



[Subsidiary of Habib Bank AG Zurich]

Habib Metropolitan Bank Ltd.

[Subsidiary of Habib Bank AG Zurich]

Consolidated Accounts for the first quarter
ended 31 March 2021
(Un-audited)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	6	58,126,376	54,694,826
Balances with other banks	7	3,423,585	2,272,896
Lendings to financial institutions	8	10,999,500	1,000,000
Investments	9	590,854,924	582,508,836
Advances	10	355,792,579	321,655,831
Fixed assets	11	9,147,352	9,100,177
Intangible assets	12	186,038	131,331
Deferred tax assets	13	2,424,226	1,153,598
Other assets	14	50,207,167	53,100,970
		<u>1,081,161,747</u>	<u>1,025,618,465</u>

LIABILITIES

Bills payable	15	15,838,714	15,421,002
Borrowings	16	226,677,239	205,811,905
Deposits and other accounts	17	714,443,766	680,390,688
Liabilities against assets subject to finance lease		-	-
Sub-ordinated debts		-	-
Deferred tax liabilities		-	-
Other liabilities	18	63,825,797	62,657,119
		<u>1,020,785,516</u>	<u>964,280,714</u>
NET ASSETS		<u>60,376,231</u>	<u>61,337,751</u>

REPRESENTED BY

Share capital		10,478,315	10,478,315
Reserves		20,774,578	20,129,515
Surplus / (deficit) on revaluation of assets - net of tax	19	1,537,306	3,183,141
Unappropriated profit		24,149,407	24,207,141
		<u>56,939,606</u>	<u>57,998,112</u>
Non-controlling interest		3,436,625	3,339,639
		<u>60,376,231</u>	<u>61,337,751</u>

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS
Chief Financial Officer

MOHSIN A. NATHANI
President &
Chief Executive Officer

TAHIRA RAZA
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2021

	Note	31 March 2021	31 March 2020
		Rupees in '000	
Mark-up / return / interest earned	22	17,540,956	20,872,712
Mark-up / return / interest expensed	23	(10,026,213)	(16,390,668)
Net mark-up / interest income		7,514,743	4,482,044
Non mark-up / interest income			
Fee and commission income	24	1,656,724	1,354,773
Dividend income		39,523	36,901
Foreign exchange income		479,646	782,001
Income / (loss) from derivatives		—	—
Gain / (loss) on securities	25	1,531	104,705
Other income	26	6,477	10,477
Total non mark-up / interest income		2,183,901	2,288,857
Total income		9,698,644	6,770,901
Non mark-up / interest expenses			
Operating expenses	27	3,724,625	3,562,300
Workers' welfare fund		109,029	68,184
Other charges	28	8,481	6,404
Total non-mark-up / interest expenses		(3,842,135)	(3,636,888)
Profit before provisions		5,856,509	3,134,013
Provisions and write offs - net	29	(989,923)	(484,126)
Extra ordinary / unusual items		—	—
Profit before taxation		4,866,586	2,649,887
Taxation	30	(1,537,139)	(1,011,380)
Profit after taxation		3,329,447	1,638,507
PROFIT ATTRIBUTABLE TO:			
Equity shareholders of the holding company		3,245,431	1,553,209
Non-controlling interest		84,016	85,298
		3,329,447	1,638,507
		Rupees	
Basic and diluted earnings per share	31	3.10	1.48

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

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TAHIRA RAZA
Director

RASHID AHMED JAFER
Director

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Chairman

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**
FOR THE QUARTER ENDED 31 MARCH 2021

	31 March 2021	31 March 2020
	Rupees in '000	
Profit after taxation	3,329,447	1,638,507
Other comprehensive income		
Items that may be reclassified to profit and loss in subsequent periods:		
Effect of translation of net investment in an offshore branch	(116)	(203)
Movement in surplus on revaluation of investments - net of tax	(1,618,405)	6,795,757
Movement in surplus on revaluation of non-banking assets - net of tax	(13,661)	—
Items that will not be reclassified to profit and loss in subsequent periods:		
Remeasurement (loss) / gain on defined benefit obligations - net of tax	(39,206)	(25,617)
Total comprehensive income	1,658,059	8,408,444
Equity share holders of the holding company	1,561,073	8,392,762
Non-controlling interest	96,986	15,682
	1,658,059	8,408,444

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

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Director

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Director

MOHAMEDALI R. HABIB
Chairman

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED 31 MARCH 2021**

	Reserves					Surplus / (deficit) on revaluation						
	Share capital	Share premium	Special reserve	Revenue reserve	Statutory reserve	Exchange translation reserve	Investments	Non- banking assets	Un- appropriated profit	Sub total	Non- controlling interest	Total
	Rupees in '000											
Balance as at 1 January 2020	10,478,315	2,550,985	240,361	1,500,000	13,414,980	28	(3,098,565)	225,431	19,224,491	44,536,026	3,293,578	47,829,604
Profit after taxation	-	-	-	-	-	-	-	-	1,553,209	1,553,209	85,298	1,638,507
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
- net of tax	-	-	-	-	-	(203)	6,865,373	-	(25,617)	6,839,553	(69,616)	6,769,937
Total comprehensive income	-	-	-	-	-	(203)	6,865,373	-	1,527,592	8,392,762	15,682	8,408,444
Transfer to statutory reserve	-	-	-	-	305,301	-	-	-	(305,301)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit	-	-	-	-	-	-	-	-	-	-	-	-
- net of tax	-	-	-	-	-	-	-	(861)	861	-	-	-
Transactions with owners, recorded directly in equity												
Cash dividend (Rs. 250 per share) for the year ended 31 December 2019	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Balance as at 31 March 2020	10,478,315	2,550,985	240,361	1,500,000	13,720,281	(175)	3,766,808	224,570	17,828,064	50,309,209	3,309,260	53,618,469
Profit after taxation	-	-	-	-	-	-	-	-	10,499,863	10,499,863	197,078	10,696,941
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
- net of tax	-	-	-	-	-	288	(805,637)	-	90,052	(715,297)	93,617	(621,680)
Total comprehensive income	-	-	-	-	-	288	(805,637)	-	10,589,915	9,784,566	290,695	10,075,261
Transfer to statutory reserve	-	-	-	-	2,117,775	-	-	-	(2,117,775)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit	-	-	-	-	-	-	-	-	-	-	-	-
- net of tax	-	-	-	-	-	-	-	(2,600)	2,600	-	-	-
Transactions with owners, recorded directly in equity												
Interim dividend (Rs. 2.00 per share) for the year ended 31 December 2020	-	-	-	-	-	-	-	-	(2,095,663)	(2,095,663)	-	(2,095,663)
Profit distribution by First Habib Modaraba (Rs. 1.40 per certificate) for the period ended 30 June 2020	-	-	-	-	-	-	-	-	-	-	(254,016)	(254,016)
Profit distribution by Habib Metropolitan Modaraba (Rs. 0.70 per certificate) for the period ended 30 June 2020	-	-	-	-	-	-	-	-	-	-	(6,300)	(6,300)
Balance as at 31 December 2020	10,478,315	2,550,985	240,361	1,500,000	15,838,056	113	2,961,171	221,970	24,207,141	57,998,112	3,339,639	61,337,751
Profit after taxation	-	-	-	-	-	-	-	-	3,245,431	3,245,431	84,016	3,329,447
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
- net of tax	-	-	-	-	-	(116)	(1,631,375)	(13,661)	(39,206)	(1,684,358)	12,970	(1,671,388)
Total comprehensive income	-	-	-	-	-	(116)	(1,631,375)	(13,661)	3,206,225	1,561,073	96,986	1,658,059
Transfer to statutory reserve	-	-	-	-	645,179	-	-	-	(645,179)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit	-	-	-	-	-	-	-	-	-	-	-	-
- net of tax	-	-	-	-	-	-	-	(799)	799	-	-	-
Transactions with owners, recorded directly in equity												
Cash dividend (Rs. 250 per share) for the year ended 31 December 2020	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Balance as at 31 March 2021	10,478,315	2,550,985	240,361	1,500,000	16,483,235	(3)	1,329,796	207,510	24,149,407	56,939,606	3,436,625	60,376,231

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS
Chief Financial Officer

MOHSIN A. NATHANI
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TAHIRA RAZA
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 31 MARCH 2021

FOR THE QUARTER ENDED 31 MARCH 2021		Note	31 March 2021	31 March 2020
			Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation			4,866,586	2,649,887
Less: Dividend income			(39,523)	(36,901)
			<u>4,827,063</u>	<u>2,612,986</u>
Adjustments				
Depreciation on operating fixed assets			270,477	263,763
Depreciation on right-of-use assets			229,363	193,884
Depreciation on non-banking assets			9,174	2,865
Amortization			16,475	17,891
Mark-up / return / interest expensed on lease liability against right-of-use assets			126,164	113,784
Provisions and write offs excluding recovery of written off bad debts		29	990,423	484,634
Unrealized gain on securities - held-for-trading			18	(41,594)
Net gain on sale of fixed assets			(3,831)	(4,097)
Provision against workers' welfare fund			109,029	68,184
Provision against compensated absences			10,511	12,329
Provision against defined benefit plan			44,046	44,649
			<u>1,801,849</u>	<u>1,156,292</u>
			6,628,912	3,769,278
(Increase) / decrease in operating assets				
Lendings to financial institutions			(9,999,500)	11,197,303
Advances			(35,459,996)	(16,178,969)
Other assets (excluding dividend and non-banking assets)			(2,098,587)	(6,815,234)
			<u>(47,558,083)</u>	<u>(11,796,900)</u>
Increase / (decrease) in operating liabilities				
Bills payable			417,712	1,804,323
Borrowings from financial institutions			18,555,097	28,283,973
Deposits and other accounts			34,053,078	(33,690,977)
Other liabilities (excluding current taxation)			3,580,093	4,720,964
			<u>56,605,980</u>	<u>1,118,283</u>
			15,676,809	(6,909,339)
Payment against compensated absences			(4,489)	(754)
Contribution to defined benefit plan			(1,275)	
Income tax paid			(1,141,770)	(913,788)
			<u>14,529,275</u>	<u>(7,823,881)</u>
Net cash flow generated from / (used in) operating activities				
			14,529,275	(7,823,881)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net investments in held-for-trading securities			(5,833,096)	(3,428,877)
Net investments in available-for-sale securities			(4,959,634)	7,839,747
Net investments in held-to-maturity securities			84,744	(9,801)
Dividend received			34,643	36,901
Investments in fixed assets			(295,953)	(510,524)
Investments in intangible assets			(71,064)	(28,395)
Proceeds from sale of fixed assets			5,845	6,775
Effect of translation of net investment in an offshore branch			(116)	(203)
			<u>(11,034,631)</u>	<u>3,905,623</u>
Net cash flow (used in) / generated from investing activities				
			(11,034,631)	3,905,623
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid			(917,622)	(966)
Payment of lease liability against right-of-use assets			(305,020)	(195,950)
			<u>(1,222,642)</u>	<u>(196,916)</u>
Net cash used in financing activities				
			(1,222,642)	(196,916)
Increase in cash and cash equivalents			2,272,002	(4,115,174)
Cash and cash equivalents at beginning of the year			52,649,776	69,298,085
Cash and cash equivalents at end of the year			<u>54,921,778</u>	<u>65,182,911</u>

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

FUZAIL ABBAS	MOHSIN A. NATHANI	TAHIRA RAZA	RASHID AHMED JAFER	MOHAMEDALI R. HABIB
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2021

1. STATUS AND NATURE OF BUSINESS

The Group comprises of Habib Metropolitan Bank Limited (the holding company), Habib Metropolitan Financial Services Limited and Habib Metropolitan Modaraba Management Company (Private) Limited (wholly owned subsidiary companies) and First Habib Modaraba and Habib Metro Modaraba (Managed by Habib Metropolitan Modaraba Management Company (Private) Limited).

Holding Company

Habib Metropolitan Bank Limited (the holding company) was incorporated in Pakistan on 3 August 1992, as a public limited company, under the Companies Ordinance, 1984 (now Companies Act, 2017) and is engaged in commercial banking and related services. Its shares are listed on the Pakistan Stock Exchange. The holding company operates 407 (31 December 2020: 406) branches, including 33 (31 December 2020: 32) Islamic banking branches, an offshore branch (Karachi Export Processing Zone branch) (31 December 2020: 1) and 30 (31 December 2020: 30) sub branches in Pakistan. The holding company is a subsidiary of Habib Bank AG Zurich - Switzerland (the ultimate parent company with 51% shares in the holding company) which is incorporated in Switzerland.

The registered office of the holding company is situated at Spencer's Building, II Chundrigar Road, Karachi.

Subsidiary Companies

Habib Metropolitan Financial Services Limited - 100% holding

Habib Metropolitan Financial Services Limited was incorporated in Pakistan on 28 September 2007 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 1st Floor, GPC 2, Block 5, Kheকাশan Clifton, Karachi. The subsidiary company is a corporate member of the Pakistan Stock Exchange Limited and engaged in equity brokerage services.

Habib Metropolitan Modaraba Management Company (Private) Limited - 100% holding

Habib Metropolitan Modaraba Management Company (Private) Limited (Modaraba management company) was incorporated in Pakistan on 1 June 2015 as a private limited under the Companies Ordinance, 1984 (now Companies Act, 2017) and Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The registered office of the subsidiary company is located at 6th Floor, HBZ Plaza, II Chundrigar Road, Karachi.

First Habib Modaraba - 10% holding

First Habib Modaraba is a perpetual, multi-purpose modaraba having its registered office at 6th Floor, HBZ Plaza, II Chundrigar Road, Karachi. It is listed on the Pakistan Stock Exchange and engaged in the business of leasing (Ijarah), Musharaka, Murabaha financing and other related business.

Habib Metro Modaraba - 70% holding

Habib Metro Modaraba (HMM) which is a perpetual, multi-purpose modaraba having its registered office at 3rd floor, Al-Manzoor Building, II Chundrigar Road, Karachi. HMM's primary business activities are residual value car financing and provision of finance for solar power solutions on the basis of Ijarah / rental / musharaka or any other approved modes of financing. The holding company and the Modaraba Management Company own 60% and 10% of the certificates of HMM respectively.

2. BASIS OF PREPARATION

- 2.1 These consolidated condensed interim financial statements comprise the financial statements of the holding company and its subsidiary companies. The financial statements of the subsidiary companies have been prepared for the same reporting period as the holding company using consistent accounting policies.

2.2 Statement of Compliance

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

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of the IAS 34 or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

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

The Securities and Exchange Commission of Pakistan (SECP) has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' issued by the Institute of Chartered Accountants of Pakistan. IFAS 3 shall be followed with effect from the financial periods beginning on or after 1 January 2014 in respect of accounting for transactions relating to 'Profit and Loss Sharing on Deposits' as defined by the said standard. The standard has resulted in certain new disclosures in the financial statements of the Bank. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions and prescribed the Banks to prepare their annual and periodical financial statements as per existing prescribed formats issued vide BPRD Circular 2 of 2018, as amended from time to time.

The disclosures and presentation made in these consolidated condensed interim financial statements have been based on a format prescribed by the SBP vide BPRD Circular Letter No. 5 dated 22 March 2019 and IAS 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these consolidated condensed interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

3. SIGNIFICANT ACCOUNTING POLICY

The significant accounting policies and method of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited consolidated financial statements of the Group for the year ended 31 December 2020.

3.1 Standards, Interpretations and Amendments to Published Approved Accounting Standards that are effective in current period

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after 1 January 2021 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated condensed interim financial statements.

3.2 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

There are various standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective in the current year. These are not likely to have a material effect on the Group's consolidated condensed interim financial statements except for the following:

- IFRS 9 'Financial Instruments' and amendment – Prepayment Features with Negative Compensation – the effective date of the standard had been extended to annual periods beginning on or after 1 January 2021 vide SBP circular 4 dated 23 October 2019. IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. The standard includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

The holding company has estimated the impact of adoption of IFRS 9 on the financial statements of the holding company on the date of initial application, which shall be finalized post issuance of the guidelines by the State Bank of Pakistan.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are the same as that applied in the preparation of the audited consolidated financial statements for the year ended 31 December 2020.

5. RISK MANAGEMENT

The risk management policies adopted by the Group are consistent with those disclosed in the audited consolidated financial statements for the year ended 31 December 2020.

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
		Rupees in '000	
6 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		8,162,384	7,695,676
Foreign currencies		829,347	1,039,893
		8,991,731	8,735,569
With State Bank of Pakistan in			
Local currency current accounts		32,766,843	27,378,599
Foreign currency current account		373,013	83,730
Foreign currency deposit accounts			
- cash reserve account		4,472,707	5,306,457
- special cash reserve account		8,247,369	10,176,561
		45,859,932	42,945,347
With National Bank of Pakistan in			
Local currency current accounts		3,088,707	2,613,310
Prize Bonds		186,006	400,600
		58,126,376	54,694,826
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		288,017	172,279
In deposit accounts		317,998	285,559
		606,015	457,838
Outside Pakistan			
In current accounts		2,817,570	1,815,058
		3,423,585	2,272,896
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (Reverse Repo)	8.1	4,999,500	-
Modaraba placements	8.2	2,000,000	-
Musharaka placements	8.3	4,000,000	1,000,000
		10,999,500	1,000,000

8.1 These carry profit / return of 7.2% per annum with maturity upto 5 April 2021.

8.2 These carry profit / return of 6.8% per annum with maturity upto 2 April 2021.

8.3 These carry profit / return ranging from 6.35% to 6.60% (2020: 7.50%) per annum with maturity upto 8 April 2021 (2020: 5 January 2021).

9. INVESTMENTS

9.1 Investments by types

	31 March 2021 (Un-Audited)				31 December 2020 (Audited)			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
	Rupees in '000							
Held-for-trading securities								
Federal government securities	5,833,096	-	(18)	5,833,078	-	-	-	-
Available-for-sale securities								
Federal government securities	535,889,729	-	2,338,221	538,227,950	529,624,204	-	4,726,542	534,350,746
Shares	1,259,061	(377,389)	343,054	1,224,726	1,259,061	(377,389)	340,234	1,221,906
Non-government debt securities	9,428,787	(118,247)	(397,926)	8,912,614	10,734,678	(120,551)	(438,347)	10,175,780
Mutual funds	30,140	(9,647)	6,816	27,309	30,140	(9,647)	6,086	26,579
Real estate investment trust	387,869	-	(32,274)	355,595	387,869	-	(12,440)	375,429
	546,995,586	(505,283)	2,257,891	548,748,194	542,035,952	(507,587)	4,622,075	546,150,440
Held-to-maturity securities								
Federal government securities	34,773,652	-	-	34,773,652	34,358,396	-	-	34,358,396
Non-government debt securities	1,500,000	-	-	1,500,000	2,000,000	-	-	2,000,000
	36,273,652	-	-	36,273,652	36,358,396	-	-	36,358,396
Total Investments	589,102,334	(505,283)	2,257,873	590,854,924	578,394,348	(507,587)	4,622,075	582,508,836

31 March
2021
(Un-Audited)

31 December
2020
(Audited)

Rupees in '000

9.1.1 Investments given as collateral against repo borrowing

Federal government securities

Market treasury bills	5,180,699	9,217,825
Pakistan investment bonds	101,259,072	82,695,225
	106,439,771	91,913,050

9.2 Provision for diminution in value of investments

9.2.1 Opening balance	507,587	473,990
Charge for the period / year	-	183,314
Reversal for the period / year	(2,304)	(10,008)
Net charge for the period / year	(2,304)	173,306
Reversal on disposal for the period / year	-	(139,709)
Closing balance	505,283	507,587

9.2.2 Particulars of provision against debt securities

Category of classification	31 March 2021 (Un-Audited)		31 December 2020 (Audited)	
	Non-performing investments	Provision	Non-performing investments	Provision
	Rupees in '000			
Domestic				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	118,247	118,247	120,551	120,551
	118,247	118,247	120,551	120,551

9.3 The market value of securities classified as held-to-maturity is Rs. 35,686,656 thousand (31 December 2020: 36,305,796 thousand).

10. ADVANCES

	Performing		Non-Performing		Total	
	31 March 2021 (Un-Audited)	31 December 2020 (Audited)	31 March 2021 (Un-Audited)	31 December 2020 (Audited)	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000					
Loans, cash credits, running finances, etc.	241,953,920	215,387,833	13,109,940	13,444,761	255,063,860	228,832,594
Islamic financing and related assets 10.1	76,063,119	66,280,436	807,794	822,665	76,870,913	67,103,101
Bills discounted and purchased	39,085,451	40,130,792	5,540,889	5,034,630	44,626,340	45,165,422
Advances - gross	357,102,490	321,799,061	19,458,623	19,302,056	376,561,113	341,101,117
Provision against non-performing advances						
- specific	-	-	(17,898,494)	(16,417,607)	(17,898,494)	(16,417,607)
- general	(2,870,040)	(3,027,679)	-	-	(2,870,040)	(3,027,679)
	(2,870,040)	(3,027,679)	(17,898,494)	(16,417,607)	(20,768,534)	(19,445,286)
Advances - net of provisions	354,232,450	318,771,382	1,560,129	2,884,449	355,792,579	321,655,831

10.1 It includes loans and advances of First Habib Modaraba and Habib Metro Modaraba amounting to Rs. 10,096,303 thousand and Rs. 242,912 thousand respectively. Furthermore, it includes the Islamic banking operations of the holding company amounting to Rs. 65,723,752 thousand as disclosed in note 36.3 to these consolidated condensed interim financial statements.

10.2 Particulars of advances - gross

	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
In local currency	342,025,464	305,931,738
In foreign currencies	34,535,649	35,169,379
	376,561,113	341,101,117

10.3 Advances include Rs. 19,458,623 thousand (31 December 2020: Rs. 19,302,056 thousand) which have been placed under non-performing status as detailed below:

Category of classification	31 March 2021 (Un-Audited)		31 December 2020 (Audited)	
	Non-performing loans	Provision	Non-performing loans	Provision
	Rupees in '000			
Domestic				
Substandard	2,478	620	14,200	–
Doubtful	2,485,613	1,227,941	5,386,811	2,539,062
Loss	16,970,532	16,669,933	13,901,045	13,878,545
	<u>19,458,623</u>	<u>17,898,494</u>	<u>19,302,056</u>	<u>16,417,607</u>

10.4 Particulars of provision against advances

	31 March 2021 (Un-Audited)			31 December 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
	Rupees in '000					
Opening balance	16,417,607	3,027,679	19,445,286	15,294,415	1,634,410	16,928,825
Charge for the period / year	1,873,442	–	1,873,442	4,413,921	1,393,269	5,807,190
Reversals for the period / year	(392,555)	(157,639)	(550,194)	(2,594,580)	–	(2,594,580)
Net charge / (reversal) for the period / year	1,480,887	(157,639)	1,323,248	1,819,341	1,393,269	3,212,610
Amount written off	–	–	–	(696,149)	–	(696,149)
Closing balance	<u>17,898,494</u>	<u>2,870,040</u>	<u>20,768,534</u>	<u>16,417,607</u>	<u>3,027,679</u>	<u>19,445,286</u>

10.4.1 General provision includes provision of Rs. 2,732 thousand (31 December 2020: Rs. 2,915 thousand) made against consumer portfolio and Rs. 12 thousand (31 December 2020: Rs. 17 thousand) made against small enterprises (SEs) portfolio as required by the Prudential Regulation issued by the SBP.

10.4.2 Particulars of provision against advances

	31 March 2021 (Un-Audited)			31 December 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
	Rupees in '000					
In local currency	17,473,280	2,870,040	20,343,320	15,968,899	3,027,679	18,996,578
In foreign currencies	425,214	–	425,214	448,708	–	448,708
	<u>17,898,494</u>	<u>2,870,040</u>	<u>20,768,534</u>	<u>16,417,607</u>	<u>3,027,679</u>	<u>19,445,286</u>

10.4.3 Consideration of forced sales value (FSV) for the purposes of provisioning against non-performing loans

The holding company has availed forced sale value (FSV) benefit under BSD Circular No. 1 of 21 October 2011. Had the benefit of FSVs (including those availed in prior years) not been taken by the holding company, the specific provision against non-performing advances would have been higher by Rs. 290,965 thousand (31 December 2020: Rs. 156,904 thousand) and accumulated profit would have been lower by Rs. 177,489 thousand (31 December 2020: Rs. 101,988 thousand). This amount of Rs. 177,489 thousand (31 December 2020: Rs. 101,988 thousand) is not available for distribution of cash and stock dividend to the shareholders and bonus to employees.

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
		Rupees in '000	
11. FIXED ASSETS			
Capital work-in-progress	11.1	628,358	684,852
Property and equipment		8,518,994	8,415,325
		<u>9,147,352</u>	<u>9,100,177</u>
11.1 Capital work-in-progress			
Civil works		530,937	481,194
Advance to suppliers		97,421	203,658
		<u>628,358</u>	<u>684,852</u>
		31 March 2021 (Un-Audited)	31 March 2020
		Rupees in '000	
11.2 Additions to fixed assets			
The following additions have been made to fixed assets during the period:			
Capital work-in-progress (transfer to fixed assets) / additions - net		(56,494)	60,825
Property and equipment			
Furniture and fixture		52,765	43,341
Electrical, office and computer equipment		176,286	242,381
Vehicles		26,865	17,555
Lease hold improvement		96,531	146,422
Right-of-use assets		253,078	131,326
		<u>605,525</u>	<u>581,025</u>
Total		<u>549,031</u>	<u>641,850</u>
11.3 Disposal of fixed assets			
The net book value of fixed assets disposed off during the period is as follows:			
Furniture and fixture		97	137
Electrical, office and computer equipment		79	262
Vehicles		1,838	2,279
Total		<u>2,014</u>	<u>2,678</u>

	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
12. INTANGIBLE ASSETS		
Computer software	144,438	89,731
Management rights	41,600	41,600
	<u>186,038</u>	<u>131,331</u>
	31 March 2021 (Un-Audited)	31 March 2020
	Rupees in '000	
12.1 The following additions have been made to intangible assets during the period:		
- directly purchased	<u>71,064</u>	<u>28,395</u>
	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
13. DEFERRED TAX ASSETS		
Deductible temporary differences		
Provision for diminution in value of investments	197,060	177,655
Provision for non-performing and off - balance sheet obligations	3,074,319	2,555,455
Provision against other assets	-	87,150
Accelerated tax depreciation	91,422	30,341
Deferred liability on defined benefit plan	32,258	6,054
Others	664	1,070
	<u>3,395,723</u>	<u>2,857,725</u>
Taxable temporary differences		
Surplus on revaluation of investments	(838,826)	(1,584,606)
Surplus on revaluation of non-banking assets	(132,671)	(119,521)
	<u>(971,497)</u>	<u>(1,704,127)</u>
Net deferred tax assets	<u>2,424,226</u>	<u>1,153,598</u>

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
		Rupees in '000	
14. OTHER ASSETS			
Income / mark-up / profit accrued in local currency - net of provision		9,259,640	10,036,321
Income / mark-up / profit accrued in foreign currencies - net of provision		12,078	11,630
Advances, deposits and other prepayments		412,456	406,169
Non-banking assets acquired in satisfaction of claims		2,633,277	2,641,141
Branch adjustment account		14	41
Mark to market gain on forward foreign exchange contracts		7,562,346	4,718,094
Acceptances		29,758,902	34,998,772
Receivable from the SBP against encashment of government securities		35,345	11,990
Stationery and stamps on hand		97,514	101,857
Dividend receivable		7,486	2,606
Others		300,231	293,738
		50,079,289	53,222,359
Provision against other assets	14.1	(212,303)	(462,880)
Other assets (net of provision)		49,866,986	52,759,479
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	19	340,181	341,491
		50,207,167	53,100,970
14.1 Provision held against other assets			
Operational loss		210,000	210,000
Acceptances		-	249,000
Other receivable		2,303	3,880
		212,303	462,880

	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
15. BILLS PAYABLE		
In Pakistan	15,763,529	15,337,849
Outside Pakistan	75,185	83,153
	<u>15,838,714</u>	<u>15,421,002</u>
16. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan		
Under export refinance scheme	86,316,331	64,704,959
Under long term financing facility - renewable energy scheme	1,055,247	982,960
Under long term financing facility - locally manufactured plant and machinery scheme	15,882,161	14,832,149
Under refinance for payment of wages and salaries	1,788,490	20,810,171
Under temporary economic refinance facility	4,888,864	4,173,416
Under islamic long term financing facility - renewable energy scheme	10,214	-
Under long term financing facility - for storage of agricultural produce scheme	487,919	256,481
	<u>110,429,226</u>	<u>105,760,136</u>
Repurchase agreement borrowings (Repo)	106,142,005	91,644,767
	<u>216,571,231</u>	<u>197,404,903</u>
Unsecured		
Certificates of investments	3,477,825	4,089,056
Overdrawn nostro accounts	6,628,183	4,317,946
	<u>10,106,008</u>	<u>8,407,002</u>
	<u>226,677,239</u>	<u>205,811,905</u>

17. DEPOSITS AND OTHER ACCOUNTS

	31 March 2021 (Un-Audited)			31 December 2020 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	200,610,189	32,943,607	233,553,796	185,076,754	32,854,065	217,930,819
Savings deposits	174,637,863	22,808,313	197,446,176	158,741,477	23,866,671	182,608,148
Term deposits	219,020,383	31,397,872	250,418,255	211,496,123	41,495,660	252,991,783
Others	21,321,107	3,485	21,324,592	13,702,059	1,791	13,703,850
	<u>615,589,542</u>	<u>87,153,277</u>	<u>702,742,819</u>	<u>569,016,413</u>	<u>98,218,187</u>	<u>667,234,600</u>
Financial institutions						
Current deposits	1,252,291	1,626,420	2,878,711	1,527,105	1,058,671	2,585,776
Savings deposits	7,042,930	-	7,042,930	6,988,102	-	6,988,102
Term deposits	1,774,620	4,686	1,779,306	3,577,307	4,903	3,582,210
	<u>10,069,841</u>	<u>1,631,106</u>	<u>11,700,947</u>	<u>12,092,514</u>	<u>1,063,574</u>	<u>13,156,088</u>
	<u>625,659,383</u>	<u>88,784,383</u>	<u>714,443,766</u>	<u>581,108,927</u>	<u>99,281,761</u>	<u>680,390,688</u>

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
Rupees in '000			
18. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		6,719,493	7,863,001
Mark-up / return / interest payable in foreign currencies		237,206	348,217
Unearned commission and income on bills discounted		303,662	307,572
Accrued expenses		1,447,478	1,348,381
Current taxation (provision less payments)		2,957,809	2,025,424
Acceptances		29,758,902	34,998,772
Unclaimed dividend		136,910	137,905
Dividend payable		1,702,952	-
Mark-to-market loss on forward foreign exchange contracts		9,929,630	5,949,494
Provision for compensated absences		253,621	247,599
Deferred liability on defined benefit plan		128,529	17,852
Provision against off-balance sheet obligations	18.1	32,583	113,716
Workers' welfare fund	18.2	1,728,380	1,644,055
Charity fund		5,673	5,227
Excise duty payable		2,165	1,575
Locker deposits		893,053	875,074
Advance against diminishing musharaka		80,720	55,542
Advance rental for ijarah		5,514	4,759
Security deposits against leases / ijarah		433,737	462,414
Sundry creditors		1,758,763	1,251,623
Lease liability against right-of-use assets		4,689,329	4,615,107
Withholding tax / duties		491,897	294,799
Others		127,791	89,011
		<u>63,825,797</u>	<u>62,657,119</u>
18.1 Provision against off-balance sheet obligations			
Opening balance		113,716	113,716
Reversal for the period / year		<u>(81,133)</u>	-
Closing balance		<u>32,583</u>	<u>113,716</u>

The above represents provision against certain letters of credit and guarantee.

- 18.2** Under the Workers' Welfare Ordinance 1971, the holding company is liable to pay workers' welfare fund (WWF) @ 2% of accounting profit before tax or taxable income, whichever is higher. The holding company has made full provision for WWF based on profit for the respective years.

The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of WWF were not lawful. The Federal Board of Revenue has filed review petitions against this order which are currently pending.

Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgement may not currently be treated as conclusive. Accordingly the holding company maintains its provision in respect of WWF.

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
		Rupees in '000	
19. SURPLUS ON REVALUATION OF ASSETS			
Surplus on revaluation of			
- Non-banking assets		340,181	341,491
- Available for sale securities	9.1	2,257,891	4,622,075
		2,598,072	4,963,566
Less: deferred tax on surplus on revaluation of			
- Non-banking assets		132,671	119,521
- Available for sale securities		838,826	1,584,605
		(971,497)	(1,704,126)
		1,626,575	3,259,440
		(89,269)	(76,299)
Less : surplus pertaining to non-controlling interest		1,537,306	3,183,141
20. CONTINGENCIES AND COMMITMENTS			
Guarantees	20.1	93,027,100	89,902,458
Commitments	20.2	577,425,531	598,629,956
Other contingent liabilities	20.3	16,908,375	2,733,563
		687,361,006	691,265,977
20.1 Guarantees			
Financial guarantees		44,544,682	42,197,620
Performance guarantees		22,308,526	27,904,956
Other guarantees		26,173,892	19,799,882
		93,027,100	89,902,458
20.2 Commitments			
Documentary credits and short-term trade-related transactions:			
Letters of credit		188,772,328	160,321,521
Commitments in respect of:			
Forward exchange contracts	20.2.1	385,721,900	435,798,001
Forward lendings	20.2.2	2,498,267	2,217,921
Acquisition of operating fixed assets		433,036	292,513
		577,425,531	598,629,956
20.2.1 Commitments in respect of forward exchange contracts			
Purchase		217,584,838	245,157,873
Sale		168,137,062	190,640,128
		385,721,900	435,798,001

20.2.2 Commitments in respect of forward lendings

The Group has made commitments to extend credit in the normal course of its business, but none of these commitments are irrevocable and do not attract any penalty if the facility is unilaterally withdrawn, except for:

Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
Commitments in respect of syndicate financing	1,709,650	1,681,802
Commitments in respect of financing transaction	788,617	536,119
	<u>2,498,267</u>	<u>2,217,921</u>

20.3 Other contingent liabilities

Claims against Group not acknowledged as debt		16,802,319	2,627,507
Foreign exchange repatriation case	20.3.1	106,056	106,056
		<u>16,908,375</u>	<u>2,733,563</u>

20.3.1 Foreign exchange repatriation case

While adjudicating Foreign Exchange repatriation cases of exporters, the Foreign Exchange Adjudicating Court of the State Bank of Pakistan has adjudicated penalty of Rs. 106,056 thousand, arbitrarily on the holding company. The holding company has filed appeals before the Appellate Board and Constitutional Petitions in the Honorable High Court of Sindh against the said judgement. The Honorable High Court has granted relief to the holding company by way of interim orders. Based on merits of the appeals management is confident that these appeals, shall be decided in favor of the holding company and therefore, no provision has been made against the impugned penalty.

21. DERIVATIVE FINANCIAL INSTRUMENTS

The holding company deals in derivative financial instruments namely forward foreign exchange contracts and foreign currency swaps with the principal view of hedging the risks arising from its trade business.

As per the holding company's policy, these contracts are reported on their fair value at the statement of financial position date. The gains and losses from revaluation of these contracts are included under "income from dealing in foreign currencies". Unrealised mark to market gains and losses on these contracts are recorded on the statement of financial position under "other assets / other liabilities".

These products are offered to the holding company's customers to protect from unfavourable movements in foreign currencies. The holding company hedges such exposures in the inter-bank foreign exchange market.

These positions are reviewed on a regular basis by the holding company's Asset and Liability Committee (ALCO).

22. MARK-UP / RETURN / INTEREST EARNED

	31 March 2021	31 March 2020
	(Un-Audited)	
	Rupees in '000	
Loans and advances	5,082,759	7,674,032
Investments	12,133,333	12,219,537
Lending with financial institutions	319,593	909,006
Balance with other banks	5,271	70,137
	<u>17,540,956</u>	<u>20,872,712</u>

23. MARK-UP / RETURN / INTEREST EXPENSED

Deposits	6,481,246	11,215,004
Borrowings	2,521,745	3,420,190
Foreign currency swap cost	897,058	1,641,690
Lease liability against right-of-use assets	126,164	113,784
	<u>10,026,213</u>	<u>16,390,668</u>

24. FEE & COMMISSION INCOME

Branch banking customer fees	145,856	140,075
Credit related fees	9,555	12,577
Card related fees	127,747	103,860
Commission on trade	1,128,211	930,694
Commission on guarantees	151,329	91,570
Commission on remittances including home remittances	11,337	6,578
Commission on bancassurance	42,611	36,280
Others	40,078	33,139
	<u>1,656,724</u>	<u>1,354,773</u>

25. GAIN / (LOSS) ON SECURITIES

Realised		
Federal government securities	(9,384)	(51,388)
Shares	—	3,331
Mutual funds	10,933	111,168
Unrealised - held-for-trading		
Federal government securities	(18)	41,594
	<u>1,531</u>	<u>104,705</u>

26. OTHER INCOME

Rent on properties	2,069	3,027
Gain on sale of fixed assets - net	3,831	4,097
Gain on sale of ijarah assets - net	219	185
Staff notice period and other recoveries	358	3,168
	<u>6,477</u>	<u>10,477</u>

	31 March 2021	31 March 2020
	(Un-Audited)	
	Rupees in '000	
27. OPERATING EXPENSES		
Total compensation expense	1,766,174	1,624,048
Property expense		
Rent & taxes	65,043	108,331
Insurance	1,016	1,320
Utilities cost	90,885	105,553
Security	112,342	109,893
Repair & maintenance	89,046	81,539
Depreciation	334,376	294,902
	692,708	701,538
Information technology expenses		
Software maintenance	43,353	31,522
Hardware maintenance	43,501	36,129
Depreciation	50,780	45,790
Amortisation	16,475	17,891
Network charges	58,415	56,580
	212,524	187,912
Other operating expenses		
Directors' fees and allowances	4,074	3,780
Fees and allowances to Shariah Board	2,908	2,784
Legal & professional charges	24,862	25,699
Outsourced services costs	80,080	73,374
Travelling & conveyance	58,474	64,976
NIFT clearing charges	17,464	20,408
Depreciation	114,684	116,955
Depreciation - non-banking assets	9,174	2,865
Training & development	5,313	1,618
Postage & courier charges	27,435	27,175
Communication	30,192	29,373
Subscription	50,335	58,163
Repair & maintenance	24,368	26,220
Brokerage & commission	61,662	50,305
Stationery & printing	54,168	68,669
Marketing, advertisement & publicity	29,845	28,040
Management fee	81,889	119,490
Insurance	185,572	152,308
Donations	50,070	28,290
Auditors Remuneration	2,696	7,196
Others	137,954	141,114
	1,053,219	1,048,802
	3,724,625	3,562,300

	Note	31 March 2021 (Un-Audited)	31 March 2020 (Un-Audited)
		Rupees in '000	Rupees in '000
28. OTHER CHARGES			
Penalties imposed by the SBP		8,481	6,404
29. PROVISIONS & WRITE OFFS - NET			
Provision for diminution in value of investments - net	9.2.1	(2,304)	170,040
Provision against loan & advances - net	10.4	1,323,248	314,594
Provision against other assets / off-balance sheet obligations		(330,521)	-
Recovery of written off bad debts		(500)	(508)
		989,923	484,126
30. TAXATION			
Current		2,049,451	991,533
Deferred		(512,312)	19,847
		1,537,139	1,011,380
31. BASIC AND DILUTED EARNINGS PER SHARE			
Profit attributable to equity shareholders of the holding company		3,245,431	1,553,209
		Number in '000	Number in '000
Weighted average number of ordinary shares		1,047,831	1,047,831
		Rupees	Rupees
Basic and diluted earnings per share		3.10	1.48

32. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held-to-maturity, is based on quoted market price. Quoted securities classified as held-to-maturity are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

32.1 Fair value of financial assets

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

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

Level 3: Fair value measurements using input for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

On balance sheet financial instruments

	31 March 2021 (Un-Audited)				
	Carrying / notional value	Fair value			Total
		Level 1	Level 2	Level 3	
		Rupees in '000			
Financial assets measured at fair value					
- Investments					
- Held-for-trading securities					
Federal government securities	5,833,078	-	5,833,078	-	5,833,078
- Available-for-sale securities					
Federal government securities	538,227,950	-	538,227,950	-	538,227,950
Sukuk certificates and bonds	7,325,678	-	7,325,678	-	7,325,678
Ordinary shares of listed companies	1,169,282	1,169,282	-	-	1,169,282
Mutual funds - open end	18,761	-	18,761	-	18,761
- close end	8,548	8,548	-	-	8,548
Real estate investment trust	355,595	355,595	-	-	355,595
Listed term finance certificates	1,586,936	-	1,586,936	-	1,586,936
Financial assets not measured at fair value - disclosed but not measured at fair value					
- Investments					
- Held-to-maturity securities					
Federal government securities	34,773,652	-	-	-	-
Certificates of investments	1,500,000	-	-	-	-
- Available-for-sale securities					
Ordinary shares of unlisted companies	55,444	-	-	-	-
	<u>590,854,924</u>	<u>1,533,425</u>	<u>552,992,403</u>	<u>-</u>	<u>554,525,828</u>
Off-balance sheet financial instruments measured at fair value					
- Forward purchase of foreign exchange contracts	<u>217,584,838</u>	<u>-</u>	<u>207,737,952</u>	<u>-</u>	<u>207,737,952</u>
- Forward sale of foreign exchange contracts	<u>168,137,062</u>	<u>-</u>	<u>160,657,460</u>	<u>-</u>	<u>160,657,460</u>

On balance sheet financial instruments

31 December 2020 (Audited)					
	Carrying / notional value	Fair value			Total
		Level 1	Level 2	Level 3	
Rupees in '000					
Financial assets measured at fair value					
- Investments					
- Available-for-sale securities					
Federal government securities	534,350,746	-	534,350,746	-	534,350,746
Sukuk certificates and bonds	7,349,073	-	7,349,073	-	7,349,073
Ordinary shares of listed companies	1,166,462	1,166,462	-	-	1,166,462
Mutual funds - open end	18,304	-	18,304	-	18,304
- close end	8,275	8,275	-	-	8,275
Real estate investment trust	375,429	375,429	-	-	375,429
Listed term finance certificates	2,826,707	-	2,826,707	-	2,826,707
Unlisted term finance certificates	-	-	-	-	-
Financial assets not measured at fair value					
- Investments					
- Held-to-maturity securities					
Federal government securities	34,358,396	-	-	-	-
Certificates of investments	2,000,000	-	-	-	-
- Available-for-sale securities					
Ordinary shares of unlisted companies	55,444	-	-	-	-
	<u>582,508,836</u>	<u>1,550,166</u>	<u>544,544,830</u>	<u>-</u>	<u>546,094,996</u>
Off-balance sheet financial instruments measured at fair value					
- Forward purchase of foreign exchange contracts	245,157,873	-	241,170,544	-	241,170,544
- Forward sale of foreign exchange contracts	190,640,128	-	187,884,199	-	187,884,199

32.2 Fair value of non-financial assets

31 March 2021 (Un-Audited)					
	Carrying / notional value	Fair value			
		Level 1	Level 2	Level 3	Total
Rupees in '000					
Non-financial assets measured at fair value					
- Non-banking assets acquired in satisfaction of claim	2,973,458	-	3,249,798	-	3,249,798
31 December 2020 (Audited)					
	Carrying / notional value	Fair value			
		Level 1	Level 2	Level 3	Total
Rupees in '000					
Non-financial assets measured at fair value					
- Non-banking assets acquired in satisfaction of claim	2,982,632	-	3,249,798	-	3,249,798

Valuation techniques used in determination of fair valuation of financial instruments within level 2.

Federal government debt securities	The fair value of government securities are valued using PKRV rates.
Debt securities other than federal government securities	The fair value is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Reuters.
Forward contracts	The fair values are derived using forward exchange rates applicable to their respective remaining maturities.
Mutual funds	The fair value is determined based on the net asset values published at the close of each business day.

Valuation techniques used in determination of fair values of non-financial assets within level 2.

Non-banking assets acquired in satisfaction of claim	Non-banking assets are valued by professionally qualified valuers.
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33. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	31 March 2021 (Un-Audited)			
	Trade & Sales	Retail Banking	Commercial Banking	Total
	Rupees in '000			
Profit & Loss				
Net mark-up / return / profit	10,442,950	(2,805,536)	(122,671)	7,514,743
Inter segment revenue - net	(7,101,120)	4,861,833	2,239,287	-
Non mark-up / return / interest income	(159,328)	125,021	2,218,208	2,183,901
Total income	3,182,502	2,181,318	4,334,824	9,698,644
Segment direct expenses	(73,432)	-	(62,175)	(135,607)
Inter segment expense allocation	(213)	(989,265)	(2,717,050)	(3,706,528)
Total expenses	(73,645)	(989,265)	(2,779,225)	(3,842,135)
Provisions	2,692	8,579	(1,001,194)	(989,923)
Profit before tax	3,111,549	1,200,632	554,405	4,866,586
Balance Sheet				
Cash & bank balances	2,819,613	23,011,498	35,718,850	61,549,961
Investments	590,854,924	-	-	590,854,924
Net inter segment lending	-	278,690,406	185,662,991	464,353,397
Lendings to financial institutions	10,999,500	-	-	10,999,500
Advances - performing	-	3,615,716	353,486,774	357,102,490
Advances - non-performing	-	37,262	19,421,361	19,458,623
Provision against advances	-	(37,122)	(20,731,412)	(20,768,534)
Others	12,705,125	2,492,058	46,767,600	61,964,783
Total Assets	617,379,162	307,809,818	620,326,164	1,545,515,144
Borrowings	112,770,188	-	113,907,051	226,677,239
Subordinated debt	-	-	-	-
Deposits & other accounts	-	283,051,846	431,391,920	714,443,766
Net inter segment borrowing	464,353,397	-	-	464,353,397
Others	10,245,285	8,855,459	60,563,767	79,664,511
Total liabilities	587,368,870	291,907,305	605,862,738	1,485,138,913
Equity	30,010,292	15,902,513	14,463,426	60,376,231
Total equity & liabilities	617,379,162	307,809,818	620,326,164	1,545,515,144
Contingencies & Commitments	385,721,900	-	301,639,106	687,361,006

31 March 2020 (Un-Audited)

	Trade & Sales	Retail Banking	Commercial Banking	Total
	Rupees in '000			
Profit & Loss				
Net mark-up / return / profit	10,296,781	(5,864,329)	49,592	4,482,044
Inter segment revenue - net	(9,011,008)	7,099,666	1,911,342	-
Non mark-up / return / interest income	(268,069)	100,378	2,456,548	2,288,857
Total income	1,017,704	1,335,715	4,417,482	6,770,901
Segment direct expenses	(108,042)	-	(47,120)	(155,162)
Inter segment expense allocation	-	(1,069,587)	(2,412,139)	(3,481,726)
Total expenses	(108,042)	(1,069,587)	(2,459,259)	(3,636,888)
Provisions	(170,040)	(353)	(313,733)	(484,126)
Profit before tax	739,622	265,775	1,644,490	2,649,887

31 December 2020 (Audited)

Balance Sheet

Cash & bank balances	1,816,675	23,136,227	32,014,820	56,967,722
Investments	582,508,836	-	-	582,508,836
Net inter segment lending	-	284,961,421	177,548,535	462,509,956
Lendings to financial institutions	1,000,000	-	-	1,000,000
Advances - performing	-	3,625,775	318,173,286	321,799,061
Advances - non-performing	-	27,203	19,274,853	19,302,056
Provision against advances	-	(16,089)	(19,429,197)	(19,445,286)
Others	9,937,076	2,650,754	50,898,246	63,486,076
Total Assets	<u>595,262,587</u>	<u>314,385,291</u>	<u>578,480,543</u>	<u>1,488,128,421</u>
Borrowings	95,962,713	-	109,849,192	205,811,905
Deposits & other accounts	-	288,049,370	392,341,318	680,390,688
Net inter segment borrowing	462,509,956	-	-	462,509,956
Others	6,286,606	9,742,895	62,048,620	78,078,121
Total liabilities	<u>564,759,275</u>	<u>297,792,265</u>	<u>564,239,130</u>	<u>1,426,790,670</u>
Equity	30,503,312	16,593,026	14,241,413	61,337,751
Total equity & liabilities	<u>595,262,587</u>	<u>314,385,291</u>	<u>578,480,543</u>	<u>1,488,128,421</u>
Contingencies & commitments	435,798,001	-	255,467,976	691,265,977

34. TRANSACTIONS WITH RELATED PARTIES

The Group has related party relationships with its ultimate parent company, associates, companies with common directorship, key management personnel, directors and employees' retirement benefit plans.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions in respect of charge for employees' retirement benefits are made in accordance with actuarial valuation and terms of contribution plan. Salaries and allowances of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Details of transactions with related parties during the period are as follows:

	31 March 2021 (Un-Audited)					
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Balances with other banks						
In current accounts	66,531	54,811	-	-	-	121,342
Advances						
Opening balance	197	4,713,826	195,938	-	-	4,909,961
Addition during the period	-	10,605,483	2,738	-	-	10,608,221
Repaid during the period	(197)	(11,195,095)	(6,260)	-	-	(11,201,552)
Closing balance	-	4,124,214	192,416	-	-	4,316,630
Other Assets						
Mark-up / return / interest accrued	-	10,103	-	-	-	10,103
Prepayments / advance deposits / other receivables	468	6,900	-	-	-	7,368
Receivable / (payable) against purchase / (sale) of securities	55	-	-	-	-	55
	523	17,003	-	-	-	17,526
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	13,132	-	-	-	-	13,132
Settled during the period	-	-	-	-	-	-
Closing balance	13,132	-	-	-	-	13,132
Deposits						
Opening balance	213,306	9,595,105	282,595	661,230	1,647,968	12,400,204
Received during the period	10,310,753	553,447,834	622,240	540,202	472,630	565,393,659
Withdrawn during the period	(10,275,581)	(547,002,997)	(615,465)	(556,949)	(415,497)	(558,866,489)
Closing balance	248,478	16,039,942	289,370	644,483	1,705,101	18,927,374
Other liabilities						
Mark-up / return / interest payable	-	109,099	484	3,205	19,809	132,597
Management fee payable for technical and consultancy services*	245,098	-	-	-	-	245,098
Payable against purchase of securities	-	-	-	-	-	-
Other payables	-	9,987	-	670	128,529	139,186
	245,098	119,086	484	3,875	148,338	516,881
Contingencies & commitments						
Transaction-related contingent liabilities	-	8,142,754	-	-	-	8,142,754
Trade-related contingent liabilities	-	3,456,740	-	-	-	3,456,740
	-	11,599,494	-	-	-	11,599,494

* Management fee is as per the agreement with the ultimate parent company.

	31 December 2020 (Audited)					
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Balances with other banks						
In current accounts	98,181	112,889	–	–	–	211,070
Advances						
Opening balance	366	4,144,390	222,737	–	–	4,367,493
Addition during the year	–	37,321,354	14,326	–	–	37,335,680
Repaid during the year	(169)	(36,751,918)	(41,125)	–	–	(36,793,212)
Closing balance	197	4,713,826	195,938	–	–	4,909,961
Other Assets						
Mark-up / return / interest accrued	–	6,592	–	–	–	6,592
Prepayments / advance deposits / other receivables	468	2,872	–	–	–	3,340
	468	9,464	–	–	–	9,932
Borrowings						
Opening balance	–	–	–	–	–	–
Borrowings during the year	–	–	–	–	–	–
Settled during the year	–	–	–	–	–	–
Closing balance	–	–	–	–	–	–
Deposits						
Opening balance	529,172	11,234,004	262,708	785,494	940,576	13,751,954
Received during the year	18,649,846	1,656,245,995	1,339,687	2,195,407	3,551,489	1,681,982,424
Withdrawn during the year	(18,965,712)	(1,657,884,894)	(1,319,800)	(2,319,671)	(2,844,097)	(1,683,334,174)
Closing balance	213,306	9,595,105	282,595	661,230	1,647,968	12,400,204
Other liabilities						
Mark-up / return / interest payable	–	140,225	3,294	3,844	18,739	166,102
Management fee payable for technical and consultancy services *	204,497	–	–	–	–	204,497
Other payables	–	11,821	–	730	17,852	30,403
	204,497	152,046	3,294	4,574	36,591	401,002
Contingencies & commitments						
Transaction-related contingent liabilities	–	8,729,159	–	–	–	8,729,159
Trade-related contingent liabilities	–	2,027,205	–	–	–	2,027,205
	–	10,756,364	–	–	–	10,756,364

* Management fee is as per the agreement with the ultimate parent company.

Transactions during the period

	For the period ended 31 March 2021 (Un-Audited)				
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans
	Rupees in '000				
Income					
Mark-up / return / interest earned	–	22,716	2,738	–	–
Fee and commission income	555	71,009	–	8	–
Rent income	1,404	–	–	–	–
Expense					
Mark-up / return / interest expensed	–	184,147	3,447	8,633	45,435
Commission / brokerage / bank charges paid	437	432	–	–	–
Salaries and allowances	–	–	194,528	–	–
Directors' fees and allowances	–	–	–	4,074	–
Charge to defined benefit plan	–	–	–	–	44,046
Contribution to defined contribution plan	–	–	–	–	63,557
Rent expenses	–	3,807	–	–	–
Insurance premium expenses	–	3,344	–	–	–
Maintenance, electricity, stationery & entertainment	–	32,721	–	–	–
Management fee expense for technical and consultancy services *	81,909	–	–	–	–
Donation	–	480	–	–	–
Professional / other charges	–	18	–	–	–

* Management fee is as per the agreement with the ultimate parent company.

Transactions during the period

	For the period ended 31 March 2020 (Un-Audited)					
	Ultimate parent company	Associates	Key management personnel	Directors	Retirement benefit plans	Total
	Rupees in '000					
Income						
Mark-up / return / interest earned	142	11,714	3,384	–	–	15,240
Fee and commission income	2,818	75,473	–	12	–	78,303
Rent income	1,404	–	–	–	–	1,404
Expenses						
Mark-up / return / interest expensed	–	295,949	7,010	20,055	34,778	357,792
Commission / brokerage / bank charges paid	250	282	–	–	–	532
Salaries and allowances	–	–	141,609	–	–	141,609
Directors' fees and allowances	–	–	–	3,780	–	3,780
Charge to defined benefit plan	–	–	–	–	44,649	44,649
Contribution to defined contribution plan	–	–	–	–	53,875	53,875
Rent expenses	–	3,665	–	–	–	3,665
Insurance premium expenses	–	8,709	–	–	–	8,709
Maintenance, electricity, stationery & entertainment	–	18,437	–	–	–	18,437
Management fee expense for technical and consultancy services *	128,681	–	–	–	–	128,681
Donation	–	1,480	–	–	–	1,480
Professional / other charges	–	196	–	–	–	196

* Management fee is as per the agreement with the ultimate parent company.

35. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	10,478,315	10,478,315
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) capital	55,768,551	55,152,774
Eligible Additional Tier 1 (ADT 1) capital	123,603	111,643
Total eligible tier 1 capital	55,892,154	55,264,417
Eligible tier 2 capital	4,405,840	6,174,922
Total eligible capital (tier 1 + tier 2)	60,297,994	61,439,339
Risk Weighted Assets (RWAs):		
Credit risk	344,259,063	309,393,711
Market risk	1,869,406	1,202,170
Operational risk	55,249,734	55,249,734
Total	401,378,203	365,845,615
CET 1 capital adequacy ratio	13.89%	15.08%
Tier 1 capital adequacy ratio	13.93%	15.11%
Total capital adequacy ratio	15.02%	16.79%
Minimum capital requirements prescribed by SBP		
CET 1 capital adequacy ratio	6.00%	6.00%
Tier 1 capital adequacy ratio	7.50%	7.50%
Total capital adequacy ratio	11.50%	11.50%

The Group use simple, maturity method and basic indicator approach for credit risk, market risk and operational risk exposures respectively in the capital adequacy calculation.

Leverage Ratio (LR):		
Eligible tier-1 capital	55,892,154	55,264,417
Total exposures	1,393,774,735	1,308,557,849
Leverage ratio	4.01%	4.22%

36. ISLAMIC BANKING BUSINESS

The holding company is operating 33 (31 December 2020: 32) Islamic banking branches and 218 (2020: 218) Islamic banking windows at the end of the period.

	Note	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks		5,342,631	4,970,404
Balances with other banks		–	–
Due from financial institutions	36.1	6,000,000	1,000,000
Investments	36.2	28,498,628	27,627,085
Islamic financing and related assets - net	36.3	65,723,752	56,672,907
Fixed assets	36.4	445,559	481,094
Intangible assets		–	–
Due from Head Office		–	204,715
Other assets		3,716,963	3,345,634
Total assets		109,727,533	94,301,839
LIABILITIES			
Bills payable		1,074,474	786,085
Due to financial institutions		20,342,716	16,609,708
Deposits and other accounts	36.5	80,042,750	68,493,450
Due to Head Office		351,001	–
Subordinated debt		–	–
Other liabilities		2,371,716	2,615,582
		104,182,657	88,504,825
NET ASSETS		5,544,876	5,797,014
REPRESENTED BY			
Islamic Banking Fund		6,003,819	5,503,996
Reserves		–	–
Deficit on revaluation of assets		(937,165)	(1,085,694)
Unappropriated profit		478,222	1,378,712
		5,544,876	5,797,014

CONTINGENCIES AND COMMITMENTS

36.6

The profit and loss account of the holding company's Islamic banking branches for the period ended 31 March 2021 is as follows:

	Note	31 March 2021	31 March 2020
		(Un-Audited)	
		Rupees in '000	
Profit / return earned	36.7	1,476,021	1,379,279
Profit / return expensed	36.8	(901,086)	(1,251,087)
Net profit / return		574,935	128,192
Other income			
Fee and commission income		79,727	51,509
Dividend income		279	18,476
Foreign exchange income		20,505	12,028
Income / (loss) from derivatives		–	–
Gain / (loss) on securities		2,554	108,626
Other income		262	185
Total other income		103,327	190,824
Total income		678,262	319,016
Other expenses			
Operating expenses		203,751	180,726
Workers' welfare fund		–	–
Other charges		–	–
Total other expenses		203,751	180,726
Profit / (loss) before provisions		474,511	138,290
Provisions and write offs - net		3,711	(202,784)
Profit / (loss) before taxation		478,222	(64,494)

36.1 Due from Financial Institutions

	31 March 2021 (Un-Audited)			31 December 2020 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Unsecured						
Musharaka	4,000,000	–	4,000,000	1,000,000	–	1,000,000
Modaraba	2,000,000	–	2,000,000	–	–	–
	<u>6,000,000</u>	<u>–</u>	<u>6,000,000</u>	<u>1,000,000</u>	<u>–</u>	<u>1,000,000</u>

36.2 Investments by segments:

	31 March 2021 (Unaudited)				31 December 2020 (Audited)			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
	Rupees in '000							
Federal Government Securities:								
Ijarah sukuk	14,900,208	–	(539,588)	14,360,620	15,750,214	–	(675,889)	15,074,325
Bai mu'ajjal	3,608,688	–	–	3,608,688	3,608,688	–	–	3,608,688
INPCCL modaraba investment pool	408,642	–	–	408,642	–	–	–	–
	<u>18,917,538</u>	<u>–</u>	<u>(539,588)</u>	<u>18,377,950</u>	<u>19,358,902</u>	<u>–</u>	<u>(675,889)</u>	<u>18,683,013</u>
Non-Government Debt Securities								
Listed	7,143,255	–	(389,162)	6,754,093	7,178,877	–	(393,601)	6,785,276
Unlisted	3,375,000	–	(8,415)	3,366,585	2,175,000	–	(16,204)	2,158,796
	<u>10,518,255</u>	<u>–</u>	<u>(397,577)</u>	<u>10,120,678</u>	<u>9,353,877</u>	<u>–</u>	<u>(409,805)</u>	<u>8,944,072</u>
Total Investments	<u>29,435,793</u>	<u>–</u>	<u>(937,165)</u>	<u>28,498,628</u>	<u>28,712,779</u>	<u>–</u>	<u>(1,085,694)</u>	<u>27,627,085</u>

36.3 Islamic financing and related assets - net

	31 March 2021 (Un-Audited)				31 December 2020 (Audited)			
	Financing	Advances	Inventory	Total	Financing	Advances	Inventory	Total
	Rupees in '000							
Ijarah	163,520	752	-	164,272	189,891	4,772	-	194,663
Ijarah IJTF	69,667	-	-	69,667	74,207	-	-	74,207
Murabaha	4,145,972	791,608	-	4,937,580	5,111,746	207,331	-	5,319,077
Working capital musharaka	26,144,859	-	-	26,144,859	25,581,844	-	-	25,581,844
Diminishing musharaka	5,470,262	1,760,778	-	7,231,040	5,328,366	217,013	-	5,545,379
Salam	199,360	-	-	199,360	16,874	128,500	54,000	199,374
Itisna	4,438,914	1,312,360	140,930	5,892,204	1,642,581	2,152,364	8,820	3,803,765
Diminishing musharaka - islamic long term financing facility	799,814	703,213	-	1,503,027	764,708	504,848	-	1,269,556
Diminishing musharaka - islamic refinance scheme for payment of wages and salaries	1,733,180	93,534	-	1,826,714	-	1,683,416	-	1,683,416
Diminishing musharaka - islamic financing facility for storage of agricultural produce	-	487,919	-	487,919	-	267,878	-	267,878
Diminishing musharaka - islamic temporary economic refinance facility	-	5,257,984	-	5,257,984	-	1,931,320	-	1,931,320
Diminishing musharaka - islamic financing facility for renewable energy	-	10,506	-	10,506	-	-	-	-
Export refinance working capital musharaka	5,803,570	-	-	5,803,570	3,191,540	-	-	3,191,540
Export refinance murabaha	648,363	12,266	-	660,629	1,137,138	43,565	-	1,180,703
Export refinance itisna	1,521,055	4,505,100	52,000	6,078,155	1,149,500	5,748,195	-	6,897,695
Export refinance salam	-	-	-	-	-	150,000	-	150,000
Al-bai	120,641	-	70,211	190,852	136,797	-	25,577	162,374
Al-bai - IERF	39,537	-	33,823	73,360	-	-	31,773	31,773
Gross islamic financing and related assets	51,298,714	14,936,020	296,964	66,531,698	44,325,192	13,039,202	120,170	57,484,564
Provision against non-performing islamic financings	(807,946)	-	-	(807,946)	(811,657)	-	-	(811,657)
Islamic financing and related assets - net of provision	50,490,768	14,936,020	296,964	65,723,752	43,513,535	13,039,202	120,170	56,672,907

36.4 Fixed assets and other liabilities

At 31 March 2021, fixed asset included right-of-use assets of Rs. 394,833 thousand (31 December 2020: 426,383 thousand) and other liabilities included related lease liability of Rs 420,764 thousand (31 December 2020: 480,505 thousand).

36.5 Deposits

	31 March 2021 (Unaudited)			31 December 2020 (Audited)		
	Customers	Financial Institutions	Total	Customers	Financial Institutions	Total
	Rupees in '000					
Current deposits	19,884,177	92,217	19,976,394	17,621,062	138,324	17,759,386
Savings deposits	34,465,675	948,222	35,413,897	21,397,482	3,104,956	24,502,438
Term deposits	24,652,459	–	24,652,459	26,231,626	–	26,231,626
	<u>79,002,311</u>	<u>1,040,439</u>	<u>80,042,750</u>	<u>65,250,170</u>	<u>3,243,280</u>	<u>68,493,450</u>

36.6 Contingencies and commitments

	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	Rupees in '000	
Guarantees	8,439,428	6,333,142
Commitments	<u>20,146,527</u>	<u>18,237,313</u>
	<u>28,585,955</u>	<u>24,570,455</u>

36.7 Profit / return earned of financing, investments and placement

Profit earned on:

Financing	929,276	527,709
Investments	488,899	521,499
Placements	57,846	330,071
	<u>1,476,021</u>	<u>1,379,279</u>

36.8 Profit on deposits and other dues expensed

Deposits and other accounts	810,242	1,208,421
Due to financial institutions	77,735	27,959
Discount expense on lease liability against right-of-use assets	<u>13,109</u>	<u>14,707</u>
	<u>901,086</u>	<u>1,251,087</u>

	31 March 2021 (Un-Audited)	31 December 2020 (Audited)
	———— Rupees in '000 ————	————
36.9 Unappropriated profit		
Opening balance	1,378,712	1,088,033
Add: islamic banking profit for the period / year	478,222	1,378,712
Less: transferred to head office	(1,378,712)	(1,088,033)
Closing balance	<u>478,222</u>	<u>1,378,712</u>

37. GENERAL

37.1 The figures have been rounded off to nearest thousand rupees, unless otherwise stated.

37.2 Certain other comparative information has been re-classified, re-arranged or additionally incorporated in these consolidated condensed interim financial statements wherever necessary to facilitate comparison and better presentation.

38. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on 22 April 2021 by the Board of Directors of the Bank.

FUZAIL ABBAS
Chief Financial Officer

MOHSIN A. NATHANI
President &
Chief Executive Officer

TAHIRA RAZA
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

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