

## **Soneri Bank Limited**

**(Annual Report 1997)**

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### **Corporate Data**

#### **Board of directors**

#### **Chairman**

Mr. Alauddin J. Feeresta

#### **Chief Executive**

Mr. Safar Ali K. Lakhani

#### **Directors**

Mr. Jaffer Ali M. Feerasta  
Mr. Nooruddin B. Feerasta (Sr.)  
Mr. Tariq Rehman  
Mr. Abdul Hayee  
Mr. Asadullah Khawaja(NIT Nominee)

#### **Registered Office**

4th Floor, IEP Building  
97-B/D-I, Gulberg III  
Lahore.

#### **Company Secretary**

Mr. Abdul Hayee

#### **Auditors:**

A.E Ferguson & Co.  
Chartered Accountants

#### **Legal Advisors:**

Zafar Law Associates  
Advocates  
Tahir Ali Tayebi & Co.  
Advocates  
Shaikh Atta-ur-Rehman & Associates  
Advocates

#### **Registrar and Share**

#### **Transfer office:**

THK Associates (Pvt) Ltd.,  
Ground Floor,  
Sheikh Sultan Trust  
Building No. 2,  
Beaumont Road,  
Karachi.  
Tel: (021) 5686658  
(021) 5689021  
Fax: (021) 5685681

### **Financial Highlights**

Rs. in Million

Particulars	1997	1996 (%)	Growth
Deposits	9,845	6,655	47.93
Advances	6,103	4,181	45.97
Investments	4,919	2,213	122.28
Import / Export Business	20,846	15,562	33.95
Pre-Tax Profit	441	380	16.10
After-Tax Profit	172	159	8.18
Total Assets	12,954	8,826	46.77
Net Assets / Shareholders' Equity	875	703	24.47

### Chairman's Review

I am pleased to present the sixth annual report and the audited accounts of your bank for the financial year ended 31 December 1997. The results show satisfactory progress in all the fields with a number of new branches being opened during the year.

1997 saw a new government take charge and initiate reforms in various segments of the economy. The reform packages introduced have covered the industry, agriculture as well as the banking sector. Generally the response to these reforms is encouraging and it is hoped that with improvement in the law and order situation the economy would take a turn around for the better.

As you would notice, under instructions from State Bank of Pakistan the format of the Balance Sheet and accounts has been completely changed making it very elaborate and nearer to international standard.

The capital adequacy rules have also been amended bringing in the accepted norms of risk weighted assets and also instructing the banks to increase their paid up capital to a minimum of Rs. 500 million by 31 December, 1998.

The State Bank's second quarterly report released recently shows some improvement in certain areas. The trade gap in the second half of 1997 registered a decrease of 369'0 as compared with the trade imbalance of the corresponding period last year. Government borrowings from the banking sector were restricted to Rs. 40 billion, much below the targeted figures of Rs. 48 billion set for the period.

In line with the policy of liberalization, the State Bank has allowed the banks to determine their own daily exchange rates for foreign currencies except the US Dollar from February 05, 1998. The decision has come as part of set of foreign exchange reforms for further opening up of the banking sector. The rate of US Dollar however would continue to be determined by the State Bank. It will open new vistas of banking business and make the banks more competitive.

In contrast to the first half of 1997, the second half was characterised by surplus liquidity and slowing down of the economy to some extent. The budgetary projections envisaging supply side policies were disturbed mainly due to a weak cotton crop.

During the period under review the cost of funds has shown increasing trend with substantial decline in the rates of return on investments and advances. This has resulted in shrinkage of the spread margins putting pressure on the profitability.

During the year deposits of your bank increased to Rs. 9.845 billion showing a growth of 48%. Return offered on various deposit schemes has also increased and is most competitive.

Advances also show an increase of 46% and are now Rs. 6.103 billion but a substantial part of this increase represents export related finances which are 46% of the total advances.

The investments, which are mostly in Government Securities have increased to Rs. 4.919 billion and are now almost 50% of the total deposits .

With a worldwide network of foreign correspondents the bank handled foreign trade in excess of Rs. 21 billion showing an increase of 34% over the last year's figures. The quality of service offered by the branches of your bank has attracted a number of new customers and it is hoped that the trend will be maintained during the current year.

Your bank's total assets (excluding contra items) now stand at Rs. 12.954 billion showing an increase of 46% over the last year's figures.

During the period under review your bank has earned a pretax profit of Rs. 441 million showing an increase of 16% over the last year. As explained earlier, the declining spread margins has put a strain on banks' profitability and its impact would be more pronounced during the current year.

Your bank has opened five new branches during 1997 and intends to further enhance the network during the current year. It is hoped that the new branches located strategically in important towns and cities would help generate sufficient new business to sustain the growing trend.

I feel proud to report that during the year under review your bank received A1 rating for the short term and A for the long term, from the Pakistan Credit Rating Agency (Pvt) Ltd. (PACRA), an affiliate of IBCA Ltd, UK. These ratings indicate a higher quality of the operations of your bank. The rating was obtained voluntarily by your bank to generate confidence among its customers and to obtain an independent assessment of the quality of its operations.

As reported earlier, the area of manpower development is receiving the maximum attention. Training programme for the new entrants are continuing keeping in view the needs of expanding network and enhanced volume of business handled by the existing branches. The Bank regularly sends officers and executives to attend Banking Seminars both inside and outside the country. During 1997 four executives were deputed to attend International Banking Seminars at UK, USA, South Africa and UAE to enhance their technical know how and recent developments in Banking Industry.

I wish to convey sincere thanks to all our valued customers for their confidence and whole hearted support given to Soneri Bank. I would also like to acknowledge and appreciate the hard work and devotion of the executives and other staff whose efforts resulted in achieving the goals.

My thanks also go to the Ministry of Finance and the State Bank of Pakistan for their invaluable support and guidance, where needed.

JAFFER ALI M. FEERASTA  
Chairman

Lahore: 18 February 1998.

### **Directors' Report To Shareholders**

Your Directors feel pleasure in presenting the 6th Annual Report of the Bank together with Audited Accounts and Auditors' Report thereon for the year ended 31 December 1997. The Banks' financial results are as follows:

Rs in '000

Profit for the year before taxation

440,713

Provision for taxation - Current year	224,000
-Prior years	45,000
	-----
	(269,000)
Profit after taxation	171,713
Unappropriated Profit brought forward	1255
	-----
Profit available for appropriation	172,968
Transfer to reserve fund	34,343
Transfer to special reserve	41,343
Transfer to general reserve	20,000
Transfer to reserve for proposed issue of bonus shares	75,900
	-----
	(171,586)
	-----
Balance carried forward	1,382
	=====
Earning per share (Before Tax)	Rs. 11.61
	=====

#### Directors

During the year three Directors, namely Mr. Alauddin J. Feerasta, Mr. Tariq Rehman and Mr. Nooruddin B. Feerasta (St.) retired after completing their tenure as specified in the Banking Companies Ordinance 1962, and these casual vacancies were filled by co-opting Mrs. Aziza A. Feerasta, Mrs. Shirin B. Feerasta and Mrs. Aymna NT. Feerasta vice the retiring directors respectively, effective from 18 February 1998. The co-opted members shall remain on the Board till the next election of the directors due in March 1999.

#### Auditors

The retiring auditors, M/s. A.F. Ferguson & Co. Chartered Accountants being eligible, offer themselves for reappointment .

#### Pattern of Share Holding

A statement showing the pattern of share holding in the company as at 31 December 1997 appears on page 26.

#### Thanks

The Board would also like to record its appreciation for loyalty, devotion and hardwork of the officers and staff of the bank at all levels.

#### Jafferali M. Feerasta

Chairman  
Lahore: 18 February 1998.

#### Auditors' Report to the Members

We have audited the annexed balance sheet of Soneri Bank Limited as at December 31, 1997 and the related profit and loss account and cash flow statement together with the notes forming part thereof, for the year then ended, in which are incorporated the un-audited certified returns from the branches except for four branches which have been audited by us and we state that we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and, after due verification thereof, found them satisfactory and, we report that:

a) in our opinion, proper books of account have been kept by the bank as required by the Companies Ordinance, 1984 and the returns referred to above received from the branches have been found adequate for the purposes of our audit;

b) in our opinion:-

i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962, and the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

ii) the expenditure incurred during the year was for the purpose of the bank's business; and

iii) the business conducted, investments made and the expenditure incurred during the year, were in accordance with the objects of the bank and the transactions of the bank which have come to our notice have been within the powers of the bank;

c) in our opinion and to the best of our information and according to the explanations given to us the balance sheet and the profit and loss account and the cash flow statement together with the notes forming part thereof, give the information required by the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984 in the manner so required and give a true and fair view of the state of the bank's affairs as at December 31, 1997 and its true balance of the profit for the year then ended; and

d) in our opinion, zakat deductible at source under the Zakat and Ushr Ordinance, 1980 was deducted by the bank and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

Chartered Accountants

February 25, 1998.

**BALANCE SHEET AS AT DECEMBER 31, 1997**

	NOTE	1997	1996
		Rupees in '000	
<b>ASSETS</b>			
CASH	4	787,659	1,368,759
BALANCES WITH OTHER BANKS	5	226,437	235,557
MONEY AT CALL AND SHORT NOTICE		Nil	50,000
INVESTMENTS	6	4,918,643	2,212,899
ADVANCES - NET OF PROVISION	7	6,102,883	4,180,746
OPERATING FIXED ASSETS	8	247,450	182,214
CAPITAL WORK IN PROGRESS	9	24,766	39,066
OTHER ASSETS	10	646,494	557,148
		-----	-----
		12,954,332	8,826,389
<b>LIABILITIES</b>			
DEPOSITS & OTHER ACCOUNTS	11	9,845,050	6,654,719
BORROWINGS FROM OTHER BANKS, AGENTS ETC.	12	1,553,064	702,620
BILLS PAYABLE		270,750	266,193
OTHER LIABILITIES	13	396,951	473,802
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	14	13,813	26,064
DEFERRED LIABILITIES		Nil	Nil
		12,079,628	8,123,398
		-----	-----
NET ASSETS		874,704	702,991
		=====	

**REPRESENTED BY:**

SHARE CAPITAL	15	379,500	379,500
RESERVE FOR PROPOSED ISSUE OF BONUS SHARES		75,900	Nil
RESERVE FUND & OTHER RESERVES	16	417,922	322,236
UNAPPROPRIATED PROFIT		1,382	1,255
		-----	-----
SHAREHOLDERS' EQUITY		874,704	702,991
SURPLUS ON REVALUATION OF FIXED ASSETS		Nil	Nil
SUB-ORDINATED DEBT		Nil	Nil
		-----	-----
		874,704	702,991
<b>MEMORANDUM ITEMS</b>		=====	=====
BILLS FOR COLLECTION	17	1,639,923	1,355,347
ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS		2,991,920	2,656,185
CONTINGENT LIABILITIES AND COMMITMENTS	18	--	--

The annexed notes form an integral part of these accounts.

SAFARALI K. LAKHANI	JAFFERALI M. FEERASTA	ABDUL HAYEE	ASADULLAH KHAWAJA
PRESIDENT AND	DIRECTOR	DIRECTOR	DIRECTOR
CHIEF EXECUTIVE			

#### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 1997

	NOTE	1997	1996
		Rupees in '000	
Mark-up / Interest and discount and/or return earned		1,156,576	883,629
Less: Cost / Return on deposits, borrowings etc.		(784,656)	(579,099)
		-----	-----
		371,920	304,530
Fees, commissions & brokerage		76,153	61,173
Profit / loss from dealing securities		Nil	Nil
(Loss) from investment securities		(105)	(4,433)
Income from dealing in foreign securities		Nil	Nil
Dividend income		296	Nil
Other operating income	19	227,132	233,370
		-----	-----
		303,476	290,110
		-----	-----
		675,396	594,640
<b>Operating Expenses:</b>			
Administrative expenses	20	211,239	182,657
Provisions against non-performing advances	7.2	23,221	28,983
Provision for diminution in value of investments		Nil	2,611
Other provisions		Nil	Nil

Bad debts written off directly		202	Nil
		(234,662)	(214,251)
		-----	-----
		440,734	380,389
Other income	21	154	Nil
		-----	-----
		440,888	380,389
Other charges	22	(175)	(64)
		-----	-----
		440,713	380,325
Extra ordinary / unusual items		Nil	Nil
Profit before taxation		440,713	380,325
Taxation - current year		(224,000)	(221,000)
- prior years	23	(45,000)	Nil
		-----	-----
		(269,000)	(221,000)
		-----	-----
Profit after taxation		171,713	159,325
Unappropriated profit brought forward		1,255	3,144
		-----	-----
Profit available for appropriation		172,968	162,469

**APPROPRIATIONS**

Transfer to:

Capital reserve	16	41,343	15,737
Revenue reserve	16	20,000	5,000
Statutory reserve	16	34,343	76,065
Reserve for proposed issue of bonus shares		75,900	Nil
Proposed dividend - Nil (1996: O 17.5%)		Nil	66,412
		-----	-----
		(171,586)	(161,214)
		-----	-----
Unappropriated profit carried forward		1,382	1,255
		=====	=====

The annexed notes form an integral part of these accounts

SAFARALI K. LAKHANI	JAFFERALI	ABDUL HAYEE	ASADULLAH KHAWAJA
PRESIDENT AND	M. FEERASTA		
CHIEF EXECUTIVE'	DIRECTOR	DIRECTOR	DIRECTOR

**CASH FLOW STATEMENT**

FOR THE YEAR ENDED DECEMBER 31, 1997

	1997	1996
	Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	440,713	380,325
Add / (Less): Loss on sale of investment securities - shares	121	4,433

Dividend income	(296)	Nil
	-----	-----
	440,538	384,758
Adjustments for non-cash items:		
Depreciation	25,181	20,025
Provision for diminution in the value of investments	Nil	2,611
Provision against non-performing advances	23,221	28,983
(Profit) / Loss on sale of fixed assets	(154)	64
Finance charges on leased assets	3,663	5,013
	-----	-----
	51,911	56,696
	-----	-----
	492,449	441,454
(Increase) in operating assets		
Investment securities (other than shares)	(2,715,127)	(259,702)
Advances	(1,945,358)	(916,244)
Others assets (excluding advance tax)	(53,966)	(159,579)
	-----	-----
	(4,714,451)	(1,335,525)
Increase in operating liabilities		
Deposits & other accounts	3,190,331	1,539,924
Bills payable	4,557	154,145
Other liabilities (excluding provision for taxation)	8,610	82,193
	-----	-----
	3,203,498	1,776,262
Cash (outflow) / inflow before tax	(1,018,504)	882,191
Income tax paid	(323,428)	(205,093)
	-----	-----
Net cash (outflow) / inflow from operating activities	(1,341,932)	677,098
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net sale proceeds of investment securities - shares	11,007	9,340
Purchase of investment securities - shares	(1,698)	(20,703)
Dividend income	296	Nil
Fixed capital expenditure	(73,868)	(72,420)
Sale proceeds of fixed assets	407	16
	-----	-----
Net cash used in investing activities	(63,856)	(83,767)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings from other banks, agents etc.	850,444	(33,764)
Payment of lease obligations	(18,463)	(23,185)
Dividend paid	(66,413)	(56,925)
	-----	-----
Net cash inflow / (outflow) from financing activities	765,568	(113,874)
(Decrease) / Increase in cash and cash equivalents for the year	(640,220)	479,457
Cash and cash equivalents at the beginning of the year	1,654,316	1,174,859
	-----	-----



Cash and cash equivalents at the end of December 31	1,014,096	1,654,316
	=====	=====
Cash and cash equivalents		
Cash	787,659	1,368,759
Cash with other banks	226,437	235,557
Money at call and short notice	Nil	50,000
	-----	-----
	1,014,096	1,654,316
	=====	=====

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 1997**

**1) STATUS AND NATURE OF BUSINESS**

Soneri Bank Limited was incorporated in Pakistan on September 28, 1991 as a public limited company under the Companies Ordinance, 1984. Its shares are quoted on the stock exchanges in Pakistan. The bank is principally engaged in the business of banking as defined by the Banking Companies Ordinance, 1962.

**2) BASIS OF PRESENTATION**

2.1 In accordance with the directives of the Federal Government, regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan 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 resell to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these accounts as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon.

2.2 These accounts have been prepared under the revised format of financial statements comprising the balance sheet, profit and loss account and cash flow statement with notes forming part thereof as amended by the State Bank of Pakistan in exercise of the powers conferred upon it by sub-section 4 of section 34 of the Banking Companies Ordinance, 1962. Accordingly, prior year's figures have also been rearranged and reclassified wherever necessary, to facilitate comparison.

**3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Accounting convention**

These accounts have been prepared under the historical cost convention and in conformity with the accepted accounting policies of banking institutions in Pakistan.

**3.2 Staff retirement benefit**

The bank operates an approved provident fund scheme covering all its permanent employees. Equal monthly contributions are made, both by the bank and the employees to the fund at the rate of 8.33% of basic pay. With effect from June 30, 1997 the bank also operates an approved gratuity scheme covering all its permanent employees. Contributions are made annually to the fund on the basis of actuarial recommendation. Based on the latest actuarial valuation of the gratuity scheme as at April 30, 1997, the initial contribution to the fund amounted to Rs.6.247 million which was provided for in the prior year's accounts and paid during the year. The future contribution rates are 8.33% of the annual basic salary. Attained Age Normal Cost Method, using following significant assumptions, is used for valuation of the gratuity scheme:

- Expected rate of increase in salaries 12% compounded in the long range.
- Expected rate of interest on investments 12% per annum.

### **3.3 Taxation**

The charge for taxation is based on taxable income at the current rates of taxation after taking into consideration available tax credits and rebates. The bank accounts for deferred taxation using the liability method on all major timing differences except where these are not expected to reverse in the foreseeable future. Deferred tax debits are not recognised in the accounts.

### **3.4 Advances**

Advances are stated net of provisions for doubtful advances. Provision is made for doubtful advances as considered necessary at the year end to comply with the Prudential Regulations of the State Bank of Pakistan and is charged to income currently.

### **3.5 Investments**

These are stated at book value less provisions for diminution in value, if any. Profits and losses on sale of investments are taken to income in the year in which they arise. Premiums / discounts on purchase of investments are amortised over the term of such investments.

### **3.6 Operating fixed assets and depreciation**

i) Operating fixed assets are stated at cost less accumulated depreciation.

ii) Capital work in progress is stated at cost.

iii) Fixtures costing Rs.10,000 or less and all other items of fixed assets costing Rs.2,000 or less are not capitalized and are charged off in the year of purchase.

iv) Assets subject to finance leases are accounted for by recording the asset and the related liability. The amounts are determined on the basis of discounted values of minimum lease payments. Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

v) Depreciation on operating fixed assets is computed over the useful lives of the related assets and charged to income applying the diminishing balance method. However, depreciation on vehicles is charged on the straight line basis. Depreciation on additions is charged from the month in which it is put to use and on deletions upto the month of deletions. Profit or loss on disposal of fixed assets is included in income

vi) Normal repairs and maintenance are charged to income as and when incurred. Major repairs and renewals are capitalized.

### **3.7 Foreign currencies**

Assets and liabilities in foreign currencies are translated into rupees at the rates of exchange approximating those prevailing at the balance sheet date except those covered by forward exchange contracts which are converted at the contracted rates. Other forward exchange contracts are valued at mid-market rates prevailing at the year end. Exchange gains and losses are included in income currently.

### **3.8 Revenue recognition**

Mark-up on advances and returns on investments are recognized on the accounts basis, except for income which is required to be carried forward in compliance with the Prudential Regulations of the State Bank of Pakistan.

Commission on letters of credit and guarantee is recognized on the receipt basis.

	1997	1996
	Rupees in '000	
<b>4. CASH</b>		
In hand: local currency	98,568	87,592
foreign currencies	122,968	165,682
With State Bank of Pakistan in:		
Special deposit account		
export retinanees	Nil	652,578
others	Nil	Nil
Current account	563,267	437,140
With other central banks	Nil	Nil
With National Bank of Pakistan in current account	2,856	25,767
	-----	-----
	787,659	1,368,759
<b>5) BALANCES WITH OTHER BANKS</b>		
in Pakistan '- on current account	158,291	125,285
- on deposit account	39,877	22,214
Outside Pakistan - on current account	28,269	88,058
- on deposit account	Nil	Nil
	-----	-----
	226,437	235,557
	=====	=====
<b>6) INVESTMENTS (at cost less provisions)</b>		
Investment Securities		
Federal and Provincial Government Securities:		
Federal Investment Bonds	698,049	747,865
Short Term Federal Bonds	4,050,000	1,400,000
Others	Nil	Nil
Investments in subsidiary companies and associated undertakings	Nil	Nil
Fully paid up ordinary shares		
- listed companies	7,411	16,841
- unlisted companies	Nil	Nil
Debentures, Bonds, Participation Term Certificates and Term Finance Certificates	41,815	Nil
Certificates of Investment	125,000	50,450
National Prize Bonds	518	1,940
Gold	Nil	Nil
	-----	-----
	4,922,793	2,217,096
Less: Provision the diminution in the value of investments	(4,150)	(4,197)
	-----	-----
	4,918,643	2,212,899
	=====	=====

[Market values of quoted investments was Rs.45.660 million (1996: Rs. 12.644 million)]

and book value of unquoted investments Rs.4,873.567 million (1996: Rs.2,201) 255 million)].

**7) ADVANCES**

Loans, cash credits, overdrafts etc.

In Pakistan	5,090,235	3,475,705
Outside Pakistan	Nil	Nil
	-----	-----
	5,090,235	3,475,705

Bills discounted and purchased  
(excluding Government Treasury Bills)

Payable in Pakistan	288,591	219,779
Payable outside Pakistan	808,693	546,677
	-----	-----
	1,097,284	766,456

	-----	-----
	6,187,519	4,242,161

General and specific provision for  
non-performing advances (note 7.2)

	(84,636)	(61,415)
	-----	-----
	6,102,883	4,180,746

Advances include Rs.92.950 million (1996:69.232 million)  
which have been placed on non-performing status.

7.1 Particulars of advances

In local currency	5,294,190	3,634,069
In foreign currencies	808,693	546,677
	-----	-----
	6,102,883	4,180,746
	=====	=====

Debts considered good in respect  
of which the bank is fully secured

	6,102,883	4,180,746
--	-----------	-----------

Debts considered good for which the bank holds no  
other security than the debtors' personal security

	Nil	Nil
--	-----	-----

Debts considered good secured by the personal  
liabilities of one or more parties in addition to the  
personal security of the debtors

	Nil	Nil
--	-----	-----

Debts considered doubtful or bad not provided for

	Nil	Nil
	-----	-----
	6,102,883	4,180,746
	=====	=====

Balance		Maximum total amount of
Outstanding at		advances including temporary
31-Dec-97		advances granted during the year
.....	Rupees in '001)	.....

Debts due by executives or officers of the bank or any  
of them either severally or jointly with any other persons

	30,202	30,679
--	--------	--------

1) 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

	Nil	Nil
--	-----	-----

Debts due by subsidiary companies, controlled firms, managed modarabas and other associated undertakings

Nil Nil

7.2 Particulars of provision against non-performing advances

	Specific ..... Rupees in '000	General ..... Rupees in '000	1997	1996
				T O T A L
Opening balance				
Exchange adjustments	51,415	10,000	61,415	32,432
	Nil	Nil	Nil	Nil
Charge for the year	34,487	Nil	34,487	28,983
Amounts written off -- Note 7.3	Nil	Nil	Nil	Nil
Reversals	(11,266)	Nil	(11,266)	Nil
	-----	-----	-----	-----
	23,221	Nil	23,221	28,983
Other movements	Nil	Nil	Nil	Nil
	-----	-----	-----	-----
Closing balance	74,636	10,000	84,636	61,415
	=====	=====	=====	=====
Provision against:				
Advances to banks	Nil	Nil	Nil	Nil
Advances to others	71,636	10,000	84,636	61,415
	-----	-----	-----	-----
	74,636	10,000	84,636	61,415
	=====	=====	=====	=====

7.3 The statement under section 33A(3) of the Banking Companies Ordinance, 1962 is not applicable as the amount directly written off during the year is less than Rs 500,000

8) OPERATING FIXED ASSETS

	Cost		At Dec 31 1997	At Jan 1 1997	Depreciation Charge for the year / (on deletions) /*Transfers	Book value		Rate Depreciation
	At Jan 1 1997	Additions / Transfer / (deletions)				At Dec 31 1997	At Dec 31 1997	
	..... Rupees in '000 .....							
Land & buildings on leasehold land	89,454	52,639	142,093	7,467	5,056	12,523	129,570	5
Furniture, fixtures and equipments	94,244	35,473 ** 13,965 * (668)	143,014	31,584	5,460 * 12,106 (340)	48,810	94,204	10-20
Vehicles	11,775	183 3,714 * (319)	15,353	9,702	2,200 * 1,960 (220)	13,642	1,711	20

Assets held under finance leases:

Furniture, fixtures and equipments	37,443	(13,965)*	23,478	8,868	4,054	7,462	16,016	10 - 20
Vehicles	10,140	2,549	8,975	3,221	2,005	3,026	5,949	20
		(3,714)*			(2,200)*			
-----	-----	-----	-----	-----	-----	-----	-----	-----
1997	243,056	108,523	332,913	60,842	32,841	85,463	247.45	
		(18,666)			(8,220)			
=====	=====	=====	=====	=====	=====	=====	=====	=====
1996	173,340	69,867	243,056	40,888	20,025	60,842	182.21	
		(151)				171)		
=====	=====	=====	=====	=====	=====	=====	=====	=====

\*\* includes Rs 0.128 million which has been reclassified from other assets.

8.1 'Disposals / deletions of fixed assets

Description	Cost	Book value	Sale price	Mode of disposal	Particulars of Purchaser
	..... Rupees in '000 .....				
Motor vehicles	313	97	239	Insurance claim	EFU General Insurance Ltd.. Karachi.
Equipment	361	131	150	Insurance claim	Adamjee Insurance Co Ltd Karachi
Furniture, fixtures & equipments	270	175	Nil	Written off	--

1997                      1996  
Rupees in '000

**9) CAPITAL WORK-IN-PROGRESS - AT COST**

Civil works	13,129	31,834
Advances to suppliers & contractors	1,898	3,094
Consultant fees & other charges	1,439	2,492
Advances against purchase of premises	8,300	680
Furniture & fixtures	Nil	966
	-----	-----
	24,766	39,066
	=====	=====

**10) OTHER ASSETS**

Stationery and stamps on hand	5,668	4,195
Income / mark-up accrued on advances and investments	241,639	174,413
Other income receivable	86,480	106,717
Prepaid exchange risk fee	62,923	22,331
Other advances, deposits, advance rent and other prepayments	23,031	13,018
Taxation	207,823	172,443
Current portion of net investment in leases	Nil	Nil
Non-banking assets acquired in satisfaction of claims	Nil	Nil
Deferred costs	Nil	Nil
Branch adjustment account	9,800	5,548
Suspense account	8,977	8,933

	Nil	49,550
Others	153	Nil
	-----	-----
	646,494	557,148
	=====	=====

**11) DEPOSITS AND OTHER ACCOUNTS**

Fixed deposits	2,319,166	1,694,986
Savings deposits	5,555,442	4,102,223
Current accounts	1,676,468	683,000
Call deposits	189,102	90,268
Sundry deposits	104,872	84,242
Deposits and other accounts of banks	Nil	Nil
	-----	-----
	9,845,050	6,634,719
	=====	=====

11.1 Particulars of deposits and other accounts

In local currency	3,631,532	2,352,963
In foreign currencies	6,213,518	4,501,756
	-----	-----
	9,845,050	6,634,719
	=====	=====

**12) BORROWING FROM OTHER BANKS, AGENTS ETC.**

In Pakistan	1,545,135	702,578
Outside Pakistan	7,929	42
	-----	-----
	1,553,064	702,620
	=====	=====

12.1 Particulars of borrowings from other banks, agents etc.

In local currency	1,545,135	702,578
In foreign currencies	7,929	42
	-----	-----
	1,553,064	702,620
	=====	=====

12.2 Secured

Loans from banks and other financial institutions	Nil	Nil
Loans from subsidiary companies, managed modarabas and associated undertakings	Nil	Nil
Loans from directors (including chief executive) of the bank	Nil	Nil
Loans from State Bank of Pakistan	1,545,135	652,578
--Export refinance	Nil	Nil
--Others	Nil	Nil

Others

Unsecured		
From other banks	7,929	50,042
	-----	-----
	1,553,064	702,620
	=====	=====

**13) OTHER LIABILITIES**

Mark-up on borrowings	238	4,204
Profit payable on PLS deposits and other accounts	99,182	60,985
Interest payable on foreign currency deposits	33,094	16,814
Taxation	227,084	246,132
Branch adjustment account	Nil	Nil
Unearned commission	Nil	Nil
Local bills discounted	Nil	Nil
Accrued expenses	14,679	17,226
Advance payments	Nil	Nil
Due to subsidiary companies, managed modarabas and associated undertakings	Nil	Nil
Due to directors	Nil	Nil
Unclaimed dividends	Nil	Nil
Unpaid dividends	Nil	Nil
Proposed dividend	Nil	66,413
Fund Management liabilities	Nil	50,492
Mark-up in suspense account	16,421	11,536
Others	6,253	Nil
	-----	-----
	296,951	473,802
	=====	=====
<b>14) LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>		
Minimum lease payments outstanding	15,749	31,001
Less: Finance charges not yet due	(1,936)	(4,937)
	-----	-----
	13,813	26,064
	=====	=====

This represents finance leases entered into with leasing companies and modarabas for furniture and fixtures, equipments, computers and vehicle. The balance of the liability is payable over a period form January 1998 to July 2000.

The periodical lease payments include built in rates of mark-up ranging between 17.21% to 18.91% per annum which are used as discounting factors.

The amount of minimum lease payments outstanding and the period in which they will become due are:

<b>Year ending</b>	Nil	17,655
December 31, 1997	10,563	9,496
December 31, 1998	4,800	3,850
December 31, 1999	386	Nil
December 31, 2000	-----	-----
	15,749	31,001
	=====	=====

	1997	1996
<b>15) SHARE CAPITAL</b>		
	Rupees in '000	
Authorised:		
60,000,000 ordinary shares of Rs. 10 each	600,000	600,000

Issued, subscribed and paid up:

Ordinary shares of  
Rs.10 each



33,000,000	Issued for cash	330,000	330,000
Nil	Issued for consideration other than cash	Nil	Nil
4,950,000	Issued as bonus shares	49,500	49,500
		-----	-----
37,950,000		379,500	379,500
=====		=====	=====

**16) RESERVE FUND & OTHER RESERVES**

	Capital	Statutory	Revenue	1997		1996
				T	O	T A L
..... Rupees in '000 .....						
Balance at the beginning of the year	91,010	223,425	7,801	322,236		227,435
Transfer from profit and loss account / revenue reserve	41,343 *	34,343	20,000	95,686		148,601
Transfer to statutory reserve	Nil	Nil	Nil	Nil		(53,800)
	-----	-----	-----	-----		-----
Balance at the end of the year	132,353	257,768	27,801	417,922		322,236
	=====	=====	=====	=====		=====

\* This represents reserve created under Section 23(1)(ix) of the Income Tax Ordinance, 1979.

**17) BILLS FOR COLLECTION**

	1997	1996
	Rupees in '000	
Payable in Pakistan	14,646	6,435
Payable outside Pakistan	1,625,277	1,348,912
	-----	-----
	1,639,923	1,355,347
	=====	=====

**18) CONTINGENT LIABILITIES AND COMMITMENTS**

**CONTINGENCIES**

Money for which the bank is continentally liable:

a) Contingent liability in respect of guarantees given on behalf of directors or officers or any of them (severally or jointly) with any other person, subsidiaries and associated undertakings	Nil	Nil
b) Contingent liability in respect of guarantees given favouring:		
i) Government	344,343	389,552
ii) Banking companies and other financial institutions	219,435	10,747
iii) Others	59,197	69,828
c) Liability on bills of exchange rediscounted	Nil	Nil
	-----	-----
	622,975	470,127

Arrears of cumulative preference dividends	Nil	Nil
Claims against the bank not acknowledged as debts	Nil	Nil

**COMMITMENTS**

Commitments in respect of forward exchange contracts		
Sale	1,615,796	1,018,919
Purchase	6,996,439	4,591,455
Commitments in respect of operating leases	Nil	Nil
Capital expenditure contracted but not provided for	Nil	Nil
Commitments in respect of 'Repo' transactions	100,000	200,000
	=====	=====

## 19) OTHER OPERATING INCOME

Fund management income	1,066	Nil
Income from dealing in foreign currencies	207,401	218,841
Recovery of expenses from customers	14,747	12,101
Rent of lockers	1,291	769
Miscellaneous income	2,627	1,659
	-----	-----
	227,132	233,370
	=====	=====

## 20) ADMINISTRATIVE EXPENSES

Salaries, allowances etc.	68,098	56,778
Staff retirement benefits	3,998	8,439
Non-executive directors' fees and allowances	Nil	Nil
Brokerage and commission	2,844	2,291
Rent, taxes, insurance, electricity etc.	22,661	16,744
Legal and professional charges	2,873	2,931
Communications	20,633	18,883
Repairs and maintenance	4,586	3,143
Rentals on operating assets	Nil	Nil
Finance charge on leased assets	3,663	5,013
Stationery and printing	6,082	3,955
Advertisement and publicity	3,147	3,321
Donations - Note 20.1	10,000	10,005
Auditors' remuneration - Note 20.2	594	443
Depreciation - Note 8	25,181	20,025
Other receivables written off	Nil	Nil
Other expenditure	36,879	30,686
	-----	-----
	211,239	182,657
	=====	=====

20.1 No director or his spouse had any interest in the recipient of the donation.

20.2 Auditors' remuneration

Audit fee	300	200
Fee for audit of provident, pension, gratuity and other funds	Nil	Nil

Special certification / examination and sundry advisory service	204	145
Tax services	Nil	Nil
Out of pocket expenses	46	73
Central & Provincial excise duty	44	25
	-----	-----
	594	443
	=====	=====

**21) OTHER INCOME**

Rent	Nil	Nil
Net profit on sale of fixed assets	154	Nil
Net profit on sale of other assets	Nil	Nil
Income from non-banking assets and profit from sale of or dealing with such assets	Nil	Nil
Other receipts	Nil	Nil
	-----	-----
	154	Nil
	=====	=====

**22) OTHER CHARGES**

Net loss on sale of fixed assets	Nil	64
Loss from sale of or dealing with non banking assets	Nil	Nil
Amortisation of preliminary, formation and pre-operating expenses	Nil	Nil
Fixed assets written off	175	Nil
	-----	-----
	175	64
	=====	=====

**23) TAXATION**

The income tax assessments of the bank have been finalised upto and including assessment year 1997-98. While finalising the assessments for the assessment years 1993-94 to 1997-98 the Deputy Commissioner of Income Tax had disallowed the special reserve claimed by the bank under section 23 sub-section 1(ix) of the Income Tax Ordinance, 1979. The tax liability in respect of these disallowances and others amounted to Rs.54.334 million and Rs.33.704 million respectively which had been paid by the bank under protest and is included in advance tax. An amount of Rs.50.932 million has been partly adjusted against provision available for prior years and the remaining has been charged to current year's profit and loss account.

Further, in case of disallowance of special reserve for the assessment year 1998-99, the approximate tax liability of Rs.22.739 million will arise. The bank has sufficient special reserve to meet this liability, if it arises.

**24) REMUNERATION OF DIRECTORS AND EXECUTIVES**

The aggregate amount charged in the accounts for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the bank was as follows:

	Chief Executive		Directors		Executives	
	1997	1996	1997	1996	1997	1996
	..... Rupees in '000 .....					
Fees	Nil	Nil	1	Nil	Nil	Nil
Managerial remuneration	1,452	1,320	Nil	Nil	531	Nil
Retirement benefits	242	527	Nil	Nil	90	Nil
Rent and house maintenanc	703	594	Nil	Nil	239	Nil
Utilities	69	75	Nil	Nil	61	Nil

Medical	149	10	Nil	Nil	Nil	Nil
Conveyance	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
	-----	-----	-----	-----	-----	-----
	2,615	2,526	1	Nil	921	Nil
	=====	=====	=====	=====	=====	=====
Number of persons	1	1	1	Nil	1	Nil
	=====	=====	=====	=====	=====	=====

In addition, Chief Executive, executive and certain employees are provided with free use of bank's maintained cars.

**25) MATURITIES OF ASSETS AND LIABILITIES**

	upto one month	Over one month	Over one year	Over one year	Over five years
Total	to one year	to five years	to five years	to five years	to five years
..... Rupees in '000 .....					
<b>ASSETS</b>					
CASH	787,659	787,659	Nil	Nil	Nil
BALANCES WITH OTHER BANKS	226,437	226,437	Nil	Nil	Nil
MONEY AT CALL AND SHORT NOTICE	Nil	Nil	Nil	Nil	Nil
INVESTMENTS	4,918,643	150,518	4,053,061	574,349	140,715
ADVANCES	6,102,883	Nil	5,903,561	132,734	66,588
OPERATING FIXED ASSETS	247,450	Nil	Nil	247,450	Nil
CAPITAL WORK IN PROGRESS	24,766	Nil	24,766	Nil	Nil
OTHER ASSETS	646,494	438,671	207,823	Nil	Nil
NON BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS	Nil	Nil	Nil	Nil	Nil
	12,954,332	1,603,285	10,189,211	954,533	207,303
	=====	=====	=====	=====	=====
<b>LIABILITIES</b>					
DEPOSITS & OTHER ACCOUNTS	9,845,050	7,94{ },791	1,087,843	816,416	Nil
BORROWINGS FROM OTHER BANKS, AGENTS E	1,553,1)64	1,553,064	Nil	Nil	Nil
BILLS PAYABLE	270,750	270,750	Nil	Nil	Nil
OTHER LIABILITIES	396,951	169,867	227,084	Nil	Nil
LIABILITIES AGAINST ASSETS SUBJECT TO DEFERRED LIABILITIES	1 3,813	Nil	9,285	4,528	Nil
	Nil	Nil	Nil	Nil	Nil
	12,079,628	9,934,472	1,324,212	820,944	Nil
	=====	=====	=====	=====	=====
NET BALANCE	874,704	(8,331,187)	8,864,999	133,589	207,303
	=====	=====	=====	=====	=====
SHAREHOLDERS' EQUITY	874,704				
SURPLUS ON REVALUATION OF FIXED ASSET	Nil				
SUBORDINATED DEBT	Nil				
	-----				
	874,704				
	=====				

**26) SEGMENT ANALYSIS**

26.1 Geographic segment

	Profit before taxation	Total asset employed	Net assets employed	Endorsement Bills for collection	& other obligations
..... Rupees in '000 .....					
Pakistan	440,713	12,954,332	874,704	1,639,923	2,991,920
	=====	=====	=====	=====	=====

Total assets employed include intra group items of Rs. Nil. (1996: Rs.Nil)

26.2 Segment by class of business

	Deposits		Advances	
	Rupees in '000	Percentage	Rupees in '000	Percentage
Chemical and Pharmaceuticals	18,975	0.19	138,521	2.27
Agribusiness	51,036	0.52	214,387	3.51
Textile	266,932	2.71	2,043,030	33.48
Cement	842	0.01	124,903	2.05
Sugar	51,159	0.52	88,859	1.46
Shoes and leather garments	43,601	0.44	424,068	6.95
Automobile and transportation equipment	21,221	0.22	5,125	0.08
Financial	106,518	1.08	105,060	1.72
Insurance	22,809	0.23	Nil	Nil
Transportation	232	0.00	Nil	Nil
Electronics and electric appliances	35,144	0.36	197,078	3.23
Production and transmission of energy	2,041	0.02	Nil	Nil
Others	9,224,540	93.70	2,761,852	45.25
	-----	-----	-----	-----
	9,845,050	100.00	6,102,883	100.00
	=====	=====	=====	=====

26.3 Segment by sector

	Deposits		Advances	
	Rupees in '000	Percentage	Rupees in '000	Percentage
Public / Government	66,352	0.70	Nil	Nil
Private	9,775,698	99.30	6,102,883	100.00
	-----	-----	-----	-----
	9,845,050	100.00	6,102,883	100.00
	=====	=====	=====	=====

**27) CURRENCY BREAKDOWN OF ASSETS AND LIABILITIES**

Assets		Liabilities	
Rupees	Percentage	Rupees	Percentage

	in '000		in '000	
Pak rupees	11,990,826	92.56	5,825,088	48.22
U.S. dollar	876,430	6.77	5,861,911	48.53
Pound sterling	18,199	0.14	232,352	1.92
Deutsche mark	40,083	0.31	151,998	1.26
Japanese yen	425	0.00	8,015	0.07
Other European currencies	18,045	0.14	Nil	Nil
Other currencies	10,324	0.08	264	0.00
	-----	-----	-----	-----
	12,954,332	100.00	12,079,628	100.00
	=====	=====	=====	=====

**28) TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS**

	1997	1996
	Rupees in '000	
i) Advances given during the year	Nil	Nil
ii) Advances repaid during the year	Nil	Nil
iii) Deposits (at year end)	32,175	199,788
iv) Mark up expensed	2,055	3,994
v) Mark up earned	Nil	Nil
vi) Provision for non-performing advances charged against income during the year	Nil	Nil
vii) Provision for non-performing advances at year end	Nil	Nil
viii) Commitments and contingent liabilities for irrevocable commitments and contingencies	Nil	Nil
ix) Others	Nil	Nil
	-----	-----
<b>29) COMPARATIVE FIGURES</b>	34,230	203,782
	=====	=====

Previous year's figures have been re-arranged, wherever necessary, to facilitate comparison.

SAFARALI K. LAKHANI	JAFFERALI M. FEERASTA	ABDUL HAYEE	ASADULLAH KHAWAJA
PRESIDENT AND	DIRECTOR	DIRECTOR	DIRECTOR
CHIEF EXECUTIVE			

**Notice of Annual General Meeting**

Notice is hereby given that sixth Annual General Meeting of the Bank will be held in Hotel Pearl Continental, Lahore Monday 30 March 1998 at 09:30 a.m. to transact the following business:

**Ordinary Business**

1. To confirm the minutes of the fifth Annual General Meeting held on 29 March 1997.
2. To receive, consider and adopt audited accounts together with the Auditors' Report thereon and Directors' Report for the year ended 31 December 1997 .
3. To appoint Auditors of the Bank and to fix their remuneration.

An esteemed member has given the Company Notice of intention to appoint Messrs Taseer Hadi Khalid & Co., Chartered Accountants, as the Auditors of the Bank for the year ending 31 December 1998 in place of retiring Auditors Messrs A.E Ferguson & Co., Chartered Accountants.

4. To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

**Special Business**

5. To approve capitalization of a sum of Rs. 75.900 Million set aside as Capital Reserve for the issuance of bonus share Ca> 20% i.e. Twenty Share per 100 shares held and to pass the following resolution as an Ordinary Resolution:

**"Resolved That:**

a) the sum of Rs. 75.900 Million out of profit of the Bank as on 31 December 1997 be capitalized and applied to the issue of 7,590,000 ordinary shares of 10/- each allotted as fully paid Bonus Shares to the members of the Bank whose names appear on the register of members as at close of business on 19 March 1998 in the proportion of 20 shares for every 100 shares held.

b) the bonus shares shall rank pari passu in all respects with the existing shares.

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

d) the directors be and are hereby authorized and empowered to give effect to this resolution and to do or cause to be done all acts, deeds and things that may be necessary or required for issue allotment and distribution of Bonus Shares. In the case of non resident shareholders the directors are further authorized to issue/export the Bonus Shares after fulfilling statutory requirements."

A statement under section 160 of the Companies Ordinance 1984, pertaining to the special business alongwith the resolutions proposed to be passed is being sent to the shareholders with the Notice.

**BY ORDER OF THE BOARD**

Abdul Hayee

Director/Company Secretary

Lahore: 25 February, 1998

**NOTES:**

1. Share Transfer Books of the Bank will be closed from 20 March 1998 to 30 March 1998 (both days inclusive). For determining the entitlement of Bonus Shares, the members whose names appear in the register of members at the close of business on 19 March 1998 will qualify for the issuance of Bonus Shares.

2. A member entitled to attend and vote at this meeting may appoint another member as his or her proxy to attend and vote. Proxies, in order to be effective, must be received at the registered office of the Bank not less than 48 hours before the time of holding the meeting. Proxy form is enclosed herewith.

3. Shareholders are requested to notify any change in their addresses immediately.

**Statement Under Section 160 of the Companies Ordinance 1984**

This statement sets out the material facts concerning the special business to be transacted at the 6th Annual

General Meeting of Soneri Bank Limited to be held on 30 March 1998.

The Directors are of the view that the profit/reserves of the Bank justify the capitalization of a sum of Rs. 75.900 Million for issue of Bonus Shares.

#### Pattern of Shareholding

No of Shareholders	Having Shares From	To	Shares Held	Percentage
1880	1	100	99513	0.2622
917	101	500	223186	0.5881
4039	501	1000	2484490	6.5467
536	1001	5000	1059484	2.7917
57	5001	10000	376291	0.9915
23	10001	15000	287745	0.7582
9	15001	20000	164855	0.4344
6	20001	25000	130671	0.3443
2	25001	30000	58025	0.1528
1	30001	35000	32015	0.0843
3	35001	40000	111931	0.2949
2	40001	45000	86820	0.2287
2	45001	50000	96138	0.2533
1	55001	60000	57907	0.1525
1	60001	65000	60398	0.1591
1	65001	70000	70000	0.1844
1	70001	75000	72165	0.1901
2	75001	80000	152729	0.4024
2	95001	100000	199360	0.5253
1	150001	155000	154000	0.4057
1	215001	220000	219500	0.5783
6	240001	245000	241345	0.6359
1	330001	335000	332886	.8771
1	410001	415000	414000	1.0909
1	430001	435000	432160	1.1387
1	525001	530000	526281	1.3867
1	700001	705000	700188	1.8450
1	780001	785000	781900	2.0603
1	840001	845000	840592	2.2149
1	1055001	1060000	1056908	2.7850
9	1895001	1900000	17077649	45.0003
1	9345001	9350000	9348868	24.6346

-----  
7506

-----  
37950000

-----  
100.0000

Particulars	Shareholders	Shareholding	Percentage
Individuals	5763	23673193	62.38
Investment Companies	2	15650	.04 1 2
Insurance Companies	6	716898	1.89
Joint Stock Companies	19	962564	2.54
Financial Institutions	13	10701315	28.20
Modaraba Companies	6	73605	0.19
Foreign Companies	10	861483	2.27



Leasing Companies	2	15990	.0/421
Others	1	7330	0.02
Non-Resident (U.S. \$)	26	26420	0.07
Non-Resident (PAK RS.)	1658	895552	2.36
-----	-----	-----	-----
Company Total	7506	37950000	100.00
=====	=====	=====	=====

## Foreign Correspondents

### Australia

ABN - Amro AMRO Bank Australia Limited  
 Australia & New Zealand Banking Group Limited  
 Chase Manhattan Bank  
 Habib Finance (Australia) Limited  
 Hongkong Bank of Australia Limited  
 Standard Chartered Bank Australia Limited  
 State Bank of New South Wales Limited

Hamburger Sparkasse  
 HYPO - BANK  
 National Bank of Pakistan

### Greece

Chase Manhattan Bank

### Hongkong

American Express Bank Limited  
 Banque Worms  
 Chase Manhattan Bank  
 Citibank NA  
 HBZ Finance Limited  
 Habib Finance International Limited  
 Hongkong and Shanghai Banking Corporation Limited  
 MeesPierson NV  
 National Bank of Pakistan  
 Rabobank Nederland  
 Standard Chartered Bank  
 UBAF (Hong Kong) Limited

### Austria

Creditanstalt Bankverein  
 Raiffeisen Zentralbank Osterreich AG

### Bahrain

Arab Banking Corporation  
 Banque de Commerce et de Placements  
 Habib Bank Limited  
 Mashreq Bank psc

### Hungary

Central European - International Bank Limited

### Bangladesh

ANZ Grindlays Bank Limited  
 American Express Bank Limited  
 Habib Bank Limited  
 Muslim Commercial Bank limited

### India

Chase Manhattan Bank  
 Central Bank of India  
 Hongkong and Shanghai Banking Corporation Limited  
 Punjab National Bank  
 Standard Chartered Bank

### Belgium

Bank Brussels Lambert  
 Banque Paribas Belgique  
 Habib Bank Limited  
 Krediet Bank

### Brazil

Banco do Brasil  
 Lloyds Bank plc

### Indonesia

ABN - AMRO Bank  
 American Express Bank Limited  
 Chase Manhattan Bank  
 Hongkong and Shanghai Banking Corporation Limited  
 Standard Chartered Bank

### Bulgaria

BNP - Dresdner Bank (Bulgaria) A.D.

### Canada

ABN - AMRO Bank Canada  
 Canadian Imperial Bank of Commerce  
 National Bank of Canada  
 Royal Bank of Canada

### Iran

Bank Saderat Iran

**Chile**

Chase Manhattan Bank

**China**

ABN - AMRO Bank Limited

Australia & New Zealand Banking Group Limited

Chase Manhattan Bank

Hongkong and Shanghai Banking Corporation Limited

Standard Chartered Bank

**Cyprus**

The Cyprus Popular Bank Limited

**Czech Republic**

Ceskoslovenska Obchodni Banka A.S.

Komerčni Banka A.S.

**Denmark**

Den Danske Bank

**Egypt**

National Bank of Pakistan

Mashreq Bank psc

**Finland**

Merita Bank Limited

**France**

ABC International Bank plc

American Express Bank (France) SA

Chase Manhattan Bank

Citibank N.A.

Habib Bank Limited

National Bank of Pakistan

Societe Generale

UBAF

**Germany**

American Express Bank Gmbh

Chase Manhattan Bank

Citibank NA

Commerzbank AG

Deutsche Bank AG

Dresdner Bank AG

Frankfurter Sparkasse

**Korea (South)**

American Express Bank Limited

Chase Manhattan Bank

National Bank of Pakistan

U B A F

**Kuwait**

The Commercial Bank of Kuwait SAK

**Ireland**

Chase Manhattan Bank

**Italy**

American Express Bank Limited

Chase Manhattan Bank

Credito Italiano

UBAE Arab Italian Bank

Cassa di Risparmio delle Provincie Lombarde

**Japan**

American Express Bank Limited

ABN - AMRO Bank

Bank of Tokyo Mitsubishi Limited

Chase Manhattan Bank

Citibank NA

ING Bank NV

Lloyds Bank plc

National Bank of Pakistan

The Sanwa Bank Limited

The Sugamo Shinkin Bank

The Tokushima Bank Limited

U B A F

**Jordan**

The Housing Bank

**Kenya**

Habib Bank AG Zurich

Habib Bank Limited

Kenya Commercial Bank Limited

Mashreq Bank psc

Union Bank of Switzerland

**Taiwan**

ABN - AMRO Bank

American Express Bank Limited

Chase Manhattan Bank

ING Bank NV

**Luxembourg**

Chase Manhattan Bank

**Malaysia**

Chase Manhattan Bank Malaysia Berhad  
Hongkong Bank Malaysia Bethad  
Standard Chartered Bank Malaysia Bethad

**Maurifius**

-Habib Bank Limited

**The Netherlands**

ABN-AMRO Bank NV  
Chase Manhattan Bank  
F-Van Lanschot Bankiers NV  
ING Bank NV  
Habib Bank Limited  
MeesPierson NV

**New Zealand**

Bank of New Zealand

**Norway**

Den Norske Bank

**Oman**

Habib Bank AG Zurich  
Oman International Bank

**Philippines**

Australia 8: New Zealand Banking Group Limited  
Chase Manhattan Bank  
Hongkong and Shanghai Banking Corporation .Limited

**Poland**

Bank Handlowy W Warszawie S.A.

**Portugal**

Banco Nacional Ultramarino

**Qatar**

ANZ Grindlays Bank Limited  
Mashreq Bank psc

**Romania**

Romanian Commercial Bank S.A.

**Russia**

Chase Manhattan Bank  
Inkombank  
Promstroybank of Russia

**Saudi Arabia**

Saudi American Bank

**Tanzania**

Standard Chartered Bank Tanzania Limited

**Thailand**

Chase Manhattan Bank  
Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank

**Tunisia**

Tunis International Bank

**Turkey**

Chase Manhattan Bank  
Finans Bank  
Habib Bank Limited  
Turk Dis Ticaret Bankasi  
Yapi Ve Kredi Bankasi AS

**U.A.E.**

Habib Bank AG Zurich  
Habib Bank Limited  
Mashreq Bank psc  
Standard Chartered Bank

**U.K.**

ANZ Bank  
American Express Bank Limited  
Chase Manhattan Bank  
Citibank NA  
Habib Bank AG Zurich  
Habib Bank Limited  
Habibsons Bank Limited  
Lloyds Bank plc  
National Bank of Pakistan  
Raiffeisen Zentralbank Osterreich AG  
Standard Chartered Bank  
National Westminster Bank

**U.S.A.**

ABN - AMRO Bank  
American Express Bank Limited  
Bank of America  
Bankers Trust Company  
Chase Manhattan Bank  
Citibank NA  
Deutsche Bank AG  
First Union National Bank of North Carolina  
Habib American Bank  
Habib Bank AG Zurich  
Hongkong and Shanghai Banking Corporation Limited  
National Bank of Pakistan  
US Bank of Washington

**Ukraine**

Saudi Hollandi Bank

State Export Import Bank of Ukraine

**Singapore**

American Express Bank Limited  
Banco Santander  
Chase Manhattan Bank  
Citibank NA  
Habib Bank Limited  
ING Bank NV  
MeesPierson Singapore  
Standard Chartered Bank  
Tat Lee Bank Limited  
U B A F

**Viet Nam**

(Socialist - Republic)  
Hongkong and Shanghai Banking Corporation Limited

**Yemen**

(Republico of)  
Yemen Commercial Bank

**South Africa**

ABSA Bank

**Spain**

Banco Atlantico SA  
Banco Espanol de Credito  
Banco Sabadell

**Sri Lanka**

Bank of Ceylon  
Commercial Bank of Ceylon Limited  
Habib Bank AG Zurich  
Habib Bank Limited  
Hatton National Bank Limited  
Muslim Commercial Bank Limited  
Peoples Bank

**Sudan**

Mashreq Bank psc

**Sweden**

Nordbanken  
Skandinaviska Enskilda Banken

**Switzerland**

American Express Bank (Switzerland) SA  
Banque de Commerce et de Placements  
Habib Bank AG Zurich  
Habibsons Bank Limited  
Union Bank of Switzerland

**List of Branches**

HEAD OFFICE: 87, Shahrah-e-Quaid-e-Azam,  
P.O. Box No. 49, Lahore.  
Tel: 6368142-48 Fax: 6368138 Telex: 47694 SONRI PK

CENTRAL OFFICE: 1st Floor, Gul Tower, I.I. Chundrigar Road,  
P.O. Box No. 5856, Karachi. Tel: 2439562-67 Fax: 2439561  
Telex: 21262 SONRI PK. E-mail: soneri @khi.fascom.com  
Cable: SONACENT

**BRANCHES**

**UAN: 111-567-890**

**LAHORE (Main Branch)**

87, Shahrah-e-Quaid-e-Azam,  
P.O. Box No. 49, Lahore.  
Tel: 6368142-48  
Fax: 6368138  
Telex: 47694 SONRI PK

**LAHORE (Defence)**

G-7, Commercial Area, Lahore  
Cantt. Co-operative Housing Society  
Limited, Lahore.  
Tel: 894146 & 5724746  
Fax: 5724325

**LAHORE (Gulberg)**

90-B-C/II, Liberty Market,  
Gulberg-III, Lahore.  
Tel: 5713445-48  
Fax 5713326  
Telex: 44304 SONRI PK

**GUJRANWALA**

Rail Bazar, Gujranwala.  
Tel: 224674-76  
Fax: 224677  
Telex: 45298 SONRI PK

**FAISALABAD**

Chiniot Bazar, Faisalabad.  
Tel: 639877-78  
Fax: 649254  
Telex: 43320 SONRI PK

**PESHAWAR**

Saddar Road, Peshawar Cantt.  
Tel: 273424 & 277914-17  
Fax: 273727  
Telex: 52505 SONRI PK

**SIALKOT**

Mujahid Road, P.O. Box No. 2958,  
Sialkot.  
Tel: 88860-88834-581250  
Fax: 87696  
Telex: 46445 SONRI PK

**MIRPUR (AJK)**

Plot No. 7, Sector B/3,  
New Mirpur Town,  
Mirpur (Azad Kashmir)  
Tel: 4488

Fax: 4588

**GILGIT**

Saddar Bazar, P.O. Box No. 532, Gilgit.

Tel: 3658

Fax: 3658

**QUETTA**

Shahrah-e-Iqbal, P.O. Box No. 624,

Quetta.

Tel: 821610 & 821641

Fax: 821524

Telex: 78232 SONRI PK

**SHEIKHUPURA**

Sharif Plaza, Sargodha Road,

Sheikhupura.

Tel: 613570

Fax: 56800

**KARACHI (Main Branch)**

Adamjee Insurance Building,

I.I. Chundrigar Road,

P.O. Box No. 5798, Karachi.

Tel: 2436990-94

2425755, 2425877

Fax: 2436980 & 2418350

Telex: 20479 SONRI PK

**21736 RUPMK PK**

**KARACHI (Clifton)**

Shadman Centre, Block-7, Clifton,

Karachi.

Tel: 5830130 & 5831246

Fax: 5860671

**KARACHI (Garden)**

Silver Jubilee Centre, Britto Road,

Garden East, Karachi.

Tel: 7232877-78

Fax: 7232876

**KARACHI (Federal B Area)**

Hagan Mansion, Block 7, Federal B Area,

Near Aisha Manzil, Karachi.

Tel: 6373782-83

Fax: 6373781

**KARACHI (Korangi) (to be opened shortly)**

Plot No. 7, ST 3/1, Sector 15, Korangi

Industrial Area, Karachi.

**HYDERABAD (Main Branch)**

Dr. Ziauddin Road, Saddar,

P.O. Box No. 419, Hyderabad.

Tel: 781528 - 29

Fax: 781530

Telex: 22097 SONRI PK

**HYDERABAD**

(Fatima Jinnah Road)

Defence Plaza, Fatima Jinnah Road,  
Hyderabad.

Tel: 28131-28231

Fax: 783931

**SUKKUR**

Glamour Heights, Plot No. C-260/4

Muhammad Bin Qasim Road, Sukkur.

Tel: 22382-22925

Fax: 22704

**RAWALPINDI**

Kitchlew Building, 41-Bank Road,

P.O. Box No. 62, Rawalpindi Cantt.

Tel: 522901-05

Fax: 522906

Telex: 54777 SONRI PK

**ISLAMABAD**

68-W, Sama Plaza, Blue Area,

P.O. Box No. 2931, Islamabad.

Tel: 277551 & 272460

Fax: 277550

Telex: 4754 SONRI PK

**WAZIRABAD**

Bagri Plaza, Lahori Gate, Main  
Bazar, Wazirabad.

**MULTAN** (to be opened shortly)

Mall Plaza, Quaid-e-Azam Road,  
Multan Cantt.