

Soneri Bank Limited

Annual Report 2000

Contents

CORPORATE DATA
CHAIRMAN'S REVIEW
DIRECTORS' REPORT TO SHAREHOLDERS
AUDITORS' REPORT TO THE MEMBERS
BALANCE SHEET
PROFIT AND LOSS ACCOUNT
CASH FLOW STATEMENT
NOTES TO THE ACCOUNTS
NOTICE OF MEETING
PATTERN OF SHAREHOLDING
LIST OF BRANCHES
FOREIGN CORRESPONDENTS

CORPORATE DATA

BOARD OF DIRECTORS

CHAIRMAN

MR. JAFFERALI M. FEERASTA

CHIEF EXECUTIVE

MR. SAFARALI K. LAKHANI

DIRECTORS

MR. BADRUDDIN J. FEERASTA
MRS. AZIZA A. FEERASTA
MR. NOORUDDIN B. FEERASTA (JR.)
MR. ABDUL HAYEE
MR. ASADULLAH KHAWAJA (ICP NOMINEE)

REGISTERED OFFICE

4TH FLOOR, IEP BUILDING,
97-B/D-1, GULBERG III
LAHORE.

COMPANY SECRETARY

MR. ABDUL HAYEE

AUDITORS

TESEER HADI KHALID & CO.

CHARTERED ACCOUNTANTS

LEGAL ADVISORS

MANDVIWALLA & ZAFAR, ADVOCATES
TAHIR ALI TAYEBI & CO., ADVOCATES
SHAIKH ATTA-UR-REHMAN & ASSOCIATE,
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

CHAIRMAN'S REVIEW

I am pleased to present the ninth annual report and audited accounts of your bank for the year ended 31 December 2000.

During the year under review the expected turn around for the economy did not materialize and at best a mixed performance was witnessed. Whereas inflationary pressure remained under check, the growth rate could not go beyond 4.5%. The target of US Dollar 10 billion for export with a growth of 15% is too ambitious as there are pressures which may restrict the potential for growth. A good crop of cotton and rice should have a positive impact on economic indicators during the remaining half of the financial year

In spite of stagnancy in the market and tough competition among banks, your bank has shown reasonable growth during the year under review.

Deposits with the bank have increased by 14% and have exceeded the figure of Rs. 14 billion. This was achieved in spite of the release of over Rs. 500 million being Government deposits held against sale of US Dollar Bonds.

It was another good year for your bank in the foreign trade field as the export and import business routed through the bank increased by 24%. Efforts are being made to attract new customers and widen the base for better performance in coming days.

Return on funds for the bank has been declining throughout the year due to lower markup rates and a steep fall in pricing on Government Securities. Profit rates offered on deposits had to be maintained at a reasonable level resulting in lower markup spread. The position slightly improved during the last quarter.

There was additional pressure on profitability due to change in the method of charging depreciation on fixed assets from reducing balance to straight line. After absorbing an additional impact of Rs. 21 million on depreciation, your bank has earned pretax profit of Rs. 394 million.

The State Bank has recently increased the minimum capital requirement for commercial banks from Rs.500

million to Rs. 1 billion. Banks have been instructed to increase their capital to Rs.750 million by 01 January 2002 and to Rs. 1 billion by 01 January 2003. In view of the current and projected profit levels as well as the existing general reserves, your bank is expected to meet the requirement easily.

During the year 2001 installation of ATM at strategic locations in major cities is being planned. A wide area network connecting 10 major branches with facility of on-line banking is to be switched on very soon.

The new year has brought with it the hope that the economy will be put on the right track and benefits of economic growth will trickle down to the common man. Your bank has resolved to contribute its share towards achieving that goal.

I thank the Ministry of Finance and the State Bank of Pakistan for their continued support and guidance.

I also take this opportunity to thank all our valued customers, correspondents and banks in and outside the country for their patronage and support extended to Soneri Bank. I am also grateful to my colleagues on the Board for their cooperation and assistance. I would also like to acknowledge and appreciate the hard work and devotion of bank's executives and staff.

JAFFERALI M. FEERASTA
CHAIRMAN

Lahore: 21 February 2001

DIRECTORS' REPORT TO SHAREHOLDERS

Your Directors feel pleasure in presenting the 9th Annual Report of the Bank together with Audited Accounts and Auditors' Report thereon for the year ended 31 December 2000. The Banks' financial results are as follows:

PROFIT FOR THE YEAR BEFORE TAXATION
PROVISION FOR TAXATION - CURRENT YEAR
- PRIOR YEAR
- DEFERRED

PROFIT AFTER TAXATION
UNAPPROPRIATED PROFIT BROUGHT FORWARD
REVERSAL OF PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS

PROFIT AVAILABLE FOR APPROPRIATION

APPROPRIATIONS:
TRANSFER TO RESERVE FUND
TRANSFER FROM GENERAL RESERVE

TRANSFER TO RESERVE FOR PROPOSED ISSUE OF BONUS SHARES

UNAPPROPRIATED PROFIT CARRIED FORWARD

EARNING PER SHARE (BASIC)

AUDITORS

The retiring auditors, M/s. Taseer Hadi Khalid & 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 2000 appears on page 28.

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: 21 February 2001

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Soneri Bank Limited as at 31 December 2000 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 except for the changes indicated in note 3.7 and 3.10 with which we concur;

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 31 December 2000 and its true balance of the profit and its cash flows 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.

Karachi : 21 February 2001

BALANCE SHEET AS AT 31 DECEMBER 2000

ASSETS

CASH
BALANCES WITH OTHER BANKS
MONEY AT CALL AND SHORT NOTICE
INVESTMENTS
ADVANCES - NET OF PROVISION
OPERATING FIXED ASSETS
CAPITAL WORK-IN-PROGRESS
DEFERRED TAXATION
OTHER ASSETS

LIABILITIES

DEPOSITS AND OTHER ACCOUNTS
BORROWINGS FROM OTHER BANKS, AGENTS, ETC.
BILLS PAYABLE
OTHER LIABILITIES
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

NET ASSETS

REPRESENTED BY

SHARE CAPITAL
RESERVE FOR PROPOSED ISSUE OF BONUS SHARES
RESERVE FUND AND OTHER RESERVES
UNAPPROPRIATED PROFIT

SHAREHOLDERS' EQUITY
DEFICIT ON REVALUATION OF SECURITIES

MEMORANDUM ITEMS
BILLS FOR COLLECTION

ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS

CONTINGENT LIABILITIES AND COMMITMENTS

THE ANNEXED NOTES FORM AN INTEGRAL PART OF THESE ACCOUNTS.

SAFARALI K. LAKHANI
PRESIDENT AND CHIEF EXECUTIVE

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

MARK-UP/ INTEREST AND DISCOUNT AND/OR RETURN EARNED
COST/ RETURN ON DEPOSITS, BORROWINGS, ETC.

FEES, COMMISSIONS AND BROKERAGE
PROFIT FROM INVESTMENT SECURITIES
DIVIDEND INCOME
OTHER OPERATING INCOME

OPERATING EXPENSES
ADMINISTRATIVE EXPENSES
PROVISIONS AGAINST NON-PERFORMING ADVANCES

OTHER INCOME

OTHER CHARGES

PROFIT BEFORE TAXATION

TAXATION

CURRENT

PRIOR

DEFERRED

PROFIT AFTER TAXATION

UNAPPROPRIATED PROFIT BROUGHT FORWARD

REVERSAL OF PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS

PROFIT AVAILABLE FOR APPROPRIATION

APPROPRIATIONS

TRANSFER FROM / (TO) GENERAL RESERVE

TRANSFER TO STATUTORY RESERVE

PROPOSED ISSUE OF BONUS SHARES @25% (1999: @ 25%)

UNAPPROPRIATED PROFIT CARRIED FORWARD

EARNINGS PER SHARE - BASIC AND DILUTED (Rs.)

THE ANNEXED NOTES FORM AN INTEGRAL PART OF THESE ACCOUNTS.

SAFARALI K. LAKHANI
PRESIDENT AND CHIEF EXECUTIVE

CASH FLOW STATEMENT AS AT 31 DECEMBER 2000

CASH FLOW FROM OPERATING ACTIVITIES

PROFIT BEFORE TAXATION

ADJUSTMENTS FOR:

DEPRECIATION AND WRITE-OFF

PROVISION AGAINST NON-PERFORMING ADVANCES

PROFIT ON SALE OF FIXED ASSETS

(INCREASE)/ DECREASE IN OPERATING ASSETS
INVESTMENTS
ADVANCES
OTHERS ASSETS (EXCLUDING ADVANCE TAX)

INCREASE/ (DECREASE) IN OPERATING LIABILITIES
DEPOSITS AND OTHER ACCOUNTS
BILLS PAYABLE
OTHER LIABILITIES

INCOME TAX PAID - NET

NET CASH FLOW FROM OPERATING ACTIVITIES
CASH FLOW FROM INVESTING ACTIVITIES
FIXED CAPITAL EXPENDITURE
SALE PROCEEDS OF FIXED ASSETS

NET CASH FLOW FROM INVESTING ACTIVITIES
CASH FLOW FROM FINANCING ACTIVITIES
BORROWINGS FROM OTHER BANKS, AGENTS, ETC.
PAYMENT OF LEASE OBLIGATIONS
DIVIDEND PAID

NET CASE FLOW FROM FINANCING ACTIVITIES

NET INCREASE IN CASH AND CASH EQUIVALENTS
CASE AND CASH EQUIVALENTS At BEGINNING OF THE YEAR

CASE AND CASH EQUIVALENTS AT END OF THE YEAR

CASH AND CASH EQUIVALENTS AT END OF THE YEAR
CASE
BALANCES WITH OTHER BANKS
MONEY AT CALL AND SHORT NOTICE

THE ANNEXED NOTES FORM AN INTEGRAL PART OF THESE ACCOUNTS.

SAFARALI K. LAKHANI
PRESIDENT AND CHIEF EXECUTIVE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1. STATUS AND NATURE OF BUSINESS

Soneri Bank Limited was incorporated in Pakistan on 28 September 1991 as a Public limited company under the Companies Ordinance, 1984. Its shares are quoted on all the stock exchanges in Pakistan. The bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and operates twenty four branches in Pakistan.

2. BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. One permissible form of trade related mode of financing include 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.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 STATEMENT OF COMPLIANCE

These accounts have been prepared in accordance with the accounting standards issued by the International Accounting Standards Committee ("IASC") and interpretations issued by Standing Interpretations Committee of the IASC, as applicable in Pakistan and the requirements of the Banking Companies Ordinance, 1962 and the Companies Ordinance, 1984.

3.2 HISTORICAL COST CONVENTION

These financial statements have been prepared under the historical cost convention, as modified for the revaluation of investments in market treasury bills and listed equity securities and in conformity with the accepted accounting practices of banking institutions in Pakistan.

3.3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash, balances with other banks and money at call and short notice.

3.4 STAFF RETIREMENT BENEFITS

Defined benefit plan

The bank operates an approved funded gratuity scheme for all its permanent employees. Contributions are made in accordance with the actuarial recommendation. Actuarial gains / losses of one accounting period are recognised in the following accounting period.

Defined contribution plan

The bank operates an approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the bank and its employees, to the fund at the rate of 8.33 percent of basic salaries of the employees.

3.5 TAXATION

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the

balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted at the balance sheet date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available and the credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 ADVANCES

Advances are stated net of specific and general provisions. Specific provision is made for non-performing advances as considered necessary to comply with the Prudential Regulations issued by the State Bank of Pakistan. Advances are written-off when there is no realistic prospect of recovery.

3.7 INVESTMENTS

All securities held by the bank are classified as investment securities. Securities held with the intent and ability to hold are stated at amortized cost less provision for permanent diminution in value, if any, with the exception of securities where ready quotes are available on Reuters Page (PKRV) or Stock Exchanges. The difference between the face value and purchase price is amortized over the remaining life of security. From this year, in accordance with requirements of BSD circular No. 20 dated 04 August 2000, securities for which ready quotes are available on Reuters Page (PKRV) or Stock Exchanges are valued at market value and the resulting surplus/deficit is kept in a separate account and is shown below the share holders' equity in the balance sheet.

3.8 CAPITAL WORK-IN-PROGRESS, OPERATING FIXED ASSETS AND DEPRECIATION

Capital work in progress is stated at cost.

The cost of operating fixed assets is depreciated over the useful lives of the related assets under the straight line method. Fixtures costing Rs.10,000 or less and all other items of fixed assets costing Rs. 2,000 or less are not capitalized and charged to income. Minor repairs and maintenance are charged to income as and when incurred.

Assets subject to finance lease are accounted for by recording the assets and the related liability. These are stated at lower of fair value and present value of minimum lease payments at inception of the lease less accumulated depreciation. Financial charges are allocated over the period of lease term in a manner so as to provide a constant periodic rate of financial charge on the outstanding liability.

3.9 FOREIGN CURRENCIES

Foreign currency transactions are translated into Rupees at exchange rates prevailing on the date of transaction. Assets and liabilities in foreign currencies are translated into Rupees at the exchange rates prevailing at the balance sheet date, except foreign currency deposits for which forward cover is taken from State Bank of Pakistan. Foreign currency deposits for which forward cover is taken from State Bank of Pakistan are translated at their respective cover rates. Outstanding forward foreign exchange contracts and foreign bills purchased are valued at the rates applicable to their respective maturities. Exchange gains and losses are included in income currently.

3.10 REVENUE RECOGNITION

Mark-up / Return on investments and advances, excluding bills purchased, is recognized on accrual

basis except income which warrant carry forward in compliance with the Prudential Regulations issued by the State Bank of Pakistan. Commission on letters of credit and guarantee is recognized on accrual basis.

Upto last year, commission on letters of credit and guarantee was recognized on receipt basis but from current year the bank has decided to recognize such commission on accrual basis. The management considers that changed policy more appropriately reflects its financial results. However, the effect of change on current or prior period results is not material.

3.11 PROVISION FOR CONTINGENCIES

Provision for contingencies are recognized when the bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.12 OFF-SETTING

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

4. CASH

In hand

Local currency

- Foreign currencies

With State Bank of Pakistan in

- Foreign currency deposit account

- Local currency current account

With National Bank of Pakistan in local currency

current account

4.1 This include National Prize Bonds of Rs. 4.355 million (1999:Rs.5.063 million).

5. BALANCES WITH OTHER BANKS

In Pakistan

On current account

On deposit account

Outside Pakistan

On current account

On deposit account

6. INVESTMENTS

Investment Securities

Federal Investment Bonds

Market Treasury Bills

Fully paid-up ordinary shares in listed companies

Fully paid-up ordinary shares in un-listed companies

Listed Term Finance Certificates

Un-listed Term Finance Certificates

Certificates of Investment

WAPDA Registered Bonds

Provision for diminution in the value of investments

6.1 This represents equity contribution of Rs. 5.70 million, equivalent to US Dollars 0.100 million, in Pakistan Export Finance Guarantee Agency and Rs. 25.00 million in Khushhali Bank (formerly Micro Finance Bank).

6.2 Certificates of investments are from various non-banking financial institutions which are short term rated from A1+ to A2 by Pakistan Credit Rating Agency (Private) Limited.

6.3 Investments include securities having a book value of Rs 23.100 million (1999:Rs.23.100 million) pledged with State Bank of Pakistan and National Bank of Pakistan as security to facilitate T.T. discounting facility to branches of the bank. Investments also include securities having book value of Rs. 100.00 million (1999: Rs. 100.00 million) pledged with State Bank of Pakistan as security to facilitate same day credit against surrender of foreign currency deposits.

6.4 At 31 December 2000, securities held under resale commitments with book value of Rs. 1,534 million were included in investments.

7. ADVANCES - net of provision

Loans, cash credits, overdrafts, etc. In Pakistan

Bills discounted and purchased

Payable in Pakistan

Payable outside Pakistan

Specific and general provision for
non-performing advances

Advances include Rs. 295.858 million (1999: Rs. 157.451 million) which have been placed on non-performing status.

7.1 Particulars of advances

In local currency

In foreign currencies

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

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

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

Debts considered doubtful or bad not provided for

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

Debts due by companies or firms in which the directors of the bank are interested as directors, partners or in the case of private companies as members

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

7.2 Particulars of provision against non-performing advances

Opening balance

Charge for the year

Amounts written off

Reversals

Closing balance

Provision against:

7.3

Advances to banks
 Advances to others

7.3 In terms of section 33A(3) 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, 2000, is given at Annexure - I.

8. OPERATING FIXED ASSETS

Book value Rate of

	<i>At 1 Jan 2000</i>
Land and Buildings on leasehold land	179,201
Furniture, fixtures and equipment	212,152
Vehicles	18,067
 Assets held under finance lease:	
Furniture, fixtures and equipment	35,242
Vehicles	13,227
2000	----- 457,889
1999	=====
	384,703 =====

8.1 During the year, no assets with original cost or book value in excess of Rupees one million or one hundred thousand were disposed-off. Further more, during the year there were no disposals to the Chief Executive or a director or an executive or a shareholder holding more than 10 percent of the voting shares of the bank.

8.2 During the year, the management has decided to change the depreciation method for all operating fixed assets from declining balance method to straight line method, except for vehicles which are already being depreciated under the straight line method. Had the depreciation method not been changed for the above

assets, the profit for the year would have been higher by Rs. 21.107 million.

9. CAPITAL WORK -IN -PROGRESS

Civil works

Advances against purchase of premises

Advance to suppliers and contractors

Consultant fee and other charges

10. DEFERRED TAXATION

Deferred debits arising in respect of:

Provision against non-performing advances

Mark-up in suspense

Unamortized goodwill on premises

Tax depreciation

Deferred credits arising due to:

Excess of accounting book value of leased assets over
lease liabilities

11. OTHER ASSETS

Stationery and stamps on hand

Income / Mark-up accrued on advances and investments 11.1

Other income receivable

Prepaid exchange risk fee

Advances, deposits, advance rent and other prepayments

Taxation (payments less provisions)

Income tax recoverable

Unrealized gain on forward exchange contracts and
foreign bills purchased

Due from State Bank of Pakistan

Receivable from defined benefit plan

Suspense account

Others

11.1 Mark up in suspense is shown under other liabilities.

12. DEPOSITS AND OTHER ACCOUNTS

Fixed deposits

Saving deposits

Current deposits

Call deposits

Margin deposits

Special exporter accounts

Sundry deposits

12.1 Particulars of deposits and other accounts

In local currency

In foreign currencies

13. BORROWINGS FROM OTHER BANKS, AGENTS, ETC.

In Pakistan

13.1 Particulars of borrowings from other banks, agents, etc.

In local currency

13.2 Secured

From State Bank of Pakistan under export refinance scheme

Un-secured

Call borrowings

13.3 Markup on export refinance from State Bank of Pakistan is charged at the rates of 6 and 8 percent per annum (1999:6 percent per annum) payable on quarterly basis and is secured against Demand Promissory Note executed by the bank in favor of the State Bank of Pakistan.

13.4 Markup on call borrowings is charged at the rates of 17 and 18 percent per annum.

14. OTHER LIABILITIES

Markup / Interest payable on loans / borrowings
 Profit payable on PLS deposits and other accounts
 Interest payable on foreign currency deposits
 Branch adjustment account
 Accrued expenses
 Provision for compensated absences
 Un-earned commission
 Mark-up in suspense
 Due to State Bank of Pakistan
 Others

15. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	<i>Minimum Lease Payments</i>
Upto one year	15,787
Between one year and five years	9,060

	24,847
	=====

The bank has entered into various lease agreements with leasing companies and modarabas for furniture, equipments and vehicles. Lease rentals include financial charges ranging between 15.55 percent to 17.20 percent per annum which have been used as discounting factor and are payable monthly. The bank has option to purchase the assets upon completion of lease period and has intention to exercise it.

16. SHARE CAPITAL

	<i>2000 Authorised</i>	<i>1999</i>
	100,000,000	60,000,000 Ordinary shares of R
	=====	=====
Issued, subscribed and paid up		
	33,000,000	33,000,000 Ordinary shares of R
	29,617,500	17,094,000 Ordinary shares of R bonus shares
	-----	-----
	62,617,500	50,094,000
	=====	=====

17. RESERVE FUND AND OTHER RESERVES

Share premium
 Statutory reserve

General reserve

17.1 This represents reserve created under section 21(i)(a) of the Banking Companies Ordinance, 1962.

18. DEFICIT ON REVALUATION OF SECURITIES

Market Treasury Bills

Listed Equity Securities

18.1 Following the directives issued by the State Bank of Pakistan vide BSD circular No. 20 dated 4 August 2000, market treasury bills and listed equity securities are revalued and the resultant surplus / deficit is taken directly to " Surplus / Deficit on Revaluation of Securities".

19. STATEMENT OF CHANGES IN EQUITY

	<i>Share Capital</i>
Balance at 01 Jan 1999	500,940
Profit for the year	--
Transfer	--
Proposed issue of bonus shares	--

Balance at 31 Dec 1999	500,940
Profit for the year	--
Transfer	--
Issue of bonus shares	125,235
Proposed issue of bonus shares	--
Deficit on revaluation of securities	--

Balance at 31 Dec 2000	626,175
	=====

20. BILLS FOR COLLECTION

Payable in Pakistan

Payable outside Pakistan

Bills for collection represent bills drawn on various financial institutions in Pakistan or abroad on behalf of bank's customers. These are accepted by the bank as an agent and the bank does not carry any credit risk in respect of these bills.

21. CONTINGENT LIABILITIES AND COMMITMENTS

Contingencies

Money for which the bank is contingently liable:

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

b) Contingent liability in respect of guarantees given favoring:

- Government
- Banking companies and other financial institutions
- Others

c) Liability on bills of exchange rediscounted

Claims against the bank not acknowledged as debts

Commitments

Commitments in respect of forward foreign exchange contracts

Sale

- To other banks
- To customers

Purchase

- From State Bank of Pakistan for foreign currency deposits
- From other banks
- From customers

Capital expenditure contracted but not provided for

22. OTHER OPERATING INCOME

Income from dealing in foreign currencies

Recovery of expenses from customers

Rent of lockers

Miscellaneous income

23. ADMINISTRATIVE EXPENSES

Salaries, allowances, etc.

Compensated absences

Charge for defined benefit plan

Contribution to defined contribution plan

Non-executive directors' fees and allowances
Brokerage and commission
Rent, taxes, insurance, electricity, etc.
Legal and professional charges
Communication
Repairs and maintenance
Financial charges on leased assets
Stationery and printing
Advertisement and publicity
Donation
Auditors' remuneration
Depreciation
Others

23.1 The above donation was paid to Aga Khan University and no director or their spouse had any interest in the said university.

23.2 Auditors' remuneration

Statutory audit fee
Audit fee of provident and gratuity funds
Special certifications and tax services
Out-of-pocket expenses

24. OTHER INCOME

Net profit on sale of operating fixed assets

25. OTHER CHARGES

Operating fixed assets written-off

26. TAXATION

26.1 Relationship between tax expense and accounting profit

Profit before taxation

Tax at the applicable tax rate of 58 percent (1999:58 percent)

Tax effect of expenses that are not deductible in determining taxable income

Tax effect of expenses that are deductible temporary differences not previously recognized in calculation of deferred tax

Effect of change in tax rates
 Tax effect of dividend income taxed at reduced rate
 Others

Current taxation
 Deferred taxation

26.2 The income tax assessments of the bank have been finalised upto and including the assessment year 1999-2000 (income year ended 31 December 1998). Matters of disagreement exist between the bank and tax authorities for the assessment years 1993-1994 to 1999-2000 and are pending with the Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal. The issues mainly relate to addition of mark-up in suspense account to income and disallowances of certain expenses. However, full tax liability has been provided in these accounts.

27. REMUNERATION OF DIRECTORS AND EXECUTIVES

	Chief Executive
	2000-01
	(Rupees in '000)
Fees	--
Managerial remuneration	1,933
Charged for defined benefit plan	242
Contribution to defined contribution pla	161
Rent and house maintenance	920
Utilities	188
Medical	--
Bonus and leave encashment	606

	4,050
	=====
Number of persons	1
	=====

The bank also provides free use of bank maintained cars to Chief Executive and Executives.

28. RELATED PARTY TRANSACTIONS

Advance given during the year

Advance repaid during the year

Deposits (at year end)

Mark-up / Interest paid

Mark-up / Interest earned

29. EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the year after taxation (numerator)

Weighted average number of ordinary shares (denominator)

Earnings per share (Rs.)

30. STAFF STRENGTH

Number of employees at end of the year

31. DEFINED BENEFIT PLAN

The benefits under the gratuity scheme are payable on retirement at the age of 60 or earlier cessation of service, in lumpsum. The benefit is equal to one month's last drawn salary for each year of eligible service or part thereof, subject to a minimum of five years service.

The actuarial valuation is carried out using "Projected Unit Credit Actuarial Cost Method". The main assumptions used for actuarial valuation were as follows:

- Discount rate is 12 percent per annum
- Expected rate of increase in salaries is 12 percent per annum
- Expected rate of return on investments is 12 percent per annum

The amounts recognised in the balance sheet are as follows:

Present value of defined benefit obligations

Fair value of plan assets

Net actuarial gains or losses not recognized

Net asset in the balance sheet

The gratuity plan assets include deposit maintained with the bank at a fair value of Rs. 3.625 million.

Movements in the net asset recognised in the balance sheet are as follows:

Opening balance

Charge for the year

Contribution during the year

Closing balance

The amounts recognised in the profit and loss account are as follows:

Current service cost

Interest cost

Expected return on plan assets

Amortization of transitional obligations

Actual return on plan assets

32. MATURITIES OF ASSETS AND LIABILITIES AND LIQUIDITY RISK

	<i>Total</i>
Assets	
Cash	1,245,437
Balances with other banks	709,847
Money at call and short notice	205,000
Investments	6,044,534
Advances - net of provision	10,931,001
Operating fixed assets	294,858
Capital work-in-progress	29,089
Deferred taxation	125,122
Other assets	529,691

	20,114,579
Liabilities	
Deposits and other accounts	14,029,595
Borrowings from other banks, agents, etc.	4,151,246
Bills payable	335,993
Other liabilities	327,409
Liabilities against assets subject to finance lease	21,758

	18,866,001

	1,248,578
	=====
Equity	1,248,578

The saving deposits have been classified as maturing upto one month as they do not have any contractual maturity. However, they are not expected to fall materially below their current level.

32.1 Liquidity risk

Liquidity risk is the risk that bank will not be able to meet its net funding requirements. Liquidity risk can be caused by market disruptions or credit down grades which may cause certain sources of funding to dry up immediately. To guard against the risk, the management have diversified funding sources and assets are managed with liquidity risk in mind.

33. SEGMENT ANALYSIS AND CREDIT RISK

33.1 Geographic segment

These financial statements represent operations of the bank in Pakistan only:

33.2 Segment by class of business

	Advanc Term Finance (Rupees in '000)
Chemical and pharmaceuticals	189,020
Agriculture and agribusiness	14,252
Textile and synthetic	4,787,296
Cement	20,000
Sugar	712,769
Shoes and leather product	174,370
Automobile and transportation equipme	31,734
Financial services	75,625
Transportation and communication	9,927
Electronics and electrical appliances	140,600
Production and transmission of energy	121,439
Food and allied	106,836
Carpets	517,224
Glass and ceramics	167,124
Hotels and restaurants	15,204
Paper and board	2,391
Plastic and allied products	36,233
Rubber and allied products	56,431
Sports goods	114,715
Surgical and allied equipment	39,223
Travel agencies	48,685
Individuals	529,691
Others	3,255,929

	11,166,718

33.3 Segment by sector

	Advances Term Finance (Rupees in '000)
Public / Government	100,000
Private	11,066,718

	11,166,718
	=====

33.4 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Bank attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter-parties and continually assessing the credit worthiness of counter-parties. Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographical location.

The Bank seeks to manage its credit risk exposure through diversification of lending activities to avoid undue concentration of risks with individuals or groups of customers in specific locations or business. It also obtains security where appropriate.

34. CURRENCY BREAKDOWN OF ASSETS AND LIABILITIES & CURRENCY RISK

	Assets (Rupees in '000)
Pak rupees	17,312,310
U.S. dollars	2,646,908
Pound sterling	21,296
Deutsche mark	16,122
Japanese yen	2,999
Other European currencies	44,013
Other currencies	70,931

	20,114,579
	=====

34.1 Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Hedging transactions are used by the bank to manage risk in other currencies.

35. INTEREST RATE RISK MANAGEMENT

Interest rate risk arises from the possibility that changes in interest rates will affect the value of financial instruments. The bank is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off balance sheet instruments that mature or re-price in a given period. The bank

manages this risk by matching the re-pricing of assets and liabilities. The bank's interest rate sensitivity position, based on the earlier of contractual re-pricing or maturity date, is as follows:

	<i>Effective Interest Rate (a)</i>
ASSETS	
Cash	4.42%
Balances with other banks	6.53%
Money at call and shod notice	77.20%
Investments	13.38%
Advances (b)	13.00%
LIABILITIES	
Deposits and other accounts (c)	9.24%
Borrowings from other banks, agents etc.	6.60%
Bills payable	--
Liabilities against assets subject to finance lease	17.01%

On-balance sheet gap

Total interest rate sensitivity gap

The on-balance sheet gap represents the net amounts of on-balance sheet items.

(a) The effective interest rate is a historical rate for a fixed rate instrument carried at amortized cost and a current market rate for a floating rate instrument or an instrument carried at fair value.

(b) The effective interest rate for advances has been computed by excluding non-performing loans. Further, the rate has been computed by considering export refinance which is provided at a concessional rate of markup.

(c) The effective interest rates have been computed by excluding non-interest bearing accounts.

36. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties in an arm's length transaction. As of 31 December 2000, the estimated fair values of all on balance sheet financial instruments are not significantly different from their book values.

As of 31 December 2000, the estimated fair value of forward foreign exchange contracts is as follows:

	(Rupees in '000)
Sale	
To other banks	2,500,676
To customers	769,103

Purchase

From other banks
From customers

883,820
677,100

37. GENERAL

Captions, as prescribed by BPRD circular No. 31 dated 13 August 1997 issued by the State Bank of Pakistan, in respect of which there are no amounts have not been reproduced in these financial statements.

SAFARALI K. LAKHANI
PRESIDENT AND CHIEF EXECUTIVE

SONERI BANK LIMITED**STATEMENT SHOWING WRITTEN-OFF LOANS OR ANY OTHER
FINANCIAL RELIEF OF FIVE HUNDRED THOUSAND RUPEES OR
ABOVE PROVIDED DURING THE YEAR ENDED 31 DECEMBER 2000**

*Sr. No. Name & Address
of the person*

*Name of Individuals
Partners/Directors
(with NIC Number)*

1

2

1. Mr. Malik M. Naeem
581-E Phase 1,
Lahore Cantt.
Co-operative Housing
Society Cantt., Lahore.

NIC No.
272-64-561402

2. M/s. New Vision Network
1/1 Musa Market,
Shahrah-e-Liaquat,
Karachi

Syed Nadeem Rizv
NIC No.
517-93-470106

3. M/s. Kashif Kamran & Co.
MR 1/14, Kashif Center,
Rambharti Street,
Jodia Bazar,
Karachi.

Mr. Abdul Qadir
Suriya
NIC No.
515-86-187716

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Ninth Annual General Meeting of the Bank will be held at Pearl Continental Hotel, Lahore on Tuesday 27 March 2001 at 9:30 a.m to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 8th Annual General Meeting held on 27 March 2000.
2. To receive, consider and adopt audited accounts together with the Directors' and Auditors' Report thereon for the year ended 31 December 2000.
3. To appoint Auditors of the Bank and to fix their remuneration.
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. 156.544 Million for the issuance of bonus shares @ 25% i.e. 25 shares per 100 shares held and to consider and if thought fit pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT:

- a) the sum of Rs. 156.544 Million out of profit available for appropriation as at 31 December 2000 be capitalized and applied to the issue of 15,654,375 ordinary shares of Rs. 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 14 March 2001 in the proportion of 25 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 the statutory requirements."

6. To consider and approve with or without modification, the following resolution as "Special Resolution".

"Resolved that the Memorandum & Articles of Association of the Bank be altered by substituting the word "director" appearing after the words "or if so decided by the" in Article 55 with the word "Board".

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: 21 February 2001

NOTES

1. Share Transfer Books of the Bank will be closed from 15th March 2001 to 27th March 2001 (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 14th March 2001 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 shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form. Proxy form is enclosed herewith.

3. The CDC account/sub account holders or the persons whose securities are in group account and their registration details are uploaded as per the regulations shall have to produce their original National Identity Card (NIC) or original passport at the time of attending the meeting for identification purpose, alongwith participant's I.D.Number and their Account No. in CDS.

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee (with the proxy form, if applicable) shall be produced at the time of the meeting.

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

Statement Under Section 160 of the Companies Ordinance, 19

This statement sets out the material facts concerning the special business to be transacted at the 9th Annual General Meeting of Soneri Bank Limited to be held on 27th March 2001.

Item No. 5 of the Notice:

The Directors are of the view that the profit/reserves of the Bank are adequate for the capitalization of a sum of Rs. 156.544 Million for issue of proposed 25% bonus shares.

Item No. 6 of the Notice:

In order to reproduce the concluding part of Article 55 of the Memorandum & Articles of Association of the Bank in its true and unambiguous meaning, the shareholders' approval is being sought for the proposed alteration in the said Article.

PATTERN OF SHAREHOLDING AS AT 31 DECEMBER 2000

<i>NO. OF SHAREHOLDERS</i>	<i>HAVING SHARES FROM</i>	<i>TO</i>
1611	1	100
1568	101	500
1801	501	1000
2394	1001	5000
106	5001	10000
30	10001	15000
19	15001	20000
11	20001	25000
3	25001	30000
8	30001	35000
4	35001	40000
1	40001	45000
2	45001	50000
3	50001	55000
1	55001	60000
2	60001	65000
2	65001	70000
2	90001	95000
1	95001	100000

1	120001	125000
1	140001	145000
1	145001	150000
1	160001	165000
1	170001	175000
2	185001	190000
1	200001	205000
1	315001	320000
1	330001	335000
1	370001	375000
1	395001	400000
1	540001	545000
1	600001	605000
1	780001	785000
1	1100001	1105000
1	1385001	1390000
1	1740001	1745000
1	2480001	2485000
9	3130001	3135000
1	14575001	14580000
-----	-----	-----
7598		
-----	-----	-----

PARTICULARS

	SHAREHOLDERS
INDIVIDUALS	6020
INVESTMENT COMPANIES	2
INSURANCE COMPANIES	9
JOINT STOCK COMPANIES	59
FINANCIAL INSTITUTIONS	24
MODARABAS	5
FOREIGN COMPANIES	8
LEASING COMPANIES	1
OTHERS	1
NON-RESIDENT (U.S.\$)	22
NON-RESIDENT (PAK RS.)	1447
COMPANY TOTAL	7598

LIST OF BRANCHES

PAKISTAN NETWORK UAN: 111-567-890' Web Site: www.soneri.com

HEAD OFFICE: 87, Shahrah-e-Quaid-e-Azam

P.O. Box No. 49, Lahore.

Tel: 6368142-47 Fax: 6368138

Telex: 47694 SONRI PK

E-mail: Mainlhr@soneri.com

LAHORE (Main Branch)*

87, Shahrah-e-Quaid-e-Azam, Lahore.

Tel: 6368142-47

Fax: 6368138

Telex: 47694 SONRI PK

E-mail: Mainlhr@soneri.com

LAHORE (Defence)

G-7, Commercial Area, L.C.C.H.S.L.,
Lahore.

Tel: 5730760-61

Fax: 5724325

E-mail: Defencelhr@soneri.com

LAHORE (Gulberg)

90-B-C/11, Liberty Market,
Gulberg-III, Lahore.

Tel:

5713445-48

Fax:

5713326

Telex:

44304 SONRI PK

E-mail:

Gulberglhr@soneri.com

GUJRANWALA*

Rail Bazar, Gujranwala.

Tel:

224674-76

Fax:

224677

Telex:

45298 SONRI PK

E-mail:

Maingjr@soneri.com

FAISALABAD*

Chiniot Bazar, Faisalabad.

Tel:

639877-78

Fax:

649254

Telex:

43320 SONRI PK

E-mail:

Mainfsd@soneri.com

PESHAWAR*

Saddar Road, Peshawar Cantt,
Peshawar.

Tel:

273424, 277914-17

Fax:

273727

Telex:

52505 SONRI PK

E-mail:

Mainpsh@soneri.com

SIALKOT*

Mujahid Road, Sialkot.

Tel:

596983, 596992

Fax: 596885
Telex: 46445 SONRI PK
E-mail: Mainskt@soneri.com

MIRPUR (AJK)

Ghazi Manzil, Allama Iqbal Road,
Plot No.7, Sector B/3,
New Mirpur Town,
Mirpur (Azad Kashmir).
Tel: 44488
Fax: 44588
E-mail: Mainmpr@soneri.com

GILGIT

Saddar Bazar, Gilgit.
Tel: 3749
Fax: 3658
E-mail: Mainglt@soneri.com

QUETTA*

Shahrah-e-Iqbal, Quetta.
Tel: 821610, 821641
Fax: 821524
Telex: 78232 SONRI PK
E-mail: Mainqta@soneri.com

KARACHI (Main Branch)*

Adamjee Insurance Building,
I.I. Chundrigar Road, Karachi.
Tel: 2436990-94
2446663-66
Fax: 2436980, 2418350
Telex: 20479 SONRI PK
21736 RUPMK PK
E-mail: Mainkhi@soneri.com

KARACHI (Clifton)

Shadman Centre, Block 7, Clifton,
Karachi.
Tel: 5877773-74
Fax: 5860671
Telex: 29790 SONRI PK
E-mail: Cliftonkhi@soneri.com

KARACHI (Garden)

Silver Jubilee Centre, Britto Road,
Garden East, Karachi.
Tel: 7232877-78

Fax: 7232876
E-mail Gardenkhi@soneri.com

KARACHI (Federal 'B' Area)

Hasan Mansion, Block 7,
Federal 'B' Area, Shahrah-e-Pakistan,
Karachi.
Tel: 6373782-83
Fax: 6373781
E-mail: FBAkhi@soneri.com

KARACHI (Korangi Industrial Area)

Plot No. LS-7, ST-3/1, Sector 15,
Korangi Industrial Area, Karachi.
Tel: 5066722, 5066733
Fax: 5066731
Telex: 47243 SONRI PK
E-mail: Korangikhi@soneri.com

KARACHI (Aga Khan University)

Stadium Road, Karachi.
Tel: 48592498-99
Fax: 4852251
E-mail: AKUkhi@sonen.com

HYDERABAD (Main Branch)*

Dr. Ziauddin Road, Saddar,
Hyderabad.
Tel: 781528-29
Fax: 781530
Telex: 22097 SONRI PK
E-mail: Mainhyd@soneri.com

HYDERABAD (Fatima Jinnah Road)

Defence Plaza, Fatima Jinnah Road,
Hyderabad.
Tel: 28131, 785997
Fax: 785998
E-mail: FJRhyd@soneri.com

SUKKUR*

Glamour Heights, Plot No. C-260/4
Muhammad Bin Qasim Road, Sukkur.
Tel: 22382, 22925
Fax: 22704
E-mail: Mainsuk@soned.com

RAWALPINDI

Kitchlew Building, 41-Bank Road,
Rawalpindi Cantt.

Tel: 5522901-03
Fax: 5522906
Telex: 54777 SONRI PK
E-mail: Mainrwp@soneri.com

ISLAMABAD*

68-W, Sama Plaza, Blue Area,
Islamabad.

Tel: 2277551, 2824993
Fax: 2277550
Telex: 4754 SONRI PK
E-mail: Mainisd@soneri.com

WAZIRABAD*

Bagri Plaza, Lahori Gate,
Main Bazar, Wazirabad.

Tel: 603703-04
Fax: 603705
E-mail: Mainwzd@soneri.com

MULTAN*

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

Tel: 44884, 564807
Fax: 546808
Telex: 42348 SONRI PK
E-mail: Mainmtn@soneri.com

SHEIKHUPURA*

Sharif Plaza, Sargodha Road,
Sheikhupura.

Tel: 3570
Fax: 56800
E-mail: Mainshk@soneri.com

FOREIGN CORRESPONDENTS

COUNTRY

Australia

NAME OF BANK

ABN-AMRO Bank Australia Ltd.
Australia & New Zealand Banking Group Limited
Chase Manhattan Bank Australia Limited
Habib Finance (Australia) Limited
HSBC Bank Australia Limited

	Standard chartered Bank Australia Limited State Bank of New South Wales Limited
Austria	Creditanstalt Bank Verein Raiffeisen Zentralbank Osterreich AG
Bahrain	Arab Banking Corporation Banque de Commerce et de Placements Habib Bank Limited.
Bangladesh	ANZ Grindlays Bank Limited ' American Express Bank Limited Muslim Commercial Bank Limited Standard Chartered Bank Habib Bank Limited
Belgium	Artesia Bank SA/NV Bank Brussels Lambert Habib Bank Limited KBC Bank NV
Brazil	Banco do Brazil Llyods TSB Bank plc
Bulgaria	BNP - Dresdner Bank (Bulgaria) A.D.
Canada	ABN- AMRO Bank Canada Canadian Imperial Bank of Commerce of Canada Royal Bank of Canada
Chile	Chase Manhattan Bank
China	Citibank NA 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 Obchodi Banka A.S. Komereni 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 U B A F
Germany	American Express Bank Gmbh Chase Manhatan Bank Citibank NA Commerce Bank AG DG Bank Deutsche Bank Dresdner Bank AG Frankfurter Sparkasse GZB Bank Hamburger Sparkasse HYPO - Bank National Bank of Pakistan SGZ Bank WGZ Bank
Ghana	Standard Chartered Bank Ghana Limited
Greece	Chase Manhattan Bank
HongKong	American Express Bank Limited Banqua Worms Chase Manhattan Bank Citibank NA
HongKong	HBZ Finance Limited Habib Finance International Limited Hongkong and Shanghai Banking Corporation Limited Hua Chiao Commercial Bank Limited National Bank of Pakistan Rabobank Nederland Standard Chartered Bank UBAF (HongKong) Limited

Hungary	Central European - International Bank Limited
India	Chase Manhattan Bank Central Bank of India Hongkong and Shanghai Banking Corporation Limited Punjab National Bank Standard Chartered Bank
Indonesia	ABN - AMRO Bank American Express Bank Limited Bank Indonesia Bank Mandiri (PT) Chase Manhattan Bank Hongkong and Shanghai Banking Corporation Limited PTANZ Panin Bank Standard Chartered Bank
Iran	Bank Saderat Iran
Ireland	Chase Manhattan Bank
Italy	American Express Bank Limited Banca Carige SPA Chase Manhattan Bank Cassa di Risparmio Della Provincie Lombarde S.P.A. Credito Italiano UBAE Arab Italian Bank
Japan	American Express Bank Limited ABN -AMRO Bank Bank of Tokyo Mitsubishi Limited Chase Manhattan Bank Citibank NA ING Bank NV Lloyd TSB Bank pls National Bank of Pakistan The Sanwa Bank Limited The Bugarno 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 Standard Chartered Bank Kenya LimitedStandard

Korea (South)	American Express Bank Limited Chase Manhattan Bank National Bank of Pakistan Standard Chartered Bank U B A F
Kuwait	The Commercial Bank of Kuwait SAK
Luxembourg	Chase Manahattan Bank
Malaysia	Chase Manhattan Bank Malaysia Barhad HSBC Bank Malaysia Berhad Standarard Chartered Bank Malaysia Barhad
Maudtus	Habib Bank Limited The Mauritius Commercial Bank Limited
Netherlands	ABN -AMRO Bank NV Chase Manhattan Bank Fortis Bank F-Van Lanschot Bankiners NV ING Bank NV Habib Bank Limited
New Zealand	Bank of New Zealand
Norway	Den Norske Bank
Philippines	Australia & New Zealand Banking Group Limited Chase Manhattan Bank Hongkong and Shanghai Banking Corporation Limited Standard Chartered Bank
Poland	Bank Handlowy W Warszawie S.A.
Portugal	Banco Nacional Ultramarino
Qatar	ANZ Grindlays Bank Limited Mashreq Bank psc United Bank Limited
Romania	Romanian Commercial Bank S.A. Banco Romana de Comert Exterior
Russia	Chase Manhatan Bank

	Incombank
	Promstroybank of Russia
Saudi Arabia	Saudia American Bank
	Saudia Hollandi Bank
Singapore	American Express Bank Limited
	Banco Santander
	Chase Manhattan Bank
	Citibank NA
	Habib Bank Limited
	ING Bank NV
	Fortis Bank
	Standard Chartered Bank
	Tat Lee Bank Limited
	UBAF
South Africa	ABSA Bank
	HBZ Bank Limited
Spain	Banco Atlantico Bank
	Banco Espanol de Cedito
	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
	Standard Chartered Bank
Sudan	Mashreq Bank pcs
Sweden	Nordbanken
	Skandinaviska Enskilda Banken
	Svenska Handelsbank
Switzerland	American Express Bank (Switzerland) SA
	Banqua de Commerce et de placements
	Credit Suisse first Bostan
	Habib Bank AG Zurich
	Habibsons Bank Limited
	UBS AG
Taiwan	ABN - AMRO Bank
	American Express Bank Limited
	Chase Manhattan Bank
	ING Bank NV

Tanzania	Standard Chartered Bank
Thailand	Chase Manhattan Bank Hongkong and Shanghai Banking Corporation Ltd. Standard Chartered Bank
Tunisia	Tunis International Bank
Turkey	Chase Manhattan Bank Finaris Bank Habib Bank Limited Turk Dis Ticaret Bankasi Yapi Ve Kredi Bankasi AS
Turkerninstan	National Bank of Pakistan
U.A.E.	Habib Bank AG Zurich Habib Bank Limited Mashreq Bankl psc Standard Chartered Bank
U.K.	ANZ Bank American Express Bank Chase Manhattan Bank Citibank NA Habib Bank AG Zurich Habib Bank Limited Habibsons Bank Limited National Bank of Pakistan Raiffeisen Zentalbank Osterreich AG Standard Chartered Bank National Westminster Bank
U.S.A.	ABN - AMRO Bank American Express Bank Bank of America Bank of New York Bankers Trust Company Branch Banking & Trust Company of South Caroline. Chase Manhattan Bank Citibank NA Credit Suisse First Bostan Deutsche Bank AG First Union National Bank of North Carolina Habib American Bank Hamilton Bank NA

Hongkong and Shanghai Banking Corporation Ltd
Israel Discount Bank of New York
Keybank NA
Mashreq Bank psc
National Bank of Pakistan
Pacific Bank NA (The)
Republic National Bank of New York
Standard Chartered Bank
US Bank of Washington
Wallis State Bank

Ukraine

State Export Import of Ukraine

Vietnam

Hongkong and Shanghai Banking Corporation Ltd
(Socialist - Republic)

Yeman

Yeman Commercial Bank

Zimbabwe

Standard Chartered Bank of Zimbabwe Limited