
Market Treasury Bills		Unrated	100,161,505	100,669,397	Unrated	77,092,647	77,180,389
Pakistan Investment Bonds		Unrated	17,693,778	17,918,680	Unrated	14,927,272	14,493,243
GoP Ijarah Sukuk Bonds	7.10.3	Unrated	7,189,965	7,115,437	Unrated	4,300,000	4,311,117
			<u>125,045,248</u>	<u>125,703,514</u>		<u>96,319,919</u>	<u>95,984,749</u>

**7.7 Particulars of shares held - listed**

2012	2011		2012			2011		
			Rating	Cost	Market value	Rating	Cost	Market value
(Number of shares)			----- (Rupees in '000) -----			----- (Rupees in '000) -----		
7,500	7,500	Sakrand Sugar Mills Limited	Unrated	-	36	Unrated	-	17
2,800	2,800	Bawany Sugar Mills Limited	Unrated	-	30	Unrated	-	33
11,000	11,000	Dadabhoy Cement Limited	Unrated	-	28	Unrated	-	-
4,800	4,800	Khurshid Spinning Mills	Unrated	-	-	Unrated	-	-
3,500	3,500	Taj Textile Mills Limited	Unrated	-	-	Unrated	-	-
1	-	Kohinoor Textile Mills Limited	Unrated	-	-	Unrated	-	-
2	-	Sind Provincial Cooperative Bank	Unrated	-	-	Unrated	-	-
1,646	-	Allied Bank Limited	AA+ / A1+	-	121	AA / A1+	-	-
18,916,023	-	Agritech Limited	D	662,061	662,061	D	-	-
				<u>662,061</u>	<u>662,276</u>		-	50
		Provision for diminution in the value - note 7.3.1		-	(441,400)		-	-
				<u>662,061</u>	<u>220,876</u>		-	50

All shares are ordinary shares of Rs. 10 each except otherwise mentioned.

**7.8 Particulars of units / certificates held in mutual funds**

2012	2011		2012			2011		
			Rating	Cost	Market value	Rating	Cost	Market value
(Number of units)			----- (Rupees in '000) -----			----- (Rupees in '000) -----		
17,235	17,235	National Investment (Unit)Trust	AM2-	1,363	6,950	AM2	1,363	6,850
		Provision for diminution in the value - note 7.3.1		-	(103)		-	-
				<u>1,363</u>	<u>6,847</u>		<u>6,847</u>	<u>6,850</u>

**Bonds and Term Finance Certificates - unlisted**

2012	2011		
		(Rupees in '000)	
<b>7.9 Term Finance Certificates</b>			
Agritech Limited		147,000	-
Azgard Nine Limited		138,025	-
		<u>285,025</u>	<u>-</u>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 7.10 Bonds and Term Finance Certificates - unlisted

	Note	2012			2011		
		Rating	Cost	Market value	Rating	Cost	Market value
		----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Wapda Sukuk Bonds	7.10.1	Unrated	250,000	245,215	Unrated	300,000	287,551
Pakistan International Airlines (PIA) Sukuk Bonds	7.10.2	Unrated	1,325,000	1,325,000	Unrated	1,325,000	1,325,000
			<u>1,575,000</u>	<u>1,570,215</u>		<u>1,625,000</u>	<u>1,612,551</u>

**7.10.1** Wapda Sukuk Bonds carry mark-up rates 0.25% below 6 months KIBOR. The principal and profit is payable semi-annually with maturity in July 2017.

**7.10.2** PIA Sukuk bonds carry mark-up rates 1.75% above 6 months KIBOR. The principal and profit is payable semi-annually with maturity in October 2014.

**7.10.3** GoP Ijarah Sukuk Bonds carry mark-up rates of weighted average yield of 6 months treasury bills. The profit is payable semi-annually with principal redemption at maturity falling due between December 2013 and September 2015.

### 7.10.4 Unrealized gain / (loss) on revaluation of investments classified as held for trading

	2012	2011
----- (Rupees in '000) -----		
Market Treasury Bills	13,887	59,984
Pakistan Investment Bonds	1,792	(3,311)
GoP Ijarah Sukuk Bonds	171	-
	<u>15,850</u>	<u>56,673</u>

## 7.11 Particulars of shares held - unlisted

2012		2011	2012		2011	2012		2011
(Number of shares)			----- Rating -----			----- (Rupees in '000) -----		
-	8,000,000	Khushali Bank Limited Ordinary Shares of Rs. 10 each Chief Executive: M. Ghalib Nishtar	A/A-1	A/A-1	-		83,088	
573,769	573,769	Pakistan Export Finance Guarantee Agency Limited Chairman : Mr Muneer Kamal	Unrated	Unrated	3,004		3,004	
8	8	Society for Worldwide Interbank Fund Transfer Provision for diminution in the value of investments - note 7.3.1	Unrated	Unrated	895		895	
					3,899		86,987	
					(3,004)		(2,341)	
					<u>895</u>		<u>84,646</u>	

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2012
		----- (Rupees in '000) -----	
<b>8. ADVANCES</b>			
Loans, cash credits, running finances, etc.			
- In Pakistan		144,477,050	137,692,156
- Outside Pakistan		-	-
		<b>144,477,050</b>	137,692,156
Net investment in Finance Lease / Ijarah Finance			
- In Pakistan	8.2	4,732,132	4,150,183
- Outside Pakistan		-	-
		<b>4,732,132</b>	4,150,183
Ijarah contracts accounted for under IFAS 2	8.3	4,267,084	3,403,589
Bills discounted and purchased (excluding treasury bills)			
- Payable in Pakistan		8,659,942	6,224,555
- Payable outside Pakistan		7,353,551	8,183,008
		<b>16,013,493</b>	14,407,563
Advances - gross		<b>169,489,759</b>	159,653,491
Provision for non-performing advances	8.5	(24,571,487)	(22,344,611)
Advances - net of provision		<b>144,918,272</b>	137,308,880
<b>8.1 Particulars of advances - Gross</b>			
8.1.1 In local currency		157,553,574	145,600,524
In foreign currencies		11,936,185	14,052,967
		<b>169,489,759</b>	159,653,491
8.1.2 Short term (for upto one year)		109,346,340	103,308,334
Long term (for over one year)		60,143,419	56,345,157
		<b>169,489,759</b>	159,653,491

## 8.2 Net investment in Finance Lease

	2012				2011			
	Not later than one year	Later than one and less than five years	Over five years	Total	Not later than one year	Later than one and less than five years	Over five years	Total
	----- (Rupees in '000) -----							
Lease rental receivable	1,952,225	2,488,439	187	4,440,851	1,977,681	2,111,548	-	4,089,229
Residual value	197,666	843,761	380	1,041,807	237,904	632,453	-	870,357
Minimum lease payments	2,149,891	3,332,200	567	5,482,658	2,215,585	2,744,001	-	4,959,586
Financial charges for future periods	(403,318)	(347,201)	(7)	(750,526)	(475,512)	(333,891)	-	(809,403)
Present value of minimum lease payments	1,746,573	2,984,999	560	4,732,132	1,740,073	2,410,110	-	4,150,183

## 8.3 Assets under Ijarah arrangements

The following is a statement of assets leased out subsequent to July 1, 2008 that have been accounted for under Islamic Financial Accounting Standard 2, 'Ijarah' (IFAS 2):

	2012			2011		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
	----- (Rupees in '000) -----					
<b>Tangible</b>						
Plant, machinery and equipment	3,517,476	1,282,497	2,234,979	2,468,700	795,926	1,672,774
Motor vehicles	3,102,235	1,070,130	2,032,105	2,508,867	778,052	1,730,815
	<b>6,619,711</b>	<b>2,352,627</b>	<b>4,267,084</b>	<b>4,977,567</b>	<b>1,573,978</b>	<b>3,403,589</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

- 8.4** Advances include Rs. 27,473.845 million (31 December 2011: Rs. 26,102.557 million) which have been placed under non-performing status as detailed below.

Category of classification	2012								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)								
OAEM	52,273	-	52,273	11,204	-	11,204	11,204	-	11,204
Substandard	1,044,811	-	1,044,811	192,907	-	192,907	192,907	-	192,907
Doubtful	2,586,592	-	2,586,592	1,271,511	-	1,271,511	1,271,511	-	1,271,511
Loss	23,790,169	-	23,790,169	22,523,562	-	22,523,562	22,523,562	-	22,523,562
	<u>27,473,845</u>	-	<u>27,473,845</u>	<u>23,999,184</u>	-	<u>23,999,184</u>	<u>23,999,184</u>	-	<u>23,999,184</u>
General Provision	-	-	-	572,303	-	572,303	572,303	-	572,303
	<u>27,473,845</u>	-	<u>27,473,845</u>	<u>24,571,487</u>	-	<u>24,571,487</u>	<u>24,571,487</u>	-	<u>24,571,487</u>

Category of classification	2011								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)								
OAEM	4,078	-	4,078	2,267	-	2,267	2,267	-	2,267
Substandard	1,713,133	-	1,713,133	364,979	-	364,979	364,979	-	364,979
Doubtful	3,317,025	-	3,317,025	1,526,900	-	1,526,900	1,526,900	-	1,526,900
Loss	21,068,321	-	21,068,321	19,808,971	-	19,808,971	19,808,971	-	19,808,971
	<u>26,102,557</u>	-	<u>26,102,557</u>	<u>21,703,117</u>	-	<u>21,703,117</u>	<u>21,703,117</u>	-	<u>21,703,117</u>
General Provision	-	-	-	641,494	-	641,494	641,494	-	641,494
	<u>26,102,557</u>	-	<u>26,102,557</u>	<u>22,344,611</u>	-	<u>22,344,611</u>	<u>22,344,611</u>	-	<u>22,344,611</u>

- 8.4.1** At 31 December 2012, the provision requirement has been reduced by Rs. 1,294.899 million (31 December 2011: Rs. 1,378.368 million) being benefit of Forced Sale Value (FSV) of commercial, residential and industrial properties (land and building only) held as collateral, in accordance with the State Bank of Pakistan Prudential Regulations (PR) and SBP Circular 10 dated 21 October 2011. Increase in accumulated profits amounting to Rs. 841.684 million due to the said FSV benefit is not available for distribution of cash and stock dividend.

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

	2012			2011		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	21,703,117	641,494	22,344,611	18,324,119	667,596	18,991,715
Charge for the year	4,832,764	36,309	4,869,073	5,673,214	223,633	5,896,848
Reversals	(1,692,589)	(105,500)	(1,798,089)	(1,265,292)	(249,735)	(1,515,028)
	<u>3,140,175</u>	<u>(69,191)</u>	<u>3,070,984</u>	<u>4,407,922</u>	<u>(26,102)</u>	<u>4,381,820</u>
Amounts written off	(923,626)	-	(923,626)	(868,917)	-	(868,917)
Other movements	79,518	-	79,518	(160,007)	-	(160,007)
Closing balance	<u>23,999,184</u>	<u>572,303</u>	<u>24,571,487</u>	<u>21,703,117</u>	<u>641,494</u>	<u>22,344,611</u>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

8.6 Particulars of write offs	2012	2011
	----- (Rupees in '000) -----	
8.6.1 Against provisions	923,626	868,917
Charged and written off during the year	325,187	486,608
	<u>1,248,813</u>	<u>1,355,525</u>
8.6.2 Write-offs of Rs. 500,000 and above	590,710	465,954
Write-offs of below Rs. 500,000	658,104	889,571
	<u>1,248,814</u>	<u>1,355,525</u>

### 8.7 Details of loans written-off of Rs. 500,000 and above

In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended 31 December 2012 is given in Annexure 1.

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

	2012	2011
	----- (Rupees in '000) -----	
(i) Debts due by directors, executives or officers of the Bank or any of them either severally or jointly with any other persons		
Balance at beginning of the year	2,274,604	2,945,343
Loans granted during the year	44,218	1,184,199
Repayments	(586,739)	(1,854,938)
Balance at end of the year	<u>1,732,083</u>	<u>2,274,604</u>
(ii) Debts due by companies or firms in which the directors of the Bank are interested as directors, partners or in the case of private companies as members		
Balance at beginning of the year	-	-
Loans granted during the year	-	-
Repayments	-	-
Balance at end of the year	<u>-</u>	<u>-</u>
(iii) Debts due by subsidiary companies, controlled firms, managed modarabas and other related parties		
Balance at beginning of the year	126,737	117,187
Loans granted during the year	28,109	103,180
Repayments	(52,451)	(93,630)
Balance at end of the year	<u>102,395</u>	<u>126,737</u>

### 8.9 Contractual rentals receivable - Ijarah contracts commencing 1 July 2008

	2012				2011			
	Not later than one year	Later than one and less than five years	Later than five years	Total	Not later than one year	Later than one and less than five years	Later than five years	Total
	----- (Rupees in '000) -----							
Rentals receivable	1,998,551	2,872,782	700	4,872,033	1,527,807	2,520,234	788	4,048,829
Residual value	92,930	747,888	-	840,818	64,128	525,980	-	590,108
Total future Ijarah payments receivable	<u>2,091,481</u>	<u>3,620,670</u>	<u>700</u>	<u>5,712,851</u>	<u>1,591,935</u>	<u>3,046,214</u>	<u>788</u>	<u>4,638,937</u>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

9. OPERATING FIXED ASSETS	Note	2012	2011
		----- (Rupees in '000) -----	
Capital work-in-progress	9.1	128,781	82,438
Property and equipment	9.2	6,252,803	6,354,585
		<b>6,381,584</b>	<b>6,437,023</b>
<b>9.1 Capital work-in-progress</b>			
Civil works		5,636	3,815
Advance payment towards property and equipment		120,624	77,890
Consultants' fee and other charges		2,521	733
		<b>128,781</b>	<b>82,438</b>

## 9.2 Property and equipment

	2012				
	Land and buildings on freehold land	Leased hold improvements	Furniture, fixtures and office equipment	Vehicles	Total
	----- (Rupees in '000) -----				
<b>Cost / Valuations</b>					
At 1 January 2012	5,418,534	1,280,649	3,441,810	67,350	10,208,343
Additions during the year	22,964	80,926	276,182	65,719	445,791
Transfers / write offs	-	(104,723)	(934,104)	-	(1,038,827)
Deletions	-	(62)	(67,662)	(33,219)	(100,943)
<b>At 31 December 2012</b>	<b>5,441,498</b>	<b>1,256,790</b>	<b>2,716,226</b>	<b>99,850</b>	<b>9,514,364</b>
<b>Accumulated Depreciation</b>					
At 1 January 2012	197,101	641,392	2,952,913	62,352	3,853,758
Charge for the year	100,590	96,406	274,673	14,934	486,603
Transfers / write offs	-	(43,906)	(934,288)	-	(978,194)
Deletions	-	(52)	(67,349)	(33,205)	(100,606)
<b>At 31 December 2012</b>	<b>297,691</b>	<b>693,840</b>	<b>2,225,949</b>	<b>44,081</b>	<b>3,261,561</b>
<b>Net book value</b>	<b>5,143,807</b>	<b>562,950</b>	<b>490,277</b>	<b>55,769</b>	<b>6,252,803</b>
<b>Rate of depreciation</b>	6.67% 6.67% - 10% 14.28% - 33.33% 33.33%				

	2011				
	Land and buildings on freehold land	Leased hold improvements	Furniture, fixtures and office equipment	Vehicles	Total
	----- (Rupees in '000) -----				
<b>Cost / Valuations</b>					
At 1 January 2011	5,402,148	1,392,223	3,251,365	69,627	10,115,363
Additions during the year	16,386	9,966	254,215	3,006	283,573
Transfers / write offs	-	(121,540)	(23,881)	-	(145,421)
Deletions	-	-	(39,889)	(5,283)	(45,172)
<b>At 31 December 2011</b>	<b>5,418,534</b>	<b>1,280,649</b>	<b>3,441,810</b>	<b>67,350</b>	<b>10,208,343</b>
<b>Accumulated Depreciation</b>					
At 1 January 2011	97,956	602,139	2,755,999	62,103	3,518,197
Charge for the year	99,145	74,191	257,987	5,165	436,488
Transfers / write offs	-	(34,938)	(21,285)	-	(56,223)
Deletions	-	-	(39,788)	(4,916)	(44,704)
<b>At 31 December 2011</b>	<b>197,101</b>	<b>641,392</b>	<b>2,952,913</b>	<b>62,352</b>	<b>3,853,758</b>
<b>Net book value</b>	<b>5,221,433</b>	<b>639,257</b>	<b>488,897</b>	<b>4,998</b>	<b>6,354,585</b>
<b>Rate of depreciation</b>	6.67% 6.67% - 10% 14.28% - 33.33% 33.33%				

9.3 The Bank's owned land and buildings were revalued by an independent accredited professional valuer, Iqbal A. Nanjee & Co. (Private) Limited. The valuation performed by the valuer was based on active market prices, adjusted for any difference in the nature, location or condition of the specific land and building. The date of revaluation was 31 December 2009. The revaluation resulted in a net surplus of Rs. 3,599.739 million over the book value. A similar valuation was carried out in the current year and no material differences in market value (from the carrying value) were found.

If the owned land and buildings were measured using the cost model, the carrying amounts would have been as follows:

	2012	2011
	----- (Rupees in '000) -----	
Cost	2,291,371	2,268,407
Accumulated depreciation	(712,963)	(623,673)
Carrying amount	<b>1,578,408</b>	<b>1,644,734</b>

The movement in surplus on revaluation of fixed assets is given in note 20.1 to the financial statements.



## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

**9.4** As at 31 December 2012, the cost of fully depreciated fixed assets still in use amounted to Rs. 2,241.287 million (2011: Rs. 2,848.861 million).

**9.5** Depreciation rates for furniture, fixtures and office equipment are as follows:

Furniture and fixtures	33.33	percent
Printers	33.33	percent
Other office equipment	20.00	percent
Computer equipment	33.33	percent
ATM machines	14.28	percent

**9.6** Details of disposal of fixed assets whose original cost or book value exceeds Rs. 1 million or Rs 250,000, which ever is less, and assets disposed of to the Chief Executive or to a director or to executives or to a shareholder holding not less than 10% of the voting shares of the bank or to any related party, irrespective of value, are given below:

Particulars	Cost	Accumulated depreciation	Book value	Sale Proceeds	Gain / (Loss) on Sale	Mode of Disposal	Particulars of Purchaser
	----- (Rupees in '000) -----						
<b>Furniture, fixtures and office equipment</b>	2,739	2,739	-	292	292	Tender	M/S Farhan & Company
	2,581	2,581	-	490	490	Tender	M/S National Traders
	2,497	2,497	-	299	299	Tender	M/S National Traders
	2,313	2,313	-	429	429	Tender	M/S National Traders
	1,625	1,625	-	202	202	Tender	M/S National Traders
	1,558	1,499	59	327	268	Tender	M/S Pakistan International SJ General Trading
	1,308	1,308	-	308	308	Tender	M/S Concept Traders
	1,269	1,269	-	494	494	Tender	M/S Farhan & Co
	1,168	1,168	-	62	62	Tender	M/S Adam Traders
	1,168	1,168	-	182	182	Tender	M/S National Traders
	1,147	1,147	-	410	410	Tender	M/S Pakistan International SJ General Trading
	1,122	1,122	-	114	114	Tender	M/S Muhammad Shahid Soomro
	1,011	1,011	-	180	180	Tender	M/S Muhammad Ibrahim Osama Soomro Merchant
	5,456	5,456	-	240	240	Tender	M/S Muhammad Shahid Soomro
	6,480	6,353	127	1,650	1,523	Tender	M/S Muhammad Ibrahim Osama Soomro Merchant
	4,761	4,743	18	347	329	Tender	M/S Pakistan International SJ General Trading
	3,162	3,160	2	1,219	1,217	Tender	M/S Farhan & Company
	2,734	2,734	-	133	133	Tender	M/S Farhan & Company
	1,922	1,922	-	525	525	Tender	M/S National Traders
	1,350	1,350	-	23	23	Tender	M/S Ahsan & Brothers
	1,250	1,193	57	193	136	Tender	M/S Pakistan International SJ General Trading
	1,200	1,177	23	188	165	Tender	M/S Ilyas Soomro
	1,009	1,004	5	137	132	Tender	M/S Aslam Soomro
<b>Vehicles</b>	3,611	3,611	-	900	900	Employee service rules	Mr. Mujahid Zuberi
	2,651	2,651	-	1,214	1,214	Tender	Mr. Ghulam Asghar
	2,602	2,602	-	1,860	1,860	Tender	Mr. Chaudhry Adeel Masood
	2,469	2,469	-	1,750	1,750	Tender	Mr. Idrees Khan
	2,290	2,290	-	1,585	1,585	Tender	Mr. Muhammad Nisar Khan
	2,263	2,263	-	1,518	1,518	Tender	Mr. Noman Ahmed Siddiqui
	1,375	1,375	-	851	851	Tender	Mr. Babar Khalid
	1,309	1,309	-	1,904	1,904	Tender	Mr. Danish Alvi
	1,288	1,288	-	902	902	Tender	Mr. Bilal Tariq
	1,288	1,288	-	907	907	Tender	Mr. Usman Shahid
	1,189	1,189	-	702	702	Tender	Mr. Muhammad Tariq Afridi
	<b>73,165</b>	<b>72,874</b>	<b>291</b>	<b>22,537</b>	<b>22,246</b>		

Items having book value of less than Rs. 250,000 and cost of less than Rs. 1,000,000:

Short leasehold property					
- Cost	62	52	10	78	68
Furniture, fixtures and office equipment	16,832	16,810	22	2,903	2,881
Vehicles	10,884	10,871	13	11,908	11,895
<b>Total</b>	<b>100,943</b>	<b>100,607</b>	<b>336</b>	<b>37,426</b>	<b>37,090</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 10. INTANGIBLE ASSETS

	2012					Total
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Computer Software	
	----- (Rupees in '000) -----					
<b>Cost</b>						
At 1 January 2012	26,095,310	1,982,413	774,680	389,400	341,705	29,583,508
Additions during the year	-	-	-	-	1,428	1,428
<b>At 31 December 2012</b>	<b>26,095,310</b>	<b>1,982,413</b>	<b>774,680</b>	<b>389,400</b>	<b>343,133</b>	<b>29,584,936</b>
<b>Amortisation</b>						
At 1 January 2012	-	1,924,272	720,780	207,865	317,256	3,170,173
Charge for the year	-	58,141	17,779	38,933	24,312	139,165
<b>At 31 December 2012</b>	<b>-</b>	<b>1,982,413</b>	<b>738,559</b>	<b>246,798</b>	<b>341,568</b>	<b>3,309,338</b>
<b>Net book value</b>	<b>26,095,310</b>	<b>-</b>	<b>36,121</b>	<b>142,602</b>	<b>1,565</b>	<b>26,275,598</b>
<b>Rate of amortisation</b>					20%	

	2011					Total
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Computer Software	
	----- (Rupees in '000) -----					
<b>Cost</b>						
At 1 January 2011	26,095,310	1,982,413	774,680	389,400	341,308	29,583,111
Additions during the year	-	-	-	-	397	397
<b>At 31 December 2011</b>	<b>26,095,310</b>	<b>1,982,413</b>	<b>774,680</b>	<b>389,400</b>	<b>341,705</b>	<b>29,583,508</b>
<b>Amortisation</b>						
At 1 January 2011	-	1,761,348	681,430	168,933	289,452	2,901,163
Charge for the year	-	162,924	39,350	38,932	27,804	269,010
<b>At 31 December 2011</b>	<b>-</b>	<b>1,924,272</b>	<b>720,780</b>	<b>207,865</b>	<b>317,256</b>	<b>3,170,173</b>
<b>Net book value</b>	<b>26,095,310</b>	<b>58,141</b>	<b>53,900</b>	<b>181,535</b>	<b>24,449</b>	<b>26,413,335</b>
<b>Rate of amortisation</b>					20%	

**10.1** As at 31 December 2012, the gross carrying amount of fully amortised intangible assets (computer software) still in use amounted to Rs. 338.350 million (2011: Rs. 240.381 million).

**10.2** The recoverable amount for the purpose of assessing impairment on goodwill on acquisition of Union Bank Limited was based on value in use. The calculations are based on the 2013 budget and forecasts for subsequent three years as approved by the management. These have then been extrapolated for a further period of 16 years using a steady long term forecast GDP growth rate and a terminal value determined based on a long term earnings multiple. The cash flows are discounted using a pre-tax discount rate which reflects the current market rate appropriate for the business. For the calculation as at 31 December 2012, the Bank has used a long term forecast GDP growth rate of 3.5 percent and a discount rate of 30.5 percent. The management believes that any reasonable possible changes to the key assumptions on which calculation of recoverable amount is based, would not cause the carrying amount to exceed the recoverable amount.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

### 11. DEFERRED TAX ASSETS

The following are major deferred tax assets / (liabilities) recognised and movement thereon:

	Note	2012			At 31 December 2012
		At 1 January 2012	(Charge) / credit to profit and loss	Debit/ (credit) to equity/ other comprehensive income	
----- (Rupees in '000) -----					
Available for sale investments		121,667	-	(350,385)	(228,718)
Provisions for loans and advances	11.1	6,592,754	(83,279)	-	6,509,475
Other assets		(77,869)	(1,422)	-	(79,291)
Fixed assets		(280,390)	17,358	-	(263,032)
Surplus on revaluation of Fixed Assets		(33,109)	3,955	-	(29,154)
Goodwill		(3,586,802)	(853,028)	-	(4,439,830)
Actuarial gains on retirement benefits		(16,345)	-	(5,552)	(21,897)
		<u>2,719,906</u>	<u>(916,416)</u>	<u>(355,937)</u>	<u>1,447,553</u>
----- (Rupees in '000) -----					
2011					
		At 1 January 2011	(Charge) / credit to profit and loss	Debit/ (credit) to equity/ other comprehensive income	At 31 December 2011
----- (Rupees in '000) -----					
Available for sale investments		311,501	-	(189,834)	121,667
Provisions for loans and advances		6,315,534	277,220	-	6,592,754
Other assets		(42,328)	(35,541)	-	(77,869)
Fixed assets		(317,102)	36,712	-	(280,390)
Surplus on revaluation of Fixed Assets		(37,110)	4,001	-	(33,109)
Goodwill		(2,777,999)	(808,803)	-	(3,586,802)
Actuarial gains on retirement benefits		(23,381)	-	7,036	(16,345)
		<u>3,429,115</u>	<u>(526,411)</u>	<u>(182,798)</u>	<u>2,719,906</u>

- 11.1** The Finance Act, 2010 amended the Seventh Schedule to the Income Tax Ordinance, 2001 whereby the limit for claiming provisions for advances and off balance sheet items in respect of Consumer and SME advances has been enhanced from 1% to 5% of gross Consumer and SME advances. In case of Corporate advances, the limit continues to be 1% of gross Corporate advances.

The management carried out an exercise and based on that concluded that the Bank would achieve a deduction for provisions in excess of the limits prescribed by the Income Tax Law in future years. Accordingly, deferred tax asset of Rs. 2,345 million has been recognised on such provisions for income years 2009 upto 2012.

The Seventh Schedule has been further amended through Finance Act, 2010 by introducing transitional provisions, whereby amounts provided for against irrecoverable or doubtful advances in tax year 2008 (income year 2007) and prior years, would be allowed in the tax year in which these advances are actually written off.

The management considers that the amendment made vide Finance Act, 2009 in respect of provisions for bad debts being allowed at 1% of total advances is applicable for tax year 2010 (income year 2009), whereas for tax year 2009 (income year 2008), the provision for bad debts would continue to be allowed under the Seventh Schedule at the time of actual write-off.

The deferred tax asset recognized upto December 31, 2008 relating to provisions for advances and off balance sheet items amounting to Rs. 4,240 million has been carried forward.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>12. OTHER ASSETS</b>			
Income / mark-up accrued in local currency		3,035,024	2,455,422
Income / mark-up accrued in foreign currencies		25,895	40,329
Advances, deposits, advance rent and other prepayments		756,349	918,547
Receivable from defined benefit plans		7,300	(222)
Advance taxation (payments less provisions)		9,268,127	7,541,634
Branch adjustment account		168,165	314,373
Unrealized gain on forward foreign exchange contracts		167,431	613,650
Interest rate derivatives and currency option - positive fair value		1,535,248	2,408,980
Receivable from SBP / Government of Pakistan		176,398	327,749
Receivable from associated undertakings		8,109	44,270
Receivable from Standard Chartered Bank, Sri Lanka operations	25.1	152,865	137,408
Non-banking assets acquired in satisfaction of claims	12.2	744,251	783,940
Advances against future Murabaha / Inventory		2,681,333	564,616
Advance Federal Excise Duty		188,443	100,000
Bank acceptances	12.3	15,322,698	21,542,782
Others		576,371	338,040
		<b>34,814,007</b>	<b>38,131,518</b>
Less: Provision against other assets	12.1	(556,026)	(566,339)
<b>Other Assets - net of provisions</b>		<b>34,257,981</b>	<b>37,565,179</b>
<b>12.1 Provision against other assets</b>			
Opening balance		566,339	310,540
Net charge for the year		(10,313)	255,799
Closing balance		<b>556,026</b>	<b>566,339</b>
<b>12.2</b>			
Market value of non-banking assets acquired in satisfaction of claims amounted to Rs. 433.400 million at 31 December 2012 (2011: Rs. 475.439 million). Accordingly, the differential between carrying amount and market value was provided at the time of valuation.			
<b>12.3</b>			
Included in these acceptances is Rs. 5.233 billion (2011: Rs. 2.606 billion) which have been further discounted by the Bank.			
<b>13. BILLS PAYABLE</b>			
In Pakistan		5,980,351	4,377,080
Outside Pakistan		184,516	199,709
		<b>6,164,867</b>	<b>4,576,789</b>
<b>14. BORROWINGS</b>			
In Pakistan		23,372,739	19,360,413
Outside Pakistan		26,650	1,451
		<b>23,399,389</b>	<b>19,361,864</b>
<b>14.1 Particulars of borrowings with respect to currencies</b>			
In local currency		23,372,739	19,360,413
In foreign currencies		26,650	1,451
		<b>23,399,389</b>	<b>19,361,864</b>
<b>14.2 Details of borrowings secured / unsecured</b>			
<b>Secured</b>			
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	14.2.1	14,450,505	15,261,066
Repurchase agreement borrowings (Repo)	14.2.2	5,963,886	1,792,417
State Bank of Pakistan - LTFF	14.2.3	2,418,056	2,163,538
State Bank of Pakistan - LTF - Export Oriented Projects	14.2.4	10,938	21,028
		<b>22,843,385</b>	<b>19,238,049</b>
<b>Unsecured</b>			
Call borrowings	14.2.5	525,000	100,000
Overdrawn nostro accounts	14.2.6	31,004	23,815
		<b>23,399,389</b>	<b>19,361,864</b>

## Notes to the Un-Consolidated Financial Statements

For the year ended 31 December 2012

- 14.2.1** Mark-up on Export Refinance (ERF) from State Bank of Pakistan is charged at 8.5 percent to 10 percent (2011: 10.2 percent to 11 percent) per annum. ERF borrowings also include borrowings under Islamic Export Refinance scheme amounting to Rs.1.368 billion (2011: 1.923 billion). These borrowings are secured against demand promissory notes executed by the Bank in favour of State Bank of Pakistan.
- 14.2.2** Repurchase agreement borrowings carry mark up rates ranging from 8 percent to 9 percent (2011: 11.65 percent to 11.85 percent) per annum payable at maturity and are due to mature by January 2013.
- 14.2.3** Mark-up on Long Term Finance Facility (LTFF) from State Bank of Pakistan carry mark up rates ranging from 7 percent to 11 percent (2011: 8.5 percent to 12.6 percent) per annum. These loans are secured against promissory notes executed by the Bank in favour of State Bank of Pakistan.
- 14.2.4** Mark-up on Long Term Finance for Export Oriented Projects (EOP) from State Bank of Pakistan carry mark up rate at 5 percent (2011: 6.5 percent to 7 percent) per annum. These loans are secured against promissory notes executed by the Bank in favour of State Bank of Pakistan.
- 14.2.5** These carry mark-up at the rates ranging from 7.0 to 7.5 percent per annum (2011: 13.15 percent per annum) payable at maturity, and are due to mature by February 2013.
- 14.2.6** These include overdrawn nostro accounts with other branches and subsidiaries of Standard Chartered Group outside Pakistan amounting to Rs.26.65 million (2011: Rs. Nil).

	Note	2012	2011
----- (Rupees in '000) -----			
<b>15. DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers</b>			
- Fixed deposits		31,191,353	37,616,096
- Savings deposits		127,430,005	103,552,834
- Current accounts (non-remunerative)		106,273,203	92,865,197
- Margin accounts		381,728	559,710
- Special exporters' account		506,714	540,657
		<u>265,783,003</u>	<u>235,134,494</u>
<b>Financial Institutions</b>			
- Non-remunerative deposits	15.1	815,568	740,090
		<u>266,598,571</u>	<u>235,874,584</u>
<b>15.1</b>	This includes Rs. 254.274 million (2011: Rs. 216.542 million) against balances of other branches and subsidiaries of Standard Chartered Group operating outside Pakistan.		
<b>15.2 Particulars of deposits</b>			
In local currency		211,508,641	189,908,994
In foreign currencies		55,089,930	45,965,590
		<u>266,598,571</u>	<u>235,874,584</u>
<b>16. SUB-ORDINATED LOANS</b>			
Term Finance Certificates issued	16.1	<u>2,750,000</u>	<u>699,200</u>
<b>16.1</b>	The Bank issued subordinated Term Finance Certificates (TFCs) in four issues. The first and second issues of Rs. 750 million each was fully repaid during FY 2008 and FY 2011 respectively. The third issue of Rs. 1,000 million is unsecured and is subordinated to the depositors and other creditors of the Bank. During the year, the Bank has issued fourth rated, unsecured, subordinated TFCs on 29 June 2012 of Rs. 2,500 million by way of private placement. Terms for both outstanding issues are as follows:		
Year of Issue		<b>3rd Issue</b>	<b>4th Issue</b>
Rating		2005	2012
Rate		AAA	AAA
		2.00% above the six months Karachi Inter-Bank Offered Rate ("KIBOR") prevailing one working day prior to the beginning of each semi annual period	0.75% above the six months Karachi Inter-Bank Offered Rate ("KIBOR") prevailing one working day prior to the beginning of each semi annual period
Floor		-	-
Ceiling		-	-
Repayment		7 years	10 years

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

17. OTHER LIABILITIES	Note	2012	2011
		----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency		1,145,672	1,396,814
Mark-up / return / interest payable in foreign currencies		-	-
Musharika and accrued profit thereon	17.1	114,511	103,202
Certificates of Musharika	17.2	3,822,244	2,747,432
Accrued expenses		2,012,453	2,161,440
Advance payments		245,124	108,249
Sundry creditors		1,112,467	757,468
Unrealized loss on forward foreign exchange contracts		192,609	473,575
Unrealized loss on interest rate derivatives and currency options		4,381,831	8,413,722
Due to Holding Company	17.3	9,014,703	4,568,330
Dividend payable		14,643	3,074
Unclaimed balances		1,353,896	1,120,420
Provision against off balance sheet obligations	17.4	134,761	122,361
Worker's Welfare Fund (WWF) payable		479,779	287,712
Bank acceptances	12.3	15,322,698	21,542,782
Security Deposits		1,732,822	1,306,686
Certificates of Investment		2,852,605	2,305,809
Unsettled trades		-	49,857
Others		785,737	547,704
		<b>44,718,555</b>	<b>48,016,637</b>

17.1 The estimated share of profit payable on participatory and unsecured Musharika facilities ranges from 11.25% to 12.97% per annum.

17.2 The estimated share of profit payable on participatory and unsecured Musharika facilities ranges from 7.25% to 15.5% per annum and are due to mature by November 2014.

17.3 Due to Holding Company	2012	2011
	----- (Rupees in '000) -----	
On account of reimbursement of executive and general administrative expenses	8,082,781	3,876,742
Royalty and other payable	931,922	691,588
	<b>9,014,703</b>	<b>4,568,330</b>
17.4 Provision against off-balance sheet obligations		
Opening balance	122,361	83,465
Charge / (reversal) for the year	12,400	38,896
Closing balance	<b>134,761</b>	<b>122,361</b>

## 18. SHARE CAPITAL

### 18.1 Authorized Capital

2012	2011	Note	2012	2011
			----- (Rupees in '000) -----	
<b>(Number of shares)</b>				
<b>4,000,000,000</b>	4,000,000,000	Ordinary shares of Rs.10 each	<b>40,000,000</b>	40,000,000
18.2 Issued, subscribed and paid-up				
<b>2,939,785,018</b>	2,939,785,018	Ordinary shares of Rs. 10 each Fully paid in cash	<b>29,397,850</b>	29,397,850
<b>931,800,003</b>	931,800,003	Issued in terms of scheme of amalgamation	<b>9,318,000</b>	9,318,000
<b>3,871,585,021</b>	3,871,585,021		<b>38,715,850</b>	38,715,850

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

**18.3** These represent 892,554,151 shares of Rs 10/- each issued and allotted at par to Standard Chartered Bank, United Kingdom against transfer of entire undertaking of SCB Branch Business by SCB to the Bank, and 39,245,852 shares issued and allotted at par credited as fully paid up to persons who were registered shareholders of Union Bank. These shares have been issued in accordance with the scheme of amalgamation duly approved by State Bank of Pakistan on 4 December 2006.

**18.4** At 31 December 2012, Standard Chartered Bank, United Kingdom, held 98.99% shares of the Bank.

		2012	2011
		----- (Rupees in '000) -----	
<b>19. Reserves</b>			
Share premium	19.1	1,036,090	1,036,090
Statutory reserve	19.2	4,032,538	2,843,401
		<b>5,068,628</b>	<b>3,879,491</b>

**19.1** This represents excess of fair value of the shares over par value of shares issued to registered shareholders of Union Bank in terms of the amalgamation scheme.

**19.2** In accordance with the Banking Companies Ordinance, 1962, the Bank is required to transfer twenty percent of its profit of each year to a reserve fund until the amount in such fund equals the paid-up capital of the Bank.

**19.3** The Board of Directors in their meeting held on March 4, 2013 has announced a final cash dividend of 12.5% (Rs. 1.25 per share) in respect of the year ended December 31, 2012 (2011: Re. 1/- per share). This is in addition to 7.5% (Re. 0.75/- per share) interim cash dividend announced during the year. These financial statements for the year ended December 31, 2012 do not include the effect of final dividend appropriations which will be accounted for subsequent to the year end.

		2012	2011
		----- (Rupees in '000) -----	
<b>20. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF DEFERRED TAX</b>			
Surplus / (deficit) arising on revaluation of:			
Fixed assets	20.1	3,536,245	3,543,590
Available for Sale Securities	20.2	430,564	(220,416)
		<b>3,966,809</b>	<b>3,323,174</b>
<b>20.1 Surplus on revaluation of fixed assets - net of tax</b>			
Surplus on revaluation of fixed assets as at 1 January			
		<b>3,576,699</b>	3,588,130
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax			
		<b>(7,345)</b>	(7,430)
Related deferred tax liability			
		<b>(3,955)</b>	(4,001)
		<b>(11,300)</b>	(11,431)
Surplus on revaluation of fixed assets as at 31 December - net of tax			
		<b>3,565,399</b>	3,576,699
Less: Related deferred tax liability on:			
Revaluation surplus as at 1 January			
		<b>(33,109)</b>	(37,110)
Revaluation surplus recorded during the year			
		<b>-</b>	-
Incremental depreciation charged during the year transferred to profit and loss account			
		<b>3,955</b>	4,001
		<b>(29,154)</b>	(33,109)
Surplus on revaluation of fixed assets as at 31 December - net of tax			
		<b>3,536,245</b>	3,543,590
<b>20.2 Surplus / (deficit) on revaluation of Available for Sale securities - net of tax</b>			
Market Treasury Bills			
		<b>507,892</b>	87,742
Pakistan Investment Bonds			
		<b>224,902</b>	(434,030)
Sukuk and Ijarah Bonds			
		<b>(79,314)</b>	(1,332)
Listed shares and units of mutual funds			
		<b>5,802</b>	5,537
		<b>659,282</b>	(342,083)
Related deferred tax (liability) / asset			
		<b>(228,718)</b>	121,667
		<b>430,564</b>	(220,416)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

		2012	2011
		----- (Rupees in '000) -----	
<b>21. CONTINGENCIES AND COMMITMENTS</b>			
<b>21.1 Transaction-related contingent liabilities</b>			
Guarantees issued favouring:	21.1.1		
- Government		<b>36,307,266</b>	35,465,770
- Others		<b>15,074,852</b>	25,987,687
<b>21.1.1</b>	Guarantees relating to Islamic Banking Business amount to Rs. 1,593 million (2011: Rs. 2,025 million).		
<b>21.2 Trade-related contingent liabilities</b>			
Letters of credit	21.2.1	<b>22,946,980</b>	19,526,195
<b>21.2.1</b>	Letters of credit relating to Islamic Banking Business amount to Rs. 8,287 million (2011: Rs. 2,860 million).		
<b>21.3 Other contingencies</b>			
Claims against the Bank not acknowledged as debt	21.3.1	<b>12,683,179</b>	13,293,575
<b>21.3.1</b>	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and the possibility of an outflow of economic resources is remote.		
<b>21.4 Fine imposed by Competition Commission of Pakistan</b>			
<p>During the year the Competition Commission of Pakistan ("The Commission") imposed fine on the member banks of 1-Link network on account of uncompetitive behaviour and imposition of uniform cost on cash withdrawal from ATM transactions. The Bank's exposure in this regard is Rs. 50 million. The Bank alongwith other member banks have filed a constitutional petition before High Court of Sindh, which has suspended the order of Commission till next hearing date. The Bank has also filed an appeal before the Competition Appellate Tribunal against the order passed by the Commission. The matter has been heard in detail by the Tribunal which has reserved the judgement for final order.</p>			
<b>21.5 Commitments in respect of forward foreign exchange contracts</b>		2012	2011
		----- (Rupees in '000) -----	
Purchase from:			
State Bank of Pakistan		<b>12,336,500</b>	8,873,750
Other banks		<b>19,978,336</b>	34,228,360
Customers		<b>3,018,333</b>	8,517,556
Sale to:			
State Bank of Pakistan		-	-
Other banks		<b>32,313,696</b>	34,427,185
Customers		<b>1,299,251</b>	2,259,646
The maturities of the above contracts are spread over a period of one year.			
<b>21.6 Commitments to extend credit</b>			
The Group makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.			



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 21.7 Derivative instruments

### 21.7.1 Product analysis

Counterparties	2012			
	Interest Rate Swaps		FX Options	
	No. of Contracts	Notional Principal* (Rupees in '000)	No. of Contracts	Notional Principal* (Rupees in '000)
<b>With Banks for</b>				
Hedging	-	-	-	-
Market Making	26	33,070,963	301	3,370,375
<b>With FIs other than banks</b>				
Hedging	-	-	-	-
Market Making	3	1,238,164	-	-
<b>With other entities for</b>				
Hedging	-	-	-	-
Market Making	32	42,503,947	301	3,370,375
<b>Total</b>				
Hedging	-	-	-	-
Market Making	61	76,813,074	602	6,740,750
2011 Total Market Making	82	102,161,462	264	31,644,996

\* At the exchange rate prevailing at year end.

Contracts with banks represent contracts entered with branches of Standard Chartered Bank, UK to obtain cover against the contracts with customers, except for 12 contracts with local banks having notional principal of Rs. 14,744 million.

### 21.7.2 Maturity analysis

#### Interest Rate Swaps

Remaining Maturity	No. of Contracts	Notional Principal	Mark to Market		
			Negative	Positive	Net
			----- (Rupees in '000) -----		
Upto 1 month	3	266,262	(3,837)	7,748	3,911
1 to 3 months	7	1,160,533	(17,232)	5,057	(12,175)
3 to 6 months	4	1,640,399	(810)	90,950	90,140
6 month to 1 year	10	27,101,539	(3,198,345)	358,271	(2,840,074)
1 to 2 year	6	5,040,371	(82,198)	13,464	(68,734)
2 to 3 years	7	14,296,308	(140,391)	220,291	79,900
3 to 5 years	17	23,696,763	(945,994)	520,208	(425,786)
5 to 10 years	7	3,610,899	(25,985)	186,268	160,283
Above 10 years	-	-	-	-	-
	<b>61</b>	<b>76,813,074</b>	<b>(4,414,792)</b>	<b>1,402,257</b>	<b>(3,012,535)</b>

## 22. MARK-UP / RETURN / INTEREST EARNED

	2012	2011
	----- (Rupees in '000) -----	
On loans and advances to customers	18,344,014	20,848,189
On loans and advances to financial institutions	31,357	862,758
On investments in: i) Held for trading securities	116,824	7,380
ii) Available for sale securities	13,135,594	10,597,886
On deposits with financial institutions / State Bank of Pakistan	-	-
On securities purchased under resale agreements	574,768	508,873
On call money lending / placements	11,675	38
	<b>32,214,232</b>	<b>32,825,124</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	<b>2012</b>	<b>2011</b>
	----- (Rupees in '000) -----	
<b>23. MARK-UP / RETURN / INTEREST EXPENSED</b>		
Deposits	<b>9,766,450</b>	9,544,849
Securities sold under repurchase agreements	<b>283,605</b>	34,851
Call borrowings	<b>28,287</b>	294,645
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	<b>1,352,841</b>	1,434,570
Profit on redeemable capital, musharika and murabaha	<b>323,871</b>	260,367
Term Finance Certificates (sub-ordinated loans)	<b>256,495</b>	127,984
Others	<b>326,448</b>	210,447
	<b>12,337,997</b>	11,907,713
<b>24. GAIN ON SALE OF SECURITIES - NET</b>		
<b>Federal Government Securities</b>		
Market Treasury Bills	<b>740,732</b>	226,532
Pakistan Investment Bonds	<b>349,766</b>	659,030
	<b>1,090,498</b>	885,562
<b>Equity Securities - Listed</b>	<b>80,455</b>	-
	<b>1,170,953</b>	885,562
<b>25. OTHER INCOME</b>		
Income from Sri Lanka branch operations	25.1 <b>15,457</b>	12,561
Rent on property	<b>38,721</b>	39,145
Gain on disposal of fixed assets	<b>37,090</b>	7,872
Gain / (loss) on derivatives	<b>699,858</b>	(509,028)
Gains on assets fair valued at acquisition	<b>146,702</b>	161,322
Others	<b>68,415</b>	22,023
	<b>1,006,243</b>	(266,105)

- 25.1** Consequent to Sale and Purchase Agreement (SPA) signed between Standard Chartered Bank, Sri Lanka (SCBSL) and Standard Chartered Bank (Pakistan) Limited (SCBPL), the Sri Lanka branch operations of SCBPL were amalgamated with SCBSL with effect from close of business on 10 October 2008. According to the terms of SPA, 'unproductive debts', 'staff of SCBPL who are not retained by the purchaser', 'their corresponding housing loans' and 'assets arising from litigation which cannot be assigned' are held in trust with SCBSL. The income from Sri Lanka branch operations in the current year mainly represents recoveries (net of expenses) in respect of assets held in trust.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

		2012	2011
		----- (Rupees in '000) -----	
<b>26. ADMINISTRATIVE EXPENSES</b>			
Salaries, allowances, etc.		4,799,704	4,427,733
Charge / (income) for defined benefit plans		8,341	(966)
Contributions to defined contribution plans		297,388	286,649
Rent, taxes, insurance, electricity, etc.		1,274,638	1,201,918
Legal and professional charges		110,508	91,264
Communications		450,567	528,744
Repairs and maintenance		894,762	745,344
Stationery and printing		211,050	205,589
Advertisement and publicity		173,706	270,856
Donations	26.1	16,100	19,502
Auditors' remuneration	26.2	21,401	19,250
Depreciation		486,603	436,488
Amortization		139,165	269,010
Traveling, conveyance and vehicles' running		224,351	188,780
Reimbursement of executive and general administrative expenses		4,206,039	3,875,954
Royalty		137,459	136,512
Reward and bonus points redemption		123,617	119,461
Premises security and cash transportation services		292,098	380,529
Others		178,050	205,845
		<b>14,045,547</b>	<b>13,408,462</b>

## 26.1 Details of the donations given in excess of Rs. 100,000 are given below:

### Donee

Institute of Business Administration		7,000	7,000
The Citizen Foundation		2,500	5,200
The Kidney Centre	26.1.1	2,500	2,500
Care Foundation		-	1,250
Lahore University of Management Sciences		2,400	1,200
SST Public School Rashidabad		1,200	1,200
Rizwan Scholars		-	750
HOPE		500	250
AmanTech Foundation	26.1.2	-	152

**26.1.1** Mr. Mohsin Ali Nathani, CEO of the Bank is also a member of Board of Governors of The Kidney Centre.

**26.1.2** Mr. Shahid Zaki, non-executive director of the Bank is also CEO of AmanTech Foundation.

## 26.2 Auditors' remuneration

Audit fee	17,133	17,045
Fee for audit of pension, gratuity and provident funds	450	603
Special certifications and others	2,880	680
Taxation services	-	-
Out-of-pocket expenses	938	922
	<b>21,401</b>	<b>19,250</b>

## 27. OTHER PROVISIONS / ASSET WRITE OFFS

### Fixed asset write offs

60,633      89,198

### Other provisions

Reversal of provision against receivable under cross currency swaps arrangement	(10,313)	-
Overdue mark up suspended	-	-
Provision against non-banking assets acquired in satisfaction of claims	-	309,984
Others	1,339	-
	<b>(8,974)</b>	<b>309,984</b>
	<b>51,659</b>	<b>399,182</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	2012	2011
	----- (Rupees in '000) -----	
<b>28. OTHER CHARGES</b>		
Net charge / (reversal) against fines and penalties imposed by SBP Worker's Welfare Fund (WWF)	(2,029)	29,051
Provision against accrued interest relating to prior year	192,067	179,464
	-	-
	<b>190,038</b>	<b>208,515</b>
<b>29. TAXATION</b>		
For the year		
- Current	2,338,939	2,506,776
- Deferred	916,416	526,411
	<b>3,255,355</b>	<b>3,033,187</b>
For prior years		
- Current	21,136	-
- Deferred	-	-
	<b>21,136</b>	<b>-</b>
	<b>3,276,491</b>	<b>3,033,187</b>
<b>29.1 Relationship between tax expense and accounting profit</b>		
Profit before taxation	9,322,355	8,586,328
Tax at the applicable tax rate of 35% (2011:35%)	3,262,824	3,005,215
Expenses that are not deductible in determining taxable income	7,583	51,386
Incomes (dividend, capital gain etc.) at reduced rates	(18,902)	(17,116)
Prior year provision	21,136	-
Others	3,850	(6,298)
	<b>3,276,491</b>	<b>3,033,187</b>
<b>29.2 Standard Chartered Bank (Pakistan) Limited</b>		
The return for income year 2012 (Tax Year 2013) is due for filing by 30 September 2013.		
The tax department amended the assessments for income years 2007 to 2011 (tax years 2008 to 2012 respectively) under the related provisions of Income Tax Law, determining additional tax liability on account of various issues (such as disallowances of expenses relating to provision against loans and advances, goodwill amortisation, etc.). The resultant tax demands of Rs. 9,546 million have been paid by the Bank. Appeals against the amended assessment orders are pending before different appellate forums.		
The management considers that a significant amount of the additional tax liability is the result of timing differences and is confident that the issues in the above mentioned tax years will be decided in favour of the Bank at appellate forums. Consequently, no additional provision is required.		
The Tax Authorities have passed an order for the income years 2009 and 2010 levying Federal Excise Duty amounting to Rs. 188 million on certain items. The Bank is contesting the order in the appeal. The Bank has paid entire amount under protest.		
Further, an order for income year 2011 levying Federal Excise Duty of Rs. 515.6 million has been issued. The demand has been stayed by the Sindh High Court.		
<b>29.3 Standard Chartered Bank – Branch Operations</b>		
The assessments have been finalized upto and including tax year 2006. The Bank's / departmental appeals for the assessment / tax years 1976-77 to 2006 are pending before different appellate forums on various issues. The management expects favourable decisions in pending appeals and consequently, no additional provision is required.		
<b>29.4 Union Bank Limited</b>		
The tax assessments for the assessment years 1993-94 through tax year 2007 are pending at various appeal forums against certain disallowances. The management expects favourable decision in pending appeals and consequently, no additional provision is required.		

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	2012	2011
<b>30. EARNINGS PER SHARE - BASIC AND DILUTED</b>	----- (Rupees in '000) -----	
Profit for the year attributable to equity holders of the bank	<u>5,945,685</u>	<u>5,471,308</u>
	----- (Number) -----	
Weighted average number of ordinary shares in issue during the year	<u>3,871,585,021</u>	<u>3,871,585,021</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>1.54</u>	<u>1.41</u>
<b>31. CASH AND CASH EQUIVALENTS</b>	----- (Rupees in '000) -----	
Cash and balances with treasury banks	<u>31,487,972</u>	26,293,151
Balances with other banks	<u>2,700,218</u>	3,204,253
	<u>34,188,190</u>	<u>29,497,404</u>
<b>32. STAFF STRENGTH</b>	----- (Number) -----	
Permanent	<u>3,076</u>	3,067
Temporary / on contractual basis / direct contracts	<u>4</u>	3
Group's own staff at the end of the year	<u>3,080</u>	3,070
Outsourced	<u>1,961</u>	1,920
<b>Total Staff Strength</b>	<u>5,041</u>	<u>4,990</u>

### 33. DEFINED BENEFIT PLANS

#### 33.1 General description

##### Non Management Staff Pension Fund

The plan provides pension calculated at 50% of the average pensionable salary after completing 30 years of service. The employees of the Bank are entitled to either pension or gratuity, but not both. However, the employees of ANZ Grindlays Bank transferred to the Bank are entitled to both pension and gratuity and the minimum number of years required for entitlement of pension is 25 years for these employees. Pension is calculated as 1/120 times the last drawn merged salary for each year of service.

##### Non Management Staff Gratuity Fund

The plan provides a lump sum gratuity calculated at one month's salary for each completed year of service (maximum 39 months) after completing 5 years of service. For the employees of ex-ANZ Grindlays Bank, the plan provides a lump sum calculated at 50% of last drawn merged salary for each completed year of service (maximum 40 months) after completing 5 years of service. However, if the employee is not entitled for pension, the percentage is increased to 100%. The employees of SCB are entitled to either pension or gratuity, but not both.

##### Management Staff Pension Fund

The plan is closed to active employees. The entire liability is in respect of existing pensioners.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 33.2 Principal Actuarial Assumptions

The last actuarial valuation of the scheme was carried out on 31 December 2012 and the key assumptions used for actuarial valuation were as follows:

	2012	2011
Discount rate	12% p.a.	13% p.a.
Expected rate of increase in salary in future years	12% p.a.	12% p.a.
Expected rate of return on plan assets	12% p.a.	5.5%-11.7% p.a.
Expected long term rate of increase in pension	6% p.a.	7% p.a.
Mortality rate	LIC (1975-79) ultimate mortality table rated down one year Light	LIC (1975-79) ultimate mortality table rated down one year Light
Withdrawal rate		

	SCB Non Management Pension Fund		SCB Non Management Gratuity Fund		SCB Management Pension Fund		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>33.3 Reconciliation of (receivable) / payable from / to defined benefit plan</b>	(Rupees in '000)							
Present value of defined benefit obligations	60,408	68,506	69,634	55,950	38,387	45,189	168,429	169,645
Fair value of plan assets	(79,928)	(76,101)	(46,960)	(41,739)	(48,841)	(51,583)	(175,729)	(169,423)
(Asset) / liability recognised	(19,520)	(7,595)	22,674	14,211	(10,454)	(6,394)	(7,300)	222
<b>33.4 Movement in defined benefit obligation</b>								
Obligation as at 1 January	68,506	56,948	55,950	42,222	45,189	39,094	169,645	138,264
Current service cost	600	448	2,465	1,803	-	-	3,065	2,251
Interest cost	8,446	7,135	7,220	5,530	5,443	5,156	21,109	17,821
Benefits paid	(5,177)	(6,121)	-	-	(5,923)	(6,680)	(11,100)	(12,801)
Actuarial (gain) / loss on obligation	(11,967)	10,096	3,999	6,395	(6,322)	7,619	(14,290)	24,110
Past service cost resulting from change in Rules	-	-	-	-	-	-	-	-
Obligation as at 31 December	60,408	68,506	69,634	55,950	38,387	45,189	168,429	169,645
<b>33.5 Movement in fair value of plan assets</b>								
Fair value as at 1 January	76,101	73,662	41,739	37,182	51,583	46,335	169,423	157,179
Expected return on plan assets	8,523	9,526	4,657	5,135	2,653	6,377	15,833	21,038
Contribution by the bank	-	-	-	-	-	-	-	-
Benefits paid	(5,177)	(6,121)	-	-	(5,923)	(6,680)	(11,100)	(12,801)
Actuarial gain / (loss) on plan assets	481	(966)	564	(578)	528	5,551	1,573	4,007
Fair value as at 31 December	79,928	76,101	46,960	41,739	48,841	51,583	175,729	169,423
<b>33.6 Movement in (receivable) / payable from / to defined benefit plan</b>								
Balance as at 1 January	(7,595)	(16,714)	14,211	5,040	(6,394)	(7,241)	222	(18,915)
Charge for the year	523	(1,943)	5,028	2,198	2,790	(1,221)	8,341	(966)
Contribution to the fund during the year	-	-	-	-	-	-	-	-
Actuarial (gain) / loss on plan assets	(12,448)	11,062	3,435	6,973	(6,850)	2,068	(15,863)	20,103
Balance as at 31 December	(19,520)	(7,595)	22,674	14,211	(10,454)	(6,394)	(7,300)	222
<b>33.7 Charge for defined benefit plan</b>								
Current service cost	600	448	2,465	1,803	-	-	3,065	2,251
Interest cost	8,446	7,135	7,220	5,530	5,443	5,156	21,109	17,821
Expected return on plan assets	(8,523)	(9,526)	(4,657)	(5,135)	(2,653)	(6,377)	(15,833)	(21,038)
Recognition of past service cost	-	-	-	-	-	-	-	-
	523	(1,943)	5,028	2,198	2,790	(1,221)	8,341	(966)
<b>33.8 Actual return on plan assets</b>								
- Expected return on plan assets	8,523	9,526	4,657	5,135	2,653	6,377	15,833	21,038
- Actuarial gain / (loss) on plan assets	481	(966)	564	(578)	528	5,551	1,573	4,007
	9,004	8,560	5,221	4,557	3,181	11,928	17,406	25,045
<b>33.9 Cumulative amount of actuarial gains / (losses) recognised in comprehensive income</b>	31,371	18,923	(15,843)	(12,408)	47,035	40,185	62,563	46,700
<b>33.10 Expected contributions for next year</b>	-	-	-	-	-	-	-	-
<b>33.11 Components of plan assets as a percentage of total plan assets</b>								
Bonds	98%	94%	93%	89%	91%	18%		
Cash and net current assets	2%	6%	7%	11%	9%	82%		
Others	0%	0%	0%	0%	0%	0%		

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	2012	2011	2010	2009	2008
<b>33.12 Five year data on surplus / (deficit) of the plans and experience adjustments</b>	(Rupees in '000)				
Present value of defined benefit obligation	<b>168,429</b>	169,645	138,264	136,940	112,326
Fair value of plan assets	<b>175,729</b>	169,423	157,179	154,680	148,852
Deficit / (Surplus)	<b>(7,300)</b>	222	(18,915)	17,740	36,526
Experience adjustments on plan liabilities - loss / (gain)	<b>(18,000)</b>	(741)	(4,247)	(7,621)	(7,620)
Experience adjustments on plan assets - loss / (gain)	<b>(7,637)</b>	(3,889)	330	3,566	(3,027)

## 34. SHARE BASED PAYMENTS

The Bank's employees participate in the following share compensation plans operated globally by the ultimate holding company, Standard Chartered PLC (SCPLC). For employees in Pakistan, the Group operates cash equivalent or "phantom" arrangements under which employees can receive a cash benefit linked to either the growth in Group's share (Share save scheme) or the value of the Group's share (restricted / performance share awards). The arrangement does not give an option to the Bank's employees to buy SCPLC shares. The market value of shares is denominated in pounds sterling at the time of grant.

The total expense recognised in respect of above schemes on equity settled basis amounts to Rs. 2.803 million (2011: Rs. 95.760 million) and is also included in managerial remuneration note 35. As also explained in note 3.20 in detail, the Bank's liability towards its parent, however continues to be determined and recorded on cash settled basis. The main features of each plan are as follows :

### i) Standard Chartered Share Plan (the 2011 Plan)

The 2011 Standard Chartered Share Plan replaced all the Group's existing discretionary share plan arrangements following approval by shareholders at the Group's Annual General Meeting on 5 May 2011. It is the Group's main share plan, applicable to all employees with the flexibility to provide a variety of award types including performance shares, deferred awards (shares or cash) and restricted shares. Performance and restricted share awards will generally be in the form of nil price options to participate in the shares of SCPLC. The remaining life of the plan is ten years.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	26	-	-	-
Granted during the year	45	-	27	-
Exercised during the year	-	-	-	-
Lapsed during the year	(1)	-	(1)	-
Adjustment due to right issue	-	-	-	-
At 31 December	<b>70</b>	-	<b>26</b>	-

The weighted average price at the time the options were exercised during 2012 was £ NIL (2011: £ NIL).

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life Expected years	Weighted average remaining life Contractual years	Weighted average exercise price	No. of options	Weighted average remaining life Expected years	Weighted average remaining life Contractual years
NIL	-	70	10	6.1 / 8.8	-	26	10	6.5 / 9.4

### ii) International Share save Scheme

The International Share save Scheme was first launched in 1996 and made available to all employees of the Bank. Employees have the choice of opening a three-year or a five-year savings contract. Within a period of six months after the third or fifth anniversary, employees may exercise the awards and receive any benefit in cash; alternatively, the employee may elect to have the savings, plus interest, repaid in cash. The price at which they may purchase shares is at a discount of up to 20 percent on the share price at the date of the invitation. There are no performance conditions attached to options granted. The options granted do not confer any right to participate in any share issue of any other company.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	118	11.42	109	11.67
Granted during the year	-	-	42	10.65
Exercised during the year	(19)	10.36	(14)	9.97
Lapsed during the year	(31)	11.03	(19)	11.02
Adjustment due to right issue	-	-	-	-
At 31 December	<b>68</b>	<b>11.88</b>	<b>118</b>	<b>11.42</b>

The weighted average price at the time the options were exercised during 2012 was £10.36 (2011: £14.81).

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
£9.8/£14.63	11.88	68	3.33/5.33	2.1	11.42	118	3.33/5.33	2.4

The intrinsic value of vested International Sharesave cash-settled awards as at 31 December 2012 was 9,935 thousand (2011: Rs 6,636 thousand).

### iii) Restricted Share Scheme

The Restricted Share Scheme is a discretionary share incentive scheme for high performing and high potential staff at any level of the organisation whom the Group wishes to motivate and retain. Except upon appointment when an executive director may be granted an award of restricted shares, the Restricted Share Scheme is not applicable to the Group's executive directors, as it has no performance conditions attached to it. Fifty per cent of the award vests two years after the date of the grant and the remainder after three years. The awards granted under this scheme are nil cost options with any benefit payable in cash. The options granted do not confer any right to participate in any share issue of any other company.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	110	-	116	-
Granted during the year	-	-	18	-
Exercised during the year	(45)	-	(21)	-
Lapsed during the year	(10)	-	(3)	-
Notional dividend	1	-	-	-
At 31 December	56	-	110	-

The weighted average price at the time the options were exercised during 2012 was Nil (2011: £15.74).

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
N/A	-	55	-	3.99	-	110	-	3.87

The intrinsic value of vested Restricted Share Scheme cash-settled awards as at 31 December 2012 was Rs. 33,143 thousand (2011: Rs. 32,870 thousand).

### iv) Supplementary Restricted Share Scheme

The Group operates a Supplementary Restricted Share Scheme which can be used to defer part of an employee's annual bonus in shares. The plan is principally used for employees in the global markets area and is similar to the RSS outlined above for three important factors: executive directors are specifically prohibited from the plan; no new shares can be issued to satisfy awards; and there is no individual annual limit.

Movements in the number of share options held by the Bank's employees are as follows:

	2012 (Number in '000)	Weighted average exercise price £ per share	2011 (Number in '000)	Weighted average exercise price £ per share
At 1 January	2	-	6	-
Granted during the year	-	-	1	-
Exercised during the year	(3)	-	(5)	-
Lapsed during the year	2	-	-	-
Adjustment due to right issue	-	-	-	-
At 31 December	1	-	2	-

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
N/A	-	1	5	5.03	-	2	5	6.29

The intrinsic value of vested Supplementary Restricted Share Scheme cash-settled awards as at 31 December 2012 was Rs. 414 thousand (2011: Rs. 4,487 thousand).



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## v) Performance Share Plan

The Performance Share Plan is designed as an intrinsic part of total remuneration for the Group's executive directors and for a small number of the Group's most senior executives. The awards granted under this scheme are nil cost options. Certain performance criteria need to be met before the options can be exercised.

The option granted do not confer any right to participate in any share issue of any other company.

Movements in the number of share options held by the Bank's employees are as follows:

	2012	2011
	------(Number in '000)-----	
At 1 January	39	73
Granted during the year	-	-
Exercised during the year	(18)	(20)
Lapsed during the year	(9)	(14)
Adjustment due to right issue	-	-
At 31 December	12	39

Range of exercise price	2012				2011			
	Weighted average exercise price	No. of options	Weighted average remaining life		Weighted average exercise price	No. of options	Weighted average remaining life	
			Expected years	Contractual years			Expected years	Contractual years
N/A	-	12	-	7.5	-	39	-	7.85

The intrinsic value of vested Performance Share Plan cash-settled awards as at 31 December 2012 was Rs. 1,833 thousand (2011: Rs. 3,574 thousand)

## 35. COMPENSATION OF CHIEF EXECUTIVE AND EXECUTIVES

		Chief Executive		Directors		Executives	
		2012	2011	2012	2011	2012	2011
	Note	------(Rupees in '000)-----					
Directors' remuneration / fees	35.1	-	-	3,160	3,580	-	-
Managerial remuneration	35.3	130,359	93,496	-	-	1,812,181	1,938,739
Contribution to defined contribution plan		3,422	3,422	-	-	178,211	189,632
Rent and house maintenance		7,467	7,467	-	-	388,696	420,659
Medical		1,867	1,867	-	-	108,296	115,204
Others		416	234	-	-	32,111	191,030
		<u>143,531</u>	<u>106,486</u>	<u>3,160</u>	<u>3,580</u>	<u>2,519,495</u>	<u>2,855,264</u>
Number of persons		<u>1</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>907</u>	<u>915</u>

**35.1** The director's remuneration / fees represents remuneration paid to the Bank's 3 non-executive directors (2011: 3) for attending Board and Sub-Committee meetings.

**35.2** The Chief Executive is entitled to Bank provided free use of furnished accommodation. The Chief Executive and some of the executives are also provided with Bank maintained cars. In addition, the Chief Executive and some of the executives are also reimbursed for cost of medical expenses and other benefits like club subscription, children education etc.

**35.3** Managerial remuneration also includes charge against share compensation plans.

## 36. FAIR VALUE OF FINANCIAL INSTRUMENTS

### On-balance sheet financial instruments

Except for investment unlisted companies, fixed term advances of over one year, staff loans and fixed term deposits of over one year, the fair value of on balance sheet financial assets and liabilities are not significantly different from their book value as these assets and liabilities are either short term in nature or are frequently re-priced. The fair value of fixed term advances of over one year, staff loans, fixed term deposits of over one year and investment in equity of unlisted companies cannot be calculated with sufficient reliability due to non-availability of relevant active market for similar assets and liabilities. The fair value of investment classified as held to maturity amounted to Rs. 116.513 million (2011: Rs. 201.954 million).

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 37. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

### Segment analysis with respect to business activity

Internal Income	
Net mark-up / return / interest income	
Non mark-up / non interest income	
Operating income	
Non mark-up / non interest expenses	
Internal non mark-up / non interest expenses	
Operating profit before provisions and taxation	
Direct write-offs / provisions against non-performing loans and advances - net of recoveries	
Provision for diminution in the value of investments	
<b>Profit before taxation</b>	

### Other segment items:

Depreciation on tangible fixed assets	
Amortisation on intangible assets	
Segment assets (gross)	
Segment non performing loans	
Segment provision required	
Segment liabilities	
Segment return on net assets (ROA) (%)	*
Segment cost of funds (%)	**

2012		
Wholesale Banking	Consumer Banking	Total
----- (Rupees in '000) -----		
(13,443,551)	13,681,438	237,887
20,994,416	(1,118,181)	19,876,235
4,635,118	2,676,845	7,311,963
12,185,983	15,240,102	27,426,085
4,555,659	9,731,585	14,287,244
55,062	182,825	237,887
7,575,262	5,325,692	12,900,954
1,364,112	1,772,585	3,136,697
441,902	-	441,902
5,769,248	3,553,107	9,322,355

2011		
(12,553,240)	12,909,222	355,982
21,554,687	(637,276)	20,917,411
3,824,175	2,368,378	6,192,553
12,825,622	14,640,324	27,465,946
4,307,251	9,708,908	14,016,159
82,304	273,678	355,982
8,436,067	4,657,738	13,093,805
2,544,488	1,935,880	4,480,368
27,109	-	27,109
5,864,470	2,721,858	8,586,328

### Other segment items:

Depreciation of tangible fixed assets	
Amortisation of intangible assets	
Segment assets (gross)	
Segment non performing loans	
Segment provision required	
Segment liabilities	
Segment return on net assets (ROA) (%)	*
Segment cost of funds (%)	**

58,376	378,112	436,488
51,033	217,977	269,010
323,588,088	63,565,124	387,153,212
15,082,385	11,020,172	26,102,557
13,441,180	8,903,431	22,344,611
125,114,237	183,414,837	308,529,074
1.89%	4.98%	2.35%
6.45%	3.28%	4.41%

\* Segment ROA = Profit before tax / (Segment assets - Segment provisions)

\*\* Segment cost of funds have been computed based on the average balances.

The management reviews the performance of Corporate and Institutional Banking and Global Markets as one business segment, namely Wholesale Banking. Therefore the business activities of the group have been presented in two segments, Wholesale and Consumer Banking.

### Wholesale banking

Deposits, trade, advisory services and other lending activities (including murahaba and ijarah) for corporates and financial institutions. It also includes the overall management of treasury of the Bank, which entails various cash and interest risk management products for customers. The products include FX forwards, FX options and interest rate swaps.

### Consumer Banking

Wealth management, deposits, mortgages, auto finance, unsecured lending (credit cards, personal loans etc.), consumer leases and SME lending (including SME trade).

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 38. RELATED PARTY TRANSACTIONS

Related parties comprise of Standard Chartered Plc., ultimate parent company, its other subsidiaries and branches, key management personnel, employees' retirement benefit funds and other associated undertakings. The transactions with related parties are conducted at commercial / agreed terms. The bank also provides advances to employees at reduced rates in accordance with their terms of employment.

The transactions and balances with related parties are summarised as follows:

	Note	2012	2011
----- (Rupees in '000) -----			
<b>OUTSTANDING BALANCES</b>			
<b>Group</b>			
Nostro balances with other subsidiaries and branches of the holding company		2,310,442	2,986,847
Overdrawn nostro balances with other subsidiaries and branches of the holding company		26,650	-
Vostro balances of other subsidiaries and branches of the holding company		254,274	216,542
Placements with other subsidiaries and branches of the holding company		19,345,269	10,354,397
Deposits of group company	38.1	12,734	11,731
Due to holding company		9,014,703	4,568,330
Due to group company		33,867	32,803
Due from associated undertakings		158,311	179,828
Interest receivable from group companies		1,552	137
Inter-company derivative assets		433,119	782,787
Inter-company derivative liabilities		752,018	800,435
Transaction-related contingent liabilities - Guarantees		21,603,912	27,634,157
Commitments in respect of forward foreign exchange contracts		6,101,969	7,806,394
Derivative instruments- Interest rate swaps - Notional		18,327,414	19,322,804
Derivative instruments- FX options - Notional		3,370,375	15,822,498
Other receivables - SLA		416	356
<b>Key management personnel</b>			
Loans and advances to key management personnel	38.1	102,395	126,737
Deposits of key management personnel	38.1	181,751	89,958
<b>Others</b>			
Deposits by staff retirement benefit funds		61,450	72,074
Deposits by customers with common directorship		40,687	670
Receivable from / (payable to) defined benefit plans		7,300	(222)
Derivative asset		65,000	8,747
Derivative liabilities		8,504	35,762
Transaction-related contingent liabilities - Guarantees		235,170	8,702
Trade-related contingent liabilities - Letter of Credit		35,434	634,654
<b>PROFIT AND LOSS</b>			
<b>Group</b>			
Mark-up / return / interest earned		49,496	82,247
Mark-up / return / interest expensed		12,401	2,554
Fee and commission expense		93	83,768
Fee and commission income		16,513	46,758
Reimbursement of executive and general administrative expenses		4,206,039	3,875,954
Payment to group company for direct sales services rendered		697,879	536,781
Reimbursement of administrative expenses (including rent and other charges)		4,466	3,633
Net loss on inter-company derivatives		301,251	102,042
Royalty expense		137,459	136,512

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
----- (Rupees in '000) -----			
<b>Key management personnel</b>			
Mark-up / return / interest earned		3,670	6,178
Mark-up / return / interest expensed		4,415	1,038
Salaries and benefits		518,809	361,116
Post retirement benefits		16,938	17,128
Remuneration / fee paid to non-executive directors		3,160	3,580
<b>Others</b>			
Contribution to defined contribution plans - net of payments received		297,388	286,649
Charge for defined contribution plans		297,388	286,649
Net (income) / charge for defined benefit plans		8,341	(966)
Mark-up / return / interest expensed on deposits of staff retirement benefit funds		15,151	8,461
Mark-up / return / interest expensed on deposits of customers with common directorship		1,943	38
Donation to The Kidney Centre	26.1	2,500	2,500
Donation to Aman Tech Foundation	26.1	-	152
Net gain / (loss) on derivatives		83,511	26,415
Payment made to Central Depository Company of Pakistan Limited	38.2	10,303	-

### 38.1 Net movements in loans and deposits are summarised as follows:

	Balance as at 31 December 2011	Net disbursement / deposits	Net repayments / withdrawals	Balance as at 31 December 2012
----- (Rupees in '000) -----				
<b>Loans and advances</b>				
Key Management Personnel	126,737	28,109	(52,451)	102,395
Others	-	-	-	-
<b>Deposits</b>				
Group companies	11,731	703,439	(702,436)	12,734
Key Management Personnel	89,958	751,126	(659,333)	181,751
Others	72,744	47,043,505	(47,014,112)	102,137

38.2 Mr. Mohsin Ali Nathani, CEO of the Bank is also Director of Central Depository Company of Pakistan Limited.

### 39. CAPITAL ASSESSMENT AND ADEQUACY

#### 39.1 Capital Structure

The Bank's lead regulator, State Bank of Pakistan (SBP) sets and monitors capital requirements for the Bank as a whole. Effective 31 December 2008, SBP has advised all banks to calculate their capital requirements based on Basel II accord under the standardised approach. The transition to the 'Advanced Approaches' of Basel II has been made discretionary for banks, and is subject to prior written approval from SBP.

The State Bank of Pakistan through its BSD Circular No.07 of 2009 dated April 15, 2009 requires the minimum paid up capital (net of losses) for all locally incorporated banks to be raised to Rs. 10 billion by the year ending on December 31, 2013. The raise is to be achieved in a phased manner requiring Rs. 9 billion paid up capital (net of losses) by the end of the financial year 2012. The paid up capital of the Bank is comfortably in compliance with the SBP requirement. Furthermore, SBP requires the Bank to maintain a prescribed total capital to total risk-weighted assets ratio. As at the year end, SBP's minimum prescribed capital adequacy ratio is 10 percent. The Bank's ratio is compliant with this minimum benchmark.

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

Banking operations are categorised in either the trading book or the banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Bank's regulatory capital is analysed into three tiers:

- Tier I capital, which includes ordinary share capital, balance in share premium account, reserve for issue of bonus shares, general reserves as disclosed on the balance sheet (except those included in Tier II) and un-appropriated profits (net of accumulated losses, if any). Goodwill and other intangibles are deducted from Tier I capital.
- Tier II capital includes sub-ordinated debt, revaluation reserves on assets, exchange translation reserves and impairment allowances that are not held against identified debts. Sub-ordinated debt is limited to 50 percent of Tier I capital. Information on the terms, conditions and other features of the Bank's sub-ordinated debt currently in issue is given in note 16 to these financial statements. Revaluation reserves are eligible upto 45 percent for treatment as Tier II capital. There is also a restriction on the amount of impairment allowances that are not held against identified debts upto 1.25 percent of total risk weighted assets.
- Tier III supplementary capital consists of short term sub-ordinated debt solely for the purpose of meeting a proportion of the capital requirements for market risk. The Bank currently does not have any Tier III capital.

Total of Tier II and III capital is limited to Tier I capital. 50 percent of the amount of investments in subsidiaries and associates not consolidated on the balance sheet is deducted from both Tier I and Tier II capital.

	2012	2011
	----- (Rupees in '000) -----	
<b>Tier I Capital</b>		
Fully paid-up capital	38,715,850	38,715,850
Balance in share premium account	1,036,090	1,036,090
General reserves as disclosed on the balance sheet	4,032,538	2,843,401
Un-appropriated/ un-remitted profits (net of accumulated losses, if any)	6,846,940	8,940,420
Minority in equity of subsidiaries	825,841	799,803
Less:		
Book value of goodwill and other intangibles	(26,275,598)	(26,413,335)
<b>Total Tier I Capital-----&gt;</b>	<b>25,181,661</b>	25,922,229
<b>Tier II Capital</b>		
Sub-ordinated debt - upto maximum of 50 percent of 'Total eligible Tier 1 capital'	2,500,000	50,000
General provisions or general reserves for loan losses - upto maximum of 1.25 percent of 'Risk Weighted Assets'	572,303	641,494
Revaluation reserves (upto 45 percent)	1,901,106	1,458,137
<b>Total Tier II Capital-----&gt;</b>	<b>4,973,409</b>	2,149,631
<b>Total Regulatory Capital Base</b>	<b>30,155,070</b>	28,071,860

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

### 39.2 Capital Adequacy

The Bank's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirements at all times and to maintain good credit ratings, maximising shareholder value and at the same time maintaining investor, creditor and market confidence.

The capital position is reviewed and monitored by the Asset and Liability Committee (ALCO) of the Bank. Regular reviews help to ensure that adequate levels of capital and an optimum mix of the different components of capital are maintained by the Bank to support the strategy. This is integrated with the Bank's annual planning process that takes into consideration business growth assumptions across products and business segments and the related impact on capital resources.

The following matters are taken into account while reviewing the Bank's capital position:

- a) current regulatory capital requirements and our assessment of future standards;
- b) demand for capital due to business growth forecasts;
- c) forecasted demand for capital to support credit ratings and as a signalling tool to the market;
- d) available supply of capital and capital-raising options.

For calculation of Capital Adequacy Ratio, the bank adheres to the calculation of capital requirements for credit, market and operational risk as per the guidelines of SBP, for Basel II.

For credit risk, the Bank uses the 'Standardized Approach'. The Bank uses reputable and SBP approved rating agencies (ECAIs) for deriving risk weights for specific credit exposures. These are consistently applied across the Bank's credit portfolio for both on and off balance sheet exposures. The ECAIs used for rating various types of exposures are tabled in note 39.3 to these financial statements.

For the purposes of Credit Risk Mitigation under the 'Standardised Approach', the Bank follows the instructions laid down by SBP vide their Circular No. 08 dated 27 June 2006 with regard to eligibility of collaterals, valuation and management. Where a transaction is secured by an eligible collateral and meets the eligibility criteria and minimum requirements as laid down by SBP, the Bank reduces its exposure under that particular transaction by taking into account the risk mitigating effect of the collateral for the calculation of capital requirement. Collaterals used include: Government of Pakistan guarantees, Inter-group guarantees, margins / liens and saving certificates.

The Bank calculates its capital requirement for market risk in its portfolio, based on the methodology provided by SBP which takes account of specific and general market risk capital charge for interest rate risk using the duration method.

For calculation of operational risk capital charge, the business activities of the Bank are divided into eight business lines: corporate finance, trading and sales, retail banking, commercial banking, payments and settlement, agency services, asset management and retail brokerage. The Bank's operations are mapped into these eight business lines as per the criteria laid down by SBP vide Circular No 08 dated 27 June 2006.

Within each business line, gross income is the broad indicator that serves as a proxy for the scale of business operations and thus the likely scale of operational risk exposure within each of these business lines. The capital charge for each business line is calculated by multiplying gross income by beta factors assigned by SBP to that business line. Beta serves as a proxy for the industry-wide relationship between the operational risk loss experience for a given business line and the aggregate level of gross income for that business line.

The total capital charge is calculated as the three-year average of the simple summation of the regulatory capital charges across each of the business lines in each year.

The 'Standardised Approach' is preferred over the 'Basic Indicator Approach' so as to arrive at a capital charge that is reflective of the risks associated with each of the Bank's business lines.

The Bank's approach for mitigating operational risk is further detailed in note 40.9 to these financial statements.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

The capital requirements for the Bank as per the major risk categories are indicated below:

	Capital Requirements		Risk Weighted Assets	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
----- (Rupees in '000) -----				
<b>Credit Risk</b>				
<u>Portfolios subject to 'Standardized Approach' - Simple</u>				
Government of Pakistan and State Bank of Pakistan	9,427	2,868	94,268	28,689
Public Sector Entities	380,174	323,327	3,801,735	3,233,271
Banks	1,789,100	1,424,926	17,890,996	14,249,260
Corporate Portfolio	11,205,971	12,041,325	112,059,710	120,413,259
Retail Portfolio	822,916	755,585	8,229,158	7,555,854
Residential Mortgage Finance	125,269	137,910	1,252,693	1,379,102
Past Due Portfolio	307,195	423,275	3,071,948	4,232,757
All other Risk Weighted Assets	1,299,258	1,214,723	12,992,578	12,147,236
<b>Market Risk</b>				
<u>Capital Requirement for portfolios subject to 'Standardized Approach'</u>				
Interest Rate Risk	163,671	261,190	1,636,712	2,611,901
Foreign Exchange Risk	65,094	61,303	650,944	613,037
<b>Operational Risk</b>				
<u>Capital Requirement for operational risk -m'Standardised Approach'</u>				
	4,801,582	4,554,957	48,015,818	45,549,571
<b>Total</b>	<b>20,969,656</b>	<b>21,201,389</b>	<b>209,696,560</b>	<b>212,013,937</b>
	<b>2012</b>		<b>2011</b>	
<b>Capital Adequacy Ratio</b>				
Total eligible regulatory capital held (Note 39.1)	(a)	30,155,070	28,071,860	
Total Risk Weighted Assets	(b)	209,696,560	212,013,937	
Capital Adequacy Ratio (a) / (b)		14.38%	13.24%	

Exposures	Rating Category	(Rupees in '000)					
		2012			2011		
		Amount outstanding*	Deduction/ CRM**	Net amount	Amount outstanding	Deduction/ CRM**	Net amount
Corporate	0%	-	-	-	-	-	-
	20%	14,422,853	11,399,485	3,023,368	20,464,724	14,871,966	5,592,758
	50%	19,398,788	2,660,524	16,738,264	3,411,308	1,186,061	2,225,247
	100%	1,223,746	-	1,223,746	2,282,744	-	2,282,744
	150%	691,956	(345,978)	1,037,934	3,853,768	(1,926,884)	5,780,652
Banks	0%	-	-	-	-	-	-
	20%	21,649,702	17,321,982	4,327,720	30,658,409	26,306,479	4,351,930
	50%	21,627,820	10,813,910	10,813,910	16,620,714	8,320,559	8,300,155
	100%	1,797,892	-	1,797,892	652,402	-	652,402
	150%	414,636	(207,318)	621,954	353,733	(176,866)	530,599
Sovereigns etc	0%	159,884,909	159,884,909	-	126,433,993	126,433,993	-
	20%	4,278,082	3,637,794	640,288	15,148,271	12,289,605	2,858,666
	50%	-	-	-	-	-	-
	100%	94,268	-	94,268	28,689	-	28,689
	150%	-	-	-	-	-	-
Unrated including retail	50% upto 150%	135,060,358	33,303,836	101,756,522	134,975,969	22,099,479	112,876,490
All Other Exposures		25,380,436	8,063,217	17,317,219	23,949,271	6,190,177	17,759,094
<b>Total</b>		<b>405,925,446</b>	<b>246,532,361</b>	<b>159,393,085</b>	<b>378,833,995</b>	<b>215,594,569</b>	<b>163,239,426</b>

CRM= Credit Risk Mitigation

\* Amount outstanding represents Original Exposure in the case of On-balance sheet items and the Credit Equivalent Exposure in the case of Off-balance sheet items.

\*\* Deduction / CRM reflects reduction in exposures due to ratings and collaterals.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 39.3 Types of exposures and ECAL's used

	Corporate	Banks	Sovereigns
JCR - VIS	✓	✓	✓
PACRA	✓	✓	✓
STANDARD AND POORS	✓	✓	✓
MOODY'S	✓	✓	✓
FITCH	✓	✓	✓

The Bank adheres to the mapping instructions issued by SBP on the Revised Regulatory Capital Framework under Basel II, issued vide BSD Circular No. 8 of 2006 dated 27 June 2006, vide BSD Circular Letter No. 09 of 2007 dated 24 August 2007, vide BSD Letter No. BSD/BAI-2/201/1141/2009 dated 2 December 2009 and vide BSD Circular No. 5 of 2010 dated 5 October 2010 with regard to credit ratings to be used. These are as follows:

### LONG-TERM RATING GRADES MAPPING

Risk Weightage	Standard & Poors Ratings Services	Moody's Investors Services	Fitch Ratings	PACRA	JCR VIS
20%	AAA	Aaa	AAA	AAA	AAA
	AA+	Aa1	AA+	AA+	AA+
	AA	Aa2	AA	AA	AA
	AA-	Aa3	AA-	AA-	AA-
50%	A+	A1	A+	A+	A+
	A	A2	A	A	A
	A-	A3	A-	A-	A-
100%	BBB+	Baa1	BBB+	BBB+	BBB+
	BBB	Baa2	BBB	BBB	BBB
	BBB-	Baa3	BBB-	BBB-	BBB-
100%	BB+	Ba1	BB+	BB+	BB+
	BB	Ba2	BB	BB	BB
	BB-	Ba3	BB-	BB-	BB-
150%	B+	B1	B+	B+	B+
	B	B2	B	B	B
	B-	B3	B-	B-	B-
150%	CCC+	Caa1	CCC+	CCC+	CCC+
	CCC	Caa2	CCC	CCC	CCC
	CCC-	Caa3	CCC-	CCC-	CCC-
	CC	Ca	CC	CC	CC
	C	C	C	C	C
	D	D	D	D	D

### SHORT-TERM RATING GRADES MAPPING

Risk Weightage	Standard & Poors Ratings Services	Moody's Investors Services	Fitch Ratings	PACRA	JCR VIS
20%	A-1+	P-1	F1+	A-1	A-1
	A-1		F1		
50%	A-2	P-2	F2	A-2	A-2
100%	A-3	P-3	F3	A-3	A-3
150%	B	NP	B	Others	Others
	B-1		C		
	B-2		D		
	B-3				
	C				

## 40. RISK MANAGEMENT

Through its risk management structure, the Bank seeks to manage efficiently the core risks: credit, market, country, and liquidity risk. These arise directly through the Bank's commercial activities whilst compliance and regulatory risk, operational risk and reputational risks are normal consequences of any business undertaking.

The basic principles of risk management followed by the bank include:

### Balancing risk and return

Risk is taken in line with the requirements of the Bank's stakeholders. Risk should be taken within the Bank's risk appetite, consistent with the approved strategy. Any such risks are avoided which have a material probability of causing financial distress to the Bank or its clients or customers.



# Notes to the Consolidated Financial Statements

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## Responsibility

Given the Bank is in the business of taking risk, it is everyone's responsibility to ensure that risk taking is both disciplined and focused. The Bank takes account of its social responsibilities and its commitment to customers in taking risk to produce a return.

## Accountability

Risk is taken only within agreed authorities and where there is appropriate infrastructure and resource. All risk taking must be transparent, controlled and reported.

## Anticipation

The Bank looks to anticipate future risks and to ensure awareness of all risk.

## Competitive Advantage

The Bank seeks to achieve competitive advantage through efficient and effective risk management and control.

## Risk management

The Bank aims to implement best practices and have a specialist risk function of international standards, with strength in depth, experience across risk types and economic scenarios.

Ultimate responsibility for the effective management of risk rests with the Company's Board of Directors. Acting within an authority delegated by the Board, the Executive Committee reviews specific risk areas and monitors the activities of the Country Risk Committee ("CRC") and the Asset and Liability Committee ("ALCO").

CRC headed by Country Chief Risk Officer (CCRO), through authority delegated by the Board through the Bank's Executive Committee, is responsible for credit risk, market risk, operational risk, compliance risk and regulatory risk, legal risk and reputational risk. ALCO, through authority delegated by the Board through the Bank's Executive Committee, is responsible for management of the Bank's liquidity, capital adequacy and structural foreign exchange risk. The Pension Executive Committee, through authority delegated by the Board through the Bank's Executive Committee is responsible for management of pension risk.

The day to day responsibility for managing risk rests with CCRO who oversees and manages the risk through a team of managers; Senior Credit Officer responsible for credit risk in Wholesale Bank, Country Credit Head responsible for credit risk in Consumer Bank (including SME), Head of Special Assets Management responsible for remedial risk management, Head of Credit Risk Controls responsible for collateral management, security documentation, credit MIS and controls, Head of Market Risk responsible for liquidity risk and risks associated with price movements, arising from interest and exchange rate movements and Head of Operational Risk responsible for enterprise wide operations. The Bank has established policies, procedures, processes, and controls and have provided the Risk team adequate support by way of risk systems and tools for measuring and reporting risk for monitoring, controlling, reviewing and managing risk.

### 40.1 Credit risk

Credit risk is the risk that a counter party will not settle its obligations in accordance with agreed terms. Credit exposures may arise from lending, trade finance, securities and derivative exposures. Credit exposures include both individual borrowers and groups of connected counterparties and portfolios in the banking and trading books.

The Board of Directors has delegated down the authority to CRC through the Bank's Executive Committee to establish risk appetite and make recommendations to the Board for approval of risk appetite and policies for managing credit risk. The CEO and the Executive Committee in turn rely on CCRO and the Risk Committee to determine these and recommend for their support and Board's approval. The CRC is also delegated down by the BOD responsibility to delegate credit authorities to independent Risk Officers.

Credit risk appetite is established through business strategy papers and underwriting standards by the business managers, which are approved by the Board once recommended, and supported by the Executive Committee.

Specific procedures for managing credit risk within Wholesale and Consumer (including SME) are determined at the Senior Credit Officer and Country Credit Head levels for their respective jurisdictions with specific policies and procedures being adapted to different risk environments and business goals. Credit analysis includes review of facility details, credit grade determination and financial spreading / ratio analysis. Portfolio review, Early Alerts and Stress Testing based on scenario analysis is a combined responsibility of Client Relationship and Risk and Finance function. Client relationship origination and credit approval roles are clearly segregated throughout Wholesale and Consumer Banking segment.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 40.1.1 Wholesale Banking

Within the Wholesale Banking business, an alpha numerical risk grading system is used for quantifying the risk associated with a counter-party. The grading is based on a probability of default measure, with customers analysed against a range of quantitative and qualitative measures. Expected Loss is used for further assessment of individual exposures and portfolio analysis. There is a clear segregation of duties with loan applications being prepared separately from the approval chain.

## 40.1.2 Consumer Banking

For Consumer Banking, program based standard credit application forms are generally used, which are processed in central units for different products and market segments. Consumer Banking Analytics team has developed Bureau scores and uses Bureau data for portfolio monitoring and for underwriting new business. Medium enterprises relationship based business of Consumer Bank operates much like Wholesale banking with numerical risk grading system for quantifying counter party risk. As with Wholesale Banking, origination and approval roles are segregated.

## 40.1.3 Segment by class of business

	2012					
	Advances - Gross		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Chemical and pharmaceuticals	12,829,765	7.57	4,164,613	1.56	4,308,516	5.80
Agri business	5,714,958	3.37	193,476	0.07	34,181	0.05
Textile	30,237,698	17.84	938,788	0.35	1,655,619	2.23
Communication	1,388,001	0.82	15,083,632	5.66	2,437,299	3.28
Insurance	82,756	0.05	1,771,289	0.66	-	-
Telecommunications and information technology	5,896,228	3.48	2,457,249	0.92	44,628	0.06
Cement	5,518,402	3.26	15,671	0.01	823,837	1.11
Sugar	3,641,047	2.15	1,333	-	90,292	0.12
Automobile and transportation equipment	2,694,687	1.59	849,140	0.32	1,171,576	1.58
Transportation	3,454,322	2.04	3,466,291	1.30	1,373,578	1.85
Financial	2,997,424	1.77	1,801,595	0.68	28,726,780	38.65
Electronics and electrical appliances	1,835,769	1.08	3,487,607	1.31	4,975,420	6.69
Production and transmission of energy	25,034,067	14.77	11,080,729	4.16	16,017,525	21.55
Shoes and leather garments	2,542,747	1.50	94,264	0.04	153,727	0.21
Individuals	18,540,916	10.94	172,525,710	64.69	1,369	-
Others	47,080,972	27.78	48,667,184	18.25	12,514,751	16.84
	<b>169,489,759</b>	<b>100.00</b>	<b>266,598,571</b>	<b>100.00</b>	<b>74,329,098</b>	<b>100.00</b>

	2011					
	Advances - Gross		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Chemical and pharmaceuticals	9,527,776	5.97	3,151,112	1.34	3,783,790	4.67
Agri business	5,169,099	3.24	335,713	0.14	263,593	0.33
Textile	30,800,450	19.29	1,245,461	0.53	2,657,237	3.28
Communication	609,555	0.38	13,493,841	5.72	1,876,968	2.32
Insurance	47,677	0.03	1,369,266	0.60	-	-
Telecommunications and information technology	6,119,964	3.83	1,552,479	0.66	1,489,322	1.84
Cement	10,680,307	6.69	44,349	0.02	1,402,723	1.73
Sugar	3,793,644	2.38	1,552	0.00	74,392	0.09
Automobile and transportation equipment	1,759,277	1.10	692,307	0.29	1,919,255	2.37
Transportation	5,720,684	3.58	1,746,703	0.74	1,243,216	1.54
Financial	2,313,816	1.45	1,325,970	0.56	35,976,421	44.43
Electronics and electrical appliances	1,710,639	1.07	2,568,419	1.09	3,376,497	4.17
Production and transmission of energy	21,343,544	13.37	12,188,344	5.17	12,454,821	15.38
Shoes and leather garments	1,681,196	1.05	147,011	0.06	264,079	0.33
Individuals	19,419,000	12.16	149,630,030	63.42	2,094	0.00
Others	38,956,863	24.40	46,382,027	19.66	14,195,244	17.53
	<b>159,653,491</b>	<b>100.00</b>	<b>235,874,584</b>	<b>100.00</b>	<b>80,979,652</b>	<b>100.00</b>

# Notes to the Consolidated Financial Statements

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

	2012		2011	
	Classified Advances	Specific Provision held	Classified Advances	Specific Provision held
	----- (Rupees in '000) -----			
Chemical and pharmaceuticals	341,443	284,892	259,345	132,448
Agri business	132,341	36,263	16,799	16,799
Textile	7,666,191	7,583,248	7,726,811	7,544,373
Footwear and Leather garments	16,564	15,645	15,564	5,997
Automobile and transportation equipment	358,068	353,970	402,721	383,064
Financial	52,419	50,397	49,326	24,663
Production and transmission of energy	127,708	127,708	276,416	213,232
Individuals	5,686,747	4,495,590	6,060,285	4,422,462
Others	13,092,364	11,051,471	11,295,290	8,960,079
	<b>27,473,845</b>	<b>23,999,184</b>	<b>26,102,557</b>	<b>21,703,117</b>

## 40.1.5 Segment by sector

	2012					
	Advances		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Public / Government	10,826,928	6.39%	4,138,018	1.55%	3,398,836	4.57%
Private	158,662,831	93.61%	262,460,553	98.45%	70,930,263	95.43%
	<b>169,489,759</b>	<b>100%</b>	<b>266,598,571</b>	<b>100%</b>	<b>74,329,099</b>	<b>100%</b>

	2011					
	Advances		Deposits		Contingencies and Commitments	
	(Rupees in '000)	Percent	(Rupees in '000)	Percent	(Rupees in '000)	Percent
Public / Government	9,171,405	5.74%	1,913,256	0.81%	7,107,266	8.78%
Private	150,482,086	94.26%	233,961,328	99.19%	73,872,386	91.22%
	<b>159,653,491</b>	<b>100%</b>	<b>235,874,584</b>	<b>100%</b>	<b>80,979,652</b>	<b>100%</b>

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

	2012		2011	
	Classified Advances	Specific Provision held	Classified Advances	Specific Provision held
	----- (Rupees in '000) -----			
Public / Government	-	-	-	-
Private	27,473,845	23,999,184	26,102,557	21,703,117
	<b>27,473,845</b>	<b>23,999,184</b>	<b>26,102,557</b>	<b>21,703,117</b>

## 40.1.7 GEOGRAPHICAL SEGMENT ANALYSIS

	2012			
	Profit before taxation	Total assets employed	Net Assets employed	Contingencies and Commitments
	----- (Rupees in '000) -----			
Pakistan	9,322,355	399,055,450	55,424,068	74,329,098
	<b>9,322,355</b>	<b>399,055,450</b>	<b>55,424,068</b>	<b>74,329,098</b>

	2011			
	Profit before taxation	Total assets employed	Net Assets employed	Contingencies and Commitments
	----- (Rupees in '000) -----			
Pakistan	8,586,328	364,187,812	55,658,738	80,979,652
	<b>8,586,328</b>	<b>364,187,812</b>	<b>55,658,738</b>	<b>80,979,652</b>

## Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

### 40.2 Market Risk

The Bank recognises market risk as the exposures created by potential changes in market prices and rates. Market risk exposures arise primarily from interest rate and foreign exchange related contracts. The Bank has no significant exposure to equity and commodity price risk.

Market risk is managed by the Head of Market Risk reporting directly to the CCRO, who agrees policies and procedures and levels of risk appetite in terms of Value at Risk ("VaR"). Limits are then proposed by the business within the terms of agreed policy. These are agreed and delegated down by RC under delegated authority from the BOD, and are monitored by the Head of Market Risk as part of an independent risk management function. Policies cover both trading and non-trading books.

In addition to market risk policies, as well as VaR and other market risk limits, independent stress testing of portfolios, factor sensitivity measures and derivatives are also employed as additional risk management tools to manage and hedge market risk exposures. Risk models are periodically back tested against actual results to ensure that pre-determined levels of accuracy are maintained.

### 40.3 Foreign Exchange Risk

	2012			
	Assets	Liabilities	Off-balance sheet items	Net foreign currency exposure
	----- (Rupees in '000) -----			
Pakistan Rupee	283,257,128	269,041,777	47,310,939	61,526,290
United States Dollar	62,079,954	64,306,661	(41,413,711)	(43,640,418)
Great Britain Pound	4,840,138	4,892,279	(125,476)	(177,617)
Euro	4,396,617	4,504,075	(2,950,089)	(3,057,547)
Swiss Franc	22,420	22,483	(27,538)	(27,601)
Japanese Yen	46,712	36,799	(2,211,800)	(2,201,887)
Others	38,006	24,437	(582,325)	(568,756)
	<u>354,680,975</u>	<u>342,828,511</u>	<u>-</u>	<u>11,852,464</u>
	2011			
	Assets	Liabilities	Off-balance sheet items	Net foreign currency exposure
	----- (Rupees in '000) -----			
Pakistan Rupee	278,417,622	252,375,797	40,311,498	66,353,323
United States Dollar	32,528,850	46,662,490	(32,133,785)	(46,267,425)
Great Britain Pound	3,881,735	3,881,726	(351,981)	(351,972)
Euro	4,746,625	4,971,547	(5,072,294)	(5,297,216)
Swiss Franc	24,443	20,224	(45,799)	(41,580)
Japanese yen	-	-	(1,054,791)	(1,054,791)
Others	57,987	26,744	(1,652,848)	(1,621,605)
	<u>319,657,262</u>	<u>307,938,528</u>	<u>-</u>	<u>11,718,734</u>

**40.3.1** Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

**40.3.2** The management sets limits on the level of exposure by currency in total, for both overnight and intra day positions which are monitored daily.

# Notes to the Consolidated Financial Statements

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## 40.4 Mismatch of Interest Rate Sensitive Assets and Liabilities

		2012										
Effective yield / interest rate	Total	Exposed to yield / interest rate risk									Non interest bearing financial instruments	
		Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years		
(Rupees in '000)												
<b>On-balance sheet financial instruments</b>												
<b>Assets</b>												
Cash and balances with treasury banks	-	31,487,972	7,666,714	-	-	-	-	-	-	-	-	23,821,258
Balances with other banks	0.00%	2,700,218	-	-	-	-	-	-	-	-	-	2,700,218
Lendings to financial institutions	2.93%	19,845,269	17,709,484	1,650,379	485,406	-	-	-	-	-	-	-
Investments	11.18%	131,741,003	15,141,992	16,440,533	1,006,939	84,607,022	4,118,045	6,114,573	4,716,492	(581,365)	-	176,772
Advances	12.31%	144,918,272	74,166,339	34,894,466	21,167,924	4,567,896	3,179,885	1,929,072	1,775,967	137,246	197,119	2,902,358
Other assets	-	23,988,241	-	-	-	-	-	-	-	-	-	23,988,241
		<b>354,680,975</b>	<b>114,684,529</b>	<b>52,985,378</b>	<b>22,660,269</b>	<b>89,174,918</b>	<b>7,297,930</b>	<b>8,043,645</b>	<b>6,492,459</b>	<b>(444,119)</b>	<b>197,119</b>	<b>53,588,847</b>
<b>Liabilities</b>												
Bills payable	0.00%	6,164,867	-	-	-	-	-	-	-	-	-	6,164,867
Borrowings	7.79%	23,399,389	6,804,482	8,124,609	6,011,959	17,473	33,338	373,987	739,952	1,262,585	-	31,004
Deposits and other accounts	6.32%	266,598,571	137,883,984	7,632,326	4,244,037	7,425,298	766,693	669,020	-	-	-	107,977,213
Sub-ordinated loan	13.06%	2,750,000	-	250,000	2,500,000	-	-	-	-	-	-	-
Other liabilities	-	43,915,684	-	-	-	-	-	-	-	-	-	43,915,684
		<b>342,828,511</b>	<b>144,688,466</b>	<b>16,006,935</b>	<b>12,755,996</b>	<b>7,442,771</b>	<b>800,031</b>	<b>1,043,007</b>	<b>739,952</b>	<b>1,262,585</b>	-	<b>158,088,768</b>
<b>On-balance sheet gap</b>		<b>11,852,464</b>	<b>(30,003,937)</b>	<b>36,978,443</b>	<b>9,904,273</b>	<b>81,732,147</b>	<b>6,497,899</b>	<b>7,000,638</b>	<b>5,752,507</b>	<b>(1,706,704)</b>	<b>197,119</b>	<b>(104,499,921)</b>
<b>Off-balance sheet financial instruments</b>												
Forward Lending												
Interest Rate Swap		37,581,238	-	238,095	1,457,246	16,513,408	577,544	1,600,000	14,446,735	2,748,210	-	-
Foreign Currency option		3,370,375	-	1,657,015	1,713,360	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		35,333,170	9,655,486	15,317,400	10,313,487	46,797	-	-	-	-	-	-
		<b>76,284,783</b>	<b>9,655,486</b>	<b>17,212,510</b>	<b>13,484,093</b>	<b>16,560,205</b>	<b>577,544</b>	<b>1,600,000</b>	<b>14,446,735</b>	<b>2,748,210</b>	-	-
Forward Borrowing												
Interest Rate Swap		39,231,837	266,262	922,438	183,154	10,588,131	4,462,827	12,696,308	9,250,028	862,689	-	-
Foreign Currency option		3,370,375	-	1,657,015	1,713,360	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		33,612,948	19,334,185	10,074,264	4,157,702	46,797	-	-	-	-	-	-
		<b>76,215,160</b>	<b>19,600,447</b>	<b>12,653,717</b>	<b>6,054,216</b>	<b>10,634,928</b>	<b>4,462,827</b>	<b>12,696,308</b>	<b>9,250,028</b>	<b>862,689</b>	-	-
<b>Off-balance sheet gap</b>		<b>69,623</b>	<b>(9,944,961)</b>	<b>4,558,793</b>	<b>7,429,877</b>	<b>5,925,277</b>	<b>(3,885,283)</b>	<b>(11,096,308)</b>	<b>5,196,707</b>	<b>1,885,521</b>	-	-
<b>Total yield / interest risk sensitivity gap</b>		<b>11,922,087</b>	<b>(39,948,898)</b>	<b>41,537,236</b>	<b>17,334,150</b>	<b>87,657,424</b>	<b>2,612,616</b>	<b>(4,095,670)</b>	<b>10,949,214</b>	<b>178,817</b>	<b>197,119</b>	<b>(104,499,921)</b>
<b>Cumulative yield / interest risk sensitivity gap</b>				<b>1,588,338</b>	<b>18,922,488</b>	<b>106,579,912</b>	<b>109,192,528</b>	<b>105,096,858</b>	<b>116,046,072</b>	<b>116,224,889</b>	<b>116,422,008</b>	

		2011										
Effective yield / interest rate	Total	Exposed to yield / interest rate risk									Non interest bearing financial instruments	
		Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years		
(Rupees in '000)												
<b>On-balance sheet financial instruments</b>												
<b>Assets</b>												
Cash and balances with treasury banks	-	26,293,151	7,036,227	-	-	-	-	-	-	-	-	19,256,924
Balances with other banks	0.00%	3,204,253	150,000	-	-	-	-	-	-	-	-	3,054,253
Lendings to financial institutions	2.01%	20,205,971	20,205,971	-	-	-	-	-	-	-	-	-
Investments	11.95%	104,040,114	15,731,975	6,369,343	15,000,077	50,030,009	3,712,716	2,747,801	10,705,213	(296,457)	-	39,437
Advances	13.10%	137,308,880	72,969,741	34,583,434	15,840,567	4,013,828	2,769,152	1,748,960	1,602,203	23,049	-	3,757,946
Other assets	-	28,604,893	-	-	-	-	-	-	-	-	-	28,604,893
		<b>319,657,262</b>	<b>116,093,914</b>	<b>40,952,777</b>	<b>30,840,644</b>	<b>54,043,837</b>	<b>6,481,868</b>	<b>4,496,761</b>	<b>12,307,416</b>	<b>(273,408)</b>	-	<b>54,713,453</b>
<b>Liabilities</b>												
Bills payable	-	4,576,789	-	-	-	-	-	-	-	-	-	4,576,789
Borrowings	10.00%	19,361,864	2,447,241	10,724,431	4,712,443	579,614	429,525	-	430,172	14,623	-	23,815
Deposits and other accounts	6.59%	235,874,584	118,876,861	8,004,444	5,313,998	7,212,246	799,202	962,179	-	-	-	94,705,654
Sub-ordinated loan	13.95%	699,200	699,200	-	-	-	-	-	-	-	-	-
Other liabilities	-	47,426,091	-	-	-	-	-	-	-	-	-	47,426,091
		<b>307,938,528</b>	<b>122,023,302</b>	<b>18,728,875</b>	<b>10,026,441</b>	<b>7,791,860</b>	<b>1,228,727</b>	<b>962,179</b>	<b>430,172</b>	<b>14,623</b>	-	<b>146,732,349</b>
<b>On-balance sheet gap</b>		<b>11,718,734</b>	<b>(6,929,388)</b>	<b>22,223,902</b>	<b>20,814,203</b>	<b>46,251,977</b>	<b>5,253,141</b>	<b>3,534,582</b>	<b>11,877,244</b>	<b>(288,031)</b>	-	<b>(92,018,896)</b>
<b>Off-balance sheet financial instruments</b>												
Forward Lending		55,080,732	-	-	-	9,136,635	20,193,942	5,092,630	8,255,314	12,402,211	-	-
Interest Rate Swap		15,822,498	2,318,516	12,750,502	753,480	-	-	-	-	-	-	-
Foreign Currency option		51,619,665	24,637,959	21,671,887	4,895,546	414,273	-	-	-	-	-	-
Forward Foreign Exchange Contracts		122,522,895	26,956,475	34,422,389	5,649,026	9,550,908	20,193,942	5,092,630	8,255,314	12,402,211	-	-
		<b>347,045,790</b>	<b>54,933,050</b>	<b>71,845,308</b>	<b>7,202,512</b>	<b>20,141,766</b>	<b>40,487,884</b>	<b>10,185,264</b>	<b>16,502,628</b>	<b>24,804,422</b>	-	-
Forward Borrowing		47,080,731	-	200,000	434,333	7,427,147	12,093,601	4,009,407	19,918,052	2,998,191	-	-
Interest Rate Swap		15,822,498	2,318,516	12,750,502	753,480	-	-	-	-	-	-	-
Foreign Currency option		36,686,830	17,314,106	16,263,828	3,086,411	22,485	-	-	-	-	-	-
Forward Foreign Exchange Contracts		99,590,059	19,632,622	29,214,330	4,274,224	7,449,632	12,093,601	4,009,407	19,918,052	2,998,191	-	-
Off-balance sheet gap		<b>22,932,836</b>	<b>7,323,853</b>	<b>5,208,059</b>	<b>1,374,802</b>	<b>2,101,276</b>	<b>8,100,341</b>	<b>1,083,223</b>	<b>(11,662,738)</b>	<b>9,404,020</b>	-	-
<b>Total yield / interest risk sensitivity gap</b>		<b>34,651,570</b>	<b>1,394,465</b>	<b>27,431,961</b>	<b>22,189,005</b>	<b>48,353,253</b>	<b>13,353,482</b>	<b>4,617,805</b>	<b>214,506</b>	<b>9,115,989</b>	-	<b>(92,018,896)</b>
<b>Cumulative yield / interest risk sensitivity gap</b>				<b>28,826,426</b>	<b>51,015,431</b>	<b>99,368,684</b>	<b>112,722,186</b>	<b>117,339,971</b>	<b>117,554,477</b>	<b>126,670,466</b>	<b>126,670,466</b>	

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For the year ended 31 December 2012

### 40.5 Yield / Interest Rate Risk

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The Bank is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Bank manages this risk by matching the re-pricing of assets and liabilities and off-balance sheet instruments.

### 40.6 Liquidity Risk

The Bank defines liquidity risk as the risk that the Bank either does not have sufficient financial resources available to meet all its obligations and commitments as and when they fall due, or can access them only at an excessive cost.

Liquidity risk is managed through the Asset and Liability Committee ("ALCO"). This committee, chaired by the CEO, is responsible for both statutory and prudential liquidity.

Liquidity risk is monitored through the internal liquidity risk management policy. A range of tools are used for the management of liquidity. These comprise commitment and wholesale borrowing guidelines, key balance sheet ratios, medium term funding requirements and day to day monitoring of future cash flows.

In addition, liquidity contingency funding plans are reviewed periodically to ensure that alternative funding strategies are in place and can be implemented on a timely basis to minimise the liquidity risk that may arise due to unforeseen adverse changes in the market place.

A substantial portion of the Bank's assets are funded by customer deposits made up of current and savings accounts and other deposits. These customer deposits, which are widely diversified by type and maturity, represent a stable source of funds.

The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 40.7 Maturities of assets and liabilities - based on contractual maturity of assets and liabilities of the group

In accordance with the guidelines issued by SBP through BSD Circular Letter No. 3 of 2011 and BSD Circular Letter No. 2 of 2013, Banks are required to disclose maturities of assets and liabilities separately for 'contractual maturities' and 'expected maturities'. The expected maturities are calculated using three (3) years historical balances and identifying "Core" and "Non-Core" balances using monthly volatility analysis. Fixed / intangible assets are presented on the basis of their depreciation / amortisation schedule.

	2012									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
(Rupees in '000)										
<b>Assets</b>										
Cash and balances with treasury bank	31,487,972	31,487,972	-	-	-	-	-	-	-	-
Balances with other banks	2,700,218	2,700,218	-	-	-	-	-	-	-	-
Lendings to financial institutions	19,845,269	17,709,484	1,650,379	485,406	-	-	-	-	-	-
Investments	131,741,003	14,409,701	16,440,533	1,006,939	84,607,022	4,118,045	6,114,573	4,716,492	327,698	-
Advances	144,918,272	63,885,938	23,297,224	15,310,197	6,852,981	13,264,692	6,712,668	7,018,894	6,642,290	1,933,388
Other assets	34,257,981	623,173	15,753,628	9,615,106	7,318,214	20,764	220,291	520,208	186,597	-
Operating fixed assets	6,381,584	15,799	31,527	47,364	94,967	311,385	197,777	371,660	884,113	4,426,991
Intangible assets	26,275,598	648	1,293	1,940	3,881	7,761	8,237	15,524	37,719	26,198,596
Deferred tax assets	1,447,553	75,991	-	-	-	-	-	1,371,562	-	-
	<b>399,055,450</b>	<b>130,908,924</b>	<b>57,174,584</b>	<b>26,466,952</b>	<b>98,877,065</b>	<b>17,722,647</b>	<b>13,253,546</b>	<b>14,014,340</b>	<b>8,078,417</b>	<b>32,558,975</b>
<b>Liabilities</b>										
Bills payable	6,164,867	6,164,867	-	-	-	-	-	-	-	-
Borrowings	23,399,389	6,835,486	8,124,609	6,011,959	17,473	33,338	373,987	739,952	1,262,585	-
Deposits and other accounts	266,598,571	245,861,197	7,632,326	4,244,037	7,425,298	766,693	669,020	-	-	-
Sub-ordinated loan	2,750,000	-	250,000	-	-	-	-	-	2,500,000	-
Other liabilities	44,718,555	14,921,341	7,814,991	1,387,895	9,683,161	4,970,065	3,807,404	1,557,127	576,571	-
	<b>343,631,382</b>	<b>273,782,891</b>	<b>23,821,926</b>	<b>11,643,891</b>	<b>17,125,932</b>	<b>5,770,096</b>	<b>4,850,411</b>	<b>2,297,079</b>	<b>4,339,156</b>	<b>-</b>
	<b>55,424,068</b>	<b>(142,873,967)</b>	<b>33,352,658</b>	<b>14,823,061</b>	<b>81,751,133</b>	<b>11,952,551</b>	<b>8,403,135</b>	<b>11,717,261</b>	<b>3,739,261</b>	<b>32,558,975</b>
<b>Net assets</b>										
Share capital	38,715,850									
Reserves	5,068,628									
Unappropriated profit	6,846,940									
Surplus/(deficit) on revaluation of assets	3,966,809									
Minority interest	825,841									
	<b>55,424,068</b>									

	2011									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
(Rupees in '000)										
<b>Assets</b>										
Cash and balances with treasury bank	26,293,151	26,293,151	-	-	-	-	-	-	-	-
Balances with other banks	3,204,253	3,204,253	-	-	-	-	-	-	-	-
Lendings to financial institutions	20,205,971	20,205,971	-	-	-	-	-	-	-	-
Investments	104,040,114	15,000,084	6,369,343	13,675,077	50,030,009	3,712,716	2,747,801	12,030,213	474,871	-
Advances	137,308,880	58,646,541	25,712,202	11,931,411	7,018,180	11,299,085	6,584,690	8,043,275	6,638,296	1,435,200
Other assets	37,565,179	867,210	17,879,305	7,601,366	9,177,415	873,854	14,703	745,726	405,600	-
Operating fixed assets	6,437,023	25,227	50,452	75,678	152,018	385,152	303,918	605,428	1,513,569	3,325,581
Intangible assets	26,413,335	2,298	4,598	6,897	13,795	27,590	28,354	55,182	137,952	26,136,669
Deferred tax assets	2,719,906	-	-	-	-	-	-	2,719,906	-	-
	<b>364,187,812</b>	<b>124,244,735</b>	<b>50,015,900</b>	<b>33,290,429</b>	<b>66,391,417</b>	<b>16,298,397</b>	<b>9,679,466</b>	<b>24,199,730</b>	<b>9,170,288</b>	<b>30,897,450</b>
<b>Liabilities</b>										
Bills payable	4,576,789	4,576,789	-	-	-	-	-	-	-	-
Borrowings	19,361,864	2,471,056	10,724,431	4,712,443	579,614	429,525	-	430,172	14,623	-
Deposits and other accounts	235,874,584	213,438,755	8,007,044	5,403,371	7,263,965	799,270	962,179	-	-	-
Sub-ordinated loan	699,200	199,200	-	-	250,000	250,000	-	-	-	-
Other liabilities	48,016,637	18,219,423	7,814,991	1,387,895	9,683,161	4,970,065	3,807,404	1,557,127	576,571	-
	<b>308,529,074</b>	<b>238,905,223</b>	<b>26,546,466</b>	<b>11,503,709</b>	<b>17,776,740</b>	<b>6,448,860</b>	<b>4,769,583</b>	<b>1,987,299</b>	<b>591,194</b>	<b>-</b>
	<b>55,658,738</b>	<b>(114,660,488)</b>	<b>23,469,434</b>	<b>21,786,720</b>	<b>48,614,677</b>	<b>9,849,537</b>	<b>4,909,883</b>	<b>22,212,431</b>	<b>8,579,094</b>	<b>30,897,450</b>
<b>Net assets</b>										
Share capital	38,715,850									
Reserves	3,879,491									
Unappropriated profit	8,940,420									
Surplus/(deficit) on revaluation of assets	3,323,174									
Minority interest	799,803									
	<b>55,658,738</b>									

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 40.8 Maturities of assets and liabilities - based on expected maturity of assets and liabilities of the Group

2012

	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
----- (Rupees in '000) -----										
<b>Assets</b>										
Cash and balances with treasury banks	31,487,972	31,487,972	-	-	-	-	-	-	-	-
Balances with other banks	2,700,218	2,700,218	-	-	-	-	-	-	-	-
Lendings to financial institutions	19,845,269	17,709,484	1,650,379	485,406	-	-	-	-	-	-
Investments	131,741,003	14,409,701	16,440,533	1,006,939	84,607,022	4,118,045	6,114,573	4,716,492	327,698	-
Advances	144,918,272	20,581,671	25,219,929	18,194,255	12,621,096	45,994,081	6,712,668	7,018,894	6,642,290	1,933,388
Other assets	34,257,981	623,173	15,753,628	9,615,106	7,318,214	20,764	220,291	520,208	186,597	-
Operating fixed assets	6,381,584	15,799	31,527	47,364	94,967	311,385	197,777	371,660	884,113	4,426,991
Intangible assets	26,275,598	647	1,293	1,940	3,881	7,761	8,237	15,524	37,719	26,198,596
Deferred tax assets	1,447,553	75,991	-	-	-	-	-	1,371,562	-	-
	<b>399,055,450</b>	<b>87,604,657</b>	<b>59,097,289</b>	<b>29,351,010</b>	<b>104,645,180</b>	<b>50,452,036</b>	<b>13,253,546</b>	<b>14,014,340</b>	<b>8,078,417</b>	<b>32,558,975</b>

### Liabilities

Bills payable	6,164,867	6,164,867	-	-	-	-	-	-	-	-
Borrowings	23,399,389	6,835,486	8,124,609	6,011,959	17,473	33,338	373,987	739,952	1,262,585	-
Deposits and other accounts	266,598,571	23,765,305	14,423,041	14,430,109	27,797,441	185,513,655	669,020	-	-	-
Sub-ordinated loans	2,750,000	250,000	-	-	-	-	-	-	2,500,000	-
Other liabilities	44,718,555	1,833,477	12,615,826	1,852,128	25,214,583	883,373	832,474	1,356,268	130,046	380
	<b>343,631,382</b>	<b>38,849,135</b>	<b>35,163,476</b>	<b>22,294,196</b>	<b>53,029,497</b>	<b>186,430,366</b>	<b>1,875,481</b>	<b>2,096,220</b>	<b>3,892,631</b>	<b>380</b>
	<b>55,424,068</b>	<b>48,755,522</b>	<b>23,933,813</b>	<b>7,056,814</b>	<b>51,615,683</b>	<b>(135,978,330)</b>	<b>11,378,065</b>	<b>11,918,120</b>	<b>4,185,786</b>	<b>32,558,595</b>

### Net assets

Share capital	38,715,850
Reserves	5,068,628
Unappropriated profit	6,846,940
Surplus on revaluation of assets - net	825,841
Minority interest	3,966,809
	<b>55,424,068</b>

2011

	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
----- (Rupees in '000) -----										
<b>Assets</b>										
Cash and balances with treasury banks	26,293,151	26,293,151	-	-	-	-	-	-	-	-
Balances with other banks	3,204,253	3,204,253	-	-	-	-	-	-	-	-
Lendings to financial institutions	20,205,971	20,205,971	-	-	-	-	-	-	-	-
Investments	104,040,114	15,000,084	6,369,343	13,675,077	50,030,009	3,712,716	2,747,801	12,030,213	474,871	-
Advances	137,308,880	23,355,382	27,266,307	14,262,569	11,680,496	38,042,665	6,584,690	8,043,275	6,638,296	1,435,200
Other assets	37,565,179	867,210	17,879,305	7,601,366	9,177,415	873,854	14,703	745,726	405,600	-
Operating fixed assets	6,437,023	25,227	50,452	75,678	152,018	385,152	303,918	605,428	1,513,569	3,325,581
Intangible assets	26,413,335	2,298	4,598	6,897	13,795	27,590	28,354	55,182	137,952	26,136,669
Deferred tax assets	2,719,906	-	-	-	-	-	-	2,719,906	-	-
	<b>364,187,812</b>	<b>88,953,576</b>	<b>51,570,005</b>	<b>35,621,587</b>	<b>71,053,733</b>	<b>43,041,977</b>	<b>9,679,466</b>	<b>24,199,730</b>	<b>9,170,288</b>	<b>30,897,450</b>

### Liabilities

Bills payable	4,576,789	4,576,789	-	-	-	-	-	-	-	-
Borrowings	19,361,864	2,471,056	10,724,431	4,712,443	579,614	429,525	-	430,172	14,623	-
Deposits and other accounts	235,874,584	25,538,421	13,902,224	14,246,141	24,949,506	156,276,113	962,179	-	-	-
Sub-ordinated loans	699,200	199,200	-	-	250,000	250,000	-	-	-	-
Other liabilities	48,016,637	1,996,949	16,274,049	953,256	22,303,002	3,440,775	1,896,155	918,279	234,172	-
	<b>308,529,074</b>	<b>34,782,415</b>	<b>40,900,704</b>	<b>19,911,840</b>	<b>48,082,122</b>	<b>160,396,413</b>	<b>2,858,334</b>	<b>1,348,451</b>	<b>248,795</b>	<b>-</b>
	<b>55,658,738</b>	<b>54,171,161</b>	<b>10,669,301</b>	<b>15,709,747</b>	<b>22,971,611</b>	<b>(117,354,436)</b>	<b>6,821,132</b>	<b>22,851,279</b>	<b>8,921,493</b>	<b>30,897,450</b>

### Net assets

Share capital	38,715,850
Reserves	3,879,491
Unappropriated profit	8,940,420
Deficit on revaluation of assets - net	3,323,174
Minority interest	799,803
	<b>55,658,738</b>



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 40.9 Operational Risk

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and impact of external events.

The Country Operational Risk Committee ("CORC") has been established to ensure that an appropriate risk management framework is in place at a grass root level, and to report, monitor and manage operational, social, ethical and environmental risk. The CORC is chaired by the CEO, and CRO is an active member of this forum.

All business units within the Bank monitor their operational risks using set standards and indicators. Significant issues and exceptions are reported to CORC and are also picked up by the independent Risk function for discussion at the Risk Committee chaired by the CRO. Disaster recovery procedures, business contingency planning, self-compliance assurance and internal audits also form an integral part of the operational risk management process.

## 41. ISLAMIC BANKING BUSINESS

The Bank is operating with 14 Islamic Banking branches as at the end of 2012 (2011: 15).

	Note	2012	2011
----- (Rupees in '000) -----			
<b>41.1 Balance Sheet</b>			
<b>Assets</b>			
Cash and balances with treasury banks		1,967,261	1,369,457
Balances with other banks		5,537,533	-
Due from Financial Institutions		500,000	500,000
Investments		8,685,651	5,923,668
Islamic Financing and Related Assets	41.1.1	18,575,327	20,355,861
Operating fixed assets		209,301	216,255
Other assets		395,812	340,135
		<b>35,870,885</b>	28,705,376
<b>Liabilities</b>			
Bills payable		10,108	3,103
Due to Financial Institutions		1,368,000	1,922,500
Current Accounts		16,020,883	8,846,563
Saving Accounts		10,784,418	4,182,275
Term Deposits		3,200,580	3,420,838
Others		27,390	83,844
Deposit from Financial Institutions -Remunerative		206,593	-
Deposits from Financial Institutions-Non-Remunerative		-	-
Deposits and other accounts		30,239,864	16,533,521
Due to Head Office		449,923	1,685,809
Other liabilities	41.3	806,046	5,638,620
		<b>32,873,941</b>	25,783,554
<b>Net Assets</b>		<b>2,996,944</b>	2,921,822
<b>Represented by:</b>			
Islamic Banking Fund		200,000	200,000
Reserves		-	-
Unappropriated/ Unremitted profit		2,886,293	2,723,154
		<b>3,086,293</b>	2,923,154
Deficit on revaluation of assets - net		(89,349)	(1,332)
		<b>2,996,944</b>	2,921,822

Contingencies and Commitments

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# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

	Note	2012	2011
		----- (Rupees in '000) -----	
<b>Remuneration to Shariah Advisor / Board</b>		<b>1,087</b>	520
<b>Charity fund</b>			
Opening balance		2,023	-
Additions during the year		30,064	6,400
Payments / utilization during the year		(11,676)	(4,377)
Closing balance		20,411	2,023
<b>41.1.1 Islamic Mode of Financing</b>			
Murabaha	41.1.1a	5,516,120	9,932,689
Musharaka	41.1.1b	-	64,563
Dimishing Musharaka	41.1.1c	12,887,191	10,238,647
Others	41.1.1d	172,016	119,962
		<b>18,575,327</b>	20,355,861
<b>41.1.1a Murabaha</b>			
Financings / Investments / Receivables		2,834,787	9,368,073
Advances		2,681,333	564,616
		<b>5,516,120</b>	9,932,689
<b>41.1.1b Musharaka</b>			
Financings / Investments / Receivables		-	64,563
<b>41.1.1c Dimishing Musharaka</b>			
Financings / Investments / Receivables		12,887,191	10,238,647
<b>41.1.1d Others</b>			
Financings / Investments / Receivables		172,016	119,962
<b>41.2 Profit and loss</b>			
Profit / return earned on financings, investments and placements		3,008,214	2,355,604
Return on deposits and others dues expensed		(898,256)	(627,700)
Net spread earned		2,109,958	1,727,904
Provision against non performing financing		172,890	(185,514)
Net spread after provisions		2,282,848	1,542,390
<b>Other income</b>			
Fees, commission and brokerage income		765,288	461,960
Other income		181	7
Total other income		765,469	461,967
<b>Other expenses</b>			
Administrative expenses		(1,785,178)	(797,869)
<b>Profit before taxation</b>		<b>1,263,139</b>	1,206,488
<b>41.3</b>	This includes acceptances of Rs. 661 million (2011: Rs. 5,456 million).		

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2012

## 41.4 Profit and Loss Distribution and Pool Management

The Bank manages following assets pools for profit and loss distribution:

- a) Islamic Export Refinance Scheme (IERS) Musharakah Pool; and
- b) General Depositors Pool

### a) IERS Musharakah Pool

Key features, risks, rewards and calculation of profit/loss of this pool are in compliance with the SBP IER Scheme and the relevant circulars issued by SBP from time to time.

### b) General Depositors Pool

#### i) Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab-ul-Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab-ul-Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of Investments.

#### ii) Parameters used for allocation of profit, charging expenses and provisions

The profit of deposit pool is calculated on all the remunerative assets booked by utilising the funds from the pool after deduction of expenses directly incurred in earning the income of such pool, if any, duly approved by Shariah Advisor. Resultant profit, net of Bank's share as investor, is distributed between Mudarib and Rab-ul-Maal based on declared sharing ratio before start of month. The ratio for Mudarib and Rab-ul-maal was 40:60 (January to November) and 50:50 for the month of December 2012. The directly related costs comprise of depreciation on ijarah assets, takaful premium, documentation charges etc. No general or administrative nature of expense is charged to pools. No provisions against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.

#### iii) Deployment of Mudaraba based deposits

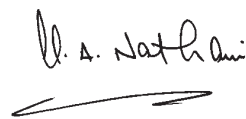
The deposits and funds accepted under the above mentioned pools are provided to diversified sectors and avenues of the economy / business and are also invested in Government of Pakistan backed Ijarah Sukuks.

#### iv) Other information

	2012	2011
Profit rate / weightage announcement frequency	Monthly	Monthly
Mudarib Share / percentage of distributable income	Rs. 475 million / 29%	Rs. 538 million / 32%
Amount / percentage of Mudarib Share transferred through Hiba	Rs. 199 million / 30%	Rs. 143 million / 21%
Average return on pool assets	12.94%	15.26%
Average return on deposits	6.80%	7.62%

## 42. DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on 04 March 2013.



Mohsin Ali Nathani  
Chief Executive



Najam I. Chaudhri  
Director



Parvez Ghias  
Director



Shahid Zaki  
Director

# Consolidated Financial Statements

## Annexure-1

Statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above as required under sub-section (3) of section 33A of the Banking Companies Ordinance, 1962 during the year ended 31 December, 2012.

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			Total Balance
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	
1	TASNEEM AMIN	C 148 BLOCK 6 GULSHAN E IQBAL, KARACHI	42201-3475461-9	AMIN UDDIN	19,988,686	14,315,185	-	34,303,872	10,488,686	14,315,185	-	24,803,872
2	RAVIN	2-B SHIREEN COURT M.T.KHAN LALAZAR QUEENS ROAD NEAR BAHRIA COMPLEX KARACHI	42000-0523281-7	RAJKUMAR	18,345,075	9,928,161	-	28,273,236	7,204,401	9,928,161	-	17,132,561
3	MUHAMMAD ASLAM	FLAT # D - 27, 4TH FLOOR, NOMAN HEAVEN, BLOCK 15, GULISTAN-E-JOHAR, FB AREA, KARACHI	42201-9146405-7	ABDUL JABBAR QURESHI	15,891,422	12,725,342	-	28,616,765	4,289,971	12,725,342	-	17,015,314
4	NAZIR AHMED TUNIO	HOUSE # 6/A, HASAN HOMES, CLIFTON DHA KARACHI	42301-6677758-9	ALI GOHAR TUNIO	15,272,449	9,157,920	-	24,430,369	4,721,119	9,157,920	-	13,879,039
5	S SALMAN HASSAN	B 152 BLOCK L NORTH NAZIMABAD, KARACHI	42101-9517941-9	SYED SARFARAZ HASSAN	14,216,994	6,621,614	-	20,838,608	6,216,994	6,621,614	-	12,838,608
6	AFSHAN TARIQ JUNEJO	53/11, 20TH STREET KHAYABAN-E-BADBAN PHASE V, D.H.A, KARACHI	42301-1085525-2	TARIQ SHAMSHER JUNEJO	14,957,085	6,490,848	-	21,447,933	4,487,299	6,490,848	-	10,978,147
7	AYAZ KHAN	H # 4 A/1, 4TH STREET PHASE I, DHA KARACHI	42301-6132377-7	SHEIKH AMEER MUHAMMAD	12,520,595	5,256,900	-	17,777,495	4,833,235	5,256,900	-	10,090,135
8	MUHAMMAD ILYAS KHAN	HOUSE NO 5 14-B-1 TOWN SHIP LAHORE	35202-2384224-5	MUHAMMAD IBRAHIM KHAN	15,494,687	4,578,298	-	20,072,985	4,519,191	4,085,221	-	8,604,412
9	GHULAM SAFDAR RASOOL	11-J, SUN FLOWER HOUSING SCHEME, MAIN CANAL ROAD, NIAZ BEG THOKAR F-10/2, LAHORE	61101-7423737-9	GHULAM RASOOL	20,552,347	9,938,377	-	30,490,724	2,552,347	6,043,522	-	8,595,869
10	MUHAMMAD MUBEEN	H NO 104, BLOCK H PHASE 4, DHA, LAHORE	35201-2104588-7	MUHAMMAD ASIF	10,992,394	4,583,178	-	15,575,572	8,340,873	99,587	-	8,440,460
11	AISHA PERVAIZ	HOUSE #38, B/2, MAIN KAYABAN-E-BAHRIA, PHASE-7, DHA KARACHI	42201-9872187-8	PARVAIZ NISAR	7,720,320	6,342,175	-	14,062,494	1,920,320	6,342,175	-	8,262,494
12	MUHAMMAD KAHALID SHAHBAZ	HOUSE NO P-60 STREET NO1 SARFARAZ COLONY PEOPLES COLONY NO 2, FAISALABAD	33100-7004342-3	AMIR U DIN SHAHBAZ RANA	11,428,960	4,319,340	-	15,748,301	3,428,960	4,319,340	-	7,748,301
13	CHAUDHRY MUHAMMAD SALEEM	327 H-BLOCK CANAL BANK JOHAR TOWN LAHORE.	35201-3111859-7	ABDUL HAMEED	3,397,810	5,056,210	-	8,454,021	2,113,505	5,056,210	-	7,169,716
14	SYED AHMED OBAID	50-Q,101, BLOCK 2, KARACHI PECHS, KARACHI	42201-4509479-1	MIR MAKHDOOM ALI	19,670,943	9,257,595	-	28,928,538	3,670,943	3,416,287	-	7,087,230
15	S GHALIB HUSSAIN	H NO L 19 BLOCK 13 GULSHAN E IQBAL, KARACHI	42000-0450344-3	SYED SHAUKAT HUSSAIN	8,196,389	2,629,917	-	10,826,306	6,875,002	192,604	-	7,067,606
16	ASIF ALI	HOSUE NO 40 16 ST MOHAMMADI TRADE GARI KHATAR, KARACHI	42000-0501723-1	ASHIQ HUSSAIN	9,129,484	3,806,747	-	12,936,231	2,729,484	3,806,747	-	6,536,231
17	SYED NASIR IQBAL	81/3 30TH STREET KHAYABAN E SEHAR PHASE 6 DHA, KARACHI	42301-6174606-7	SYED MOHAMMAD IQBAL	13,994,619	5,779,011	-	19,773,630	574,619	5,779,011	-	6,353,630
18	SAHIBZADA SHAHID ABBAS	FLAT NO-G-107, 1 FLOOR, P/NO G-3 MARINE HEIGHT-2,, KARACHI	42301-8463191-9	SHEIKH MUSTAFA	8,620,150	3,631,174	-	12,251,324	2,520,150	3,631,174	-	6,151,324
19	NAEEM ABID	ST NO 4, NOUMAN CLINIC GULZAIB COLONY MUMTAZ ABAD, MULTAN	36602-0992315-7	MUHAMMAD SHARIF SIAL	7,899,573	2,387,334	-	10,286,907	5,932,821	193,729	-	6,126,549
20	SYED MUHAMMAD ILYAS	H # 37, ST # 8-A, SAWAMI NAGAR 45 LINK G T ROAD LAHORE	35202-2707523-9	SYED SAJJAD ALI	5,832,395	2,615,013	-	8,447,408	3,504,388	2,615,013	-	6,119,401
21	ABDUL GHAFUOR QURESHI	HOUSE NO 408 1 SHADMAN COLONY, LAHORE	35202-8703983-5	RAFIQ AHMAD QURESHI	8,012,612	3,469,240	-	11,481,852	2,553,747	3,469,240	-	6,022,987
22	MUHAMMAD MOEEN SAFDER	HOUSE # 885 E BLOCK JOHAR TOWN JOHAR TOWN, LAHORE	35202-6388663-3	SAFDER HUSSAIN	3,066,557	4,128,580	-	7,195,136	1,834,727	4,128,580	-	5,963,307
23	JAMSHAD SHAHDIN	6- COMMERCIAL ZONE LIBERTY MARKET GULBERG LAHORE	35202-2460531-7	MIAN SHAHDIN	10,792,253	4,310,434	-	15,102,687	1,295,071	4,310,434	-	5,605,505
24	MUHAMMAD SHAHBAZ	38/12 ICHRA ROAD NEAR USMAN BAZAR LAHORE	35202-2730416-3	SARAJ DIN	3,039,241	3,902,578	-	6,941,819	1,658,415	3,902,578	-	5,560,993

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Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
25	FAYYAZ AHMED	HOUSE NO 228 STREET NO 51 F-10/4, ISLAMABAD.	61101-5494173-9	M ASGHAR	11,729,169	4,191,669	-	15,920,839	1,321,788	4,191,669	-	5,513,457
26	SYEDA RUBINA MASOOD	FLAT NO B 804 BELL VIEW APPT BLOCK 5 CLIFTON 8TH F, KARACHI	42301-8760443-0	SYED MOHAMMAD MASUD	7,497,711	3,253,800	-	10,751,511	2,257,711	3,253,800	-	5,511,511
27	PERVAIZ ALI KHAN	538 SHEET# 2 UPPER GIZRI KARACHI	42301-5803375-5	SHER ALI KHAN	7,913,635	3,297,612	-	11,211,247	2,213,635	3,297,559	-	5,511,194
28	SAIF ULLAH SAIFEE	BUNGLOW # 48 , STREET # 1 , OFF KHAYABAN-E-RAHAT , PHASE - VI , D.H.A. , GULSHAN -E-IQBAL, KARACHI	42301-8040845-9	ATTA ULLAH	11,027,262	3,456,039	-	14,483,302	2,000,000	3,456,039	-	5,456,039
29	JAMILA HASHMI	H NO 63 21 ACRE SCHEME SAMANABAD, LAHORE	35202-2832633-4	SAIFULLAH KHAN	7,794,942	3,380,695	-	11,175,636	1,894,942	3,380,695	-	5,275,636
30	NASIR MEHMOOD BUTT	C-36, DARAKSHAN VILLAS, BEACH AVENUE D.H.A. PHASE VI, KARACHI	42201-0656385-5	GHULAM HUSAIN BUTT	7,447,066	102,586	-	7,549,652	5,130,666	102,586	-	5,233,252
31	MAHMOOD UZZAMAN KHAN	F-33 CLIFTON BLOCK-5 CLIFTON, KARACHI	42301-9408201-1	QAMAR UZZAMAN KHAN	5,722,265	3,427,084	-	9,149,349	1,631,962	3,427,084	-	5,059,046
32	MOHAMMAD YASIR	PLOT# 5 MODERN COLONY MANGHOPIR ROAD SITE KARACHI	42301-2879959-1	MOHAMMAD ALAM KHAN	19,996,361	5,048,945	-	25,045,306	-	5,048,945	-	5,048,945
33	IRFAN AHMAD	329-F JOHAR TOWN JOHAR TOWN, LAHORE	33301-0889147-1	NASARULLAH LHAN	3,176,472	3,467,600	-	6,644,072	1,352,600	3,467,600	-	4,820,200
34	AASHIK ALI BHUTTO	F 5 BLOCK 3 K D A SCHEME 5 KEHKESHAN CLIFTON, KARACHI	42301-5708962-5	NAWAB NABI BAKHSH	2,695,717	2,583,529	-	5,279,247	2,145,717	2,583,529	-	4,729,247
35	MALIK ABID MEHMOOD	H NO 159-B ST NO 21 GULZAR-E-QAID RAWALPINDI	37105-4787453-1	MALIK FAQEER MOHAMMAD	8,027,441	3,252,471	-	11,279,912	1,404,264	3,252,471	-	4,656,735
36	MUHAMMAD AFZAL	HOUSE NO 36 STREET NO 1 AL- MASOOM TOWN, FAISALABAD	33100-6212013-7	MALIK GHULAM RASOOL	5,358,667	2,008,067	-	7,366,733	4,443,734	202,928	-	4,646,662
37	SHAISTA AZIZ UR REHMAN	122 /2 KHAYABAN-E-MUHAFAZ PHASE 6 D.H.A KARACHI	42301-0766504-4	AZIZ UR REHMAN	24,804,741	2,620,104	-	27,424,846	1,995,528	2,620,104	-	4,615,632
38	JUNAID YOUNUS	50-G/2, P.E.C.H SOCIETY KARACHI	42201-0459361-5	NAWAB MOHAMMAD YOUNUS	4,626,696	2,562,281	-	7,188,977	1,999,286	2,562,281	-	4,561,567
39	MAQBOOL HUSSAIN	H.NO.3 LUCHMEN STREET LAKE ROAD LAHORE	35401-7043968-9	MOHAMMAD ALI	4,635,464	3,742,269	-	8,377,733	776,968	3,742,269	-	4,519,237
40	MADAN LAL	FLAT # D / 5 / 2,IQBAL CENTRE M.A JINNAH ROAD PECHS, KARACHI	42301-3049885-1	RAM RATTAN	7,305,174	3,125,760	-	10,430,933	1,375,090	3,125,760	-	4,500,850
41	SHEIKH MOHAMMAD ARSHAD JABBAR	FLAT # D - 27, NOMAN HEAVEN, 4TH FLOOR, B / 15, GULISTAN-E-JOHAR, GULSHAN -E- IQBAL, KARACHI	42201-1752658-3	ABDUL JABBAR QURESHI	4,575,548	3,452,463	-	8,028,012	1,023,868	3,452,463	-	4,476,331
42	SUGHARA MAZHAR	FLAT NO 11 HANGING GARDEN KHYABAN E ROOMI CLIFTON, KARACHI	42301-5135515-2	S M MAZAHAR	2,395,909	3,756,733	-	6,152,642	718,772	3,756,733	-	4,475,505
43	JAVED AKHTAR KHAN	H#314 ST#19 RA BAZAR LAHORE CANTT, LAHORE	35201-1555080-3	NIAZ GUL (LATE)	5,186,656	920,093	-	6,106,749	3,808,698	426,078	-	4,234,775
44	MOHAMMADI DURBAR	PLOT NO 53 A BLOCK 7 DAWOODI BOHRA SOCIETY NEAR K, KARACHI	42201-9513357-5	SHUJAUDDIN	7,497,383	3,155,298	-	10,652,681	997,383	3,155,298	-	4,152,681
45	SHEIKH AMJAD IQBAL	90-HH D.H.A DHA LAHORE	35202-4339678-7	SHEIKH MOHAMMAD NAZIR	6,198,387	2,783,387	-	8,981,775	1,280,458	2,783,387	-	4,063,846
46	MEHRUNISA SAIMA MAZARI	138 EDEN EVENUE DEFENCE ROAD CANTT LAHORE.	35201-6914707-4	SARDAR SALIM JAN	4,702,373	2,638,673	-	7,341,047	1,081,688	2,638,673	-	3,720,361
47	MUHAMMAD QASIM QURESHI	151-B BLOCK ,FAISAL PARK GULSHAN RAVI LAHORE	35202-6210868-1	ABDUL QADIR QURESHI	3,698,450	1,515,699	-	5,214,149	3,048,450	347,794	-	3,396,245
48	MUHAMMAD HAFEEZ	HOUSE NO.H-75 BLOCK-H CANTT BAZAR MALIR CANTT KARA, KARACHI	42501-1542491-7	MUHAMMAD YOUSUF CHEEMA	4,858,273	2,128,489	-	6,986,762	1,158,273	2,128,489	-	3,286,762
49	SADAQAT MEHMOOD SAHRAN	STREET NO 2 ALLAMA IQBAL COLONY JINNAH ROAD, GUJRANWALA	34101-7541547-1	MOHAMMAD BASHIR SAHRAN	5,083,998	2,092,011	-	7,176,010	3,209,148	59,090	-	3,268,238
50	MUHAMMAD ARIF	HOUSE # 58-59, BLOCK B, KAZIMABAD, MODEL COLONY, JINNAH AV RD MALIR, KARACHI	42501-8073619-7	SHER BAHADUR	2,741,793	2,042,527	-	4,784,320	1,218,381	2,042,527	-	3,260,908
51	MANZOOR HUSSAIN	GRAIN MARKET BUREWALA VEHARI	36601-1556067-7	KHUDA BUKHSH KHAN	4,998,233	1,952,186	-	6,950,419	1,247,533	1,952,186	-	3,199,719

# Consolidated Financial Statements

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Amounts in PKR

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
52	SUPER TEXTILE	SUPER TEXTILE INDUSTRY KASHMIR ROAD NEAR HUDBAIBIA MASJID IHSAN CHUGTAI STREET OPP POLICE STATION DHULLAY G, GUJRANWALA	34101-1529454-9	MUHAMMAD HUSSAIN	4,165,783	1,562,593	-	5,728,376	3,009,298	99,042	-	3,108,339
53	IRFAN QASIM	B 5 HASHOO GARDEN 63 GARDEN EAST, KARACHI	42201-0589650-3	QASIM ALI SHER ALI	4,199,766	1,608,469	-	5,808,235	3,017,648	75,324	-	3,092,972
54	SAJID TANVEER GILL	HOUSE NO. 09, STREET NO. 5/10, DHOBI GHAT, FAISALABAD	33100-8773465-9	CHAUDRY GHAFOOR AHMED	3,498,896	1,456,501	-	4,955,397	2,916,297	126,474	-	3,042,771
55	SYED HASAN TALIB	FLAT # H-5, JASON PARADISE, BLOCK-7 BOAT BASIN, CLIFTON, KARACHI	42301-3357140-3	SYED SHOKET HUSSAIN	3,571,425	1,646,480	-	5,217,905	1,266,071	1,646,480	-	2,912,550
56	ARSHAD SOHAIL	HOUSE NO AA 1392/B ST NO 15 GULSHAN ABAD, RAWALPINDI	37405-5460518-9	CHAUDRY GHULAM MOHAMAD	3,493,345	1,149,974	-	4,643,319	2,786,303	85,394	-	2,871,697
57	MUHTISHIM RAZA	140-G, ASKARI 4, GULISTAN E JOHAR, RASHID MINHAS ROAD, GULISTAN -E- JOHAR, KARACHI	42201-8955402-3	ASLAM RAZA	4,845,046	1,756,634	-	6,601,680	1,069,381	1,756,634	-	2,826,015
58	SYED ABDUL MOBEEN	H # 12-B, EAST AVENUE PHASE I, DHA, KARACHI	42201-0161533-9	S. A. SATTAR	3,798,101	1,569,337	-	5,367,438	1,138,101	1,569,337	-	2,707,438
59	MOHAMMAD NADEEM	HOUSE NO 45-C, 5TH EAST STREET, PHASE 1, D.H.A, KARACHI	42301-1964901-5	ALTAF HUSSAIN	6,178,090	1,384,025	-	7,562,115	1,197,669	1,384,025	-	2,581,694
60	ANAS MUSTAFA	E-65, BLOCK F, NORTH NAZIMABAD, 74700 DHA KARACHI	42101-8565282-5	HASAN ABBAS	5,287,274	1,701,256	-	6,988,529	1,287,274	1,243,919	-	2,531,193
61	MUHAMMAD NASIR MEHMOOD	HOUSE NO 649-B PEOPLES COLONY NO -1 NEAR REHMANIA MASJID FAISALABAD	33100-9772241-7	SHEIKH SHOUKAT ALI	4,299,255	1,201,691	-	5,500,946	2,419,611	76,385	-	2,495,996
62	MUHAMMAD IBRAHIM	HOUSE # A-28, ROW NO. 11, BLOCK-B, PROJECT NO. 1, NATIONAL CEMENT CO-OPERATIVE HOUSING SOCIETY LTD, KHI NATIONAL CEMENT CO-OPERATIVE HOUSING SOCIETY LTD, KARACHI	42000-0410284-7	FAJRO KHAN	4,431,246	1,497,568	-	5,928,814	982,176	1,497,568	-	2,479,744
63	MUMTAZ ABBASI	HOUSE NO 592 NEAR KAREMADE MKT AFSHAN COLONY, RAWALPINDI	37405-8243976-5	NIYAZ AHMED ABBASI	3,486,227	1,394,491	-	4,880,718	1,161,727	1,259,923	-	2,421,650
64	SALIM SHER ALI	HOUSE# D-4, BLOCK -7 KEHKASHAN CLIFTON CLIFTON, KARACHI	42301-0918526-3	SHER ALI MOHAMMAD	4,604,738	1,415,808	-	6,020,545	1,002,879	1,415,808	-	2,418,687
65	QISAR SHAHZAD	HOUSE NO E-65-A BLK E SATELLITE TOWN, ISLAMABAD	61101-9641807-9	SHEIKH MOHAMMAD SHARIF	4,228,228	1,751,478	-	5,979,705	628,228	1,751,478	-	2,379,705
66	TARIQ AHMED KHAN	H#390, BLOCK 2 AZIZABAD FB AREA GULBERG FB AREA, KARACHI	42101-1045637-7	FAUZULLAH KHAN	2,764,600	1,716,558	-	4,481,158	621,079	1,716,558	-	2,337,637
67	MUHAMMAD SALEEM	FLAT # 012-A-1 BLOCK 13-D/3, SAVANA CITY GULSHAN-E-IQBAL GULISTAN -E- JOHAR, KARACHI	42201-7637097-7	NOORUL ISLAM	6,640,086	1,685,973	-	8,326,059	1,317,354	991,091	-	2,308,445
68	IMDAD HUSSAIN	P 348 DOST STREET SAMUNDRI ROAD, FAISALABAD	33100-5732983-1	MAZHER HUSSAIN	5,890,152	1,386,055	-	7,276,207	883,522	1,386,055	-	2,269,577
69	IRSHAD HUSSAIN	B-128, BLOCK H, NORTH NAZIMABAD, NORTH NAZIMABAD, KARACHI	42301-4460042-5	ALTAF HUSSAIN	11,016,108	1,075,417	-	12,091,525	1,180,208	1,075,417	-	2,255,625
70	MUSHTAQ AHMED	FLAT # 706/G3 HAMILTON COURT NEAR III TALWAR GULSHAN -E IQBAL, KARACHI	42301-0966121-9	MOHAMMAD HUSSAIN	1,737,925	1,662,090	-	3,400,014	546,762	1,662,090	-	2,208,852
71	KHAWAJA ADNAN LOAN	HOUSE NO 55 B PHASE 3 GULBERG 3, LAHORE	35202-6949617-1	KHUWAJA GHULAM NABI LOAN	9,938,809	2,206,724	-	12,145,533	-	2,206,724	-	2,206,724
72	MUHAMMAD IMRAN	CH. MUHAMMAD TUFAIL & COMPANY 9-G GRAIN MARKET TEH & DISTT VEHARI	36601-3218987-5	SHAH M ASLAM	3,491,381	1,308,547	-	4,799,929	871,381	1,308,547	-	2,179,929

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Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
73	BARAT KHAN	B IV 1391 HAIDER STREET CORNAL YOUSAF COLONY MUSLI, ISLAMABAD	37405-0442210-3	SYED KARIM	3,299,120	1,150,305	-	4,449,425	2,078,659	82,556	-	2,161,215
74	SYED MOHAMMAD ANWAR MOIN	HOUSE 2, STREET 11, FIRDOS COLONY, NAZIMABAD, CLIFTON, KARACHI	42101-1528377-9	SYED MOHAMMAD MOIN	1,736,480	1,314,544	-	3,051,024	837,986	1,314,544	-	2,152,530
75	INAYAT ULLAH SHEIKH	H#14-B AL RAHIM HOUSE JUSTICE HAMEED COLONY NISHTAR ROAD MULTAN	36302-1181194-7	HAJI RAHIM ULLAH SHEIKH	3,142,526	1,309,546	-	4,452,073	833,631	1,309,546	-	2,143,178
76	KHURAM ZAFAR	C-195, BLOCK-10, F.B AREA., KARACHI	42101-1820309-3	ZAFAR MOHAMMAD QURESHI	3,424,388	1,114,056	-	4,538,444	1,002,574	1,114,056	-	2,116,630
77	ABDUL MAJEED	H NO 622 ST NO 53 SECTOR I 10/1, ISLAMABAD	61101-9229623-1	JAMAL DIN	2,295,533	955,991	-	3,251,524	1,895,096	202,286	-	2,097,382
78	ZAHEER TAJ BHATTI	HOUSE NO 20 E E BLOCK SAIDPUR ROAD SATELITE TOWN, ISLAMABAD	37405-6967956-5	TAJ MOHAMMAD BHATTI	5,849,783	2,097,132	-	7,946,915	(0)	2,097,132	-	2,097,132
79	MUHAMMAD IBRAHIM	PLOT# 2-C, PENT HOUSE, 26TH STREET, PHASSE-V, DHA KARACHI	42301-5419982-3	MOHAMMAD ILLYAS QURESHI	2,016,893	1,525,440	-	3,542,333	565,037	1,525,440	-	2,090,477
80	NAIAZ AHMED KHOKAR	R-168 AREA 37 F & J KHURRAM ABAD KANDHI # 1 CLIFTON, KARACHI	42201-8485156-9	NISAR AHMED KHAN	997,725	1,262,906	-	2,260,631	823,574	1,262,906	-	2,086,480
81	NADEEM KHAN	ZANIB HOUSE# 122/H, M A JOHAR TOWN , LAHORE	35202-1323179-9	SHAFIQ AHMED KHAN	2,428,616	1,434,282	-	3,862,898	644,443	1,434,282	-	2,078,725
82	KHALIL AHMED	H NO 1 MOHALLAH NEELKOT NEAR MASJID ANWAR E MADINA, MULTAN	36302-6692564-7	HAJI QADIR BUKHSH	3,198,492	1,224,814	-	4,423,306	1,809,420	221,824	-	2,031,244
83	MUHAMMAD HUSSAIN	CHANDINI ICE CREAM & JUICE CENTRE, RAFIQUE SQUARE, UNIT # 7 SHOP # 1, LATIFABAD, HYDERABAD	41304-7129158-5	MOHAMMAD HANIF	2,247,287	1,400,547	-	3,647,834	620,050	1,400,547	-	2,020,597
84	SHAUKAT HAYAT	FLAT # 203, 2ND FLOOR ,SAIEMA HEAVEN BLOCK 4, GULS, KARACHI	42201-9392820-5	SIRAJ MOHAMMAD	2,496,489	1,038,671	-	3,535,159	1,901,801	95,358	-	1,997,159
85	SHAUKAT ALI BAHATTI	H # 31, ST # 01 NEAR RAILWAY LINE MADINA COLONY, MULTAN	36302-1203629-7	M SHAREEF	3,661,293	1,344,982	-	5,006,275	620,293	1,344,982	-	1,965,275
86	OMAR SAQIB KHAN	SENSEI 14A/II, NORTH CENTRAL A5ENUE PH.-I DHA KARACHI	42301-2409731-5	NAJAM UL SAQIB KHAN	1,931,558	406	-	1,931,964	1,931,558	406	-	1,931,964
87	SHAHID NADEEM	352/4, B1, TOWNSHIP LAHORE.	35202-4949812-3	AHMED ALI	2,662,425	1,088,279	-	3,750,704	772,975	1,088,279	-	1,861,254
88	SHANAWAZ	FLAT NO 39 HANSING GARDEN BLOCK 5 CLIFTON, KARACHI	42301-8672224-7	MIRAN BAKHSH	2,586,690	1,077,731	-	3,664,420	761,273	1,077,731	-	1,839,003
89	RIZWAN AKRAM	H NO 1/1 B ST NO 8 BL I AL FAISAL TOWN GHAZI ROAD, LAHORE	35201-3362824-7	MOHAMMAD AKRAM KHAN	2,760,828	1,148,574	-	3,909,402	689,828	1,148,574	-	1,838,402
90	MUHAMMAD KHALID	HOUSE # 528, BLOCK # III, ZINDA PIR STREET, MASAN ROAD, KAMARI BHITA VILLAGE, KAMARI, GULSHAN -E- MAYMAR, KARACHI	42401-1910873-1	ABDUL HAMEED	2,668,875	1,118,379	-	3,787,253	719,429	1,118,379	-	1,837,808
91	S GOHAR ABID	H NO 42 FAROOQ AZAM TARQ COLONY MULTAN ROAD, LAHORE	35200-1423121-1	SYED ALI ABID	2,533,493	141,114	-	2,674,606	1,774,486	55,386	-	1,829,872
92	DR.SHAHIDA YAHYA JAN	H.NO 186 STREET-6 SECTOR L-1 PHASE-III HAYATABAD PESHAWAR.	17301-5606750-2	MOHAMMAD YAHYA KHAN	1,999,778	1,180,806	-	3,180,584	565,735	1,180,806	-	1,746,541
93	MUJAHID NAWAZ	14 NATIONAL COLONY REHMAN PURA PUNJAB GOVT EMPLOEES HOUSING SOCIETY, LAHORE	35202-5073228-9	MOHAMMAD NAWAZ	4,231,050	1,725,945	-	5,956,995	997,156	734,069	-	1,731,225
94	SALEEM ANEES AHMED	HOUSE 60 SHARFABAD STREET NO. 4 BLOCK-3 BAHADURABAD KARACHI	42201-4430506-5	ANIS AHMED	2,890,090	956,574	-	3,846,664	739,815	956,574	-	1,696,388
95	ATA-UR-REHMAN	HOUSE NO. 12 STREET NO. 6 MAIN BAZAR SAID PUR MULTAN ROAD LAHORE.	35202-5144511-9	MOHAMMAD ASHIQ	2,251,760	938,954	-	3,190,714	1,551,760	130,627	-	1,682,388

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96	NASREEN BEGUM	H NO 9 JAHANGIR PARK NEW MOZANG, LAHORE	35202-2836479-8	FAZAL HAQ QURESHI	1,980,507	426,072	-	2,406,579	1,436,207	230,611	-	1,666,818
97	ASIF HUSSAIN	H 3 240 MAIN BAZAR JANI PURA SINGH PURA LAHORE	35201-1535092-1	KHUSHI MOHAMMAD	2,394,633	1,067,082	-	3,461,715	598,533	1,067,082	-	1,665,615
98	BASHIR AHMED	HOUSE # 430/2, STREET # 1, SIHAM ROAD, RAWALPINDI	61101-1966669-1	BASHIR AHMED	3,474,986	1,661,749	-	5,136,735	(4)	1,661,749	-	1,661,746
99	AMANULLAH KHAN	HOUSE NO 195 STREET 07 ASKARI 10, RAWALPINDI	37405-9448114-7	MUHAMMAD ASHRAF KHAN	6,870,401	285,882	-	7,156,283	1,374,080	285,882	-	1,659,962
100	SAMI UZ ZAMAN	HOUSE # 8, GANJ BAKHS ROAD BHAI BHAI STREET, CHHRA 02 LAHORE	35202-2705751-9	MUHAMMAD ANWAR	2,597,638	1,002,574	-	3,600,212	647,638	1,002,574	-	1,650,212
101	AMEER ALI	HOUSE NO. 17 MUHAMMADI BLOCK LAHORE.	35202-4851043-3	ANWER ALI	4,532,758	854,226	-	5,386,984	776,961	854,226	-	1,631,187
102	MIRZA M AKBER BAIG	H.NO D 1 , REHMAN VILLAS SHAH KHAWAR TOWN, LAHORE CANTT.	35201-5361680-5	MIRZA MEHBOOB BAIG	3,395,743	1,069,291	-	4,465,035	903,363	682,550	-	1,585,913
103	IJAZ WEAVING	CHAK # 7.J.B MAKKAH STATE SARGODHA ROAD, FAISALABAD	33100-5425160-3	RIAZ AHMED	2,748,206	1,031,273	-	3,779,479	549,642	1,031,273	-	1,580,915
104	ABDUL GHANI	237/1 C STREET NO 7 OFFICER COLONY 2, FAISALABAD	33100-2487660-9	NAWAB DIN	2,173,258	838,316	-	3,011,575	1,558,817	14,786	-	1,573,603
105	MUHAMMAD LATIF	ADDA CHAK NO 112 EB RAJAY WALA BUREWALA DIST.VEHARI	36601-1601910-5	M HANIF	3,174,042	1,072,260	-	4,246,302	474,042	1,072,260	-	1,546,302
106	MUHAMMAD HUSSAIN MUGHAL	79-80,4-B-1 TOWNSHIP LAHORE	35202-5412393-1	KHUSHI MUHAMMAD	1,669,698	1,036,185	-	2,705,883	489,698	1,036,185	-	1,525,883
107	MALIK SOHAIL AKHTER	FLAT NO. 39, 5TH FLOOR, ALI'S APARTMENT PHASE I, D.H.A. KARACHI	42301-0911423-1	MALIK MUHAMMAD HABIBULLAH	2,340,083	1,183,555	-	3,523,638	331,387	1,183,555	-	1,514,942
108	HAMMAD HASSAN CHEEMA	HOUSE NO 80-1, KH-E-HAFIZ, PHASE V1, DHA, KARACHI	61101-9242226-1	MUHAMMAD ASLAM	5,369,770	1,486,718	-	6,856,488	542,871	971,165	-	1,514,035
109	SIKANDAR HAYAT	HOUSE NO.127 BLOCK J SHAH RUKN-E-ALAM COLONY, MULTAN	36102-6327716-7	M NAWAZ	2,497,735	681,891	-	3,179,626	887,735	587,892	-	1,475,627
110	MUHAMMAD AYUB	371-K BLOCK GULISTAN COLONY, FAISALABAD	33100-7727570-7	MOHAMMAD LATIF	1,698,957	100,203	-	1,799,160	1,350,617	100,203	-	1,450,820
111	CHAUDHARY GHULAM MURTAZA	HOUSE # 124, STREET # 42, SECTOR # G-10/4,, ISLAMABAD	61101-9128137-3	GULZAR MUHAMMAD	2,994,167	991,158	-	3,985,325	453,234	991,158	-	1,444,392
112	M SAJID	A 169 BLOCK 15 GULISTAN E JAUHAR, KARACHI	42201-0674545-7	ABID HUSSAIN QURESHI	4,175,307	1,025,113	-	5,200,420	375,307	1,025,113	-	1,400,420
113	NAVEED ANWAR	P-168/B MILLAT CHOWK, GULISTAN COLONY, GULISTAN COLONY, FAISALABAD	33100-7789302-1	RANA ANWAR UL HAQ	2,063,093	955,263	-	3,018,355	421,134	955,263	-	1,376,397
114	MUHAMMAD NAEEM	HOUSE # 03 T/S YAKI GATE LAHORE	35202-3404783-3	MUHAMMAD SALEEM	1,969,950	754,518	-	2,724,468	1,306,682	50,135	-	1,356,817
115	AHMED RAZA	AFTAB TRADERS SHUJABAD ROAD BASTI MALOOK MULTAN	36302-7656380-5	GHULAM HUSSAIN	1,725,265	352,327	-	2,077,593	1,153,593	195,227	-	1,348,819
116	SALMAN QADEER	AURORA BROADCASTING HOUSE NO 238 ST NO 100 SECTOR I-8/4 ISL, ISLAMABAD	42101-1380783-5	ABDUL QADEER	1,190,358	157,248	-	1,347,606	1,190,358	157,248	-	1,347,606
117	M ANWAR ABBASI	HOUSE NO 238 ST NO 100 SECTOR I-8/4 ISL, ISLAMABAD	61101-6402884-1	MOHAMMAD IRFAN	4,996,893	84,879	-	5,081,772	1,246,893	66,539	-	1,313,432
118	ZAHOO AHMED	Z.A. TRADING COMPANY, KHARAL MARKET BY PASS ROAD, RAHIM YAR KHAN, RAHIM YAR KHAN	31303-1218738-9	KHAN MOHAMMAD	2,073,030	675,652	-	2,748,683	1,276,962	33,103	-	1,310,065
119	HABIB AHMED	HOUSE NO. 161, GULGASHT COLONY BUNGLOW NO C 331 PRIME VILLAS GULISTAN E SAJJAD HOUSING SCHEME NEAR BAHRIA SCHOOL CASIMABAD HYD. GULISTAN E SAJJAD HOUSING SCHEME, HYDERABAD	35202-7448813-3	ALLAH DIN	1,030,708	792,557	-	1,823,265	504,323	792,557	-	1,296,880
120	ALJAZ ALI	HOUSE NO. 161, GULGASHT COLONY BUNGLOW NO C 331 PRIME VILLAS GULISTAN E SAJJAD HOUSING SCHEME NEAR BAHRIA SCHOOL CASIMABAD HYD. GULISTAN E SAJJAD HOUSING SCHEME, HYDERABAD	41201-4855874-9	HUSSAIN ALI	686,380	879,323	-	1,565,703	414,524	879,323	-	1,293,847



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					Amounts in PKR							
121	IMRAN	HOUSE NO.B-08 SECTOR Z-III GULSHAN-E-MAYMAR NEAR MINAR WALI MASJID KARACHI GULSHAN -E- MAYMAR, KARACHI	42501-1566892-9	MOHAMMAD SIRAJUDDIN	3,127,836	774,058	-	3,901,894	755,479	531,640	-	1,287,119
122	MOHAMMAD AKHTAR	ST BABU GHULAM HUSSAIN WALY GHAKHAR MANDI DISTT GR, GUJRANWALA	34101-2679831-5	MUHAMMAD SARW	1,190,498	1,071,123	-	2,261,622	190,498	1,071,123	-	1,261,622
123	MUHAMMAD SHUKAT BILAL	AL-MURTAZA TRADERS CHOWK MAKWAL MUZAFARGARH, MULTAN	32304-1550412-5	MIAN M IQBAL	2,094,283	781,068	-	2,875,352	469,283	781,068	-	1,250,352
124	QASIM SHAMSHAD	HOUSE NO 1272 B BLOCK PEOPLES COLONY NO 1, FAISALABAD	33100-3711707-5	SHAMSHAD ALI	1,734,640	624,471	-	2,359,110	1,166,496	35,630	-	1,202,126
125	ZEESHAN ZAFAR	H NO 3 A ANWAR ST 16 ISLAMIA PARK PUNCH ROAD, LAHORE	35202-4139837-7	ZAFAR IQBAL	1,999,891	795,461	-	2,795,351	399,991	795,461	-	1,195,451
126	ZULFIQAR ALI BUTT	50-A/II 4TH SUNSET STREET PHASE-II EXT DHA KARACHI	42301-0908377-3	YOUSAF ALI BUTT	999,997	183,342	-	1,183,339	999,997	183,342	-	1,183,339
127	MIAN ASAD HAMEED	HOUSE #59/ACHOWK MADINA HAQNAWAZ ROAD BEGBAN PURA LA SHOP #1MADINA MARKET MADINA CHOWKHAQ NAWAZ ROADLAHO, LAHORE	35201-1531866-3	MIAN ABDUL	999,244	183,279	-	1,182,523	999,244	183,279	-	1,182,523
128	MUHAMMAD MOHSIN KHAN	270,D-1 JOHAR TOWN JOHAR TOWN, LAHORE	35202-9050144-1	MOHAMMAD ASIF KHAN	1,943,120	918,404	-	2,861,524	393,120	773,110	-	1,166,230
129	AHMED EBRAHIM BAWANY	57 SHAHRAH E IRAN OLD CLIFTON KARACHI 2ND FLOOR HABIB BANK NO 1HABIB SQUARE KARACHI	42401-2033345-5	IBRAHIM AHMED BAWANI	999,190	165,294	-	1,164,484	999,190	165,294	-	1,164,484
130	TARIQ ALI	HOUSE NO 864 NEAR JAMEA MOSQUE ZAKARIYA TOWN BOSA, MULTAN	36302-4082369-1	SHEIKH KHURSHIED ALI	1,998,888	845,983	-	2,844,870	298,888	845,983	-	1,144,870
131	FARHAN AJAZ	E 51 BLOCK 7GULSHAN E IQBALKARACHI C 429 619/ZDHALAHORE	42201-0420351-9	IJAZ-UD-DIN QURESHI	979,627	159,854	-	1,139,482	979,627	159,854	-	1,139,482
132	SYED ZAFAR ABBAS	CANTT LAHORE 1ST FLOORALI COMPLEX EMPRESS ROAD LAHORE	35201-0914900-9	SYED GUL MOHAMMAD SHAH	940,422	154,691	-	1,095,113	940,422	154,691	-	1,095,113
133	MAJID HAMID	22/II/IIIMAIN MUHAFAZPHASE 6 DHAKARACHI 6TH FLOOR NJI BUILDING.II.CHUNDRIGAR ROAD KARACHI	42301-6935318-1	SYED HAMID ALI	897,212	148,053	-	1,045,265	897,212	148,053	-	1,045,265
134	SYED RAZA ALI HASHMI	35-1 KHAYABAN E TARIQPHASE VI D H AKARACHI 301,307 KASHIF CENTRESHAHRAH E FAISAL KARACHI	42301-1083755-9	SYED EQTADAR ALI HASHMI	906,585	138,203	-	1,044,788	906,585	138,203	-	1,044,788
135	MUHAMMAD KHURRAM YAQOOB	258-D, BLOCK SABZAZAR SCHEME LAHORE, MARGHZAR SOCIETY, LAHORE	35202-8405727-5	SHEIKH MOHAMMAD YAQOOB	1,425,663	629,431	-	2,055,094	409,747	629,431	-	1,039,178
136	MUHAMMAD ILYAS	HOUSE # 721 N BLOCK SAMNABAD, LAHORE	35202-2636408-5	HAJI MOHAMMAD BASHIR	1,499,986	649,749	-	2,149,735	374,986	649,749	-	1,024,735
137	MALIK MUMTAZ ALI	H # 950 /10-A, ST # 7 ,DHERRI HASSAN ABAD ,RAWALPINDI, ISLAMABAD	37405-5553673-3	MALIK ASHIQ ELAHI	1,669,044	694,534	-	2,363,579	329,044	694,293	-	1,023,337
138	MOHAMMAD HANIF	DASTGEER TRADERS ADDA RATTA TIBA TEH & DISTT.VEHARI, MULTAN	36603-3290649-3	HAJI MOHAMMAD SHARIF	1,771,000	663,770	-	2,434,770	354,000	663,770	-	1,017,770
139	SHAKEEL AHMED	KASHAN-E-TAJ, BLOCK B, STREET NO. 2, GULBAHAR COLONY,NO. 2 PESHAWAR CITY, PESHAWAR.	17301-4260418-1	RIAZ AHMAD	2,033,151	685,982	-	2,719,133	324,898	685,982	-	1,010,880
140	MUSHTAQ AHMED	ANSAR COLONY BLOCK B STREET NO 3 BUDLA ROAD, MULTAN	38302-3806308-7	M ASHRAF	1,699,362	607,142	-	2,306,504	402,362	607,142	-	1,009,504

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141	ARIF KHALID	HOUSE:72, 11TH LANE OFF KHAYABAN E BADAR PH: 6 DHA KHI - KARACHI	42301-0994647-3	KHALID MEHBOOB	809,276	186,025	-	995,301	809,276	186,025	-	995,301
142	MUHAMMAD SHOAB	S-11, 12 TH LANE, PHASE IV, DHA CLIFTON, KARACHI	42301-4680826-9	ABDUL KARIM	4,208,506	573,052	-	4,781,558	419,109	573,052	-	992,161
143	ABDUL SATTAR ABBASI	H NO 981 AFSHAN COLONY DHOK HOUSE NO.4 ST 2 SINGH PURA BILAL PARK LAHORE.	37405-5094401-9	ABDUL GHAFFAR ABBASI	1,344,672	537,869	-	1,882,541	933,775	28,767	-	962,541
144	KHALID ISLAM	HOUSE NO.4 ST 2 SINGH PURA BILAL PARK LAHORE.	35201-1310179-5	MALIK MOHAMMAD ISLAM	1,557,379	530,781	-	2,088,160	427,740	530,781	-	958,521
145	SHEIKH BADAR ASGHAR	89 ZAKARIA TOWN BOSAN ROAD MULTAN	36302-3581523-7	SHEIKH ASGHER ALI	1,666,306	650,463	-	2,316,769	890,036	49,762	-	939,798
146	M ARIF KALEEM	BHAYANI IMAGE CENTRE FLAT NO A 4 1ST FLOOR PLOT NO, KARACHI	42101-7929513-5	MOHAMMAD KALEEM UR REHMAN	1,400,000	582,543	-	1,982,543	356,000	582,543	-	938,543
147	KHALID MEHMOOD	H#1,50 AL MUMTAZ ROAD PAKKI THATTI SAMANABAD LAHORE	35202-2933348-5	MALIK MUHAMMAD LATIF	1,495,104	617,412	-	2,112,516	298,104	617,412	-	915,516
148	MUHAMMAD IQBAL	GALI # 11, ATTA MUHAMMAD ROAD SHAHEENABAD, GUJRANWALA	34101-2638418-1	KARIM-UD-DIN	1,409,472	587,463	-	1,996,935	301,472	587,463	-	888,935
149	NADEEM AHMED PIPRANI	PLOT # E-94 P-2 EXCELLENT RESIDENCY BLOCK -13-B R.H.S GULSHAN E IQBAL NCECHS, KARACHI	42201-0465743-5	JAN MOHAMMAD PIPRANI	1,374,428	516,355	-	1,890,782	365,204	516,355	-	881,558
150	SHABBIR AHMED	HOUSE # 286, BLOCK M, SABZAR KARACHI	35202-9603287-5	ANWAR UL HAQ	1,320,538	689,951	-	2,010,489	185,785	689,951	-	875,736
151	MUHAMMAD HANIF	FLAT NO, B-19, FIFTH FLOOR LAHKANI TOWERS NISHTER ROAD GARDEN WEST KARACHI.	42201-0751671-5	ABDUL GHANI	1,313,087	581,104	-	1,894,191	287,896	581,104	-	869,000
152	SH M ANSAN	45-S 35-A SHARIF PARK MULTAN RD, LAHORE	35202-2405034-1	SHEIKH MOHAMMAD ASHRAF	1,126,027	572,458	-	1,698,485	276,027	572,458	-	848,485
153	ASIF ZAFAR CHAUDRY	ZAFAR HOUSE 30-C SATELLITE TOWN RAWALPINDI FAISAL CHAMBERS D.A.V COLLEGE ROAD, RAWALPINDI	37405-9542754-3	R.A. ZAFAR CHAUDHRY	747,335	83,575	-	830,910	747,335	83,575	-	830,910
154	SH HASMAT ULLAH	H 10 /170 B SARWAR ROAD, RAWALPINDI	37405-6973188-3	SHEIKH BARKAT ULLAH	2,297,609	359,475	-	2,657,084	809,419	9,530	-	818,948
155	ASIM LATIF	HOUSE NO. 376 BLOCK (1JN SABZAR SCHEME MULTAN ROAD LAHORE.	35202-4608204-5	SHEIKH ABDUL LATIF	1,829,340	644,352	-	2,473,692	168,579	644,352	-	812,931
156	MUHAMMAD FAISAL	A-544 SECTOR 11-A NORTH KARACHI NORTH KARACHI, KARACHI	42201-1314579-1	SYED AFAQ HUSSAIN	3,031,260	384,373	-	3,415,633	415,794	384,373	-	800,167
157	SYD SAJJAD GAUHAR	B-316 CLIFTON GARDEN 1 BLK 3 CLIFTON, KARACHI	42301-1049194-5	SYED MOHAMMAD RAFIQ	2,397,194	587,303	-	2,984,497	197,194	587,303	-	784,497
158	ARIF KHALID	HOUSE NO 72LANE 11KHAYABAN-E-BADARPHASE V, DHAKARA SHOP NO 501ST FLOOR TEXTILE PLAZAM.A,JINNAH ROADKA, KARACHI	42301-0994647-3	KHALID MEHBOOB	667,030	108,241	-	775,271	667,030	108,241	-	775,271
159	RAFAQAT ALI	241-C FAISAL TOWN, LAHORE	35202-1308254-5	RASHEED AHMED	1,276,975	544,968	-	1,821,943	226,975	544,968	-	771,943
160	MUHAMMAD RAFIQ	PLOT # 167/2, FLAT # 4, 2ND FLOOR, HUSAINABAD, FEDERAL B.AREA, GULSHAN -E- IQBAL, KARACHI	42101-1841452-9	MUHAMMAD YOUSUF	1,275,641	482,115	-	1,757,756	285,960	482,115	-	768,075
161	KHADIM HUSSAIN AWAN	941/485 KARIH MISRI SABRI STREET NAWAN SHEHAR, MULTAN	36302-5647560-7	MUMTAZ HUSSIAN AWAN	1,454,093	544,889	-	1,998,981	217,093	544,889	-	761,981
162	SHEIKH MOHAMMAD WARIS	HOUSE NO 1601/P ASGHAR MALL RD KOCHA KHURSHID, RAWALPINDI	37405-9554960-5	SHEIKH MOHAMMAD RAFIQ	1,234,820	494,488	-	1,729,308	730,367	18,354	-	748,722

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					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	Total Balance
163	MANZOOR HUSSAIN BHATTI	130-F ST- STEHMASIBABADRAWAL PINDI 6 SHAHNAZ PLAZA CHANDNI CHOWK MURREE ROAD RAWALPINDI, ISLAMABAD	37405-0249952-3	FAZAL DIN BHATTI(LATE)	641,982	105,107	-	747,089	641,982	105,107	-	747,089
164	ASIFA MEHBOOB	G-9, BARADARI APARTMENT BLOCK 13/D-3, GULSHAN E IQBAL, KARACHI	42201-6603274-6	SYED MEHBOOB HUSSAIN	1,313,617	402,876	-	1,716,493	337,078	402,876	-	739,954
165	AHMED NADEEM ASIF	H 121ALLAMA IQBAL ROAD,LAHORE ASIF CENTRE121 ALLAMA IQBAL ROAD, LAHORE	35202-2252492-5	NASEER AHMAD ASIF	612,885	103,143	-	716,028	612,885	103,143	-	716,028
166	PRINCE AMIR HASSAN	FIRST FLOOR SUITE # 65 GLASS TOWER KARACHI	42501-6727640-1	MUHAMMAD AHBAB UL HASSAN	670,107	37,876	-	707,983	670,107	37,876	-	707,983
167	MOHAMMAD ASLAM SHAHID	33/C FAIZ PARK MUGHAL PURA, LAHORE	35201-5195793-9	CHAUDRY GHULAM NABI	860,122	541,406	-	1,401,529	160,122	541,406	-	701,529
168	AHMED E BAWANY	40/1 15TH ST OFF KHY-E-MUJAHID DHA PH 5, KARACHI	42401-2033345-5	IBRAHIM AHMED BAWANI	545,261	153,144	-	698,404	545,261	153,144	-	698,404
169	MOHAMMAD SAEED	670 SHADMAN COLONY, LAHORE	35202-9482211-7	SHEIKH MOHAMMAD MINIR	3,848,751	695,047	-	4,543,798	-	695,047	-	695,047
170	SAIMA AZAM	HOUSE NO.318/A GULBERG COLONY FAISALABAD GULBERG COLONY, FAISALABAD	33100-0831275-8	MOHAMMAD AZAM	1,847,387	372,397	-	2,219,784	315,298	372,397	-	687,695
171	ABDUL WAHAB	QUAID-I-AZAM ROAD KEHROR PACCA DISTT. LODAHRAN, MULTAN	36202-0780442-1	ABDUL SATTAR	1,132,313	404,607	-	1,536,921	282,313	404,607	-	686,921
172	MAHMUD AHMAD	17,KH-E-GHAZI PHASE 5,DHA KARACHI	42301-9124388-3	IFTIKHAR AHMED	674,461	-	-	674,461	674,461	-	-	674,461
173	RICHARD DULVY	100-SHERSHAH BLOCK NEW GARDEN TOWN LAHORE	35202-2588541-1	EDWIN DULVY	496,448	177,179	-	673,628	496,448	177,179	-	673,628
174	ASAD ALI KHOWAJA	K-4, ALI REHANA APARTMENT, F/L-13 KHAYABAN-E-ROOMI, BLOCK V CLIFTON, KARACHI	42201-6333823-7	HATIM ALI KHOWAJA	570,178	94,831	-	665,009	570,178	94,831	-	665,009
175	ZAHID PERVEZ BUTT	FLAT-B-23 BLOCK-13-C 4TH FLOOR HAQ BAHOO PLAZA GULSHAN-E-IQBAL NEAR URDU SCIENCE COLLEGE KARACHI GULISTAN-E-JOHAR, KARACHI	42000-0523629-9	GHULAM MOHAMMAD BUTT	1,510,954	498,658	-	2,009,612	283,138	379,991	-	663,129
176	SOHAIL ZAKRIA PAREKH	203-AL KABIR ARCADE O-115/30AMIR KHUSRO ROADKARACH 96, 1ST FLOORGUL PLAZAM A JINNAH ROAD, KARACHI	42201-1145192-5	M. ZAKARIA PAREKH	549,773	103,926	-	653,700	549,773	103,926	-	653,700
177	FARHAN AJAZ	E-51 BLOCK 7 GULSHAN-E-IQBAL, KARACHI	42201-0420351-9	IJAZ-UD-DIN QURESHI	509,330	140,693	-	650,023	509,330	140,693	-	650,023
178	YOUSAF IFTIKHAR	MITTRO ROAD MAILSI, VEHARI	36302-5958253-3	GHULAM RASOOL	1,198,527	468,113	-	1,666,640	179,527	468,113	-	647,640
179	CH M SAEED	HOUSE # 9-A,STREET # 70 SECTOR F-8/3, ISLAMABAD	61101-7786931-1	CHAUDHRY MOHAMMAD ZAMAN	478,155	168,744	-	646,898	478,155	168,744	-	646,898
180	MOHAMMAD ATEQ SHAMSI	HOUSE#A-3 STR. 1 RIZWAN BUNGLOWS SECT. 7-D-2 GULSHAN E FAROOQ NORTH KHII. GULSHAN E FAROOQ NORTH KARACHI, KARACHI	42101-9591169-5	MUHAMMAD SHARIF SOLAR	495,362	148,224	-	643,586	495,362	148,224	-	643,586
181	IFTIKHAR AHMED	H 138-E STREET 7 OFFICER COLONY WALTON ROAD LAHORE CANTT.	35201-8102002-7	SARDAR MOHAMMAD	600,426	369,477	-	969,902	269,868	369,477	-	639,344
182	ZULFIQAR A BUTT	HOUSE NO 60/1 LANE NO 12, DHA PHASE VII, KARACHI	42301-0908377-3	YUSUF ALI BUTT	488,492	150,198	-	638,690	488,492	150,198	-	638,690
183	JAVED HAMEED	CHAUDHRY CLOTH HOUSE 25 KALEEM M ARKET FACTORY AREA, FAISALABAD	33100-0952797-7	ABDUL	493,000	144,019	-	637,019	493,000	144,019	-	637,019

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184	KHALID MEHMOOD	GRAIN MARKET JAHANIA DISTT KHANEWAL, MULTAN	36101-9704428-9	M ISMAIL	1,199,160	305,065	-	1,504,225	605,877	30,112	-	635,989
185	MIRZA SHAHID BAIG	HOUSE# 92/8, AREA 92, SAJDABAD #2, BALDIA HOUSE # A-3, ST 01, RIZWAN BANGLOWS GULSHAN-E-FAROOQ SECTOR 7D-2, NORTH KARACHI, KARA, KARACHI	42401-1900254-3	MIRZA NASEER BAIG	847,313	388,769	-	1,236,082	242,890	388,769	-	631,659
186	MUHAMMAD ATIQ SHAMSI	HOUSE # A-3, ST 01, RIZWAN BANGLOWS GULSHAN-E-FAROOQ SECTOR 7D-2, NORTH KARACHI, KARA, KARACHI	42101-9591169-5	MUHAMMAD SHARIF SOLAR	486,027	144,395	-	630,421	486,027	144,395	-	630,421
187	IMRAN AKRAM	BRIGHT FUTURE COMMUNICATION 2728A ANGOORI BAGH SCHEME#2 SHALIMAR LINK ROAD BAGHBANPURA - LAHORE	35201-1345462-7	MUHAMMAD AKRAM	481,584	148,684	-	630,268	481,584	148,684	-	630,268
188	AMJAD ALI SHAIDA	305PAK BLOCKALLAMA IQBAL TOWNLAHORE SUIT 318 3RD EDEN CENTER , LAHORE	35202-2733379-5	M. ABDUL RASHEED	541,487	88,435	-	629,922	541,487	88,435	-	629,922
189	MUHAMMAD IQBAL	MARINE ARCADE APARTMENT NO B/31/A BLK 3 CLIFTONKAR 106 1ST FLOOR THE FORUMBLOCK 9, KARACHI	42301-9927830-5	INAYAT ALLAH.	557,432	69,986	-	627,418	557,432	69,986	-	627,418
190	NAVEED AHMAD	C/O X-TRA, 5/A P. BLOCK, M M ALAM ROAD, GULBERG II, H #95, ST #50, F-1/3, ISLAMABAD	35202-2648398-5	CHAUDHRY GHULAM HUSSAIN	482,169	144,899	-	627,067	482,169	144,899	-	627,067
191	S HAMID RAZA SHAH	C/O X-TRA, 5/A P. BLOCK, M M ALAM ROAD, GULBERG II, H #95, ST #50, F-1/3, ISLAMABAD	35201-4254228-5	SYED BAQIR HUSSAIN SHAH	482,960	143,829	-	626,789	482,960	143,829	-	626,789
192	MUHAMMAD ALI	H# 19 STREET# 8 DHANI CHAND STREET LAJ ROAD OLD ANARKALI - LAHORE	35202-2824775-7	MUHAMMAD ASLAM	478,304	142,330	-	620,633	478,304	142,330	-	620,633
193	ABDUL RASHEED	PREAM NAGAR OPPOSITE JAMIA MASJID SIALKOT.	34603-3347286-7	FARZAND ALI	956,187	359,193	-	1,315,381	257,866	359,193	-	617,060
194	WAJID ALI SHAH	H.NO 86 ALLAMA IQBAL ROAD LAHORE STREET CHAH BABA SHAID SHAH GARI SHAW LAHORE.	35202-8185788-3	MUZAFFAR ALI SHAH	847,468	419,462	-	1,266,931	192,368	419,462	-	611,830
195	SAQIB RIAZ	H#531-B S.TOWN GUJRANWALA	34101-2403410-7	SHEIKH RIAZ AHMAD	475,224	135,576	-	610,800	475,224	135,576	-	610,800
196	ABDUL HALEEM	153-B III ,JOHAR TOWN - LAHORE	35102-5720472-9	KHALID LATIF	479,643	123,516	-	603,159	479,643	123,516	-	603,159
197	M IMRAN ZAHID	IMPERIAL OPTICS 9 OUT SIDE LOHAR I GATE - LAHORE	35202-3050878-3	MIAN ZAHID ASLAM	498,652	93,341	-	591,993	498,652	93,341	-	591,993
198	HAROON LEGHARI	22/2 7TH ZAMZAMA STREET PHASE V DHA KARACHI	31304-4017085-7	LEGHARI SARDAR MOHAMMAD DISCIPL	498,969	91,730	-	590,699	498,969	91,730	-	590,699
199	JAMSHED ALAM	HOUSE NO A/327SECTOR 14/B SHADMAN TOWNNORTH KARACH SHELL PETROL PUMPMAIN SHHARA E QUAIDEENBLOCK 2 P.E, KARACHI	42101-9094655-7	MOHAMMAD HANIF	499,000	90,886	-	589,886	499,000	90,886	-	589,886
200	SYED ALI RAZA HUSSAIN NAQVI	HOUSE NO 1CENTRAL TELECOM RESEARCH LAB BUILDINGSEC OFFICE NO 2PTCL BUILDINGSECTOR H-9/1, ISLAMABAD	35202-3051132-7	SYED ABBAS ANWAR SHAH	498,176	91,412	-	589,588	498,176	91,412	-	589,588
201	BABAR BASHIR DOGAR	H NO 250 STREET NO 14JHANG ROAD AYUOOB COLONY FAISAL SHOP NO P-269 ST NO 15 AYUOOB COLONY FAISALABAD	33100-8575253-9	BSYRAHMD DOGAR	493,900	92,388	-	586,288	493,900	92,388	-	586,288
202	SYED TANWEER ABBAS TABISH	230/LMODEL TOWN EXTLAHOE 14/ARACE COURSE ROAD, LAHORE	35202-2836905-5	SYED ASHIQ HUSSAIN	500,522	84,883	-	585,405	500,522	84,883	-	585,405
203	MUHAMMAD ATIQ SHAMSI	H NO A/3, RIZWAN BANGLOWS GULSHAN E FAROOQ STREET 1 ROOM NO 305 3RD FLOOR J.J CENTRE DARYALAL STREET JOD, KARACHI	42101-9591169-5	MUHAMMAD SHARIF SOLAR	502,002	82,180	-	584,182	502,002	82,180	-	584,182

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204	NASREEN	HOUSE NO 559 QASR E JELANI SADDAR HYDERABAD NEAR QAID E AZAM CENTER HYDERABAD	41303-4540434-6	MON GHULAM RASOOL SHAH JILANI	501,716	81,489	-	583,206	501,716	81,489	-	583,206
205	SHAHID AHMED	1-B SOUTH PARK STREET MAIN SUNSET BOULEVARD D H A KARACHI	42000-0484084-1	SALAHUDDIN AHMED	499,833	83,057	-	582,890	499,833	83,057	-	582,890
206	MUHAMMAD BABAR JAHANGIR KHAN	H NO SD 21 ASKARI OFFICERS COLONY CANTT LAHORE 19 BRIDGE COLONY ABID MAJEEB ROAD LAHORE	35201-1779380-3	MOHAMMAD JAHANGIR KHAN	500,544	82,006	-	582,551	500,544	82,006	-	582,551
207	SHAHID MANZOOR	H NO 119, ISLAM BLOCK KAZAM GARDEN MULTAN ROAD H NO 119, ISLAM BLOCK KAZAM GARDEN MULTAN ROAD, LAHORE	35202-2651715-7	MANZOOR HUSSAIN	502,025	79,006	-	581,032	502,025	79,006	-	581,032
208	GOUHAR REHMAN	H NO 225ST NO 6GULRAZ III RAWALPINDI 133/CKASHMIR ROAD RAWALPINDI SARDAR RAWALPINDI	37405-4043509-9	SARDAR ALI MARDAN KHAN	485,087	94,359	-	579,447	485,087	94,359	-	579,447
209	FAWAD ZAHOOR	134-B UMER PLAZA 3RD FLOOR NEAR CHANDINI CHOWK MURREE ROAD, RAWALPINDI	37405-3253324-7	ZAHOOR HUSSAIN	500,000	78,946	-	578,946	500,000	78,946	-	578,946
210	VIQAR AHMED	A-351 BLOCK J NORTH NAZIMABAD - KARACHI	42101-6813601-3	ABDUL SIDDIQUI	450,385	128,166	-	578,551	450,385	128,166	-	578,551
211	ABID ALI	FLAT NO 5 3RD FLOOR-8-C 31 COMMERCIAL STREET PHASE V SHOP NO IV BUILDING # 3-C PHASE V D.H.A3 3RD COMMERC, KARACHI	42301-1069237-7	QADIR ALI	494,213	81,828	-	576,041	494,213	81,828	-	576,041
212	RAZA HASHMI	I A HASHMI & CO 301 307 KASHIF C ENTRE SHAHRE E FAISAL - KARACHI	42301-1083755-9	SYED ALI HASHMI POWER	455,374	120,140	-	575,514	455,374	120,140	-	575,514
213	JAVED HAMEED	H NO 404-B BLOCK PEOPLES COLONY NO.1 FAISALABAD SHOP NO.25 KALEEM MKT FACTORY AREA FAISALABAD	33100-0952797-7	ABD UL HAMEED	494,227	81,279	-	575,506	494,227	81,279	-	575,506
214	SYED FAZAL-E-ALI JAFRI	7-A/1 PHASE I MAIN KORANGI ROAD D.H.A KARACHI SUIT # 214 2ND FLOOR AC MAS HEIGHT P.E.C.H.S NURSERY, KARACHI	42301-4593963-9	SBT SYED MOHAMMAD JAFRI	493,131	80,889	-	574,021	493,131	80,889	-	574,021
215	JAVED MANZOOR	76 ISLAM BLOCK AZAM GARDEN MULTAN ROAD	35202-0131550-7	MANZOOR HUSSAIN	483,055	90,503	-	573,558	483,055	90,503	-	573,558
216	SHAHID HUSSAIN	211 RAVI BLOCK KALLAMA IQBAL TOWN LAHORE 2-B 2-C KAREEM BLOCK KALLAMA IQBAL TOWN LAHORE	35202-2958356-5	CHAUDHRY GHULAM HUSSAIN	455,911	116,976	-	572,887	455,911	116,976	-	572,887
217	SIRAJ AHMED	HOUSE# R-53 TARIQ BIN ZIAD SOCIETY MALIR HALT - KARACHI	42201-3008661-9	GHULAM MURTAZA KHAN	457,944	111,927	-	569,870	457,944	111,927	-	569,870
218	MUHAMMAD ASIF	A-201, BLOCK NO 13 GULISTAN E JOHAR PLOT NO 427-428, SECTOR 7-A INDUSTRIAL AREA, KORANGI, KARACHI	42201-0371580-9	MOHAMMAD RAUF	478,122	90,839	-	568,962	478,122	90,839	-	568,962
219	SHOAIB AFROZE	SHARWANI TRADERS ALLAMA IQBAL MARKET MAILSI, VEHARI	36602-1048407-3	AFROZE AHMAD KHAN	908,681	339,435	-	1,248,116	227,166	339,435	-	566,601
220	CHAUDHRY ABDUL HAFEEZ	147 ABU BAKAR BLOCK NEW GARDEN TOWN, LAHORE	35202-4289290-3	CHAUDHRY NOOR MOHAMMAD	484,428	79,156	-	563,584	484,428	79,156	-	563,584
221	IRFAN ULLAH	H NO 68-2-EABDARA ROAD UNIVERSITY TOWN PESHAWAR FLAT NO 4 KHYBER BAZAR PESHAWAR	17301-6197482-1	HAMID ULLAH	483,343	79,828	-	563,171	483,343	79,828	-	563,171

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222	ABBAS ALI	A - 106, 2ND FLOOR, SUBHAN APPARTMENT 275 - D, CRO, KARACHI	42201-0341355-9	HAFIZ ALI	2,750,494	311,281	-	3,061,775	250,294	311,281	-	561,575
223	YASIR SHABBIR BALOCH	195 UPPER MALL OPP STATEGUEST HOUSELAHORE 2 RIWAZ GARDEN, LAHORE	35202-2678132-3	GHULAM SHABBIR BALOCH	492,793	68,213	-	561,006	492,793	68,213	-	561,006
224	TARIQ IQBAL	C-20,AL SHAMS COMPLEX, GULISTAN-E-JOHAR BLOCK# 19 GULISTAN -E- JOHAR, KARACHI	42201-8910164-7	MAQBOOL AHMED QURESHI(LATE)	966,207	352,002	-	1,318,209	208,658	352,002	-	560,660
225	ADNAN RIAZ	14-A OVERSEAS SOCIETYOFF AMIR KHUSRO ROADKARACHI ROOM 620 1ST FLOORNEW FADOO BLDGM A JINNAH ROAD, KARACHI	42201-0770597-1	RIAZ AHMED	480,483	79,886	-	560,369	480,483	79,886	-	560,369
226	SHAFIQ UR RAHIM	H NO 2, ST NO 32 KORANG TOWN ISLAMABAD	61101-0674973-5	ABDUL RAHEEM	483,832	75,409	-	559,242	483,832	75,409	-	559,242
227	ASIF H HAJI	AL-MURTAZA FLATS,APARTMENT NO 3,162N BLOCK 3 P.E.C.H.S KARACHI	42201-0502695-3	HASAN ALI HAJI	435,784	123,246	-	559,030	435,784	123,246	-	559,030
228	M NAVEED IQBAL	E-29 / 8 D1 ST NO 5 GHOUSIA COLONY WALTON RD , LAHORE	35201-1386153-9	SHAWKAT HUSSAIN	979,567	408,453	-	1,388,020	147,567	408,453	-	556,020
229	MIRZA MUHAMMAD JODAT BAIG	C 59 BLOCK 13 D 1 GULSHAN IQBAL KARACHI	42201-2018031-7	MIRZA ASADULLAH BAIG	486,482	68,909	-	555,391	486,482	68,909	-	555,391
230	EHSAN ULLAH QURESHI	H NO 763 ST NO 25 SECTOR G-9/1 ISLAMABAD PLOT NO 1491 & T CENTRE SECTOR G-9/1 ISLAMABAD	61101-5055306-7	AMANULLAH QURESHI	489,808	65,387	-	555,195	489,808	65,387	-	555,195
231	MUHAMMAD SAEED RANA	H NO.551 BLOCK-C FAISAL TOWN SHAFIQUE ST NO.5 PEER LAL PUL MUGHAL PURA SHELL PETROL, LAHORE	35202-2837694-7	RANA ABDUL	492,569	61,403	-	553,972	492,569	61,403	-	553,972
232	FAHIM UL KARIM SARWAT	AXACT HOUSE, AXACT STREET MAIN KHAYABNA-E- ITTEHAD PHASE VII D,H,A, KARACHI	42000-8419559-3	ABDUL KARIM KHAN	489,019	61,979	-	550,998	489,019	61,979	-	550,998
233	MUHAMMAD PERVAIZ	H # 5 INFANTRY ROADJALAL COLONY HERBANS PURA LAHORE	35201-5693608-3	TAJ DEEN	471,826	77,748	-	549,574	471,826	77,748	-	549,574
234	MOEED REHMAN	H # 78 ST # 2 CAVALRY GROUND CANTT LAHORE 4 TH FLOOR 124-C/271 BLOCK 14 GULITAN E JAUHAR KARACHI	35200-1408773-5	SA RAHMAN	475,822	69,789	-	545,611	475,822	69,789	-	545,611
235	SHAKIL AIJAZ QURESHI	LAHORE 4 TH FLOOR 124-C/271 BLOCK 14 GULITAN E JAUHAR KARACHI	42201-2098694-5	EJAZ UDDIN QURESHI	483,053	59,955	-	543,009	483,053	59,955	-	543,009
236	WAQAR AHMED	H NO A-20, BLOCK Q NORTH NAZIMABAD - KARACHI	42101-4931225-5	GULZAR AHMAD KHAWAJA	408,882	130,318	-	539,200	408,882	130,318	-	539,200
237	NADEEM ISHTIAQ	GLOBEL COMMUNICATIONS LOWER GROUND LDA PLAZA EGERTON ROAD, LAHORE	35202-4278103-7	ISHTIAQ AHMED KHAN	433,615	104,672	-	538,287	433,615	104,672	-	538,287
238	MUHAMMAD IFTIKHAR	HOUSE NO P-26 STREET NO 6 NAIMAT COLONY NO 2 POST OF P-72/A OFFICER COLONYNO 2 FAISLABAD	33100-3182124-1	NIJAZ MOHAMMAD LATE	449,682	88,565	-	538,247	449,682	88,565	-	538,247
239	RANA BAKHTAWAR ALI TOOR	P 808 ST NO 7 ALLAH HOO COLONYKARIM TOWN PEOPLES C 375 A OFFICE NO 3FLOOR HUSSAIN CENTREBABAR CHOWK P, FAISLABAD	33100-7470214-9	RANA GHULAM HUSSAIN TOOR	476,741	59,054	-	535,795	476,741	59,054	-	535,795
240	MIAN MUKHTAR MASOOD	BEHIND TAQCARGO UGOKI ROADS.I.E SIALKOT AZIZ SHAHEED ROAD CANTT SIALKOT	34603-0707118-3	MIAN MASOOD AHMED	468,297	66,199	-	534,497	468,297	66,199	-	534,497

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241	AZHAR HUSSAIN	AZAHAR FABRIC OFF NO 2 DATA MARK ET YARUMARKET FAISALABAD	33100-3078303-1	MAZHAR HUSSAIN	429,542	103,272	-	532,814	429,542	103,272	-	532,814
242	BAKHHTIAR AHMED UQAILI	A-8 ERUM VIEW APPARTMENTS BLOCK-13-D GULSHAN-E-IQBAL KARACHI.	41409-1840858-1	ABDUL ALEEM AQEELI	454,791	77,119	-	531,910	454,791	77,119	-	531,910
243	TABASSUM JAVED PURI	H # 10ST # 67G-6/4 ISLAMABAD GINZA CENTREROOM # 52ND FLOOR NEAR HALEEM GHAR,BLUE, ISLAMABAD	61101-1801404-1	MOHAMMAD BASHIR PURI	452,535	75,735	-	528,270	452,535	75,735	-	528,270
244	ZAFAR IQBAL	HOUSE 55-B ST NO.16 AFZAL STREET GULGUSHT COLONY RUSTAM PARK LAHORE.	35202-2679584-5	MUHAMMAD YOUSAF	1,066,422	385,337	-	1,451,759	142,704	385,337	-	528,041
245	MUHAMMAD TASNEEM	H NO 21-S HUMA BLOCKKALLAMA IQBAL TOWNLAHORE NPC 5-AFEROZPUR ROAD LAHORE	35202-6796136-5	LATE MOHAMMAD NAZEER	448,653	74,761	-	523,414	448,653	74,761	-	523,414
246	AMIR SALEEM KHAN	CHIMERA PVT LTD 32-I LAWRANCE RO AD - LAHORE	35202-3418643-7	MOHAMMAD ANWAR KHAN	406,880	113,818	-	520,698	406,880	113,818	-	520,698
247	IRSHAD AHMED	WONDER LAND BEHIND PUBLIC PARK MURREE ROAD RAWALPINDI.	37405-3014621-3	CHAUDHRY ALI AHMED	446,405	73,964	-	520,368	446,405	73,964	-	520,368
248	MUHAMAMD IQBAL	CANNON TRADERS PVT LTD 101 B GULBERG II LAHORE	35202-4847431-7	MOHAMMAD SHARIF	483,529	36,592	-	520,121	483,529	36,592	-	520,121
249	ADNAN SADDIQUE	HAKHEEM KHADIM ALI ROAD OPP, ALLAMA IQBAL GIRLS COLLEGE, SIALKOT	34603-9049225-9	MUHAMMAD SADDIQUE	484,353	33,399	-	517,751	484,353	33,399	-	517,751
250	KAZIM ALI RAUJANI	HOUSE NO B 141 BLOCK P HUSSAIN DSILVA TOWN NORTH NAZIMABAD, KARACHI	42101-3945973-1	RAZA HUSSAIN ROJANI	1,490,967	516,707	-	2,007,674	(33)	516,707	-	516,674
251	ANWAR AHMED AZAD	D 81 BLOCK 7GULSHAN E IQBALKARACHI 151-Q BLOCK 2P E C H SKHALID BIN WALEED ROAD, KARACHI	42201-5996684-7	SHUJA-UD-DIN	462,159	77,915	-	540,074	442,748	73,610	-	516,359
252	SIKANDER BEIDAR BAKHT QURESHI	H NO 103-AST NO 40SECTOR F-10/4ISLAMABAD 05NASEEM ARCADEI-9 MARKAZPOTHAR ROAD RAWALPINDI, ISLAMABAD	61101-9540285-1	AKHTAR HASSAN	442,521	73,024	-	515,545	442,521	73,024	-	515,545
253	BABAR HAMEED	P-574 WEST CANAL ROADAMIN TOWNFAISALABAD SHOP NO.116/3 PAK GOLBAZAR MUHAMMAD RAFI POULTRY F, FAISALABAD	33100-0622887-3	ABDUL HAMEED	438,880	74,772	-	513,652	438,880	74,772	-	513,652
254	MUHAMMAD YASIN	164 KASHANA E AMNAKARIM JEE STREETSOLDIER BAZAR 1K 1379/8AZIZABADF B AREA KARACHI	42201-0471446-3	MHMDABRAHYM	450,000	62,964	-	512,964	450,000	62,964	-	512,964
255	ASJED MAHMOOD	253 HUNZA BLOCK ALLAMA IQBAL TOWN LAHORE	35201-5654158-5	MEHMOOD AHMED	450,555	62,111	-	512,666	450,555	62,111	-	512,666
256	HAIDER Z QURESHI	36 BABAR BLOCK NEW GARDEN TOWN - LAHORE	36104-3466132-5	PIR ZAMAN QURESHI	434,240	77,952	-	512,193	434,240	77,952	-	512,193
257	BABER BASHIR DOGAR	P-269, ST NO 15 AYUB COLONY JHANG ROAD - FAISALABAD	33100-8575253-9	BSYRAHMD DOGAR	482,584	28,997	-	511,581	482,584	28,997	-	511,581
258	MIAN MUKHTAR MASOOD	BEHIND TAQ CARGO UGOKI ROAD S I E - SIALKOT	34603-0707118-3	MSUD AHMED MIAN	396,255	113,034	-	509,289	396,255	113,034	-	509,289
259	ASIF MUSHTAQ KHAN	H NO.113-A PEOPLES COLONY, FAISALABAD 38-CHENAB MKTMADINA TOWN SUBAN ROAD FAISALABAD	33100-3088837-7	MUSHTAQ AHMED KHAN	428,611	79,995	-	508,606	428,611	79,995	-	508,606
260	FAKHRA SHAHZADI	195-1-Q DHA 195-1-Q DHA, LAHORE	35202-4406196-6	MUHAMMAD ASGHAR	425,686	79,342	-	505,028	425,686	79,342	-	505,028
261	SHEIKH M AKMAL	HOUSE NO. 221-A, DEFENSE HOUSING SOCIETY LAHORE	35202-1640087-9	SHEIKH MOHAMMAD ASLAM	480,789	23,824	-	504,613	480,789	23,824	-	504,613

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262	ADNAN RIAZ	HOUSE 79-B/1 Q STREET PHASE VII DHA KARACHI	42201-0770597-1	RIAZ AHMED	388,684	115,574	-	504,258	388,684	115,574	-	504,258
263	YASMIN ANJUM	284-A CANAL VIEWLAHORE 278-ACANAL VIEW, LAHORE	35202-2730934-0	GHULAM NABI CU-DRY	431,015	72,025	-	503,040	431,015	72,025	-	503,040
264	CH. ASHIQ HUSSAIN	ASIF-ASHIQ & CO GHALLAH MANDI, PAKPATTAN, SAHIWAL	36402-0828247-7	CH SARDAR MUHAMMAD	2,281,767	39,756	-	2,321,523	797,767	39,756	-	837,523
265	MUHAMMAD TASLEEM KHAN	8-B, MASJID MARKET GRAIN MARKET, VEHARI	36603-5905701-7	GHOUS MUHAMMAD KHAN	2,677,917	1,016,945	-	3,694,862	481,917	1,016,945	-	1,498,862
266	GULZAIB RAEES / RAEES AHMAD	SHOP # 04 ABBAS PLAZA, MOON MARKET ALLAMA, IQBAL TOWN, LAHORE	35201-7779958-3	RAEES AHMAD	6,999,124	2,681,050	-	9,680,174	2,749,781	2,593,737	-	5,343,518
267	ADEEL KHAN	HOUSE # 218, STREET # 18, SECTOR, F-10/2, ISLAMABAD	61101-6785008-7	ABDUL GHAFOOR KHAN	14,559,742	5,986,192	-	20,545,935	2,059,742	5,986,192	-	8,045,935
268	M/S. MANDIWALA PLASTIC INDUSTRIES LIMITED	MANDIWALA BUILDING, OLD QUEENS ROAD, KARACHI.	01. MR. AZEEM H. MANDIWALA, CHIEF EXECUTIVE, CNIC NO. 42005-0560201-1 02. MR. SALEEM H. MANDIWALA, DIRECTOR, CNIC NO. 42301-3946350-1 03. MRS. SHIREEN H. MANDIWALA, DIRECTOR CNIC NO. 42301-5350292-6 04. MR. NADEEM H. MANDIWALA, DIRECTOR CNIC NO. 42301-6675532-1 05. MR. ALI H. MANDIWALA, DIRECTOR CNIC NO. 42301-6236210-9 06. MR. QALBE ABBAS DHARAMSEY, DIRECTOR CNIC NO. 42301-0909968-9	1. MR. HAKIM G. MANDIWALA. 2. MR. HAKIM G. MANDIWALA. 3. MR. HAKIM G. MANDIWALA. 4. MR. HAKIM G. MANDIWALA. 5. MR. HAKIM G. MANDIWALA. 6. MR. AZIZ DHARAMSEY	32,792,940	6,735,239	-	39,528,179	7,793,400	6,735,239	-	14,528,639
269	HOME SHOW	12/A3, GULBERG III, LAHORE.	01. GHIAS SHAREEF, PARTNER, CNIC NO. 35202-3792550-7 02. SALEEM JAVED, PARTNER, CNIC NO. 35202-3433862-1	01. CHAUDHRY MUHAMMAD SHAREEF 02. MUHAMMAD ISHAQ	23,501,582	12,778,426	-	36,280,008	3,999,999	15,424,769	-	19,424,768
270	D.S. TEXTILE LIMITED	20-K, GULBERG II, LAHORE.	01. JAVED AHMED, DIRECTOR, CNIC 35202-497877-1 02. PERVEZ AHMED, DIRECTOR, 35202-5637832-7 03. HASSAN IBRAHIM JAVED, DIRECTOR, 35202-0104136-7 04. ALI PERVEZ AHMED, DIRECTOR, 35202-8633784-5 05. REHANA PERVEZ AHMED, DIRECTOR, 35202-5904987-0 06. MISBAH JAVED AHMED, DIRECTOR, 35202-9446565-6 07. HUMA JAVED AHMED, DIRECTOR, 35202-0122256-6	01. S.K. AHMAD 02. S.K. AHMAD 03. PERVEZ AHMED 04. PERVEZ AHMED 05. PERVEZ AHMED 06. JAVED AHMED 07. JAVED AHMED	107,937,773	10,182,496	-	118,120,269	81,760,773	10,182,496	-	91,943,269



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					Amounts in PKR							
271	DAMAN TRADERS	1-C ZAMZAMA COMMERCIAL LANE 04 DEFENCE HOUSING AUTHORITY PHASE V KARACHI	HASHMAT ULLAH KHAN 42301-3837575-9	MUHAMMAD ASLAM KHAN	28,046,978	12,560,677		40,607,655	27,546,978	12,560,677		40,107,655
272	HILTON PAKISTAN (PVT) LTD.	14 C STREET NO 2 SABA COMMERCIAL PHASE V DEFENCE HOUSING AUTHORITY KARACHI	MUHAMMAD SALEEM RAFI 42301-0673147-7  MUHAMMAD ARSHAD LATIF 42301-3608754-5  MEHAR QAMAR MAHMOOD 36302-0945501-9	MUHAMMAD RAFI  ABDUL LATIF  MUHAMMAD ALLAH DITTA	12,287,204	3,567,526		15,854,730	12,287,204	3,567,526		15,854,730
273	STAR MOVERS	COMMERCIAL PLOT NO 5/2, OFFICE NO 06 MEZZANINE FLOOR, MADINA PLAZA SHIREEN JINNAH COLONY CLIFTON KARACHI	KHALIQ DAD 38201-1170247-7	AHMED SHER	13,472,252	4,423,164		17,895,416	9,522,252	4,423,164		13,945,416
274	ARC KNITWEAR (PVT) LTD.	18 KM FERROZEPUR ROAD LAHORE	SYED AZIZ ALAM ZAIDI 35201-5266762-9  RIFFAT ZEHRA ZAIDI 35201-2710544-2  ROHMA ZEHRA ZAIDI 35201-1355233-2	SYED ALI JAFAR ZAIDI W/O. SYED AZIZ ALAM ZAIDI D/O. SYED AZIZ ALAM ZAIDI	8,882,545	1,628,869		10,511,414	8,882,545	1,628,869		10,511,414
275	AL-MASOOM AIRCONDITION SERVICE	PLOT # 101 NEAR SHAHI MASJID PATHAN COLONY BANARUS KARACHI	MUHAMMAD BASHIR KHAN 42301-3199425-1	NAQSH KHAN	18,779,775	3,792,225		22,572,000	8,479,275	3,792,225		12,271,500
276	MALIK ASLAM TRANSPORT CO.	COMMERCIAL PLOT # 5/2 OFFICE NO 06 MEZZANINE FLOOR, MADINA PLAZA SHIREEN JINNAH COLONY CLIFTON KARACHI	MUHAMMAD ASLAM 38201-1655786-5	MUHAMMAD SHER	10,201,722	3,924,003		14,125,725	8,324,398	3,924,003		12,248,401
277	MUBARKI TRANSPORT COMPANY	COMMERCIAL PLOT # 5/2, OFFICE NO 06 MEZZANINE FLOOR, MADINA PLAZA SHIREEN JINNAH COLONY, CLIFTON, KARACHI	AHMED SHER 35201-1170227-7	MUHAMMAD SHER	11,695,936	4,689,968		16,385,904	7,625,961	4,689,968		12,315,929
278	AH INTERNATIONAL (PVT) LTD.	D 6/1 BLOCK 4 KDA SCHEME NO 5 KEHKASHAN KDA SCHEME NO 5 KEHKASHAN CLIFTON KARACHI	MUHAMMAD ADNAN SHIRAZEE 42301-8051825-9	MUHAMMAD MOSHIN SHIRAZI	5,983,583	1,882,067		7,865,650	5,983,583	1,882,067		7,865,650
279	RAVI MEDICAL SUPPLIERS (PVT) LTD.	153-P GULBERG II LAHORE	MUHAMMAD NASIM 35201-2767294-5  SHALA NASIM 35201-4968473-8  MUHAMMAD FAIZA 35202-6423633-3  MUHAMMAD DANISH 35201-3443165-5	MIAN MUHAMMAD ANWAR W/O. MOHAMMAD NASIM MUHAMMAD NASIM MUHAMMAD NASIM	6,045,186	862,020		6,907,206	5,925,937	862,020		6,787,957

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280	ABDUL WAHAB GOODS TRANSPORT CO.	PLOT #A-22 SHOP # 6 GATE # 5 TRUCK STAND HAWKSBY ROAD KARACHI	SHAHID USMAN 42301-8403039-5	USMAN GANI	8,573,805	4,045,655		12,619,460	5,789,933	4,045,655		9,835,588
281	AH INTERNATIONAL (PVT) LTD.	D 6/1 BLOCK 4 KDA SCHEME NO 5 KEHKASHAN KDA SCHEME NO 5 KEHKASHAN CLIFTON KARACHI	MUHAMMAD ADNAN SHIRAZEE 42301-8051825-9 MALIK ALI ZAIN 42301-3375828-9 SEEMA SHERAZEE 42301-6550746-4	MUHAMMAD MOSHIN SHIRAZI MALIK NASEEM AKHTER MUHAMMAD ADNAN SHIRAZI	5,779,168	1,861,391		7,640,559	5,779,168	1,861,391		7,640,559
282	MALIK AHSAN AWAN TRANSPORT CO.	SUITE NO LS 491 NEAR MCB SHIREEN JINNAH COLONY KARACHI	MALIK ZAFAR ALI 42301-0111486-9	SHER ALI	7,184,066	2,252,614		9,436,680	5,524,059	2,252,614		7,776,673
283	TAJ LINES TRANSPORT	79 MADINA CLOTH MARKET LEA MARKET KARACHI	AFSAR TAJ 42301-1331877-5 ANWAR TAJ 42301-7522275-9 ABDUL ZAHOOR 42301-9264704-5	HAJI ABDUL GHAFUOR HAJI ABDUL GHAFUOR HAJI ABDUL GHAFUOR	12,726,386	5,053,614		17,780,000	4,866,386	5,053,614		9,920,000
284	AKHTAR RASOOL TRANSPORT CO.	PLOT # A 26 SHIREEN JINNAH ROAD KARACHI	AKHTER NAZIR AFRIDI 42301-1101646-3	HAJI PASANAY	11,509,243	4,240,092		15,749,335	4,809,243	4,240,092		9,049,335
285	MALIK QASIM TRANSPORT CO.	PLOT # 59 MEHRAN MALIK WORKSHOP MAIN NATIONAL HIGHWAY KARACHI	MUHAMMAD QASIM AWAN 42501-7281394-3	MUHAMMAD BAKSH AWAN	8,891,258	2,763,966		11,655,224	4,401,006	2,763,966		7,164,972
286	AL-SAADAT TRANSPORT CO.	GENERAL BUS STAND HALI ROAD HYDERABAD	SYED ABID HUSSAIN 13501-2684544-5	HAZRAT SHAH	5,388,856	2,249,544		7,638,400	4,103,856	2,249,544		6,353,400
287	MOHSIN AYOUB	HOUSE NO 597-1-A BANARUS ROAD LAHORE	MOHSIN AYOUB 35201-4168946-9	MUHAMMAD AYOUB	4,054,379	1,882,057		5,936,436	4,054,379	1,882,057		5,936,436
288	S.T. PLASTIC	INDUSTRIAL AREA W S 52/2 FEDERAL B AREA KARACHI	TAJ AHMED KHAN 42101-0102074-9	SHAHNAWAZ KHAN	3,573,523	1,113,773		4,687,296	3,573,523	1,113,773		4,687,296
289	AH INTERNATIONAL (PVT) LTD.	D 6/1 BLOCK 4 KDA SCHEME NO 5 KEHKASHAN KDA SCHEME NO 5 KEHKASHAN CLIFTON KARACHI	MUHAMMAD ADNAN SHIRAZEE 42301-8051825-9	MUHAMMAD MOSHIN SHIRAZI	3,404,637	1,066,605		4,471,242	3,404,637	1,066,605		4,471,242
290	FALCON GROUP OF COMPANIES	SUITE NO 3 1ST FLOOR 13 D SHALIMAR CENTRE F 8 MARKAZ ISLAMABAD	HAJI IMAM DIN MARWAT 61101-1881665-5	HAJI SAHIB DIN	3,351,601	594,835		3,946,436	3,351,601	594,835		3,946,436
291	KARACHI BOX (PVT) LTD.	D-55 SITE KARACHI	AMIR MOHD 211-39-088474 RAZIA AMIR 211-41-088475 RAEES KHAN 502-90-751971 NAEEM AKHTER 502-93-808466 SALEEM AKHTER 42101-3078593-7 GHAZALA AMIR 502-60-580450 LUBNA RAEES 502-90-751972	FATAH MOHD AMIR MOHD M. A. KHAN M. A. KHAN MOHAMMAD AMIR KHAN AMIR MOHAMMAD RAEES KHAN	3,030,367	1,175,297		4,205,664	3,030,367	1,175,297		4,205,664
292	AWAIS JAMIL	HOUSE NO 47 STREET NO 37 F-6/1 ISLAMABAD FAISALABAD	AWAIS JAMIL 61101-2545901-1	JAMIL AHMED	2,922,442	371,319		3,293,761	2,922,442	371,319		3,293,761

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293	AUTOTECHNIK PRIVATE LIMITED	29-C-II TARIQ ROAD GULBERG-III LAHORE	ATTIQ AHMED 35202-9850164-5  ABUZAR BUKHARI 35201-1466646-7  NAUREEN KHALID 35201-1379008-0  NASEEM AKHTAR 35202-4503866-8  FAROOQ AHMED 35202-7114315-5	SHAFIQ AHMED SYED MANSOOR HUSSAIN BUKHARI SYED ABUZAR BUKHARI FAROOQ AHMED TAJ DIN	2,938,173	214,152		3,152,325	2,584,638	214,152		2,798,790
294	AH INTERNATIONAL (PVT) LTD.	D 6/1 BLOCK 4 KDA SCHEME NO 5 KEHKASHAN KDA SCHEME NO 5 KEHKASHAN CLIFTON KARACHI	MUHAMMAD ADNAN SHIRAZEE 42301-8051825-9	MUHAMMAD MOSHIN SHIRAZI	2,567,735	784,235		3,351,970	2,567,735	784,235		3,351,970
295	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	2,198,718	381,442		2,580,160	2,198,718	381,442		2,580,160
296	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	2,067,345	335,805		2,403,150	2,067,345	335,805		2,403,150
297	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	2,012,402	337,956		2,350,358	2,012,390	337,956		2,350,346
298	QAISER AFRIDI ENTERPRISES	PLOT NO A 63 BLOCK # 1 SHIREEN JINNAH COLONY CLIFTON KARACHI	SHAMROZ KHAN 42000-8514661-9	MUHAMMAD NOOR	1,987,305	467,063		2,454,368	1,918,886	467,063		2,385,949
299	MALIK SALEEM BROS. TRAILER SERVICE	31 SABAZAR SCHEME BAND ROAD LAHORE FAISALABAD	MUHAMMAD SHAHAB UD DIN 33100-9254622-3	MUHAMMAD HUSSAIN	2,416,111	711,090		3,127,201	1,880,870	711,090		2,591,960
300	SYED ALY MURTAZA	WOOD COTTAGE KAHUTA ROAD SIHALA P.O. SIHALA DISTRICT ISLAMABAD	SYED ALY MURTAZA 61101-1996284-7	INTEKHAB ALI SYED	1,757,424	192,384		1,949,808	1,757,424	192,384		1,949,808
301	NASIR AUTOS	SUITE # 2 22 E SUNSET LANE # 1 SOUTH PARK AVENUE DHA PHASE II EXT KARACHI	NASIR MEHMOOD 31301-5856342-9	ABDUL RASHEED	4,954,915	942,060		5,896,975	1,539,915	942,060		2,481,975
302	AHMED BROTHERS	ROOM NO 1 KAUSAR MASJID DARYABAD MARIPUR ROAD KARACHI	AMIN JAN 11201-5727626-1	HAJI TALIB JAN	3,880,969	935,271		4,816,240	1,498,097	935,271		2,433,368
303	MUHAMMAD SHAHZAD ASLAM	HOUSE # 16 STREET E MADINA TOWN BLOCK Z FAISALABAD	MUHAMMAD SHAHZAD ASLAM 33100-7362090-1	MUHAMMAD ASLAM	3,034,940	1,072,840		4,107,780	1,484,940	1,072,840		2,557,780
304	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	1,473,399	286,887		1,760,286	1,427,519	286,887		1,714,406
305	ABDUL MAJEED AFRIDI	12 CIVIL LINES SHEIKHUPURA	ABDUL MAJEED AFRIDI 14301-2338804-1	MIAN JAN	1,445,094	371,586		1,816,680	1,410,511	371,586		1,782,097
306	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	1,398,678	227,202		1,625,880	1,343,866	227,202		1,571,068
307	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	1,358,469	213,215		1,571,684	1,282,169	213,215		1,495,384
308	HAMAYUN NIAZ	HOUSE NO P 1262 STREET NO 5 FATEHABAD SATIANA ROAD FAISALABAD	HAMAYUN NIAZ 33100-9817434-3	ROSHAN DEEN	2,339,148	749,413		3,088,561	1,226,184	749,413		1,975,597
309	WAHEED DEVELOPERS	86 Y BLOCK MEZZANINE FLOOR OPPOSITE DHA OFFICE DEFENCE LAHORE	MIAN ABDUL WAHEED 35201-1577586-7	ABDUL RAHMAN	3,862,447	1,017,153		4,879,600	1,177,447	1,017,153		2,194,600
310	MALHI TRAVELS	30 GENERAL BUS STAND SARGODHA ISLAMABAD	MUHAMMAD AZHAR MALHI 38403-5972424-7	CHAUDHARY MUHAMMAD SALEEM MALHI	2,774,079	1,319,516		4,093,595	1,174,079	1,319,516		2,493,595
311	MUHAMMAD KALEEM AKHTAR	216 C BATALA COLONY BATALA COLONY LODHI CHOWK FAISALABAD	MUHAMMAD KALEEM AKHTAR 33100-0667191-7	MUHAMMAD HUSSAIN	1,062,507	237,743		1,300,250	1,062,507	237,743		1,300,250
312	RANA SHAHID HAMEED	LANE NO.3-A, HOUSE NO.340/E-12, PESHAWAR ROAD, RAWALPINDI ISLAMABAD	RANA SHAHID HAMEED 35202-3928001-1	M. A. HAMEED	999,849	481,936		1,481,785	993,607	481,936		1,475,543

# Consolidated Financial Statements

## Annexure-1

Amounts in PKR

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			Total Balance
					Principal	Interest/Mark up	Others	Total	Principal	Interest/Mark up	Others	
313	HEAVEN CONSTRUCTION CO.	HOUSE # 416 B III STREET # 4 ISLAMPURA DASKA DISTRICT SIALKOT	MALIK MUHAMMAD LIAQAT 34601-1725097-7	MALIK MUHAMMAD ISMAIL	953,325	403,587		1,356,912	942,133	403,587		1,345,720
314	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	948,009	138,417		1,086,426	927,998	138,417		1,066,415
315	MUHAMMAD ASHRAF	HOUSE # 290 BLOCK D SATELLITE TOWN RAWALPINDI ISLAMABAD	MUHAMMAD ASHRAF 37405-7049717-9	GHULAM RASOOL	932,121	842,004		1,774,125	926,723	842,004		1,768,727
316	MUHAMMAD RAFIQUE	CHAK NO 74 J B THAKERY WALA DAKKHANA KHAS TEHSIL & DISTRICT FAISALABAD	MUHAMMAD RAFIQUE 33100-0996538-3	BARKAT ALI	963,939	134,565		1,098,504	915,804	134,565		1,050,369
317	ATIF LATIF GILL	117-R DHA LAHORE	ATIF LATIF GILL 35202-6717258-9	LATIF GILL	924,210	430,704		1,354,914	911,478	430,704		1,342,182
318	MULTI PACK	HOUES # 383 STREET # 7 DUGLAS PURA FAISALABAD	SAJID REHMAN 33100-0862925-7	ABDUR RAHMAN	883,348	66,052		949,400	883,348	66,052		949,400
319	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	875,607	288,105		1,163,712	875,607	288,105		1,163,712
320	IJAZ HUSSAIN CHAUDHARY	A 518 MOHALLAH MODEL TOWN GUJRANWALA SIALKOT	IJAZ HUSSAIN CHAUDHARY 34101-0314636-7	CHAUDHARY ALLAH DITTA	872,842	197,606		1,070,448	872,842	197,606		1,070,448
321	IRFAN ALI	NOSHERA ROAD MOMINABAD STREET # 6 B GUJRANWALA SIALKOT	IRFAN ALI 34603-6124131-1	CHAUDHARY WARIS KHAN	845,749	264,269		1,110,018	845,749	264,269		1,110,018
322	INTERNATIONAL TOURS	HOUSE # 22 LAWRENCE ROAD LAHORE	ANWAR ULLAH KHAN 35202-2322864-1	NISAR ULLAH KHAN	828,945	103,130		932,075	821,470	103,130		924,600
323	AL-SADAAT CARGO SERVICES	03 A AL AMIN TERRACE 1ST FLOOR CUSTOM HOUSE BOARI ROAD PUNJAB CLUB KARACHI	MUHAMMAD SAEED 42301-1077118-3	MUHAMMAD MATIULLAH	1,476,938	468,522		1,945,460	815,145	468,522		1,283,667
324	STAR MOVERS	COMMERCIAL PLOT NO 5/2, OFFICE NO 06 MEZZANINE FLOOR, MADINA PLAZA SHIREEN JINNAH COLONY CLIFTON KARACHI	KHALIQ DAD 38201-1170247-7	AHMED SHER	790,323	133,151		923,474	790,323	133,151		923,474
325	SYED AMIN MUHAMMAD SHAH FAZLANI	HOUSE # 11 UNIT # 3 LATIFABAD HYDERABAD	SYED AMIN MUHAMMAD SHAH FAZIANI 41304-5933271-9	HUSSAIN ALI SHAH FAZIANI	736,573	307,492		1,044,065	736,573	307,492		1,044,065
326	DECENT LODGE GUEST HOUSE	12 D/B CIRCULAR ROAD UNIVERSITY TOWN PESHAWAR PESHAWAR	QAISER KHAN 17301-1297637-9	ABDUL MANNAAN KHAN	724,690	83,210		807,900	724,690	83,210		807,900
327	CH. ASGHER ALI	24 - B - AL FAISAL TOWN GAZI ROAD LAHORE CANTT. LAHORE	CH. ASGHER ALI 35201-1493560-5	CH. MUHAMMAD IBRAHIM	704,822	277,432		982,254	704,822	277,432		982,254
328	ZAHID MEHMOOD KHAN	HOUSE #53-B-II P.E.C.H.S., KARACHI	ZAHID MEHMOOD KHAN 42000-0529704-5	MUHAMMAD HANIF KHAN	688,216	357,743		1,045,959	664,450	357,743		1,022,193
329	SHAKEEL AHMED	FLAT #E-14, MEHRAN EXT. BLOCK-16 GULSHAN -E-IQBAL KARACHI	SHAKEEL AHMED 42201-1792338-1	BASHIR AHMED	659,345	387,973		1,047,318	659,345	387,973		1,047,318
330	AZEEM SARWAR	120 HUNZA BLOCK ALLAM IQBAL TOWN, LAHORE	AZEEM SARWAR 35202-3028170-3	MR. MUHAMMAD SARWAR	660,969	289,031		950,000	648,165	289,031		937,196
331	WAJID SALEEM BUTT	HOUSE NO 30 CHAUDHRY PARK AAMIR ROAD SHA DBAGH LAHORE.	WAJID SALEEM BUTT 35202-7020529-7	MUHAMMAD SALEEM BUTT	639,220	474,480		1,113,700	639,220	474,480		1,113,700
332	MUHAMMAD ASIF	FLAT #403 PLOT #104 DADU MILL ROAD PARSY COLONY SOLIDER BAZAR 4TH FLOOR, KARACHI	MUHAMMAD ASIF 42000-0488124-5	AKBAR ALI	592,670	142,715		735,385	587,708	142,715		730,423

## Consolidated Financial Statements

### Annexure-1

Amounts in PKR

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year				Amount Written off / Concession			Total Balance
					Principal	Interest/ Mark up	Others	Total	Principal	Interest/ Mark up	Others	
333	CHAUDHRY ARSHAD NAEEM	11-EDUCATION TOWN WAHDAT ROAD LAHORE	CHAUDHRY ARSHAD NAEEM 35202-7450183-9	CHAUDHRY KHUSHI MUHAMMAD	580,657	326,704		907,361	580,657	326,704		907,361
334	MALIK QASIM TRANSPORT CO.	PLOT # 59 MEHRAN MALIK WORKSHOP MAIN NATIONAL HIGHWAY KARACHI	MUHAMMAD QASIM AWAN 42501-7281394-3	MUHAMMAD BAKSH AWAN	2,963,754	921,302		3,885,056	577,002	921,302		1,498,304
335	SHAHID IQBAL	178-N GHAZALI ROAD SAMMANABAD LAHORE	SHAHID IQBAL 35202-5321865-5	HAJI GHULAM MAHMED	572,180	259,285		831,465	557,117	259,285		816,402
336	UMER FAROOQ	325 RAZA BLOCK ALLAMA IQBAL TOWN LAHORE	UMER FAROOQ 266-62-058048	FAROOQ ANWAR	518,353	154,563		672,916	518,353	154,563		672,916
337	MUHAMMAD ASMAT	HOUSE #29 MOHALLAH RAHMAT PURA STREET #1 BRANCH #3 NOWSHERA ROAD GUJRANWALA	MUHAMMAD ASMAT 34101-5686909-3	MUHAMMAD BASHIR	507,841	90,185		598,026	506,991	90,185		597,176
					<b>1,291,048,629</b>	<b>461,503,068</b>	<b>-</b>	<b>1,752,551,697</b>	<b>590,710,330</b>	<b>418,912,972</b>	<b>-</b>	<b>1,009,623,302</b>

## PATTERN OF SHAREHOLDERS

As on 31 December 2012

NO. OF SHAREHOLDERS	SHAREHOLDING'S SLAB		TOTAL SHARES HELD	PERCENTAGE
	FROM	TO		
1201	1	100	50,032	0.0013
2085	101	500	661,448	0.0171
1251	501	1000	997,439	0.0258
2712	1001	5000	6,931,844	0.1790
899	5001	10000	5,618,521	0.1451
137	10001	15000	1,720,325	0.0444
69	15001	20000	1,204,866	0.0311
46	20001	25000	1,042,318	0.0269
21	25001	30000	596,314	0.0154
16	30001	35000	510,375	0.0132
15	35001	40000	562,286	0.0145
6	40001	45000	252,717	0.0065
4	45001	50000	196,855	0.0051
6	50001	55000	310,204	0.0080
10	55001	60000	583,294	0.0151
3	60001	65000	183,119	0.0047
7	65001	70000	477,586	0.0123
1	70001	75000	75,000	0.0019
3	75001	80000	235,817	0.0061
1	80001	85000	81,500	0.0021
3	85001	90000	263,943	0.0068
8	95001	100000	797,900	0.0206
1	100001	105000	103,045	0.0027
1	105001	110000	107,900	0.0028
1	120001	125000	121,644	0.0031
5	125001	130000	638,000	0.0165
1	130001	135000	134,400	0.0035
1	135001	140000	137,500	0.0036
2	140001	145000	285,000	0.0074
1	145001	150000	145,258	0.0038
1	165001	170000	165,100	0.0043
1	170001	175000	175,000	0.0045
1	185001	190000	185,258	0.0048
1	195001	200000	200,000	0.0052
1	205001	210000	207,000	0.0053
1	235001	240000	238,900	0.0062
2	245001	250000	497,232	0.0128
1	255001	260000	258,132	0.0067
1	280001	285000	283,795	0.0073
1	295001	300000	300,000	0.0077
1	405001	410000	406,041	0.0105
2	455001	460000	917,614	0.0237
1	495001	500000	500,000	0.0129
1	510001	515000	515,000	0.0133
1	525001	530000	530,000	0.0137
1	620001	625000	625,000	0.0161
1	665001	670000	668,600	0.0173
1	710001	715000	712,208	0.0184
1	910001	915000	914,570	0.0236
1	10750014	1080000	1,078,600	0.0279
1	484001	484500	4,841,359	0.1250
1	3832335001	3832340000	3,832,339,162	98.9863
<b>8541</b>			<b>3,871,585,021</b>	<b>100.0000</b>

## CATEGORY WISE LIST OF SHAREHOLDERS

As on 31 December 2012

PARTICULARS	SHARES HOLDERS	SHAREHOLDING	PERCENTAGE
<b>Directors and their spouse(s) and minor children</b>			
Mr. Shahid Zaki	1	1	0.00
Mr. Najmul Islam Chaudhri	1	1	0.00
Mr. Sultan Mohammad Parvez Ghias	1	1	0.00
Mr. Mohsin Ali Nathani	1	530,001	0.01
Mr. Raheel Ahmed	1	1	0.00
Mr. Christos Papadopoulos	1	1	0.00
Mr. Ray Brown Duggins	1	1	0.00
<b>Associated Companies, undertakings and related parties</b>			
Standard Chartered Bank (UK)	1	3,832,339,162	98.99
<b>Executives</b>			
	-	-	-
<b>Public Sector Companies and Corporations</b>			
National Bank of Pakistan	1	16,742	0.00
National Development Finance Corp.	1	4,177	0.00
Saudi Pak Industrial & Agricultural	1	30,905	0.00
IDBP (ICP Unit)	1	340	0.00
National Bank of Pakistan Investar A/C Former NDFC	1	32,877	0.00
Bankers Equity Ltd.	1	5,000	0.00
Investment Corporation of Pakistan	1	3,250	0.00
<b>Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds</b>			
	16	143,597	0.00
<b>Mutual Funds</b>			
Safeway Mutual Fund Limited	1	620	0.00
Safeway Fund Limited	1	62	0.00
CDC - Trustee Akd Index Tracker Fund	1	5 1,598	0.00
<b>General Public</b>			
<b>a. Local</b>	8397	29,735,011	0.77
<b>b. Foreign</b>	17	776,437	0.02
<b>Others</b>			
	93	7,915,236	0.20
<b>Totals</b>	<b>8541</b>	<b>3,871,585,021</b>	<b>100.00</b>

### Share holders holding 5% or more Shares Held Percentage

<b>Standard Chartered Bank (UK)</b>	<b>3,832,339,162</b>	<b>98.99</b>
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# Form of Proxy

## 7TH ANNUAL GENERAL MEETING STANDARD CHARTERED BANK (PAKISTAN) LIMITED

I/We.....  
of.....being member(s) of Standard Chartered Bank  
(Pakistan) Limited holding.....Ordinary shares hereby appoint  
.....of.....or failing  
him/her.....of.....who is/are also member(s)  
of **Standard Chartered Bank (Pakistan) Limited** as my/our Proxy in my/our absence to attend  
and vote for me/us and on my/our behalf at the Annual General Meeting of the Bank to be held  
on March 28, 2013 and/or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Folio No.

Signature  
on Rs. 5/-  
Revenue Stamp

**WITNESSES:**

- 1. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC No. \_\_\_\_\_  
Passport No. \_\_\_\_\_
  
- 2. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC No. \_\_\_\_\_  
Passport No. \_\_\_\_\_

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**Note**

- 1. The Proxy Form should be deposited at the registered office of the Bank, as soon as possible but not later than 48 hours before the time of holding the meeting, failing which, Proxy Form will not be treated as valid.
- 2. No person shall act as proxy unless he/she is a member of the Bank.

Fold here

**Company Secretary**  
Standard Chartered Bank (Pakistan) Limited  
P.O.Box No. 5556,  
I.I.Chundrigar Road,  
Karachi 74000, Pakistan

Fold here

Fold here

Fold here

Fold here

Fold here

Fold here



This little girl can now see how pretty her bangles look.

We will match any contribution you make to help them see the world in all its glory.

Make a generous donation to Standard Chartered's Seeing is Believing programme and join hands with us as we attempt to eliminate preventable blindness from Pakistan.

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Donate your Credit Card Rewards Points today by calling **111-002-002**
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You can donate through your Standard Chartered Credit Cards by calling our Phone Banking **111-002-002**
- 3** **Deposit in LRBT Account No. 01-2095467-01** in any of the Standard Chartered Bank branches

manhattan



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Standard Chartered Bank (Pakistan) Limited

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The Bank will match any amount that you contribute up to 30 million Standard Chartered Bank will not be collecting any funds. All donations will go directly to LRBT account.