



## Half Yearly Report June 2014



**Soneri Bank Limited**

Roshan Har Qadam

# Half Yearly **Report**

June 2014 (Un-audited)

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# CORPORATE INFORMATION

**CHAIRMAN**

MR. ALAUDDIN FEERASTA

**CHIEF EXECUTIVE OFFICER**

MR. MOHAMMAD AFTAB MANZOOR

**DIRECTORS**

MR. NOORUDDIN FEERASTA  
MR. MUHAMMAD RASHID ZAHIR  
MR. AMAR ZAFAR KHAN  
MR. MANZOOR AHMED (NIT NOMINEE)  
MR. SHAHID ANWAR (NIT NOMINEE)

**CHIEF FINANCIAL OFFICER**

MS. ANJUM HAI

**COMPANY SECRETARY**

MR. MUHAMMAD ALTAF BUTT

**AUDITORS**

A. F. FERGUSON & CO.  
CHARTERED ACCOUNTANTS

**LEGAL ADVISORS**

MANAN LAW ASSOCIATES, ADVOCATES

**REGISTERED OFFICE**

RUPALI HOUSE 241-242,  
UPPER MALL SCHEME,  
ANAND ROAD, LAHORE - 54000

**CENTRAL OFFICE**

10TH FLOOR, PNSC BUILDING,  
M.T. KHAN ROAD, KARACHI

**REGISTRAR AND SHARE  
TRANSFER AGENT**

THK ASSOCIATES (PRIVATE) LTD.,  
GROUND FLOOR,  
STATE LIFE BUILDING NO. 3,  
DR. ZIAUDDIN AHMED ROAD  
KARACHI - 75530  
UAN: (021) 111-000-322  
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## DIRECTORS' REVIEW

On behalf of the Board of Directors, I am pleased to present the Directors' Review of Soneri Bank Limited ('the Bank') along with the un-audited condensed interim financial statements for first half year ended 30 June 2014.

### Economy

The second quarter of 2014 has shown a continuing positive trend in the Country's economic condition. GDP growth of 4.1 percent, steady inflation at 8.6 percent, healthy FX reserves of \$ 14 billion, a rise in private sector credit and a contained fiscal deficit are some notable indicators.

These factors coupled with a sharp decline in Government borrowing made the case for SBP to keep Policy Rates on hold at 10%. Furthermore Moody's upgrade of Pakistan's economic outlook to stable from negative triggered the KSE-100 index to achieve 30,000 points milestone. Overall confidence in the economy seems to have rebounded.

Although the economic situation has shown improvement compared to last year; challenges and vulnerabilities still remain due to fundamental structural issues with energy crisis and law and order situation being critical.

### Operating Results and Business Overview

The summarized financial position of the Bank for the half year is as follow:

Profit & Loss Account	30 June 2014	30 June 2013	Variance %
----- (Rupees in '000) -----			
Net Interest Margin & Non Markup Income	4,324,580	3,485,750	24.06
Non Markup Expenses	(2,958,897)	(2,206,710)	34.09
Profit before Tax & Provisions	1,365,683	1,279,040	6.77
Profit before Tax	1,068,259	833,238	28.21
Profit after Tax	663,837	551,267	20.42
Earning Per Share - Rupee	0.60	0.50	20.00

Statement of Financial Position	30 June 2014	31 December 2013	Variance %
----- (Rupees in '000) -----			
Shareholders Equity (excluding Surplus)	13,150,366	12,450,416	5.62
Deposits	155,712,803	140,579,907	10.76
Advances - net	90,396,099	97,179,028	-6.98
Investments - net	67,801,430	46,702,797	45.18

Bank has achieved profit before tax for the first half year of Rs.1,068.26 million and profit after tax of Rs.663.84 million. This significant growth of 20.42 percent over the corresponding period last year, translates into earnings per share of Re. 0.60 (30 June 2013: Re. 0.50).

Revenue comprising net mark-up income and non-mark-up income has increased by 24.06 percent versus first half year of 2013. Net mark-up income which grew by 19.07 percent contributed to more than half of the increase. This is underpinned by higher spreads and average net earning assets.

## DIRECTORS' REVIEW

Administrative and operating expenses grew by 34.09 percent as compared to corresponding period last year largely due to impact of branches opened in last quarter of 2013 and inflationary pressures. Branch network presently comprises of 236 fully-operational branches (30 June 2013: 234 branches).

Provision against non-performing loans amounted to Rs.299.68 million for the first half year, which is lower by 36.27 percent compared to the corresponding last year.

Your Bank's balance sheet grew by 14.55 percent over 31 December 2013. Net assets amounted to Rs.13.91 billion as at 30 June 2014, being 4.69 percent higher than 2013 base of Rs.13.28 billion. Deposits grew by 10.76 percent in the six months period closing at Rs.155.71 billion (31 December 2013: Rs.140.58 billion). Net advances are down by 6.98 percent due to seasonal factors and stand at Rs.90.40 billion (31 December 2013: Rs.97.18 billion).

It is with great satisfaction that I inform you that your bank continues to operate with adequate liquidity and capital adequacy levels and enjoys respectable standing with the international financial institutions. I am confident that with an effective risk management, strong internal control and compliance systems the Bank will remain satisfactorily compliant with all the regulatory requirements and will continue to maintain the present trend of growth in business and profitability.

### Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained your Bank's rating as AA-(Double A Minus) for the long term and A1+ (A One Plus) for the short term with a stable outlook, vide its notification dated: 17 June 2014.

### Acknowledgment

I would like to take this opportunity to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and the Ministry of Finance for their continued support and guidance. I am also thankful to our valued customers for their continued patronage and confidence and want to extend my appreciation to the bank employees as the driving force in the growth of the bank over the years.

**ALAUDDIN FEERASTA**

Chairman

Lahore: 13 August 2014

# Auditors' Review Report to Members



**A. F. FERGUSON & CO.**

## AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Soneri Bank Limited** as at June 30, 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial information for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2014 and 2013 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2014.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended June 30, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The condensed interim financial information of the Bank for the half year ended June 30, 2013 and the financial statements for the year ended December 31, 2013 were reviewed and audited by KPMG Taseer Hadi & Co., Chartered Accountants who had expressed an unqualified conclusion and opinion thereon vide their reports dated August 20, 2013 and February 19, 2014, respectively.

Chartered Accountants  
Engagement Partner: Salman Hussain  
Karachi: August 15, 2014

**A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network**  
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CONDENSED INTERIM STATEMENT OF **FINANCIAL POSITION**

AS AT 30 JUNE 2014

	Note	(Un-audited) 30 June 2014	(Audited) 31 December 2013
(Rupees in '000)			
<b>ASSETS</b>			
Cash and balances with treasury banks	7	13,371,539	12,672,753
Balances with other banks	8	1,872,411	957,170
Lendings to financial and other institutions	9	9,218,819	2,737,751
Investments - net	10	67,801,430	46,702,797
Advances - net	11	90,396,099	97,179,028
Operating fixed assets	12	3,940,649	4,008,574
Deferred tax assets - net		125,517	103,495
Other assets - net	13	7,125,049	4,872,304
		<b>193,851,513</b>	169,233,872
<b>LIABILITIES</b>			
Bills payable		3,322,657	2,577,943
Borrowings	14	17,792,691	10,485,479
Deposits and other accounts	15	155,712,803	140,579,907
Sub-ordinated loan		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities - net		-	-
Other liabilities		3,118,117	2,307,900
		<b>179,946,268</b>	155,951,229
<b>NET ASSETS</b>		<b>13,905,245</b>	13,282,643
<b>REPRESENTED BY</b>			
Share capital		11,024,636	11,024,636
Reserves		750,267	617,500
Discount on issue of right shares		(1,001,361)	(1,001,361)
Unappropriated profit		2,376,824	1,809,641
		<b>13,150,366</b>	12,450,416
Surplus on revaluation of assets - net of tax		754,879	832,227
		<b>13,905,245</b>	13,282,643
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes 1 to 24 form an integral part of this condensed interim financial information.

CHAIRMAN

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR



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

FOR THE HALF YEAR ENDED 30 JUNE 2014

Note	For the half year ended		For the quarter ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
----- (Rupees in '000) -----				
Mark-up / return / interest earned	7,900,476	6,784,272	4,152,653	3,421,832
Mark-up / return / interest expensed	5,010,420	4,357,099	2,623,266	2,182,673
<b>Net mark-up / return / interest income</b>	<b>2,890,056</b>	<b>2,427,173</b>	<b>1,529,387</b>	<b>1,239,159</b>
Provision against non - performing loans and advances - net	11.2 <b>299,680</b>	470,258	<b>134,014</b>	240,672
Reversal of provision against diminution in the value of investments	10.10 <b>(2,256)</b>	(24,501)	<b>(3,280)</b>	-
Bad debts written off directly	-	45	-	45
	<b>297,424</b>	445,802	<b>130,734</b>	240,717
<b>Net mark-up / return / interest income after provisions</b>	<b>2,592,632</b>	<b>1,981,371</b>	<b>1,398,653</b>	<b>998,442</b>
<b>Non mark-up / interest income</b>				
Fee, commission and brokerage income	636,493	511,571	331,548	269,226
Dividend income	69,470	38,022	22,668	4,602
Income from dealing in foreign currencies	17 <b>282,604</b>	106,941	<b>144,305</b>	63,962
Unrealised (loss) / gain on revaluation of investments classified as held-for-trading	<b>(1,882)</b>	2,275	<b>37,228</b>	(3,991)
Gain on sale of securities - net	<b>273,003</b>	287,120	<b>101,648</b>	148,142
Other income	<b>174,836</b>	112,648	<b>130,918</b>	65,467
<b>Total non mark-up / interest income</b>	<b>1,434,524</b>	1,058,577	<b>768,315</b>	547,408
	<b>4,027,156</b>	3,039,948	<b>2,166,968</b>	1,545,850
<b>Non mark-up / interest expenses</b>				
Administrative expenses	2,834,981	2,225,180	1,447,170	1,192,433
Provision / (reversal of provision) against other assets - net	-	(31,624)	-	(27,723)
Other charges	123,916	13,154	110,695	5,370
<b>Total non mark-up / interest expenses</b>	<b>2,958,897</b>	2,206,710	<b>1,557,865</b>	1,170,080
	<b>1,068,259</b>	833,238	<b>609,103</b>	375,770
Extraordinary / unusual items	-	-	-	-
<b>Profit before taxation</b>	<b>1,068,259</b>	833,238	<b>609,103</b>	375,770
<b>Taxation</b> - Current	436,599	301,000	268,599	163,000
- Prior	-	(411,427)	-	(411,427)
- Deferred	(32,177)	392,398	(22,088)	372,738
	<b>404,422</b>	281,971	<b>246,511</b>	124,311
<b>Profit after taxation</b>	<b>663,837</b>	551,267	<b>362,592</b>	251,459
----- (Rupee) -----				
<b>Earning per share - basic and diluted</b>	18 <b>0.60</b>	(Restated) 0.50	<b>0.33</b>	(Restated) 0.23

The annexed notes 1 to 24 form an integral part of this condensed interim financial information.

CHAIRMAN

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DIRECTOR

DIRECTOR

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2014

Note	For the half year ended		For the quarter ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	(Rupees in '000)			
Profit after taxation for the period	663,837	551,267	362,592	251,459

## Items that may be reclassified to profit and loss account

### Other comprehensive income

Surplus / (deficit) on revaluation of "Available-for-sale" securities - net	(i)	-	-	-	-
Surplus on revaluation of operating fixed assets - net	(ii)	-	-	-	-
Items that may not be reclassified to profit and loss account					
Remeasurement gain on defined benefit plan		11,029	(10,337)	11,029	(5,169)
Deferred tax on remeasurement gain on defined benefit plan		(3,860)	3,618	(3,860)	1,809
		7,169	(6,719)	7,169	(3,360)
<b>Total comprehensive income for the period</b>		<b>671,006</b>	<b>544,548</b>	<b>369,761</b>	<b>248,099</b>

(i) Surplus / (deficit) on revaluation of "Available-for-sale securities" net of tax is presented under separate head below equity as " Surplus / (deficit) on revaluation of assets " in accordance with the requirements specified by the State Bank of Pakistan vide BSD circular 20 dated 4 August 2000 and BSD circular 10 dated 13 July 2004.

(ii) Surplus on revaluation of operating fixed assets net of tax is presented under separate head below equity as " Surplus / (deficit) on revaluation of assets " in accordance with the requirements of section 235 of the Companies Ordinance, 1984.

The annexed notes 1 to 24 form an integral part of this condensed interim financial information.

CHAIRMAN

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2014

	30 June 2014	30 June 2013
	(Rupees in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,068,259	833,238
Less: Dividend income	(69,470)	(38,022)
	998,789	795,216
<b>Adjustment for non-cash and other items:</b>		
Depreciation / amortisation	348,833	338,016
Provision against non-performing loans and advances - net	299,680	470,258
Provision / (Reversal of provision) against other assets	-	(31,624)
Workers' Welfare Fund	25,622	18,113
Reversal of provision against diminution in the value of investments	(2,256)	(24,501)
Reversal of provision for diminution in the value of investments recognised in capital gains	-	(38,575)
Unrealised loss / (gain) on revaluation of investments classified as held-for-trading	1,882	(2,275)
Loss / (gain) on sale of fixed assets	11,522	(13,490)
	685,283	715,922
	1,684,072	1,511,138
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	(6,481,068)	488,826
Advances	6,483,249	(6,595,800)
Others assets - (excluding advance taxation)	(2,609,534)	(278,147)
	(2,607,353)	(6,385,121)
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	744,714	419,212
Borrowings	7,307,212	(11,039,781)
Deposits and other accounts	15,132,896	13,438,935
Other liabilities	795,624	453,344
	23,980,446	3,271,710
	23,057,165	(1,602,273)
	(78,255)	(664,797)
Income tax paid	22,978,910	(2,267,070)
<b>Net cash flows generated from / (used in) from operating activities</b>		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in securities	(21,139,155)	2,853,039
Dividend income received	66,702	33,822
Investment in operating fixed assets (including intangible assets)	(298,279)	(350,495)
Proceeds from disposal of operating fixed assets	5,849	24,704
<b>Net cash flows (used in) / generated from investing activities</b>	(21,364,883)	2,561,070
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Sub-ordinated loan	-	(299,280)
<b>Net cash flows used in financing activities</b>	-	(299,280)
<b>Increase / (decrease) in cash and cash equivalents</b>	1,614,027	(5,280)
Cash and cash equivalents at the beginning of the period	13,629,923	12,740,516
<b>Cash and cash equivalents at the end of the period</b>	15,243,950	12,735,236
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		
Cash and balances with treasury banks	13,371,539	12,030,277
Balances with other banks	1,872,411	704,959
	15,243,950	12,735,236

The annexed notes 1 to 24 form an integral part of this condensed interim financial information.

CHAIRMAN

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2014

	Share capital	Capital reserves			General reserve	Unappropriated profit (b)	Total
		Discount on issue of shares	Share premium	Statutory reserve (a)			
----- (Rupees in '000) -----							
<b>Balance as at 1 January 2013</b>	10,022,396	(1,001,361)	1,405	408,724	-	1,947,135	11,378,299
Transfer to General Reserves	-	-	-	-	1,000,000	(1,000,000)	-
<b>Changes in equity during half year ended 30 June 2013</b>							
<b>Total comprehensive income for the period</b>							
Profit after tax for half year ended 30 June 2013	-	-	-	-	-	551,267	551,267
Remeasurement gain on defined benefit plan - net of tax						(6,719)	(6,719)
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	29,016	29,016
Transfer to statutory reserve	-	-	-	110,241	-	(110,241)	-
<b>Balance as at 30 June 2013</b>	10,022,396	(1,001,361)	1,405	518,965	1,000,000	1,410,458	11,951,863
<b>Changes in equity during half year ended 31 December 2013</b>							
<b>Total comprehensive income for the period</b>							
Profit after tax for half year ended 31 December 2013	-	-	-	-	-	485,590	485,590
Remeasurement gain on defined benefit plan - net of tax	-	-	-	-		(17,674)	(17,674)
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	30,637	30,637
Transfer to statutory reserve	-	-	-	97,130	-	(97,130)	-
<b>Transactions with owners, recorded directly in equity</b>							
Issue of bonus shares	1,002,240	-	-	-	(1,000,000)	(2,240)	-
<b>Balance as at 31 December 2013</b>	11,024,636	(1,001,361)	1,405	616,095	-	1,809,641	12,450,416
<b>Changes in equity for half year ended 30 June 2014</b>							
<b>Total comprehensive income for the period</b>							
Profit after tax for half year ended 30 June 2014	-	-	-	-	-	663,837	663,837
Remeasurement gain on defined benefit plan - net of tax						7,169	7,169
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	28,944	28,944
Transfer to statutory reserve	-	-	-	132,767	-	(132,767)	-
<b>Balance as at 30 June 2014</b>	11,024,636	(1,001,361)	1,405	748,862	-	2,376,824	13,150,366

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

(b) As more fully explained in note 11.5 of this condensed interim financial information, unappropriated profit includes an amount of Rs.1,267.898 million net of tax as at 30 June 2014 (31 Dec 2013: Rs.1,253.114 million) representing additional profit arising from availing forced sale value benefit for determining provisioning requirement which is not available for the purpose of distribution of dividend to shareholders.

The annexed notes 1 to 24 form an integral part of this condensed interim financial information.

CHAIRMAN

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTOR

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2014

## 1. STATUS AND NATURE OF BUSINESS

- 1.1** Soneri Bank Limited ("the Bank") was incorporated in Pakistan on 28 September 1991 as a public limited company under the Companies Ordinance, 1984. Its shares are quoted on Karachi, Lahore and Islamabad stock exchanges. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 through a network of 236 branches (31 December 2013: 239); including 15 Islamic Banking branches (31 December 2013: 9) in Pakistan.

The Registered office of the Bank is located at Rupali House 241-242, Upper Mall Scheme, Anand Road, Lahore, Punjab.

- 1.2** Based on the financial statements of the Bank for the year ended 31 December 2013, the Pakistan Credit Rating Agency Limited (PACRA) has determined the Bank's long term rating as AA- and short term rating as A1+.

## 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. Permissible form of trade related mode of financing includes purchase of goods by the bank from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sales arising under these arrangements are not reflected in this condensed interim financial information as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.

The condensed interim financial information results of the Islamic banking branches have been consolidated in this condensed interim financial information for reporting purposes only. Inter branch transactions and balances have been eliminated. In accordance with the directives issued by the SBP, the un-audited condensed interim statement of financial position of Islamic banking branches is disclosed in note 21 of this condensed interim financial information.

## 3. STATEMENT OF COMPLIANCE

- 3.1** This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962, or the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). Wherever the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962, IFASs notified under the Companies Ordinance, 1984, or the directives issued by the SECP and SBP differ with the requirements of IFRSs, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962, and IFASs notified under the Companies Ordinance, 1984, or the requirements of the said directives issued by the SECP and SBP prevail.
- 3.2** The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular Letter No. 10 dated 26 August 2002 till further instructions. Further, the SECP has also deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' through its notification SRO 411(I) / 2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

**3.3** The SBP vide its BSD Circular No. 07 dated 20 April 2010 has clarified that for the purpose of preparation of financial statements in accordance with International Accounting Standard - 1 (Revised), 'Presentation of Financial Statements', two statement approach shall be adopted i.e. separate 'Profit and Loss Account' and 'Statement of Comprehensive Income' shall be presented, and Balance Sheet shall be renamed as 'Statement of Financial Position'. Furthermore, the surplus / deficit on revaluation of available for sale (AFS) securities only, may be included in the 'Statement of Comprehensive Income'. However, it should continue to be shown separately in the statement of financial position below equity. Accordingly, the above requirements have been adopted in the preparation of this condensed interim financial information.

**3.4** The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular Letter No. 2 dated 12 May 2004 and the requirements of the International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for the full annual financial statements, and this condensed interim financial information should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2013.

#### **4. BASIS OF MEASUREMENT**

##### **4.1 Accounting Convention**

This condensed interim financial information has been prepared under the historical cost convention, except that certain fixed assets are carried at revalued amounts and certain investments and derivatives have been marked to market and are carried at fair value. In addition, obligation in respect of staff retirement benefit is carried at present value.

##### **4.2 Functional and presentation currency**

Items included in this condensed interim financial information are measured using the currency of the primary economic environment in which the Bank operates. This condensed interim financial information is presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

##### **4.3 Critical accounting estimates and assumptions**

The basis and the methods used for critical accounting estimates and judgements adopted in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2013.

#### **5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2013.

#### **6. FINANCIAL RISK MANAGEMENT**

The Bank's Financial Risk Management objectives and policies are consistent with those disclosed in the annual financial statements of the Bank for the year ended 31 December 2013.

Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
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## 7. CASH AND BALANCES WITH TREASURY BANKS

In hand		
Local currency	3,036,057	3,068,125
Foreign currencies	972,690	775,566
In transit		
Local currency	-	-
Foreign currency	-	85,143
With State Bank of Pakistan in		
Local currency current account	5,670,869	5,133,639
Foreign currency current account	608,234	604,460
Foreign currency deposit account against foreign currency deposits mobilised	1,676,517	1,823,288
With National Bank of Pakistan in		
Local currency current account	1,407,172	1,182,532
	<u>13,371,539</u>	<u>12,672,753</u>

## 8. BALANCES WITH OTHER BANKS

In Pakistan		
In current accounts	284,020	223,956
In deposit accounts	900,026	250,026
Outside Pakistan		
In current accounts	688,365	483,188
	<u>1,872,411</u>	<u>957,170</u>

## 9. LENDINGS TO FINANCIAL AND OTHER INSTITUTIONS

Call money lending	3,000,000	1,000,000
Repurchase agreement lending	4,797,477	990,954
Margin Trading System	421,342	46,797
Letter of placement	1,000,000	700,000
	<u>9,218,819</u>	<u>2,737,751</u>

**10. INVESTMENTS****10.1 Investments by types**

		Un-audited 30 June 2014			Audited 31 December 2013		
	Note	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
----- (Rupees in '000) -----							
Held-for-trading investments	10.2	3,328,603	-	3,328,603	1,565,686	-	1,565,686
Available-for-sale investments	10.3	56,942,940	4,055,760	60,998,700	40,797,493	1,348,100	42,145,593
Held-to-maturity investments	10.4	3,404,370	-	3,404,370	2,881,239	-	2,881,239
<b>Investments at cost</b>		<b>63,675,913</b>	<b>4,055,760</b>	<b>67,731,673</b>	<b>45,244,418</b>	<b>1,348,100</b>	<b>46,592,518</b>
Provision for diminution in the value of investments	10.10	(132,107)	-	(132,107)	(134,363)	-	(134,363)
Deficit on revaluation of Held-for-trading investments		(990)	-	(990)	(323)	-	(323)
Surplus / (Deficit) on revaluation of Available-for-sale investments		203,518	(664)	202,854	246,420	(1,455)	244,965
<b>Investments - net of provisions</b>		<b>63,746,334</b>	<b>4,055,096</b>	<b>67,801,430</b>	<b>45,356,152</b>	<b>1,346,645</b>	<b>46,702,797</b>

**10.2 Held-for-Trading investments**

Fully paid-up ordinary shares	232,667	-	232,667	8,636	-	8,636
Market Treasury Bills	2,400,607	-	2,400,607	1,557,050	-	1,557,050
Pakistan Investment Bonds	495,329	-	495,329	-	-	-
Government of Pakistan - Ijarah Sukuks	200,000	-	200,000	-	-	-
	<b>3,328,603</b>	<b>-</b>	<b>3,328,603</b>	<b>1,565,686</b>	<b>-</b>	<b>1,565,686</b>

**10.3 Available for sale investments**

Market Treasury Bills	15,365,820	4,055,760	19,421,580	32,945,900	1,348,100	34,294,000
Pakistan Investment Bonds	39,395,155	-	39,395,155	5,956,285	-	5,956,285
Government of Pakistan - Ijarah Sukuks	200,000	-	200,000	200,000	-	200,000
Sukuk Bonds	200,000	-	200,000	-	-	-
Fully paid-up ordinary shares	1,497,852	-	1,497,852	1,434,115	-	1,434,115
Term Finance Certificates	72,015	-	72,015	49,095	-	49,095
Units of mutual funds	212,098	-	212,098	212,098	-	212,098
	<b>56,942,940</b>	<b>4,055,760</b>	<b>60,998,700</b>	<b>40,797,493</b>	<b>1,348,100</b>	<b>42,145,593</b>

**10.4 Held to maturity investments**

Pakistan Investment Bonds	264,075	-	264,075	264,859	-	264,859
Term Finance Certificates	636,163	-	636,163	695,360	-	695,360
Government of Pakistan - Ijarah Sukuks	1,900,004	-	1,900,004	1,700,004	-	1,700,004
Sukuk Bonds / Commercial Paper	604,128	-	604,128	221,016	-	221,016
	<b>3,404,370</b>	<b>-</b>	<b>3,404,370</b>	<b>2,881,239</b>	<b>-</b>	<b>2,881,239</b>



	Note	Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
<b>10.5 Investments by segment</b>			
<b>Federal Government Securities</b>			
- Market Treasury Bills		21,822,187	35,851,050
- Pakistan Investment Bonds	10.6	40,154,559	6,221,144
- Government of Pakistan Ijara Sukuk Bonds		2,300,004	1,900,004
		64,276,750	43,972,198
<b>Fully Paid-up Ordinary Shares</b>			
- Listed companies	10.7	1,688,719	1,400,951
- Unlisted companies	10.8	41,800	41,800
		1,730,519	1,442,751
<b>Units of Mutual Funds</b>			
- Open ended		100,000	100,000
- Closed - end		112,098	112,098
		212,098	212,098
<b>Term Finance Certificates, Bonds, Participation Term Certificates and Certificates of Investments</b>			
- Listed Term Finance Certificates		330,567	340,691
- Unlisted Term Finance Certificates		377,611	403,764
- Sukuk Bonds	10.9	804,128	221,016
		1,512,306	965,471
<b>Investments at cost</b>		67,731,673	46,592,518
Provision for diminution in value of investments	10.10	(132,107)	(134,363)
Deficit on revaluation of Held-for-trading investments		(990)	(323)
Surplus on revaluation of Available-for-sale investments		202,854	244,965
<b>Investments (net of provisions)</b>		67,801,430	46,702,797

**10.6** This includes securities having book value of Rs. 30.700 million (31 December 2013: Rs. 30.700 million) pledged with the State Bank of Pakistan and National Bank of Pakistan to facilitate T. T. discounting facility for the branches of the Bank.

**10.7** During 2012, the Bank along with other lenders of Azgard Nine Limited entered into a Share Transfer and Debt Swap Agreement dated 12 April 2012. The Bank under the agreement acquired 605,138 shares of Agritech Limited at a price of Rs. 35 per share and settled the loan exposure of Rs. 21.180 million against it. The Bank also acquired additional 124,541 shares against total cash consideration of Rs. 4.359 million. As at 30 June 2014 the bank has recorded an impairment loss of Rs. 17.278 million on these shares. The State Bank of Pakistan vide circular no. BPRD / BRD - (Policy) / 2013 - 1857 dated 15 February 2013 has clarified that such shares need not be classified as strategic investment.

**10.8** This includes shares of Islamabad Stock Exchange Limited (ISEL) acquired in pursuance of corporatization and demutualization of ISEL as a public company limited by shares. Out of total 3,034,603 number of shares so acquired 1,820,762 shares have been deposited in a blocked account with the Central Depository Company of Pakistan Limited (CDC). The said shares along with Trading Right Entitlement Certificate (refer note 12.3) were received against surrender of Stock Exchange Membership Card. As the fair value of both the assets transferred and asset obtained can not be determined with reasonable accuracy, the above investment has been recorded at the carrying value of Stock Exchange Membership Card in the Bank's books.

**10.9** The Bank purchased 4,000 certificates of Wapda Sukuk in September 2009 through a market based transaction for a total cash consideration of Rs. 19.8 million having a face value of Rs. 20 million. These certificates were available in the seller's CDC account and were transferred to Bank's CDC account (on completion of the transaction). Periodic Ijarah rental due on 22 October 2009 was not paid to the Bank on the plea that certain discrepancy in Central Depository Register was the reason for non payment.

The Bank through a legal notice has clarified that it purchased the aforementioned Sukuk Certificates from the market for a valuable consideration and at that time these Sukuks were already entered in the Central Depository Register of the seller's account. However, the Bank has fully provided the outstanding amount against these Sukuks. The Bank has filed a recovery suit which is pending before the Sindh High Court, Karachi.

Un-audited  
30 June  
2014  
(Rupees in '000)

Audited  
31 December  
2013

### 10.10 Particulars of provision for diminution in value of investments

The analysis of total provision held are as follows:

Opening balance	134,363	160,432
(Reversal) / charge for the period / year	(2,256)	12,506
Write off / transfer	-	(38,575)
Net reversal	(2,256)	(26,069)
Closing balance	132,107	134,363

### 11. ADVANCES

Loans, cash credits, running finances, etc. - in Pakistan	92,345,813	97,397,600
Net investment in finance lease - in Pakistan	-	-
	92,345,813	97,397,600
Bills discounted and purchased (excluding government treasury bills)		
- Payable in Pakistan	748,495	707,037
- Payable outside Pakistan	4,707,228	6,212,896
	5,455,723	6,919,933
Advances - gross	11.1 97,801,536	104,317,533
Provision against consumer / small enterprises loans - general	(32,063)	(29,781)
Provision for non-performing loans and advances	11.4 (7,373,374)	(7,108,724)
Advances - net of provision	90,396,099	97,179,028

**11.1** Advances include Rs. 10,457.565 million (31 December 2013: Rs. 10,424.111 million) which have been placed under non-performing status as detailed below:

30 June 2014 (Un-audited)									
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
----- (Rupees in '000) -----									
Category of Classification									
Other Assets Especially									
Mentioned									
(Agri financing)	28,209	-	28,209	429	-	429	429	-	429
Substandard	614,212	-	614,212	107,768	-	107,768	107,768	-	107,768
Doubtful	925,653	-	925,653	351,434	-	351,434	351,434	-	351,434
Loss	8,889,491	-	8,889,491	6,913,743	-	6,913,743	6,913,743	-	6,913,743
	10,457,565	-	10,457,565	7,373,374	-	7,373,374	7,373,374	-	7,373,374

Category of classification	31 December 2013 (Audited)								
	Classified Advances			Provision Required			Provision Held		
	Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
	(Rupees in '000)								
Other Assets Especially									
Mentioned (Agri financing)	91,332	-	91,332	850	-	850	850	-	850
Substandard	678,007	-	678,007	98,841	-	98,841	98,841	-	98,841
Doubtful	1,105,755	-	1,105,755	333,796	-	333,796	333,796	-	333,796
Loss	8,549,017	-	8,549,017	6,675,237	-	6,675,237	6,675,237	-	6,675,237
	10,424,111	-	10,424,111	7,108,724	-	7,108,724	7,108,724	-	7,108,724

## 11.2 Particulars of provision against non-performing loans and advances

	Un-audited				Audited			
	30 June 2014				31 December 2013			
	General				General			
	Specific	Consumer	Small Enterprises	Total	Specific	Consumer	Small Enterprises	Total
(Rupees in '000)								
Opening balance	7,108,724	10,781	19,000	7,138,505	6,420,903	8,454	-	6,429,357
Charge for the period / year	614,498	2,282	-	616,780	1,196,205	2,327	19,000	1,217,532
Reversals made during the period / year	(317,100)	-	-	(317,100)	(495,003)	-	-	(495,003)
	297,398	2,282	-	299,680	701,202	2,327	19,000	722,529
Amount written off	(32,748)	-	-	(32,748)	(13,381)	-	-	(13,381)
Transfer	-	-	-	-	-	-	-	-
Closing balance	7,373,374	13,063	19,000	7,405,437	7,108,724	10,781	19,000	7,138,505

- 11.3** General provision against consumer financing represents provision maintained at an amount equal to 1.5% of the fully secured performing portfolio of consumer loan and 5% of the unsecured performing portfolio as required under the Prudential Regulations issued by SBP.
- 11.4** Provision against small enterprises represents general provision maintained at an amount equal to 1.0% of the fully secured performing portfolio and 2.0% of the unsecured performing portfolio as required under the Prudential Regulations issued by SBP.
- 11.5** The Bank has availed the benefit of forced sales value of pledged stocks and mortgaged residential and commercial properties held as collateral against non-performing advances and investments as allowed under the regulation issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances and non-performing investments (as appearing in note 10) would have been higher by Rs 1,947.542 million and Rs 3.070 million respectively. The additional profit arising from availing this benefit - net of the tax amounts to Rs 1,267.898 million. This profit is not available for distribution either as cash or stock dividend.
- 11.6** Above advances include an amount of Rs 300 million due from Wateen Telecom Limited. The restructuring negotiations with this customer are currently underway. The State Bank of Pakistan has granted exemption from classification of this customer till 29 September 2014.

	Note	Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
<b>12. OPERATING FIXED ASSETS</b>			
<b>Capital work-in-progress</b>		<b>185,026</b>	108,217
<b>Property and equipments:</b>			
Land			
- Freehold		<b>362,778</b>	362,778
- Leasehold		<b>160,689</b>	160,689
Building on:			
- Freehold		<b>117,724</b>	115,183
- Leasehold		<b>1,264,948</b>	1,304,725
Leasehold Improvements		<b>707,275</b>	667,474
Furniture, fixtures, equipments and computers		<b>740,959</b>	841,921
Vehicles		<b>89,644</b>	96,062
<b>Assets held under ijarah:</b>			
- Motor vehicles		<b>98,383</b>	98,614
- Plant and machinery		<b>164,367</b>	175,876
<b>Intangibles assets:</b>			
Intangibles	12.3	<b>48,856</b>	77,035
		<b>3,940,649</b>	4,008,574
		<b>Un-audited 30 June 2014</b>	<b>Un-audited 30 June 2013</b>
		<b>(Rupees in '000)</b>	
<b>12.1 The following additions were made at cost during the period:</b>			
Land, building and leasehold		<b>100,949</b>	132,040
Furniture, fixtures, equipment and computers		<b>56,844</b>	242,852
Vehicles		<b>40,437</b>	33,526
Intangibles		<b>23,240</b>	26,698
		<b>221,470</b>	435,116

Un-audited 30 June 2014 (Rupees in '000)	Un-audited 30 June 2013
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**12.2 The written down value of fixed assets disposed of / deleted during the period were as follows:**

Land, building and leasehold	14,506	7,155
Furniture, fixtures, equipment and computers	2,796	1,715
Vehicles	69	2,637
	<u>17,371</u>	<u>11,507</u>

**12.3** The Trading Right Entitlement Certificate (TRE Certificate) acquired on surrender of Islamabad Stock Exchange Membership Card is stated at NIL value.

According to section 5 of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 an initial shareholder who has been issued TRE certificate and is not registered as a corporate broker with the Exchange, is required to do so within two years from the date of demutualization i.e. 27 August, 2012 which is going to end on 26 August, 2014.

Further, any initial shareholder who does not want to commence business within the said period of two years is also required to transfer its TRE certificate to any other shareholder.

Failing to commence business as a corporate broker or to transfer the TRE certificate will result in the lapse of the TRE certificate.

**13. OTHER ASSETS**

This includes non-banking asset acquired in satisfaction of claims amounting to Rs 17.4 million classified as held for sale. A formal plan to dispose of the property / asset is in place and it is expected that the process of sale of these properties will be completed in the near future.

Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
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**14. BORROWINGS**

**Secured**

Borrowings from the State Bank of Pakistan

- Export refinance scheme
- Long term financing facility (LTFF) for plant and machinery
- Long term financing - export oriented projects (LTF - EOP)
- Modernization of SME - rice husking
- Financing facility for storage of agriculture produce
- Repurchase agreement borrowings

6,568,268	6,866,019
802,401	848,067
111,831	182,650
13,569	4,969
20,722	24,867
-	-
<u>7,516,791</u>	<u>7,926,572</u>

Repurchase agreement borrowings

- Other Banks
- Others

Borrowings from other financial institutions

100,958	-
3,948,316	-
989,499	1,339,621
<u>12,555,564</u>	<u>9,266,193</u>

**Unsecured**

Call borrowings

Overdrawn nostro accounts

5,100,676	850,000
136,451	369,286
<u>17,792,691</u>	<u>10,485,479</u>

	Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
<b>15. DEPOSITS AND OTHER ACCOUNTS</b>		
<b>Customers</b>		
Fixed deposits	44,991,721	41,947,218
Savings deposits	63,855,847	64,339,770
Current accounts - Remunerative	-	-
Current accounts - Non- remunerative	41,165,358	32,102,977
Call deposits	2,494,222	214,312
Margin deposits / Others	2,374,291	1,449,775
	<u>154,881,439</u>	<u>140,054,052</u>
<b>Financial Institutions</b>		
Remunerative - deposits	831,186	525,677
Non-remunerative - deposits	178	178
	<u>831,364</u>	<u>525,855</u>
	<u>155,712,803</u>	<u>140,579,907</u>
<b>15.1 Particulars of deposit and other accounts</b>		
In local currency	146,834,888	128,852,085
In foreign currencies	8,877,915	11,727,822
	<u>155,712,803</u>	<u>140,579,907</u>
<b>16. CONTINGENCIES AND COMMITMENTS</b>		
<b>16.1 Direct credit substitutes</b>		
<b>Contingent liability in respect of guarantees favouring:</b>		
- Government	1,445,679	1,308,692
- Others	302,729	95,235
	<u>1,748,408</u>	<u>1,403,927</u>
<b>16.2 Transaction - related contingent liabilities</b>		
Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit etc. favouring:		
- Government	4,323,384	4,580,937
- Banking companies and other financial institutions	263,101	160,592
- Others	2,463,397	2,645,675
	<u>7,049,882</u>	<u>7,387,204</u>
<b>16.3 Trade - related contingent liabilities</b>		
Letters of credit	<u>21,265,075</u>	<u>16,497,354</u>
Acceptances	<u>3,986,383</u>	<u>4,637,712</u>
<b>16.4 Suit filed by customers for recovery of alleged losses suffered pending in the High Court which the bank does not acknowledge as debt</b>	<u>2,400</u>	<u>2,400</u>
<b>16.5 Commitments in respect of fixed assets</b>	<u>369,920</u>	<u>1,336,404</u>

## 16.6 Other Contingencies

### 16.6.1 Taxation

- a) For the tax years 2011 and 2013, the Bank had filed return under self assessment scheme as envisaged in section 120 of the Income Tax Ordinance, 2001. The income tax department has amended the assessment of tax years 2011 and 2013 under section 122(5A) of the Income Tax Ordinance, 2001. The amended assessment orders have been passed by adding / disallowing certain expenses / deductions resulting in additional net tax liability of Rs. 313.38 million and Rs. 428.18 million respectively.

The Bank has filed appeal before the Appellate Tribunal Inland Revenue (ATIR) and Commissioner Inland Revenue (Appeals) respectively against these disallowances and deductions.

Further the income tax department has reamended the assessment of tax year 2011 under section 122(1)/ 122(5) of the Income Tax Ordinance, 2001 resulting in additional tax liability of Rs. 163.64 million.

The Bank has filed an appeal before the Commissioner Inland Revenue (Appeals) against this amendment also.

- b) For years ended 31 December 2008, 2009 and 2010, aggregate liability of Rs. 159.10 million has been adjudged under Rule 40A of the Federal Excise Rules 2005 read with section 7 of the Federal Excise Act 2005, on the grounds that Bank failed to deposit applicable Federal Excise Duty on certain income heads. Against the said liability the Bank had preferred appeal before the Commissioner Inland Revenue (Appeals). As a result of appeal filed by the Bank before the Commissioner Inland Revenue (Appeals) certain add backs have been deleted and a net liability of Rs. 61.508 million is now pending against which the Bank has preferred an appeal before the Appellate Tribunal Inland Revenue.
- c) For the year ended 31 December 2011, a liability of Rs. 58.914 million has been adjudged under Rule 40A of the Federal Excise Rules 2005 read with section 7 of the Federal Excise Act 2005, on the grounds that the Bank failed to deposit applicable Federal Excise Duty on certain income heads. Against the said liability the Bank has preferred an appeal before the Commissioner Inland Revenue (Appeals).
- d) The tax department has filed tax references before honourable Lahore High Court, Lahore in respect of certain deductions allowed by the Appellate Tribunal Inland Revenue (ATIR) for assessment year 2000-2001 to tax year 2010.

The Bank and its tax advisor are of the view that the above issues will ultimately be decided in Bank's favour. Therefore, no additional provision has been made against the aforementioned matters in the condensed interim financial information.

- 16.6.2 A penalty of Rs. 50 million has been imposed by Competition Commission of Pakistan ("the Commission") on the Bank on account of uncompetitive behaviour and imposing uniform cost on cash withdrawal from ATM transaction. The Bank alongwith other Banks' had filed a constitutional petition before the Competition Appellate Tribunal which has set aside the order of the Commission. Against the said order of the Competition Appellate Tribunal, the Commission has filed an appeal before the Supreme Court of Pakistan, the hearing of which is pending.

	Un-audited 30 June 2014	Audited 31 December 2013
	(Rupees in '000)	
16.7 Commitments in respect of extended credits	<u>6,626,000</u>	<u>4,950,000</u>

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

Un-audited  
30 June  
2014  
(Rupees in '000)

Audited  
31 December  
2013

**16.8 Commitments in respect of forward exchange contracts**

- Banks	<u>12,739,459</u>	<u>15,728,958</u>
- Customers	<u>3,501,474</u>	<u>3,559,891</u>
Sale		
- Banks	<u>17,252,716</u>	<u>16,519,673</u>
- Customers	<u>407,617</u>	<u>2,092,717</u>

**16.9 Commitments in respect of equity future contracts**

- Purchase	<u>156,096</u>	<u>-</u>
- Sale	<u>99,589</u>	<u>8,763</u>

**16.10 Commitments in respect of lendings to financial and other institutions**

- Margin trading system	<u>119,593</u>	<u>13,131</u>
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**17. INCOME FROM DEALING IN FOREIGN CURRENCIES**

This includes conversion cost of foreign currency transactions into / from local currency funds (i.e. swap cost on foreign currency transactions) which amount to Rs. 40.126 million (30 June 2013: Rs. 186.21 million).

**18. BASIC AND DILUTED EARNING PER SHARE**

	Un-audited			
	For the half year ended 30 June 2014	30 June 2013	For the quarter ended 30 June 2014	30 June 2013
	(Rupees in '000)			
Profit after tax for the period	<u>663,837</u>	<u>551,267</u>	<u>362,592</u>	<u>251,459</u>
	(Number of shares in thousands)			
		(Restated)		(Restated)
Weighted average number of ordinary shares	<u>1,102,463</u>	<u>1,102,463</u>	<u>1,102,463</u>	<u>1,102,463</u>
		(Restated)		(Restated)
Basic earning per share- Rupee	<u>0.60</u>	<u>0.50</u>	<u>0.33</u>	<u>0.23</u>

**18.1** Diluted earning per share has not been presented as the Bank does not have any convertible instruments in issue at 30 June, 2014 and 30 June, 2013 which would have any effect on the earnings per share if the option to convert is exercised.

**19. RELATED PARTY TRANSACTIONS**

The Bank has related party relationship with its group companies, major shareholders, directors and their close family members including their associate, staff retirement plans, key management personnel and entities over which the key management personnel are able to exercise significant influence.

Banking transactions with related parties are executed substantially on the same terms, except transactions with directors and key management personnel that are as per their terms of employment, including mark-up rates and collateral, as those prevailing at the time of comparable transactions with unrelated parties and do not involve more than a normal risk. Details of transactions with related parties and balances with them as at the period end are as follows:



(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Bank's Chief Executive / Executives		Directors and their close family members		Related group companies		Major shareholders		Staff retirement funds	
(Rupees in '000)									

**Deposits**

Balance at the beginning of the year	10,612	13,539	1,242,027	1,080,222	701,957	606,467	305,281	121,098	218,752	538,037
Placements during the period	122,143	292,590	2,360,653	2,169,266	25,416,361	48,320,065	706,963	5,846,361	759,221	1,290,601
Withdrawals during the period	(118,470)	(295,517)	(2,545,670)	(2,007,461)	(25,558,140)	(48,224,575)	(513,472)	(5,662,178)	(907,457)	(1,609,886)
Balance at end of the period	14,285	10,612	1,057,010	1,242,027	560,178	701,957	498,772	305,281	70,516	218,752

**Advances**

Balance at the beginning of the year	69,210	127,173	91,132	29,464	279,900	275,846	-	-	-	-
Disbursements during the period	17,200	24,274	12,668	90,944	13,264	11,377	-	-	-	-
Transfer in *	-	-	-	-	39,815	-	-	-	-	-
Repayments during the period	(5,367)	(82,237)	(1,306)	(29,276)	(11,166)	(7,323)	-	-	-	-
Transfer out **	-	-	-	-	(39,815)	-	-	-	-	-
Balance at end of the period	81,043	69,210	102,494	91,132	281,998	279,900	-	-	-	-

\* This represents balances pertaining to parties that became related during the current period.

\*\* This represents balances pertaining to parties that ceased to be related during any part of the current period.

	Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013 (Rupees in '000)
<b>Investments</b>		
- NIT - Income Fund	100,000	100,000
<b>Transaction-related contingent liabilities</b>		
- Related group companies	57,517	29,123
<b>Trade-related contingent liabilities</b>		
- Related group companies	29,118	182,443
	<b>Transaction for the half year ended</b>	
	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>(Un-audited)</b>	
	<b>(Rupees in '000)</b>	
Loans and advances repaid / adjusted during the period	17,838	78,825
Loans and advances granted during the period	43,132	36,481
Mark-up received / accrued on loans and advances		
- Bank's Chief Executive / Executives	2,475	1,768
- Directors and their close family members	8,937	3,622
- Related group companies	15,767	19,633
	27,179	25,023
Profit paid / accrued on deposits		
- Bank's Chief Executive / Executives	306	269
- Directors and their close family members	73,888	109,553
- Related group companies	37,180	24,206
- Major shareholders	19,231	17,997
- Staff retirement funds	8,401	6,555
	139,006	158,580

	Transaction for the half year ended	
	30 June 2014	30 June 2013
	(Un-audited) (Rupees in '000)	
Commission/ brokerage / bank charges recovered		
- Bank's Chief Executive / Executives	5	9
- Directors and their close family members	12	8
- Related group companies	436	480
- Major shareholders	1	1
- Staff retirement funds	2	1
	<u>456</u>	<u>499</u>
Donation paid	<u>10,000</u>	<u>10,000</u>
Contributions to employees' benefit plans	<u>74,291</u>	<u>63,099</u>
Key management personnel compensation		
- Salaries and benefits	94,138	89,349
- Post retirement benefits	3,871	3,623
	<u>98,009</u>	<u>92,972</u>

- 19.1** Balances pertaining to parties that were related at the beginning of the period but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through the movement presented above.

## 20. CONCENTRATION OF CREDIT AND DEPOSITS

### 20.1 Credit risk and concentration of credit risk

Credit risk is a risk arising from an obligors' unwillingness to perform an obligation or its ability to perform being impaired resulting in financial loss to the Bank. Bank regularly monitor credit risk at portfolio level to ensure no undue concentration of risk is present. The Bank also attempts to control credit risk by continually assessing the credit worthiness of counter parties and obtaining security where appropriate.

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.

### 20.2 Segment by class of business

	30 June 2014 (Un-audited)					
	Gross advances		Deposits		*Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Textile and synthetic	24,511,981	25.06%	1,920,695	1.24%	3,965,532	11.65%
Food and allied	23,890,466	24.43%	2,529,160	1.62%	7,295,040	21.42%
Electronic and electrical appliances	1,781,996	1.82%	151,711	0.10%	2,736,257	8.04%
Individuals	3,796,110	3.88%	78,687,589	50.53%	109,171	0.32%
Others	43,820,983	44.81%	72,423,648	46.51%	19,943,748	58.57%
	<u>97,801,536</u>	<u>100.00%</u>	<u>155,712,803</u>	<u>100.00%</u>	<u>34,049,748</u>	<u>100.00%</u>

## 31 December 2013 (Audited)

	Gross advances		Deposits		*Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Textile and synthetic	27,492,622	26.35%	1,896,144	1.35%	4,192,832	14.01%
Food and allied	20,519,743	19.67%	3,072,375	2.19%	4,609,502	15.40%
Electronic and electrical appliances	2,537,839	2.43%	164,467	0.12%	2,707,854	9.05%
Individuals	3,203,683	3.07%	77,227,567	54.93%	172,482	0.58%
Others	50,563,646	48.48%	58,219,354	41.41%	18,243,527	60.96%
	104,317,533	100.00%	140,579,907	100.00%	29,926,197	100.00%

\*Contingencies only includes trade-related contingencies

**20.2.1** Business classes where bank has greater than ten percent concentration are disclosed, including their outstanding across the categories.

### 20.3 Segment by sector

## 30 June 2014 (Un-audited)

	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Public / Government	17,787,281	18.19%	16,494,641	10.59%	49,765	0.15%
Private	80,014,255	81.81%	139,218,162	89.41%	33,999,983	99.85%
	97,801,536	100.00%	155,712,803	100.00%	34,049,748	100.00%

## 31 December 2013 (Audited)

	Gross advances		Deposits		Contingencies and commitments	
	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)	(Rupees in '000)	(Percent)
Public / Government	18,703,425	17.93%	17,578,981	12.50%	53,865	0.18%
Private	85,614,108	82.07%	123,000,926	87.50%	29,872,332	99.82%
	104,317,533	100.00%	140,579,907	100.00%	29,926,197	100.00%

### 20.4 Segment details with respect to business activities

#### Primary segment information

The Bank is organised into following major business segments:

- Corporate
- Trading and Sales
- Retail Banking

All assets, liabilities, off balance sheet items and items of income and expense are distributed in primary segments in accordance with the core functions performed by the business groups.

The segment analysis with respect to business activity is as follows:

	Six months period ended 30 June 2014 (Un-audited)			
	Corporate Finance	Trading and sales	Retail Banking	Total
	----- (Rupees in '000) -----			
<b>30 June 2014</b>				
Total income - net	3,070,067	3,673,216	2,591,717	9,335,000
Total expenses	2,937,663	3,076,598	2,252,480	8,266,741
Net income	132,404	596,618	339,237	1,068,259
Segment assets (Gross)	63,080,071	81,638,249	56,828,313	201,546,633
Segment non performing assets	2,164,108	-	8,597,343	10,761,451
Segment provision required against assets *	1,359,800	10,375	6,324,945	7,695,120
Segment liabilities	8,642,131	10,807,143	160,496,994	179,946,268
Segment return on net assets	0.33%	1.47%	1.48%	1.11%
(ROA) (%) - per annum**				
Segment cost of funds (%) - per annum***	7.53%	8.95%	6.13%	6.36%
	-----			
	Six months period ended 30 June 2013 (Un-audited)			
	Corporate Finance	Trading and sales	Retail Banking	Total
	----- Restated -----			
	----- (Rupees in '000) -----			
<b>30 June 2013</b>				
Total income - net	2,589,820	3,110,309	2,142,720	7,842,849
Total expenses	2,474,846	2,479,683	2,055,082	7,009,611
Net income	114,974	630,626	87,638	833,238
Segment assets (Gross)	58,679,026	60,172,239	50,705,564	169,556,829
Segment non performing assets	1,790,628	-	8,860,430	10,651,058
Segment provision required against assets *	1,046,776	10,241	6,099,306	7,156,323
Segment liabilities	10,866,758	2,049,806	136,454,503	149,371,067
Segment return on net assets				
(ROA) (%) - per annum**	0.40%	2.11%	0.40%	1.03%
Segment cost of funds (%) - per annum***	6.17%	9.14%	6.06%	6.18%

\*The provision against each segment represents provision held against advances and investments.

\*\*Segment ROA = Net Income / (Segment Assets - Segment Provisions) computed on cutoff balances.

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

**20.5** The above analysis includes allocation of items as per the approved mapping policy of the Bank.

## **21. ISLAMIC BANKING BUSINESS**

The Bank is operating 15 Islamic Banking branches (31 December 2013: 9). The condensed interim statement of financial position and condensed interim profit and loss account of these branches (including Islamic Banking Division) are as follows:

**21.1 Condensed interim Statement of Financial Position****As at 30 June 2014****ASSETS**

Cash and balances with treasury banks  
 Due from Financial institutions  
 Investments  
 Islamic financing and related assets  
 Operating fixed assets  
 Due from head office  
 Other assets

Note

	Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
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21.2.1

**Total Assets****LIABILITIES**

Bills payable  
 Due to financial institutions  
 Deposits and other accounts  
 - Current accounts  
 - Saving accounts  
 - Term deposits  
 - Others  
 Other liabilities

**Total Liabilities****NET ASSETS****REPRESENTED BY:**

Islamic Banking Fund  
 Accumulated profit

Surplus on revaluation of assets - net of tax

Note

**21.2 Condensed interim Profit and Loss Account****For the half year ended 30 June 2014**

Profit / return earned  
 Return expensed

**Net income earned before provision**

Reversal / (provision) against non-performing financings  
 Provision for diminution in value of investment

**Net income earned after provision****Other income**

Fee, commission and brokerage income  
 Other income

**Other expenses**

Administrative expenses  
 Provision against other assets

**Profit before taxation**

	370,612	268,304
	(303,522)	(242,205)
	67,090	26,099
	24,008	(1,164)
	-	-
	24,008	(1,164)
	91,098	24,935
	12,688	8,720
	76,819	64,410
	89,507	73,130
	180,605	98,065
	155,038	91,914
	-	-
	25,567	6,151

**21.2.1** These figures have been restated to exclude inter segment profitability charge of Rs.19.731 million@ 9.95% (2013: Rs.18.618 million @9.39%) in line with financial reporting requirement.

**21.2.2** Deposit and other accounts include redeemable capital of Rs. 4,919.042 million (31 December 2013: Rs.3,972.691 million) and deposits on Qard basis of Rs 1,766.032 million (31 December 2013: Rs.805.783 million). Remunerative deposits which are on Modaraba basis are considered as Redeemable capital and non-remunerative deposits are classified as being on Qard basis.

	Note	Un-audited 30 June 2014 (Rupees in '000)	Un-audited 30 June 2013
<b>21.3 Condensed interim Cash Flow Statement (Un-Audited)</b>			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		25,567	6,151
Less: Dividend income		-	-
		<u>25,567</u>	<u>6,151</u>
<b>Adjustments:</b>			
Depreciation / amortisation		63,142	51,325
(Reversal) / provision against non-performing advances		(24,008)	1,164
Gain on sale of fixed assets		(176)	(546)
		<u>38,958</u>	<u>51,943</u>
		<u>64,525</u>	<u>58,094</u>
<b>(Increase) / decrease in operating assets</b>			
Islamic Financing and Related Assets-net		(395,635)	655,850
Others assets - (excluding advance taxation)		(42,511)	(295,105)
		<u>(438,146)</u>	<u>360,745</u>
<b>Increase / (decrease) in operating liabilities</b>			
Bills payable		(206)	1,324
Due to financial institutions		37,740	(35,850)
Deposits and other accounts		1,906,600	620,486
Other liabilities		(55,319)	(81,956)
		<u>1,888,815</u>	<u>504,004</u>
		<u>1,515,194</u>	<u>922,843</u>
Income tax paid		-	-
<b>Net cash flows from operating activities</b>		<u>1,515,194</u>	<u>922,843</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in securities		(593,550)	(783,557)
Dividend received		-	-
Investment in operating fixed assets (including intangible assets)		(46,243)	(113,784)
Proceeds from disposal of fixed assets		245	547
<b>Net cash flows used in investing activities</b>		<u>(639,548)</u>	<u>(896,794)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Sub-ordinated loan		-	-
<b>Net cash (used in) financing activities</b>		<u>-</u>	<u>-</u>
<b>Increase in cash and cash equivalents</b>		<u>875,646</u>	<u>26,049</u>
Cash and cash equivalents at the beginning of the period		580,501	261,974
Cash and cash equivalents at the end of the period		<u>1,456,147</u>	<u>288,023</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>			
Cash and balances with treasury banks		556,121	287,997
Balances with other banks		900,026	26
		<u>1,456,147</u>	<u>288,023</u>
<b>21.4 Remuneration to shariah advisor</b>		<u>620</u>	<u>600</u>

	Note	Un-audited 30 June 2014 (Rupees in '000)	Audited 31 December 2013
<b>21.5 CHARITY FUND</b>			
Opening balance		-	138
Addition during the period / year		161	792
Payment / utilization during the period / year		-	(930)
Closing balance		<u>161</u>	<u>-</u>
<b>21.6 Islamic Mode of Financing</b>			
Murabaha		879,757	525,091
Ijarah		262,751	274,490
Diminishing Musharaka		1,047,579	1,108,522
Salam		-	417,369
Advance against islamic financing:			
- Murabaha		27,871	27,608
- Car Ijarah		10,367	19,617
- Machine Ijarah		-	33,691
- Diminishing Musharaka		172,754	-
- Salam		373,215	-
Other Islamic modes		1,049	1,049
		<u>2,775,343</u>	<u>2,407,437</u>

## 22. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 13 August 2014 by the Board of Directors of the Bank.

## 23. CORRESPONDING FIGURES

Comparative information has been re-classified and re-arranged in this condensed interim financial information, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. Earnings per share for the period have been restated consequent to the issue of bonus shares. Significant reclassification included following:

Reclassification from Profit and loss account	Reclassification to Profit and loss account	Note	For the half year ended	For the quarter ended	
			30 June 2013	30 June 2014	30 June 2013
			(Rupees in '000)		
Mark-up / return / interest earned	Mark-up / return / interest expensed	23.1	<u>4,570</u>	<u>1,730</u>	<u>2,513</u>
Fee, commission and brokerage income	Administrative expenses	23.1	<u>7,817</u>	<u>5,388</u>	<u>3,682</u>

23.1 These represents early withdrawal charges on deposits and income on visa transactions.

## 24. GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

## LIST OF BRANCHES

### REGISTERED OFFICE

Rupali House 241-242,  
Upper Mall Scheme, Anand Road,  
Lahore - 54000, Pakistan  
Tel. No: (+92-42) 35713101-4 & 35792180  
Fax No: (+92-42) 35713095-6

### CENTRAL OFFICE

10th Floor, PNSC Building, M. T. Khan Road  
Karachi, Pakistan  
Tel. No: (+92-21) 32444401-5 & 111-567-890  
Fax: (+92-21) 35643314, 35643325 & 6  
Swift: SONEPKKAXXX  
E-mail: info@soneribank.com

### CENTRAL REGION

#### Main Branch, Lahore

Tel. No: (042) 36368141-8 & 111-567-890

#### Defence Branch, Lahore

Tel. No: (042) 35897181-2 & 35691037-8

#### Gulberg Branch, Lahore

Tel. No: (042) 35713445-8, 35759273 &  
(042) 35772294-5

#### Circular Road Branch, Lahore

Tel. No: (042) 37670486 & 37670489

#### Model Town Branch, Lahore

Tel. No: (042) 35889311-2 & 35915666

#### Akbar Chowk Branch, Lahore

Tel. No: (042) 35177800-2 & 35221410

#### Cavalry Ground Branch, Lahore

Tel. No: (042) 36653728-9 & 36619697

#### Islamic Banking

##### Temple Road Branch, Lahore

Tel. No: (042) 36376341-2

#### Allama Iqbal Town Branch, Lahore

Tel. No: (042) 37812394-5

#### Baghbanpura Branch, Lahore

Tel. No: (042) 36832811-3

#### Thokar Niaz Baig Branch, Lahore

Tel. No: (042) 35313651, 3 & 4

#### Ghazi Chowk Branch, Lahore

Tel. No: (042) 35188505-7

#### Islamic Banking

##### New Garden Town Branch, Lahore

Tel. No: (042) 35940611-3

#### DHA Phase-III Branch, Lahore

Tel. No: (042) 35734083-5

#### Chungi Amer Sadhu Branch, Lahore

Tel. No: (042) 35808611-3

#### Johar Town Branch, Lahore

Tel. No: (042) 35204191-3

#### Wahdat Road Branch, Lahore

Tel. No: (042) 37424821-6

#### Gunpat Road Branch, Lahore

Tel. No: (042) 37361607-9

#### Airport Road Branch, Lahore

Tel. No: (042) 35700115-7

#### Ravi Road Branch, Lahore

Tel. No: (042) 37725356-7

#### Shahdara Chowk Branch, Lahore

Tel. No: (042) 37941741-3

#### Manga Mandi Branch, Lahore

Tel. No: (042) 35383517-8

#### Badian Road Branch, Lahore

Tel. No: (042) 37165390 & 3

#### Mughalpura Branch, Lahore

Tel. No: (042) 36880892-4

#### Upper Mall Branch, Lahore

Tel. No: (042) 35789346-9

#### Islampura Branch, Lahore

Tel. No: (042) 37214394-6

#### Garhi Shahu Branch, Lahore

Tel. No: (042) 36294201-2

#### Zarrar Shaheed Road Branch, Lahore

Tel. No: (042) 36635167-8

#### Hamdard Chowk Kot Lakhpat Br., Lahore

Tel. No: (042) 35140261-5

#### Kana Kacha Branch, Lahore

Tel. No: (042) 36187413

#### Sabzazar Br., Multan Road, Lahore

Tel. No: (042) 37830881-2

#### DHA Phase-IV Br., Lahore

Tel. No: (042) 35694156-7

#### Azam Cloth Market Sub Br., Lahore

Tel. No: (042) 37662203-4

#### Jail Road Branch, Lahore

Tel. No: (042) 37421730-3

#### Badami Bagh Branch, Lahore

Tel. No: (042) 37731601, 2 & 4

#### Montgomery Road Branch, Lahore

Tel. No: (042) 36291013-4

#### DHA Phase: VI Branch, Lahore

Tel. No: (042) 37180536-7

#### Muridke Branch

Tel. No: (042) 37166511-2

#### Main Branch, Gujranwala

Tel. No: (055) 3843560-2 & 111-567-890

#### Gujranwala Cantt. Branch, Gujranwala

Tel. No: (055) 3861932-4

#### Wapda Town Branch, Gujranwala

Tel. No: (055) 4291136-7

#### Kamokee Branch, Distt. Gujranwala

Tel. No: (055) 6813501-6

#### Main Branch, Faisalabad

Tel. No: (041) 2639877-8 & 111-567-890

#### Peoples Colony Branch, Faisalabad

Tel. No: (041) 8555715-6

#### Ghulam Muhammadabad Br., Faisalabad

Tel. No: (041) 2680113-4

#### Islamic Banking

##### East Canal Road Branch, Faisalabad

Tel. No: (041) 2421381-2

#### Jaranwala Branch, Distt. Faisalabad

Tel. No: (041) 4312201-2

#### Samundri Branch, Distt. Faisalabad

Tel. No: (041) 3423983-4

#### Chiniot Branch

Tel. No: (047) 6333840-2

#### Jhang Branch

Tel. No: (047) 7651601-2

#### Small Industrial Estate Branch, Sialkot

Tel. No: (052) 3242607-9

#### Pasrur Road Branch, Sialkot

Tel. No: (052) 3521655 & 3521755



**Islamic Banking**  
**Sialkot Cantt Branch, Sialkot**  
Tel. No: (052) 4560023-4

**Godhpur Branch, Sialkot**  
Tel. No: (052) 4563932-3

**Daska Branch, Distt. Sialkot**  
Tel. No: (052) 6617847-8

**Sheikhupura Branch**  
Tel. No: (056) 3613570 & 3813133

**Nankana Sahib Branch**  
Tel. No: (056) 2876342-3

**Wazirabad Branch**  
Tel. No: (055) 6603703-4 & 6608555

**Ghakkhar Mandi Branch**  
Tel. No: (055) 3832611-2

**Main Branch, Multan**  
Tel. No: (061) 4519927 & 4512884

**Islamic Banking**  
**Shah Rukn-e-Alam Branch, Multan**  
Tel. No: (061) 6784052-3 & 6782081

**Bosan Road Branch, Multan**  
Tel. No: (061) 6520693 & 6210691

**Mumtazabad Br., Multan**  
Tel. No: (061) 6760213-4

**Chowk Shaheedan Branch, Multan**  
Tel. No: (061) 4581281-2

**Azmat Road Br., Dera Ghazi Khan**  
Tel. No: (064) 2471630-7

**Lodhran Branch**  
Tel. No: (0608) 364766-7

**Rahim Yar Khan Branch**  
Tel. No: (068) 5886042-4

**Liaquatpur Br., Distt. Rahim Yar Khan**  
Tel. No: (068) 5792041-2

**Sadiqabad Branch**  
Tel. No: (068) 5702162 & 5800168

**Bahawalpur Branch**  
Tel. No: (062) 2731703-1

**Hasilpur Branch**  
Tel. No: (062) 2441481-3

**Sargodha Branch**  
Tel. No: (048) 3726021-3

**Khanewal Branch**  
Tel. No: (065) 2551560-2

**Kabirwala Br., Distt. Khanewal**  
Tel. No: (065) 2400910-3

**Mian Channu Branch**  
Tel. No: (065) 2662201-2

**Burewala Branch**  
Tel. No: (067) 3773110 & 20

**Depalpur Branch**  
Tel. No: (044) 4541341-2

**Okara Branch**  
Tel. No: (044) 2553012-4

**Sahiwal Branch**  
Tel. No: (040) 4467742-3

**Chichawatni Branch**  
**Distt. Sahiwal**  
Tel. No: (040) 5484852-3

**Layyah Branch**  
Tel. No: (060) 6414207-8

**Kharoor Pacca Branch**  
Tel. No: (0608) 341041-2

**Muzafargarh Branch**  
Tel. No: (066) 2422901, 3 & 5

**Fazal Garh Sanawan Br., Distt. Muzafargarh**  
Tel. No: (066) 2250214-5

**Sheikho Sugar Mills Branch**  
**Distt. Muzafargarh**  
Tel. No: (061) 6006352-7

**Shahbaz Khan Road Branch, Kasur**  
Tel. No: (0492) 764891-2

**Hafizabad Branch**  
Tel. No: (0547) 541641-2

**Pattoki Branch**  
Tel. No: (049) 4422435-6

**Sambrial Branch**  
Tel. No: (052) 6523451-2

**Vehari Branch**  
Tel. No: (067) 3360015, 21 & 22

**Gagoo Mandi Branch, Distt. Vehari**  
Tel. No: (067) 3500311-2

**Mandi Bahauddin Branch**  
Tel. No: (0546) 507601-2

**Mailsi Br., Distt. Vehari**  
Tel. No: (067) 3750140-5

**Bahawalnagar Branch**  
Tel. No: (063) 2274795-6

**Haroonabad Br., Distt. Bahawalnagar**  
Tel. No: (063) 2251664-5

**Toba Tek Singh Branch**  
Tel. No: (046) 2513203-4

**Gojra Branch, Distt. Toba Tek Singh**  
Tel. No: (046) 3516388-9

**Kamalia Branch, Distt. Toba Tek Singh**  
Tel. No: (046) 3411405-6

**Gujrat Branch**  
Tel. No: (0533) 520591-4

**Panjan Kasana Br., Distt. Gujrat**  
Tel. No: (0537) 533525 & 534525

**Kharian Branch**  
Tel. No: (053) 7535447-8

**Lalamusa Branch**  
Tel. No: (053) 7511072-3

**SOUTH REGION**  
**Main Branch, Karachi**  
Tel. No: (021) 32436990-4 & UAN 111-567-890

**Clifton Branch, Karachi**  
Tel. No: (021) 35877773-4, 35861386

**Garden Branch, Karachi**  
Tel. No: (021) 32232877-8

**F. B. Area Branch, Karachi**  
Tel. No: (021) 36373782-3 & 36811646

**Korangi Industrial Area Branch, Karachi**  
Tel. No: (021) 35113898-9 & 35113900-1

**AKUH Branch, Karachi**  
Tel. No: (021) 34852252-3

**Haidery Branch, Karachi**  
Tel. No: (021) 36638617 & 36630409-410

**Jodia Bazar Branch, Karachi**  
Tel. No: (021) 32413627, 32414920 & 37090140

**Shahrah-e-Faisal Branch, Karachi**  
Tel. No: (021) 34535553-4

**DHA Branch, Karachi**  
Tel. No: (021) 35852209 & 35845211

**Gulshan-e-Iqbal Branch, Karachi**  
Tel. No: (021) 34811831-2

**SITE Branch, Karachi**  
Tel. No: (021) 32568213 & 32550997

**Zamzama Branch, Karachi**  
Tel. No: (021) 35375836-7

**Gole Market Branch, Karachi**  
Tel. No: (021) 36618932 & 36681324

**Gulistan-e-Jauhar Branch, Karachi**  
Tel. No: (021) 34020944-5

**M. A. Jinnah Road Branch, Karachi**  
Tel. No: (021) 32213972 & 32213498

**Gulbahar Branch, Karachi**  
Tel. No: (021) 36607744

**North Karachi Branch, Karachi**  
Tel. No: (021) 36920140-1

**Block-7 Gulshan-e-Iqbal Branch, Karachi**  
Tel. No: (021) 34815811-2

**Islamic Banking  
Cloth Market Branch, Karachi**  
Tel. No: (021) 32442961 & 32442977

**Paria Street Kharadar Branch, Karachi**  
Tel. No: (021) 32201059-60

**Suparco Branch, Karachi**  
Tel. No: (021) 34970560 & 34158325-6

**Chandni Chowk Branch, Karachi**  
Tel. No: (021) 34937933 & 34141296

**Allama Iqbal Road Branch, Karachi**  
Tel. No: (021) 34387673-4

**Nishtar Road Branch, Karachi**  
Tel. No: (021) 32239711 & 3

**Islamic Banking  
Waterpump Branch, Karachi**  
Tel. No: (021) 36312113

**Apwa Complex Branch, Karachi**  
Tel. No: (021) 32253143 & 32253216

**Clifton Block-2 Branch, Karachi**  
Tel. No: (021) 35361115-6

**Malir Branch, Karachi**  
Tel. No: (021) 34518730 & 34517983

**Bahadurabad Branch, Karachi**  
Tel. No: (021) 34135842-3

**New Challi Branch, Karachi**  
Tel. No: (021) 32625246 & 32625279

**Shah Faisal Colony Branch, Karachi**  
Tel. No: (021) 34602446-7

**Zaibunissa Street Saddar Branch, Karachi**  
Tel. No: (021) 35220026-7

**Liaquatabad Branch, Karachi**  
Tel. No: (021) 34860723-6 & 34860725

**Lea Market Branch, Karachi**  
Tel. No: (021) 32526193-4

**Korangi Township No: 3 Branch, Karachi**  
Tel. No: (021) 36007572, 35071176 & 80

**North Karachi Ind. Area Branch, Karachi**  
Tel. No: (021) 36962851-3

**F. B. Industrial Area Branch, Karachi**  
Tel. No: (021) 36829961-3

**Napier Road Branch, Karachi**  
Tel. No: (021) 32713538-9

**Gulshan-e-Hadeed Br., Karachi**  
Tel. No: (021) 34710252 & 34710256

**Metroville Branch, Karachi**  
Tel. No: (021) 36752206-7

**Defence Phase-II Extension Br., Karachi**  
Tel. No: (021) 35386910 & 1

**North Karachi Township Branch, Karachi**  
Tel. No: (021) 36968605-6

**Karachi Stock Exchange Branch, Karachi**  
Tel. No: (021) 32414003-4

**Gulshan-e-Jamal Branch, Karachi**  
Tel. No: (021) 34682682-3

**Alyabad Branch, Karachi**  
Tel. No: (021) 36826727 & 36332517

**Saudabad Branch, Malir, Karachi**  
Tel. No: (021) 34111904-5

**Shireen Jinnah Colony Br., Karachi**  
Tel. No: (021) 34166263

**Islamic Banking  
Al-Tijarah Centre Br., Karachi**  
Tel. No: (021) 34169252-3

**Barkat-e-Haidery Branch, Karachi**  
Tel. No: (021) 36645688-9

**Shadman Town Branch, Karachi**  
Tel. No: (021) 36903038-9

**New Town Branch, Karachi**  
Tel. No: (021) 32220702 & 4

**Enquiry Office  
Nazimabad No: 2 Branch, Karachi**  
Tel. No: (021) 36601504-5

**Block 13-D Gulshan-e-Iqbal Br., Karachi**  
Tel. No: (021) 34983883-4

**Timber Market Branch, Karachi**  
Tel. No: (021) 32742491-2

**Khayaban-e-Ittehad, DHA,  
Phase-VI Branch, Karachi**  
Tel. No: (021) 35347414-5

**Sindhi Muslim Co-operative Housing  
Society Branch, Karachi**  
Tel. No: (021) 34527085-6

**Main Branch, Hyderabad**  
Tel. No: (022) 2781528-9 & UAN 111-567-890

**F. J. Road Branch, Hyderabad**  
Tel. No: (022) 2728131 & 2785997

**Latifabad Branch, Hyderabad**  
Tel. No: (022) 3816309

**Qasimabad Branch, Hyderabad**  
Tel. No: (022) 2651968

**Islamic Banking  
Isra University Br., Distt. Hyderabad**  
Tel. No: (022) 2032322 & 2030161-4

**Prince Ali Road Branch, Hyderabad**  
Tel. No: (022) 2638515-6

**S.L.T.E. Branch, Hyderabad**  
Tel. No: (022) 3886861-2

**Faqir Jo Pir Branch, Hyderabad**  
Tel. No: (022) 2612685-6

**Matyari Branch, Distt. Matyari**

Tel. No: (022) 2760125-6

**Sukkur Branch**

Tel. No: (071) 5622382 &amp; 5622925

**Sanghar Branch, Distt. Sanghar**

Tel. No: (0235) 543376-8

**Tando Adam Branch, Distt. Sanghar**

Tel. No: (0235) 571640-44

**Golarchi Branch, Distt. Badin**

Tel. No: (0297) 853193-4

**Talhar Branch, Distt. Badin**

Tel. No: (0297) 830389

**Deh. Sonhar Branch, Distt. Badin**

Tel. No: (0297) 810025-6

**Matli Branch**

Tel. No: (0297) 840171-2

**Buhara Branch, Distt. Thatta**

Tel. No: (0298) 613169

**Jati Town Branch, Distt. Thatta**

Tel. No: (0298) 777120 &amp; 129

**Hub Branch, Distt. Lasbela**

Tel. No: (0853) 310225-7

**Tando Allah Yar Branch**

Tel. No: (022) 3890262-3

**Sultanabad Branch, Distt. Tando Allah Yar**

Tel. No: (0233) 509649

**Shahdadpur Branch, Distt. Sanghar**

Tel. No: (0235) 841982 &amp; 4

**Umerkot Branch**

Tel. No: (0238) 571350 &amp; 571356

**Tando Bago Branch, Distt. Badin**

Tel. No: (0297) 854554-5

**Nawabshah Branch**

Tel. No: (0244) 363919

**Mirpurkhas Branch**

Tel. No: (0233) 876418-9

**Larkana Branch**

Tel. No: (074) 4058601-4

**Panjhatti Branch**

Tel. No: (0243) 552183-4

**Ghotki Branch**

Tel. No: (0723) 680305-6

**Deharki Branch**

Tel. No: (0723) 644157-8

**Thull Branch**

Tel. No: (0722) 610153-4

**Kandkhot Branch**

Tel. No: (0722) 572883-4

**Main Branch, Quetta**

Tel. No: (081) 2821610 &amp; 2821641

**Islamic Banking****Hazar Gunji Branch, Quetta**

Tel. No: (081) 2471985-6

**NORTH REGION****Main Branch, Peshawar**

Tel. No: (091) 5277914-6 &amp; 5277394

**Chowk Yadgar Branch, Peshawar**

Tel. No: (091) 2573335-6

**Islamic Banking****Khyber Bazar Branch, Peshawar**

Tel. No: (091) 2566812-3

**Main Branch, Rawalpindi**

Tel. No: (051) 5522901-3 &amp; 5700519

**Chandni Chowk Branch, Rawalpindi**

Tel. No: (051) 4455071-3

**22 Number Chungi Branch, Rawalpindi**

Tel. No: (051) 5563577-8

**Muslim Town Branch, Rawalpindi**

Tel. No: (051) 5405514 &amp; 5405509

**Pindora Branch, Rawalpindi**

Tel. No: (051) 4419020-22

**Gulraiz Branch, Rawalpindi**

Tel. No: (051) 5509690-2

**Bewal Br., Distt. Rawalpindi**

Tel. No: (051) 3360274-5

**Islamic Banking****Peshawar Road Br., Rawalpindi**

Tel. No: (051) 5460115-6

**Main Branch, Islamabad**

Tel. No: (051) 2277551, 2272460 &amp; UAN 111-567-890

**G-9 Markaz Branch, Islamabad**

Tel. No: (051) 2850171-3

**Islamic Banking****I-10 Markaz Branch, Islamabad**

Tel. No: (051) 4101733-5

**I-9 Markaz Branch, Islamabad**

Tel. No: (051) 4858101-3

**E-11 Branch, Islamabad**

Tel. No: (051) 2228756-9

**DHA Phase-II Br., Islamabad**

Tel. No: (051) 5161969 &amp; 5161970

**Islamic Banking****F-8 Markaz Branch, Islamabad**

Tel. No: (051) 2818019-21

**G-11 Markaz Branch, Islamabad**

Tel. No: (051) 2830152-4

**Lathrar Road Branch, Tarlai, Distt. Islamabad**

Tel. No: (051) 2241664-6

**Soan Garden Br., Distt. Islamabad**

Tel. No: (051) 5738942-4

**Gujar Khan Branch**

Tel. No: (051) 3516328 - 9

**Waisa Branch, Distt. Attock**

Tel. No: (057) 2651066-8

**Swabi Branch, Distt. Swabi**

Tel. No: (0938) 221741, 3 &amp; 4

**Topi Branch, Distt. Swabi**

Tel. No: (0938) 271614-6

**Mirpur Branch, (AJK)**

Tel. No: (05827) 444488 &amp; 448044

**Islamgarh Branch, (AJK)**

Tel. No: (05827) 423981-2

**Dadyal Branch, Distt. Mirpur (AJK)**

Tel. No: (05827) 465555 &amp; 465560-2

**Jattlan Branch, Distt. Mirpur (AJK)**

Tel. No: (05827) 403591-4

**Gilgit Branch**

Tel. No: (05811) 453749

**Denyore Branch, Distt. Gilgit**

Tel. No: (05811) 459986-7

**Jutial Branch, Distt. Gilgit**

Tel. No: (05811) 457233-5

**Aliabad Branch, Hunza**

Tel. No: (05813) 455000 & 455001

**Gahkuch Branch**

Tel. No: (05814) 450408-10

**Skardu Branch**

Tel. No: (05815) 450327 & 450189

**Mansehra Road Branch, Abbottabad**

Tel. No: (0992) 385231-3

**Jhelum Branch**

Tel. No: (0544) 625794-5

**Chitral Branch, Distt. Chitral**

Tel. No: (0943) 412078-9

**Chakwal Branch**

Tel. No: (0543) 543128-30

**Mardan Branch**

Tel. No: (0937) 864755-7

**Muzaffarabad Branch**

Tel. No: (0582) 2920025-6

**Islamic Banking**

**Chillas Branch, Distt. Diamer**

Tel. No: (05812) 450631-2

**Hattar Branch, Distt. Haripur**

Tel. No: (0995) 617152-3

# Soneri Bank Limited

**Registered Office:** Rupali House 241-242,  
Upper Mall Scheme, Anand Road, Lahore - 54000, Pakistan  
**Tel:** (042) 35713101-04

**Central Office:** 10th Floor, PNSC Building,  
M.T. Khan Road, Karachi - 74000, Pakistan  
**Tel:** (021) 32444401-5

**24/7 Phone Banking:** 021-111-SONERI (766374)  
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