

NRSP MICROFINANCE BANK LIMITED
BALANCE SHEET
AS AT SEPTEMBER 30, 2023

	Note	Un-Audited Sep-23 ----- Rupees -----	Audited Dec-22 -----
ASSETS			
Cash and balances with SBP and NBP	1	1,928,567,356	1,819,603,457
Balances with other Banks/ NBFIs /MFBs	2	4,584,666,428	4,369,152,215
Lending to financial institutions	3	350,000,000	-
Investments - net of provisions	4	2,626,755,068	2,435,811,437
Advances - net of provision	5	30,625,100,085	28,027,829,812
Operating fixed assets	6	1,315,083,516	1,356,094,856
Other assets	7	3,547,819,681	2,820,455,702
Deferred tax asset - net	8	3,268,258,361	3,361,981,976
Total Assets		48,246,250,494	44,190,929,455
LIABILITIES			
Deposits and other accounts	9	35,731,736,122	32,444,154,687
Borrowings	10	3,124,971,808	5,144,971,808
Subordinated debt	11	1,442,360,000	1,442,360,000
Other liabilities	12	6,284,717,520	5,066,848,066
Deferred tax liability - net		-	-
Total liabilities		46,583,785,449	44,098,334,561
Net assets		1,662,465,045	92,594,894
REPRESENTED BY			
Share capital	13	1,498,372,010	1,498,372,010
Advance against future issue of right shares		1,000,000,000	-
Statutory reserve		925,022,488	815,766,516
Depositors' protection fund		374,982,581	305,381,330
Unappropriated profit / (loss)		(2,138,903,679)	(2,530,558,502)
		1,659,473,399	88,961,354
Surplus/ (deficit) on revaluation of assets		885,997	-
Deferred grants		2,105,648	3,633,540
Total capital		1,662,465,044	92,594,895

MEMORANDUM/ OFF-BALANCE SHEET ITEMS

The annexed notes from 1 to 13 form an integral part of these financial statements.

NRSP MICROFINANCE BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD YEAR ON SEPTEMBER 30, 2023

		Un-Audited Sep-23	Un-Audited Sep-22
	Note	----- Rupees -----	
Mark-up/ return/ interest earned		6,841,686,982	1,986,760,571
Mark-up/ return/ interest expensed		(4,214,057,855)	(2,894,199,320)
Net mark-up/ interest income		2,627,629,127	(907,438,749)
Provision against non-performing loans and advances	5.3	(923,441,075)	(1,708,176,451)
Provision for demunitation in the value of investments		-	-
Bad debts written off directly - net of insurance recoveries	5.4	(1,599,250)	(15,596,675)
		(925,040,325)	(1,723,773,126)
Net mark-up/ interest income after provisions		1,702,588,802	(2,631,211,876)
NON MARK-UP/ NON INTEREST INCOME			
Fee, commission and brokerage income		375,484,120	382,479,275
Dividend income		-	-
Other income - net		1,039,173,806	976,708,302
Total non mark-up/ non interest income		1,414,657,925	1,359,187,576
NON MARK-UP/ NON INTEREST EXPENSES			
Administrative expenses		(2,293,948,104)	(2,362,579,588)
Other charges		(9,144,709)	(4,615,174)
Total non mark-up/ non interest expenses		(2,303,092,813)	(2,367,194,762)
		814,153,914	(3,639,219,061)
Extra ordinary/ unusual items		-	-
PROFIT/ (LOSS) BEFORE TAXATION		814,153,914	(3,639,219,061)
Taxation - Current		(174,150,440)	(70,395,634)
Prior year		-	(17,577,150)
Deferred		(93,723,615)	1,201,921,549
		(267,874,056)	1,113,948,766
PROFIT/ (LOSS) AFTER TAXATION		546,279,858	(2,525,270,296)
Unappropriated profit/ (loss) brought forward		(2,530,558,503)	1,693,039,370
Less: Other comprehensive income		(18,055,071)	(30,102,399)
Profit available for appropriation		(2,002,333,715)	(862,333,324)
APPROPRIATIONS			
Transfer to:			
Statutory reserve		(109,255,972)	-
Depositors' protection fund		(27,313,993)	-
		(136,569,965)	-
Unappropriated profit/ (loss) carried forward		(2,138,903,680)	(862,333,324)
Earnings/ (loss) per share		3.65	(16.85)

The annexed notes from 1 to 13 form an integral part of these financial statements.

NRSP MICROFINANCE BANK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED ON SEPTEMBER 30, 2023

	Share capital	Advance against future issue of right shares	Capital reserves		Revenue reserve	Total
			Statutory reserve	Depositors' protection fund	Unappropriated profit	
			----- Rupees -----			
Balance as at January 01, 2022	1,498,372,010	-	815,766,516	269,646,185	1,693,039,371	4,276,824,082
Profit for the year	-	-	-	-	(2,525,270,296)	(2,525,270,296)
Other comprehensive income/ (loss) for the year	-	-	-	-	(30,102,399)	(30,102,399)
Total comprehensive income for the year	-	-	-	-	(2,555,372,695)	(2,555,372,695)
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to depositors' protection fund:						
- 5% of the profit after tax for the year	-	-	-	-	-	-
- Return on investments - net of tax	-	-	-	25,072,685	-	25,072,685
	-	-	-	25,072,685	-	25,072,685
Balance as at September 30, 2022	1,498,372,010	-	815,766,516	294,718,870	(862,333,324)	1,746,524,072
Profit for the year	-	-	-	-	(1,693,023,570)	(1,693,023,570)
Other comprehensive income/ (loss) for the year	-	-	-	-	24,798,392	24,798,392
Total comprehensive income for the year	-	-	-	-	(1,668,225,178)	(1,668,225,178)
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to depositors' protection fund:						
- 5% of the profit after tax for the year	-	-	-	-	-	-
- Return on investments - net of tax	-	-	-	10,662,460	-	10,662,460
	-	-	-	10,662,460	-	10,662,460
Balance as at December 31, 2022	1,498,372,010	-	815,766,516	305,381,330	(2,530,558,502)	88,961,354
Profit for the year	-	-	-	-	546,279,858	546,279,858
Other comprehensive income/ (loss) for the year	-	-	-	-	(18,055,071)	(18,055,071)
Total comprehensive income for the year	-	-	-	-	528,224,787	528,224,787
Advance against future issue of right shares		1,000,000,000	-	-	-	1,000,000,000
Transfer to statutory reserve	-	-	109,255,972	-	(109,255,972)	-
Transfer to depositors' protection fund:						
- 5% of the profit after tax for the year	-	-	-	27,313,993	(27,313,993)	-
- Return on investments - net of tax	-	-	-	42,287,258	-	42,287,258
	-	-	-	69,601,251	(27,313,993)	42,287,258
Balance as at September 30, 2023	1,498,372,010	1,000,000,000	925,022,488	374,982,581	(2,138,903,679)	1,659,473,399

The annexed notes from 1 to 13 form an integral part of these financial statements.

**NRSP MICROFINANCE BANK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED SEPTEMBER 30,2023**

	Un-Audited Sep-23	Un-Audited Sep-22
Note	----- Rupees -----	----- Rupees -----
Profit/ (loss) after taxation	546,279,858	(2,525,270,296)
Other comprehensive income/ (loss)		
Items that will not be subsequently reclassified through profit and loss account :		
Loss on remeasurement of employees' retirement benefits - net of tax	(18,055,071)	(30,102,399)
Total comprehensive income for the year	<u>528,224,787</u>	<u>(2,555,372,695)</u>

The annexed notes from 1 to 13 form an integral part of these financial statements.

NRSP MICROFINANCE BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED ON SEPTEMBER 30, 2023

Note	Sep-23 ----- Rupees -----	Sep-22 ----- Rupees -----
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	814,153,914	(3,639,219,061)
Less : Dividend income	-	-
	814,153,914	(3,639,219,061)
Adjustments for non-cash changes		
Depreciation	87,372,957	106,577,813
Amortization (IFRS-16)	100,207,718	99,528,581
Amortization	19,888,584	31,572,094
Provision against non-performing advances	923,441,074	1,708,176,451
Provision against advances to employees	-	-
Advances directly written-off - net of insurance recoveries	1,599,250	15,596,675
Unrealized gain on revaluation of investments classified as held-for-trading	-	-
Gain on sale/ redemption of securities	(364,790,846)	(323,064,363)
Unrealized exchange (gain) / loss	-	-
Unrealized loss/ (gain) on derivative financial asset	-	-
Gain on sale of fixed assets	(17,993,732)	(130,279)
Loss on Termination of Leased Agreements	(26,430,919)	(17,258)
Finance charges on leased assets	91,030,887	97,376,374
Amortization of deferred grants	(12,497,449)	(3,433,649)
Capital Gain on Available for Sale Securities	-	160,301
Provision for gratuity and leave encashment	-	-
	801,827,524	1,732,342,741
(Increase)/ decrease in operating assets		
Lending to financial institutions	(843,836)	-
Advances	(3,522,310,614)	(4,745,900,560)
Other assets (excluding advance taxation)	(715,485,399)	2,588,928,649
	(4,238,639,848)	(2,156,971,910)
Increase/ (decrease) in operating liabilities		
Bills payable	(30,723,388)	(39,701,048)
Borrowings from financial institutions	(2,020,000,000)	(1,196,031,278)
Deposits	3,287,581,435	(5,040,659,723)
Other liabilities (excluding bills payable, current taxation, gratuity and leave encashment, finance lease)	1,395,486,721	427,944,092
	2,632,344,768	(5,848,447,957)
Payment against provision held against off- balance sheet obligations		
Income tax paid	(202,028,887)	(169,101,700)
Gratuity and leave encashment paid (including contributions)	(215,015,693)	(1,609,341)
Net cash flow from operating activities	(407,358,223)	(10,083,007,229)
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in available-for-sale securities	(901,873,400)	2,851,329,732
Net investment in held-to-maturity securities	1,076,606,612	1,571,152,796
Net investment in held for trading securities	-	-
Investment in operating fixed assets	(17,293,064)	(214,596,875)
Interest income on depositors' protection fund	42,287,258	25,072,685
Dividend received from mutual funds	-	-
Sale proceeds from property and equipment disposed-off	22,140,994	558,127
Net cash flow from/ (used in) investing activities	221,868,400	4,233,516,465
CASH FLOW FROM FINANCING ACTIVITIES		
Grants received	10,969,556	959,017
Proceeds against future issue of right shares	1,000,000,000	-
Net payments of lease obligations	(151,001,622)	(103,465,026)
Net cash flow from/ (used in) financing activities	859,967,934	(102,506,009)
Increase/ (decrease) in cash and cash equivalents	674,478,111	(5,951,996,772)
Cash and cash equivalents at the beginning of the year	6,188,755,672	9,418,086,595
Cash and cash equivalents at the end of the year	6,863,233,783	3,466,089,823

The annexed notes from 1 to 13 form an integral part of these financial statements.

	Note	Sep-23 ----- Rupees -----	Dec-22 -----
1 CASH AND BALANCES WITH SBP AND NBP			
Cash in hand		493,655,866	616,249,507
Balance with State Bank of Pakistan		962,057,352	905,594,652
Balance with National Bank of Pakistan in			
Current account		10,223,556	13,356,808
Deposit accounts		462,630,582	284,402,491
		1,928,567,356	1,819,603,457

1.1 This represents balance maintained with SBP to comply with requirements of Prudential Regulations for Microfinance Banks to maintain minimum cash reserve equivalent to not less than 5% (2022: 5%) of the Bank's demand deposits and time deposits with tenor of less than one year.

	Note	Sep-23 ----- Rupees -----	Dec-22 -----
2 BALANCES WITH OTHER BANKS			
In Pakistan			
Local currency current accounts		20,818,629	42,362,475
Local currency deposit accounts		2,541,347,799	3,726,789,740
Local currency term deposits		2,022,500,000	600,000,000
		4,584,666,428	4,369,152,215

	Note	Sep-23 ----- Rupees -----	Dec-22 -----
3 LENDING TO FINANCIAL INSTITUTIONS			
Call money lendings		350,000,000	-
Repurchase agreement lendings (Reverse repo)		-	-
		350,000,000	-

	Note	Sep-23 ----- Rupees -----	Dec-22 -----
4 INVESTMENTS - NET OF PROVISIONS			
Held to maturity			
Federal Government Securities			
Pakistan Investment Bonds (PIBs)		1,333,985,121	-
Market treasury bills (MTBs)		2	2,125,832,104
Ijarah Sukuks		319,838,948	309,979,333
		1,653,824,071	2,435,811,437
Term Deposit Receipts (TDRs)		-	-
		1,653,824,071	2,435,811,437
Available for sale			
Federal Government Securities			
Market treasury bills (MTBs)		972,045,000	-
Deficit on revaluation of available for sale investments		885,997	-
		972,930,997	-
		2,626,755,068	2,435,811,437

5 ADVANCES - NET OF PROVISION

Loan type	Note	Un-Audited		Audited	
		Sep-23		Dec-22	
		Number	Rupees	Number	Rupees
Micro credit		198,706	21,504,681,617	241,509	23,793,928,706
Islamic financing		18,438	10,459,839,409	17,443	8,591,678,908
		217,144	31,964,521,025	258,952	32,385,607,614
Less: Provision held					
Specific	5.1	26,393	(1,139,362,336)	68,224	(4,156,658,205)
General	5.2		(200,058,604)		(201,119,596)
			(1,339,420,940)		(4,357,777,802)
Advances - net of provisions			30,625,100,085		28,027,829,812

5.1 Particulars of non performing loans

Advances include Rs 2,849.67 million (2022: 5,168.73 million) which as detailed below, have been placed under non performing status.

Category of classification	Un-Audited			Audited		
	Sep-23			Dec-22		
	Amount outstanding	Provisions required	Provisions held	Amount outstanding	Provisions required	Provisions held
	Rupees			Rupees		
Watchlist	444,548,625	-	-	530,650,566	-	-
OAEM	520,095,379	6,410,562	6,410,562	276,477,575	4,248,118	4,248,118
Sub-Standard	295,866,470	61,978,829	61,978,829	518,293,881	127,410,770	127,410,770
Doubtful	1,629,901,401	804,356,584	804,356,584	666,370,159	330,091,047	330,091,047
Loss	403,802,302	266,616,362	266,616,362	3,707,506,110	3,694,908,262	3,694,908,262
	2,849,665,552	1,139,362,336	1,139,362,336	5,168,647,725	4,156,658,197	4,156,658,197

5.2 This represents general provision maintained against unsecured microcredit advances net of specific provision at the rate of 1% (2022: 1%) in accordance with the requirement of Prudential Regulations issued by the State Bank of Pakistan.

5.3 Particulars of provision against non-performing advances

	Un-Audited			Audited		
	Sep-23			Dec-22		
	Specific	General	Total	Specific	General	Total
	Rupees			Rupees		
Opening balance	4,156,658,205	201,119,598	4,357,777,804	1,332,725,417	2,335,971,380	3,668,696,797
Charge for the year	924,502,067	(1,060,993)	923,441,074	6,713,544,189	(2,134,851,782)	4,578,692,407
Amounts written off	(3,941,797,950)	-	(3,941,797,950)	(3,889,611,400)	-	(3,889,611,400)
Reversals	-	-	-	-	-	-
Closing balance	1,139,362,323	200,058,605	1,339,420,928	4,156,658,205	201,119,598	4,357,777,804

5.4 Particulars of advances written off

	Note	
	Un-Audited Sep-23	Audited Dec-22
	Rupees	
Against provisions	3,941,797,950	3,889,611,400
Directly charged to profit & loss account	1,599,250	12,511,517
	3,943,397,201	3,902,122,917

6 OPERATING FIXED ASSETS

Capital work-in-progress	6.1	26,075,723	28,878,433
Property and equipment	6.2	570,653,333	643,965,888
Right of use assets	6.2.3	699,545,423	646,441,024
Intangible assets	6.3	18,809,036	36,809,510
		1,315,083,516	1,356,094,856

6.1 Capital work-in-progress

Civil works	3,816,358	2,040,166
ATM machines installation	-	-
Implementation of Oracle Softwares	22,259,365	26,838,267
	26,075,723	28,878,433

6.2 Property and equipment

Particulars	COST				ACCUMULATED DEPRECIATION				Net Book Value As At September 30,2023	Rate of depreciation (%)
	As At January 01,2023	Additions	Disposal	As At September 30,2023	As At January 01,2023	Charge for the year	Disposal	As At September 30,2023		
-----Rupees-----										
Owned assets										
Freehold land	253,419,808	-	-	253,419,808	-	-	-	-	253,419,808	-
Furniture and fixtures	502,169,940	656,935	(6,058,056)	496,768,819	267,205,918	34,373,199	(3,027,924)	298,551,193	198,217,626	10
Office equipment	288,305,449	144,100	(374,850)	288,074,699	267,191,104	12,709,982	(371,100)	279,529,987	8,544,712	20
Computer equipment	540,665,453	16,416,774	(6,681,117)	550,401,109	422,820,620	28,583,261	(5,922,224)	445,481,657	104,919,452	33.33
Vehicles	96,992,202	232,921	(1,442,387)	95,782,736	84,153,890	8,151,968	(1,308,237)	90,997,621	4,785,115	20
	1,681,552,852	17,450,730	(14,556,410)	1,684,447,172	1,041,371,532	83,818,410	(10,629,484)	1,114,560,457	569,886,714	
Leased assets										
Vehicles	117,531,825	718,207	(21,318,505)	96,931,527	113,747,257	3,515,820	(21,098,169)	96,164,908	766,619	20
	1,799,084,677	18,168,937	(35,874,915)	1,781,378,699	1,155,118,788	87,334,231	(31,727,653)	1,210,725,366	570,653,333	

Particulars	COST				ACCUMULATED DEPRECIATION				Net Book Value As At December 31,2022	Rate of depreciation (%)
	As At January 01,2022	Additions	Disposal	As At December 31,2022	As At January 01,2022	Charge for the year	Disposal	As At December 31,2022		
-----Rupees-----										
Owned assets										
Freehold land	253,419,808	-	-	253,419,808	-	-	-	-	253,419,808	-
Furniture and fixtures	495,944,179	6,552,611	(326,850)	502,169,940	219,956,321	50,896,723	(3,647,126)	267,205,918	234,964,022	10
Office equipment	287,765,979	1,827,625	(1,288,155)	288,305,449	237,529,316	33,362,906	(3,701,118)	267,191,104	21,114,345	20
Computer equipment	422,946,799	120,114,872	(2,396,218)	540,665,453	385,168,551	41,322,474	(3,670,405)	422,820,620	117,844,833	33.33
Vehicles	95,833,354	1,292,848	(134,000)	96,992,202	65,430,316	18,857,574	(134,000)	84,153,890	12,838,312	20
	1,555,910,119	129,787,956	(4,145,223)	1,681,552,852	908,084,504	144,439,677	(11,152,649)	1,041,371,532	640,181,320	
Leased assets										
Vehicles	116,651,367	880,458	-	117,531,825	105,241,153	8,506,104	0	113,747,257	3,784,568	20
	1,672,561,486	130,668,414	(4,145,223)	1,799,084,677	1,013,325,657	152,945,781	(11,152,649)	1,155,118,788	643,965,888	

6.2.3	Right of use assets	Note	Un-Audited	Audited
			Sep-23	Dec-22
			-----Rupees-----	
	Right of use assets - Initial Recognition under IFRS-16		646,441,024	619,063,594
	Additions during the period		230,730,292	165,861,712
	Deletions during the year		(77,418,175)	(9,185,264)
	Depreciation charged during the period		(100,207,718)	(129,299,018)
	Net book value at the end		<u>699,545,423</u>	<u>646,441,024</u>
6.3	Intangible assets			
	Computer softwares	6.3.1	<u>18,809,036</u>	<u>36,809,510</u>
6.3.1	Computer softwares			
	Cost			
	Opening balance		436,905,387	411,423,212
	Additions during the year		1,888,110	25,482,175
	Closing balance		<u>438,793,497</u>	<u>436,905,387</u>
	Amortization			
	Opening balance		(400,095,877)	(357,035,089)
	Charge for the year		(19,888,584)	(43,060,788)
	Closing balance		<u>(419,984,461)</u>	<u>(400,095,877)</u>
	Net book value		<u>18,809,036</u>	<u>36,809,510</u>
7	OTHER ASSETS			
	Income / mark-up accrued on			
	Loans and Advances		2,767,303,198	2,277,309,286
	Bank deposits		153,534,231	11,682,849
	Lending to financial institutions		843,836	-
	Advances to employees			
	Interest bearing staff loans	7.1	68,307,379	89,113,276
	Personal advances		9,857,291	6,864,437
	Operational advances		8,567,530	8,670,458
	Advances to suppliers		74,239,133	8,541,728
	Prepayments		77,377,533	45,807,380
	Income tax refundable (payments less provisions)		-	-
	FED/Sales tax refundable		49,649,676	29,913,404
	Fair value of derivative financial instrument		-	-
	Insurance claims receivables		251,776,784	173,253,421
	Crop and livestock insurance claims		78,300,497	87,482,567
	Receivable from Employees' Provident Fund		1,866,511	-
	Receivable from parent company		448,563	258,609
	Others		18,726,756	94,537,524
			<u>3,560,798,916</u>	<u>2,833,434,938</u>
	Less : Provisions held against classified other assets		(12,979,235)	(12,979,235)
	Other assets - net of provisions		<u>3,547,819,681</u>	<u>2,820,455,702</u>

7.1 The Bank provides advances & loans to its employees as per Bank's HR policies. Breakup of employee advances and provision held there against is as follow:

	Number		Amount	
	Sep-23 Numbers	Dec-22 Numbers	Sep-23 ----- Rupees -----	Dec-22 -----
Advances against Salary	568	690	47,775,161	51,233,747
Advances for house	10	13	12,580,469	20,071,359
Advances for cars	9	26	7,328,464	16,029,991
Advances for motorbike	13	23	623,285	1,778,179
	<u>600</u>	<u>752</u>	<u>68,307,379</u>	<u>89,113,276</u>
Less provision held				
Specific			-	-
General			-	-
			<u>68,307,379</u>	<u>89,113,276</u>

Un-Audited Sep-23	Audited Dec-22
-----Rupees-----	

8 DEFERRED TAX ASSET - NET

Deferred tax asset arising on account of deductible temporary differences on:

Accelerated depreciation allowance - owned assets	12,616,400	16,873,938
Amortization on intangible assets		-
Lease liability	308,491,915	289,282,972
Grants	694,864	1,199,068
Un-realized exchange loss on borrowings		-
Provision for non-performing loans	442,008,906	1,438,066,674
Minimum tax-CY-2023	84,477,901	54,273,604
Minimum tax-TY-2022	90,316,567	90,316,567
Minimum tax-TY-2023	54,273,604	
Net Losses C/F	824,724,116	-
Net Losses C/F-TY-2023	1,690,188,851	1,690,188,850
	<u>3,507,793,124</u>	<u>3,580,201,678</u>

Deferred tax liability arising on account of taxable temporary differences on:

Accelerated depreciation allowance - owned assets		-
Accelerated depreciation allowance - leased assets	(231,102,974)	(214,574,445)
Amortization on intangible assets	1,811,729	(457,664)
Un-realized gain on derivative financial instrument		-
Un-realised mark-up on Government Securities	(10,243,518)	(3,187,592)
Markup unrealized on Ijara Sukuks	-	
Un-realised mark-up on capital gains on Mutual Funds		-
	<u>(239,534,763)</u>	<u>(218,219,701)</u>
	<u>3,268,258,361</u>	<u>3,361,981,976</u>

	Un-Audited Sep-23		Audited Dec-22	
	No of accounts	Rupees	No of accounts	Rupees
9 DEPOSITS AND OTHER ACCOUNTS				
Conventional				
Current deposits	371,922	3,826,644,128	340,360	2,486,517,819
Saving deposits	705,272	8,494,384,020	741,533	8,520,941,651
Fixed deposits	3,350	16,637,221,572	4,125	15,521,245,699
	1,080,544	28,958,249,720	1,086,018	26,528,705,169
Islamic				
Current deposits	56,938	1,693,196,720	58,051	1,407,205,910
Saving deposits	19,340	1,573,696,010	19,995	2,009,989,182
Fixed deposits	2,090	3,506,593,672	2,592	2,498,254,426
	78,368	6,773,486,402	80,638	5,915,449,518
	1,158,912	35,731,736,122	1,166,656	32,444,154,687

9.1 Particulars of Deposits by ownership

Individual depositors	1,155,257	15,633,275,489	1,163,062	14,172,535,848
Institutional depositors				
Corporation / firms etc.	3,471	15,910,304,820	3,422	14,106,081,929
Banks & financial institutions	184	4,188,155,813	172	4,165,536,909
	3,655	20,098,460,634	3,594	18,271,618,839
Total	1,158,912	35,731,736,122	1,166,656	32,444,154,687

	Note	Un-Audited	Audited
		Sep-23	Dec-22
-----Rupees-----			
10 BORROWINGS			
Borrowings from Banks / Financial Institutions			
In Pakistan	10.1	3,124,971,808	5,144,971,808
Outside Pakistan		-	-
		3,124,971,808	5,144,971,808
10.1 Borrowings from Banks / Financial Institutions in Pakistan			
Secured			
United Bank Limited (Running Finance)		-	-
Askari Bank Limited (Running Finance)		-	345,000,000
Allied Bank Limited (Running Finance)		-	-
National Bank of Pakistan (Running Finance)		-	999,971,808
Bank Alfalah Ltd (Running Finance)		-	-
Borrowing from BOP (Running Finance)		-	500,000,000
Borrowing from BOP (Term Finance)		200,000,000	300,000,000
Borrowing from Pakistan Mortgage Refinance Company Limited (Term Finance)		500,000,000	500,000,000
National Bank of Pakistan (Running Finance)		2,424,971,808	2,500,000,000
National Bank of Pakistan (Reverse Repo Borrowing)		-	-
		3,124,971,808	5,144,971,808

	Note	Un-Audited Sep-23	Audited Dec-22
		-----Rupees-----	
11 SUBORDINATED DEBT			
KfW - Germany	11.1	672,360,000	672,360,000
TFCs Subordinated Debt	11.2	770,000,000	770,000,000
		1,442,360,000	1,442,360,000

11.1 The Bank entered into a loan agreement with KfW - Germany, shareholder of the Bank, on December 29, 2014 for an amount of EURO 6 million. The loan is intended to be availed as TIER-II subordinated debt for inclusion in the Bank's Supplementary Capital. The amount was translated into local currency at the exchange rate of Rs.112.06 and sub-ordinated debt of Rs 672,360,000 was recorded in the financial statements. Loan carries interest at rate of KIBOR + 3.5% per annum. Principal amount and interest is repayable in a bullet payment at the end of loan term by converting the principal and accrued markup into EUROS at the exchange rate prevalent as at June 30, 2023. All foreign currency risks in connection with the transaction rest with the KfW. Since the bank is non compliant with Capital adequacy ratio as required by SBP the repayment of debt was not made.

11.2 This represents Rated, Unsecured, subordinated and privately placed Tier II Term Finance Certificates of worth Rs.100,000/- each fully subscribed on July 09, 2021 to improve the Capital Adequacy Ratio at the rate of 3 Month KIBOR plus 3% per annum. The issue is for a period of 7 years from the date of subscription and will mature on July 09, 2028. The issue has assigned preliminary rating of single "A-" (Single "A minus"). The principal amount of issue TFC will be redeemed in four (4) equal quarterly installments during the last year of the issue.

	Note	Un-Audited Sep-23	Audited Dec-22
		-----Rupees-----	
12 OTHER LIABILITIES			
Mark-up / return / interest payable on			
Deposits and other accounts		1,257,506,171	765,476,034
Borrowings	12.1	991,523,344	765,328,434
Payable for employees' benefit plans			
Employees' gratuity fund		(191,071,046)	9,463,337
Accumulated compensated absences		198,380,690	194,806,929
Provident Fund		-	496,111
Payable to employees' - final settlement		9,174,255	3,231,948
Obligation under finance lease			
Right-of-use asset	12.2	934,823,985	876,615,068
Company's vehicles		-	-
Vehicles sub-leased to employees'		-	-
		934,823,985	876,615,068
Payable to suppliers		5,273,083	8,227,713
Withholding tax payable		50,304,739	26,147,562
Income tax payable		157,289,683	189,589,035
Workers' Welfare Fund		45,566,798	36,494,089
Accrued expenses		41,553,037	93,570,726
Security deposits against Islamic financing		462,496,293	541,660,366
Payable to the parent company		381,431,055	181,199,516
Insurance payable		23,938,223	20,610,254
Unearned / deferred income on Islamic financing		1,589,083,123	854,577,557
Unearned / Deferred income on LPF ATM and SMS services		232,654,395	338,403,524
Bills payable		88,037,542	118,760,930
Payable to Customer Against Insurance Claims		291,666	34,446,272
Payable to Banks/FisDFIs/NGOs		179,866	-
Others		6,280,617	7,742,663
		6,284,717,520	5,066,848,066

12.1 This includes markup payable amounting to Rs 704.93 million (2022: Rs 659.33 million) in respect of subordinated loan from KfW.

12.2 Lease liability on right of use asset:

	Un-Audited Sep-23	Audited Dec-22
	-----Rupees-----	
Opening lease liability	876,615,066	853,207,439
Lease liability on right of use asset - Initial Recognition under IFRS-16	-	-
Additions during the period	225,027,494	162,550,312
Deletion during the period	(103,849,093)	(60,366,314)
Finance cost on lease liability on right of use assets	91,030,865	120,496,406
Payment of lease liability on right of use assets	(154,000,347)	(199,272,777)
Net book value at the end	<u>934,823,985</u>	<u>876,615,066</u>

13 SHARE CAPITAL

13.1 Authorized capital

Sep-23	Dec-22		Un-Audited Sep-23	Audited Dec-22
-----Number-----			-----Rupees-----	
<u>300,000,000</u>	<u>300,000,000</u>	Ordinary shares of Rs. 10 each	<u>3,000,000,000</u>	<u>3,000,000,000</u>

13.2 Issued, subscribed and paid-up capital

Sep-23	Dec-22		Sep-23	Dec-22
-----Number-----			-----Rupees-----	
		Ordinary shares of Rs 10 each		
<u>149,837,201</u>	<u>149,837,201</u>	fully paid in cash	<u>1,498,372,010</u>	<u>1,498,372,010</u>

13.3 The shareholders of the Bank are as follows:

Sep-23	Dec-22		Sep-23	Dec-22
-----Number-----			-----Rupees-----	
85,999,550	85,999,550	NRSP	859,995,500	859,995,500
24,000,000	24,000,000	International Finance Corporation (IFC)	240,000,000	240,000,000
16,000,000	16,000,000	Acumen Fund USA	160,000,000	160,000,000
23,837,201	23,837,201	PROPARCO France	238,372,010	238,372,010
150	150	Mr. Shoaib Sultan	1,500	1,500
150	150	Mr. Fazalullah Qureshi	1,500	1,500
150	150	Dr. Rashid Bajwa	1,500	1,500
<u>149,837,201</u>	<u>149,837,201</u>		<u>1,498,372,010</u>	<u>1,498,372,010</u>