



MCB Islamic Bank Ltd.



**THIRD QUARTER REPORT
2021**



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ABOUT MCB ISLAMIC BANK

MCB Islamic Bank Limited (the “Bank”) is the wholly owned subsidiary of MCB Bank Limited and commenced its operations in 2015 with a nation-wide network of branches.

The aim of MCB Islamic Bank Limited is to be the first choice Shari’ah compliant financial services provider for the customers and to carry out business purely in accordance with Shari’ah principles with full conviction and devotion.

MISSION STATEMENT

- To provide innovative Shari’ah compliant financial solutions and quality services to our customers.
- To maximize returns in Halal manners for our shareholders.
- To nurture an internal environment of qualified professionals and cutting-edge technology.

VISION STATEMENT

To be the leading provider of Shari’ah Compliant Innovative financial products with a focus on service quality and providing superior value for our customers, shareholders, employees and the community.

OUR VALUES

We are Shari’ah driven

Following the Shari’ah we will conduct our activity in a fair, ethical and socially responsible manner.

Dedicated and Dependable

We will build strong, enduring relationships, delivering an experience that delights our customers.

Aspirational

We will be professional and fulfil our commitments, delivering high quality products and services.

CREDIT RATING

Long Term

A

Short Term

A - 1



CORPORATE INFORMATION

Board of Directors

Mr. Raza Mansha (Chairman)	Non-Executive Director
Ms. Seema Aziz	Independent Director
Mr. Jawaaid Iqbal	Independent Director
Mr. Ahmed Ebrahim Hasham	Non-Executive Director
Mr. Ibrahim Shamsi	Non-Executive Director
Mr. Omair Safdar	Non-Executive Director
Mr. Usman Hassan	Non-Executive Director
Mr. Muhammad Azfar Alam Nomani	President / CEO

Board Audit Committee

Mr. Jawaaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Omair Safdar	Member
Mr. Ibrahim Shamsi	Member

Human Resource & Remuneration Committee

Mr. Jawaaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Raza Mansha	Member
Mr. Omair Safdar	Member
Mr. Usman Hassan	Member

Risk Management & Portfolio Review Committee

Mr. Omair Safdar	Chairman
Mr. Ahmed Ebrahim Hasham	Member
Mr. Ibrahim Shamsi	Member
Mr. Jawaaid Iqbal	Member
Mr. Muhammad Azfar Alam Nomani	Member

Board Evaluation Committee

Mr. Usman Hassan	Chairman
Ms. Seema Aziz	Member



Business Strategy & Service Quality Review Committee

Mr. Ahmed Ebrahim Hasham	Chairman
Mr. Omair Safdar	Member
Mr. Usman Hassan	Member
Mr. Muhammad Azfar Alam Nomani	Member

I.T. Committee

Mr. Ibrahim Shamsi	Chairman
Mr. Jawaid Iqbal	Member
Mr. Muhammad Azfar Alam Nomani	Member

Shari'ah Board

Prof. Mufti Munib-ur-Rehman	Chairman
Mufti Syed Sabir Hussain	Resident Shari'ah Board Member
Mufti Nadeem Iqbal	Shari'ah Board Member

Chief Financial Officer

Syed Iftikhar Hussain Rizvi

Company Secretary

Ms. Maimoona Cheema

Head of Internal Audit

Mr. Muhammad Tariq Gondal

Legal Advisor

M/s Imtiaz Siddiqui & Associates,
Advocates & Solicitor

Auditors

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

Registered Office

59-T Block, Phase-II, DHA, Lahore

Website

www.mcbislamicbank.com

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors of MCB Islamic Bank Ltd. (the Bank), we are pleased to present the financial results for the Third Quarter and Nine Months Ended September 30, 2021

Rs. in Million

Statement of Financial Position	Sep 30, 2021	Dec 31, 2020	Growth
Deposits	116,323	99,253	17%
Total Assets	146,871	141,171	4%
Investments – net	27,292	27,618	-1%
Islamic Financing – net	90,333	84,896	6%
Shareholders' Equity (including revaluations)	10,747	10,728	0.2%

Profit & Loss Account	Jan – Sep 2021	Jan – Sep 2020	Growth
Operating income	6,737	7,437	-9%
Operating and other expenses	3,544	3,503	1%
Provisions against financing and investments	(1)	(81)	-99%
Profit before taxation	185	355	-48%
Profit after taxation	81	183	-56%
Basic / diluted earnings per share - Rs.	0.071	0.158	-55%

Performance Review

Pakistan's Banking Sector remained resilient and performed well even with decreasing spreads, limited economic activity owing to implementation of safe workplace and social distancing measures and persistent decline in credit quality due to increased business uncertainty amid new variants of Covid-19.

Despite these challenges our Bank remained fully aware of the high downside risks to the economic and operating environment and pursued its strategy of consistent growth through deposit mobilization and prudent financing practices, supported by an optimal organizational structure, robust risk management framework and effective compliance with regulatory instructions, helping the Bank to attain **a profit before tax of Rs.185 million for the Nine Months ended Sep 30, 2021, Alhamdulillah.**

The Bank's Deposit base reached at Rs.116.32 billion as of Sep 30, 2021 as compared to Rs.99.25 billion as at Dec 31, 2020, registering a growth of 17% while accumulation of no and low-cost deposits remained a key objective of the Bank during the period under review. The Bank's Current and Saving Account (CASA) mix stands at a healthy rate of 73% with non-remunerative Deposits constituting 33% of total deposit mix of the Bank as of Sep 30, 2021. The bank achieved a significant growth in Current Accounts by Rs.4.48 billion (13%) during the period. The Bank continues to emphasize on promoting Islamic Banking amongst potential non-banked customers through offering a variety of Islamic Banking products and ensuring service excellence.

Total assets of the Bank increased by 4% to reach at Rs.146.87 billion as of Sep 30, 2021 as compared to Rs.141.17 billion as at Dec 31, 2020. The net Financing was closed at Rs.90.33 billion against the Dec 31, 2020 position of Rs.84.90 billion, showing management sagacious approach to gear up the banks' profitability without compromising its Capital Adequacy which increase by 0.68% to close at 12.69%. The management has its continuous focus on efficient capital management, better asset quality and high yielding portfolio.

During the period under review, Bank earned a total income of Rs.3.73 billion, while return on earning assets stood at a level of 7.84% with the cost of funds at 3.75% resulting in a net spread of 4.09% for the period under review. On the expense side, despite high inflationary pressures Operating and Other Expenses were contained to increase only by 1% as compared to the corresponding period of last year through effective management control in order to sustain profitability levels.

In view of the above developments, gradually increasing Balance Sheet spreads through effective portfolio mix management enabled the Bank's P&L to maintain an after-tax profit of Rs.82 million for the period under review against Rs.183 million for the corresponding period of last year. This negative shift in profitability is

mainly attributable to a slash in policy rate of SBP and suppressed economic downturn due to the outbreak of COVID-19 pandemic.

Credit Rating

Pakistan Credit Rating Agency (PACRA) has maintained the Bank's medium to long-term rating as "A" and the short-term rating as 'A-1' with positive outlook.

Economic Review

The global economy is experiencing a strong but uneven recovery following the last year's collapse. During the different waves of COVID-19 pandemic, effective vaccine rollout together with adaptation to pandemic lifestyle enabled higher-than-anticipated rebound despite subdued overall mobility and economic activity. Nevertheless, the global outlook remains still highly uncertain, due to additional COVID-19 waves, unequitable /delay in vaccine distribution, mounting debt levels, supply chain bottlenecks, and rising inflationary pressures especially for emerging and developing economies. International Monetary Fund (IMF) projects a strong global economic growth of 5.9% for 2021. Economic recovery and growth prospects for emerging and developing economies have been marked down for 2021, while the same has been revised up for advanced economies.

Pakistan's economy, despite facing challenges together with outbreak of new variants of COVID-19 pandemic, witnessed a V-shaped recovery, while maintaining internal and external stability. According to IMF, Pakistan's Real GDP growth is projected at 3.9% in 2021 as compared to contraction of 0.4% in 2020.

Large-Scale Manufacturing (LSM) sector has grown by 14.9% during the Jul-Jun FY21 compared to a contraction of 9.8% during the same period of last year mainly due to Government's accommodative policies for export-oriented industries, duty exemption under China-Pak Free Trade Agreement-II and electricity and gas subsidy. In agriculture, the decline in the area under cultivation of cotton is expected to be compensated by an increase in area for rice, maize, and sugarcane. Several high-frequency indicators have shown strong growth including the sales of fast moving consumer goods, steel production, electricity generation, cement and POL.

Controlling high inflation levels continues to be a major challenge. Stringent policy measures and their effective execution remain the key to maintain balance between fiscal discipline and keeping overall general price levels on the lower side. National Consumer Price Index (CPI) was recorded at 9.0% on year-on-year basis in Sep 2021 against the same level of 9.0% during the corresponding month of last year. Looking ahead, the inflation outlook largely depends on the path of domestic demand and administered prices, notably fuel and electricity, as well as global commodity prices.

Persisting the robust economic recovery momentum during fourth wave of Covid-19 and vaccine rollout, more emphasis is required to ensure the appropriate policy mix to protect the longevity of growth, keep inflation expectations anchored, and slow the growth in the current account deficit. The SBP has raised the policy rate by 25 basis points to 7.25% in its Monetary Policy Statement on Sept 20, 2021.

On the external front, the current account balance, after close of FY21 at deficit of USD 1.8 billion (0.6% of GDP), went into deficit of USD 2.3 Billion (4.1% of GDP) for Jul-Aug FY22, as against a surplus of USD 838 million (1.8% of GDP) last year. However, the current account deficit is expected to further widen in the coming months due to the pick-up in domestic activity, rising imports of capital goods and vaccine. The workers' remittances stood at USD 8.03 billion for Jul-Sep FY22 against the USD 7.1 billion during the corresponding month of last year, growing by 13.1%. FX reserves stood at USD 26 billion as at Sep 2021, with exchange rate depreciated by 8.3% during the last quarter against the USD.

On the fiscal front, the primary deficit has been broadly under control due to healthy growth in revenues and was restricted at 1.4% of GDP for FY21.

The KSE-100 Index closed at 44,900 points on Sep 30, 2021 a downward drift by 2,456 points from Jun 30, 2021 as compared to 43,755 on Dec 2020 mainly attributable to an increase in SBP's policy rate.

Islamic banking industry continues to grow significantly, and has further strengthened its base by growing its total assets and deposits by 32% and 28% closing at Rs. 4,797 billion (market share of 17%) and Rs. 3,822 billion (market share of 18.7%) respectively, whereas the Branch network closed at 3,583 branches by the end of Jun 2021.

Future Outlook

Looking ahead, Global economic recovery is gaining momentum. However, several downside risks of new variants of COVID-19 outbreaks along with shortage of vaccines weigh on the generally positive outlook. Consequently, IMF projects Global economic growth of 4.9% in 2022 and about 3.3% beyond 2022 over the medium term.

The uncertainties being faced by the Pakistan's economy due to ongoing spread of new COVID variants, rising international commodity prices, developments on the IMF program together with possible demand-driven upward push to inflation and geopolitical dynamics especially in Afghanistan, which require continuation of an accommodative monetary policy. SBP expects the current economic recovery to be accompanied by external stability, mainly due to expected resilience in remittances, improving exports outlook, market-based flexible exchange rate system, and other appropriate macroeconomic policy measures.

IMF projects the country's GDP growth to reach 4.0% and 5.0% in 2022 and 2026 respectively, whereas the inflation is 8.5% in 2022 and 6.5% in 2026.

The Banking industry navigated through the challenging economic conditions prevailing due to the pandemic. The credit, operation and information security risks will be critical for the industry in coming days. At the same time, robust growth opportunities in e-banking avenues are evolving banking dynamics towards ease and convenience.

In view of above, the Bank is determined to continue with its strategy of long-term sustainable profitability by focusing on generating no and low-cost Deposits, along with high earning assets and containment of operating costs.

Acknowledgment


On behalf of the Board of Directors and management, we wish to express our sincere gratitude to our customers, business partners and shareholders for their continued patronage and trust. We would also like to thank State Bank of Pakistan, Securities & Exchange Commission of Pakistan and other regulatory authorities for their continuous guidance and support. The Board of Directors sincerely appreciates the significant contribution by all its staff members to the growth of this franchise under challenging business conditions.

For and on behalf of the Board of Directors



Muhammad Azfar Alam Nomani
President / CEO

October 26, 2021



Raza Mansha
Chairman

مندرجہ بالا کے تناظر میں بینک کم یا بغیر لاگت کے ڈیپازٹس کے حصول اور اس کے ساتھ ساتھ زیادہ آمدنی کے حامل اثاثہ جات اور کاروباری لاگت کو محدود رکھتے ہوئے اپنی طویل المدت پائیدار منافع کی حکمت عملی کو جاری رکھنے کے لیے پرعزم ہے۔
تسلیم و تحسین :

بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے صارفین، کاروباری شراکت دار اور شیئر ہولڈرز کا انکے مسلسل اعتماد اور تعاون پر تہہ دل سے مشکور ہوں۔ ہم اسٹیٹ بینک آف پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر انضباطی اداروں کا انکی جاری معاونت اور رہنمائی پر بھی بے حد مشکور ہوں۔ بورڈ آف ڈائریکٹرز اپنے تمام ملازمین کی خدمات کا پُر خلوص اعتراف کرتے ہیں جنکی بدولت ادارے نے مشکل ماحول میں بھی شاندار ترقی کی ہے۔

منجانب و برائے بورڈ آف ڈائریکٹرز:



رضا منشاء

چیئرمین



محمد اظفر عالم نعمانی

پریذیڈنٹ / سی ای او

26 اکتوبر 2021ء

ہونے کی توقع ہے۔ افرادی ترسیلات زرمالی سال 2022ء کے جولائی تا ستمبر کے عرصے میں پچھلے سال کے مماثلٹی مہینے کے دوران وصول شدہ 7.1 بلین امریکی ڈالر کی نسبت 13.1 فیصدی نمو کے ساتھ 8.03 بلین امریکی ڈالر پہنچ گئیں۔ غیر ملکی زرمبادلہ کے ذخائر ستمبر 2021ء تک 26 بلین امریکی ڈالر پر درج ہوئے جبکہ گزشتہ سہ ماہی کے دوران امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں 8.3 فیصدی فرسودگی ہوئی۔

مالیاتی محاذ پر، بنیادی خسارہ، آمدنی میں توانا بڑھوتی کی وجہ سے عمومی طور پر قابو میں رہا اور مالی سال 2021ء میں جی ڈی پی کی 1.4 فیصدی شرح تک محدود رکھا گیا۔

اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں اضافے کے کلیدی کردار کی وجہ سے کے ایس ای - 100 انڈیکس 31 دسمبر 2020ء کے 43,755 پوائنٹس کی نسبت 30 جون 2021ء کی سطح سے 2,456 پوائنٹس کی کمی کا اندراج کرتے ہوئے 30 ستمبر 2021ء تک 44,900 پوائنٹس پر بند ہوا۔

اسلامی بینکاری کی صنعت اپنے کل اثاثہ جات اور ڈیپازٹس میں 32 فیصد اور 28 فیصدی نمو کے ساتھ بالترتیب 4,797 بلین روپے (مارکیٹ شیئر 17 فیصد) اور 3,822 بلین روپے (مارکیٹ شیئر 18.7 فیصد) کی سطح تک جاتے ہوئے، اپنی ترقی کے سفر کو جاری اور اپنی بنیاد کو مزید مضبوط بنا رہی ہے۔ جبکہ جون 2021ء کے اختتام تک برانچوں کی تعداد 3,583 درج کی گئی۔

مستقبل کی پیش بینی :

عالمی معاشی بحالی زور پکڑ رہی ہے۔ تاہم، کووڈ - 19 کی نئی شکلوں کے پھیلاؤ اور ویکسین کی قلت کے خدشات اس عمومی مثبت پیش بینی پر اثر انداز ہو سکتے ہیں۔ آئی ایم ایف نے سال 2022ء کے لیے عالمی معاشی نمو کی شرح 4.9 فیصد پر تخمینہ کی ہے اور سال 2022ء کے بعد درمیانی مدت میں اس کا اندازہ تقریباً 3.3 فیصد پر رکھا ہے۔

پاکستان کی معیشت کو کووڈ کی نئی شکلوں کے پھیلاؤ، اشیاء کی عالمی قیمتوں میں اضافہ، آئی ایم ایف کے پروگرام میں ہونے والی تبدیلیوں اور اس کے ساتھ طلب پر منحصر افراط زر کے دباؤ اور جغرافیائی و سیاسی صورتحال خاص طور پر افغانستان کے حوالے سے، غیر یقینی کی صورتحال کا سامنا ہے جو اس امر کا متقاضی ہے کہ ایک مفاہمانہ مانیٹری پالیسی کو جاری رکھا جائے۔ اسٹیٹ بینک آف پاکستان اس امر کی توقع کرتا ہے کہ موجودہ معاشی بحالی، ترسیلات میں متوقع اضافہ، برآمدات کی بہتر پیش بینی، مارکیٹ پر منحصر شرح تبادلہ کا چکدر نظام اور دیگر موزوں معاشی پالیسی اقدامات کے ساتھ بیرونی استحکام بھی حاصل ہوگا۔

آئی ایم ایف نے سال 2022ء اور 2026ء کے لیے ملک کے جی ڈی پی کی نمو کی شرح بالترتیب 4.0 فیصد اور 5.0 فیصد تک پہنچنے کی توقع کا اظہار کیا ہے جبکہ افراط زر کی شرح کا اندازہ سال 2022ء کے لیے 8.5 فیصد اور سال 2026ء کے لیے 6.5 فیصد پر کیا ہے۔

بینکاری کی صنعت کووڈ - 19 کی عالمگیر وباء سے نبرد آزمائی سے جڑے مشکل معاشی حالات سے گزر رہی ہے۔ قرضہ جات، کاروبار اور انفارمیشن سکیورٹی سے متعلق خدشات آنے والے دنوں میں صنعت کے لیے نہایت اہم ہونگے۔ دریں اثناء ای بینکنگ کے میدان میں موجود مضبوط ترقی کے مواقع بینکنگ کی صنعت میں آسانی اور سہولت کے ارتقاء کا باعث بن رہے ہیں۔

اختیار کرنے سے، کمزور مجموعی نقل و حمل اور معاشی سرگرمیوں کے باوجود، توقع سے کہیں زیادہ بہتری اور بحالی دیکھی گئی۔ تاہم کووڈ - 19 کی نئی لہروں، ویکسین کی تقسیم میں تاخیر / عدم مساوات، بڑھتے ہوئے قرضوں، رسد کی رکاوٹوں، افراط زر کے بلند ہوتے دباؤ، خاص طور پر ابھرتی ہوئی اور ترقی پذیر معیشتوں کے حوالے سے، جیسے عوامل کی وجہ سے عالمی پیش بینی میں کافی حد تک غیر یقینی پائی جاتی ہے۔ عالمی مالیاتی فنڈ (آئی ایم ایف) نے سال 2021ء کے لیے عالمی معاشی نمو کی شرح 5.9 فیصد کی مضبوط سطح پر تخمینہ کی ہے۔ ابھرتی اور ترقی پذیر معیشتوں کے لیے معاشی بحالی اور نمو کی توقعات کو سال 2021 کے لیے غلطی سطح پر تجویز کیا گیا ہے جبکہ ترقی یافتہ معیشتوں کے لیے اس کی شرح کا اندازہ بلند رکھا گیا ہے۔

پاکستان کی معیشت میں، کووڈ - 19 کی عالمگیر وبا کی نئی شکلوں کے پھیلاؤ اور دیگر درپیش خدشات کے باوجود، اندرونی اور بیرونی استحکام برقرار رکھتے ہوئے، عمومی بحالی کا مظاہرہ دیکھا گیا۔ آئی ایم ایف کے مطابق، سال 2021ء کے لیے پاکستان کی جی ڈی پی کی حقیقی نمو سال 2020ء میں 0.4 فیصد کے سکڑاؤ کے مقابلے میں 3.9 فیصد پر تخمینہ کی گئی ہے۔

حکومت کی جانب سے برآمدات سے متعلقہ صنعت کے لیے معاون پالیسیوں، پاک چین فری ٹریڈ ایگریمنٹ-II کے تحت محصولات کی چھوٹ اور بجلی اور گیس کی امدادی قیمتوں کی بنیادی وجوہات کی بناء پر بڑے پیمانے کی صنعت میں گزشتہ سال کی مماثلت مدت کے دوران 9.8 فیصد کے سکڑاؤ کی نسبت مالی سال 2021ء کے جولائی تا جون کے عرصے کے دوران 14.9 فیصد کی نمو حاصل ہوئی۔ زراعت کے شعبہ میں، کپاس کے لیے زیر کاشت رقبے کی کمی کے اثرات چاول، مکئی اور گنے کی فصل میں زیر کاشت رقبے میں ہونے والے اضافے سے زائل ہونے کی توقع ہے۔ مختلف اشاریے، جن میں صارفین کی اشیاء کی فروخت، اسٹیل کی پیداوار، بجلی کی پیداوار، سینٹ اور پٹرولیم مصنوعات شامل ہیں، میں مضبوط نمو دیکھی گئی ہے۔

افراط زر کی سطح میں جاری اضافے پر قابو پانا ایک بڑے چیلنج کے طور پر برقرار ہے۔ کڑے پالیسی اقدامات اور ان کا موثر نفاذ، مالی نظم و ضبط اور عمومی قیمتوں کی مجموعی سطح کو کم ترین شرح تک محدود رکھنے کے مابین توازن برقرار رکھنے کے لیے کلیدی حیثیت کا حامل ہے۔ صارفین کی قیمتوں کے قومی جدول (National Consumer Price Index - CPI) گزشتہ سال کے تقابلی مہینے کے دوران 9.0 فیصد کی، سال بہ سال کی بنیاد پر، حاصل شدہ شرح کے مقابلے میں ستمبر 2021ء میں 9.0 فیصد کی اسی شرح پر موجود رہا۔ مستقبل میں، افراط زر کی پیش بینی داخلی طلب اور قیمتوں کے انتظام، خاص طور پر تیل اور بجلی کی قیمتیں اور اس کے ساتھ اشیاء کی عالمی قیمتوں پر زیادہ تر انحصار کرتی ہے۔

کووڈ-19 کی چوتھی لہر اور ویکسین کی ترویج و تقسیم میں، مضبوط معاشی بحالی برقرار رکھتے ہوئے اس امر کو یقینی بنانے کی ضرورت ہے کہ معاشی نمو میں طوالت اور پائیداری کے تحفظ، افراط زر کی توقعات کو محدود رکھنے اور کرنٹ اکاؤنٹ کے بڑھتے خسارے کی رفتار میں کمی کے لیے مناسب پالیسیوں کی ترکیب کو اختیار کیا جائے۔ اسٹیٹ بینک آف پاکستان نے اپنے 20 ستمبر 2021ء کو جاری شدہ مالیاتی پالیسی بیانیے میں بیچ مارک پالیسی ریٹ میں 25 پیسز پوائنٹس کا اضافہ کرتے ہوئے اس کی شرح کو 7.25 فیصد پر مقرر کیا ہے۔

بیرونی حوالے سے، کرنٹ اکاؤنٹ بیلنس مالی سال 2021ء میں 1.8 بلین امریکی ڈالرز کے خسارے کے بعد (جی ڈی پی کا 0.6 فیصد) گزشتہ سال کے 838 بلین امریکی ڈالرز کے سرپلس (جی ڈی پی کا 1.8 فیصد) کے مقابلے میں مالی سال 2022ء کے جولائی تا اگست کے عرصے میں 2.3 بلین امریکی ڈالرز کے خسارے (جی ڈی پی کا 4.1 فیصد) پر جا پہنچا۔ تاہم، داخلی سرگرمیوں میں اضافے، اشیائے سرمایہ اور ویکسین کی بڑھتی ہوئی درآمدات کی بدولت اگلے چند مہینوں میں کرنٹ اکاؤنٹ کے خسارے کے مزید وسیع

ضوابطی ہدایات کی مستعد تعیملات کے ذریعہ اپنی متواتر نمو کی حکمت عملی کو جاری رکھے ہوئے ہے، جس کی بدولت بینک کو الحمد للہ 30 ستمبر 2021ء کو اختتام پذیر نو ماہ کے عرصے میں 185 ملین روپے کا منافع قبل از ٹیکس حاصل ہوا۔

بینک کے ڈیپازٹس کی اساس 31 دسمبر 2020ء کے 99.25 بلین روپے کے حجم کے مقابلے میں 17 فیصد کی نمو کے ساتھ 30 ستمبر 2021ء تک 116.32 بلین روپے پر جا پہنچی جبکہ اس زیر تجزیہ عرصہ میں کم یا بغیر لاگت کے ڈیپازٹس کا حصول بینک کے بنیادی مقاصد میں نمایاں حیثیت کا حامل رہا۔ بینک کے کرنٹ اور سیونگ اکاؤنٹ (کاسا - CASA) کی ترکیب 73 فیصد کی توانا شرح پر ہوئی جبکہ غیر پیداواری ڈیپازٹس، بینک کے کل ڈیپازٹس کا 33 فیصد رہے۔ اس عرصہ کے دوران، بینک نے اپنے کرنٹ ڈیپازٹس میں 4.48 بلین روپے (13%) کی قابل قدر نمو حاصل کی۔ بینک اسلامی بینکاری کی نئی اور مختلف پراڈکٹس کے باقاعدگی سے اجراء اور خدمات کے اعلیٰ معیار کو یقینی بناتے ہوئے بینکاری سے محروم صارفین کے حوالے سے موجود مواقع سے استفادہ حاصل کرنے کے لیے اسلامی بینکنگ کے فروغ پر اپنی مسلسل توجہ برقرار رکھے ہوئے ہے۔

بینک کے کل اثاثہ جات 31 دسمبر 2020ء کی 141.17 بلین روپے کی سطح کی نسبت 30 ستمبر 2021ء تک 4 فیصد کے اضافے کے ساتھ 146.87 بلین روپے پر جا پہنچے۔ خالص قرضہ جات کا حجم 31 دسمبر 2020ء کی 84.90 روپے کی سطح کے مقابلے میں 90.33 بلین روپے پر درج ہوا۔ جو کہ بینک کی انتظامیہ کی جانب سے اپنے سرمائے کی معقولیت (کیپٹل ایڈیکوئیسی) جس کی شرح 0.68 فیصد کے اضافے کے ساتھ 12.69 فیصد پر پہنچ گئی، پر کوئی سمجھوتا کیے بغیر اپنے منافع میں اضافہ کی دانشمندانہ حکمت عملی کا مظہر ہے۔ انتظامیہ سرمائے کے موزوں انصرام، اثاثہ جات کے بہتر معیار اور زیادہ آمدنی کے حامل پورٹ فولیو پر اپنی مسلسل توجہ مرکوز کیے ہوئے ہے۔ اس زیر نظر مدت کے دوران، بینک نے 3.73 بلین روپے کی کل آمدنی حاصل کی جبکہ پیداواری اثاثہ جات کی آمدنی کی شرح 7.84 فیصد رہی۔ جس کے ساتھ سرمائے کی لاگت کی شرح 3.75 فیصد پر درج ہوئی۔ چنانچہ، اس زیر جائزہ عرصہ میں 4.09 فیصد کا خالص سپریڈ حاصل ہوا۔ اخراجات کے حوالے سے، افراط زر کے دباؤ کے باوجود کاروباری و دیگر اخراجات کو، منافع کی پائیدار سطح کے حصول کے لیے، موزوں انتظامی کنٹرول کے ذریعے گزشتہ سال کے تقابلی عرصہ کی نسبت محض 1 فیصد کی شرح پر محدود رکھا گیا۔

مندرجہ بالا عوامل کے تناظر میں، اپنی بیلنس شیٹ کے سپریڈز میں پورٹ فولیو کے موثر انتظام کے ذریعے بینک گزشتہ سال کے تقابلی عرصہ میں حاصل شدہ 183 ملین روپے کے مقابلے میں اس زیر تجزیہ مدت میں 82 ملین روپے کا بعد از ٹیکس منافع حاصل کرنے کے قابل ہوا۔ منافع کی شرح میں کمی کے اس رجحان کی بنیادی وجہ کووڈ - 19 کی عالمگیر وباء کے پھیلاؤ کے باعث اسٹیٹ بینک آف پاکستان کی جانب سے بینچ مارک پالیسی ریٹ میں کمی اور معاشی زبوں حالی ہے۔

کریڈٹ ریٹنگ :

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے بینک کی درمیانی سے طویل المدت ریٹنگ کو "A" (اے) اور قلیل المدت ریٹنگ کو "A-1" (اے ون) کی سطح پر مثبت پیش بینی کے ساتھ برقرار رکھا ہے۔

معاشی جائزہ :

گزشتہ سال کی شکستہ رخ صورتحال کے بعد عالمی معیشت ایک مضبوط مگر غیر متوازن بحالی کے دور سے گزر رہی ہے۔ کووڈ 19 کی عالمگیر وباء کی مختلف لہروں کے دوران، ویکسین کی موزوں ترسیل اور اس کے ساتھ عالمی وباء کے ساتھ زندگی بسر کرنے کے قرینے

ممبران کیلئے ڈائریکٹرز کی رپورٹ :

ہم انتہائی مسرت کے ساتھ ایم سی بی اسلامک بینک لمیٹڈ (بینک) کے بورڈ آف ڈائریکٹرز کی جانب سے، 30 ستمبر 2021ء کو ختم ہونے والی تیسری سہ ماہی اور نوماہ کی مدت کے مالیاتی نتائج پیش کر رہے ہیں۔

مالیاتی پوزیشن کی اسٹیٹمنٹ	30 ستمبر 2021	31 دسمبر 2020	نمو (%)
	ملین روپے		
ڈیپازٹس	116,323	99,253	17%
کل اثاثہ جات	146,871	141,171	4%
سرمایہ کاری - خالص	27,292	27,618	-1%
اسلاک فنانسنگ - خالص	90,333	84,896	6%
حصص یافتگان کی ایکویٹی (سرمایہ) بشمول تخمینہ نو	10,747	10,728	0.2%

نفع و نقصان کا اکاؤنٹ	جنوری - ستمبر 2021	جنوری - ستمبر 2020	نمو (%)
	ملین روپے		
کاروباری آمدنی	6,737	7,437	-9%
کاروباری و دیگر اخراجات	3,544	3,503	1%
سرمایہ کاری اور فنانسنگ کے عوض پروویژن	(1)	(81)	-99%
نفع قبل از ٹیکس	185	355	-48%
نفع بعد از ٹیکس	81	183	-56%
بنیادی / تحلیل شدہ نفع فی شیئر (حصص) - روپے	0.071	0.158	-55%

کارکردگی کا جائزہ :

پاکستان کی بینکاری کا شعبہ محفوظ جائے کار / دفاتر اور سماجی فاصلوں کے اقدامات کے نفاذ اور کووڈ - 19 کی نئی شکلوں کی وجہ سے بڑھتی ہوئی کاروباری غیر یقینی کی بدولت قرض کے معیار میں مسلسل تنزلی کے باعث کم ہوتے سپریڈ اور محدود معاشی سرگرمیوں کے باوجود، بھرپور پیک اور بہتر کارکردگی کا مظاہرہ کر رہا ہے۔

ان مشکلات کے باوجود، بینک کو ان معاشی اور کاروباری ماحول کو درپیش خدشات کا مکمل ادراک ہے اور یہ ڈیپازٹس کی ترویج، قرضہ جات کے دانشمندانہ طریقہ کار اور اس کے ساتھ موزوں انتظامی ڈھانچے، خدشات کے تدارک کے مضبوط نظام اور



MCB Islamic Bank Ltd.

CONDENSED INTERIM FINANCIAL STATEMENTS





MCB Islamic Bank Ltd.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

		(Unaudited) September 30, 2021	(Audited) December 31, 2020
	Note		
		Rupees in thousands	
ASSETS			
Cash and balances with treasury banks	8	9,331,648	9,872,197
Balances with other banks	9	3,532,300	4,996,602
Due from financial institutions	10	3,815,000	828,790
Investments - net	11	27,292,095	27,617,997
Islamic financing and related assets - net	12	90,333,343	84,896,191
Fixed assets	13	4,967,814	5,548,894
Intangible assets	14	568,369	639,428
Deferred tax assets - net	15	893,597	874,878
Other assets - net	16	6,136,720	5,895,909
		146,870,886	141,170,886
LIABILITIES			
Bills payable	18	1,709,439	2,470,821
Due to financial institutions	19	11,019,694	20,596,773
Deposits and other accounts	20	116,322,764	99,253,161
Sub-ordinated debts		-	-
Deferred tax liabilities - net		-	-
Other liabilities	21	7,072,044	8,122,359
		136,123,941	130,443,114
NET ASSETS		10,746,945	10,727,772
REPRESENTED BY			
Share capital	22	11,550,000	11,550,000
Reserves	23	84,400	68,107
Surplus on revaluation of assets - net of tax	24	410,112	473,316
Accumulated loss		(1,297,567)	(1,363,651)
		10,746,945	10,727,772
CONTINGENCIES AND COMMITMENTS		25	

The annexed notes 1 to 43 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi
Chief Financial Officer

Muhammad Azfar Alam Noman
President / Chief Executive

Raza Mansha
Director

Omair Safdar
Director


Jawaid Iqbal
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021


		Quarter Ended		Nine Months Ended	
		July 01, 2021	July 01, 2020	January 01,	January 01,
	Note	to	to	2021 to	2020 to
		September	September	September	September
		30, 2021	30, 2020	30, 2021	30, 2020
Rupees in thousands					
Profit / return earned	26	2,273,265	2,236,464	6,736,867	7,437,474
Profit / return expensed	27	1,203,227	1,066,459	3,566,133	4,107,778
Net Profit / return		1,070,038	1,170,005	3,170,734	3,329,696
OTHER INCOME					
Fee and commission income	28	92,912	87,798	285,809	229,785
Dividend income		16,573	12,668	54,129	30,467
Foreign exchange income		19,114	73,718	47,982	179,261
Gain on securities	29	7,743	4,874	11,345	14,464
Other income	30	48,417	64,301	160,099	154,646
Total other income		184,759	243,359	559,364	608,623
Total income		1,254,797	1,413,364	3,730,098	3,938,319
OTHER EXPENSES					
Operating expenses	31	1,188,000	1,223,369	3,499,415	3,491,988
Workers welfare fund		2,316	4,634	7,745	10,450
Other charges	32	5	125	37,100	185
Total other expenses		1,190,321	1,228,128	3,544,260	3,502,623
Profit before provisions		64,476	185,236	185,838	435,696
Provisions / (reversals) and write offs - net	33	24,024	(33,453)	1,331	80,783
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		40,452	218,689	184,507	354,913
Taxation	34	18,656	86,065	103,043	172,138
PROFIT AFTER TAXATION		21,796	132,624	81,464	182,775
-----Rupees-----					
Basic and diluted earnings per share	35	0.019	0.115	0.071	0.158

The annexed notes 1 to 43 form an integral part of these condensed interim financial statements.


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Chief Financial Officer


Muhammad Azfar Alam Nomani
President / Chief Executive


Raza Mansha
Director


Omair Safdar
Director


Jawaid Iqbal
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	Quarter Ended		Nine Months Ended	
	July 01, 2021 to September 30, 2021	July 01, 2020 to September 30, 2020	January 01, 2021 to September 30, 2021	January 01, 2020 to September 30, 2020
Rupees in thousands				
Profit after taxation for the period	21,796	132,624	81,464	182,775
Other comprehensive income / (loss)				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) /surplus on revaluation of investments	(92,212)	156,998	(77,360)	(2,474)
Related deferred tax assets / (liability)	14,460	(54,949)	20,252	866
	(77,752)	102,049	(57,108)	(1,608)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of fixed assets - net of tax	-	-	(5,183)	-
Total comprehensive (loss) / income for the period	<u>(55,956)</u>	<u>234,673</u>	<u>19,173</u>	<u>181,167</u>

The annexed notes 1 to 43 form an integral part of these condensed interim financial statements.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Muhammad Azfar Alam Nomani
President / Chief Executive



Raza Mansha
Director



Omair Safdar
Director



Jawaid Iqbal
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	Share Capital	Statutory Reserve	Surplus / (deficit) on revaluation of Investments Fixed Assets Rupees in thousands		Accumulated loss	Total
Balance as at January 01, 2020	11,550,000	26,444	108,504	313,822	(1,531,969)	10,466,801
Total comprehensive income / (loss) for the nine months period ended September 30, 2020						
Profit after taxation for the nine months ended September 30, 2020	-	-	-	-	182,775	182,775
Other comprehensive loss - net of tax	-	-	(1,608)	-	-	(1,608)
Transfer to statutory reserve	-	10,030	-	-	(10,030)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,249)	1,249	-
Balance as at September 30, 2020 (Unaudited)	11,550,000	36,474	106,896	312,573	(1,357,975)	10,647,968
Total comprehensive income for the three months period ended December 31, 2020						
Profit after taxation for the three months period ended December 31, 2020	-	-	-	-	25,541	25,541
Other comprehensive income - net of tax	-	-	54,263	-	-	54,263
Transfer to statutory reserve	-	31,633	-	-	(31,633)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(416)	416	-
Balance as at December 31, 2020 (Audited)	11,550,000	68,107	161,159	312,157	(1,363,651)	10,727,772
Total comprehensive (loss) / income for the nine months period ended September 30, 2021						
Profit after taxation for the nine months ended September 30, 2021	-	-	-	-	81,464	81,464
Other comprehensive loss - net of tax	-	-	(57,108)	(5,183)	-	(62,291)
Transfer to statutory reserve	-	16,293	-	-	(16,293)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(913)	913	-
Balance as at September 30, 2021 (Unaudited)	11,550,000	84,400	104,051	306,061	(1,297,567)	10,746,945

The annexed notes 1 to 43 form an integral part of these condensed interim financial statements.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Muhammad Azfar Alam Nomani
President / Chief Executive



Raza Mansha
Director



Omair Safdar
Director



Jawaid Iqbal
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Note	September 30 2021	September 30 2020
		Rupees in thousands	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		184,507	354,913
Less: Dividend income		(54,129)	(30,467)
		130,378	324,446
Adjustments			
Depreciation on fixed assets		288,561	269,640
Depreciation on right-of-use asset		355,709	351,114
Depreciation on Ijarah assets under IFAS 2		616,254	751,940
Amortization		113,759	103,846
Unwinding of liability against right of use assets		262,594	292,381
Provisions and write offs - net	33	1,331	80,783
Unrealized gain on forward exchange contracts - net		(141,132)	(18,781)
Gain on sale of fixed assets - net	30	(945)	(472)
Gain on termination of lease liability against right-of-use asset		(83,893)	-
Gain on sale of securities - net	29	(11,345)	(14,464)
		1,400,893	1,815,987
		1,531,271	2,140,433
(Increase) / decrease in operating assets			
Due from financial institutions		(2,986,210)	5,022,874
Islamic financing and related assets		(6,132,742)	(27,308,448)
Other assets (excluding advance taxation)		(269,811)	(302,790)
		(9,388,763)	(22,588,364)
(Decrease) / increase in operating liabilities			
Bills payable		(761,382)	238,031
Due to financial institutions		(9,577,079)	15,277,268
Deposits and other accounts		17,069,603	7,704,557
Other liabilities (excluding current taxation)		(363,956)	(130,529)
		6,367,186	23,089,327
		(1,490,306)	2,641,396
		(103,108)	(127,423)
Income tax paid		(1,593,414)	2,513,973
Net cash (used in) / generated from operating activities			
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		165,391	(12,501,658)
Net investments in held-to-maturity securities		172,500	172,500
Dividend received		54,975	30,467
Investments in operating fixed assets		(278,072)	(177,223)
Proceeds from sale of fixed assets		1,074	501
Investments in intangible assets		(42,699)	(26,044)
Net cash generated from / (used in) investing activities		73,169	(12,501,457)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use asset		(484,606)	(449,079)
Net cash used in financing activities		(484,606)	(449,079)
Decrease in cash and cash equivalents during the period		(2,004,851)	(10,436,563)
Cash and cash equivalents at the beginning of the period		14,868,799	19,075,532
Cash and cash equivalents at the end of the period	36	12,863,948	8,638,969

The annexed notes 1 to 43 form an integral part of these condensed interim financial statements.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Muhammad Azfar Alam Nomani
President / Chief Executive



Raza Mansha
Director



Omair Safdar
Director



Jawaid Iqbal
Director

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

1 STATUS AND NATURE OF BUSINESS

- 1.1 MCB Islamic Bank Limited (the Bank) was incorporated in Pakistan as an unlisted public limited company on May 15, 2014 under the Companies Ordinance, 1984 (repealed after the enactment of the Companies Act, 2017) to carry out the business of an Islamic Commercial Bank in accordance and in conformity with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. The Securities and Exchange Commission of Pakistan granted "Certificate of Commencement of Business" to the Bank on January 30, 2015. The Bank is a wholly owned subsidiary of MCB Bank Limited (MCB).
- 1.2 The State Bank of Pakistan (SBP) granted a "Certificate of Commencement of Banking Business" to the Bank on September 14, 2015 under Section 27 of the Banking Companies Ordinance, 1962. The Bank formally commenced operations as a Scheduled Islamic Commercial Bank with effect from October 15, 2015 upon receiving notification in this regard from SBP under section 37 of the State Bank of Pakistan Act, 1956. Currently, the Bank is engaged in corporate, commercial, consumer, micro finance, investment and retail banking activities.
- 1.3 The Bank is operating through 173 branches in Pakistan (December 31, 2020: 187 branches). The Registered Office of the Bank is situated at 59 Block T, Phase II, DHA, Lahore Cantt and Principal Office is situated at 14-A Main Jail Road, Gulberg, Lahore.
- 1.4 Pakistan Credit Rating Agency (PACRA) has maintained the Bank's medium to long-term rating as "A" and the short-term rating as 'A-1' with positive outlook.

2 BASIS OF PRESENTATION

- 2.1 The Bank provides financing through Shari'ah compliant financing products mainly through Murabaha, Istisna, Salam, Ijarah, Diminishing Musharaka and Running Musharaka. The Bank also provides refinance facilities under various refinance schemes of the State Bank of Pakistan including Islamic Export Refinance Scheme.
- 2.2 The purchases and sales arising under these arrangements are not reflected in these condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such Islamic financing is recognised in accordance with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. However, income, if any, received which does not comply with the principles of Islamic Shari'ah is recognised as charity payable if so directed by the Shari'ah Board of the Bank.
- 2.3 The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 5 dated March 22, 2019 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for a full set of annual financial statements and these condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2020.

3 STATEMENT OF COMPLIANCE

- 3.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of:
 - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', through BPRD Circular No.04 dated February 25, 2015.

The State Bank of Pakistan has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" on Banks through S.R.O 411(1)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

3.2 Amendments to approved accounting standards that are effective in the current period

There are certain new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2021. These are considered either to not be relevant or not to have any significant impact on the Bank's condensed interim financial statements.

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

The following new standards and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16	January 1, 2022
Cost of Fulfilling an Onerous Contracts – Amendments to IAS 37	January 1, 2022
Updating a Reference to the Conceptual Framework – Amendments to IFRS 3	January 1, 2022
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2023
Amended by Definition of Accounting Estimates – Amendments to IAS 8	January 1, 2023

IFRS 9, Financial Instruments: Classification and Measurement, addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'Expected Credit Losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL approach has an impact on all assets of the Bank which are exposed to credit risk.

As per the SBP's BPRD Circular Letter no. 24 dated July 5, 2021, the applicability of IFRS 9 to Banks in Pakistan has been deferred to accounting periods beginning on or after January 1, 2022. Therefore, these condensed interim financial statements have been prepared in accordance with the existing prudential regime.

There are other new and amended standards and interpretations that are mandatory for the Bank's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not detailed in these condensed interim financial statements.

4 BASIS OF MEASUREMENT

- 4.1 These condensed interim financial statements have been prepared under the historical cost convention, except that certain classes of fixed assets are stated at revalued amounts and certain investments, foreign currency balances and commitments in respect of certain foreign exchange contracts have been marked to market and carried at fair value in accordance with the requirements of the SBP.
- 4.2 Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Bank operates. These condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgements adopted in these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2020.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2020.

7 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements for the year ended December 31, 2020. These risk management policies continue to remain robust and the Bank is reviewing its portfolio regularly and conducts rapid portfolio reviews in line with emerging risks.

	(Unaudited) September 30, 2021	(Audited) December 31, 2020
	Rupees in thousands	
8 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
- local currency	3,143,652	2,945,064
- foreign currencies	267,888	904,472
	<u>3,411,540</u>	<u>3,849,536</u>
With the State Bank of Pakistan in		
- local currency current account	5,002,453	4,663,509
- foreign currency current accounts		
cash reserve account	265,202	271,559
special cash reserve account	304,965	316,792
USD clearing account	21,108	33,465
	<u>591,275</u>	<u>621,816</u>
With National Bank of Pakistan in		
- local currency current account	282,135	634,866
Prize bonds	44,245	102,470
	<u>9,331,648</u>	<u>9,872,197</u>
9 BALANCES WITH OTHER BANKS		
In Pakistan		
- deposit account	1,386	1,554
Outside Pakistan		
- current account	3,530,914	4,995,048
	<u>3,532,300</u>	<u>4,996,602</u>
10 DUE FROM FINANCIAL INSTITUTIONS		
Secured		
Bai Mu'ajjal receivable from State Bank of Pakistan	-	828,790
Unsecured		
Musharaka arrangements	3,815,000	-
	<u>3,815,000</u>	<u>828,790</u>
10.1 Particulars of due from financial institutions		
- local currency	3,815,000	828,790
- foreign currencies	-	-
	<u>3,815,000</u>	<u>828,790</u>

11 INVESTMENTS

11.1 Investments by type:

September 30, 2021 (Unaudited)

	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
Available-for-sale securities				
Federal Government securities	22,493,123	-	32,856	22,525,979
Shares	1,710,000	961,431	115,467	864,036
Non Government securities	1,006,500	-	22,253	1,028,753
	25,209,623	961,431	170,576	24,418,768
Held-to-maturity securities				
Federal Government securities	2,700,827	-	-	2,700,827
Non Government securities	172,500	-	-	172,500
	2,873,327	-	-	2,873,327
Total Investments	28,082,950	961,431	170,576	27,292,095

December 31, 2020 (Audited)

	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
Available-for-sale securities				
Federal Government securities	22,503,692	-	(59,578)	22,444,114
Shares	1,815,977	1,039,436	292,987	1,069,528
Non Government securities	1,044,000	-	14,528	1,058,528
	25,363,669	1,039,436	247,937	24,572,170
Held-to-maturity securities				
Federal Government securities	2,700,827	-	-	2,700,827
Non Government securities	345,000	-	-	345,000
	3,045,827	-	-	3,045,827
Total Investments	28,409,496	1,039,436	247,937	27,617,997

11.1.1 Investments by segments:

September 30, 2021 (Unaudited)				
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
Federal Government securities				
GOP Ijarah Sukuks	22,479,296	-	32,864	22,512,160
WAPDA Sukuks	13,827	-	(8)	13,819
Bai Mu'ajjal	2,700,827	-	-	2,700,827
Shares and units				
Listed companies	1,710,000	961,431	115,467	864,036
Non Government securities				
Listed	339,000	-	3,665	342,665
Un listed	840,000	-	18,588	858,588
Total Investments	28,082,950	961,431	170,576	27,292,095

December 31, 2020 (Audited)				
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
Federal Government securities				
GOP Ijarah Sukuks	22,475,798	-	(59,187)	22,416,611
WAPDA Sukuks	27,894	-	(391)	27,503
Bai Mu'ajjal	2,700,827	-	-	2,700,827
Shares and units				
Listed companies	1,815,977	1,039,436	292,987	1,069,528
Un listed companies	-	-	-	-
Non Government securities				
Listed	549,000	-	4,119	553,119
Un listed	840,000	-	10,409	850,409
Total Investments	28,409,496	1,039,436	247,937	27,617,997

11.1.2 There were no investments given as collateral as at September 30, 2021 (December 31, 2020: Nil).

	(Unaudited) September 30, 2021	(Audited) December 31, 2020
Rupees in thousands		
11.2 Provision for diminution in value of investments		
On available for sale securities		
Opening balance	1,039,436	1,059,172
Charge for the period / year	-	36,975
Reversal on disposals	(78,005)	(56,711)
Closing balance	<u>961,431</u>	<u>1,039,436</u>

11.3 The market value of non Government securities classified as held-to-maturity as at September 30, 2021 amounted to Rs. 173.984 million (December 31, 2020: Rs. 348.484 million).

12 ISLAMIC FINANCING AND RELATED ASSETS - NET

		Performing		Non performing		Total	
		(Unaudited) September 30, 2021	(Audited) December 31, 2020	(Unaudited) September 30, 2021	(Audited) December 31, 2020	(Unaudited) September 30, 2021	(Audited) December 31, 2020
	Note	Rupees in thousands					
Murabaha	12.1	10,517,775	11,816,034	15,891	239,786	10,533,666	12,055,820
Istisna	12.2	4,536,783	3,455,789	-	-	4,536,783	3,455,789
Ijarah	12.3	2,282,111	2,808,272	2,069	7,096	2,284,180	2,815,368
Running Musharaka	12.4	46,118,313	40,757,574	-	-	46,118,313	40,757,574
Diminishing Musharaka	12.5	25,423,853	24,183,982	331,873	509,589	25,755,726	24,693,571
Staff finance	12.6	1,241,596	1,184,311	-	-	1,241,596	1,184,311
Islamic financing and related assets - gross		90,120,431	84,205,962	349,833	756,471	90,470,264	84,962,433
Less: Provision against non-performing							
Islamic financing and related assets							
- Specific		-	-	(78,858)	(25,395)	(78,858)	(25,395)
- General		(58,063)	(40,847)	-	-	(58,063)	(40,847)
	12.9	(58,063)	(40,847)	(78,858)	(25,395)	(136,921)	(66,242)
Islamic financing and related assets - net of provisions		90,062,368	84,165,115	270,975	731,076	90,333,343	84,896,191

		(Unaudited) September 30, 2021	(Audited) December 31, 2020
		Rupees in thousands	
12.1 Murabaha			
- Murabaha financing		6,555,164	4,998,262
- Murabaha inventory		2,876,425	6,494,165
- Advances against Murabaha financing		1,060,406	510,454
- Murabaha financing - Islamic export refinance scheme		-	5,000
- Advances against Murabaha financing - Islamic export refinance scheme		-	20,000
- Murabaha financing - Prime Minister Kamyab Jawan		21,601	-
- Murabaha inventory - SBP's IRSPWS		20,070	27,939
		10,533,666	12,055,820
12.2 Istisna			
- Istisna financing		629,658	480,693
- Istisna inventory		706,403	389,306
- Advances against Istisna financing		2,670,927	1,611,226
- Istisna financing - Islamic export refinance scheme		17,008	123,667
- Advances against Istisna financing - Islamic export refinance scheme		465,912	775,897
- Advances against Istisna financing - SBP's IRSPWS		46,875	75,000
		4,536,783	3,455,789
12.3 Ijarah financing and related assets			
- Net book value of assets in Ijarah under IFAS 2		2,118,862	2,783,440
- Advances against Ijarah		165,318	31,928
		2,284,180	2,815,368
12.4 Running Musharaka			
- Running Musharaka financing		43,655,313	38,592,574
- Running Musharaka financing under Islamic export refinance scheme		2,463,000	2,165,000
		46,118,313	40,757,574
12.5 Diminishing Musharaka			
- Diminishing Musharaka financing		20,339,535	18,977,083
- Diminishing Musharaka financing - SBP's IRSPWS		1,131,301	1,612,874
- Advances against Diminishing Musharaka financing		2,358,732	2,153,276
- Advances against Diminishing Musharaka under SBP's ILTF		219,994	541,151
- Advances against Diminishing Musharaka under SBP's IRFCC		-	27,518
- Advances against Diminishing Musharaka under SBP's ITERF		1,706,164	1,381,669
		25,755,726	24,693,571
12.6 Staff finance			
- Staff vehicle finance under Diminishing Musharaka		256,748	245,136
- Staff housing finance under Diminishing Musharaka		984,848	939,175
		1,241,596	1,184,311
12.7 Particulars of Islamic financing and related assets - gross			
In local currency		89,444,378	84,918,786
In foreign currency		1,025,886	43,647
		90,470,264	84,962,433

- 12.8 Islamic financing and related assets include Rs. 349.833 million (December 31, 2020: Rs. 756.471 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Unaudited) September 30, 2021		(Audited) December 31, 2020	
	Non-performing Islamic financing and related assets	Provision	Non-performing Islamic financing and related assets	Provision
Rupees in thousands				
Domestic				
Other Assets Especially Mentioned	4,795	-	18,104	-
Substandard	262,394	50,918	97,291	8,226
Doubtful	67,234	12,269	194,294	4,961
Loss	15,410	15,671	446,782	12,208
	<u>349,833</u>	<u>78,858</u>	<u>756,471</u>	<u>25,395</u>

- 12.9 Particulars of provision against Islamic financing and related assets

	September 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in thousands						
Opening balance	25,395	40,847	66,242	3,340	33,363	36,703
Charge for the period / year	69,977	17,216	87,193	27,522	7,484	35,006
Reversals	(7,857)	-	(7,857)	-	-	-
	62,120	17,216	79,336	27,522	7,484	35,006
Amounts written off	(8,657)	-	(8,657)	(5,467)	-	(5,467)
Closing balance	<u>78,858</u>	<u>58,063</u>	<u>136,921</u>	<u>25,395</u>	<u>40,847</u>	<u>66,242</u>

- 12.10 State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 02 of 2010 dated June 03, 2010 and BSD Circular No.1 of 2011 dated October 21, 2011 has allowed benefit of forced sale value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against NPLs for five years from the date of classification. Had the benefit not been taken by the Bank, the specific provision against non-performing Islamic financing and related assets would have been higher by Rs. 36.542 million (December 31, 2020 : Rs. 543.151 million). The additional benefit on the Bank's profit and loss account arising from availing the FSV benefit - net of tax amounts to Rs. 22.291 million as at September 30, 2021 (December 31, 2020: Rs. 353.048 million). However, the additional impact on profitability arising from availing the benefit of forced sales value is not available for payment of cash or stock dividends to shareholders.

- 12.11 The Bank has maintained general provision at an amount equal to 1% of the fully secured performing portfolio of consumer auto finance and unsecured performing portfolio of micro financing as required by the Prudential Regulations issued by the SBP. Further, general provision on consumer house finance is maintained as per the criteria defined in relevant Prudential Regulations issued by SBP.

- 12.13 Particulars of provision against Islamic financing and related assets

	September 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in thousands						
In local currency	78,858	58,063	136,921	25,395	40,847	66,242
In foreign currency	-	-	-	-	-	-
	<u>78,858</u>	<u>58,063</u>	<u>136,921</u>	<u>25,395</u>	<u>40,847</u>	<u>66,242</u>

	Note	(Unaudited) September 30, 2021	(Audited) December 31, 2020
		Rupees in thousands	
13 FIXED ASSETS			
Capital work-in-progress	13.1	104,300	88,308
Property and equipment		2,658,761	2,685,370
Right-of-use asset		<u>2,204,753</u>	<u>2,775,216</u>
		<u>4,967,814</u>	<u>5,548,894</u>
13.1 Capital work-in-progress			
Civil works		54,003	54,127
Advance to suppliers and contractors		47,671	33,427
Others		<u>2,626</u>	<u>754</u>
		<u>104,300</u>	<u>88,308</u>

(Unaudited)
For the period ended
September 30
2021 2020
Rupees in thousands

13.2 Additions to fixed assets - at cost

The following additions have been made to fixed assets during the period:

Capital work-in-progress - net	93,102	58,715
--------------------------------	--------	--------

Property and equipment

Building on freehold land	836	602
Leasehold improvements	28,120	5,481
Furniture and fixtures	19,835	7,529
Electrical, office and computer equipment	136,179	104,721
Vehicles	-	175
	184,970	118,508
	<u>278,072</u>	<u>177,223</u>

13.3 Disposal of fixed assets - at net book value (NBV)

The net book value of fixed assets disposed off during the period is as follows:

Furniture and fixtures	6	5
Electrical, office and computer equipment	123	24
	<u>129</u>	<u>29</u>

(Unaudited) (Audited)
September 30, December 31,
2021 2020
Rupees in thousands

14 INTANGIBLE ASSETS

Capital work-in-progress	57,940	40,688
Computer software	510,429	598,740
	<u>568,369</u>	<u>639,428</u>

(Unaudited)
For the period ended
September 30
2021 2020
Rupees in thousands

14.1 Additions to intangible assets

The following additions have been made to intangible assets during the period:

Capital work-in-progress	33,243	-
Directly purchased	9,456	26,044
	<u>42,699</u>	<u>26,044</u>

September 30, 2021 (Unaudited)

	At Dec 31, 2020	Recognised in P&L A/C	Recognised in OCI	At September 30, 2021
Rupees in thousands				
Deductible temporary difference				
Tax losses carried forward	771,019	(134,829)	-	636,190
Minimum tax	362,309	91,203	-	453,512
Deficit on revaluation of investments - net	-	-	-	-
Provision against Islamic financing and related assets	4,326	20,442	-	24,768
Workers Welfare Fund	4,238	3,505	-	7,743
	1,141,892	(19,679)	-	1,122,213

Taxable temporary difference

Surplus on revaluation of fixed assets	(43,095)	1,007	(5,183)	(47,271)
Surplus on revaluation of investments	(86,778)	-	20,253	(66,525)
Accelerated tax depreciation	(137,141)	22,321	-	(114,820)
	(267,014)	23,328	15,070	(228,616)
	874,878	3,649	15,070	893,597

December 31, 2020 (Audited)

	At Dec 31, 2019	Recognised in P&L A/C	Recognised in OCI	At Dec 31, 2020
Rupees in thousands				
Deductible temporary difference				
Tax losses carried forward	942,766	(171,747)	-	771,019
Minimum tax	241,735	120,574	-	362,309
Deficit on revaluation of investments - net	-	-	-	-
Provision against Islamic financing and related assets	863	3,463	-	4,326
Workers Welfare Fund	797	3,441	-	4,238
	1,186,161	(44,269)	-	1,141,892

Taxable temporary difference

Surplus on revaluation of fixed assets	(43,992)	897	-	(43,095)
Surplus on revaluation of investments	(58,425)	-	(28,353)	(86,778)
Accelerated tax depreciation	(162,727)	25,586	-	(137,141)
	(265,144)	26,483	(28,353)	(267,014)
	921,017	(17,786)	(28,353)	874,878

The management, based on their internal projections / assessment of future taxable profits, believes that the Bank will be able to achieve sufficient taxable profits and tax liability in future to adjust unused tax losses and minimum tax before their expiry and accordingly has recorded the deferred tax asset on such basis at the reporting dates.

		(Unaudited) September 30, 2021	(Audited) December 31, 2020
	Note	Rupees in thousands	
16 OTHER ASSETS			
Profit / return accrued in local currency		3,216,742	2,368,681
Dividend receivable		700	1,546
Advances, deposits, advance rent and other prepayments		261,971	204,050
Advance taxation (payments less provisions)		-	5,143
Branch adjustment account		-	145,102
Receivable against ATM transactions		226,459	344,879
Receivable under home remittances		18,046	11,562
Un-realized mark to market gain on forward foreign exchange contracts		17,136	41,704
Acceptances	21	2,375,134	2,716,615
Others		20,532	56,627
		<u>6,136,720</u>	<u>5,895,909</u>
17 CONTINGENT ASSETS			
There were no contingent assets of the Bank as at September 30, 2021 (December 31, 2020: Nil).			
		(Unaudited) September 30, 2021	(Audited) December 31, 2020
18 BILLS PAYABLE		Rupees in thousands	
In Pakistan		1,709,439	2,470,821
Outside Pakistan		-	-
		<u>1,709,439</u>	<u>2,470,821</u>
19 DUE TO FINANCIAL INSTITUTIONS			
In Pakistan		11,019,694	20,596,773
Outside Pakistan		-	-
		<u>11,019,694</u>	<u>20,596,773</u>
19.1 Particulars of due to financial institutions with respect to currencies			
In local currency		11,019,694	20,596,773
In foreign currencies		-	-
		<u>11,019,694</u>	<u>20,596,773</u>
19.2 Details of due to financial institutions - Secured / Unsecured			
Secured			
Musharaka with the State Bank of Pakistan - Islamic Export Refinance Scheme		2,412,253	2,845,918
Musharaka with the State Bank of Pakistan - Islamic Long Term Financing Facility		864,836	445,848
Musharaka with the State Bank of Pakistan - Islamic Temporary Economic Refinancing Facility for Plant and Machinery		2,735,430	1,183,828
Musharaka with the State Bank of Pakistan - Islamic Refinancing Scheme for payment of Wages and Salaries		1,190,779	1,715,813
Musharaka with the State Bank of Pakistan - Islamic Refinancing facility for combating COVID-19		25,989	-
Musharaka with the State Bank of Pakistan - Islamic Financing Facility for Renewable Energy		21,099	-
Unsecured			
Musharaka arrangements with financial institutions		3,560,000	14,222,000
Musharaka arrangements with other institution		209,308	183,366
Overdrawn nostro accounts		-	-
		<u>11,019,694</u>	<u>20,596,773</u>

	September 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
Rupees in thousands						
Customers						
Current deposits - non-remunerative	32,220,373	2,813,113	35,033,486	28,501,991	2,175,509	30,677,500
Savings deposits	43,506,366	1,945,319	45,451,685	39,831,137	1,971,071	41,802,208
Term deposits	27,516,440	10,575	27,527,015	17,861,765	79,103	17,940,868
Others	2,845,547	-	2,845,547	2,693,912	-	2,693,912
	106,088,726	4,769,007	110,857,733	88,888,805	4,225,683	93,114,488
Financial Institutions						
Current deposits - non-remunerative	124,787	123	124,910	148,391	138	148,529
Savings deposits	1,416,380	1,741	1,418,121	2,462,010	1,634	2,463,644
Term deposits	3,922,000	-	3,922,000	3,526,500	-	3,526,500
	5,463,167	1,864	5,465,031	6,136,901	1,772	6,138,673
	111,551,893	4,770,871	116,322,764	95,025,706	4,227,455	99,253,161

	Note	(Unaudited) September 30, 2021	(Audited) December 31, 2020
		Rupees in thousands	
21 OTHER LIABILITIES			
Profit / return payable in local currency	21.1	603,485	611,605
Profit / return payable in foreign currencies		935	3,874
Accrued expenses		275,457	349,687
Unearned income		47,576	39,975
Current taxation (provisions less payments)		1,559	-
Acceptances	16	2,375,134	2,716,615
Branch adjustment account		5,625	-
Advance receipt against Islamic financing and related assets		30,156	16,206
Charity fund balance		5,680	46,615
Security deposits against Ijarah financing		729,876	784,910
Withholding tax, Federal excise duty and other payable		26,260	14,150
Un-realized mark to market loss on forward foreign exchange contracts		16,083	181,783
Lease liability against right-of-use asset		2,622,848	3,143,507
Others		331,370	213,432
		<u>7,072,044</u>	<u>8,122,359</u>

21.1 It includes Rs.14.087 million (December 31,2020: Rs. 17.550 million) in respect of profit / return accrued on Musharaka with SBP under Islamic Export Refinance Scheme.

22 SHARE CAPITAL

Authorised capital

(Unaudited) September 30, 2021	(Audited) December 31, 2020		(Unaudited) September 30, 2021	(Audited) December 31, 2020
Number of shares			Rupees in thousands	
<u>1,500,000,000</u>	<u>1,500,000,000</u>	Ordinary shares of Rs. 10/- each	<u>15,000,000</u>	<u>15,000,000</u>

Issued, subscribed and paid up capital

(Unaudited) September 30, 2021	(Audited) December 31, 2020		(Unaudited) September 30, 2021	(Audited) December 31, 2020
Number of shares			Rupees in thousands	
		Fully paid in cash		
1,155,000,000	1,155,000,000	Balance at beginning of the period / year	11,550,000	11,550,000
-	-	Issued during the period / year	-	-
<u>1,155,000,000</u>	<u>1,155,000,000</u>	Balance at end of the period / year	<u>11,550,000</u>	<u>11,550,000</u>

22.1 The Bank's shares are 100 percent held by MCB Bank Limited (MCB) - the parent company and its nominee directors.

		(Unaudited) September 30, 2021	(Audited) December 31, 2020
		Rupees in thousands	
23 RESERVES			
Statutory reserves		84,400	68,107
23.1	Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.		
		(Unaudited) September 30, 2021	(Audited) December 31, 2020
	Note	Rupees in thousands	
24 SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF TAX			
Surplus / (deficit) arising on revaluation of:			
- Fixed assets		353,332	355,252
- Available for sale securities	11.1	170,576	247,937
		523,908	603,189
Deferred tax on surplus / (deficit) on revaluation of:			
- Fixed assets		(47,271)	(43,095)
- Available for sale securities		(66,525)	(86,778)
		(113,796)	(129,873)
		410,112	473,316
25 CONTINGENCIES AND COMMITMENTS			
Guarantees	25.1	9,293,241	8,000,674
Commitments	25.2	16,397,878	20,583,025
Other contingent liabilities	25.3	450,763	437,433
		26,141,882	29,021,132
25.1 Guarantees			
Performance guarantees		3,964,107	3,935,124
Other guarantees		5,329,134	4,065,550
		9,293,241	8,000,674
25.2 Commitments			
Documentary credits and short-term trade-related transactions			
Letters of credit		13,773,593	7,654,971
Commitments in respect of:			
Forward foreign exchange contracts	25.2.1	1,828,255	11,909,879
Commitments for acquisition of:			
Intangible assets		20,236	10,724
Other commitments	25.2.2	775,794	1,007,451
		16,397,878	20,583,025
25.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		978,595	5,046,837
Sale		849,660	6,863,042
		1,828,255	11,909,879
25.2.2 Other commitments			
Commitments to extend financing	25.2.2.1	775,794	1,007,451
25.2.2.1	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.		
25.2.2.2	Other than those stated above, the Bank makes commitment(s) to extend credit in the normal course of business including related parties but these being revocable commitments do not attract any penalty or expense if the facility is unilaterally withdrawn.		

25.3 Other contingent liabilities

Claims against the Bank not acknowledged as debt

(Unaudited) September 30, 2021	(Audited) December 31, 2020
Rupees in thousands	

450,763	437,433
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This includes claim by a third party against the Bank, amounting to Rs. 425.820 million (December 31, 2020: Rs. 425.820 million) which is being contested in the Court of law. The suit has been disposed off by the Court vide Order dated May 10, 2020 wherein the status quo has been ordered to be maintained with respect to Bank guarantee and the matter has been referred to arbitration with the consent of the parties. However the Bank has not received any official notice to attend the arbitration proceedings till date.

In addition to the above, this includes claim by different parties against the bank amounting to Rs. 24.943 million (December 31, 2020: Rs. 11.613 million) which is pending before the court. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these condensed interim financial statements.

- 25.4** The Sindh Revenue Board (SRB) has issued order under "Sindh Sales Tax on Services Act, 2011", for the year 2018 thereby raising demand of Rs.1.775 million. The Bank has filed appeal before Commissioner of Inland Revenue Appeals which is pending adjudication. The management of the Bank, in consultation with its tax advisor, is confident that the decision in respect of the above matter would be in the Bank's favor and accordingly no provision has been made in these condensed financial statements with respect thereto.

26 PROFIT / RETURN EARNED

Financing

5,024,918	5,441,212
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Investments in

- available for sale securities
- held to maturity securities

1,359,019	1,398,319
283,599	313,778

1,642,618	1,712,097
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Musharaka arrangements

62,412	192,786
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Deposits with financial institutions

6,919	91,379
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6,736,867	7,437,474
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27 PROFIT / RETURN EXPENSED

Deposits and other accounts

2,815,379	3,520,887
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Musharaka arrangements with the State Bank of Pakistan - IERS

63,595	47,673
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Musharaka arrangements with other financial institutions

413,657	234,937
---------	---------

Musharaka arrangements with other institutions

10,908	11,900
--------	--------

Unwinding of lease liability against right-of-use asset

262,594	292,381
---------	---------

3,566,133	4,107,778
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28 FEE & COMMISSION INCOME

Branch banking customer fees

10,476	7,721
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Consumer finance related fees

14,884	6,959
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Card related fees

76,644	55,043
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Credit related fees

10,377	7,373
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Digital banking fees

12,156	8,750
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Commission on trade

63,569	52,475
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Commission on guarantees

36,240	34,046
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Commission on cash management

1,169	434
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Commission on remittances including home remittances

5,142	8,198
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Commission on banca takafal

43,540	39,318
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Locker rent

11,474	9,433
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Others

138	35
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285,809	229,785
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		(Unaudited)	
		Period ended September 30, 2021	Period ended September 30, 2020
		Rupees in thousands	
29	GAIN ON SECURITIES		
	Realised	11,345	14,464
29.1	Realised gain / (loss) - net on:		
	Federal Government Securities - Sukuk certificates	-	364
	Shares	11,345	14,100
		<u>11,345</u>	<u>14,464</u>
30	OTHER INCOME		
	Rental income	8,624	7,840
	Gain on sale of fixed assets	945	472
	Fees and charges recovered	2,025	524
	Gain on termination of lease liability against right of use assets	83,893	-
	Gain on conversion of Ijarah agreements	15,158	99,689
	Commission on arrangement with financial institutions	49,454	46,121
		<u>160,099</u>	<u>154,646</u>
31	OPERATING EXPENSES		
	Total compensation expense	1,560,299	1,602,616
	Property expense		
	Rent and taxes	14,374	11,190
	Takaful expenses	30,341	27,013
	Utilities cost	111,907	86,380
	Security (including guards)	164,084	151,320
	Repairs and maintenance (including janitorial charges)	82,327	87,240
	Depreciation on right-of-use assets	355,709	351,114
	Depreciation	174,004	151,881
		932,746	866,138
	Information technology expenses		
	Software maintenance	194,970	101,807
	Hardware maintenance	14,701	102,499
	Takaful expenses	1,918	1,846
	Depreciation	104,886	106,919
	Amortization	113,759	103,846
	Network charges	79,162	85,572
		509,396	502,489
	Other operating expenses		
	Directors' fees and allowances	520	950
	Fees and allowances to Shari'ah Board	7,986	7,249
	Legal and professional charges	21,815	33,249
	Takaful expenses	79,241	65,179
	Fee and subscription	1,647	2,718
	Outsourced services costs	100,021	146,148
	Travelling and conveyance	43,253	38,878
	Repairs and maintenance of vehicles	1,511	1,308
	NIFT clearing charges	14,280	17,205
	Brokerage, commission and bank charges	27,075	17,369
	Depreciation	9,671	10,840
	Training and development	3,975	3,803
	Postage and courier charges	29,904	38,546
	Communication	23,961	16,222
	Stationery and printing	46,282	40,408
	Marketing, advertisement and publicity	15,683	15,443
	Auditors' remuneration	8,359	5,127
	Entertainment	31,007	26,803
	Others	30,783	33,300
		<u>496,974</u>	<u>520,745</u>
		<u>3,499,415</u>	<u>3,491,988</u>

		(Unaudited)	
		Period ended September 30, 2021	Period ended September 30, 2020
		Rupees in thousands	
32	OTHER CHARGES		
	Penalties imposed by the State Bank of Pakistan	37,100	185
		<u>37,100</u>	<u>185</u>
33	PROVISIONS AND WRITE OFFS - NET		
	Reversal of diminution in value of investments	11.2 (78,005)	(26,760)
	Provision against non-performing Islamic financing and related assets	12.9 <u>79,336</u>	<u>107,543</u>
		<u>1,331</u>	<u>80,783</u>
34	TAXATION		
	Current	106,692	141,591
	Prior years	-	(7,415)
	Deferred	<u>(3,649)</u>	<u>37,962</u>
		<u>103,043</u>	<u>172,138</u>
35	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit after taxation	<u>81,464</u>	<u>182,775</u>
		Number of shares - in thousands	
	Weighted average number of ordinary shares	<u>1,155,000</u>	<u>1,155,000</u>
		Rupees	
	Basic and diluted earnings per share	<u>0.071</u>	<u>0.158</u>
		(Unaudited)	
		September 30, 2021	September 30, 2020
		Rupees in thousands	
36	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	9,331,648	7,684,200
	Balances with other banks	3,532,300	954,769
	Overdrawn nostro accounts	-	-
		<u>12,863,948</u>	<u>8,638,969</u>

37 FAIR VALUE MEASUREMENTS

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

The fair value of Islamic financing and related assets, other assets, other liabilities, due from / due to financial institutions and fixed term deposits cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and financial liabilities are not significantly different from their carrying values since these assets and liabilities are either short-term in nature or re-priced over short term.

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

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

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

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

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in Sukuk and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of land and building.

September 30, 2021 (Unaudited)					
	Carrying value	Level 1	Level 2	Level 3	Total
	Rupees in thousands				
On-balance sheet financial instruments					
Financial assets measured at fair value					
<i>Investments</i>					
Federal Government Securities	22,525,979	-	22,525,979	-	22,525,979
Shares	864,036	864,036	-	-	864,036
Non-Government Securities	1,028,753	-	1,028,753	-	1,028,753
	24,418,768	864,036	23,554,732	-	24,418,768
Financial assets - disclosed but not measured at fair value					
Investments (held to maturity)	2,873,327	-	-	-	-
Cash and balances					
with treasury banks	9,331,648	-	-	-	-
Balances with other banks	3,532,300	-	-	-	-
Due from financial institutions	3,815,000	-	-	-	-
Islamic financing					
and related assets - net	75,917,255	-	-	-	-
Other assets	5,856,054	-	-	-	-
Fair value of non-financial assets					
Operating fixed assets					
(land and building)	1,311,787	-	1,311,787	-	1,311,787
Off-balance sheet financial instruments					
Foreign exchange					
contracts purchase	978,595	-	1,002,218	-	1,002,218
Foreign exchange contracts sale	849,660	-	872,230	-	872,230
December 31, 2020 (Audited)					
	Carrying value	Level 1	Level 2	Level 3	Total
	Rupees in thousands				
On-balance sheet financial instruments					
Financial assets measured at fair value					
<i>Investments</i>					
Federal Government Securities	22,444,114	-	22,444,114	-	22,444,114
Shares	1,069,528	1,069,528	-	-	1,069,528
Non-Government Securities	1,058,528	-	1,058,528	-	1,058,528
	24,572,170	1,069,528	23,502,642	-	24,572,170
Financial assets - disclosed but not measured at fair value					
Investments (held to maturity)	3,045,827	-	-	-	-
Cash and balances					
with treasury banks	9,872,197	-	-	-	-
Balances with other banks	4,996,602	-	-	-	-
Due from financial institutions	828,790	-	-	-	-
Islamic financing					
and related assets - net	68,073,221	-	-	-	-
Other assets	5,686,716	-	-	-	-
Fair value of non-financial assets					
Operating fixed assets					
(land and building)	1,319,595	-	1,319,595	-	1,319,595
Off-balance sheet financial instruments					
Foreign exchange contracts purchase	5,046,837	-	(148,819)	-	(148,819)
Foreign exchange contracts sale	6,863,042	-	8,740	-	8,740

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer to occur. There were no transfers between levels 1 and 2 during the period.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares and units of mutual funds.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuks and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instrument is classified in level 3.

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
Fully paid-up ordinary shares	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Mutual Funds	The valuation has been determined based on Net asset values declared by respective funds.
Ijarah Sukuks (GOP Ijarah Sukuks and other Ijarah Sukuks)	Fair values of GoP Ijarah Sukuks and other Ijarah Sukuks 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.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Operating fixed assets (land and building)	Land and buildings are revalued every three years using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

38 SEGMENT INFORMATION

38.1 Segment details with respect to business activities

September 30, 2021 (Unaudited)									
	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Profit and Loss									
Net Profit / return	(2,451,798)	4,073,810	454,750	8,126	1,298,291	(212,445)	3,170,734	-	3,170,734
Inter segment revenue - net	4,607,258	(3,425,988)	(270,745)	(6,192)	(1,025,377)	121,044	-	-	-
Other income	227,048	113,071	23,560	671	36,052	158,962	559,364	-	559,364
Total Income	2,382,508	760,893	207,565	2,605	308,966	67,561	3,730,098	-	3,730,098
Segment direct expenses	(1,634,392)	(78,968)	(114,314)	(18,739)	(18,346)	(1,679,501)	(3,544,260)	-	(3,544,260)
Inter segment expense allocation	(671,511)	(8,041)	(18,656)	(5,291)	(1,519)	705,018	-	-	-
Total expenses	(2,305,903)	(87,009)	(132,970)	(24,030)	(19,865)	(974,483)	(3,544,260)	-	(3,544,260)
Provisions / (reversals) and write offs - net	92	(48,885)	(15,120)	(12,977)	-	75,559	(1,331)	-	(1,331)
Profit / (loss) before tax	76,697	624,999	59,475	(34,402)	289,101	(831,363)	184,507	-	184,507
Balance Sheet									
Cash and bank balances	3,737,919	-	-	-	9,126,029	-	12,863,948	-	12,863,948
Investments	-	-	-	-	26,428,059	864,036	27,292,095	-	27,292,095
Net inter segment lending	107,766,067	-	-	-	-	3,494,505	111,260,572	(111,260,572)	-
Due from financial institutions	-	-	-	-	3,815,000	-	3,815,000	-	3,815,000
Financing - performing	9,195,832	72,821,642	6,621,557	177,259	-	1,246,078	90,062,368	-	90,062,368
- non-performing	79,524	169,874	4,286	6,598	-	10,693	270,975	-	270,975
Others	373,452	3,808,851	196,770	6,679	1,307,143	6,873,605	12,566,500	-	12,566,500
Total Assets	121,152,794	76,800,367	6,822,613	190,536	40,676,231	12,488,917	258,131,458	(111,260,572)	146,870,886
Bills payable	1,709,439	-	-	-	-	-	1,709,439	-	1,709,439
Due to financial institutions	2,349,081	5,110,613	-	-	3,560,000	-	11,019,694	-	11,019,694
Deposits & other accounts	116,099,618	223,146	-	-	-	-	116,322,764	-	116,322,764
Net inter segment borrowing	-	68,282,149	6,126,485	224,900	36,627,038	-	111,260,572	(111,260,572)	-
Others	917,959	2,559,461	636,654	38	16,654	2,941,278	7,072,044	-	7,072,044
Total liabilities	121,076,097	76,175,369	6,763,139	224,938	40,203,692	2,941,278	247,384,513	(111,260,572)	136,123,941
Equity	76,697	624,999	59,475	(34,402)	472,539	9,547,637	10,746,945	-	10,746,945
Total Equity & liabilities	121,152,794	76,800,368	6,822,614	190,536	40,676,231	12,488,915	258,131,458	-	146,870,886
Contingencies & Commitments	8,420,604	15,592,730	230,058	-	1,878,253	20,236	26,141,881	-	26,141,882

September 30, 2020 (Unaudited)

	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Profit & Loss									
Net Profit / return	(3,489,434)	4,591,435	374,121	45,688	1,761,506	46,380	3,329,696	-	3,329,696
Inter segment revenue - net	5,417,282	(3,900,497)	(244,543)	(13,496)	(1,581,990)	323,244	-	-	-
Other income	175,139	165,756	20,250	1,436	237,662	8,380	608,623	-	608,623
Total Income	2,102,987	856,694	149,828	33,628	417,178	378,004	3,938,319	-	3,938,319
Segment direct expenses	(1,494,042)	(67,603)	(57,445)	(26,728)	(17,357)	(1,839,446)	(3,502,622)	-	(3,502,622)
Inter segment expense allocation	(693,839)	(7,842)	(26,341)	(12,836)	(1,681)	742,538	-	-	-
Total expenses	(2,187,881)	(75,445)	(83,786)	(39,564)	(19,038)	(1,096,908)	(3,502,622)	-	(3,502,622)
Provisions / (reversals) and write offs - net	-	(72,168)	(22,741)	(11,022)	26,760	(1,612)	(80,783)	-	(80,783)
Profit / (loss) before tax	(84,894)	709,081	43,301	(16,958)	424,900	(720,516)	354,914	-	354,914

December 31, 2020 (Audited)

	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Balance Sheet									
Cash & Bank balances	5,178,069	-	-	-	9,690,730	-	14,868,799	-	14,868,799
Investments	-	-	-	-	27,617,997	-	27,617,997	-	27,617,997
Net inter segment lending	91,518,432	-	-	-	-	3,770,519	95,288,951	(95,288,951)	-
Due from financial institutions	-	-	-	-	828,790	-	828,790	-	828,790
Financing - performing	6,831,774	71,356,291	4,706,361	86,376	-	1,184,313	84,165,115	-	84,165,115
- non-performing	64,955	618,492	36,091	11,538	-	-	731,076	-	731,076
Others	634,578	3,194,322	191,877	882	946,459	7,990,991	12,959,109	-	12,959,109
Total Assets	104,227,808	75,169,105	4,934,329	98,796	39,083,976	12,945,823	236,459,837	(95,288,951)	141,170,886
Bills payable	2,470,821	-	-	-	-	-	2,470,821	-	2,470,821
Due to financial institutions	1,835,575	4,539,198	-	-	14,222,000	-	20,596,773	-	20,596,773
Deposits & other accounts	99,123,960	129,201	-	-	-	-	99,253,161	-	99,253,161
Net inter segment borrowing	-	66,735,255	4,325,454	120,825	24,107,417	-	95,288,951	(95,288,951)	-
Others	979,370	2,793,576	531,986	62	67,433	3,749,932	8,122,359	-	8,122,359
Total liabilities	104,409,726	74,197,230	4,857,440	120,887	38,396,850	3,749,932	225,732,065	(95,288,951)	130,443,114
Equity	(181,918)	971,875	76,889	(22,091)	687,126	9,195,891	10,727,772	-	10,727,772
Total Equity & liabilities	104,227,808	75,169,105	4,934,329	98,796	39,083,976	12,945,823	236,459,837	(95,288,951)	141,170,886
Contingencies & Commitments	6,297,981	10,700,593	51,955	-	11,959,879	10,724	29,021,132	-	29,021,132

38.2 Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to segments are included in the Head office. Income taxes are managed at Bank level and are not allocated to operating segments.

38.3 Segment details with respect to geographical locations

The Bank operates in Pakistan only.

39 RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its parent company, associates, employee benefit plans and its directors and key management personnel and their close family members.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing.

Contributions to staff retirement benefit plan are made in accordance with the terms of the contribution plan. Remuneration to the executives / officers including financing provided to them is determined in accordance with the terms of their appointment.

39.1 The details of transactions with related parties and balances with them are given below:

	September 30, 2021 (Unaudited)				December 31, 2020 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
Balances with other banks								
In current accounts	26,723	-	-	-	28,393	-	-	-
	26,723	-	-	-	28,393	-	-	-
Islamic financing and related assets								
Opening balance	-	8,290	81,703	1,110,848	-	-	79,634	761,937
Addition during the period / year	-	8,000	18,551	4,846,854	-	8,290	23,499	2,945,709
Repaid during the period / year	-	(8,539)	(14,216)	(4,961,254)	-	-	(18,223)	(3,062,080)
Transfer in / (out) - net	-	-	(722)	698,000	-	-	(3,207)	465,282
Closing balance	-	7,751	85,316	1,694,448	-	8,290	81,703	1,110,848
Fixed assets - Capital work in progress								
Advance paid against purchase of property	20,000	-	-	-	20,000	-	-	-
Other assets								
Profit receivable	-	222	2,390	16,747	-	158	1,927	23,500
Commission receivable	-	-	-	-	-	-	-	4,451
Prepaid expenses	-	506	2,251	11,553	-	202	2,191	22,958
Receivable under scheme of merger	11,282	-	-	-	11,282	-	-	-
Receivable under home remittance	18,046	-	-	-	11,568	-	-	-
Unrealized mark to market gain on forward exchange contract	1,421	-	-	-	6,700	-	-	-
	30,749	728	4,641	28,300	29,550	360	4,118	50,909
Due to financial institutions								
Opening balance	-	-	-	-	880,853	-	-	-
Addition during the period / year	25,900,000	-	-	-	23,703,928	-	-	-
Repaid during the period / year	(25,900,000)	-	-	-	(24,584,781)	-	-	-
Closing balance	-	-	-	-	-	-	-	-
Deposits								
Opening balance	-	576,527	21,655	1,548,037	-	25,190	22,043	1,301,009
Addition during the period / year	-	2,567,428	217,644	24,034,404	-	2,446,392	215,941	22,627,429
Withdrawn during the period / year	-	(2,570,162)	(214,281)	(24,017,286)	-	(1,877,149)	(216,041)	(22,263,816)
Transfer in / (out) - net	-	-	-	32,218	-	(17,906)	(288)	(116,585)
Closing balance	-	573,793	25,018	1,597,373	-	576,527	21,655	1,548,037
Other liabilities								
Profit payable	-	1,919	31	1,950	-	3,059	31	5,350
Accrued expenses	9,158	-	-	11,425	-	-	-	14,559
Acceptances	587,037	160	-	1,561	592,965	-	-	-
Unearned income	-	-	-	-	-	-	-	1,786
Unrealized mark to market loss on forward exchange contract	12,494	-	-	-	46,115	-	-	-
	608,689	2,079	31	14,936	639,080	3,059	31	21,695
Contingencies and Commitments								
Letter of Credit	-	-	-	433,084	-	-	-	211,033
Letter of Guarantee	82,824	-	-	945,049	102,102	-	-	892,358
Forward exchange contract								
Purchase	444,642	-	-	-	1,093,262	-	-	-
Sale	444,642	-	-	-	241,168	-	-	-
	September 30, 2021 (Unaudited)				September 30, 2020 (Unaudited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
Transactions during the period								
Income								
Profit / return earned	-	481	3,351	76,768	-	132	2,662	96,126
Commission income	-	-	-	39,232	-	-	-	35,717
Rental income	8,624	-	-	-	7,840	-	-	-
Other income	-	-	9	-	-	-	18	-
	8,624	481	3,360	116,000	7,840	132	2,680	131,843
Expense								
Profit / return expensed	24,182	16,635	362	47,532	104,725	7,716	279	59,733
Rental expense	31,909	-	-	-	27,535	-	-	-
Takaful expense	-	-	-	69,221	-	-	-	62,257
Security expense	-	-	-	37,979	-	-	-	39,268
Other expense	3,861	520	-	-	90	950	-	18
	59,952	17,155	362	154,732	132,350	8,666	279	161,276
Other transactions during the period								
Fee paid	-	360	-	-	-	540	-	-
Managerial remuneration paid	-	33,226	131,790	-	-	21,508	132,112	-
Contribution paid to provident fund	-	-	-	94,533	-	-	-	92,243
Re-imbursement under home remittance payments	3,664,907	-	-	-	2,869,085	-	-	-
Proceeds from sale of fixed assets	-	-	9	-	-	-	18	-
Purchase of fixed assets	-	-	-	5,008	-	-	-	-
Disbursement made against advance salary	-	-	1,700	-	-	1,304	300	-
Repayment made against advance salary	-	-	1,033	-	-	1,304	300	-
Payment made against expenses	23,318	-	-	97,617	19,785	-	-	93,090
Foreign currency purchase	18,306,676	-	-	-	34,171,631	-	-	-
Foreign currency sale	11,008,298	-	-	-	25,332,911	-	-	-
Letter of Credit issued	-	-	-	2,857,002	-	-	-	1,474,582
Letter of Guarantee issued	10,228	-	-	167,458	4,998	-	-	185,127

(Unaudited) (Audited)
September 30, December 31,
2021 2020
Rupees in thousands

40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid - up capital (net of losses)	10,252,433	10,186,349
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	8,605,569	8,405,040
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,605,569	8,405,040
Eligible Tier 2 Capital	468,175	514,163
Total Eligible Capital (Tier 1 + Tier 2)	9,073,744	8,919,203

Risk Weighted Assets (RWAs):

Credit Risk	60,501,645	63,293,992
Market Risk	3,615,429	3,571,575
Operational Risk	7,369,896	7,369,896
Total	71,486,970	74,235,463

Common Equity Tier 1 Capital Adequacy ratio

12.04% 11.32%

Tier 1 Capital Adequacy Ratio

12.04% 11.32%

Total Capital Adequacy Ratio

12.69% 12.01%

Leverage Ratio (LR):

Eligible Tier-1 Capital	8,605,569	8,405,040
Total Exposures	169,354,758	153,424,840
Leverage Ratio	5.08%	5.48%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	28,723,961	27,536,984
Total Net Cash Outflow	24,811,485	22,556,206
Liquidity Coverage Ratio	115.77%	122.08%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	98,747,214	90,442,043
Total Required Stable Funding	80,967,153	76,614,255
Net Stable Funding Ratio	121.96%	118.05%

41 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

42 GENERAL

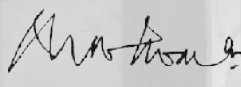
Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

43 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 26, 2021 by the Board of Directors of the Bank.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Muhammad Azfar Alam Noman
President / Chief Executive



Raza Mansha
Director



Omair Safdar
Director



Jawaid Iqbal
Director

BRANCH NETWORK

Br. Code	Name of Branch	Address	City	Contact No.
001	Shahrah-e-Faisal Branch	Branch Operations Manager, MCB Islamic Bank, Ground Floor, Nice Trade Orbit, Main Shahrah-e-Faisal Nursery, Karachi	Karachi	+92-21-34328469 +92-21-34328477
002	Gulberg, Liberty Market Branch	Branch Operations Manager, MCB Islamic Bank, 9-C, Commercial Liberty Market, Gulberg Lahore	Lahore	+92-42-35789831-34
003	Shah Rukn-e-Alam Colony Branch	Branch Operations Manager, MCB Islamic Bank, 17-F Chowk Shah Rukn e Alam Colony, Multan	Multan	+92-61-6560451-57
004	ThandiSarak Branch	Branch Operations Manager, MCB Islamic Bank, Ground Floor, Shop No.6&7, River View Apartments, ThandiSarak, Hyderabad	Hyderabad	+92-22-2785486 +92-22-2785632
005	Peoples Colony Branch	Branch Operations Manager, MCB Islamic Bank, 668-1, Block A, Peoples Colony No. 1, Faisalabad	Faisalabad	+92-41-8556601-05
006	Jinnah Avenue, Blue Area Branch	Branch Operations Manager, MCB Islamic Bank, 52 East, Dodhy Plaza, Jinnah Avenue Islamabad	Islamabad	+92-51-2875091-92
007	Rashid Minhas Road Branch	Branch Operations Manager, MCB Islamic Bank, Plot# LM-10, Block-10-A, Near Pizza Hut, main Rashid Minhas Road, Karachi	Karachi	+92-21-34817623 +92-21-34838077
008	DHA Phase III, Z Block Branch	Branch Operations Manager, MCB Islamic Bank, 339-Z (Commercial) Ground Floor, Phase III, Defence Housing Authority, Lahore	Lahore	+92-42-35692901 +92-42-35746675
009	Bank Road, Saddar Branch	Branch Operations Manager, MCB Islamic Bank, Shahbaz Plaza, Bank Road, Saddar, Rawalpindi	Rawalpindi	+92-51-5525277 +92-51-5700342 +92-51-5523474
010	Saddar Road Branch	Branch Operations Manager, MCB Islamic Bank, Tasneem Plaza, 6 Saddar Road, Peshawar Cantt	Peshawar	+92-91-5272180-83
011	M.A Jinnah Road Branch	Branch Operations Manager, MCB Islamic Bank, M.A. Jinnah Road, Quetta, Balochistan	Quetta	+92-81-2824977
012	Shahalam Market Branch	Branch Operations Manager, MCB Islamic Bank, 12-13-6 Block-A, Shah Alam Market, Lahore	Lahore	+92-42-37667813
014	New Challi Branch	Branch Operations Manager, MCB Islamic Bank, Shop No G-2, Muhammadi Trade tower, AltafHussani road, New Challi, Karachi	Karachi	+92-21-32371192
015	S.I.T.E Branch	Branch Operations Manager, MCB Islamic Bank, C 18 -A, East Avenue, S.I.T.E, Karachi	Karachi	+92-21-32552192 +92-21-32552193
016	SharifpuraChowk, G.T. Road Branch	Branch Operations Manager, MCB Islamic Bank, SharifpuraChowk G.T Road Gujranwala	Gujranwala	+92-55-3251915-17
017	Rahim Yar Khan Branch	Branch Operations Manager, MCB Islamic Bank, 29-Model Town, City Centre, City Park Chowk, Rahim Yar Khan	Rahim Yar Khan	+92-68-5876049
018	Club Road Branch	Branch Operations Manager, MCB Islamic Bank, 73, Club Road, Civil Line, Sargodha	Sargodha	+92-48-3768633
019	F-10 Markaz Branch	Branch Operations Manager, MCB Islamic Bank, 1-G Souk-Ul-Hashir Plaza, Double Road, F-10 Markaz, Islamabad	Islamabad	+92-51-2114307
020	Khushab Branch	Branch Operations Manager, MCB Islamic Bank, Salam KhataQitah 13, KhattaChowk, Main Sargodha Road, Khushab	Khushab	+92-45-4710497
021	AllamaIqbal Town Branch	Branch Operations Manager, MCB Islamic Bank, 132 Jahanzaib Block, Main Boulevard, AllamaIqbal Town, Lahore	Lahore	+92-42-37813681-84
022	Sukkur Branch	Branch Operations Manager, MCB Islamic Bank, Shop/ Plot/ Khasra/ Khatooni/ Khewat # Plot # B-1623, Bunder Road, Sukkur	Sukkur	+92-71-5620756
023	Khalid-Bin-Waleed Road Branch	Branch Operations Manager, MCB Islamic Bank, Show Room No.9-11, Plot No.167-A, Block-3, Khalid Bin Waleed Road, Karachi	Karachi	+92-21-34323051-52
024	Johar Town, MaulanaShaukat Ali Road Branch	Branch Operations Manager, MCB Islamic Bank, 87-E, Madina Heights, MaulanaShaukat Ali Road, Johar Town, Lahore	Lahore	+92-42-35222674-79
025	TandoAllahyar Branch	Branch Operations Manager, MCB Islamic Bank, Plot No.1, Survey No. 272-1 DehTaluka Hyderabad Road, Tando Allah Yar	TandoAllahyar	+92-22-3891600 +92-22-3891567
028	Sahiwal Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 23, Khewat # 7854, Khatooni # 7907, Khasra No. 776-23-j, Farid Town, Sahiwal, Tehsil & District Sahiwal	Sahiwal	+92-40-4270713-15
029	Bhimber Road Branch	Branch Operations Manager, MCB Islamic Bank, Khewat # 143, Khatooni # 341, Bhimber Road, Gujrat, Tehsil & District Gujrat	Gujrat	+92-53-3601781-82
032	Korangi Industrial Area Sector 23 Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 1-A, Sector 23, Korangi Industrial Area, Karachi	Karachi	+92-21-35122311-12
033	North Nazimabad Branch	Branch Operations Manager, MCB Islamic Bank, Shop # 1 & 2 Jasmine Heights Plot # SC-21-A Block H North Nazimabad, Karachi	Karachi	+92-21-36641762 +92-21-36641764
034	Saddar Branch	Branch Operations Manager, MCB Islamic Bank, Qasr-e-Fatima 90-1-2, Main Saddar Bazar, Hyderabad	Hyderabad	+92-22-2731545 +92-22-27315646
035	Gulberg, Main Boulevard Branch	Branch Operations Manager, MCB Islamic Bank, 58 Main Boulevard Gulberg Lahore	Lahore	+92-42-35760954-58
037	F.B. Industrial Area Branch	Branch Operations Manager, MCB Islamic Bank, Sector no 22, KDA Scheme 16, FB Industrial Area Karachi	Karachi	+92-21-36834440 +92-21-36834448
038	Chaman Branch	Branch Operations Manager, MCB Islamic Bank, Taj Road Chaman, Balochistan	Chaman	+92-82-6615429
039	Loralai Branch	Branch Operations Manager, MCB Islamic Bank, Shop # 372, House # 425, Tehsil Road Loralai, Balochistan	Loralai	+92-82-4660400
040	Timergara Branch	Branch Operations Manager, MCB Islamic Bank, Zeb plaza main balambat Road Timergara District Lower Dir	Timargara	+92-945-825571-73
041	Mingora Branch	Branch Operations Manager, MCB Islamic Bank, Opposite Bank Square Main Bazar Mingora Swat	Mingora	+92-946-725373-74
042	Mardan Branch	Branch Operations Manager, MCB Islamic Bank, RS Plaza Shamsi Road, Tehsil and District Mardan	Mardan	+92-937-870751 +92-937-870753

Br. Code	Name of Branch	Address	City	Contact No.
043	New Garden Town Branch	Branch Operations Manager, MCB Islamic Bank, Shop No 12, 13, 14, Shan Arcade, Civic Centre, Garden Town, Lahore	Lahore	+92-42-35941840-41
044	Cavalry Ground Branch	Branch Operations Manager, MCB Islamic Bank, Plot No 7, Cavalry Ground Commercial Area, Walton Lahore Cantt	Lahore	+92-42-36672180 +92-42-36672183
046	Matta Branch	Branch Operations Manager, MCB Islamic Bank, Khatooni No. 28-50, Khasra No. 2309, Mehran Khan Plaza, Main Matta Khari, Matta Swat	Matta	+92-94-6790612-15
047	Toba Tek Singh Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 359, Mall Godam Road, Toba Tek Singh	Toba Tek Singh	+92-46-2514427 +92-46-2515427 +92-46-2517327
048	Hazara Town Branch	Branch Operations Manager, MCB Islamic Bank, Lilak Shopping Centre, Barma Road, Aliabad, Hazara Town, Quetta, Balochistan	Quetta	+92-81-2853127
049	Gwadar Branch	Branch Operations Manager, MCB Islamic Bank, Main Airport Road, Gwadar, Balochistan	Gwadar	+92-86-4210290
050	Dream Gardens Branch	Branch Operations Manager, MCB Islamic Bank, Shop No.08& 09, Block C, Dream Garden Housing Society, 1.5 KM Defence Road, Off Raiwind Road, Lahore	Lahore	+92-42-35469652
051	Kabal Branch	Branch Operations Manager, MCB Islamic Bank, Khasra No. 2262, Khata No. 901, Khatooni No. 1176, Hassan Plaza, Kabal Chowk, Kabal, District Swat	Kabal	+92-94-6755592-95
052	Sirki Road Branch	Branch Operations Manager, MCB Islamic Bank, Branch Operations Manager, MCB Islamic Bank, Plot No. 136-14-32, Akram Plaza, Sirki Road, Quetta, Balochistan	Quetta	+92-81-2836417
053	Batkheela Branch	Branch Operations Manager, MCB Islamic Bank, Shop No 1 to 6, Pak Haider Market, Near Zafar Park, next to Malakand CNG, GT Road, Batkhela District Malakand	Batkheela	+92-93-2410670-72
054	G-11 Markaz Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 7,8,25,26, Plot No. 33, G-11 Markaz, Islamabad	Islamabad	+92-51-2360067
055	Chaklala Scheme III Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 16, Commercial Area, Chaklala Scheme III, Rawalpindi Cantt.	Rawalpindi	+92-51-5766233
056	NawanShehar Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 741 -F, Ward No.9, Muslim Mouza Ismail, Chowk NawanShehar, Multan	Multan	+92-61-4573032
057	Gulshan-e-Iqbal Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 1&2, Al - Sammad Tower 13- Gulshan-e-Iqbal, Main University Road, Karachi	Karachi	+92-21-34971515
058	Latifabad Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 1, 2 & 3, United Plaza, Opposite American Hospital, Main Road, Unit # 7, Taluka Latifabad, District Hyderabad	Hyderabad	+92-22-3821861-65
062	Zainab Market, Saddar Branch	Branch Operations Manager, MCB Islamic Bank, PB No. 272-1, Ground Floor State Life Building No.11, Abdullah Haroon Road, Saddar Karachi	Karachi	+92-21-35681851-60
063	Turbat Branch	Branch Operations Manager, MCB Islamic Bank, Main Road Turbat, Balochistan	Turbat	+92-85-2411153
064	G-1 Market, Johar Town Branch	Branch Operations Manager, MCB Islamic Bank, 435 G-1 Market, Johar Town, Lahore	Lahore	+92-42-35468417
065	PIA Housing Society Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 8, Block D, Phase I, PIA Housing Scheme, Wapda Town, Lahore	Lahore	+92-42-35463995-96
066	Zhob Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. C-159, C-160, Tehsil Road, Zhob, Balochistan	Zhob	+92-82-2412257
067	Abbottabad Branch	Branch Operations Manager, MCB Islamic Bank, GM Tower, near Sethi Masjid, Mansehra Road, Abbottabad	Abbottabad	+92-99-2408301-04
069	Faisal Town Branch	Branch Operations Manager, MCB Islamic Bank, 35-A, Main Boulevard, Faisal Town, Lahore.	Lahore	+92-42-35202200 +92-42-35202203 +92-42-35303304
070	Chitral Branch	Branch Operations Manager, MCB Islamic Bank, Ataliq Bazar Bypass Road Near Bus Adda, Chitral	Chitral	+92-943-414389 +92-943-414316
071	Sadiqabad Branch	Branch Operations Manager, MCB Islamic Bank, 19/20-D, Tehsil Bazar, Sadiqabad	Sadiqabad	+92-68-5802242-43
072	JK Sugar Mills Branch	Branch Operations Manager, MCB Islamic Bank, JK Sugar Mills, Chak No. 84/15LMian Channu	Mian Channu	+92-42-34501000 Ext. 1972
073	Muhammad Ali Society Branch	Branch Operations Manager, MCB Islamic Bank, 12-C/B Muhammad Ali Society, Karachi	Karachi	+92-21-34320831-35
075	Dera Ghazi Khan Branch	Branch Operations Manager, MCB Islamic Bank, Ashraf Palaza, Block # 2, Kachehri Road, D. G. Khan	Dera Ghazi Khan	+92-64-2460258
077	Bahria Town Phase IV Branch	Branch Operations Manager, MCB Islamic Bank, Shop No G-9-10, Bahria Heights II, Ext Bahria Town, Phase - IV, Islamabad	Islamabad	+92-51-5146025
078	Model Colony Branch	Branch Operations Manager, MCB Islamic Bank, H.No. 4/95, Afandi House, Liaquat Ali Khan Road, Model Colony, Karachi	Karachi	+92-21-34110334
079	DHA Rahbar Branch	Branch Operations Manager, MCB Islamic Bank, Defence Road, DHA Rahbar, Lahore	Lahore	+92-42-34501000 Ext. 1979
081	Gilgit Branch	Branch Operations Manager, MCB Islamic Bank, Shahrah-e-Quaid-e-Azam, Near NHA Office, Jutial Gilgit	Gilgit	+92-581-1450754
082	Bahawalpur Branch	Branch Operations Manager, MCB Islamic Bank, 30 - Model Town-B, Block A Bahawalpur	Bahawalpur	+92-62-2888768
083	DHA Phase II - Tulip Road Branch	Branch Operations Manager, MCB Islamic Bank, DHA Phase-II Branch, Plaza # 8, Street# A/62, Tulip Road, Sector A, DHA Phase -II, Islamabad	Islamabad	+92-51-5147159 +92-51-5147164
085	Madras Chowk Branch	Branch Operations Manager, MCB Islamic Bank, Shop # S-8, S-9 & S-10, Pioneer Tower Survey No. 22 & 24, Deh Songal Gujro, Sector 16- A, Scheme, Karachi	Karachi	+92-21-34645755

Br. Code	Name of Branch	Address	City	Contact No.
086	MATCO Foods Branch	Branch Operations Manager, MCB Islamic Bank, MATCO Food Ltd. B/1-A, Site Phase 1 Super Highway, North Karachi Industrial Area, Karachi	Karachi	+92-21-36411781 +92-21-36411791
088	Faizan-e-Madina Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 22, AlamiMadaniMarkaz, Faizan-e-Madina, MohallaSaudagran Old SabziMandi Karachi	Karachi	+92-21-34942626
089	Okara Branch	Branch Operations Manager, MCB Islamic Bank, Khewat No. 1519, Khatooni No. 1537, Khasra No. 4207/6-5-4 M.A. Jinnah Road, Okara	Okara	+92-44-2510124
090	Raza Garden Branch	Branch Operations Manager, MCB Islamic Bank, Main Sillanwali Road, Raza Garden Sargodha	Sargodha	+92-48-3250682
091	Buerwala Branch	Branch Operations Manager, MCB Islamic Bank, Plot No.98 Block -A, Arabia Islamia Road, Burewala	Burewala	+92-67-3351281-85
092	MillatChowk Branch	Branch Operations Manager, MCB Islamic Bank, 156-B, MillatChowk, Gulistan Colony, Faisalabad	Faisalabad	+92-41-8782963-66 +92-41-8782968
093	Dalazak Road Branch	Branch Operations Manager, MCB Islamic Bank, Malik Sardar Plaza, Near Yousafabad Canal, Dalazak Road, Peshawar	Peshawar	+92-91-2244041-42
094	Qasimabad Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 6 & 7, Raheel Heights, 267/2, Deh Sari, WadhuWah Road, Qasimabad, Hyderabad	Hyderabad	+92-22-2675334
095	Korangi Industrial Area Sector 7-A Branch	Branch Operations Manager, MCB Islamic Bank, Plot No.251, Sector 7 -A, Korangi Industrial Area, Karachi	Karachi	+92-21-35151191-96
096	Sarwar Road Cantt. Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 05, Survey No.52/C - 5, Sarwar Road Cantt. Lahore	Lahore	+92-42-36682075-76
097	MalirCantt Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 75, 4 Dots Shopping Complex C/O HQ 4 Air Defence Division, 31 Bostan Lines, Malir Cantonment, Karachi	Karachi	+92-21-34901140
099	Muslim Bagh Branch	Branch Operations Manager, MCB Islamic Bank, Station Road, Muslim Bagh, Balochistan	Muslim bagh	+92-823-669214-5
100	Samanabad Branch	Branch Operations Manager, MCB Islamic Bank, Property 22-7-17/1 & 22-S-17/2, Main Samanabad, Lahore	Lahore	+92-42-37590152
101	Khuzdar Branch	Branch Operations Manager, MCB Islamic Bank, Mir Chakar Khan Road, Khuzdar, Tehsil & District Khuzdar, Balochistan	Khuzdar	+92-848-550041-42
102	Kamra Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 75, Mini Plaza, PAC Chowk, G.T Road, KamraCantt, District Attock	Kamra	+92-57-2642521
103	Attock Branch	Branch Operations Manager, MCB Islamic Bank, Shop # B-III/37, C-152, Dr. GhulamGillaniBurq Road, Attock City	Attock	+92-57-5700903
104	Chakwal Branch	Branch Operations Manager, MCB Islamic Bank, B1 -1/1634/1, B-1-1635, Talagang Road, Chakwal	Chakwal	+92-54-3602050-51
105	Canal Road Branch	Branch Operations Manager, MCB Islamic Bank, 204 RB East, Canal Road Faisalabad	Faisalabad	+92-41-2421890-91
106	Kotwali Road Branch	Branch Operations Manager, MCB Islamic Bank, P-64 Taj Plaza, Kotwali Road, Faisalabad	Faisalabad	+92-41-2604935
107	Ghakhar Branch	Branch Operations Manager, MCB Islamic Bank, Khewat # 2414, Khatooni # 3600, Khasra # 3359, GT Road, Ghakkar	Ghakhar	+92-55-3886662 +92-55-3886665
108	Satellite Town Branch	Branch Operations Manager, MCB Islamic Bank, Satellite Town Branch, 529 -C Satellite Town, Gujranwala	Gujranwala	+92-55-3825781
109	Kharian Branch	Branch Operations Manager, MCB Islamic Bank, Bilal Plaza, G.T.Road, Kharian	Kharian	+92-53-7601325 +92-53-7601358
110	MandiBahauddin Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 7/211, Ward # 7, GhallaMandi, MandiBahauddin	MandiBahauddin	+92-546-509551 +92-546-509553
111	Hussain Plaza, G.T Road Branch	Branch Operations Manager, MCB Islamic Bank, Khasra No. 625, Hussain Plaza, Chowk GTS, G.T Road, Gujrat	Gujrat	+92-53-3571542 +92-53-3530287
115	F-7 Markaz, Post Mall Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 3, F-7 Markaz, Post Office, Mall Building, Islamabad	Islamabad	+92-51-2608003 +92-51-2608018
116	F-8 Markaz Branch	Branch Operations Manager, MCB Islamic Bank, Shop # 12 & 13, Al-Babar Center, F-8 Markaz, Islamabad	Islamabad	+92-51-2852653
117	F-11 Markaz Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 18, Trade Centre, Main Double Road, F-11 Markaz, Islamabad	Islamabad	+92-51-2107862
118	E-11/3 Branch	Branch Operations Manager, MCB Islamic Bank, Commercial Plot No. 2, Sector E-11/3, Islamabad Garden, Islamabad	Islamabad	+92-51-2375345-6
119	I-8 Markaz Branch	Branch Operations Manager, MCB Islamic Bank, MB City Mall, Plot No. 34, I-8 Markaz, Islamabad	Islamabad	+92-51-4862278-79
120	WahCantt Branch	Branch Operations Manager, MCB Islamic Bank, Shop # 1/37, Commercial Area, Civic Centre, Aslam Market, WahCantt	WahCantt	+92-51-4902231
121	Jhang Branch	Branch Operations Manager, MCB Islamic Bank, Khewat # 698, Khatooni # 203, Yousuf Shah Road, District Jhang (Opposite District Courts Jhang)	Jhang	+92-47-7629591-94
122	SaraiAlamgir Branch	Branch Operations Manager, MCB Islamic Bank, Al Awan Plaza, near Military College, Main GT Road, SaraiAlamgir	SaraiAlamgir	+92-544-654929 +92-544-654929
123	Gujar Khan Branch	Branch Operations Manager, MCB Islamic Bank, Commercial Property # Bill 379 & Bill 377, G.T. Road (Near MCB), Gujar Khan	Gujar Khan	+92-51-3510156
124	Jhelum Branch	Branch Operations Manager, MCB Islamic Bank, Model Colony, ShandarChowk, Jhelum	Jhelum	+92-544-627128 +92-544-628677
126	North Napier Road Branch	Branch Operations Manager, MCB Islamic Bank, MariumManzil, Plot # 161, Survey Sheet # MR-1, Market Quarters, North Napier Road, Karachi	Karachi	+92-21-32440583 +92-21-32473166
127	I. I. Chundrigar Road Branch	Branch Operations Manager, MCB Islamic Bank, Gul Tower, Main I.I Chundrigar Road, Karachi	Karachi	+92-21-32426413

Br. Code	Name of Branch	Address	City	Contact No.
128	Cloth Market Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 21/1, Puri Building, Cloth Market, Karachi	Karachi	+92-21-32472148-49 +92-21-32471727
129	Jodia Bazar Branch	Branch Operations Manager, MCB Islamic Bank, MR 6/2, Market Quarters, Virjee Street, Jodia Bazar, Karachi	Karachi	+92-21-32443758 +92-21-32443684
132	Javed Arcade Branch	Branch Operations Manager, MCB Islamic Bank, Javed Arcade, Plot # SB-1, Block # 17, KDA Scheme # 36, Gulistan-e-Jauhar, Karachi	Karachi	+92-21-34636746
133	Shershah Branch	Branch Operations Manager, MCB Islamic Bank, Plot # M-II-E-606, Shershah, Karachi	Karachi	+92-21-32587581-83
137	Shaheed-e-Millat Road Branch	Branch Operations Manager, MCB Islamic Bank, Bismillah Blessings, Plot No. 7-A/228, SS No. 35-P/1, Block-3, DMCHS, Main Shaheed-e-Millat Road, Karachi	Karachi	+92-21-34943666
138	Business Arcade Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 27-A, Business Arcade, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi	Karachi	+92-21-34326570-73
141	EOBI House Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. ST-1/A-1, KDA Commercial Complex, Scheme 1, Shop No. G-01/B, Ground Floor, EOBI House, Shahrah-e-Faisal, Karachi	Karachi	+92-21-34330172 +92-21-34536732
143	AllamaIqbal Road Branch	Branch Operations Manager, MCB Islamic Bank, Plot No.683-C Ground Floor & Mezzanine Floor, Block-2, PECHS, AllamaIqbal Road, Karachi	Karachi	+92-21-34301817
148	DHA Phase V Ext., Saba Avenue Branch	Branch Operations Manager, MCB Islamic Bank, Saba Avenue, Plot # 8-C, Badar Commercial, Street # 6, Phase V Ext, DHA, Karachi	Karachi	+92-21-35341673
150	DHA Phase V, Zamzama Lane Branch	Branch Operations Manager, MCB Islamic Bank, 17-E, 6th Commercial Lane, DHA Phase-V, Karachi	Karachi	+92-21-35295015 +92-21-35295210
151	Kulsoom Court Branch	Branch Operations Manager, MCB Islamic Bank, Kulsoom Court, Shop # 2, 3, 5A& 6, Plot DC-3, KDA Scheme # 5, Block-9, Clifton, Karachi	Karachi	+92-21-38798971-77
152	DHA Phase IV Branch	Branch Operations Manager, MCB Islamic Bank, Ground Floor, Plot # 99-E, 9th Commercial Street, Phase-IV, DHA, Karachi	Karachi	+92-21-35885718
154	DHA Phase II Branch	Branch Operations Manager, MCB Islamic Bank, 106/C, Phase-II, National Highway, D.H.A., Karachi	Karachi	+92-21-35348772
155	Paper Market Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 11/2, Sheet SR-9, Seraj Quarters, Anjarwala Bakery Sharah-e-Liaquat Karachi	Karachi	+92-21-32212610 +92-21-32212356
158	West Wharf Road Branch	Branch Operations Manager, MCB Islamic Bank, 4/22, Puri House, West Wharf Road, Karachi	Karachi	+92-21-32205422 +92-21-32205488
159	Gulshan-e-Ravi Branch	Branch Operations Manager, MCB Islamic Bank, 159-A, Main Boulevard, Gulshan Ravi, Lahore	Lahore	+92-42-37401870-74 +92-42-37401890
160	NilaGumbad Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 12, McLagan Road, NilaGumbad, Lahore	Lahore	+92-42-37210102
161	Shahrah-e-Aiwan-e-Tijarat, China Chowk Branch	Branch Operations Manager, MCB Islamic Bank, 14-A (Ground Floor), Shahrah-e-Aiwan-e-Tijarat, Old Race Course Road, Lahore	Lahore	+92-42-36282790-95
162	Davis Road Branch	Branch Operations Manager, MCB Islamic Bank, Aftab Centre, 30-Davis Road, Lahore	Lahore	+92-42-36287029 +92-42-36286965
163	Model Town Branch	Branch Operations Manager, MCB Islamic Bank, Shop No.10 and 11, Commercial Market, C-Block, Model Town, Lahore	Lahore	+92-42-35915403-6
165	DHA Phase II, Commercial Area Branch	Branch Operations Manager, MCB Islamic Bank, Commercial Plot # 12, Block CCA, Phase II, DHA, Lahore	Lahore	+92-42-35749481 +92-42-35707033 +92-42-35749485
166	Bahria Town Sector C Branch	Branch Operations Manager, MCB Islamic Bank, 65-A, Sector-C, Bahria Town, Lahore	Lahore	+92-42-37861591-93
167	ThokarNiazBaig Branch	Branch Operations Manager, MCB Islamic Bank, 171 -A Ali Town, Main Raiwind Road, Lahore	Lahore	+92-42-35963291
168	Ichra Branch	Branch Operations Manager, MCB Islamic Bank, Shop # 158, MohallaRasoolPura, Ichra, Main Ferozepura Road, Lahore.	Lahore	+92-42-37426801-05
169	Multan Road Branch	Branch Operations Manager, MCB Islamic Bank, 9-A Industrial Block, Scheme More, AllamaIqbal Town, Multan Road, Lahore	Lahore	+92-42-37803449
170	Muzaffarabad AJK Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 26 -1, GhariPhanChowk, DomelSyedan, Muzaffarabad, Azad Kashmir	Muzaffarabad	+92-5822-921137-38 +92-5822-920455
171	Mirpur AJK Branch	Branch Operations Manager, MCB Islamic Bank, Bank Square, AllamaIqbal Road, Mirpur, Azad Kashmir	Mirpur A.K.	+92-5827-442840 +92-5827-447683 +92-5827-442118
172	Hayatabad Branch	Branch Operations Manager, MCB Islamic Bank, B-1, Phase V, Hayatabad, Peshawar	Peshawar	+92-91-5825305
173	Gulbahar Branch	Branch Operations Manager, MCB Islamic Bank, Malik Arcade, AnamSanamChowk, Gulbahar Road, Peshawar	Peshawar	+92-91-2580718 +92-91-2590762
174	Choharmal Road Branch	Branch Operations Manager, MCB Islamic Bank, Choharmal Road, Quetta, Balochistan	Quetta	+92-81-2843640
175	MannanChowk Branch	Branch Operations Manager, MCB Islamic Bank, 2-11/6-303, MannanChowk, M.A. Jinnah Road, Quetta	Quetta	+92-81-2836204-05
176	Murree Road Branch	Branch Operations Manager, MCB Islamic Bank, North Star Plaza, 20-B, Murree Road, Satellite Town, Rawalpindi	Rawalpindi	+92-51-4426972-76
177	PWD Employees Society Branch	Branch Operations Manager, MCB Islamic Bank, 40-B, Block-B, Commercial Area (Extension), PWD Employees Housing Society, LohiBhair, Islamabad Highway, Islamabad	Islamabad	+92-51-5957660-62
179	Mian Khan Road Branch	Branch Operations Manager, MCB Islamic Bank, 110 Mian Khan Road, Block 5, Sargodha	Sargodha	+92-48-3726609 +92-48-3729623

Br. Code	Name of Branch	Address	City	Contact No.
180	Sargodha Road Branch	Branch Operations Manager, MCB Islamic Bank, Shop No.1, Ground Floor, Al-Hamd Plaza, BattiChowk, Lahore Road, Sheikhupura	Sheikhupura	+92-56-3545724
181	Kashmir Road Branch	Branch Operations Manager, MCB Islamic Bank, 155/A, BIII-12S, Sublime Chowk, Kashmir Road, Sialkot	Sialkot	+92-523-241491 +92-523-241292
183	Shahdada Branch	Branch Operations Manager, MCB Islamic Bank, Plot City Survey # 801 to 804 and 813, Station Road, Shahdada	Shahdada	+92-235-844901-02
185	Kunri Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 9, Block No. 263/4 DehGaraha City, Bank Road, Kunri	Kunri	+92-238-558013-14
186	Shahdara Branch	Branch Operations Manager, MCB Islamic Bank, Shahdara, Main Sheikhupura Road, Jiya Musa, Lahore	Lahore	+92-42-37919160
187	Baghbanpura Branch	Branch Operations Manager, MCB Islamic Bank, 266, G.T. Road, Baghbanpura, Lahore	Lahore	+92-42-36844011-12 +92-42-36844015
188	Ravi Road, Timber Market Branch	Branch Operations Manager, MCB Islamic Bank, NWIII.R.78/5/A, Timber Market, Lahore	Lahore	+92-42-37722338-9
189	Circular Road Branch	Branch Operations Manager, MCB Islamic Bank, Babar Center, 51-Circular Road, Outside Akbari Gate, Lahore	Lahore	+92-42-37379250
190	BadamiBagh Branch	Branch Operations Manager, MCB Islamic Bank, 93-Grain Market BadamiBagh, Lahore	Lahore	+92-42-37706366 +92-42-37706086 +92-42-37720696
192	Bahria Town Phase VII Branch	Branch Operations Manager, MCB Islamic Bank, Plot No.6, Mini River View Commercial Mall Extension - II, Bahria Town Phase VII, Rawalpindi	Rawalpindi	+92-51-5400184
193	Gojra Branch	Branch Operations Manager, MCB Islamic Bank, Tehsil Office Road, Gojra	Gojra	+92-46-3515426-28
194	Shahkas, Jamrud Branch	Branch Operations Manager, MCB Islamic Bank, Spinzer Market, WazirDhand, Main Jamrud Road, ShahkasJamrud, District Khyber Agency	Jamrud	+92-91-3021760-61
195	U.P. More Branch	Branch Operations Manager, MCB Islamic Bank, Shop no. 1&2, Ground Floor, Plot Bearing No. A976, Sector 11 -B, U.P More, North Karachi	Karachi	+92-21-36416681-84
196	AddaKhaliqabadTulamba Branch	Branch Operations Manager, MCB Islamic Bank, AddaKhaliqabadTulamba, District Khanewal	Khanewal	-
197	Hala Naka Branch	Branch Operations Manager, MCB Islamic Bank, Shop No. 34/10 & 94/6 Situated at Main National Highway Hala Naka Hyderabad	Hyderabad	+92-22-2032564
198	DHA Phase 2 Ext. Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 47 -E, 21st Commercial Street, Phase II-Extension, D.H.A, Karachi	Karachi	+92-21-35392201-4
199	SMCHS Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 21-22, Sub Block D, Block A, Sindhi Muslim Cooperative Housing Society, Karachi	Karachi	+92-21-34300711-15
200	DHA Phase VI Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 12, Main Boulevard Phase VI, DHA Lahore	Lahore	+92-42-37180315-8
201	Bahria Town Branch	Branch Operations Manager, MCB Islamic Bank, Dominion Business -1, Plot No: B-34, Jinnah Avenue Commercial, Bahria Town, Karachi	Karachi	+92-42-34501000 Ext: 2201
202	Bannu Branch	Branch Operations Manager, MCB Islamic Bank, Plot# 376/A, Railway Road, Bannu City, Bannu	Bannu	+92-928-660405-6
203	Dera Ismail Khan Branch	Branch Operations Manager, MCB Islamic Bank, Plot # 3, Survey # 68, Circular Road, Dera Ismail Khan	Dera Ismail Khan	+92-966-719934-36
204	DHA EME Sector Branch	Branch Operations Manager, MCB Islamic Bank, Plot# 408, Block-J, Commercial Area, DHA, EME Sector, Multan Road, Lahore	Lahore	+92-42-37512400-3 +92-42-37512407
205	Halalpur Branch	Branch Operations Manager, MCB Islamic Bank, ChowkHalalpur Noon, Tehsil KotMomin, District Sargodha	Sargodha	+92-48-6873027-29
206	Chiniot Branch	Branch Operations Manager, MCB Islamic Bank, Shan Plaza, Opposite NADRA Office, Faisalabad Road, Chiniot	Chiniot	+92-47-6333566 +92-47-6333577
207	KallarSyedan Branch	Branch Operations Manager, MCB Islamic Bank, MouzakallarSagwal, Tehsil KallarSyedan, District Rawalpindi	Rawalpindi	+92-51-3570650-52
208	Bahria Town Phase VIII Branch	Branch Operations Manager, MCB Islamic Bank, Plot No. 43/C, Business Junction, Circulation Strip, Bahria Town, Phase VIII, Rawalpindi	Rawalpindi	-
209	AttariFerozepur Road Branch	Branch Operations Manager, MCB Islamic Bank, Plot# S-86-R-800/C/Hall, SobraFerozepur Road, Lahore	Lahore	+92-42-35723687-88
210	G.T Road Kamoke Branch	Branch Operations Manager, MCB Islamic Bank, Khasra No. 2778/2mMahal, G.T Road Kamoke, Gujranwala	Gujranwala	-
211	Shahabpura Road Branch	Branch Operations Manager, MCB Islamic Bank, BIII-85-322, Shahabpura Road, Sialkot	Sialkot	+92-52-3550103-04
212	Water Pump Branch	Branch Operations Manager, MCB Islamic Bank, PMJ Square, Phase -1, Shop # 1 to 4, Block 14, Naseerabad, F.B Arera, Karachi	Karachi	-
213	Sheikh Sultan Trust Branch	Branch Operations Manager, MCB Islamic Bank, Survey No. 25, Survey Sheet No. CL-10, Building No. 1, Sheikh Sultan Trust, Beaumont Road, Civil Lines, Karachi	Karachi	-
214	Jaranwala Branch	Branch Operations Manager, MCB Islamic Bank, Main Hassan Road, Jaranwala	Jaranwala	+92-414-310931-33
215	MianChannu Branch	Branch Operations Manager, MCB Islamic Bank, Amin Trade Center, GT Road, MianChannu	MianChannu	-



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