



faysalbank



بي سي إف

2018

FIRST QUARTER

ENDED MARCH 31, 2018

UNAUDITED FINANCIAL STATEMENTS

# CONTENTS

Corporate Information	2
Directors' Review	4
Condensed Interim Statement of Financial Position	10
Condensed Interim Profit and Loss Account	11
Condensed Interim Statement of Comprehensive Income	12
Condensed Interim Statement of Changes in Equity	13
Condensed Interim Cash Flow Statement	14
Notes to and Forming part of the Condensed Interim Financial Information	15

Registered Office  
Faysal House, St-02, Sharah-e-Faisal, Karachi  
Tel: 021-32795200 Fax: 021-32795226

# CORPORATE INFORMATION

## Board of Directors

Mr. Farooq Rahmatullah Khan	Chairman/Non-Executive Director
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Vice Chairman/Non-Executive Director
Mr. Yousaf Hussain	President & CEO
Mian Muhammad Younis	Independent Director
Mr. Imtiaz Ahmad Pervez	Non-Executive Director
Mr. Juma Hasan Ali Abul	Non-Executive Director
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Non-Executive Director
Mr. Abdulla Abdulaziz Ali Taleb	Non-Executive Director
Mr. Fuad Azim Hashimi	Independent Director
Mr. Ali Munir	Independent Director

## Board Audit & Corporate Governance Committee

Mian Muhammad Younis	Chairman
Mr. Juma Hasan Ali Abul	Member
Mr. Ali Munir	Member

## Board Risk Management Committee

Mr. Imtiaz Ahmad Pervez	Chairman
Mr. Abdulelah Ebrahim Mohamed AlQasimi	Member
Mr. Abdulla Abdulaziz Ali Taleb	Member
Mr. Yousaf Hussain	Member

## Recruitment Nomination and Remuneration Committee

Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Chairman
Mr. Juma Hasan Ali Abul	Member
Mian Muhammad Younis	Member
Mr. Fuad Azim Hashimi	Member
Mr. Ali Munir	Member

## Board Strategy Committee

Mr. Farooq Rahmatullah Khan	Chairman
Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery	Member
Mr. Juma Hasan Ali Abul	Member
Mr. Fuad Azim Hashimi	Member
Mr. Yousaf Hussain	Member

# CORPORATE INFORMATION

## Board IT Committee

Mr. Ali Munir  
Mr. Abdulelah Ebrahim Mohamed AlQasimi  
Mr. Abdulla Abdulaziz Ali Taleb  
Mr. Yousaf Hussain

Chairman  
Member  
Member  
Member

## Syed Majid Ali

Chief Financial Officer

## Mr. Aurangzeb Amin

Company Secretary & Head of Legal

## M/s. A.F. Ferguson & Co, Chartered Accountants

Auditors

## M/s. Mohsin Tayebaly & Co, Advocate

Legal Advisors

## Registered Office

Faysal Bank Limited  
Faysal House, St-02, Commercial Lain,  
Main Shahrah-e-Faisal,  
Karachi-Pakistan

UAN : (92-21) 111-747-747  
Tel : (92-21) 3279-5200  
Fax : (92-21) 3279-5226  
Website: [www.faysalbank.com](http://www.faysalbank.com)

## Share Registrar

M/s. Central Depository Company of  
Pakistan Limited  
(Share Registrar Department)  
CDC House, 99-B, Block-B,  
SMCHS, Main Shahra-e-Faisal,  
Karachi-74400

Tel: (92-21) 111-111-500  
Fax: (92-21) 34326053  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)

# DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the Directors' Report of Faysal Bank Limited (FBL) along with financial statements for the quarter ended March 31, 2018.

## Company Profile:

Faysal Bank Limited (FBL) was incorporated in Pakistan on 3rd October, 1994 as a public limited company. The Bank's shares are listed on the Pakistan Stock Exchange. FBL footprint now spreads over 124 cities. FBL has 405 branches out of which 205 are conventional, 199 are Islamic branches and 01 sub branch. Bank has placed 408 ATM's all over the country for customer's ease and convenience. Bank's business assets are in excess of PKR 485 billion.

FBL is engaged in commercial, retail, corporate and Islamic banking activities. FBL has transformed branches into multi product selling centers from where almost all banking transactions can be executed.

FBL is on the path of transforming the bank into an Islamic Financial Institution. As a policy, all new branches are opened under Islamic umbrella while conversion of conventional branches to Islamic and assets conversion has commenced. Complete transformation to Islamic banking is being approached carefully ensuring that the profitability levels and growth momentum are not compromised.

The Bank is aware of its responsibilities with regard to environment protection and has undertaken the task of developing a comprehensive environment policy. Due care is given to environmental aspect before finalizing new projects. Also strict working hours are observed to benefit most from natural light and thereby save precious energy resources.

## Economic Update:

Amidst favorable inflationary environment, improved energy supply, recovery in Real Estate sector and strong credit growth, prospects of attaining an eleven year high growth for Pakistan remain strong. Recent policy measures including exchange rate adjustment in December and March, strong revenue collection and visible improvements in exports and remittances are expected to sustain growth momentum.

Average CPI inflation during July-Mar FY18 at 3.79% remains well under the FY18 target of 6.0% largely because of subdued food prices. However, core inflation, measured by non-food-non-energy inflation, standing at 5.8% in Mar'18, remains a concern going forward. Real Estate sector, on the other hand, is thriving well with agriculture sector expected to post positive growth for the second consecutive year. LSM growth during July-Jan FY18 clocked in at 6.3% compared to 3.6% in the corresponding period last year. This phenomenal growth in LSM and improvement in investment are linked in part to the China-Pakistan Economic Corridor (CPEC). As a result, near-term growth is expected to remain strong.

Major risk to Pakistan's medium term macroeconomic stability include current account and fiscal deficits resulting in declining foreign exchange reserves and debt-related vulnerabilities. Such concerns demand structural policy changes that would result in fiscal consolidation and private sector led inclusive growth. As per the recent IMF Post Program Monitoring Report, Pakistan's

# DIRECTORS' REVIEW

Net International Reserves have declined from \$ 7.5 billion at the end of IMF Programme to negative \$ 0.7 billion in mid-February 2018. With a July-Feb FY18 current account deficit standing at \$10.8 billion already and a drop in private and official financial inflows, a significant burden of financing current account deficit remains on country's FX reserves. Fiscal deficit too, remains a challenge with first half of FY18 figure of 2.2% of GDP. Despite a strong growth in tax and non-tax revenue collection, fiscal deficit for FY18 is expected to fall between 5-6% of GDP as per SBP projection.

Bank foresees gradual resurgence in inflation due to growing aggregate demand and fiscal deficit. The USD/PKR parity and KIBOR will remain under significant pressure and interest rates are likely to move upward in near future.

Going forward, continued exchange rate flexibility to safeguard external buffers, monetary tightening and stronger fiscal discipline is required to help curtail external imbalances and fiscal slippages. It will be interesting to see how the outgoing government handles the prevailing economic issues in order to promote higher and more inclusive growth. Entering IMF Program for yet another bailout seems more probable as time progresses.

## Bank's Performance:

FBL is pursuing a well-defined strategy with focus on technological advancement to support digital banking, asset growth, cost efficiency and transformation to Islamic banking.

Some of the milestones achieved during the period under review are as follows:

### *Project Financing & Syndication*

- FBL, acting as a mandated lead advisor & arranger, arranged long term financing of PKR 1.704 billion under the Islamic and Conventional mode of financing. The proceeds will be utilized for setting up a plant for assembling / progressive manufacturing of Vans and Pickups by a renowned automobile manufacturing entity in technical collaboration with a top tier Chinese brand.
- FBL, acting as a mandated lead advisor & arranger, arranged long term financing of PKR 3.240 billion under the Islamic and Conventional mode of financing. The proceeds will be utilized to enhance existing plant capacity of renowned flat-rolled steel manufacturing entity.
- FBL, acting as a mandated lead advisor & arranger, arranged working capital/ running finance facility of PKR 1.650 billion under the Conventional mode of financing for a 67 MW bagasse based Independent Power Producer (IPP).

### *Product Development & New Initiatives*

- Faysal Bank is the 1st Bank to launch Mobit Virtual Card in partnership with MasterCard, allowing customers to make worldwide online / e-commerce transactions. This is a stored value digital card that provides secure and convenient e-commerce solutions.

## DIRECTORS' REVIEW

- Faysal bank E-Banking team in collaboration with Cash Management has teamed up with KuickPay to provide online real-time payments for institutions, schools and e-commerce sites on Internet Banking.
- Our clients were provided IPS account functioning through Mobit internet banking.
- Wealth Management product menu was expanded with the launch of new offerings namely Saving Plan and Saving Plan Plus in collaboration with Jubilee Life Insurance to cater for the needs of medium to long term investors.
- Barkat Islamic Banking's product suite was made more comprehensive by adding following new products namely:
  - Barkat Running Musharaka variant for Islamic Export Refinance
  - Barkat Muntazim Monthly Saving Account
  - Barkat PayChq Plus (Payroll)
- Strategic alliance with Honda Atlas Cars Pakistan Limited was signed to strengthen quality portfolio and to benefit customers by providing them with value added services.
- Loan for Professionals such as Doctors, Chartered Accountants, Engineers, Professors & Architects etc, was introduced under "PIL for Professionals" brand name with reduced markup rate.
- Highest spending & Ending Net Receivables (ENR) growth was witnessed in Credit Cards. Spending and ENR recorded 24% & 18% growth over last year, respectively.

### *Training & Development*

- FBL launched its Management Trainee Program "Search For The Best" for the first time which received a huge response in the job market with over 12,000 applications received.
- Participants have been trained on various induction programs including Islamic Banking Certification Program, Online Cyber Security Program and Ethics & Values.
- The Bank also launched its signature "Trainee Branch Services Officers induction program" in Karachi, Lahore, Faisalabad, Multan and Rawalpindi / Islamabad.
- Islamic Banking Level-1 Module 1 training was held in Faisalabad for CBSME and CIBG staff.

### *Corporate Social Responsibility*

- CAAML staff visited Ida Rieu Welfare Association to spend time with the children in the school.



## DIRECTORS' REVIEW

- For evaluation and enlistment with FBL Waqf Fund, CSR team visited Friends of Pink Ribbon, Behbud Association and Hope Uplift Foundation.

### Investment in Faysal Asset Management Limited:

Subsequent to the year end, the Board of Directors' approved an investment of Rs. 225 million in Faysal Asset Management Company Limited (FAML) to increase its shareholding from 30% to 80% through acquisition of 50% shareholding of FAML from Islamic Investment Company of the Gulf (Bahamas) Limited. This process of acquisition is expected to complete by June 30, 2018.

### Future Outlook:

In line with the Bank's strategic decision of gradual transformation into an Islamic Bank, 50 new Islamic branches were opened in 2017 with a plan to add another 50 Islamic branches in 2018. New products in line with customer's requirements are being developed to convert conventional assets to Islamic.

The Bank is in growth mode and building its loan book with primary focus on Corporate, Small & Medium (SME) segment and Consumer Finance. New relationships are being developed across all business segments.

The Bank has been able to enhance capacity in the areas of Human Resource and Product Development to facilitate its conversion to Islamic banking process and fuel growth momentum. We are focusing on Digital Banking in order to provide secure, state of the art and user-friendly banking services to our customers at rationalized cost.

### Financial Highlights:

	March 2018	March 2017
	PKR in Million	
Operating Profit	1,689	2,653
Reversal for non-performing advances	330	233
Reversal for diminution in value of investments	11	44
Provision against off balance sheet obligations	(28)	-
	313	277
Profit before tax	2,002	2,930
Provision for taxation	(785)	(1,062)
Profit after tax	1,217	1,868
Earnings per share – Rupees	0.92	1.42



## DIRECTORS' REVIEW

Branch network expansion has started generating business from new clientele with a focus on low cost CASA deposits. Deposits have increased by PKR 11.4 billion during the quarter taking the overall level to PKR 384.5 billion with CASA ratio standing at 69.7%. Advances are also showing a healthy growth of PKR 21.8 billion mainly in the segments of corporate and consumer financing. In view of pressure on earning spreads the bank focused on increasing its lending book and reducing cost of deposits.

Strict credit monitoring and aggressive follow up from delinquent clients have led to reversal of provisions of PKR 313 million against of PKR 277 million in the corresponding period last year. Non-Performing Loans (NPL) coverage through provisions stands at healthy 85.7%.

Control over administrative expenses has assisted in rationalizing costs to just 10.9% despite increase branch network and the impact of inflation.

The bank has earned Profit after Tax of PKR 1.217 billion in the first quarter of 2018 as against PKR 1.868 billion of corresponding year. The decrease in profit is primarily due to one off capital gain earned on government securities amounting to PKR 0.96 billion in first quarter of 2017. Despite maturity of high interest rates PIB's last year and continuous difficulty on earning spreads due to low interest rate scenario, your bank's strategy of increasing its low cost deposits through increase in branch network and increasing financing to corporate sector at decent spreads, has resulted in maintaining the Net Interest Margin close to corresponding period of 2017. The Bank also increase its core revenue from Non Fund based business by 18% over corresponding year. The State Bank of Pakistan during the quarter ended March 31, 2018 has increased discount rate by 25 bps which is likely to provide marginal relief to the banks.

### Credit Rating:

JCR-VIS Credit Rating Company Limited (JCR) and Pakistan Credit Rating Agency Limited (PACRA) have re-affirmed the following entity ratings as of December 31, 2016:

Long-Term	AA
Short-Term	A1+

Stable outlook has been assigned to the ratings by both the rating agencies. Definitions of JCR-VIS for the assigned ratings are reproduced below:

"AA: High credit quality. Protection factors are strong. Risk is modest but may vary slightly from time to time because of economic conditions.

A1+: High certainty of timely payment. Short term liquidity including internal operating factors and/or access to alternative sources of funds is outstanding and safety is just below risk free Government of Pakistan short-term obligations."

Definitions of PACRA for the assigned ratings are reproduced below:

## DIRECTORS' REVIEW

"AA: Very high credit quality. AA rating denotes a very low expectation of credit risk. It indicates very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A1+: Obligations supported by the highest capacity for timely repayment."

### Acknowledgement:

On behalf of the Board & Management of the Bank, we would like to take this opportunity to thank the shareholders and clients for the trust they have reposed in the Bank. We are also grateful to the State Bank of Pakistan, Securities and Exchange Commission of Pakistan for their continued support and guidance and to our valued customers for their patronage. We would also like to express sincere appreciation for the Shariah Board and employees of the Bank for their dedication and hard work.

President & CEO

Chairman

Karachi

Dated: April 25, 2018

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2018

	Note	Un-audited March 31, 2018	Audited December 31, 2017
----- Rupees '000 -----			
<b>ASSETS</b>			
Cash and balances with treasury banks		33,992,297	37,861,767
Balances with other banks	9	1,411,678	1,872,771
Lendings to financial institutions	10	26,557,068	9,010,335
Investments	11	141,885,351	179,706,358
Advances	12	253,381,964	231,532,160
Operating fixed assets	13	12,847,540	12,939,625
Deferred tax assets - net		1,625,189	1,607,625
Other assets		13,046,693	13,496,266
		<b>484,747,780</b>	<b>488,026,907</b>
<b>LIABILITIES</b>			
Bills payable		8,083,830	7,304,326
Borrowings		34,096,608	54,788,547
Deposits and other accounts	14	384,494,543	373,081,163
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities - net		-	-
Other liabilities		17,636,387	13,620,595
		<b>444,311,368</b>	<b>448,794,631</b>
<b>NET ASSETS</b>		<b>40,436,412</b>	<b>39,232,276</b>
<b>REPRESENTED BY</b>			
Share capital		13,197,361	13,197,361
Reserves		9,884,725	7,936,338
Unappropriated profit		11,743,307	12,527,973
		<b>34,825,393</b>	<b>33,661,672</b>
Surplus on revaluation of assets - net of tax		5,611,019	5,570,604
		<b>40,436,412</b>	<b>39,232,276</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	15		

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

DIRECTOR

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

FOR THE QUARTER ENDED MARCH 31, 2018

		Quarter ended	
	Note	March 31, 2018	March 31, 2017
		----- Rupees '000 -----	
Mark-up / return / interest earned		7,224,092	6,908,872
Mark-up / return / interest expensed		3,844,034	3,395,850
Net mark-up / interest income		3,380,058	3,513,022
Reversal of provision against non-performing loans and advances - net	12.2	(331,670)	(222,306)
Provision for consumer loans - general	12.3	27,911	18,543
Provision against off balance sheet obligations		28,320	-
Reversal of provision for diminution in value of investments - net	11.5	(11,464)	(43,775)
Recoveries against written-off debts - net		(25,975)	(29,560)
		(312,878)	(277,098)
Net mark-up / interest income after provisions		3,692,936	3,790,120
<b>Non mark-up / interest income</b>			
Fee, commission and brokerage income		766,072	702,141
Dividend income		15,232	13,585
Income from dealing in foreign currencies		408,677	289,255
Gain on sale of securities - net		266,173	965,252
Unrealised gain / (loss) on revaluation of investments classified as held for trading - net		1,613	(2,085)
Other income		66,112	66,255
Total non mark-up / interest income		1,523,879	2,034,403
		5,216,815	5,824,523
<b>Non mark-up / interest expenses</b>			
Administrative expenses		3,135,434	2,825,791
Other provisions - net		-	-
Other charges		76,644	59,809
Total non mark-up / interest expenses		3,212,078	2,885,600
		2,004,737	2,938,923
Share of loss of associate	11.4.1	(2,598)	(8,608)
Extraordinary / unusual items		-	-
<b>Profit before taxation</b>		2,002,139	2,930,315
Taxation - Current		730,465	1,023,879
- Prior years		65,000	36,535
- Deferred		(10,529)	2,135
		784,936	1,062,549
<b>Profit after taxation</b>		1,217,203	1,867,766
----- Rupees -----			
<b>Basic earnings per share</b>	16	0.92	1.42

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

DIRECTOR

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

FOR THE QUARTER ENDED MARCH 31, 2018

	Quarter ended	
	March 31, 2018	March 31, 2017
	----- Rupees '000 -----	
<b>Profit after taxation for the period</b>	<b>1,217,203</b>	1,867,766
<b>Other comprehensive income:</b>		
Items that will not be reclassified to profit and loss account	-	-
<b>Comprehensive income transferred to equity</b>	<b>1,217,203</b>	1,867,766
<b>Items that may be reclassified subsequently to profit and loss account</b>		
<b>Components of comprehensive income not reflected in equity</b>		
- Net change in value of available for sale securities	27,923	(779,739)
- Deferred tax on change in value of available for sale securities	(9,773)	272,908
	<b>18,150</b>	(506,831)
<b>Total comprehensive income</b>	<b>1,235,353</b>	1,360,935

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

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# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED MARCH 31, 2018

Particulars	Share capital	Reserves					Statutory reserve	Sub Total	Unappropriated profit	Total
		Capital			Share premium	Reserve arising on amalgamation				
		Reserve for issue of bonus shares	Non-distributable capital reserve (NCR) - gain on bargain purchase (note 3.7)							
Rupees '000										
Balance as at January 1, 2017 (audited)	11,997,601	-	10,131	881,740	23,952	6,242,425	7,158,248	9,985,870	29,141,719	
Transfer to surplus on revaluation of fixed assets - net of tax due to change in accounting policy	-	-	-	-	-	-	-	(50,820)	(50,820)	
Balance as at January 1, 2017 (audited) - restated	11,997,601	-	10,131	881,740	23,952	6,242,425	7,158,248	9,935,050	29,090,899	
Transfer to reserve for issue of bonus shares	-	1,199,760	-	-	-	-	1,199,760	(1,199,760)	-	
Profit after taxation for the quarter ended March 31, 2017	-	-	-	-	-	-	-	1,867,766	1,867,766	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	-	-	-	1,867,766	1,867,766	
Amortisation of intangible assets - customer relationship - net of tax	-	-	-	(31,217)	-	-	(31,217)	-	(31,217)	
Transfer from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	17,497	17,497	
Balance as at March 31, 2017 (un-audited) - restated	11,997,601	1,199,760	10,131	850,523	23,952	6,242,425	8,326,791	10,620,553	30,944,945	
Total comprehensive income for the period from April 1, 2017 to December 31, 2017										
Profit after taxation for the period	-	-	-	-	-	-	-	2,655,378	2,655,378	
Other comprehensive income for the period	-	-	-	-	-	-	-	25,375	25,375	
Total comprehensive income for the period	-	-	-	-	-	-	-	2,680,753	2,680,753	
Bonus shares issued	1,199,760	(1,199,760)	-	-	-	-	(1,199,760)	-	-	
Amortisation of intangible assets - customer relationship - net of tax	-	-	-	(93,650)	-	-	(93,650)	-	(93,650)	
Transfer to statutory reserve	-	-	-	-	-	902,957	902,957	(902,957)	-	
Transfer from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	52,493	52,493	
Transfer from surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	34,493	34,493	
Balance as at December 31, 2017 (audited) - restated	13,197,361	-	10,131	756,873	23,952	7,145,382	7,936,338	12,485,335	33,619,034	
Transfer to reserve for issue of bonus shares	-	1,979,604	-	-	-	-	1,979,604	(1,979,604)	-	
Profit after taxation for the quarter ended March 31, 2018	-	-	-	-	-	-	-	1,217,203	1,217,203	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	-	-	-	1,217,203	1,217,203	
Amortisation of intangible assets - customer relationship - net of tax	-	-	-	(31,217)	-	-	(31,217)	-	(31,217)	
Transfer from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	20,373	20,373	
Balance as at March 31, 2018 (un-audited)	13,197,361	1,979,604	10,131	725,656	23,952	7,145,382	9,884,725	11,743,307	34,825,393	

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

DIRECTOR

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2018

	March 31, 2018	March 31, 2017
	-----Rupees '000-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,002,139	2,930,315
Less: Dividend income	(15,232)	(13,585)
	<u>1,986,907</u>	<u>2,916,730</u>
<b>Adjustments for non-cash and other items:</b>		
Depreciation	215,919	186,671
Amortisation	48,513	45,144
Depreciation on non-banking assets	3,564	3,159
Workers' Welfare Fund	76,644	59,802
(Reversal of provision) / provision against non-performing loans and advances - net	(331,670)	(222,306)
Provision for consumer and small enterprise loans - general - net	27,911	18,543
Reversal of provision for diminution in value of investments - net	(11,464)	(43,775)
Other provisions - net	-	-
Provision against off balance sheet obligations	28,320	-
Unrealised gain on revaluation of investments classified as held for trading - net	(1,613)	2,085
Net gain on disposal of property and equipment	(4,773)	(48)
Charge for defined benefit plan	30,905	28,654
Amortisation of prepaid employee benefits	-	-
Recoveries against written-off debts	(25,975)	(29,560)
Loss / (income) from derivative contracts - net	(18,140)	-
Share of loss of associate	2,598	8,608
	<u>40,739</u>	<u>56,977</u>
	<u>2,027,646</u>	<u>2,973,707</u>
<b>(Increase) / decrease in operating assets</b>		
Lendings to financial institutions	(17,546,733)	5,000,000
Held for trading securities	24,585,861	(20,387,258)
Advances - net	(21,520,070)	6,084,923
Other assets	259,452	1,195,004
	<u>(14,221,490)</u>	<u>(8,107,331)</u>
<b>Increase / (decrease) in operating liabilities</b>		
Bills payable	779,504	7,680
Borrowings	(20,758,485)	1,117,186
Deposits and other accounts	11,413,380	(2,663,747)
Other liabilities	3,978,649	(247,549)
	<u>(4,586,952)</u>	<u>(1,786,430)</u>
	<u>(16,780,796)</u>	<u>(6,920,054)</u>
Income tax paid	(716,294)	(544,925)
<b>Net cash (used in) / generated from operating activities</b>	<u>(17,497,090)</u>	<u>(7,464,979)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net divestment / (investment) in available for sale securities	12,974,017	4,177,086
Net divestment / (investment) in held to maturity securities	299,532	14,105
Dividend income received	15,909	23,766
Investment in operating fixed assets	(216,498)	(377,334)
Proceeds realised on disposal of operating fixed assets	6,043	60
<b>Net cash generated from / (used in) investing activities</b>	<u>13,079,003</u>	<u>3,837,683</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments of sub-ordinated loan	-	-
Dividends paid	20,978	(112)
<b>Net cash used in financing activities</b>	<u>20,978</u>	<u>(112)</u>
<b>Increase in cash and cash equivalents</b>	<u>(4,397,109)</u>	<u>(3,627,408)</u>
Cash and cash equivalents at the beginning of the period	39,488,907	37,855,935
<b>Cash and cash equivalents at the end of the period</b>	<u>35,091,798</u>	<u>34,228,527</u>

The annexed notes 1 to 22 form an integral part of this condensed interim financial information.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

DIRECTOR



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

FOR THE QUARTER ENDED MARCH 31, 2018

## 1 STATUS AND NATURE OF BUSINESS

- 1.1** Faysal Bank Limited (the Bank) was incorporated in Pakistan on October 3, 1994 as a public limited company under the provisions of the Companies Ordinance, 1984. Its shares are listed on the Pakistan Stock Exchange Limited. The Bank is mainly engaged in Corporate, Commercial and Consumer banking activities. The Bank has a network of 405 branches (December 31, 2017: 405); including 199 Islamic banking branches (December 31, 2017: 197) and 1 Islamic sub-branch (December 31, 2017: 1) in Pakistan.

The Registered Office of the Bank is located at Faysal House, ST-02, Shahra-e-Faisal, Karachi.

Ithmaar Bank B.S.C (closed), a fully owned subsidiary of Ithmaar Holdings B.S.C is the parent company of the Bank, holding directly and indirectly 66.78% (December 31, 2017: 66.78%) of the shareholding of the Bank. Dar Al-Maal Al-Islami Trust (DMIT), (ultimate parent of the Bank) is the holding company of Ithmaar Holdings B.S.C.

- 1.2** Based on the financial statements of the Bank for the year ended December 31, 2016, the Pakistan Credit Rating Agency Limited (PACRA) and JCR-VIS Credit Rating Company Limited have determined the Bank's long-term rating as 'AA' (December 31, 2015: 'AA') and the short term rating as 'A1+' (December 31, 2015: 'A1+').

## 2 BASIS OF PRESENTATION

- 2.1** In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in 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.
- 2.2** The 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 key financial figures of Islamic banking branches are disclosed in note 20 to this condensed interim financial information.

## 3 STATEMENT OF COMPLIANCE

- 3.1** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017, the requirements of the Companies Act, 2017, the requirements of the Banking Companies Ordinance, 1962, or the directives issued by the SECP and the SBP. Wherever the requirements of the Companies Act, 2017, the Banking Companies Ordinance, 1962, the IFAS notified under the Companies Act, 2017 or the directives issued by the SECP and the SBP differ with the requirements of IFRSs, the requirements of the Companies Act, 2017, the Banking Companies Ordinance, 1962, IFAS notified under the Companies Act, 2017, or the requirements of the said directives issued by the SECP and the 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 August 26, 2002 till further instructions. Further, the SECP has also deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' through its S.R.O. 633(I)/2014 dated July 10, 2014. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 3.3** IFRS 8, 'Operating Segments' is effective for the Bank's accounting period beginning on or after January 1, 2009. All banking companies in Pakistan are required to prepare their annual financial statements in line with the format prescribed under BSD Circular No. 4 dated February 17, 2006, 'Revised Forms of Annual Financial Statements', effective from the accounting year ended December 31, 2006. The management of the Bank believes that as the SBP has defined the segment categorisation in the above mentioned circular, the SBP's requirements prevail over the requirements specified in IFRS 8. Accordingly, segment information disclosed in these financial statements is based on the requirements laid down by the SBP.
- 3.4** The SBP vide its BSD Circular No. 07 dated April 20, 2010 has clarified that for the purpose of preparation of the financial statements in accordance with International Accounting Standard - 1 (Revised), 'Presentation of Financial

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

FOR THE QUARTER ENDED MARCH 31, 2018

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, only the surplus / (deficit) on revaluation of available for sale (AFS) securities, 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 these financial statements.

- 3.5** The SECP has directed that the requirements of IFRS 10, 'Consolidated Financial Statements' are not applicable in case of investments by Companies in mutual funds established under Trust Deed structure. Accordingly, implications of IFRS 10 in respect of mutual funds are not considered in the preparation of this condensed interim financial information.
- 3.6** 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 May 12, 2004 and the requirements of 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 December 31, 2017.
- 3.7** As per the directive of the SBP through its letter BPRD (R&P-02)/625-99/2011/3744 dated March 28, 2011, gain arising on bargain purchase of Pakistan operations of Royal Bank of Scotland (ex-RBS Pakistan) was credited directly into equity as Non-Distributable Capital Reserve (NCR). The SBP allowed the Bank to adjust the amortisation of intangible assets against the portion of reserve which arose on account of such assets. Accordingly, during the period ended March 31, 2018 the Bank has adjusted amortisation of intangible assets amounting to Rs. 31.217 million (net of tax) from the Non-distributable Capital Reserve.
- 3.8** The SBP vide its BPRD Circular No. 04 dated February 25, 2015 has clarified that the reporting requirements of IFAS-3 for Institutions offering Islamic Financial Services (IIFS) relating to annual, half yearly and quarterly financial statements would be notified by SBP through issuance of specific instructions and uniform disclosure formats in consultation with (IIFS). These reporting requirements have not been ratified to date. Accordingly, the disclosure requirements under IFAS 3 have not been considered in this condensed interim financial information.

## 3.9 Change in Accounting Policy

The Bank has changed its accounting policy effective from January 01, 2018 for recording of surplus / (deficit) on revaluation of fixed assets as per the requirements of Companies Act, 2017. This is explained as follows:

With effect from January 01, 2018 the new Companies Act, 2017 is applicable on all companies. This Act does not prescribe the treatment for accounting of surplus/(deficit) on account of revaluation of Fixed Assets which were previously being accounted for under section 235 of the repealed Companies Ordinance, 1984 ("the repealed ordinance"). Therefore, the accounting for surplus / (deficit) would be governed through International Accounting Standard 16 – "Property, Plant and Equipment". As per the standard, deficit on revaluation can only be offset against previously recognised surplus against the same asset. Previously, under the repealed ordinance this deficit was allowed to be set-off against the surplus of another asset in the same category of operating fixed assets. Accordingly, any deficit on a particular fixed asset against which there is no previously recognised surplus, would be charged to the Profit and Loss account. As this is a change in accounting policy the change, has been applied retrospectively as per the International Accounting Standard 8 – "Accounting Policies, Changes in Accounting Estimates and Errors".

The impact of the above change in accounting policy on Bank's Financial Statements is summarised below:

	December 31, 2017	December 31, 2016
	-----Rupees '000-----	
<b>Impact on Statement of Financial Position</b>		
Increase / (decrease) in Surplus on revaluation of assets - net of tax	(8,182)	50,820
<b>Impact on Profit and Loss Account</b>		
(Increase) / decrease in other charges	11,340	21,250
(Increase) / decrease in taxation	(2,982)	(4,785)
<b>Impact on Statement of Changes in Equity</b>		
Increase / (decrease) in un-appropriated profit	8,182	(50,820)
<b>Increase / (decrease) in earning per share (Rupees)</b>	<b>0.01</b>	0.01

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

FOR THE QUARTER ENDED MARCH 31, 2018

## 3.10 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period:

There are certain new and amended standards and interpretations that are mandatory for the Bank's accounting periods beginning on or after January 1, 2018 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are, therefore, not disclosed in these condensed interim financial information.

## 4 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention, except that certain fixed assets and non-banking assets acquired in satisfaction of claims are carried at revalued amounts and certain investments and derivative contracts 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.

## 5 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.

## 6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied 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 December 31, 2017 except for the changes as disclosed in note 3.9 of this condensed interim financial information.

## 7 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgments 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 December 31, 2017.

## 8 FINANCIAL RISK MANAGEMENT

The Bank's Financial Risk Management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2017.

	Note	Un-audited March 31, 2018	Audited December 31, 2017
		----- Rupees '000 -----	
<b>9 BALANCES WITH OTHER BANKS</b>			
In Pakistan			
- Current accounts		956,954	1,488,379
Outside Pakistan			
- Current accounts		454,724	384,392
		<u>1,411,678</u>	<u>1,872,771</u>
<b>10 LENDINGS TO FINANCIAL INSTITUTIONS</b>			
Call money lending		-	3,000,000
Repurchase agreement lendings	10.1	26,557,068	6,010,335
		<u>26,557,068</u>	<u>9,010,335</u>

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

FOR THE QUARTER ENDED MARCH 31, 2018

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

	Un-audited March 31, 2018			Audited December 31, 2017		
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
	Rupees'000					
Market Treasury Bills	13,557,068	-	13,557,068	-	-	-
Pakistan Investment Bonds	13,000,000	-	13,000,000	6,010,335	-	6,010,335
	<u>26,557,068</u>	<u>-</u>	<u>26,557,068</u>	<u>6,010,335</u>	<u>-</u>	<u>6,010,335</u>

## 11 INVESTMENTS

### 11.1 Investments by type

	Un-audited March 31, 2018			Audited December 31, 2017		
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral	Total
	Rupees'000					
<b>Held for trading securities</b>						
Market Treasury Bills	8,600,979	-	8,600,979	30,128,496	-	30,128,496
Pakistan Investment Bonds	252,068	-	252,068	3,434,749	-	3,434,749
Fully paid up ordinary shares / certificates of closed end mutual funds	124,337	-	124,337	-	-	-
	<u>8,977,384</u>	<u>-</u>	<u>8,977,384</u>	<u>33,563,245</u>	<u>-</u>	<u>33,563,245</u>
<b>Available for sale securities</b>						
Market Treasury Bills	97,186,592	-	97,186,592	67,292,593	26,426,198	93,718,791
Pakistan Investment Bonds	1,893,381	2,653,992	4,547,373	19,232,587	-	19,232,587
GOP Ijara Sukuk Bonds	6,311,530	-	6,311,530	6,312,055	-	6,312,055
Sukuk	6,810,965	-	6,810,965	6,187,132	-	6,187,132
Units of open end mutual funds						
- Faysal Stock Fund *	37,480	-	37,480	37,480	-	37,480
- Faysal Income Growth Fund *	257,544	-	257,544	257,544	-	257,544
- Faysal Savings Growth Fund *	680,606	-	680,606	680,606	-	680,606
- Faysal Islamic Savings Growth Fund *	189,432	-	189,432	189,432	-	189,432
- Faysal Money Market Fund *	200,000	-	200,000	200,000	-	200,000
- Faysal Financial Sector Opportunity Fund *	15,000	-	15,000	15,000	-	15,000
Fully paid up ordinary shares / modaraba certificates / certificates of closed end mutual funds	2,996,789	-	2,996,789	5,376,689	-	5,376,689
Fully paid up preference shares	22,490	-	22,490	22,490	-	22,490
Term finance certificates	620,914	-	620,914	620,926	-	620,926
	<u>117,222,723</u>	<u>2,653,992</u>	<u>119,876,715</u>	<u>106,424,534</u>	<u>26,426,198</u>	<u>132,850,732</u>
<b>Held to maturity securities</b>						
Pakistan Investment Bonds	-	-	-	-	-	-
Term finance certificates	1,797,856	-	1,797,856	1,924,910	-	1,924,910
Sukuk	14,621,763	-	14,621,763	14,794,241	-	14,794,241
	<u>16,419,619</u>	<u>-</u>	<u>16,419,619</u>	<u>16,719,151</u>	<u>-</u>	<u>16,719,151</u>
<b>Associate *</b>						
Fully paid up ordinary shares of Faysal Asset Management Limited	20,571	-	20,571	23,169	-	23,169
	<u>142,640,297</u>	<u>2,653,992</u>	<u>145,294,289</u>	<u>156,730,099</u>	<u>26,426,198</u>	<u>183,156,297</u>
Less: Provision for diminution in the value of investments	(3,437,312)	-	(3,437,312)	(3,448,776)	-	(3,448,776)
<b>Investments (net of provisions)</b>	<u>139,202,985</u>	<u>2,653,992</u>	<u>141,856,977</u>	<u>153,281,323</u>	<u>26,426,198</u>	<u>179,707,521</u>
Deficit on revaluation of investments classified as held for trading - net	(1,778)	-	(1,778)	(3,392)	-	(3,392)
Surplus / (deficit) on revaluation of investments classified as available for sale - net	44,861	(14,709)	30,152	2,282	(53)	2,229
<b>Total investments - net</b>	<u>139,246,068</u>	<u>2,639,283</u>	<u>141,885,351</u>	<u>153,280,213</u>	<u>26,426,145</u>	<u>179,706,358</u>

\* related parties

**11.2** These include an investment of the Bank in unlisted shares of DHA Cogen Limited (DHA) (a related party of the Bank) representing 19.1% (2016: 19.1%) equity holding of DHA. The Bank acquired these equity shares in 2013 by exercising its rights over pledged shares of DHA after eventual non-compliance by DHA in respect of 'Rehabilitation and Standstill Agreement' made between the consortium banks (including the Bank) and DHA for repayment of liabilities.

**11.3** These include an amount of Rs 50 million issued to 1Link (Guarantee) Limited as part of the Bank's commitment towards capital injection on its conversion to a private limited company subject to regulatory approvals.

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

FOR THE QUARTER ENDED MARCH 31, 2018

**11.4** Investment of the Bank in Faysal Asset Management Limited (FAML) has been accounted for under the equity method of accounting as per the requirement of IAS 28 - Investment in associates and joint ventures. The Bank's share of post acquisition profit or loss is recognised using the latest available un-audited financial statements of FAML which relate to the period ended March 31, 2018 with a corresponding adjustment to the carrying amount of investment. The Bank is in the process of increasing its shareholding in FAML by acquiring 50% shareholding from Islamic Investment Company of the Gulf (Bahamas) Limited. This process is expected to be completed by June 30, 2018. The details of the Bank's investment, post acquisition changes and certain other details relating to FAML are as under:

	Note	Un-audited March 31, 2018	Audited December 31, 2017
		----- Rupees '000 -----	
<b>11.4.1 Faysal Asset Management Limited - percentage holding 30% (December 31, 2017: 30%)</b>			
At January 1		23,169	46,032
Post acquisition changes during the period / year			
- Recognised in the profit and loss account		(2,598)	(22,863)
Closing balance		20,571	23,169
Cost of investment		45,000	45,000

## 11.4.2 Particulars of the assets and liabilities of the associate

Revenue for the period / year	28,285	127,835
Net loss for the period / year	(11,554)	(76,211)
Total assets	118,642	122,220
Liabilities	50,072	44,991
Net assets	68,570	77,229
Percentage (%) holding of the Bank	30%	30%
Share of net assets of the Bank	20,571	23,169

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

Opening balance	3,448,776	3,265,833
Charge for the period / year	-	241,861
Reversals during the period / year	(11,464)	(58,918)
	(11,464)	182,943
Closing balance	3,437,312	3,448,776

## 12 ADVANCES

Loans, cash credits, running finances, etc. - in Pakistan	215,910,838	195,457,819
Net investment in finance lease - in Pakistan	7,273,299	8,151,355
	223,184,137	203,609,174
Bills discounted and purchased (excluding government treasury bills)		
- Payable in Pakistan	2,804,924	4,981,410
- Payable outside Pakistan	1,145,183	1,256,750
	3,950,107	6,238,160
Islamic financing and related assets	50,144,604	45,891,693
Margin financing / reverse repo transactions	88,200	88,200
Gross advances	277,367,048	255,827,227
Provision against non-performing advances	12.1 & 12.2 (23,388,507)	(23,726,401)
Provision against consumer and small enterprise loans - general	12.3 (596,577)	(568,666)
	(23,985,084)	(24,295,067)
Advances - net of provision	253,381,964	231,532,160

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

FOR THE QUARTER ENDED MARCH 31, 2018

- 12.1** Advances includes Rs. 27,291 million (December 31, 2017: Rs. 27,321 million) which have been placed under non-performing status as detailed below:

Particulars	Note	March 31, 2018 (Un-audited)								
		Classified Advances			Provision required			Provision held		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
----- Rupees '000 -----										
<b>Category of classification</b>										
Other Assets Especially										
Mentioned (OAE)M	12.1.1	164,566	-	164,566	24	-	24	24	-	24
Substandard		1,587,665	-	1,587,665	286,830	-	286,830	286,830	-	286,830
Doubtful		872,902	-	872,902	308,077	-	308,077	308,077	-	308,077
Loss		24,665,561	-	24,665,561	22,793,576	-	22,793,576	22,793,576	-	22,793,576
		<u>27,290,694</u>	<u>-</u>	<u>27,290,694</u>	<u>23,388,507</u>	<u>-</u>	<u>23,388,507</u>	<u>23,388,507</u>	<u>-</u>	<u>23,388,507</u>

Particulars	Note	December 31, 2017 (Audited)								
		Classified Advances			Provision required			Provision held		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
----- Rupees '000 -----										
<b>Category of classification</b>										
Other Assets Especially										
Mentioned (OAE)M	12.1.1	216,407	-	216,407	-	-	-	-	-	-
Substandard		1,145,491	-	1,145,491	198,828	-	198,828	198,828	-	198,828
Doubtful		872,296	-	872,296	281,053	-	281,053	281,053	-	281,053
Loss		25,086,882	-	25,086,882	23,246,520	-	23,246,520	23,246,520	-	23,246,520
		<u>27,321,076</u>	<u>-</u>	<u>27,321,076</u>	<u>23,726,401</u>	<u>-</u>	<u>23,726,401</u>	<u>23,726,401</u>	<u>-</u>	<u>23,726,401</u>

- 12.1.1** This represents non-performing portfolio of agricultural, housing and small enterprise financing classified as OAE)M as per the requirements of the Prudential Regulations for agricultural, housing and small enterprise financing issued by the SBP.

Un-audited  
March 31,  
2018

Audited  
December 31,  
2017

## 12.2 Particulars of provision against non-performing advances

----- Rupees '000 -----

<b>Opening balance</b>	<b>23,726,401</b>	24,530,264
- Charge during the period / year	<u>279,008</u>	1,335,926
- Reversals during the period / year	<u>(610,678)</u>	(2,026,626)
Net reversal	<u>(331,670)</u>	(690,700)
Transfer of provision	-	22,214
Amounts written off	<u>(6,224)</u>	(135,377)
<b>Closing balance</b>	<u><b>23,388,507</b></u>	<u>23,726,401</u>

- 12.2.1** As allowed by the SBP the Bank has availed benefit of Forced Sale Value (FSV) of collaterals held as security of Rs 1,795.681 million (December 31, 2017: Rs 1,799.678 million) relating to advances while determining the provisioning requirement against non-performing financing (including investments) as at March 31, 2018. The additional profit arising from availing the FSV benefit - net of tax as at March 31, 2018 which is not available for distribution as either cash or stock dividend to shareholders and bonus to employees approximately amounted to Rs 1,167.193 million (December 31, 2017: Rs 1,169.791 million).

Un-audited  
March 31,  
2018

Audited  
December 31,  
2017

## 12.3 Particulars of provision against consumer loans and small enterprise - general

----- Rupees '000 -----

<b>Opening balance</b>	<b>568,666</b>	464,257
- Charge during the period / year	<u>27,911</u>	127,943
- Reversals during the period / year	<u>-</u>	(23,534)
Net charge	<u>27,911</u>	104,409
<b>Closing balance</b>	<u><b>596,577</b></u>	<u>568,666</u>

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

FOR THE QUARTER ENDED MARCH 31, 2018

- 12.3.1** As per the Prudential Regulations, SBP has specified that general provision against consumer financing should be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio.

The Bank also maintains general provision in accordance with the applicable requirements of the Prudential Regulations for Housing Finance issued by the SBP. The provision ranges between the 0.5% to 1.5% based on the non-performing loan ratio present in the portfolio.

The Bank is also required to maintain a general reserve of 1% against un-secured Small Enterprise financing portfolio as per the applicable requirements of the Prudential Regulations issued by the SBP.

- 12.4** Although the Bank has made provision against its non-performing portfolio as per the category of classification of the loans, however, the Bank still holds enforceable collateral against certain non-performing loans in the event of recovery through litigation. These securities comprise of charge against various tangible assets of the borrower including land, building and machinery, stock in trade, etc.

## 13 OPERATING FIXED ASSETS

Capital work-in-progress  
Tangible fixed assets  
Intangible assets

**Un-audited**  
**March 31,**  
**2018**

**Audited**  
**December 31,**  
**2017**

	Rupees '000	
	<b>495,956</b>	514,958
	<b>11,144,807</b>	11,127,768
	<b>1,206,777</b>	1,296,899
	<b>12,847,540</b>	12,939,625

**Un-audited**  
**For the quarter ended**

**March 31,**  
**2018**

**March 31,**  
**2017**

	Rupees '000	
	<b>113,397</b>	97,460
	<b>121,633</b>	93,433
	<b>39</b>	4,348
	<b>-</b>	177,230

### 13.1 Additions to operating fixed assets - cost

Leasehold property and improvements  
Office furniture, fixtures, equipment and computers  
Vehicles  
Capital work-in-progress

#### Additions to Intangibles

Software

	<b>431</b>	5,364
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### 13.2 Disposals of operating fixed assets - cost

Freehold land  
Leasehold property and improvements  
Office furniture, fixtures, equipment and computers  
Vehicles

	<b>-</b>	-
	<b>1,192</b>	-
	<b>35,098</b>	215
	<b>4,873</b>	-



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

FOR THE QUARTER ENDED MARCH 31, 2018

	Un-audited March 31, 2018	Audited December 31, 2017
----- Rupees '000 -----		
<b>14 DEPOSITS AND OTHER ACCOUNTS</b>		
<b>Customers</b>		
Fixed deposits	108,937,067	103,749,523
Savings deposits	121,521,218	121,356,347
Current accounts – Remunerative	5,071,490	4,830,709
Current accounts – Non-remunerative	124,561,701	121,781,059
Margin accounts	3,429,851	2,529,087
	<u>363,521,327</u>	<u>354,246,725</u>
<b>Financial institutions</b>		
Remunerative deposits	20,516,335	18,275,265
Non-remunerative deposits	456,881	559,173
	<u>20,973,216</u>	<u>18,834,438</u>
	<u>384,494,543</u>	<u>373,081,163</u>
<b>15 CONTINGENCIES AND COMMITMENTS</b>		
<b>15.1 Direct credit substitutes</b>		
<b>Contingent liability in respect of guarantees favouring:</b>		
- Government	35,376	33,820
- Banking companies and other financial institutions	1,263,886	994,368
- Others	2,136	1,984
	<u>1,301,398</u>	<u>1,030,172</u>
<b>Acceptances</b>		
- Others	<u>9,418,812</u>	<u>6,892,781</u>
<b>15.2 Transaction-related contingent liabilities</b>		
<b>Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit etc. favouring:</b>		
- Government	13,699,327	12,937,583
- Banking companies and other financial institutions	218,939	183,831
- Others	2,602,629	2,494,089
	<u>16,520,895</u>	<u>15,615,503</u>
<b>15.3 Trade-related contingent liabilities</b>		
<b>Letters of credit</b>		
- Government	11,378,891	14,127,754
- Others	28,880,205	18,854,054
	<u>40,259,096</u>	<u>32,981,808</u>
<b>15.4 Other contingencies</b>		
(i) Suit filed by a customer for recovery of alleged losses suffered which is pending in the High Court of Sindh. The Bank's legal advisors are confident that the Bank has a strong case	<u>2,510,000</u>	<u>2,510,000</u>
(ii) Indemnity issued favouring the High Court in one of the cases	<u>457,543</u>	<u>457,543</u>

There are certain claims against the Bank not acknowledged as debt amounting to Rs 32,153 million (2017: Rs 31,628 million). These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security), cases where the Bank was proforma

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

FOR THE QUARTER ENDED MARCH 31, 2018

defendant for defending its interest in the underlying collateral kept by it at the time of financing, certain cases filed by ex-employees of the Bank for damages sustained by them consequent to the termination from the Bank's employment and cases for damages towards opportunity losses suffered by customers due to non disbursements of running finance facility as per the agreed terms. The above also includes an amount of Rs 25,299 million in respect of a suit filed against the Bank for declaration, recovery of monies, release of securities, rendition of account and damages.

The Executive Officer, Karachi Cantonment Board (KCB), vide its notice CBR No. 1 dated March 03, 2017 has proposed revised rates for assessment of shops and flats "A" category in which a fresh sub-category "Banks (self-occupied)" has been introduced for the purpose of cantonment tax in the limit of KCB. This has resulted in additional demand of Rs 171 million by KCB which includes demand on reassessment for the years from 2013 to 2017. On the basis of legal grounds agreed in consultation with legal counsel, the Bank has filed a suit in the Honorable High Court of Sindh against such levy of tax. A stay order has been granted by the Honorable High Court of Sindh in respect of payment of this additional demand.

Based on legal advice and / or internal assessments, management is confident that the above matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these financial statements.

- (iii) Income tax assessments of the Bank have been finalised upto the tax year 2017 (Accounting year 2016).

The department and the Bank have disagreements on a matter relating to taxability of gain on bargain purchase on the acquisition of Ex-RBS Pakistan. The additional tax liability on the matter amounts to Rs. 1,154.701 million (2017: Rs. 1,154.701 million). During the year, the Commissioner Income Tax Appeals (CIT(A)) has deleted the said additional tax liability however the Income Tax Department has filed an appeal against the order of CIT(A) in front of Income Tax Appellate Tribunal. The management and tax advisors of the Bank are confident that the matter will be decided in the Bank's favor and accordingly, no provision has been recorded in these financial statements in respect of the matter.

## 15.5 Commitments to extend credits

The Bank makes commitments to extend credit (including to related parties) 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 except for Rs 35,537 million (December 31, 2017: Rs 32,457 million) which are irrevocable in nature.

**Un-audited**  
**March 31,**  
**2018**

**Audited**  
**December 31,**  
**2017**

----- Rupees '000 -----

## 15.6 Commitments in respect of forward exchange contracts

### Purchase

- Customers
- Banks

315,421	441,297
51,288,893	33,153,378
<u>51,604,314</u>	<u>33,594,675</u>

### Sale

- Customers
- Banks

651,882	342,751
21,478,544	9,915,624
<u>22,130,426</u>	<u>10,258,375</u>

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

FOR THE QUARTER ENDED MARCH 31, 2018

	Un-audited March 31, 2018	Audited December 31, 2017
	----- Rupees '000 -----	
<b>15.7 Commitments for the acquisition of operating fixed assets</b>	<b>252,008</b>	197,878
<b>15.8 Commitments in respect of repo transactions</b>		
Repurchase	2,505,753	26,440,962
Resale	26,931,375	6,384,415
<b>15.9 Others</b>		
Cross currency swaps (notional principal)	3,975,648	2,361,939

## 16 EARNINGS PER SHARE

	Un-audited For the quarter ended	
	March 31, 2018	March 31, 2017
	----- Rupees '000 -----	
Profit after tax for the period	1,217,203	1,867,766
	Number of shares in thousands	
Weighted average number of ordinary shares	1,319,736	1,319,736
	----- Rupees -----	
Earnings per share - basic	0.92	1.42

**16.1** Diluted earnings per share has not been presented as the Bank does not have any convertible instruments in issue at March 31, 2018 and March 31, 2017 which would have any effect on the earnings per share if the option to convert is exercised.

## 17 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

Primary segment information

The Bank is organised into four major business segments:

- Corporate Finance
- Trading and Sales
- Retail Banking
- Corporate & Commercial 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.

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

FOR THE QUARTER ENDED MARCH 31, 2018

	Corporate Finance	Trading & Sales	Retail Banking	Corporate & Commercial Banking	Total
Rupees '000					
<b>March 31, 2018 - Un-audited</b>					
Total income ***	49,574	1,497,042	6,409,214	789,543	8,745,373
Total expenses	(32,668)	(1,195,551)	(5,715,088)	(584,863)	(7,528,170)
Net income	16,906	301,491	694,126	204,680	1,217,203
Segment assets (Gross)	-	175,953,898	74,160,606	262,304,386	512,418,890
Segment non performing loans	-	-	4,007,072	23,283,622	27,290,694
Segment provision required against loans **	-	-	(3,267,852)	(20,717,232)	(23,985,084)
Segment liabilities	-	(28,257,961)	(377,031,928)	(39,021,479)	(444,311,368)
Segment return on assets (ROA) (%) *	-	0.64%	4.35%	0.37%	
Segment cost of funds (%) *	-	5.10%	3.72%	5.88%	
<b>March 31, 2017 - Un-audited</b>					
Total income ***	58,841	2,182,836	5,617,164	1,075,826	8,934,667
Total expenses	(30,166)	(1,148,171)	(5,263,996)	(624,568)	(7,066,901)
Net income	28,675	1,034,665	353,168	451,258	1,867,766
<b>December 31, 2017 - Audited</b>					
Total income ***	229,647	5,253,772	25,270,586	3,628,514	34,382,519
Total expenses	(148,922)	(4,296,047)	(23,172,580)	(2,250,184)	(29,867,733)
Net income	80,725	957,725	2,098,006	1,378,330	4,514,786
Segment assets (Gross)	-	186,246,334	105,912,738	223,861,658	516,020,730
Segment non performing loans	-	-	4,475,747	22,845,329	27,321,076
Segment provision required against loans **	-	-	(3,566,897)	(20,728,170)	(24,295,067)
Segment liabilities	-	(37,997,772)	(374,881,766)	(35,915,093)	(448,794,631)
Segment return on assets (ROA) (%) *	-	0.50%	2.60%	0.75%	
Segment cost of funds (%) *	-	5.01%	3.47%	5.82%	

\* These percentages have been computed based on average balances.

\*\* Includes general provision

\*\*\* Net of share of loss of associate

## 18 RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its holding company, associated undertaking, associated company, group companies, retirement benefit plans, directors, key management personnel and entities over which the directors or key management personnel are able to exercise significant influence.

Banking transactions with the 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 transaction with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial information are as follows:

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

FOR THE QUARTER ENDED MARCH 31, 2018

As at March 31, 2018 (Un-audited)					
Particulars	Directors and key management personnel	Retirement Benefit Plans	Associate	Group Companies	Other Related Parties
Rupees '000					
<b>Deposits</b>					
Balance at the beginning of the period	133,409	1,463,773	2,801	622	1,675,071
Placements during the period	328,966	800,889	940,813	-	10,212,568
Withdrawals during the period	(337,514)	(591,554)	(942,608)	(237)	(10,051,248)
Balance at end of the period	124,861	1,673,108	1,006	385	1,836,391
<b>Advances *</b>					
Balance at the beginning of the period	154,722	-	-	-	4,636,528
Disbursements during the period	12,400	-	-	-	401,038
Repayments during the period	(31,519)	-	-	-	(50,565)
Balance at end of the period	135,603	-	-	-	4,987,001
<b>Investments **</b>					
Balance at the beginning of the period	-	-	23,169	-	3,782,571
Disbursements / purchases during the period	-	-	-	-	50,000
Repayments / sales / share of loss during the period	-	-	(2,598)	-	-
Balance at end of the period	-	-	20,571	-	3,832,571
<b>Commission income receivable</b>	-	-	13,000	-	-
<b>Trust activities</b>	123,010	397,600	-	-	57,100
<b>Shares held by related parties</b>	111	-	-	801,165	63,532

\* Provision held against advances in respect of other related parties amounted to Rs 2,933,550 million.

\*\* Provision held against investments in respect of other related parties amounted to Rs 2,317,947 million.

As at December 31, 2017 (Audited)					
Particulars	Directors and key management personnel	Retirement Benefit Plans	Associate	Group Companies	Other Related Parties
Rupees '000					
<b>Deposits</b>					
Balance at the beginning of the year	76,655	921,493	3,173	981,862	1,891,917
Placements during the year	1,157,248	2,690,833	5,068,336	1,758	56,979,416
Withdrawals during the year	(1,100,494)	(2,148,553)	(5,068,708)	(982,998)	(57,196,262)
Balance at end of the year	133,409	1,463,773	2,801	622	1,675,071
<b>Advances *</b>					
Balance at the beginning of the year	84,388	-	-	-	3,987,241
Disbursements during the year	151,533	-	-	-	792,376
Repayments during the year	(81,199)	-	-	-	(143,089)
Balance at end of the year	154,722	-	-	-	4,636,528
<b>Investments **</b>					
Balance at the beginning of the year	-	-	46,032	-	3,567,571
Disbursements / purchases during the year	-	-	-	-	367,999
Repayments / sales / share of loss during the year	-	-	(22,863)	-	(152,999)
Balance at end of the year	-	-	23,169	-	3,782,571
<b>Commission income receivable</b>	-	-	12,000	-	-
<b>Trust activities</b>	123,485	581,600	-	-	-
<b>Shares held by related parties</b>	111	-	-	801,165	63,532

\* Provision held against advances in respect of other related parties amounted to Rs 2,762,997 million.

\*\* Provision held against investments in respect of other related parties amounted to Rs 2,317,947 million.

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

FOR THE QUARTER ENDED MARCH 31, 2018

For the quarter ended March 31, 2018 (Un-audited)					
Particulars	Directors and key management personnel	Retirement Benefit Plans	Associate	Group Companies	Other Related Parties
Rupees'000					
Shares / units purchased during the period	-	-	-	-	-
Shares / units sold during the period	-	-	-	-	-
Government securities purchased during the period	245,832	-	-	-	-
Government securities sold during the period	243,429	493,075	-	-	47,323
Profit paid / accrued	437	14,450	56	-	16,462
Profit return / earned	1,734	-	-	-	51,623
Remuneration of the key management personnel					
- Salaries and other short-term employee benefits	54,431	-	-	-	-
- Post-employment benefits	4,471	-	-	-	-
- Directors fee	20,954	-	-	-	-
Contribution / charge relating to staff retirement benefits	-	65,447	-	-	-
Capital gain	-	-	-	-	-
Guarantees issued favouring related parties or on their behalf *	-	-	-	-	29,397
Trade related commitments	-	-	-	-	2,242,057
Share of loss from associate	-	-	2,598	-	-
Commission income earned	-	-	2,000	-	-

\* represents outstanding guarantee

For the quarter ended March 31, 2017 (Un-audited)					
Particulars	Directors and key management personnel	Retirement Benefit Plans	Associate	Group Companies	Other Related Parties
Rupees'000					
Shares / units purchased during the period	-	-	-	-	167,999
Shares / units sold during the period	-	-	-	-	149,460
Government securities purchased during the period	6,049	-	-	-	-
Government securities sold during the period	258,225	-	-	-	114,435
Profit paid / accrued	266	10,577	97	-	15,181
Profit return / earned	1,205	-	-	-	22,002
Remuneration of the key management personnel					
- Salaries and other short-term employee benefits	150,761	-	-	-	-
- Post-employment benefits	5,085	-	-	-	-
- Directors fee	17,671	-	-	-	-
Contribution / charge relating to staff retirement benefits	-	62,610	-	-	-
Capital loss	-	-	-	-	3,539
Guarantees issued favouring related parties or on their behalf *	-	-	-	-	29,397
Trade related commitments	-	-	-	-	650,000
Share of loss from associate	-	-	8,608	-	-
Commission income earned	-	-	2,854	-	-

\* represents outstanding guarantee

- 18.1** 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.

## 19 FAIR VALUE AND RISK MANAGEMENT DISCLOSURES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### 19.1 Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs e.g. estimated future cash flows).

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

FOR THE QUARTER ENDED MARCH 31, 2018

Recurring fair value measurements	March 31, 2018 (Un-audited)			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	Rupees '000			
<b>Investments - net</b>				
Market Treasury Bills	-	110,815,630	-	110,815,630
Pakistan Investment Bonds	-	25,159,810	-	25,159,810
GOP Ijara Sukuk Bonds	-	6,190,313	-	6,190,313
Fully Paid up Ordinary Shares	2,808,898	30,346	-	2,839,244
Term Finance Certificates	-	61,568	-	61,568
Units of Open end Mutual Funds	1,397,184	-	-	1,397,184
Sukuk Bonds	-	6,224,644	-	6,224,644
<b>Commitments in respect of forward exchange contracts</b>				
Forward purchase of foreign exchange	-	53,446,939	-	53,446,939
Forward sale of foreign exchange	-	23,058,174	-	23,058,174
<b>Derivative instruments</b>	-	3,975,648	-	3,975,648
<b>Financial liability</b>				
<b>Other Liabilities</b>				
Pakistan Investment Bonds	-	8,357,147	-	8,357,147

Recurring fair value measurements	December 31, 2017 (Audited)			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>	Rupees '000			
<b>Investments - net</b>				
Market Treasury Bills	-	123,845,329	-	123,845,329
Pakistan Investment Bonds	-	22,741,324	-	22,741,324
Ijara Sukuk Bonds	-	6,308,601	-	6,308,601
Fully Paid up Ordinary Shares	3,860,342	30,346	-	3,890,688
Term Finance Certificates	-	62,227	-	62,227
Units of Open end Mutual Funds	1,376,986	-	-	1,376,986
Sukuk Bonds	-	6,247,055	-	6,247,055
<b>Commitments in respect of forward exchange contracts</b>				
Forward purchase of foreign exchange	-	34,751,660	-	34,751,660
Forward sale of foreign exchange	-	10,655,396	-	10,655,396
<b>Derivative instruments</b>	-	2,361,939	-	2,361,939
<b>Financial liability</b>				
<b>Other Liabilities</b>				
Pakistan Investment Bonds	-	4,245,132	-	4,245,132

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date when the event or change in circumstances require Bank to exercise such transfers.

There were no transfers between levels 1 and 2 during the period.

## Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates.
Ijara Sukuk	Fair values of GoP Ijarah Sukuk are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.
Unlisted ordinary shares	Break-up value determined on the basis of the NAV of a company using the latest available audited financial statements.
Term Finance Certificates (TFCs) and Sukuk Certificates	Fair values of TFCs and Sukuk certificates are determined using the MUFAP rates.
Forward foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Derivative instruments	The Bank enters into derivative contracts with various counterparties. Derivatives that are valued using valuation techniques with market observable inputs are mainly interest rate swaps, cross currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations.



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

FOR THE QUARTER ENDED MARCH 31, 2018

## Valuation techniques used in determination of fair values within level 3

Item	Valuation approach and input used
Operating fixed assets (land and building)	Land and buildings are revalued by professionally qualified valuers as per the accounting policy disclosed in the financial statements of the Bank for the year ended December 31, 2017.
Non banking assets	NBAs are valued by professionally qualified valuers as per the accounting policy disclosed in the financial statements of the Bank for the year ended December 31, 2017.

**Un-audited  
March 31,  
2018**

----- Rupees '000 -----

## 19.2 Liquidity Coverage Ratio (based on 3 months average)

High quality liquid assets  
Net cash outflows  
Liquidity Coverage ratio (times)

**165,794,521**  
**100,902,129**  
**1.65**

## Net Stable Funding Ratio

Available stable funding  
Required stable funding  
Net Stable Funding Ratio (%)

365,314,314  
238,588,565  
153%

## 20 ISLAMIC BANKING BUSINESS

The Bank is operating 199 Islamic banking branches (December 31, 2017: 197) and 1 Islamic sub-branch (December 31, 2017: 1).

## 20.1 The statement of financial position of these branches as at March 31, 2018 is as follows:

	Note	Un-audited March 31, 2018	Audited December 31, 2017
----- Rupees '000 -----			
<b>ASSETS</b>			
Cash and balances with treasury banks		6,975,054	7,716,588
Balances with other banks		165,398	113,094
Due from financial institutions		-	-
Investments		25,727,338	25,399,578
Islamic financing and related assets	20.3.1	49,856,947	45,601,317
Operating fixed assets		1,705,464	1,685,039
Deferred tax assets		13,094	-
Other assets		2,727,860	3,573,338
		87,171,155	84,088,954
<b>LIABILITIES</b>			
Bills payable		1,472,828	1,329,424
Due to financial institutions		5,190,000	4,450,000
Deposits and other accounts			
- Current accounts		31,021,342	31,485,430
- Saving accounts		18,066,738	15,600,698
- Term deposits		12,682,239	12,025,841
- Others		12,937	14,986
- Deposits from financial institutions - remunerative		12,985,999	11,060,378
- Deposits from financial institutions - non-remunerative		23,056	41,939
Due to head office		-	2,263,153
Deferred tax liabilities		-	42,307
Other liabilities		737,292	741,735
		82,192,431	79,055,891
		4,978,724	5,033,063
<b>NET ASSETS</b>			
<b>REPRESENTED BY</b>			
Islamic banking fund		2,880,000	2,880,000
Reserves		-	-
Unappropriated profit		1,997,911	1,949,363
		4,877,911	4,829,363
Surplus on revaluation of assets - net of tax		100,813	203,700
		4,978,724	5,033,063

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

FOR THE QUARTER ENDED MARCH 31, 2018

**20.2** The profit and loss account of the Bank's Islamic Banking branches for the quarter ended March 31, 2018 is as follows:

	Un-audited For the quarter ended	
	March 31, 2018	March 31, 2017
	----- Rupees '000 -----	
Profit / return earned on financing and investments	1,382,288	995,969
Profit / return expensed	709,995	404,572
Net spread earned	672,293	591,397
Reversal of provision against non-performing financings - net	(10,781)	(761)
Provision against consumer financings - general	8,061	8,892
Recoveries against written off debts	-	-
	(2,720)	8,131
	675,013	583,266
<b>Other Income</b>		
Fee, commission and brokerage income	93,109	47,650
Income from dealing in foreign currencies - net	19,982	9,941
Loss on sale of securities - net	-	-
Other income	2,269	739
Total other income	115,360	58,330
	790,373	641,596
<b>Other expenses</b>		
Administrative expenses	741,824	537,293
Other provision / write-offs	-	-
Other charges	-	-
Total other expenses	741,824	537,293
	48,549	104,303
Extraordinary items / unusual items	-	-
Profit for the period	48,549	104,303
Unappropriated profit brought forward	1,949,362	1,357,645
Unappropriated profit carried forward	1,997,911	1,461,948
<b>Remuneration to shariah board</b>	2,102	3,628
	Un-audited March 31, 2018	Audited December 31, 2017
	----- Rupees '000 -----	
<b>CHARITY FUND</b>		
Opening balance	8,245	4,844
Additions during the period / year	2,966	8,201
Payments / utilisation during the period / year	-	(4,800)
Closing balance	11,211	8,245
<b>Sources of addition in charity fund</b>		
Non-shariah compliant income	2,797	556
Late payment charges	106	7,548
Profit on saving accounts	63	97
	2,966	8,201
<b>Sector wise details of charity disbursement</b>		
Health	-	4,300
Education	-	200
Social Work	-	300
	-	4,800

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

FOR THE QUARTER ENDED MARCH 31, 2018

	Note	Un-audited March 31, 2018	Audited December 31, 2017
		----- Rupees '000 -----	
<b>20.3 Islamic Financing and Related Assets</b>	20.3.1	<b>49,856,947</b>	<b>45,601,317</b>
<b>20.3.1 Islamic Mode of Financing</b>			
<b>Financing</b>			
Murabaha		702,315	606,921
Musharaka cum Ijara		10,391	11,269
Diminishing Musharaka		40,010,266	37,188,597
Fixed assets Ijara financing - net		104,326	17,665
Istisna		146,093	90,873
		<b>40,973,391</b>	<b>37,915,325</b>
<b>Advance against Financing</b>			
Advance against Murabaha financing		123,788	153,923
Advance against Diminishing Musharaka		5,431,774	3,873,577
Advance against Ijara		3,374,766	3,374,766
Advance against Istisna		240,885	574,102
		<b>9,171,213</b>	<b>7,976,368</b>
<b>Gross Islamic financing and related assets</b>		<b>50,144,604</b>	<b>45,891,693</b>
Provision against Islamic financing and related assets		(287,657)	(290,376)
		<b>49,856,947</b>	<b>45,601,317</b>

## 21 GENERAL

**21.1** Comparative information has been re-classified, re-arranged or additionally incorporated in this condensed interim financial information, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period.

## 22 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 25, 2017 by the Board of Directors of the Bank.

PRESIDENT & CEO

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

DIRECTOR

## ڈائریکٹرز کا جائزہ

### توثیقی بیان:

ہم بورڈ اور بینک انتظامیہ کی جانب سے حصص مالکان اور صارفین کا شکریہ ادا کرنا چاہتے ہیں کہ انہوں نے بینک پر اپنے اعتماد کا اظہار کیا ہے۔ تعاون اور رہنمائی کا سلسلہ جاری رکھنے پر ہم بینک دولت پاکستان اور سیکیورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کے بھی شکر گزار ہیں۔ ادارے کی سرپرستی کے لیے تمام صارفین کا بھی شکریہ ادا کرتے ہیں۔ ادارے کی بھرپور ترقی یقینی بنانے کے لیے پوری لگن اور توجہ دہی سے کام کرنے پر ہم شریعہ بورڈ اور تمام ملازمین کے بھی بے حد مشکور ہیں۔

چیئرمین

صدر اور سی ای او

کراچی: ۲۵ اپریل، ۲۰۱۸

## ڈائریکٹرز کا جائزہ

بینک نے ۲۰۱۸ کی پہلی سہ ماہی میں بعد از محصول منافع کی مد میں ۲۱۷ ارب روپے کمالے ہیں جبکہ گزشتہ سال اسی عرصے میں یہ منافع ۸۶۱۸ ارب روپے تھا۔ گزشتہ سال زیادہ شرح منافع کے حامل PIB's کا دورانہ مکمل ہونے اور کم شرح سود کے باعث آمدنی میں پھیلاؤ کے باوجود، آپ کے بینک کی شاخوں کے ذریعے ڈپازٹس کو بڑھانے اور کارپوریٹ سیکٹر کو مناسب شرح پر قرضہ جات کی فراہمی پر مبنی حکمت عملی کے نتیجے میں نیٹ اثربیسٹ مارجن گزشتہ سال کے اسی عرصے میں حاصل شدہ مارجن کے قریب رہا۔ بینک کے نان فنڈ پر مبنی کاروبار سے حاصل آمدنی میں بھی گزشتہ سال کے مقابلے میں ۱۸ فیصد سے زائد اضافہ ہوا ہے۔ بینک دولت پاکستان نے ۳۱ مارچ، ۲۰۱۸ کو ختم شدہ سہ ماہی کے دوران شرح سود میں 25pbs تک اضافہ کر دیا ہے جس سے بینکوں کو کسی حد تک فائدہ ہوگا۔

## کریڈٹ ریٹنگ

جے سی آر۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR) اور پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ۳۱ دسمبر، ۲۰۱۶ کے مالیاتی گوشواروں کی بنیاد پر درج ذیل درجہ بندی جاری کی ہے:

طویل المیعاد: AA

قلیل المیعاد: A1+

مذکورہ بالا کریڈٹ ریٹنگ ایجنسیز نے مستحکم حالت کی درجہ بندی تفویض کی ہے۔ JCR-VIS کی جانب سے تفویض کردہ درجہ بندیوں کی تعریفات درج ذیل ہیں:

”AA ہائی کریڈٹ کوالٹی۔ حفاظتی عوامل مضبوط ہیں۔ خطرات بہت کم ہیں لیکن اقتصادی حالات کے باعث بسا اوقات کچھ خطرات رونما ہو سکتے ہیں۔

A1+: بروقت ادائیگی کے لیے بڑی یقین دہانی۔ قلیل المیعاد فنڈز کے متبادل ذرائع تک رسائی موجود ہے۔ درجہ بندی سرکاری قلیل المیعاد قرضوں کی درجہ بندی سے ذرا سی نیچے ہے۔“

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) کی جانب سے تفویض کردہ درجہ بندیوں کی تعریفات درج ذیل ہیں:

”AA: بہت اعلیٰ قرضیاتی میعاد۔ درجہ بندی سے مراد قرضوں کے خطرات کی بہت ہی کم امید ہے۔ اس سے اشارہ ملتا ہے کہ مالیاتی معاہدوں پر بروقت ادائیگی کی بہترین صلاحیت موجود ہے۔

A1+: بروقت ادائیگی کے لیے بڑی یقین دہانی موجود ہے۔“

# ڈائریکٹرز کا جائزہ

## مالیاتی جھلکیاں:

مارچ ۲۰۱۷	مارچ ۲۰۱۸
ملین روپے	
۲,۶۵۳	۱,۶۸۹
۲۳۳	۳۳۰
۴۴	۱۱
-	(۲۸)
۲۷۷	۳۱۳
۲,۹۳۰	۲,۰۰۲
(۱,۰۶۲)	(۷۸۵)
۱,۸۶۸	۱,۲۱۷
۱,۶۴۲	۰,۶۹۲

### آپریٹنگ منافع

پرویشن برائے نان پرفارمنگ لونز  
سرمایہ کاری کی قدر میں کمی کے لئے پرویشن  
پرویشن برائے آف بیلینس شیٹ او بلیگیشن

### قبل از محصول منافع

پرویشن برائے محصول

### بعد از محصول منافع

فی حصص آمدن (روپے)

برانچ نیٹ ورک کی وسعت سے نئے صارفین کی جانب سے بزنس کی آمد شروع ہو چکی ہے جس میں کم قیمت CASA ڈپازٹس پر توجہ دی جا رہی ہے۔ اس سہ ماہی کے دوران ڈپازٹس میں ۱۱۱۶۴ ارب روپے کا اضافہ دیکھا گیا ہے اس طرح مجموعی طور پر ڈپازٹس ۳۸۴۵ ارب روپے ہو گئے ہیں اور CASA کی شرح ۶۹.۷ فیصد پر آگئی ہے۔ ایڈوانسز کی مد میں ۱۲۱۸ ارب روپے کا خاطر خواہ اضافہ ہوا ہے جس میں کارپوریٹ اور کنزیومر فنانسنگ کے شعبے سرفہرست ہیں۔ آمدنی کے پھیلاؤ پر دباؤ کے پیش نظر بینک لینڈنگ کی بک میں اضافے اور ڈپازٹس کے اخراجات میں کمی پر دھیان دے رہا ہے۔

قرضہ جات کی سخت نگرانی اور نادہندہ صارفین سے وصولی سے ۲۷۷ ملین روپے کے مقابلے میں رواں سال نادہندہ قرضوں کی پرویشن کی مد میں ۳۱۳ ملین روپے کارپوریٹ ریکارڈ کیا گیا ہے۔ نادہندہ قرضوں کی مد میں پرویشن کو ترجیح ۸۵ فیصد کی سطح پر پہنچ گئی ہے۔

برانچ نیٹ ورک میں توسیع اور مہنگائی باوجود بینک کے انتظامی اخراجات میں صرف ۱۰.۹ فیصد اضافہ ہوا ہے، جو بینک کے خرچوں پر قابو رکھنے کے منوثر اقدامات کی نشاندہی کرتا ہے۔

## ڈائریکٹرز کا جائزہ

- فیصل آباد میں CBSME اور CIBG اسٹاف کے لیے اسلامی بینکاری لیول-1، ماڈیول-1 کی تربیت کا اہتمام کیا گیا۔

## ادارے کی سماجی ذمہ داری

- CAAML اسٹاف نے ادارہ یونیورسٹی ایسوسی ایشن کا دورہ کیا اور اسکول میں بچوں کے ساتھ وقت گزارا۔
- فیصل بینک لمیٹڈ وقف فنڈ میں شمولیت اور جائزہ کے لیے سی ایس آر ٹیم نے فریڈز آف پنک ربن، بہبود ایسوسی ایشن اور ہوپ اپ لفٹ فاؤنڈیشن کا دورہ کیا۔

## فیصل ایسیٹ مینجمنٹ لمیٹڈ میں سرمایہ کاری

گزشتہ سال کے دوران بورڈ آف ڈائریکٹرز نے اسلامک انویسٹمنٹ کمپنی آف دی گلف (Bahamas) لمیٹڈ سے فیصل ایسیٹ مینجمنٹ لمیٹڈ (FAML) کے ۵۰ فیصد اضافی حصص ۲۲۵ ملین روپے میں خریدنے کی منظوری دی جس کے نتیجے میں (FAML) میں بینک کی شیئر ہولڈنگ ۳۰ فیصد سے بڑھ کر ۸۰ فیصد ہو جائے گی۔ یہ عمل ۳۰ جون، ۲۰۱۸ تک مکمل ہونے کی توقع ہے۔

## مستقبل پر نظر:

فیصل بینک کو مرحلہ وار مکمل اسلامی بینک میں تبدیل کرنے کے ہدف کی تکمیل کی طرف بڑھتے ہوئے ۲۰۱۷ میں ۵۰ نئی اسلامی شاخیں کھولی گئیں اور ۲۰۱۸ میں مزید ۵۰ شاخیں کھولنے کا منصوبہ ہے۔ صارفین کی ضروریات کے پیش نظر نئی پروڈکٹس کو روایتی طریقوں سے اسلامی طریقوں میں تبدیل کرنے کے لیے کام کیا جا رہا ہے۔

بینک اپنے قرضہ جات کی بک میں اضافے کے تسلسل کو برقرار رکھے گا، جس میں کارپوریٹ، ایس ایم ای اور کنزیومرفنانس کے شعبوں پر خاص توجہ دی جائے گی اور تمام شعبوں میں صارفین کی شمولیت یقینی بنانے کے اقدامات کیے جا رہے ہیں۔

بینک ہوم ریسورس اینڈ پروڈکٹ ڈیولپمنٹ کے شعبوں میں گنجائش کو وسعت دینے کے قابل ہو گیا ہے تاکہ اسلامی بینکاری میں منتقلی کے عمل میں آسانی اور ترقی کا سفر مزید مستحکم ہو۔ ہم اپنے صارفین کو مناسب قیمت پر محفوظ، جدید اور دوستانہ بینکنگ کی خدمات فراہم کرنے کے لیے ڈیجیٹل بینکاری پر توجہ دے رہے ہیں۔



## ڈائریکٹرز کا جائزہ

- ہمارے صارفین کو موبٹ انٹرنیٹ بینکنگ کے ذریعے IPS اکاؤنٹ کے استعمال کی سہولت فراہم کی گئی ہے۔
- جوہلی لائف انشورنس کے اشتراک سے سیونگ پلان اور سیونگ پلان پلس نامی نئی پروڈکٹس متعارف کرا کے ویلتھ مینجمنٹ پروڈکٹ کی فہرست میں توسیع کی گئی ہے تاکہ درمیانی اور طویل مدتی سرمایہ کاروں کی ضروریات پوری کی جاسکیں۔
- برکت اسلامی بینکاری کی پروڈکٹ میں مزید سہولیات بڑھانے کے لیے درج ذیل نئی پروڈکٹس متعارف کرائی گئی ہیں:
  - برکت رنگ مشارکہ و پینٹ برائے اسلامی ایکسپورٹ ری فنانس
  - برکت منتظم ماہانہ سیونگ اکاؤنٹ
  - برکت بچہ چیک بلس (بچے رول)
- ہنڈ اٹلس کارز پاکستان لمیٹڈ کے ساتھ معیاری پورٹ فولیو کو مستحکم بنانے اور صارفین کو اعلیٰ معیاری خدمات کی فراہمی کے لیے باہمی اشتراک عمل کے معاہدے پر دستخط کیے گئے ہیں۔
- ”PIL برائے پروفیشنلز“ کے نام سے برائڈ متعارف کرائی گئی ہے جس میں کم شرح سود اور مارک اپ پر پیشہ ورانہ افراد جیسا کہ ڈاکٹرز، چارٹرڈ اکاؤنٹنٹس، انجینئرز، پروفیسرز اور آرکیٹیکٹ حضرات کے لیے قرضہ کی سہولیات فراہم کی جائیں گی۔
- کریڈٹ کارڈز میں ہائیٹ اسپینڈنگ اور اینڈنگ نیٹ ریسیو ابلز (ENR) میں گزشتہ سال کے مقابلے میں بلند ترین اضافہ دیکھا گیا ہے۔ اسپینڈنگ اور ENR میں گزشتہ سال کے مقابلے میں بالترتیب ۲۴ فیصد اور ۱۸ فیصد اضافہ ریکارڈ کیا گیا ہے۔

## تربیت اور ترقی

- فیصل بینک لمیٹڈ نے پہلی مرتبہ اپنا مینجمنٹ ٹریینی پروگرام ”سریج فاردی بیسٹ“ کے نام سے متعارف کرایا جس کو روزگار کے شعبہ میں بڑی پذیرائی حاصل ہوئی، اس کے تحت ۱۲۰۰۰ درخواستیں موصول ہوئی ہیں۔
- شرکاء کو اسلامی بینکنگ سرٹیفکیٹس پروگرام سمیت مختلف پروگراموں یعنی آن لائن سیکیورٹی پروگرام کے علاوہ اقدار و اخلاقیات پر مبنی تربیت دی گئی۔
- بینک نے کراچی، لاہور، فیصل آباد، ملتان اور راولپنڈی / اسلام آباد میں ”ٹربیٹی براچ“ سروسز آفیسرز انڈکشن پروگرام، بھی متعارف کرایا ہے۔

## ڈائریکٹرز کا جائزہ

### فیصل بینک کی کارکردگی:

فیصل بینک لمیٹڈ بیجٹل بینکنگ سپورٹ میں جدید ٹیکنالوجی، اثاثوں میں اضافے، اخراجات میں کمی اور اسلامی بینکاری میں منتقلی کے لیے جامع حکمت عملی کے تحت مصروف عمل ہے۔

زیر جائزہ عرصے کے دوران بینک کی چند نمایاں کامیابیوں پر نظر ڈالتے ہیں:

### پروجیکٹ فنانسنگ اور سسٹمیکیشن

- فیصل بینک نے فنانسنگ کے اسلامی اور روایتی طریقوں کے تحت ۱۷۰۴ ارب روپے ارسنچڈ طویل مدتی فنانسنگ کی سہولت کے انتظام میں لیڈ ایڈوانسز اور ارسنچر کے طور پر حصہ لیا۔ اس سہولت کو ایک معروف آٹو موہائل مینوفیکچرنگ ادارہ ایک بڑے چینی برانڈ کے اشتراک سے وین اور پک اپ کی اسمبلنگ / پروگریسو مینوفیکچرنگ پلانٹ کی تنصیب کے لیے استعمال کرے گا۔

- فیصل بینک نے فنانسنگ کے اسلامی اور روایتی طریقوں کے تحت ۳۷۲۴۰ ارب روپے کی ارسنچڈ طویل مدتی فنانسنگ کی سہولت کے انتظام میں لیڈ ایڈوانسز اور ارسنچر کے طور پر حصہ لیا۔ یہ سہولت ایک معروف فلیٹ رولڈ اسٹیل مینوفیکچرنگ ادارے کے موجودہ پلانٹ کی گنجائش بڑھانے کے لیے استعمال کی جائے گی۔

- فیصل بینک نے فنانسنگ کے روایتی طریقوں کے تحت ۶۵۰ ارب روپے کی ارسنچڈ ورکنگ کیپٹل / رنگ فنانس کی سہولت کے انتظام کے لیے لیڈ ایڈوانسز اور ارسنچر کے طور پر حصہ لیا۔ یہ سہولت 67MW بیگاس (Bagasse) کے انڈپنڈنٹ پاور پلانٹ (IPP) کی تعمیر کے لیے استعمال کی جائے گی۔

### پروڈکٹ ڈیولپمنٹ اور نئے اقدامات

- فیصل بینک پہلا بینک ہے جس نے ماسٹر کارڈ کے اشتراک سے موٹور چوئل کارڈ متعارف کرایا ہے جس سے صارفین کو دنیا بھر میں آن لائن / ای۔ کامرس ٹرانزیکشنز کی سہولت میسر آئے گی۔ یہ ایک اسٹورڈ ویلیوڈ بیجٹل کارڈ ہے جو ای۔ کامرس کے استعمال کے لیے محفوظ اور آسان ذریعہ فراہم کرتا ہے۔

- فیصل بینک کی ای۔ بینکنگ ٹیم نے کیش منیجمنٹ کے اشتراک سے آن لائن اداروں، اسکولوں اور انٹرنیٹ بینکنگ کے ذریعے ای۔ کامرس کی سائنس پر بروقت ادائیگی کے لیے 'کونیک پے' کے ساتھ مل کر کام کیا۔

## ڈائریکٹرز کا جائزہ

اشیائے خورد و نوش کی قیمتوں میں کمی کے باعث مالی سال ۲۰۱۸ کے ہدف ۶۰ فیصد کے مقابلے میں مالی سال ۲۰۱۸ میں جولائی تا مارچ کے دوران CPI انفلیشن کا تناسب کم ہو کر ۹۷ سے ۳۷ فیصد تک آ گیا۔ البتہ کھانے پینے اور توانائی کی اشیاء کے علاوہ دیگر چیزوں کی قیمتوں میں بہت زیادہ اضافہ ریکارڈ کیا گیا جو کہ مارچ ۲۰۱۸ میں ۵۸ فیصد رہا اور اس میں مزید اضافے کا امکان ہے۔ دوسری جانب، رینل اسٹیٹ سیکٹر میں بہتری نظر آرہی ہے اس کے ساتھ زرعی شعبے میں لگاتار دوسرے سال بھی مثبت ترقی کی امید ہے۔ گزشتہ سال اسی عرصے کے دوران ۳۶ فیصد کے مقابلے میں مالی سال ۲۰۱۸ میں جولائی تا جنوری کے دوران ایل ایس ایم (LSM) میں ۶۳ فیصد تک اضافہ ریکارڈ کیا گیا۔ ایل ایس ایم (LSM) میں غیر معمولی اضافہ اور سرمایہ کاری میں بہتری، پاک چین اقتصادی راہداری (CPEC) سیمینلک ہیں۔ اس کے نتیجے میں مستقبل میں بھی ترقی کی رفتار مستحکم رہنے کا امکان ہے۔

پاکستان کے درمیانی مدت کے میکرو اکنامک استحکام کو درپیش بڑے خطرات میں کرنٹ اکاؤنٹ اور مالی خسارے شامل ہیں جو کہ غیر ملکی زرمبادلہ کے ذخائر میں تیزی کے ساتھ کمی اور قرضہ جات سے منسلک مسائل کے باعث رونما ہوئے ہیں۔ ان مسائل کو حل کرنے کے لیے پالیسی کے بنیادی ڈھانچے میں تبدیلی کی ضرورت ہے جس کے نتیجے میں مالی استحکام اور نجی شعبہ میں ترقی ہو سکتی ہے۔ آئی ایم ایف کی تازہ پوسٹ پروگرام مانیٹرنگ رپورٹ کے مطابق، آئی ایم ایف کے پروگرام کے ختم ہونے کے بعد فروری ۲۰۱۸ کے درمیان میں پاکستان کے غیر ملکی ذخائر ۵۷ ارب ڈالر سے کم ہو کر ۷۰ ارب ڈالر کی منفی سطح پر آ گئے ہیں۔ جولائی تا فروری ۲۰۱۸ میں کرنٹ اکاؤنٹ خسارہ پہلے ہی ۱۰۰ ارب ڈالر تھا اور نجی اور سرکاری فنانشل افلوژ میں کمی کی وجہ سے ملک کے غیر ملکی ذخائر پر کرنٹ اکاؤنٹ خسارے کا بوجھ رہے گا۔ مالی سال ۲۰۱۸ کی پہلی ششماہی میں مالی خسارہ جی ڈی پی کے ۲۷ فیصد کی سطح پر پہنچ چکا ہے جو کہ پاکستانی معیشت کے لیے چیلنج ہے۔ محصولات اور غیر محصولات ذرائع سے آمدن کی وصولی میں خاطر خواہ اضافے کے باوجود بینک دولت پاکستان کی پیش گوئی کے مطابق مالی سال ۲۰۱۸ کے لیے مالیاتی خسارہ جی ڈی پی کے ۵ سے ۶ فیصد کے درمیان رہے گا۔

بینک کو طلب میں اضافے اور مالیاتی خسارے کی وجہ سے مہنگائی مزید بڑھتی ہوئی نظر آرہی ہے۔ امریکی ڈالر پاکستانی روپے کی قدر اور KIBOR پر بہت زیادہ دباؤ رہے گا اور مستقبل قریب میں شرح سود میں اضافہ ہوتا دکھائی دے رہا ہے۔

اس کے علاوہ، بیرونی دباؤ اور زرمبادلہ کی شرح میں مسلسل اتار چڑھاؤ سے بچنے کے لیے مالیاتی نگرانی اور مالی معاملات پر کڑی نگرانی کی ضرورت ہے تاکہ انتہائی خراب بیرونی مالیاتی دباؤ کو کم کرنے میں مدد مل سکے۔ یہ ایک دلچسپ عمل ہوگا کہ سبکدوش ہونے والی حکومت موجودہ معاشی مسائل پر کس طرح قابو پا سکتی ہے تاکہ ملکی ترقی میں مزید اضافہ ممکن ہو سکے۔ وقت گزرنے کے ساتھ آئی ایم ایف کے ایک اور رینل آؤٹ پروگرام میں شمولیت نظر آرہی ہے۔

## ڈائریکٹرز کا جائزہ

فیصل بینک کے بورڈ آف ڈائریکٹرز کی طرف سے ہم آپ کی خدمت میں ۳۱ مارچ، ۲۰۱۸ کو ختم شدہ پہلی سہ ماہی کی ڈائریکٹرز رپورٹ (مالیاتی گوشواروں کے ساتھ) پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

### کمپنی پروفائل

فیصل بینک لمیٹڈ (FBL) کا قیام پاکستان میں ۱۳ اکتوبر، ۱۹۹۴ کو ایک پبلک لمیٹڈ کمپنی کے طور پر عمل میں آیا۔ بینک کے شیئرز کا اندراج پاکستان اسٹاک ایکسچینج میں ہے۔ فیصل بینک لمیٹڈ کی ملک بھر کے ۱۲۴ سے زائد شہروں میں ۴۰۵ شاخیں ہیں، جن میں سے ۲۰۵ روایتی اور ۱۹۹ اسلامی شاخیں ہیں جبکہ ایک ذیلی شاخ ہے۔ بینک کے ملک بھر میں صارفین کی سہولت اور آسانی کے لیے ۱۴۰۸ اے ٹی ایمز ہیں۔ اس وقت بینک کے کل اثاثوں کی مالیت ۴۸۵ ارب روپے سے زائد ہے۔

فیصل بینک لمیٹڈ کمرشل، ریٹیل، کارپوریٹ اور اسلامی بینکاری کی تمام سرگرمیوں میں مصروف عمل ہے۔ فیصل بینک لمیٹڈ نے شاخوں کو مختلف پروڈکٹس کی فروخت کے مراکز میں تبدیل کر دیا ہے، جہاں سے بینکاری کی تقریباً تمام ٹرانزیکشنز عمل میں لائی جاسکتی ہیں۔

فیصل بینک لمیٹڈ اب اسلامی مالیاتی ادارے میں تبدیل ہونے کی راہ پر گامزن ہے۔ پالیسی کے مطابق، تمام نئی شاخیں اسلامی بینکاری کے تحت کھولی جارہی ہیں اور روایتی شاخوں کو اسلامی شاخوں میں تبدیل کیا جا رہا ہے جبکہ اثاثوں کی منتقلی کا آغاز بھی ہو چکا ہے۔ مکمل اسلامی بینکاری میں منتقلی کا عمل انتہائی احتیاط کے ساتھ کرتے ہوئے منافع جات کو یقینی بنایا جا رہا ہے اور ترقی کی رفتار پر کوئی سمجھوتہ نہیں کیا جا رہا۔

بینک ماحولیاتی تحفظ کے حوالے سے اپنی ذمہ داریوں سے باخبر ہے اور اس سلسلے میں ایک جامع ماحولیاتی پالیسی تشکیل دی جارہی ہے۔ نئے پروڈکٹس کو حتمی شکل دینے سے پہلے ماحولیاتی تحفظ کا خاص خیال رکھا جاتا ہے۔ اس کے علاوہ قدرتی روشنی سے فائدہ اٹھانے اور توانائی کے قیمتی وسائل کو بچانے کے لیے اوقات کار پر سختی سے عمل کیا جاتا ہے۔

### اقتصادی اپ ڈیٹ

افراط زر کے معاون حالات، توانائی کی فراہمی میں اضافے، ریٹیل اسٹیٹ سیکٹر سے وصولی اور کریڈٹ میں مستحکم اضافے کی بدولت پاکستانی معیشت کے گزشتہ گیارہ سالوں کے مقابلے میں اس سال بلند ترین ترقی حاصل کرنے کے امکانات مضبوط ہیں۔ دسمبر اور مارچ میں ایکسچینج ریٹ کی ایڈجسٹمنٹ، ریونیو کی وصولی میں استحکام کے علاوہ برآمدات اور ترسیلات زر میں واضح اضافے سمیت دیگر حالیہ پالیسی اقدامات کے باعث ترقی کی رفتار میں پائیدار استحکام متوقع ہے۔



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