



**MCB Islamic Bank Ltd.**

بابرکت بینکارے، ہمارے ذمہ دارے



HALF YEARLY  
REPORT

**2023**

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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
Mr. Jawaid Iqbal	Independent Director
Ms. Seema Aziz	Independent Director
Mr. Ahmed Ebrahim Hasham	Non-Executive Director
Mr. Ibrahim Shamsi	Non-Executive Director
Mr. Hammad Khalid	Non-Executive Director
Mr. Omair Safdar	Non-Executive Director
Mr. Zargham Khan Durrani	President / CEO

### Board Audit Committee

Mr. Jawaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Ibrahim Shamsi	Member
Mr. Omair Safdar	Member
Mr. Hammad Khalid	Member

### Human Resource & Remuneration Committee

Mr. Jawaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Raza Mansha	Member
Mr. Omair Safdar	Member

### Risk Management & Portfolio Review Committee

Mr. Omair Safdar	Chairman
Mr. Ahmed Ebrahim Hasham	Member
Mr. Ibrahim Shamsi	Member
Mr. Jawaid Iqbal	Member
Mr. Zargham Khan Durrani	Member

### Board Evaluation Committee

Ms. Seema Aziz	Chairman
Mr. Hammad Khalid	Member



**Business Strategy & Service Quality Review Committee**

Mr. Ahmed Ebrahim Hasham	Chairman
Mr. Hammad Khalid	Member
Mr. Omair Safdar	Member
Mr. Zargham Khan Durrani	Member

**Board I.T. Committee**

Mr. Ibrahim Shamsi	Chairman
Mr. Jawaaid Iqbal	Member
Mr. Hammad Khalid	Member
Mr. Zargham Khan Durrani	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 Imran Siddique (Acting)

**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](http://www.mcbislamicbank.com)

## DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors of MCB Islamic Bank Limited (the Bank), we are pleased to present the financial results for the Half Year ended June 30, 2023.

	<i>Rs. in Million</i>		
<b>Statement of Financial Position</b>	<b>30-Jun-23</b>	<b>31-Dec-22</b>	<b>Growth</b>
Deposits	185,010	154,001	20%
Total Assets	231,200	199,040	16%
Investments – net	85,603	72,669	18%
Islamic Financing – net	93,125	90,302	3%
Shareholders' Equity (including revaluations)	18,277	16,347	12%

<b>Profit &amp; Loss Account</b>	<b>Jan – Jun 2023</b>	<b>Jan – Jun 2022</b>	<b>Growth</b>
Operating income	7,783	3,338	133%
Operating and other expenses	3,452	2,862	21%
(Provisions) / reversal against financing and investments	(318)	119	-2.67 Times
Profit before taxation	4,013	595	6.74 Times
Profit after taxation	1,966	363	5.42 Times
Basic / diluted earnings per share - Rs.	1.26	0.30	4.2 Times

### Performance Review

Despite the turbulence brought in by highest ever inflation, cost of climate change, sluggish economic growth and political turmoil, Pakistan's banking sector remains broadly resilient and has performed well.

In view of 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 low cost 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. 4.013 billion for the half year ended June 30, 2023, Alhamdulillah.**

The Bank's Deposits reached Rs.185 billion as of June 30, 2023 as compared to Rs.154 billion as at December 31, 2022, registering a growth of 20% 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 79% against 72% as at December 31, 2022, with non-remunerative Deposits constituting 39% of the total deposit mix against 32% as at December 31, 2022. The bank achieved a significant growth in Current Accounts by Rs.22 billion (44%) during the period. By providing a range of Islamic Banking products and maintaining service excellence, the Bank continues to spread awareness of Islamic Banking among potential non-banked consumers.

Total assets of the Bank increased by 16% to reach Rs.231 billion as of June 30, 2023 compared to Rs.199 billion as at December 31, 2022. Net Financing closed at Rs.93.13 billion against December 31, 2022 position of Rs.90.30 billion whereas investments were at Rs.85.60 billion against Rs.72.67 billion at December 31, 2022, showing management's sagacious approach to gear up banks' profitability without compromising its Capital Adequacy, which closed at 21.28%. The management has a continuous focus on efficient capital management, better asset quality and high yielding portfolio.

During the period under review, the Bank earned operating income of Rs. 7.78 billion, while return on total assets stood at 15.59% with the cost of funds at 8.22% resulting in a net spread of 7.37% for the period under review. On the other side, despite the exorbitant rise in the general price level and Rupee devaluation, management through effective cost control measures managed to contain increase in Operating and other expenses to 21% as compared to corresponding period of last year.

In the light of the above and management's constant efforts of gradually increasing Balance Sheet spreads through effective portfolio mix, Bank's profitability has increased manifold and enabled the bank to post profit before tax of Rs. 4,013 million and after-tax profit of Rs. 1,966 million for the period under review



against Rs.595 and Rs.363 million respectively for the same period last year. The improvement in the Bank's profitability also increased the earnings per share after tax of Rs. 1.26 for the period under review, against Rs.0.30 for the period in comparison.

#### **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 stable outlook.

#### **Economic Review**

Global economy has been experiencing weak recovery since COVID-19 onslaught in addition to the risk emanating from persistent reverberations of ongoing Russia-Ukraine war and the escalating monetary tightening to contain persistent levels of high inflationary pressures. The tentative ascending signs for the global economy at the beginning of 2023, due to ease in inflation and stable growth, have been lost due to continual high inflation and turbulence in the financial sector. Financial markets remain highly sensitive to evolving expectations about the future trajectory of interest rates of major central banks. To achieve price stability and curtail inflation, the central banks are responding with sharp policy tightening. Resultantly, the International Monetary Fund (IMF) forecasted global growth of 2.8% in 2023 against the 3.4% in 2022. World Bank in its recent economic update estimates global growth of 2.1% in 2023 against 1.7% forecasted earlier.

On the domestic front, Pakistan's economic activity has been impacted significantly due to policy tightening, import restrictions, high borrowing & fuel rates, political uncertainty and devastating floods. Macroeconomic risks have further widened due to deterioration in market sentiments and massive erosion in Pakistani rupee. However, with the approval of 9-month Stand-By Arrangement for an amount of approx. USD 3 billion by the Executive Board of the IMF, Rupee has recouped some of its losses following the recent depreciation. Accordingly, IMF has released the first tranche of USD 1.2 billion. Fitch has upgraded Pakistan's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'CCC' from 'CCC-'. However, IMF in its latest press release has revised Pakistan's projected domestic GDP growth to negative 0.5% in 2023 which is lower than its previous projection of 0.5%. Similarly, the World Bank has also projected drop in economic growth to 0.4% in 2023.

National Consumer Price Index (CPI) was recorded at 29.4% on year-on-year basis in June 2023 against 21.3% during the same period last year, with a decline of 6% from March 2023. To contain inflation, SBP has aggressively tightened monetary policy, in its recent monetary policy meeting held on June 26, 2023, raised policy rate to 22% with a cumulative 600 basis point increase during the half year under review. Despite the policy rate continuously being raised by SBP, real interest rate remains negative.

Large Scale Manufacturing (LSM), during July - March FY 2023, witnessed contraction of 8.1% against 10.6% growth in the same period last year, mainly driven by food, beverages, tobacco, textile, wood products, paper and board, coke & petroleum products, chemicals, rubber products, non-metallic mineral products, iron and steel products, fabricated metal, electrical equipment, machinery & equipment, automobiles and other transport equipment.

On the external front, Current Account posted a deficit of USD 2.6 billion for July - June FY 2023 as against a deficit of USD 17.50 billion last year, a decline by 85% which significantly reduced the external financing requirement. The substantial reduction is due to the tightening of import policy and other related administrative measures.

Exports declined by 14% during July - June FY 2023 and reached USD 27.9 billion (USD 32.5 billion last year). Imports declined by 27% during July - June FY 2023 and reached USD 52.0 billion (USD 71.5 billion last year). Resultantly the trade deficit (July - June FY 2023) reached USD 24.1 billion as against USD 39.0 billion last year. The workers' remittances stood at USD 27 billion in July - June FY 2023 against USD 31.25 billion during the corresponding period last year, decreased by 13.6%. FX reserves stood at USD 9.2 billion as at June 30, 2023, with exchange rate depreciated by more than 26.6% from December 2022.

On the fiscal front, overall deficit declined during the period July - March FY 2023 and is recorded at 3.6% of GDP (Rs. 3,079 billion) against 3.9% of GDP (Rs. 2,566 billion) in the same period last year.



Assets and Deposit of Islamic banking industry grew by Rs. 1,652 billion and Rs. 950 billion respectively during period January - December FY 2022. The total assets and deposits increased by 29.6% and 22.6% and closed at Rs. 7,229 billion (market share of 20.2%) and Rs. 5,161 billion (market share of 22.0%) respectively, whereas Branch network closed at 4,396 branches by the end of December 2022.

## Future Outlook

Escalating geopolitical tensions and slow economic activities are hampering the global growth outlook. Global inflation is projected to gradually edge down as growth decelerates mainly due to weaker demand and commodity prices moderate. Recent stress in the banking sector in advanced economies would probably dampen activity through more stringent credit conditions. The likelihood of widespread turbulences in the banking sector coupled with tighter monetary policy could also result in an even weaker global growth. Comprehensive policy action is needed at the global and national levels to foster macroeconomic and financial stability. IMF expects the global inflation to be at 7.0% (0.4% higher than that of January 2023 forecast) and 4.9% in 2023 and 2024 respectively, still above pre-pandemic (2017–19) levels of approx. 3.5%. These implications translate growth projected by IMF in its April 2023 report to 2.8% and 3.0% in 2023 and 2024 respectively and World Bank in its June 2023 report to 2.1% in 2023 and 2.4% in 2024.

On the domestic front, Pakistan, like many other developing countries, is already bearing the brunt of a challenging global environment. Pakistan's new IMF Stand-By Arrangement supported program will provide a policy anchor for addressing domestic and external imbalances and a framework for financial support from multilateral and bilateral partners. Looking beyond this fiscal year, enhanced efforts to expand the tax base, maintaining discipline over non-critical primary expenditure, strengthen energy sector viability by aligning tariffs with costs, are needed to achieve sustainable macroeconomic stability and fiscal consolidation. A continued tight, proactive, and data-driven monetary policy is warranted going forward. Elevated domestic energy prices as well as rising food inflation will continue to slowdown economic activity and impact GDP growth in the near term. Core inflation could turn out more persistent than anticipated, requiring even more monetary tightening to tame. IMF in its latest report projected the country's GDP growth down to negative 0.5% in 2023 and 2.5% in 2024, whereas, World Bank in its June 2023 report forecasts 0.4% in 2023 and 2% in 2024.

Due to growth in digital financial services, credit, operational and cyber threats pose new risks to the banking sector. These emerging risks call to strategically strengthen risk management capabilities by proactively assessing and mitigating the conventional and emerging risks.

The Bank is on track to pursue its long-term sustainable growth strategy. The capital injection in 2022 will continue to open up new business opportunities and has already improved profitability in line with its goal to be recognised as the Most Relevant Player in the Islamic industry. The emphasis will remain on building no or low-cost deposits, high-earning assets, and cost control, combined with investments in process automation, development of new product platforms, and digitization.

## 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 the 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 contributions made by all its staff members to the growth of this franchise under challenging business conditions.

For and on behalf of the Board of Directors



**Zargham Khan Durrani**  
President / CEO  
July 31, 2023



**Raza Mansha**  
Chairman

کی ضرورت ہے۔ آئی ایم ایف نے اپنی تازہ ترین رپورٹ میں ملک کی جی ڈی پی کی نمو کی شرح سال 2023ء کے لیے منفی 0.5 فیصد تک گرنے اور سال 2024ء کے لیے 2.5 فیصد پر توقع کی ہے۔ جبکہ عالمی بینک نے اپنی جون 2023ء کی رپورٹ میں سال 2023ء کے لیے شرح نمو 0.4 فیصد اور سال 2024ء کے لیے 2 فیصد پر رہنے کی پیش بینی کی ہے۔

ڈیجیٹل مالیاتی خدمات میں اضافے کی وجہ سے کریڈٹ، کاروباری اور سائبر خطرات بینکنگ کے شعبے کے لیے نئے خدشات بن کر ابھر رہے ہیں۔ یہ نئے ابھرتے خدشات اس امر کے متقاضی ہیں کہ خدشات کے تدارک کی صلاحیتوں کو حکمت عملی سے مضبوط بنایا جائے تاکہ ان روایتی اور نئے پیدا ہوتے خدشات کی پیش قدمی سے جانچ کی جاسکے اور ان کا تدارک بھی ہو سکے۔

بینک طویل المدت پائیداری کے حصول کی حکمت عملی کو جاری رکھنے کی راہ پر گامزن ہے۔ سال 2022ء کے دوران حاصل شدہ نئے سرمائے سے ناصرف نئے کاروباری مواقع سے مستفید ہونے اور منافع کی پہلے سے بہتر ہوتی صورتحال میں مزید معاون ہوگی جو کہ اسلامی بینکاری کی صنعت سب سے اہم کردار کے حامل ادارے بننے کے بینک کے تصور و مقصد کی تکمیل سے ہم آہنگ ہے۔ اس امر میں توجہ کم لاگت کے ڈیپازٹس کے حصول، پیداواری اثاثہ جات میں اضافے اور کاروباری لاگت کو محدود رکھنے اور اس کے ساتھ اپنے طریقہ کار کی خود کاریت میں سرمایہ کاری، نئی پراڈکٹس کے پلیٹ فارمز کی تشکیل اور ڈیجیٹلائزیشن پر مرکوز ہوگی۔

**تسلیم و تحسین:**

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

**منجانب و برائے بورڈ آف ڈائریکٹرز:**



رضانہ شاہ

چیرمین



زرغام خان دُرانی

پریزیڈنٹ اسی ای او

31 جولائی 2023ء

مالیاتی محاذ پر، مالی سال 2023ء کے جولائی تا مارچ کے عرصہ کے دوران مجموعی خسارہ مزید وسیع ہوتے ہوئے گزشتہ سال کے مماثلہ عرصے کی جی ڈی پی کی 3.9 فیصد (2,566 بلین روپے) کی سطح کی نسبت جی ڈی پی کی 3.6 فیصد (3,079 بلین روپے) کی سطح پر ریکارڈ ہوا۔

کے ایس ای-100 انڈیکس 31 دسمبر 2022ء کی سطح سے 1,032.24 پوائنٹس کی بہتری کے اندراج کے ساتھ 30 جون 2023ء تک 41,452.69 پوائنٹس پر بند ہوا۔

اسلامی بینکاری کی صنعت کے اثاثہ جات اور ڈیپازٹس میں سال 2022ء کے جنوری تا دسمبر کے عرصے کے دوران بالترتیب 1,652 بلین روپے اور 950 بلین روپے کا اضافہ دیکھا گیا۔ مجموعی اثاثہ جات اور ڈیپازٹس 29.6 فیصد اور 22.6 فیصد کے بالترتیب اضافے کے ساتھ 7,229 بلین روپے (20.2 فیصد مارکیٹ شیئر) اور 5,161 بلین روپے (22 فیصد مارکیٹ شیئر) پر درج ہوئے۔ جبکہ، دسمبر 2022ء کے اختتام پر برانچوں کی تعداد 4,396 پہنچ گئی۔

### مستقبل کی پیش بینی

بڑھتے ہوئے جغرافیائی و سیاسی تنازعات اور مست معاشی سرگرمیاں عالمی ترقی اور نمو کی پیش بینی پر اثر انداز ہو رہے ہیں۔ کمزور طلب اور اجناس کی قیمتوں، جو کہ ترقی میں کمی کے بنیادی عوامل ہیں، میں قدرے اعتدال کے رجحان کے باعث عالمی افراط زر میں بتدریج کمی کا امکان ہے۔ ترقی یافتہ معیشتوں کی بینکاری کے شعبے پر قرض کے اجراء کے لیے کڑی شرائط کے ذریعے آنے والے حالیہ دباؤ سے ان سرگرمیوں میں ممکنہ طور پر کمی آنے کا اندیشہ ہے۔ بینکنگ کے شعبے میں ان وسیع النیاد دشواریوں اور اس کے ساتھ ساتھ کڑی مانیٹری پالیسی بھی عالمی نمو میں مزید تخفیف کا باعث بن سکتی ہے۔ کلاں معاشی اور مالیاتی استحکام کے فروغ کے لیے عالمی و قومی دونوں سطحوں پر جامع پالیسی اقدامات کو اختیار کرنا ناگزیر ہے۔ آئی ایم ایف کو توقع ہے کہ عالمی افراط زر کی شرح سال 2023ء اور سال 2024ء کے لیے بالترتیب 7 فیصد (جنوری 2023ء کو پیش بینی کی شرح سے 0.4 فیصد زیادہ) اور 4.9 فیصد رہے گی یہ عالمگیر دباؤ کے پھیلاؤ سے پہلے کے دور (سال 2017ء تا سال 2019ء) سے تقریباً 3.5 فیصد زیادہ ہے۔ آئی ایم ایف کی اپریل 2023ء کی رپورٹ میں ان عوامل کے زیر اثر، نمو کی پیش بینی سال 2023ء اور سال 2024ء کے لیے بالترتیب 2.8 فیصد اور 3.0 فیصد پر رہی اور عالمی بینک نے اپنی جون 2023ء کی رپورٹ میں ان کی شرحیں سال 2023ء اور سال 2024ء کے لیے بالترتیب 2.1 فیصد اور 2.4 فیصد پر توقع کی ہیں۔

داخلی محاذ پر پاکستان، دوسرے ترقی پذیر ممالک کی طرح، مشکل عالمی ماحول سے مسلسل ہٹتا رہا ہے۔ پاکستان کے آئی ایم ایف کے نئے اسٹینڈ بائی ارٹیکل کا امدادی پروگرام اندرونی اور بیرونی عدم توازن سے نمٹنے کے لیے ایک ٹھراؤ کی پالیسی پیدا کرنے میں معاون ہو سکے گا اور دیگر باہمی اور کثیرالجہت شراکت داروں سے مالیاتی سپورٹ کے فریم ورک کو بنانے میں بھی مددگار ثابت ہو سکے گا۔ اس مالی سال میں آگے بڑھتے ہوئے، ٹیکس کے بنیادی دائرہ کار میں وسعت کی کوششیں، ناگزیر اخراجات پر نظم و ضبط برقرار رکھنے، توانائی کے شعبے میں محصولات اور لاگت کو ہم آہنگ کرنے اور اس کے استحکام کو مضبوط کرنے جیسے عوامل اور اقدامات کو اختیار کرنے کی ضرورت ہے تاکہ پائیدار کلاں معاشی استحکام اور مالیاتی جامعیت کو حاصل کیا جاسکے۔

پیش قدم اور اعداد و شمار سے بھرپور مانیٹری پالیسی اس تناظر میں مستقبل کی ایک ناگزیر ضرورت ہے۔ داخلی توانائی کی بڑھتی قیمتوں اور اس کے ساتھ ساتھ اشیاء خورد و نوش کے بڑھتے افراط زر سے معاشی سرگرمیوں میں سست روی کی روش برقرار رہے گی اور مستقبل قریب میں جی ڈی پی کی نمو پر اثر انداز ہوگی۔ خالص افراط زر کے توقع سے کہیں زیادہ توازن اور مستقل رجحان برقرار رہنے کے باعث مانیٹری پالیسی کو مزید سخت اور کڑا کرنے



داخلی محاذ پر، پاکستان کی معاشی سرگرمی سخت پالیسی بیانیہ، درآمدات پر پابندی، بلند قرضہ جات اور ایندھن کی قیمتوں، سیاسی غیر یقینی اور تباہ کن سیلابوں سے شدید متاثر ہوئی ہے۔ کلاں معاشی خدشات، مارکیٹ میں اعتماد کے فقدان اور روپے کی قدر میں بڑے پیمانے پر کی جانے والی فرسودگی کے باعث مزید وسیع ہوئے ہیں۔ تاہم، آئی ایم ایف سے نو ماہ کی مدت کے لیے کیے گئے (اسٹینڈ بائی آرینجمنٹ) ہنگامی ضرورت کے انتظام کے تحت، آئی ایم ایف کے ایگزیکٹو بورڈ کی جانب سے تقریباً 3 بلین امریکی ڈالر کی رقم کی منظوری سے پاکستانی روپے میں حالیہ فرسودگی کے بعد قدرے بہتری نظر آئی ہے۔ لہذا، آئی ایم ایف نے 1.2 بلین امریکی ڈالر کی پہلی قسط کا اجراء کر دیا ہے۔

فچ (Fitch) نے پاکستان کی طویل المدت فارن کرنسی اسٹورڈیفائٹ ریٹنگ (آئی ڈی آر) کو 'مفتی CCC' (نہیلی سی) سے بہتر کرتے ہوئے 'مٹری سی' پر مقرر کیا ہے۔ تاہم، آئی ایم ایف نے اپنی تازہ ترین پریس ریلیز میں پاکستان کی متوقع داخلی جی ڈی پی کی نمو پر سال 2023ء کے لیے نظر ثانی کرتے ہوئے مفتی 0.5 فیصد پر تجویز کیا ہے جو کہ اس کے اپنے سابقہ 0.5 فیصد کے تخمینے سے بھی کم ہے۔ اسی مہما میں عالمی بینک نے بھی سال 2023ء کے لیے معاشی نمو کی متوقع شرح میں تخفیف کر کے 0.4 فیصد پر مقرر کیا ہے۔

صارفین کی قیمتوں کے جدول (سی پی آئی) کی شرح، سال بہ سال کی بنیاد پر، گزشتہ سال کے معاشی عرصہ کے دوران ریکارڈ کی گئی 21.3 فیصد کی سطح سے مارچ 2023ء سے 6 فیصد کی کمی کے اندراج کے ساتھ جون 2023ء میں 29.4 فیصد کی شرح پر ریکارڈ ہوئی۔ افراط زر پر قابو پانے کے لیے اسٹیٹ بینک آف پاکستان نے جارحانہ حکمت عملی اختیار کرتے ہوئے، مانیٹری پالیسی کے اپنے 26 جون 2023ء کو منعقدہ اجلاس میں پالیسی ریٹ میں اضافہ کرتے ہوئے، اسے 22 فیصد پر مقرر کر دیا اور اس طرح اس زیر جائزہ ششماہی کے دوران مجموعی طور پر 600 بی پی ایس کا اضافہ کیا گیا۔ اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں مسلسل اضافے کے باوجود حقیقی انٹرسٹ ریٹ میں مفتی رجحان برقرار ہے۔

بڑے پیمانے کی پیداواری صنعت (ایل ایس ایم) مالی سال 2023ء کے جولائی تا مارچ کے عرصے کے دوران، گزشتہ سال کی معاشی مدت میں حاصل کردہ 10.6 فیصد کی نمو کے مقابلے میں 8.1 فیصد کا سکڑاؤ دیکھا گیا۔ جس میں خوراک، مشروبات، تمباکو، ٹیکسٹائل، لکڑی کی مصنوعات، پیپر اور بورڈ، کونکر اور پیٹرولیم پراڈکٹس، فارماسوٹیکل، کیمیکلز، ریڑی کی مصنوعات، غیر دھاتی معدنیات کی مصنوعات، لوہے اور اسٹیل کی اشیاء، تعمیراتی دھاتی اشیاء، برقی آلات، مشینری اور آلات، آٹوموبائلز اور نقل و حمل کے دیگر آلات شامل ہیں۔

بیرونی محاذ پر، مالی سال 2023ء کے جولائی تا جون کے عرصے کے دوران کرنٹ اکاؤنٹ کا خسارہ گزشتہ سال کے 17.50 بلین امریکی ڈالر کے حجم کی نسبت 85 فیصد کی کمی کے ساتھ 2.6 بلین امریکی ڈالر پر درج ہوا۔ جو بیرونی قرضہ جات کی مطلوبہ ضرورت میں نمایاں کمی کا مظہر ہے۔ یہ قابل ذکر کی درآمدی پالیسی میں اختیاری کمی سختی اور دیگر متعلقہ انتظامی اقدامات کی بناء پر دیکھی گئی۔

برآمدات، مالی سال 2023ء کے جولائی تا جون کے عرصہ کے دوران 14 فیصد کی کمی کا اندراج کرتے ہوئے 27.9 بلین امریکی ڈالر پر جا پہنچیں (گزشتہ سال 32.5 بلین امریکی ڈالر) جبکہ، درآمدات مالی سال 2023ء کے جولائی تا جون کے عرصہ کے دوران 27 فیصد کی کمی درج کرتے ہوئے 52.0 بلین امریکی ڈالر پر پہنچ گئیں (گزشتہ سال 71.5 بلین امریکی ڈالر)۔ چنانچہ، تجارتی خسارہ گزشتہ سال کے 39.0 بلین امریکی ڈالر کی نسبت (مالی سال 2023ء کے جولائی تا جون) 24.1 بلین امریکی ڈالر کی سطح پر ریکارڈ ہوا۔ افرادی ترسیلات زر مالی سال 2023ء کے جولائی تا جون کی مدت کے دوران گزشتہ سال کی معاشی مدت کی 31.25 بلین امریکی ڈالر کی سطح کی نسبت 13.6 فیصد کی کمی کے ساتھ 27 بلین امریکی ڈالر پر رہیں۔ غیر ملکی زرمبادلہ کے ذخائر 30 جون 2023ء تک 9.2 بلین امریکی ڈالر پر پہنچ گئے۔ پاکستانی روپے کی امریکی ڈالر کے مقابلے میں شرح تبادلہ میں، دسمبر 2022ء سے 26.6 فیصد سے زائد کی فرسودگی واقع ہوئی۔

بینک کے کل اثاثہ جات 31 دسمبر 2022ء کے 199 بلین روپے کے حجم کی نسبت 30 جون 2023ء تک 16 فیصد کے اضافے کے ساتھ 231 بلین روپے پر جا پہنچے۔ خالص قرضہ جات 31 دسمبر 2022ء کی 90.30 بلین روپے کی سطح کے مقابلے میں 93.13 بلین روپے پر بند ہوئے۔ جبکہ، سرمایہ کاری: بینک کی انتظامیہ کے اپنے سرمائے کی معقولیت، جس کی شرح 21.78 فیصد پر بند ہوئی، پر کوئی سمجھوتا کئے بغیر اپنے منافع میں بڑھوتری کی قابل قدر حرکت عملی کی عکاسی کرتے ہوئے 31 دسمبر 2022ء کی 72.67 بلین روپے کی مقابلے میں 85.60 بلین روپے پر درج ہوئی۔ انتظامیہ سرمائے کے موزوں انصرام، اثاثہ جات کے بہتر معیار اور پورٹ فولیو کی بلند شرح آمدنی پر اپنی توجہ برقرار رکھے ہوئے ہے۔

اس زیر تجزیہ عرصے کے دوران، بینک کی کاروباری آمدنی 7.78 بلین روپے رہی۔ جبکہ، کل اثاثہ جات کی آمدنی کی شرح 15.59 فیصد اور سرمائے کی لاگت کی شرح 8.22 فیصد رہی جس کے باعث اس زیر جائزہ مدت کے دوران، خالص سپریڈز کی شرح 7.37 فیصد پر درج ہوئی۔ دوسری طرف، عمومی قیٹوں کی سطح میں غیر معمولی اضافے اور روپے کی قدر کی تنزلی کے باوجود انتظامیہ نے لاگت پر قابو پانے کے اقدامات کے ذریعے اپنے کاروباری و دیگر اخراجات گزشتہ سال کے تقابلی عرصہ کی نسبت 21 فیصد کی شرح پر محدود رکھے۔

مندرجہ بالا عوامل کے تناظر میں، بینک کی اپنے پورٹ فولیو کی ترکیب کو موزوں اور موثر بنانے کے ذریعے بیلنس شیٹ (میزاویے) سپریڈز میں بتدریج اضافے کی کادشوں نے بینک کے منافع میں کئی گنا اضافہ کیا ہے اور بینک کا منافع قبل از ٹیکس 4,013 ملین روپے جبکہ منافع بعد از ٹیکس 1,966 ملین روپے پر رپورٹ ہوا۔ جبکہ گزشتہ سال کے تقابلی عرصہ میں ان کا حجم بالترتیب 595 ملین روپے اور 363 ملین روپے رہا۔ بینک کے منافع کی اس بہتری سے آمدنی فی حصص بعد از ٹیکس میں بھی اضافہ ہوا جو کہ گزشتہ تقابلی مدت کی 0.30 فیصد کی شرح کے مقابلے میں اس زیر تجزیہ عرصے کے دوران، 1.26 روپے فی حصص پر پہنچی۔

### 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 مستحکم پیش بینی کے ساتھ برقرار رکھا ہے۔

### معاشی جائزہ :

عالمی معیشت، کووڈ - 19 کی تباہ کاریوں اور اس کے علاوہ روس اور یوکرین کے جاری تنازع سے پیدا ہونے والے مضمرات کے تسلسل اور بلند افراط زر کے دباؤ پر قابو پانے کے لیے اٹھائے گئے کڑے اقدامات کے باعث، قدرے کمزور بحالی کا مظاہرہ کر رہی ہے۔ سال 2023ء کے اوائل میں افراط زر میں آسانی اور مستحکم نمو کی بنیاد پر عالمی معیشت میں بہتری کے متوقع اشارے، ناموافق معاشی حالات اور مسلسل بڑھتے افراط زر کے باعث اپنے نشان کھینچے ہیں۔ مستقبل میں، مالیاتی منڈیوں میں نمایاں مرکزی بینکوں کے انٹرسٹ ریٹ میں اضافے کے پیچھے سے جڑی توقعات اور ان کے ارتقاء کے باعث بلند حساسیت کا رجحان برقرار ہے۔ افراط زر پر قابو اور قیٹوں میں استحکام کی خاطر مرکزی بینک موثر اور کڑے مالیاتی پالیسی کی شکل میں اپنا روئل دے رہے ہیں۔

چنانچہ، عالمی مالیاتی فنڈ (آئی ایم ایف) نے سال 2022ء کی 3.4 فیصد کی شرح کے مقابلے میں سال 2023ء کے لیے عالمی نمو کی شرح 2.8 فیصد کی سطح پر تخمینہ کی ہے۔ عالمی بینک نے اپنے حالیہ معاشی تجزیے میں سال 2023ء کے لیے معاشی نمو کا اندازہ 1.7 فیصد کے اپنے سابقہ تخمینے کی نسبت 2.1 فیصد پر تجویز کیا ہے۔

## ممبران کیلئے ڈائریکٹرز کی رپورٹ :

بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت کے ساتھ ایم سی بی اسلامک بینک لمیٹڈ (بینک) کی 30 جون 2023ء کو اختتام پذیر ششماہی کی رپورٹ آپ کے سامنے پیش کر رہے ہیں۔

ملین روپے

مالیاتی اسٹیمٹس کی حیثیت (پوزیشن):	30 جون 2023	31 دسمبر 2022	نمو
ڈیپازٹس	185,010	154,001	20%
کل اثاثہ جات	231,200	199,040	16%
سرمایہ کاری۔ خالص	85,603	72,669	18%
اسلامی فنانسنگ خالص	93,125	90,302	3%
حصص یافتگان کی اکیویٹی (سرمایہ) بشمول تحفینہ نو	18,277	16,347	12%

نفع و نقصان کا اکاؤنٹ:	جنوری۔ جون 2023	جنوری۔ جون 2022	نمو
آپریٹنگ (کاروباری) آمدنی	7,783	3,338	133%
کاروباری و دیگر اخراجات	3,452	2,862	21%
(پرویشن) / کٹوتی قرضہ جات اور سرمایہ کاری کے لیے اخراجات	(318)	119	-2.67
منافع قبل از ٹیکس	4,013	595	6.74
منافع بعد از ٹیکس	1,966	363	5.42
بنیادی/تحلیل شدہ منافع / آمدنی فی شیئر (حصص) روپے	1.26	0.30	4.2

### کارکردگی کا جائزہ

بلند ترین افراط زر، ماحولیاتی تبدیلی سے جڑے اخراجات، سست روی کا شکار معاشی نمو اور سیاسی ابتری کے باعث درپیش رکاوٹوں کے باوجود، پاکستان کے بینکاری کے شعبے نے دباؤ برداشت کی وسیع قابلیت برقرار رکھتے ہوئے شاندار کارکردگی کا مظاہرہ کیا ہے۔ کاروباری ماحول اور مشکلات کے تناظر میں ہمارے بینک نے، معیشت کے تظہیری خدشات کے مکمل ادراک کے ساتھ اپنی پائیدار نمو کی حکمت عملی پر عمل پیرا رہتے ہوئے، کم لاگت کے ڈیپازٹس کی تحریک اور قرض فراہم کرنے کے دانشمندانہ طریقہ کار اور موزوں انتظامی ڈھانچے، خدشات کے تدارک کے مضبوط نظام اور ضوابطی مطلوبات کی مناسب تعمیل کے ذریعے الحمد للہ، 30 جون 2023ء کو اختتام پذیر ششماہی مدت کے لیے 4.013 ملین روپے کا منافع قبل از ٹیکس حاصل کیا۔

بینک کے ڈیپازٹس 31 دسمبر 2022ء کے 154 ملین روپے کے حجم سے 20 فیصد کی نمو کے ساتھ 30 جون 2023ء تک 185 ملین روپے پر درج ہوئے جبکہ اس زیر تجزیہ مدت کے دوران، بغیر یا کم لاگت کے ڈیپازٹس کا حصول اور ان کی جامعیت، بینک کے ایک کلیدی مقصد کے طور پر برقرار رہے۔ بینک کے کرنٹ اور سیوگ اکاؤنٹس کی ترکیب 31 دسمبر 2022ء کی 72 فیصد کی شرح کے مقابلے 79 فیصد کی مضبوط شرح پر درج کی گئی۔ جس میں کل ڈیپازٹس کی ترکیب میں غیر پیداواری ڈیپازٹس کی شمولیت کی شرح 31 دسمبر 2022ء کی 32 فیصد کی سطح کی نسبت 39 فیصد پر رپورٹ کی گئی۔ بینک نے اس مدت کے دوران کرنٹ اکاؤنٹس میں 22 ملین روپے (44 فیصد) کی شاندار نمو حاصل کی۔ اسلامی بینکاری کی متنوع پراڈکٹس کی فراہمی اور خدمات کے اعلیٰ معیار کو برقرار رکھتے ہوئے بینک نے بینکاری سے محروم اپنے متوقع صارفین میں اسلامی بینکاری کے بارے میں آگاہی کے عمل کو جاری رکھا۔



**INDEPENDENT AUDITOR'S REVIEW REPORT**
**TO THE MEMBERS OF MCB ISLAMIC BANK LIMITED**
**REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**
**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of MCB Islamic Bank Limited ("the Bank") as at June 30, 2023 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the quarters ended June 30, 2023 and June 30, 2022 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Hammad Ali Ahmad.



**A. F. Ferguson & Co**  
Chartered Accountants  
Lahore

**Dated:** August 28, 2023

**UDIN:** RR202310092Nld1hDVog

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan.  
Tel: +92 (42) 3519 9343-50 / Fax: +92 (42) 3519 9351 www.pwc.com/pk*

•KARACHI •LAHORE •ISLAMABAD



**MCB Islamic Bank Ltd.**

پابریکتے بینکارے، ہمارے ذمہ دارے

## **CONDENSED INTERIM FINANCIAL STATEMENTS**





# MCB Islamic Bank Ltd.

بائیکریت بینکارک، ہمارے ذمہ دارے

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

		(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Note	Rupees in thousands	
<b>ASSETS</b>			
Cash and balances with treasury banks	8	16,220,768	13,906,238
Balances with other banks	9	8,208,721	1,238,320
Due from financial institutions	10	9,450,000	6,170,000
Investments - net	11	85,602,864	72,668,657
Islamic financing and related assets - net	12	93,124,826	90,301,709
Fixed assets	13	4,886,616	4,936,840
Intangible assets	14	558,177	576,754
Deferred tax assets - net	15	199,277	12,527
Other assets - net	16	12,948,968	9,228,528
		231,200,217	199,039,573
<b>LIABILITIES</b>			
Bills payable	18	2,099,759	3,737,482
Due to financial institutions	19	13,164,245	14,670,759
Deposits and other accounts	20	185,009,822	154,001,460
Liabilities against assets subject to finance lease		-	-
Sub-ordinated debts		-	-
Deferred tax liabilities - net		-	-
Other liabilities	21	12,649,707	10,282,990
		212,923,533	182,692,691
<b>NET ASSETS</b>		18,276,684	16,346,882
<b>REPRESENTED BY</b>			
Share capital	22	15,550,000	15,550,000
Reserves	23	790,939	397,819
Surplus on revaluation of assets - net of tax	24	363,923	400,830
Accumulated profit / (loss)		1,571,822	(1,767)
		18,276,684	16,346,882
<b>CONTINGENCIES AND COMMITMENTS</b>			
	25		

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi  
Chief Financial Officer

Zargham Khan Durrani  
President / Chief Executive

Hammad Khalid  
Director

Raza Mansha  
Director

Omair Safdar  
Director




**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

		Quarter Ended		Half Year Ended	
	Note	April 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2023 to June 30, 2023	January 1, 2022 to June 30, 2022
Rupees in thousands					
Profit / return earned	26	8,590,457	3,927,768	14,887,558	6,977,347
Profit / return expensed	27	4,496,676	1,980,805	7,906,911	3,838,649
Net profit / return		4,093,781	1,946,963	6,980,647	3,138,698
OTHER INCOME					
Fee and commission income	28	193,719	130,215	368,194	243,260
Dividend income		2,713	10,864	6,589	26,610
Foreign exchange income		260,459	48,695	313,859	123,264
Loss on securities	29	-	(116,973)	(46)	(251,196)
Other income	30	74,735	30,510	113,656	57,222
Total other income		531,626	103,311	802,252	199,160
Total income		4,625,407	2,050,274	7,782,899	3,337,858
OTHER EXPENSES					
Operating expenses	31	1,803,408	1,647,892	3,360,685	2,846,548
Workers welfare fund		57,144	7,764	90,059	13,764
Other charges	32	1,321	-	1,326	1,580
Total other expenses		1,861,873	1,655,656	3,452,070	2,861,892
Profit before provisions		2,763,534	394,618	4,330,829	475,966
Provisions / (reversals) and write offs - net	33	202,526	9,607	318,135	(119,174)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		2,561,008	385,011	4,012,694	595,140
Taxation	34	1,435,090	149,241	2,047,096	231,806
PROFIT AFTER TAXATION		1,125,918	235,770	1,965,598	363,334
-----Rupees-----					
Basic and diluted earnings per share	35	0.912	0.191	1.264	0.304

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

  
Syed Iftikhar Hussain Rizvi  
Chief Financial Officer

  
Zargham Khan Durrani  
President / Chief Executive

  
Hammad Khalid  
Director

  
Raza Mansha  
Director

  
Omair Safdar  
Director



# MCB Islamic Bank Ltd.

بائیکٹ بینکاری، ہمارے ذمہ داری

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2023

	Quarter Ended		Half Year Ended	
	April 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2023 to June 30, 2023	January 1, 2022 to June 30, 2022
	Rupees in thousands			
<b>Profit after taxation for the period</b>	1,125,918	235,770	1,965,598	363,334
<b>Other comprehensive (loss) / Income</b>				
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>				
Movement in (deficit) / surplus on revaluation of investments- net of tax	109,170	(23,101)	(23,812)	16,807
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>				
Movement in deficit on revaluation of fixed assets - net of tax	(11,984)	(4,821)	(11,984)	(4,821)
<b>Total comprehensive income for the period</b>	<u>1,223,104</u>	<u>207,848</u>	<u>1,929,802</u>	<u>375,320</u>

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Syed Iftikhar Hussain Rizvi  
Chief Financial Officer

Zargham Khan Durrani  
President / Chief Executive

Hammad Khalid  
Director

Raza Mansha  
Director

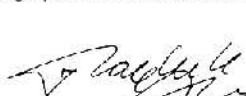
Omair Safdar  
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Share Capital	Statutory Reserve	Surplus / (deficit) on revaluation of		Accumulated profit / (loss)	Total
			Investments	Fixed Assets		
	Rupees in thousands					
Balance as at January 1, 2022	11,550,000	88,193	(57,307)	305,671	(1,282,002)	10,604,555
<b>Total comprehensive income / (loss) for the half year ended June 30, 2022</b>						
Profit after taxation for the half year ended June 30, 2022	-	-	-	-	363,334	363,334
Other comprehensive income / (loss) - net of tax	-	-	16,807	(4,821)	-	11,986
	-	-	16,807	(4,821)	363,334	375,320
Transfer to statutory reserve	-	72,667	-	-	(72,667)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(730)	730	-
<b>Transactions with owners, recorded directly in equity</b>						
Issue of right shares	4,000,000	-	-	-	-	4,000,000
<b>Balance as at June 30, 2022 (Unaudited)</b>	<b>15,550,000</b>	<b>160,860</b>	<b>(40,500)</b>	<b>300,120</b>	<b>(990,605)</b>	<b>14,979,875</b>
<b>Total comprehensive income / (loss) for the six months period ended December 31, 2022</b>						
Profit after taxation for the six months period ended December 31, 2022	-	-	-	-	1,184,795	1,184,795
Other comprehensive income / (loss) - net of tax	-	-	(39,428)	221,640	-	182,212
	-	-	(39,428)	221,640	1,184,795	1,367,007
Transfer to statutory reserve	-	236,959	-	-	(236,959)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of disposals depreciation - net of tax	-	-	-	(40,340)	40,340	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(662)	662	-
<b>Balance as at December 31, 2022 (Audited)</b>	<b>15,550,000</b>	<b>397,819</b>	<b>(79,928)</b>	<b>480,758</b>	<b>(1,767)</b>	<b>16,346,882</b>
<b>Total comprehensive income / (loss) for the half year ended June 30, 2023</b>						
Profit after taxation for the half year ended June 30, 2023	-	-	-	-	1,965,598	1,965,598
Other comprehensive loss - net of tax	-	-	(23,812)	(11,984)	-	(35,796)
	-	-	(23,812)	(11,984)	1,965,598	1,929,802
Transfer to statutory reserve	-	393,120	-	-	(393,120)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,111)	1,111	-
<b>Balance as at June 30, 2023 (Unaudited)</b>	<b>15,550,000</b>	<b>790,939</b>	<b>(103,740)</b>	<b>467,663</b>	<b>1,571,822</b>	<b>18,276,684</b>

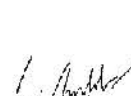
The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

  
**Syed Iftikhar Hussain Rizvi**  
 Chief Financial Officer

  
**Zargham Khan Durrani**  
 President / Chief Executive

  
**Hammad Khalid**  
 Director

  
**Raza Mansha**  
 Director

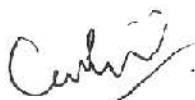
  
**Omair Safdar**  
 Director



**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Note	June 30, 2023	June 30, 2022
		Rupees in thousands	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		4,012,694	595,140
Less: Dividend income		(6,589)	(26,610)
		4,006,105	568,530
<b>Adjustments</b>			
Depreciation on fixed assets	31	222,969	194,707
Depreciation on right-of-use asset	31	256,241	230,808
Depreciation on Ijarah assets under IFAS 2		279,719	360,717
Amortization	31	93,159	85,699
Unwinding of liability against right of use assets	27	148,750	150,669
Provision / (reversals) and write offs - net	33	318,135	(119,174)
Unrealized loss / (gain) on forward foreign exchange contracts - net		357,493	(32,973)
Gain on sale of fixed assets - net	30	(250)	(402)
Gain on termination of lease liability against right-of-use asset	30	(6,319)	-
Loss on sale of securities - net	29	46	251,196
		1,669,943	1,121,247
		5,676,048	1,689,777
<b>(Increase) / decrease in operating assets</b>			
Due from financial institutions		(3,280,000)	(5,840,000)
Islamic financing and related assets		(3,420,971)	(1,289,627)
Other assets (excluding advance taxation)		(3,814,446)	538,725
		(10,515,417)	(6,590,902)
<b>Increase / (decrease) in operating liabilities</b>			
Bills payable		(1,637,723)	(119,776)
Due to financial institutions		(1,507,657)	(3,938,475)
Deposits and other accounts		31,008,362	19,760,510
Other liabilities (excluding current taxation)		1,673,157	(432,709)
		29,536,139	15,269,550
		24,696,770	10,368,425
Income tax paid		(1,635,224)	(94,702)
<b>Net cash flow generated from operating activities</b>		23,061,546	10,273,723
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in available-for-sale securities		(4,997,352)	(1,670,254)
Net (investments) / divestments in held-to-maturity securities		(8,000,087)	1,655,891
Dividends received		6,589	26,610
Investments in operating fixed assets	13.2	(351,626)	(151,554)
Proceeds from sale of fixed assets		895	2,382
Investments in intangible assets	14.1	(74,582)	(67,951)
<b>Net cash flow used in investing activities</b>		(13,416,163)	(204,876)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital		-	4,000,000
Payment of lease liability against right-of-use asset		(361,595)	(316,985)
<b>Net cash flow (used in) / from financing activities</b>		(361,595)	3,683,015
<b>Increase in cash and cash equivalents during the period</b>		9,283,788	13,751,862
Cash and cash equivalents at the beginning of the period		15,144,558	14,960,326
<b>Cash and cash equivalents at the end of the period</b>	36	24,428,346	28,712,188

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.



 Syed Iftikhar Hussain Rizvi  
Chief Financial Officer



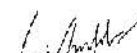
 Zargham Khan Durrani  
President / Chief Executive



 Hammad Khalid  
Director



 Raza Mansha  
Director



 Omair Safdar  
Director



# MCB Islamic Bank Ltd.

بائیت بینکار، ہمارے ذمہ دار ہے

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2023

### 1 STATUS AND NATURE OF BUSINESS

- 1.1 MCB Islamic Bank Limited (the Bank) was incorporated in Pakistan on May 15, 2014 as an unlisted public limited company under the Companies Act, 2017 (previously Companies Ordinance, 1984) 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 201 branches including one sub branch in Pakistan (December 31, 2022: 198 branches including one sub branch). 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 stable 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, 2022.

### 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 interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2023. 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 standard 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)
Amendment to IFRS 16 – Leases on sale and leaseback	January 1, 2024
Amendment to IAS 1 – Non-current liabilities with covenants	January 1, 2024

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. 07 dated April 13, 2023, the effective implementation of IFRS 9 to Banks in Pakistan has been deferred to January 1, 2024. Moreover, SBP has also issued application instructions on IFRS 9 for banks in Pakistan along with the requirements to conduct quarterly parallel run reporting for the year 2023 and the Bank is in the process of complying the same. These condensed interim financial statements have been prepared in accordance with the existing prudential regime. The impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is being assessed.

There are other new and amended standards and interpretations that are mandatory for the annual periods beginning on or after January 1, 2024 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 which are stated at revalued amounts and certain investments, foreign currency balances and commitments in respect of certain forward 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, 2022.

## 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, 2022.

## 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, 2022. These risk management policies continue to remain robust and the Bank is reviewing its portfolio regularly in line with emerging risks.



**8 CASH AND BALANCES WITH TREASURY BANKS**

In hand

- local currency
- foreign currencies

With the State Bank of Pakistan in

- local currency current account
- foreign currency current accounts
  - cash reserve account
  - special cash reserve account
  - USD clearing account

With National Bank of Pakistan in

- local currency current account

Prize bonds

	(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Rupees in thousands	
	4,491,311	3,698,486
	632,180	644,364
	5,123,491	4,342,850
	9,552,054	8,762,753
8.1	367,784	297,530
8.2	437,565	334,438
	149,114	103,577
	954,463	735,545
	590,460	64,400
8.3	300	690
	16,220,768	13,906,238

8.1 As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% is required to be maintained with the SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). This account is non-remunerative in nature.

8.2 Special Cash Reserve of 6% is required to be maintained with the SBP on FE-25 deposits as specified in BSD Circular No. 15 dated June 21, 2008. This account is non-remunerative in nature.

8.3 These represent the national prize bonds received from customers for onward surrendering to SBP. The Bank, as a matter of Shar'i'ah principle, does not deal in prize bonds.

**9 BALANCES WITH OTHER BANKS**

In Pakistan

- deposit account

Outside Pakistan

- current account

	(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Rupees in thousands	
	2,001,603	2,107
	6,207,118	1,236,213
	8,208,721	1,238,320

**10 DUE FROM FINANCIAL INSTITUTIONS**

Unsecured

Musharaka arrangements

	9,450,000	6,170,000
	9,450,000	6,170,000

**10.1 Particulars of due from financial institutions**

- local currency
- foreign currencies

	9,450,000	6,170,000
	-	-
	9,450,000	6,170,000

**June 30, 2023 (Unaudited)**
**11 INVESTMENTS**
**11.1 Investments by type:**
**Available-for-sale securities**

Federal Government securities

Shares and units

Non Government securities

**Held-to-maturity securities**

Federal Government securities

**Total Investments**

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			
59,786,456	-	(205,921)	59,580,535
57,352	-	6,610	63,962
770,000	-	(4,100)	765,900
60,613,808	-	(203,411)	60,410,397
25,192,467	-	-	25,192,467
25,192,467	-	-	25,192,467
85,806,275	-	(203,411)	85,602,864

**December 31, 2022 (Audited)**
**Available-for-sale securities**

Federal Government securities

Shares and units

Non Government securities

**Held-to-maturity securities**

Federal Government securities

**Total Investments**

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			
54,789,150	-	(142,464)	54,646,686
57,352	-	2,239	59,591
770,000	-	-	770,000
55,616,502	-	(140,225)	55,476,277
17,192,380	-	-	17,192,380
17,192,380	-	-	17,192,380
72,808,882	-	(140,225)	72,668,657

**June 30, 2023 (Unaudited)**
**11.1.1 Investments by segments:**
**Federal Government securities**

GOP Ijarah Sukuks

**Shares and units**

Listed companies

**Non Government securities**

Un listed

**Total Investments**

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			
84,978,923	-	(205,921)	84,773,002
57,352	-	6,610	63,962
770,000	-	(4,100)	765,900
85,806,275	-	(203,411)	85,602,864

**December 31, 2022 (Audited)**
**Federal Government securities**

GOP Ijarah Sukuks

**Shares and units**

Listed companies

**Non Government securities**

Un listed

**Total Investments**

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			
71,981,530	-	(142,464)	71,839,066
57,352	-	2,239	59,591
770,000	-	-	770,000
72,808,882	-	(140,225)	72,668,657

11.1.2 There were no investments given as collateral as at June 30, 2023 (December 31, 2022: Nil).

**11.2 Provision for diminution in value of investments**
**On available for sale securities**

Opening balance

Charge for the period / year

Reversal on disposals

Closing balance

	(Unaudited) June 30, 2023	(Audited) December 31, 2022
Rupees in thousands		
	-	262,194
	-	-
	-	(262,194)
	-	-

11.3 The market value of non Government securities classified as held-to-maturity as at June 30, 2023 amounted to Rs. 25,113 million (December 31, 2022: Rs. 17,113 million).

**12 ISLAMIC FINANCING AND RELATED ASSETS - NET**

ISLAMIC FINANCING AND RELATED ASSETS - NET				Performing		Non performing		Total	
		(Unaudited) June 30, 2023	(Audited) December 31, 2022	(Unaudited) June 30, 2023	(Audited) December 31, 2022	(Unaudited) June 30, 2023	(Audited) December 31, 2022		
	Note	Rupees in thousands							
Murabaha	12.1	12,891,666	10,019,296	27,217	1,283	12,918,883	10,020,579		
Istisna	12.2	4,373,380	3,669,842	-	-	4,373,380	3,669,842		
Ijarah	12.3	1,826,520	1,764,790	1,084	1,676	1,827,604	1,766,466		
Running Musharaka	12.4	46,566,141	44,824,547	-	-	46,566,141	44,824,547		
Diminishing Musharaka	12.5	25,019,625	27,436,009	1,668,726	1,675,832	26,688,351	29,111,841		
Bai Muajjal	12.6	14,739	-	-	-	14,739	-		
Staff finance	12.7	1,638,149	1,493,537	-	-	1,638,149	1,493,537		
<b>Islamic financing and related assets - gross</b>		<b>92,330,220</b>	<b>89,208,021</b>	<b>1,697,027</b>	<b>1,678,791</b>	<b>94,027,247</b>	<b>90,886,812</b>		
Less: Provision against non-performing Islamic financing and related assets									
- Specific		-	-	(317,858)	(175,194)	(317,858)	(175,194)		
- General		(584,563)	(409,909)	-	-	(584,563)	(409,909)		
	12.10	(584,563)	(409,909)	(317,858)	(175,194)	(902,421)	(585,103)		
<b>Islamic financing and related assets - net of provisions</b>		<b>91,745,657</b>	<b>88,798,112</b>	<b>1,379,169</b>	<b>1,503,597</b>	<b>93,124,826</b>	<b>90,301,709</b>		
						(Unaudited) June 30, 2023	(Audited) December 31, 2022		
						Rupees in thousands			
<b>12.1 Murabaha</b>						4,915,984	5,847,916		
- Murabaha financing						7,789,809	3,970,854		
- Murabaha inventory						143,090	131,357		
- Advances against Murabaha financing						70,000	70,000		
- Advances against Murabaha financing - Islamic Export Refinance Scheme (IERS)						-	452		
- Murabaha inventory - Islamic Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)						12,918,883	10,020,579		
<b>12.2 Istisna</b>						1,334,488	586,545		
- Istisna financing						592,116	211,744		
- Istisna inventory						2,352,882	2,616,591		
- Advances against Istisna financing						73,986	27,790		
- Istisna financing - Islamic Export Refinance Scheme (IERS)						19,908	227,172		
- Advances against Istisna financing - Islamic Export Refinance Scheme (IERS)						4,373,380	3,669,842		
<b>12.3 Ijarah financing and related assets</b>						1,701,919	1,617,992		
- Net book value of assets in Ijarah under IFAS 2						125,685	148,474		
- Advances against Ijarah						1,827,604	1,766,466		
<b>12.4 Running Musharaka</b>						43,047,141	41,381,547		
- Running Musharaka financing						3,519,000	3,443,000		
- Running Musharaka financing - Islamic Export Refinance Scheme (IERS)						46,566,141	44,824,547		
<b>12.5 Diminishing Musharaka</b>						24,785,194	26,430,619		
- Diminishing Musharaka financing						-	155,638		
- Diminishing Musharaka financing - Islamic Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)						417,252	735,542		
- Advances against Diminishing Musharaka financing						825,833	865,702		
- Advances against Diminishing Musharaka - Islamic Long Term Financing Facility (ILTF)						660,072	924,340		
- Advances against Diminishing Musharaka under Islamic Temporary Economic Refinancing Facility (ITERF) for Plant and Machinery						26,688,351	29,111,841		
<b>12.6 Bai Muajjal</b>						16,164	-		
Bai Muajjal-gross						(64)	-		
Less: Deferred Income						(1,361)	-		
Profit receivable shown in other assets						14,739	-		
Bai Muajjal-net									
<b>12.7 Staff finance</b>						441,518	398,393		
- Staff vehicle finance under Diminishing Musharaka						1,196,631	1,095,144		
- Staff housing finance under Diminishing Musharaka						1,638,149	1,493,537		
<b>12.8 Particulars of Islamic financing and related assets - gross</b>						94,027,247	90,886,812		
In local currency						-	-		
In foreign currency						94,027,247	90,886,812		



- 12.9 Islamic financing and related assets include Rs. 1,697,027 million (December 31, 2022: Rs. 1,678,791 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Unaudited) June 30, 2023		(Audited) December 31, 2022	
	Non-performing Islamic financing and related assets	Provision	Non-performing Islamic financing and related assets	Provision
Rupees in thousands				
Domestic				
Other Assets Especially Mentioned	44,088	-	31	-
Substandard	66,985	2,753	1,214,219	144,767
Doubtful	1,210,619	287,932	6,261	3,130
Loss	375,335	27,173	458,280	27,297
	<u>1,697,027</u>	<u>317,858</u>	<u>1,678,791</u>	<u>175,194</u>

- 12.10 Particulars of provision against Islamic financing and related assets

	June 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in thousands						
Opening balance	175,194	409,909	585,103	124,718	61,882	186,600
Charge for the period / year	147,462	179,997	327,459	160,418	348,118	508,536
Reversals	(3,981)	(5,343)	(9,324)	(105,102)	(91)	(105,193)
	143,481	174,654	318,135	55,316	348,027	403,343
Amounts written off	(817)	-	(817)	(4,840)	-	(4,840)
Closing balance	<u>317,858</u>	<u>584,563</u>	<u>902,421</u>	<u>175,194</u>	<u>409,909</u>	<u>585,103</u>

- 12.11 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. 680.462 million (December 31, 2022 : Rs. 555.936 million). The additional benefit on the Bank's profit and loss account arising from availing the FSV benefit - net of tax amounts to Rs. 347.036 million as at June 30, 2023 (December 31, 2022: Rs. 283.527 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.

- 12.12 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 In addition, the Bank has also maintained an un-encumbered general provision of Rs. 504.5 million (December 31, 2022: 326.5 million) against financing made in accordance with the prevailing macroeconomic circumstances. This general provision is in addition to the requirements of Prudential Regulations.

- 12.14 Particulars of provision against Islamic financing and related assets

	June 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
Rupees in thousands						
In local currency	317,858	584,563	902,421	175,194	409,909	585,103
In foreign currency	-	-	-	-	-	-
	<u>317,858</u>	<u>584,563</u>	<u>902,421</u>	<u>175,194</u>	<u>409,909</u>	<u>585,103</u>

	Note	(Unaudited) June 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
13 <b>FIXED ASSETS</b>			
Capital work-in-progress	13.1	154,803	252,146
Property and equipment		2,961,170	2,735,815
Right-of-use asset		1,770,643	1,948,879
		<u>4,886,616</u>	<u>4,936,840</u>
13.1 <b>Capital work-in-progress</b>			
Civil works		5,025	124,303
Advance to suppliers and contractors		73,271	68,149
Electrical and computer equipment		76,507	59,694
		<u>154,803</u>	<u>252,146</u>

**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

**Property and equipment**

Building on freehold land

Leasehold improvements

Furniture and fixtures

Electrical, office and computer equipment

 (Unaudited) Half Year ended  
(Unaudited) Half Year ended

June 30, 2023 June 30, 2022

Rupees in thousands

176,971	30,945
665	1,662
27,902	18,537
19,835	17,798
126,253	82,612
174,655	120,609
351,626	151,554

**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

Electrical, office and computer equipment

Vehicles

23	2
140	290
482	1,688
645	1,980

 (Unaudited) June 30, 2023  
(Audited) December 31, 2022  
Rupees in thousands

**14 INTANGIBLE ASSETS**

Advance against purchase of software

Computer software

78,785	54,327
479,392	522,427
558,177	576,754

 (Unaudited) Half Year ended  
(Unaudited) Half Year ended

**14.1 Additions to intangible assets**

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

Capital work-in-progress

Directly purchased

June 30, 2023	June 30, 2022
Rupees in thousands	
52,371	14,996
22,211	52,955
74,582	67,951

**15 DEFERRED TAX ASSETS / (LIABILITY) - NET**

June 30, 2023 (Unaudited)

**Deductible temporary difference**

Surplus / (Deficit) on revaluation of investments - net

Provision against Islamic financing

and related assets

Workers Welfare Fund

**Taxable temporary difference**

Surplus on revaluation of fixed assets

Accelerated tax depreciation

At Dec 31, 2022	Recognised in P&L A/C	Recognised in OCI	At June 30, 2023
Rupees in thousands			
60,297	-	39,374	99,671
63,466	79,104	-	142,570
41,945	49,982	-	91,927
165,708	129,086	39,374	334,168
(85,881)	1,068	(11,984)	(96,797)
(67,300)	29,206	-	(38,094)
(153,181)	30,274	(11,984)	(134,891)
12,527	159,360	27,390	199,277

**December 31, 2022 (Audited)**
**Deductible temporary difference**

Tax losses carried forward
Minimum tax
Deficit on revaluation of investments - net
Provision against Islamic financing and related assets
Workers Welfare Fund

At Dec 31, 2021	Recognised in P&L A/C Rupees in thousands	Recognised in OCI Rupees in thousands	At Dec 31, 2022
594,182	(594,182)	-	-
480,565	(480,565)	-	-
123,417	-	(63,120)	60,297
41,821	21,645	-	63,466
8,675	33,270	-	41,945
1,248,660	(1,019,832)	(63,120)	165,708

**Taxable temporary difference**

Surplus on revaluation of fixed assets
Surplus on revaluation of investments
Accelerated tax depreciation

(47,021)	5,080	(43,940)	(85,881)
(86,778)	-	86,778	-
(107,903)	40,603	-	(67,300)
(241,702)	45,683	42,838	(153,181)
1,006,958	(974,149)	(20,282)	12,527

**16 OTHER ASSETS**

Profit / return accrued in local currency
Advances, deposits, advance rent and other prepayments
Branch adjustment account
Receivable against ATM transactions
Receivable under home remittances
Un-realized mark to market gain on forward foreign exchange contracts
Acceptances
Others

Note	(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Rupees in thousands	
	7,089,701	5,058,105
	447,820	434,951
	255,919	13,099
	994,338	315,624
	42,850	17,817
	9,637	103,643
21	3,866,988	3,091,576
	241,715	193,713
	<u>12,948,968</u>	<u>9,228,528</u>

**17 CONTINGENT ASSETS**

There were no contingent assets of the Bank as at June 30, 2023 (December 31, 2022: Nil).

**18 BILLS PAYABLE**

In Pakistan
Outside Pakistan

(Unaudited) June 30, 2023	(Audited) December 31, 2022
Rupees in thousands	
2,099,759	3,737,482
-	-
<u>2,099,759</u>	<u>3,737,482</u>

**19 DUE TO FINANCIAL INSTITUTIONS**

In Pakistan
Outside Pakistan

13,163,102	14,670,759
1,143	-
<u>13,164,245</u>	<u>14,670,759</u>

**19.1 Particulars of due to financial institutions with respect to currencies**

In local currency
In foreign currencies

13,163,102	14,670,759
1,143	-
<u>13,164,245</u>	<u>14,670,759</u>



	(Unaudited) June 30, 2023	(Audited) December 31, 2022
<b>19.2 Details of due to financial institutions - Secured / Unsecured</b>		
<b>Secured</b>		
Musharaka with the State Bank of Pakistan -		
Islamic Export Refinance Scheme (IERS)	3,696,424	3,717,962
Investment under - Islamic Long Term Financing Facility (ILTFF)	1,945,654	1,979,296
Investment under - Islamic		
Temporary Economic Refinancing Facility (ITERF) for Plant and Machinery	4,344,390	4,479,240
Investment under - Islamic		
Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)	-	123,251
Investment under - Islamic		
Refinancing facility for combating COVID-19 (IRFCC)	-	18,345
Investment under - Islamic		
Financing Facility for Renewable Energy (IFRE)	385,309	391,519
<b>Unsecured</b>		
Musharaka arrangements with financial institutions	2,560,431	3,657,500
Musharaka arrangements with other institution	230,894	303,646
Overdrawn nostro accounts	1,143	-
	<u>13,164,245</u>	<u>14,670,759</u>

	June 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in thousands					
<b>Customers</b>						
Current deposits - non-remunerative	52,920,207	3,457,953	56,378,160	39,828,755	2,786,057	42,614,812
Savings deposits	62,220,396	1,563,518	63,783,914	52,776,141	1,684,992	54,461,133
Term deposits	36,016,625	1,699,862	37,716,487	38,119,209	674,520	38,793,729
Others	15,513,430	-	15,513,430	7,377,399	-	7,377,399
	<u>166,670,658</u>	<u>6,721,333</u>	<u>173,391,991</u>	<u>138,101,504</u>	<u>5,145,569</u>	<u>143,247,073</u>
<b>Financial Institutions</b>						
Current deposits - non-remunerative	208,918	206	209,124	56,731	163	56,894
Savings deposits	9,407,707	-	9,407,707	7,095,493	-	7,095,493
Term deposits	2,001,000	-	2,001,000	3,602,000	-	3,602,000
	<u>11,617,625</u>	<u>206</u>	<u>11,617,831</u>	<u>10,754,224</u>	<u>163</u>	<u>10,754,387</u>
	<u>178,288,283</u>	<u>6,721,539</u>	<u>185,009,822</u>	<u>148,855,728</u>	<u>5,145,732</u>	<u>154,001,460</u>

	(Unaudited) June 30, 2023	(Audited) December 31, 2022
<b>21 OTHER LIABILITIES</b>		
Profit / return payable in local currency	2,831,803	2,109,258
Profit / return payable in foreign currencies	13,464	1,948
Accrued expenses	693,479	741,479
Current taxation (provision less payments)	1,096,830	525,598
Unearned income	95,953	85,967
Acceptances	3,866,988	3,091,576
Advance receipt against Islamic financing and related assets	28,208	22,926
Charity fund balance	7,774	12,119
Security deposits against Ijarah financing	841,612	748,306
Withholding tax, Federal Excise Duty and other payable	58,912	42,762
Un-realized mark to market loss on forward foreign exchange contracts	296,788	33,301
Lease liability against right-of-use asset	2,347,615	2,488,775
Others	470,281	378,975
	<u>12,649,707</u>	<u>10,282,990</u>

21.1 It includes Rs. 147.184 million (2022: Rs. 102.952 million) in respect of profit / return accrued on Musharaka with SBP under Islamic Export Refinance Scheme and Rs 40.996 million (2022: Rs 41.951 million) in respect of return accrued on acceptances from the SBP under various Islamic Refinance Schemes.

**22 SHARE CAPITAL**  
**Authorised capital**

(Unaudited) June 30, 2023	(Audited) December 31, 2022		(Unaudited) June 30, 2023	(Audited) December 31, 2022
		Number of shares		
<u>2,000,000,000</u>	<u>2,000,000,000</u>	Ordinary shares of Rs. 10/- each	<u>20,000,000</u>	<u>20,000,000</u>

**Issued, subscribed and paid up capital**

(Unaudited) June 30, 2023	(Audited) December 31, 2022		(Unaudited) June 30, 2023	(Audited) December 31, 2022
Number of shares			Rupees in thousands	
1,555,000,000	1,155,000,000	Fully paid in cash		
-	400,000,000	Balance at beginning of the period / year	15,550,000	11,550,000
<u>1,555,000,000</u>	<u>1,555,000,000</u>	Issued during the period / year	-	4,000,000
		Balance at end of the period / year	<u>15,550,000</u>	<u>15,550,000</u>

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

		(Unaudited) June 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
<b>23</b>	<b>RESERVES</b>		
	Statutory reserves	790,939	397,819
<b>23.1</b>	Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.		
<b>24</b>	<b>SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF TAX</b>		
	Surplus / (deficit) arising on revaluation of:		
	- Fixed assets	564,460	566,639
	- Available for sale securities	(203,411)	(140,225)
		361,049	426,414
	Deferred tax on surplus / (deficit) on revaluation of:		
	- Fixed assets	(96,797)	(85,881)
	- Available for sale securities	99,671	60,297
		2,874	(25,584)
		<u>363,923</u>	<u>400,830</u>
<b>25</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
	Guarantees	16,665,974	13,078,059
	Commitments	37,678,907	26,770,503
	Other contingent liabilities	1,090,329	1,103,158
		<u>55,435,210</u>	<u>40,951,720</u>
<b>25.1</b>	<b>Guarantees</b>		
	Performance guarantees	6,533,924	5,756,990
	Other guarantees	10,132,050	7,321,069
		<u>16,665,974</u>	<u>13,078,059</u>
<b>25.2</b>	<b>Commitments</b>		
	Documentary credits and short-term trade-related transactions		
	Letters of credit	20,425,864	18,200,336
	Commitments in respect of:		
	Forward foreign exchange contracts	15,299,684	7,431,256
	Commitments for acquisition of:		
	Intangible assets	79,149	101,555
	Fixed assets	636,719	115,778
	Other commitments	1,237,491	921,578
		<u>37,678,907</u>	<u>26,770,503</u>
<b>25.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
	Purchase	7,456,180	4,707,222
	Sale	7,843,504	2,724,034
		<u>15,299,684</u>	<u>7,431,256</u>

		(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Note	Rupees in thousands	
<b>25.2.2 Other commitments</b>			
Commitments to extend financing	25.2.2.1	1,237,491	921,578

**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.

		(Unaudited) June 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
<b>25.3 Other contingent liabilities</b>			
Claims against the Bank not acknowledged as debt		1,090,329	1,103,158

This includes claim by a third party against the Bank, amounting to Rs. 1,025.820 million (December 31, 2022: Rs. 1,025.820 million) which is being contested in the Court of law. The suit has been disposed off by the Court vide Order dated May 10, 2019 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. 64.509 million (December 31, 2022: Rs. 77.338 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.

		(Unaudited) Half Year ended June 30, 2023	(Unaudited) Half Year ended June 30, 2022
		Rupees in thousands	
<b>26 PROFIT / RETURN EARNED</b>			
Financing		7,785,832	5,093,860
Investments in			
- Available For Sale securities		5,222,286	1,694,077
- Held To Maturity securities		1,615,907	51,683
		6,838,193	1,745,760
Musharaka arrangements		251,498	56,421
Deposits with financial institutions		12,035	81,306
		14,887,558	6,977,347

		(Unaudited) Half Year ended June 30, 2023	(Unaudited) Half Year ended June 30, 2022
	Note	Rupees in thousands	
<b>27</b>	<b>PROFIT / RETURN EXPENSED</b>		
Deposits and other accounts		6,864,286	3,121,473
Musharaka and other arrangements with the State Bank of Pakistan		296,560	108,891
Musharaka arrangements with other financial institutions		571,749	444,734
Musharaka arrangements with other institutions		25,566	12,882
Unwinding of lease liability against right-of-use asset		148,750	150,669
		<u>7,906,911</u>	<u>3,838,649</u>
<b>28</b>	<b>FEE AND COMMISSION INCOME</b>		
Branch banking customer fees		10,754	7,836
Consumer finance related fees		6,924	11,134
Card related fees		115,435	75,056
Credit related fees		12,162	14,183
Digital banking fees		25,182	12,642
Commission on trade		89,516	60,050
Commission on guarantees		38,480	24,331
Commission on cash management		28,385	1,848
Commission on remittances including home remittances		16,425	8,088
Commission on banca takaful		14,638	20,508
Locker rent		9,998	7,411
Others		295	173
		<u>368,194</u>	<u>243,260</u>
<b>29</b>	<b>LOSS ON SECURITIES</b>		
Realised	29.1	<u>(46)</u>	<u>(251,196)</u>
<b>29.1</b>	Realised loss - net on:		
Federal Government Securities - Sukuk certificates		(46)	-
Shares		-	(251,196)
		<u>(46)</u>	<u>(251,196)</u>
<b>30</b>	<b>OTHER INCOME</b>		
Rental income		-	6,324
Gain on sale of fixed assets		250	402
Fees and charges recovered		5,513	713
Commission on arrangement with financial institutions		92,765	42,559
Gain on termination of lease liability against right of use assets		6,319	-
Gain on conversion of Ijarah agreements		8,809	7,224
		<u>113,656</u>	<u>57,222</u>



(Unaudited) (Unaudited)  
 Half Year Half Year  
 ended ended  
 June 30, 2023 June 30, 2022  
 Rupees in thousands

31

**OPERATING EXPENSES**

**Total compensation expense** 1,654,713 1,306,572

**Property expense**

Rent and taxes	21,043	9,798
Takaful expenses	19,162	14,775
Utilities cost	95,106	84,216
Security (including guards)	173,826	147,083
Repairs and maintenance (including janitorial charges)	89,237	66,762
Depreciation on right-of-use assets	256,241	230,808
Depreciation	151,581	128,572
	806,196	682,014

**Information technology expenses**

Software maintenance	152,370	140,783
Hardware maintenance	33,748	64,447
Takaful expenses	1,242	868
Depreciation	61,419	59,374
Amortization	93,159	85,699
Network charges	54,221	67,224
	396,159	418,395

**Other operating expenses**

Directors' fees and allowances	3,276	286
Fees and allowances to Shari'ah Board	7,064	6,340
Legal and professional charges	21,778	26,898
Takaful expenses	71,650	58,605
Fee and subscription	1,226	2,698
Outsourced services costs	71,334	51,265
Travelling and conveyance	69,401	47,805
Repairs and maintenance of vehicles	3,706	1,169
NIFT clearing charges	15,986	11,206
Brokerage, commission and bank charges	27,242	20,798
Depreciation	9,969	6,761
Training and development	4,526	5,092
Postage and courier charges	20,554	21,278
Communication	23,771	15,440
Stationery and printing	54,205	42,010
Marketing, advertisement and publicity	15,281	63,066
Auditors' remuneration	6,739	6,386
Entertainment	31,965	26,093
Others	43,944	26,371
	503,617	439,567
	3,360,685	2,846,548

		(Unaudited) Half Year ended June 30, 2023	(Unaudited) Half Year ended June 30, 2022
	Note	Rupees in thousands	
<b>32 OTHER CHARGES</b>			
Penalties imposed by the State Bank of Pakistan		1,326	1,580
		<u>1,326</u>	<u>1,580</u>
<b>33 PROVISIONS / (REVERSALS) AND WRITE OFFS - NET</b>			
Reversal in provision for diminution in value of investments	11.2	-	(262,194)
Provision against non-performing Islamic financing and related assets	12.10	318,135	143,020
		<u>318,135</u>	<u>(119,174)</u>
<b>34 TAXATION</b>			
Current		2,206,456	160,181
Deferred		(159,360)	71,625
		<u>2,047,096</u>	<u>231,806</u>
<b>35 BASIC AND DILUTED EARNINGS PER SHARE</b>			
Profit after taxation		1,965,598	363,334
		<b>Number of shares - In thousands</b>	
Weighted average number of ordinary shares		1,555,000	1,194,779
		<b>Rupees</b>	
Basic and diluted earnings per share		1.264	0.304
		(Unaudited) June 30, 2023	(Unaudited) June 30, 2022
		<b>Rupees in thousands</b>	
<b>36 CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks		16,220,768	12,457,747
Balances with other banks		8,208,721	16,254,441
Overdrawn nostro accounts		(1,143)	-
		<u>24,428,346</u>	<u>28,712,188</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.

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.

June 30, 2023 (Unaudited)					
Carrying value	Level 1	Level 2	Level 3	Total	
Rupees in thousands					
On-balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
Federal Government Securities					
Pakistan Energy Sukkuks	13,000,000	13,000,000	-	-	13,000,000
GOP Ijarah Sukkuk	46,580,535	-	46,580,535	-	46,580,535
Shares	63,962	63,962	-	-	63,962
Non-Government Securities	765,900	-	765,900	-	765,900
	60,410,397	13,063,962	47,346,435	-	60,410,397
Fair value of non-financial assets					
Operating fixed assets					
(land and building)	1,390,409	-	1,390,409	-	1,390,409
Off-balance sheet financial instruments					
Foreign exchange contracts purchase	7,456,180	-	7,405,734	-	7,405,734
Foreign exchange contracts sale	7,843,504	-	8,080,209	-	8,080,209

	December 31, 2022 (Audited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	Rupees in thousands				
On-balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
Federal Government Securities					
Pakistan Energy Sukkuks	13,000,000	13,000,000	-	-	13,000,000
GOP Ijarah Sukkuks	58,839,066	-	58,839,066	-	58,839,066
Shares	59,591	59,591	-	-	59,591
Non-Government Securities	770,000	-	770,000	-	770,000
	72,668,657	13,059,591	59,609,066	-	72,668,657
Fair value of non-financial assets					
Operating fixed assets					
(land and building)	1,396,106	-	1,396,106	-	1,396,106
Off-balance sheet financial instruments					
Foreign exchange contracts purchase	4,707,222	-	4,769,989	-	4,769,989
Foreign exchange contracts sale	2,724,034	-	2,716,459	-	2,716,459

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.



June 30, 2022 (Unaudited)

	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
<b>Profit &amp; Loss</b>									
Net Profit / return	(2,596,227)	3,910,745	529,718	9,347	1,399,325	(114,210)	3,138,698	-	3,138,698
Inter segment revenue - net	5,780,347	(3,978,389)	(427,422)	(4,742)	(1,538,623)	168,829	-	-	-
Other income	174,189	90,317	15,463	447	136,791	(218,047)	199,160	-	199,160
Total Income	3,358,309	22,673	117,759	5,052	(2,507)	(163,428)	3,337,858	-	3,337,858
Segment direct expenses	(1,251,402)	(70,667)	(108,639)	(3,739)	(11,032)	(1,416,413)	(2,861,892)	-	(2,861,892)
Inter segment expense allocation	(475,515)	(4,961)	(13,773)	(738)	(758)	495,745	-	-	-
Total expenses	(1,726,917)	(75,628)	(122,412)	(4,477)	(11,790)	(920,668)	(2,861,892)	-	(2,861,892)
Provisions / (reversals) and write offs - net	120	(121,458)	(9,221)	(6,782)	-	256,515	119,174	-	119,174
Profit / (loss) before tax	1,631,512	(174,413)	(13,874)	(6,207)	(14,297)	(827,581)	595,140	-	595,140

December 31, 2022 (Audited)

	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
<b>Balance Sheet</b>									
Cash & Bank balances	4,036,572	-	-	-	10,736,618	371,368	15,144,558	-	15,144,558
Investments	-	-	-	-	72,609,066	59,591	72,668,657	-	72,668,657
Net inter segment lending	147,821,651	-	-	-	-	7,841,693	155,663,344	(155,663,344)	-
Due from financial institutions	-	-	-	-	6,170,000	-	6,170,000	-	6,170,000
Financing - performing	11,079,375	66,626,024	9,434,307	167,114	-	1,491,292	88,798,112	-	88,798,112
- non-performing	74,671	1,422,121	4,718	504	-	1,583	1,503,597	-	1,503,597
Others	685,923	5,999,696	496,178	16,370	2,464,764	5,091,718	14,754,649	-	14,754,649
<b>Total Assets</b>	163,698,192	74,047,841	9,935,203	183,988	91,980,448	14,857,245	354,702,917	(155,663,344)	199,039,573
Bills payable	3,737,482	-	-	-	-	-	3,737,482	-	3,737,482
Due to financial institutions	2,267,174	8,746,085	687,500	-	2,970,000	-	14,670,759	-	14,670,759
Deposits & other accounts	150,959,151	2,981,767	-	-	-	60,542	154,001,460	-	154,001,460
Net inter segment borrowing	-	58,165,880	8,520,861	186,878	88,789,725	-	155,663,344	(155,663,344)	-
Others	2,350,044	4,294,033	706,211	669	84,910	2,847,123	10,282,990	-	10,282,990
<b>Total Liabilities</b>	159,313,851	74,187,765	9,914,572	187,547	91,844,635	2,907,665	338,356,035	(155,663,344)	182,692,691
Equity	4,384,341	(139,924)	20,631	(3,559)	135,813	11,949,580	16,346,882	-	16,346,882
<b>Total Equity &amp; liabilities</b>	163,698,192	74,047,841	9,935,203	183,988	91,980,448	14,857,245	354,702,917	-	199,039,573
<b>Contingencies &amp; Commitments</b>	10,712,459	22,469,810	95,862	-	7,456,256	217,333	40,951,720	-	40,951,720

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.

The Chief Executive and three key management personnel have been provided with Bank's maintained cars.

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

	June 30, 2023 (Unaudited)				December 31, 2022 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
<b>Balances with other banks</b>								
In current accounts	47,117	-	-	-	6,222	-	-	-
	47,117	-	-	-	6,222	-	-	-
<b>Islamic financing and related assets</b>								
Opening balance	-	-	97,953	1,829,326	-	6,378	91,750	2,274,692
Addition during the period / year	-	-	6,000	1,285,829	-	-	47,140	3,687,934
Repaid during the period / year	-	-	(13,275)	(1,343,849)	-	(1,389)	(37,884)	(4,133,300)
Transfer in / (out) - net	-	-	(12,336)	-	-	(4,987)	(3,053)	-
Closing balance	-	-	78,342	1,771,306	-	-	97,953	1,829,326
<b>Fixed assets - Capital work in progress</b>								
Advance paid against purchase of property	20,000	-	-	-	20,000	-	-	-
Right-of-use asset	65,262	-	-	-	78,129	-	-	-
	75,262	-	-	-	98,129	-	-	-
<b>Other assets</b>								
Profit receivable	-	-	3,530	62,649	-	-	3,286	40,380
Prepaid expenses	-	-	15,622	37,233	-	1,880	3,875	33,975
Receivable under scheme of merger	11,282	-	-	-	11,282	-	-	-
Receivable under home remittance	42,850	-	-	-	17,818	-	-	-
	64,132	-	19,152	99,882	29,100	1,880	7,161	74,355
<b>Due to financial institutions</b>								
Opening balance	-	-	-	-	3,500,000	-	-	-
Addition during the period / year	53,200,000	-	-	-	118,446,765	-	-	-
Repaid during the period / year	(51,264,570)	-	-	-	(121,946,765)	-	-	-
Closing balance	1,935,430	-	-	-	-	-	-	-
<b>Deposits</b>								
Opening balance	-	100,227	66,085	995,552	-	526,091	31,609	1,568,472
Addition during the period / year	-	2,336,433	178,916	21,169,661	-	8,906,263	386,092	30,017,661
Withdrawn during the period / year	-	(2,387,804)	(168,477)	(20,806,203)	-	(9,325,643)	(345,654)	(30,592,000)
Transfer in / (out) - net	-	83	508	(208)	-	(6,484)	(5,962)	1,419
Closing balance	-	48,939	77,032	1,358,802	-	100,227	66,085	995,552
<b>Other liabilities</b>								
Profit payable	80,532	234	728	8,567	-	4,110	665	9,001
Accrued expenses	-	-	-	14,882	-	-	-	2,377
Acceptances	605,444	-	-	-	587,036	-	-	-
Unearned Income	-	-	-	3,182	-	-	-	4,053
Unrealized mark to market loss on forward foreign exchange contracts	758	-	-	-	-	-	-	-
Lease liability against right-of-use asset	71,580	-	-	-	94,595	-	-	-
Meeting fee payable	-	7,010	-	-	-	3,470	-	-
	758,292	7,244	728	26,631	681,631	7,580	665	15,431
<b>Contingencies and Commitments</b>								
Letter of Credit	-	-	-	1,103,118	-	-	-	-
Letter of Guarantee	77,298	-	-	1,063,966	70,227	-	-	1,205,784
<b>Forward exchange contract</b>								
Purchase	716,500	-	-	-	42,996	-	-	-
Sale	716,500	-	-	-	42,996	-	-	-
	June 30, 2023 (Unaudited)				June 30, 2022 (Unaudited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
<b>Transactions during the period</b>								
<b>Income</b>								
Profit / return earned	-	-	2,244	110,687	-	62	2,347	81,676
Commission Income	-	-	-	13,977	-	-	-	19,609
Rental Income	-	-	-	-	6,324	-	-	-
Other Income	-	-	17	-	-	4	37	-
	-	-	2,261	124,664	6,324	66	2,384	101,285
<b>Expense</b>								
Profit / return expensed	238,757	5,644	4,577	38,614	229,634	15,412	416	16,636
Depreciation on right-of-use assets	22,868	-	-	-	17,589	-	-	-
Takaful expense	-	-	-	66,915	-	-	-	37,585
Security expense	-	-	-	2,660	-	-	-	18,757
Meeting fee to Directors	-	3,276	-	-	-	340	-	-
Unwinding of lease liability against right-of-use asset	5,373	-	-	-	4,095	-	-	-
Other expense	3,518	-	-	131	4,582	-	-	161
	270,514	8,920	4,577	108,320	255,900	15,752	416	73,139
<b>Other transactions during the period</b>								
Managerial remuneration paid	-	38,143	125,545	-	-	27,610	114,991	-
Contribution paid to provident fund	-	-	-	74,536	-	-	-	30,617
Re-imbursement under home remittance payments	2,968,591	-	-	-	2,306,488	-	-	-
Proceeds from issue of share capital	-	-	-	-	4,000,000	-	-	-
Proceeds from sale of fixed assets	-	-	17	-	-	1,872	86	-
Disbursement made against advance salary	-	-	-	-	-	-	1,000	-
Repayment made against advance salary	-	-	-	-	-	-	1,833	-
Payment made against expenses (including lease liabilities)	31,816	-	-	60,282	21,255	-	-	69,449
Foreign currency purchase	17,796,638	-	-	-	11,416,626	-	-	-
Foreign currency sale	21,024,787	-	-	-	7,121,500	-	-	-
Letter of Credit issued	-	-	-	2,126,325	-	-	-	1,248,601
Letter of Guarantee issued	9,542	-	-	1,983	-	-	-	56,879

(Unaudited)	(Audited)
June 30, 2023	December 31, 2022
Rupees in thousands	

**40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**
**Minimum Capital Requirement (MCR):**

Paid - up capital (net of losses)	17,121,822	15,548,233
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**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital	17,354,584	15,369,298
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	17,354,584	15,369,298
Eligible Tier 2 Capital	948,486	810,739
Total Eligible Capital (Tier 1 + Tier 2)	18,303,070	16,180,037

**Risk Weighted Assets (RWAs):**

Credit Risk	70,647,140	63,682,494
Market Risk	3,042,904	3,262,215
Operational Risk	12,320,815	12,320,815
Total	86,010,859	79,265,524

**Common Equity Tier 1 Capital Adequacy ratio**

	20.18%	19.39%
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**Tier 1 Capital Adequacy Ratio**

	20.18%	19.39%
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**Total Capital Adequacy Ratio**

	21.28%	20.41%
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**Leverage Ratio (LR):**

Eligible Tier-1 Capital	17,354,584	15,369,298
Total Exposures	264,062,349	226,108,533
Leverage Ratio	6.57%	6.80%

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	71,297,176	52,914,884
Total Net Cash Outflow	47,269,549	35,308,570
Liquidity Coverage Ratio	150.83%	149.86%

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding	156,369,959	129,634,224
Total Required Stable Funding	114,834,974	96,984,488
Net Stable Funding Ratio	136.17%	133.66%

**41 GENERAL**

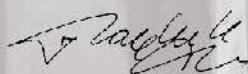
Figures have been rounded off to the nearest thousand of Pakistani Rupees unless otherwise stated.

**42 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on July 31, 2023 by the Board of Directors of the Bank.



Syed Iftikhar Hussain Rizvi  
Chief Financial Officer



Zargham Khan Durrani  
President / Chief Executive



Hammad Khalid  
Director



Raza Mansha  
Director



Omair Safdar  
Director



## BRANCH NETWORK

Sr. #	Name of Branch	Address	City	Contact No.
1	Shahrah-e-Faisal Branch	Ground Floor, Nice Trade Orbit, Nursery stop, Main Shahrah-e-Faisal, Karachi	Karachi	+92-21-34328469-72   +92-21-34328477
2	Liberty Market Branch, Gulberg	9-C, Commercial Liberty Market, Gulberg Lahore	Lahore	+92-42-35789831-34
3	Shah Rukn-e-Alam Colony Branch	17-F Chowk Shah Rukn e Alam Colony, Multan	Multan	+92-61-6560451-57
4	Thandi Sarak Branch	Ground Floor, Shop No.6 & 7, River View Apartments, Thandi Sarak, Hyderabad	Hyderabad	+92-22-2785486   +92-22-2785632
5	Peoples Colony Branch	668-1, Block A, Peoples Colony No. 1, Faisalabad	Faisalabad	+92-41-8556601-05
6	Jinnah Avenue, Blue Area Branch	52 East, Dodhy Plaza, Jinnah Avenue Islamabad	Islamabad	+92-51-2875091   +92-51-2604677
7	Rashid Minhas Road Branch	Plot# LM-10, Block-10-A, Near Pizza Hut, main Rashid Minhas Road, Karachi	Karachi	+92-21-34817623   +92-21-34838077   +92-21-34817649
8	DHA Phase III, Z Block Branch	339-Z (Commercial) Ground Floor, Phase III, Defence Housing Authority, Lahore	Lahore	+92-42-35692901   +92-42-35746675
9	Bank Road, Saddar Branch	Shahbaz Plaza, Bank Road, Saddar, Rawalpindi	Rawalpindi	+92-51-5525277   +92-51-5700342   +92-51-5523474
10	Tasneem Plaza, Saddar Road Branch	Tasneem Plaza, 6 Saddar Road, Peshawar Cantt	Peshawar	+92-91-5272180-83
11	M.A Jinnah Road Branch	M.A. Jinnah Road, Quetta, Balochistan	Quetta	+92-81-2824977
12	Shahalam Market Branch	12-13-6 Block-A, Shah Alam Market, Lahore	Lahore	+92-42-37667813
13	New Challi Branch	Shop No G-2, Muhammadi Trade tower, Altaf Hussani road, New Challi, Karachi	Karachi	+92-21-32371192
14	S.I.T.E Branch	C 18-A, East Avenue, S.I.T.E, Karachi	Karachi	+92-21-32552192   +92-21-32552193
15	G.T. Road Branch, Sharifpura Chowk	Sharifpura Chowk G.T Road Gujranwala	Gujranwala	+92-55-3251915-17
16	Rahim Yar Khan Branch	29-Model Town, City Centre, City Park Chowk, Rahim Yar Khan	Rahim Yar Khan	+92-68-5876049
17	Club Road Branch	73, Club Road, Civil Line, Sargodha	Sargodha	+92-48-3768633
18	F-10 Markaz Branch	Plot # 7-Q, F-10 Markaz, Islamabad	Islamabad	+92-51-2114301-4
19	Allama Iqbal Town Branch	132 Jahanzaib Block, Main Boulevard, Allama Iqbal Town, Lahore	Lahore	+92-42-37813681-84
20	Bunder Road Branch	Shop/ Plot/ Khasra/ Khatooni/ Khawat # Plot # B-1623, Bunder Road, Sukkur	Sukkur	+92-71-5620756
21	Khalid-Bin-Waleed Road Branch	Show Room No.9-11, Plot No.167-A, Block-3, Khalid Bin Waleed Road, Karachi	Karachi	+92-21-34323051-53
22	Maulana Shaukat Ali Road Branch, Johar Town	87-E, Madina Heights, Maulana Shaukat Ali Road, Johar Town, Lahore	Lahore	+92-42-35222674-79
23	Hyderabad Road Branch	Plot No.1, Survey No. 272-1 Deh Taluka Hyderabad Road, Tando Allah Yar	Tando Allahyar	+92-22-3891600   +92-22-3891567
24	Farid Town Branch	Plot # 23, Khawat # 7854, Khatooni # 7907, Khasra No. 776-23-J, Farid Town, Sahiwal, Tehsil & District Sahiwal	Sahiwal	+92-40-4270713-15
25	Bhimber Road Branch	Khawat # 143, Khatooni # 341, Bhimber Road, Gujrat, Tehsil & District Gujrat	Gujrat	+92-53-3601781-82
26	Korangi Industrial Area Sector 23 Branch	Plot # 1-A, Sector 23, Korangi Industrial Area, Karachi	Karachi	+92-21-35122311-12
27	North Nazimabad Branch	Shop # 1 & 2 Jasmine Heights Plot # SC-21-A Block H North Nazimabad, Karachi	Karachi	+92-21-36641761-63
28	Main Saddar Bazar Branch	Qasr-e-Fatima 90-1-2, Main Saddar Bazar, Hyderabad	Hyderabad	+92-22-27315646-48
29	Main Boulevard Branch, Gulberg	58 Main Boulevard Gulberg Lahore	Lahore	+92-42-35760954-58
30	F.B. Industrial Area Branch	Sector no 22, KDA Scheme 16, FB Industrial Area Karachi	Karachi	+92-21-36834440   +92-21-36834448
31	Taj Road Branch	Taj Road Chaman, Balochistan	Chaman	+92-82-6615429
32	Tehsil Road Branch, Loralai	Shop # 372, House # 425, Tehsil Road Loralai, Balochistan	Loralai	+92-82-4660400
33	Timergara Branch	Zeb plaza main balambat Road Timergara District Lower Dir	Timargara	+92-945-825571-73
34	Mingora Branch	Opposite Bank Square Main Bazar Mingora Swat	Mingora	+92-946-725373-74 +92-937-870751   +92-937-870753
35	Shamsi Road Branch	RS Plaza Shamsi Road, Tehsil and District Mardan	Mardan	+92-937-870751   +92-937-870753
36	New Garden Town Branch	Shop No 12, 13, 14, Shan Arcade, Civic Centre, Garden Town, Lahore	Lahore	+92-42-35941840-41
37	Cavalry Ground Branch	Plot No 7, Cavalry Ground Commercial Area, Walton Lahore Cantt	Lahore	+92-42-36672180   +92-42-36672183
38	Matta Branch	Khatooni No. 28-50, Khasra No.2309, Mehran Khan Plaza, Main Matta Khareri, Matta Swat	Matta	+92-94-6790612-15
39	Mall Godam Road Branch	Plot No. 359, Mall Godam Road, Toba Tek Singh	Toba Tek Singh	+92-46-2514427   +92-46-2515427   +92-46-2517327
40	Hazara Town Branch	Lilak Shopping Centre, Barma Road, Aliabad, Hazara Town, Quetta, Balochistan	Quetta	+92-81-2853127

Sr. #	Name of Branch	Address	City	Contact No.
41	Main Airport Road Branch	Main Airport Road, Gwadar, Balochistan	Gwadar	+92-86-4210290
42	Dream Gardens Branch	Shop No.08 & 09, Block C, Dream Garden Housing Society, 1.5 KM Defence Road, Off Raiwind Road, Lahore	Lahore	+92-42-35469652
43	Kabal Branch	Khasra No. 2262, Khata No. 901, Khatooni No. 1176, Hassan Plaza, Kabal Chowk, Kabal, District Swat	Kabal	+92-94-6755592-95
44	Sirki Road Branch	Plot No. 136-14-32, Akram Plaza, Sirki Road, Quetta, Balochistan	Quetta	+92-81-2836417
45	Pak Haider Market Branch	Shop No 1 to 6, Pak Haider Market, Near Zafar Park, next to Malakand CNG, GT Road, Batkhela District Malakand	Batkhela	+92-93-2410670-72
46	G-11 Markaz Branch	Shop No. 7, 8, 25, 26, Plot No. 33, G-11 Markaz, Islamabad	Islamabad	+92-51-2360067
47	Chaklala Scheme III Branch	Plot No. 16, Commercial Area, Chaklala Scheme III, Rawalpindi Cantt.	Rawalpindi	+92-51-5766233
48	Nawan Shehar Branch	Plot No. 741-F, Ward No.9, Muslim Mouza Ismail, Chowk Nawan Shehar, Multan	Multan	+92-61-4573032
49	Gulshan-e-Iqbal Branch	Shop No. 1&2, Al- Sammad Tower 13- Gulshan-e-Iqbal, Main University Road, Karachi	Karachi	+92-21-34971513-15
50	Latifabad Branch	Shop No. 1, 2 & 3, United Plaza, Opposite American Hospital, Main Road, Unit # 7, Taluka Latifabad, District Hyderabad	Hyderabad	+92-22-3821861-65
51	Zainab Market, Saddar Branch	PB No. 272-1, Ground Floor State Life Building No.11, Abdullah Haroon Road, Saddar Karachi	Karachi	+92-21-35681851-60
52	Main Road Branch, Turbat	Main Road Turbat, Balochistan	Turbat	+92-85-2411153
53	G-1 Market, Johar Town Branch	435 G-1 Market, Johar Town, Lahore	Lahore	+92-42-35468417
54	PIA Housing Society Branch	Plot No. 8, Block D, Phase I, PIA Housing Scheme, Wapda Town, Lahore	Lahore	+92-42-35463995-96
55	Manshera Road Branch	GM Tower, near Sethi Masjid, Mansehra Road, Abbottabad	Abbottabad	+92-99-2408301-04
56	Main Boulevard Branch, Faisal Town	35-A, Main Boulevard, Faisal Town, Lahore.	Lahore	+92-42-35202200   +92-42-35202203   +92-42-35303304
57	Ataliq Bazar, Bypass Road Branch	Ataliq Bazar Bypass Road Near Bus Adda, Chitral	Chitral	+92-943-414389   +92-943-414316
58	Tehsil Bazar Branch, Sadiqabad	19/20-D, Tehsil Bazar, Sadiqabad	Sadiqabad	+92-68-5802242-43
59	JK Sugar Mills Branch	JK Sugar Mills, Chak No. 84/15L Mian Channu	Mian Channu	+92-42-34501000 Ext. 1972
60	Muhammad Ali Society Branch	12-C/B Muhammad Ali Society, Karachi	Karachi	+92-21-34320831   +92-21-34320834
61	Kacheri Road, DG Khan Branch	Ashraf Palaza, Block # 2, Kachehri Road, D. G. Khan	Dera Ghazi Khan	+92-64-2460258
62	Bahria Town Phase IV Branch	Shop No G-9-10, Bahria Heights II, Ext Bahria Town, Phase- IV, Islamabad	Islamabad	+92-51-5146025
63	Model Colony Branch	H.No. 4/95, Affandi House, Liaquat Ali Khan Road, Model Colony, Karachi	Karachi	+92-21-34110334-5   +92-21-34110338
64	DHA Rahbar Branch	Defence Road, DHA Rahbar, Lahore	Lahore	+92-42-34501000 Ext. 1979
65	Jutial Branch	Shahrah-e-Quaid-e-Azam, Near NHA Office, Jutial Gilgit	Gilgit	+92-581-1450754
66	Model Town Block A Branch	30 - Model Town-B, Block A Bahawalpur	Bahawalpur	+92-62-2888768
67	DHA Phase II - Tulip Road Branch	Plaza # 8, Street # A/62, Tulip Road, Sector A, DHA Phase-II, Islamabad	Islamabad	+92-51-5147159   +92-51-5147164
68	Madras Chowk Branch	Shop # S-8, S-9 & S-10, Pioneer Tower Survey No. 22 & 24, Deh Songal Gujro, Sector 16-A, Scheme, Karachi	Karachi	+92-21-34645751   +92-21-34645754-5
69	Faizan-e-Madina Branch	Shop No. 22, Alami Madani Markaz, Faizan-e-Madina, Mohalla Saudagran Old Sabzi Mandi Karachi	Karachi	+92-21-34910376   +92-21-34910378
70	Okara Branch	M.A. Jinnah Road, Okara	Okara	+92-44-2510124
71	Raza Garden Branch	Main Sillanwali Road, Raza Garden Sargodha	Sargodha	+92-48-3250682
72	Arabia Islamia Road Branch	Plot No.98 Block-A, Arabia Islamia Road, Burewala	Burewala	+92-67-3351281-85
73	Millat Chowk Branch	156-B, Millat Chowk, Gulistan Colony, Faisalabad	Faisalabad	+92-41-8782963-66   +92-41-8782968
74	Dalazak Road Branch	Malik Sardar Plaza, Near Yousafabad Canal, Dalazak Road, Peshawar	Peshawar	+92-91-2244041-42
75	Qasimabad Branch	Shop No. 6 & 7, Raheel Heights, 267/2, Deh Sari, Wadhu Wah Road, Qasimabad, Hyderabad	Hyderabad	+92-22-2675334
76	Korangi Industrial Area Sector 7-A Branch	Plot No. 251, Sector 7-A, Korangi Industrial Area, Karachi	Karachi	+92-21-35151191-96
77	Sarwar Road Cantt. Branch	Plot No. 05, Survey No.52/C-5, Sarwar Road Cantt. Lahore	Lahore	+92-42-36682075-76
78	Malir Cantt Branch	Shop No. 75, 4 Dots Shopping Complex C/O HQ 4 Air Defence Division, 31 Bostan Lines, Malir Cantonment, Karachi	Karachi	+92-21-34901140
79	Muslim Bagh Branch	Station Road, Muslim Bagh, Balochistan	Muslim bagh	+92-823-669214-5
80	Samanabad Branch	Property 22-7-17/1 & 22-S-17/2, Main Samanabad, Lahore	Lahore	+92-42-37590152
81	G.T Road Branch, PAC Chowk	Shop No. 75, Mini Plaza, PAC Chowk, G.T Road, Kamra Cantt, District Attock	Kamra	+92-57-2642521



Sr. #	Name of Branch	Address	City	Contact No.
82	Burg Road Branch	Shop # B-III/37, C-152, Dr. Ghulam Gillani Burg Road, Attock City	Attock	+92-57-5700903
83	Talagang Road Branch, Chakwal	B1-1/1634/1, B-1-1635, Talagang Road, Chakwal	Chakwal	+92-54-3602050-51
84	Canal Road Branch	204 RB East, Canal Road Faisalabad	Faisalabad	+92-41-2421890-91
85	Kotwali Road Branch	P-64 Taj Plaza, Kotwali Road, Faisalabad	Faisalabad	+92-41-2604935
86	G.T Road Branch, Ghakhar	Khewat # 2414, Khatooni # 3600, Khasra # 3359, GT Road, Ghakhar	Ghakhar	+92-55-3886662   +92-55-3886665
87	Satellite Town Branch	Satellite Town Branch, 529-C Satellite Town, Gujranwala	Gujranwala	+92-55-3825781
88	G.T Road Branch, Kharian	Bilal Plaza, G.T.Road, Kharian	Kharian	+92-53-7601325   +92-53-7601358
89	Ghalla Mandi Branch	Plot # 7/211, Ward # 7, Ghalla Mandi, Mandi Bahauddin	Mandi Bahauddin	+92-546-509551   +92-546-509553
90	G.T Road Branch, Hussain Plaza	Khasra No. 625, Hussain Plaza, Chowk GTS, G.T Road, Gujrat	Gujrat	+92-53-3571542   +92-53-3530287
91	F-7 Markaz, Post Mall Branch	Plot # 3, F-7 Markaz, Post Office, Mall Building, Islamabad	Islamabad	+92-51-2608003   +92-51-2608018
92	F-8 Markaz Branch	Shop # 12 & 13, Al-Babar Center, F-8 Markaz, Islamabad	Islamabad	+92-51-2852653
93	F-11 Markaz Branch	Plot # 18, Trade Centre, Main Double Road, F-11 Markaz, Islamabad	Islamabad	+92-51-2107862
94	E-11/3 Branch	Commercial Plot No. 2, Sector E-11/3, Islamabad Garden, Islamabad	Islamabad	+92-51-2375345-6
95	I-8 Markaz Branch	MB City Mall, Plot No. 34, I-8 Markaz, Islamabad	Islamabad	+92-51-4862278-79
96	Aslam Market Branch, Wah Cantt	Shop # 1/37, Commercial Area, Civic Centre, Aslam Market, Wah Cantt	Wah Cantt	+92-51-4902231
97	Yousuf Shah Road Branch	Khewat # 698, Khatoon.I # 203, Yousuf Shah Road, District Jhang (Opposite District Courts Jhang)	Jhang	+92-47-7629591-94
98	G.T Road Branch, Sarai Alamgir	Al Awan Plaza, near Military College, Main GT Road, Sarai Alamgir	Sarai Alamgir	+92-544-654929   +92-544-654929
99	G.T Road Branch, Gujar Khan	Commercial Property # BIII 379 & BIII 377, G.T. Road (Near MCB), Gujar Khan	Gujar Khan	+92-51-3510156
100	Shandar Chowk Branch	Model Colony, Shandar Chowk, Jhelum	Jhelum	+92-544-627128   +92-544-628677
101	North Napier Road Branch	Marium Manzil, Plot # 161, Survey Sheet # MR-1, Market Quarters, North Napier Road, Karachi	Karachi	+92-21-32440583   +92-21-32473166
102	I.I. Chundrigar Road Branch	Gul Tower, Main I.I Chundrigar Road, Karachi	Karachi	+92-21-32426413
103	Cloth Market Branch	Plot # 21/1, Puri Building, Cloth Market, Karachi	Karachi	+92-21-32472148-49   +92-21-32471727
104	Jodia Bazar Branch	MR 6/2, Market Quarters, Virjee Street, Jodia Bazar, Karachi	Karachi	+92-21-32443758   +92-21-32443684
105	Javed Arcade Branch	Javed Arcade, Plot # SB-1, Block # 17, KDA Scheme # 36, Gulistan-e-Jauhar, Karachi	Karachi	+92-21-34632739   +92-21-34632745   +92-21-34636747
106	Shershah Branch	Plot # M-II-E-606, Shershah, Karachi	Karachi	+92-21-32587581-83
107	Shaheed-e-Millat Road Branch	Bismillah Blessings, Plot No. 7-A/228, SS No. 35-P/1, Block-3, DMCHS, Main Shaheed-e-Millat Road, Karachi	Karachi	+92-21-34145043   +92-21-34943888   +92-21-34943777
108	Business Arcade Branch	Plot # 27-A, Business Arcade, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi	Karachi	+92-21-34326570-73
109	EOBI House Branch	Plot No. ST-1/A-1, KDA Commercial Complex, Scheme 1, B, Ground Floor, EOBI House, Shahrah-e-Faisal, Karachi	Karachi	+92-21-34330172   +92-21-34536732
110	Allama Iqbal Road Branch	Plot No.683-C Ground Floor & Mezzanine Floor, Block-2, PECHS, Allama Iqbal Road, Karachi	Karachi	+92-21-34301815   +92-21-34301817-18
111	DHA Phase V Ext., Saba Avenue Branch	Saba Avenue, Plot # 8-C, Badar Commercial, Street # 6, Phase V Ext, DHA, Karachi	Karachi	+92-21-35341673   +92-21-35341675   +92-21-35849782
112	DHA Phase V, Zamzama Lane Branch	17-E, 6th Commercial Lane, DHA Phase-V, Karachi	Karachi	+92-21-35295015   +92-21-35295210
113	Kulsoom Court Branch	Kulsoom Court, Shop # 2, 3, 5A & 6, Plot DC-3, KDA Scheme # 5, Block-9, Clifton, Karachi	Karachi	+92-21-35837012   +92-21-35837015   +92-21-35837018
114	DHA Phase IV Branch	Ground Floor, Plot # 99-E, 9th Commercial Street, Phase-IV, DHA, Karachi	Karachi	+92-21-35313001   +92-21-35885719
115	Paper Market Branch	Plot # 11/2, Sheet SR-9, Seraj Quarters, Anjarwala Bakery Sharah-e-Liaquat Karachi	Karachi	+92-21-32212610   +92-21-32212356
116	Gulshan-e-Ravi Branch	159-A, Main Boulevard, Gulshan Ravi, Lahore	Lahore	+92-42-37401870-74   +92-42-37401890
117	Nila Gumbad Branch	Plot # 12, McLagan Road, Nila Gumbad, Lahore	Lahore	+92-42-37210102
118	Shahrah-e-Aiwan-e-Tijarat, China Chowk Branch	14-A (Ground Floor), Shahrah-e-Aiwan-e-Tijarat, Old Race Course Road, Lahore	Lahore	+92-42-36282790-95
119	Davis Road Branch	Aftab Centre, 30-Davis Road, Lahore	Lahore	+92-42-36287029   +92-42-36286965
120	C Block, Model Town Branch	Shop No.10 and 11, Commercial Market, C-Block, Model Town, Lahore	Lahore	+92-42-35915403-6



Sr. #	Name of Branch	Address	City	Contact No.
121	DHA Phase II, Commercial Area Branch	Commercial Plot # 12, Block CCA, Phase II, DHA, Lahore	Lahore	+92-42-35749481   +92-42-35707033   +92-42-35749485
122	Bahria Town Sector C Branch	65-A, Sector-C, Bahria Town, Lahore	Lahore	+92-42-37861591-93
123	Thokar Niaz Baig Branch	171-A Ali Town, Main Raiwind Road, Lahore	Lahore	+92-42-35963291
124	Ichra Branch	Shop # 158, Mohalla Rasool Pura, Ichra, Main Ferozepura Road, Lahore.	Lahore	+92-42-37426801-05
125	Muzaffarabad AJK Branch	Plot No. 26-1, Ghari Phan Chowk, Domel Syedan, Muzaffarabad, Azad Kashmir	Muzaffarabad	+92-5822-921137-38   +92-5822-920455
126	Mirpur AJK Branch	Bank Square, Allama Iqbal Road, Mirpur, Azad Kashmir	Mirpur A.K.	+92-5827-442840   +92-5827-447683   +92-5827-442118
127	Hayatabad Branch	B-1, Phase V, Hayatabad, Peshawar	Peshawar	+92-91-5825305
128	Gulbahar Branch	Malik Arcade, Anam Sanam Chowk, Gulbahar Road, Peshawar	Peshawar	+92-91-2580718   +92-91-2590762
129	Choharmal Road Branch	Choharmal Road, Quetta, Balochistan	Quetta	+92-81-2843640
130	Mannan Chowk Branch	2-11/6-303, Mannan Chowk, M.A. Jinnah Road, Quetta	Quetta	+92-81-2836204-05
131	Murree Road Branch	North Star Plaza, 20-B, Murree Road, Satellite Town, Rawalpindi	Rawalpindi	+92-51-4426972-76
132	PWD Employees Society Branch	40-B, Block-B, Commercial Area (Extension), PWD Employees Housing Society, Lohi Bhair, Islamabad Highway, Islamabad	Islamabad	+92-51-5194302
133	Mian Khan Road Branch	110 Mian Khan Road, Block 5, Sargodha	Sargodha	+92-48-3726609   +92-48-3729623
134	Sargodha Road Branch	Shop No. 1, Ground Floor, Al-Hamd Plaza, Batti Chowk, Sargodha Road, Sheikhpura	Sheikhpura	+92-56-3545724
135	Kashmir Road Branch	155/A, BIII-12S, Sublime Chowk, Kashmir Road, Sialkot	Sialkot	+92-523-241491   +92-523-241292
136	Bank Road Deh Garaho Branch	Plot No. 9, Block No. 263/4 Deh Garaho City, Bank Road, Kunri	Kunri	+92-238-558013-14
137	Shahdara Branch	Shahdara, Main Sheikhpura Road, Jiya Musa, Lahore	Lahore	+92-42-37919160
138	Baghbanpura Branch	266, G.T. Road, Baghbanpura, Lahore	Lahore	+92-42-36844011-12   +92-42-36844015
139	Ravi Road, Timber Market Branch	NWIII.R.78/5/A, Timber Market, Lahore	Lahore	+92-42-3772238-9
140	Babar Center, Circular Road Branch	Babar Center, 51-Circular Road, Outside Akbari Gate, Lahore	Lahore	+92-42-37379250
141	Badami Bagh Branch	93-Grain Market Badami Bagh, Lahore	Lahore	+92-42-37706366   +92-42-37706086   +92-42-37720696
142	Bahria Town Phase VII Branch	Plot No.6, Mini River View Commercial Mall Extension - II, Bahria Town Phase VII, Rawalpindi	Rawalpindi	+92-51-5400184
143	Tehsil Road Branch, Gojra	Tehsil Office Road, Gojra	Gojra	+92-46-3515426-28
144	Shahkas Branch	Spinzer Market, Wazir Dhand, Main Jamrud Road, Shahkas Jamrud, District Khyber Agency	Jamrud	+92-91-3021760-61
145	U.P. More Branch	Shop No. 1&2, Ground Floor, Plot Bearing No. A976, Sector 11-B, U.P More, North Karachi	Karachi	+92-21-36416681-84
146	Adda Khaliqabad Tulamba Branch	Adda Khaliqabad Tulamba, District Khanewal	Khanewal	-
147	DHA Phase II Ext. Branch	Plot No. 47-E, 21st Commercial Street, Phase II-Extension. D.H.A, Karachi	Karachi	+92-21-35392201-02   +92-21-35392204
148	SMCHS Branch	Plot # 21-22, Sub Block D, Block A, Sindhi Muslim Cooperative Housing Society, Karachi	Karachi	+92-21-34300712-14
149	DHA Phase VI Branch	Plot No. 12, Main Boulevard Phase VI, DHA Lahore	Lahore	+92-42-37180315-8
150	Jinnah Avenue, Bahria Town Branch	Dominion Business-1, Plot No: B-34, Jinnah Avenue Commercial, Bahria Town, Karachi	Karachi	+92-42-34501000 Ext: 2201
151	Railway Road Branch	Plot# 376/A, Railway Road, Bannu City, Bannu	Bannu	+92-928-660405-6
152	Dera Ismail Khan Branch	Plot # 3, Survey # 68, Circular Road, Dera Ismail Khan	Dera Ismail Khan	+92-966-719934-36
153	DHA EME Sector Branch	Plot# 408, Block-J, Commercial Area, DHA, EME Sector, Multan Road, Lahore	Lahore	+92-42-37512400-3   +92-42-37512407
154	Chowk Halalpur Noon Branch	Chowk Halalpur Noon, Tehsil Kot Momin, District Sargodha	Sargodha	+92-48-6873027-29
155	Jhang Road Branch	Shan Plaza, Opposite NADRA Office, Faisalabad Road, Chiniot	Chiniot	+92-47-6333566   +92-47-6333577
156	Kallar Syedan Branch	Mouza kallar Sagwal, Tehsil Kallar Syedan, District Rawalpindi	Rawalpindi	+92-51-3570650-52
157	Bahria Town Phase VIII Branch	Plot No. 43/C, Business Junction, Circulation Strip, Bahria Town, Phase VIII, Rawalpindi	Rawalpindi	-
158	Attari Ferozepur Road Branch	Plot # S-86-R-800/C/Hall, Sobra Attari Ferozepur Road, Lahore	Lahore	+92-42-35723687-88
159	G.T Road Branch, Kamoke	G.T Road Kamoke	Kamoke	+92-555-6816723   +92-555-6816923

Sr. #	Name of Branch	Address	City	Contact No.
160	Shahabpura Road Branch	BIII-85-322, Shahabpura Road, Sialkot	Sialkot	+92-52-3550103-04
161	F.B Industrial Area, Water Pump Branch	PMJ Square, Phase-1, Shop # 1 to 4, Block 14, Naseerabad, F.B Industrial Area, Karachi	Karachi	+92-21-36377051   +92-21-36377054
162	Sheikh Sultan Trust Branch	Survey No. 25, Survey Sheet No. CL-10, Building No. 1, Sheikh Sultan Trust, Beaumont Road, Civil Lines, Karachi	Karachi	+92-21-35210179
163	Jaranwala Branch	Main Hassan Road, Jaranwala	Jaranwala	+92-414-310931-33
164	G.T Road Branch, Mian Channu	Amin Trade Center, GT Road, Mian Channu	Mian Channu	-
165	Model Town Branch, Multan	Plot # 1, 2 Block B, Model Town, Multan	Multan	+92-61-6560451
166	Hajipura Branch	Hajipura, adjacent Doctors Hospital, Wazirabad	Wazirabad	+92-555-6601610-12
167	Chobara Road Branch	Near MCB Bank, Chobara Road, Layyah	Layyah	+92-606-410691-93
168	I-10 Markaz Branch	I-10 Markaz Branch, Islamabad	Islamabad	+92-51-8462441-42
169	Faisal Hills Branch	Plot No. 22, MB Square, MR-01, Executive Block, Faisal Hills, Main GT Road, Taxila	Taxila	+92-51-450037-39
170	Bahria Orchard (Sub Branch Bahria Town Sector C)	Plot No. 34, Low Cost Commercial Block-C, Category Boulevard, Bahria Orchard, Lahore	Lahore	+92-42-3545199   +92-42-5451509
171	Bannu Road Branch	Shop # T-663, 664, Bezari, Chakkar Kot, Main Bazaar, Bannu Road, Kohat	Kohat	+92-922-866155-56
172	Highway Road Branch, Chishtian	Highway Road, Chishtian	Chishtian	+92-63-2507634
173	Top City 1 Branch	Orion Business Square, Top City, Rawalpindi	Rawalpindi	-
174	Main Bazaar Kumbhar Branch	Old Adda, Main Bazaar, Kumbhar, District Lower Dir	Lower Dir	+92-945-888007
175	Manshera Branch	Main Bazaar, near Fouji Foundation, Manshera	Manshera	+92-997-391801   +92-977-391801
176	Muridke Branch	Muhalla Bilal Park, GT Road, Muridke	Muridke	+92-42-37166582
177	Hafizabad Branch	Royal Guest House, Gujranwala Road, Hafizabad	Hafizabad	+92-547-583492   +92-547-583494
178	Adda Chamb Morr Branch, Lodhran	M97 Highway Road (M-5) Adda Chamb Morr, Lodhran	Lodhran	+92-547-583492   +92-547-583494
179	Lady Dufferin Hospital Branch	Chand Bibi Road, Adhumal Oodharam Quarter, Opposite Civil Hospital, Karachi	Karachi	+92-21-32373702
180	Samundri Branch	Grain Market, Samundri	Samundri	+92-41-3420214-17
181	Kasur Branch	M.A. Jinnah Road, Kasur	Kasur	+92-49-2771010-11
182	Al Kabir Town Phase II Branch	Plot No. 16 Commercial Area, Block B Al Kabir Town, Phase II, Lahore	Lahore	+92-42-37872401
183	Susan Road Branch	Plot # 101, P-12, Main Susan Road, Faisalabad	Faisalabad	+92-41-8502858-61
184	Sundar Industrial Estate Branch	Sundar Industrial Estate, Mull Chowk, Lahore	Lahore	+92-42-37860171-74
185	Model Town Khanpur Branch	Main Bazaar, Model Town, Khanpur	Khanpur	+92-68-5575116-19
186	Jalalpur Jattan Branch	Main Bazaar, Jalalpur Jattan	Jalalpur Jattan	+92-533-592744
187	Lalamusa Branch	Sabri Mohallah G.T. Road, Lalamusa	Lalamusa	+92-53-511811-15
188	Narowal Branch	Circular Road, Narowal	Narowal	+92-3450100 Ext 2238
189	Battagram Branch	Opposite Police Station, Karokaram Highway, Battagram	Battagram	+92-997-310470-74
190	Darra Adam Khel Branch	Main Bazaar, Kohat Road, Darra Adam Khel	Darra Adam Khel	+92-3450100 Ext 2240
191	Depalpur Branch	Okara Road, Depalpur	Depalpur	+92-44-4544449   +92-44-4544492   +92-44-4542121   +92-44-4540717
192	Old Airport Road Branch	Bismillah Tower, Faisal Colony Near Gulzar-e-Quaid, Old Airport Road, Rawalpindi	Rawalpindi	+92-51-5707804-06
193	G-13/2 Branch	Plot No. 4-A Bazaar No. 4, G-13/2, Islamabad	Islamabad	+92-51-2769092
194	Talagang Branch	Rawalpindi Road, Talagang	Talagang	+92-543-414200
195	Odigram Branch	Main Bazaar Odigram, Lower Dir	Odigram	+92-945-890022-26
196	Airport Road Swat Branch	Airport Road, Swat	Swat	+92-42-34501000 Ext. 2246
197	Khawazakhela Branch	Khawazakhela Bazaar, Swat	Khawaza Khela	+92-42-34501000 Ext. 2247
198	Karak Branch	Bannu Road, Karak	Karak	+92-42-34501000 Ext. 2248
199	Chichawatni Branch	Railway Road, Chichawatni	Chichawatni	042-34501000 Ext. 2249
200	33 Phatak Branch	Khewat No. 69/66, Khatuni No. 185 to 206, Qilat 231, Chak No 33 Phatak, Sargodha	Sargodha	042-35975740
201	Gulberg Green Branch	Block D, Markaz, Gulberg Green, Islamabad	Islamabad	042-34501000 Ext. 2251



بابرکت ۛ پینکاری؄  
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