

ZARAI TARAQIATI BANK LIMITED

CONSOLIDATED INTERIM

FINANCIAL STATEMENTS

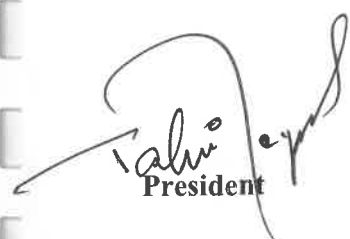
FOR THE THREE MONTHS PERIOD ENDED

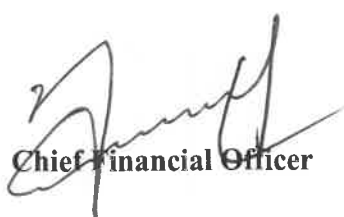
MARCH 31, 2025

ZARAI TARAQIATI BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note	..... Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	2,630,065	3,125,812
Balances with other banks	7	2,826,186	7,492,564
Lendings to financial institutions	8	14,158,863	30,950,072
Investments	9	376,927,966	376,174,453
Advances	10	109,000,467	109,121,210
Property and equipment	11	1,860,094	1,852,427
Right-of-use assets	12	862,231	857,055
Intangible assets	13	163,745	172,427
Deferred tax assets	14	13,425,803	13,475,947
Other assets	15	35,533,129	34,429,584
Total Assets		557,388,549	577,651,551
LIABILITIES			
Bills payable	17	489,585	451,707
Borrowings	18	384,561,526	408,066,969
Deposits and other accounts	19	56,065,284	55,088,529
Lease liabilities	20	1,021,019	997,225
Sub-ordinated loan		-	-
Deferred tax liabilities		-	-
Other liabilities	21	29,160,124	29,290,386
Total Liabilities		471,297,538	493,894,816
NET ASSETS		86,091,011	83,756,735
REPRESENTED BY			
Share capital		52,678,432	52,678,432
Reserves		12,646,749	12,113,062
Surplus on revaluation of assets	22	1,850,063	2,244,829
Unappropriated profit		18,915,767	16,720,412
		86,091,011	83,756,735
CONTINGENCIES AND COMMITMENTS	23		

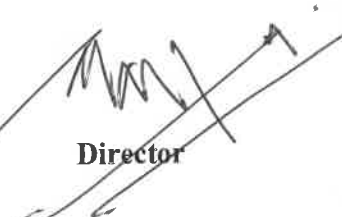
The annexed notes 1 to 42 form an integral part of these condensed interim financial statements (un-audited).


President


Chief Financial Officer


Director


Director


Director


ZARAI TARAQIATI BANK LIMITED**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)****FOR THE PERIOD ENDED MARCH 31, 2025**

	Note	Period ended	
		March 31,	March 31,
		2025	2024
		..... Rupees in '000	
Mark-up / return / interest earned	24	17,954,565	25,547,046
Mark-up / return / interest expensed	25	11,389,328	20,930,168
Net mark-up / interest income		6,565,237	4,616,878
NON MARK-UP / INTEREST INCOME			
Fee and commission income	26	230,197	145,155
Dividend income		-	-
Foreign exchange income / (loss)		-	-
Income / (loss) from derivatives		-	-
Gain on securities	27	192,429	225,570
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	28	468,564	309,261
Total non-mark-up / interest income		891,190	679,986
Total income		7,456,427	5,296,864
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	29	3,301,150	3,294,588
Workers welfare fund		-	-
Other charges		-	1,291
Total non mark-up / interest expenses		3,301,150	3,295,879
Profit before credit loss allowance		4,155,277	2,000,985
Credit loss allowance and write offs - net	30	(1,153,310)	539,659
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		5,308,587	1,461,326
Taxation	31	2,579,545	394,157
PROFIT AFTER TAXATION		2,729,042	1,067,169
		..... Rupees in '000	
Basic earnings per share (Rupees)	32	0.52	0.20
Diluted earnings per share (Rupees)	32	0.52	0.20

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President



Chief Financial Officer



Director



Director

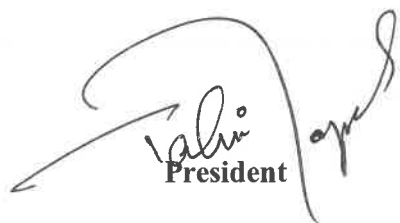


Director

ZARAI TARAQIATI BANK LIMITED
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Period ended	
	March 31, 2025	March 31, 2024
	... Rupees in '000 ...	
Profit after taxation for the period	2,729,042	1,067,169
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of investments - net of tax	(394,766)	(915,288)
Items that will not be reclassified to profit and loss account in subsequent periods:	-	-
Total comprehensive income	<u>2,334,276</u>	<u>151,881</u>

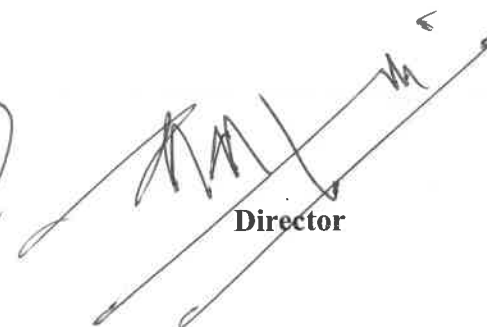
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President


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ZARAI TARAQIATI BANK LIMITED
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

	Share capital	Statutory reserve	Contingencies reserve	Surplus on revaluation of investments	Un-appropriated profit	Total
	..... Rupees in '000					
Balance as at January 1, 2024	52,678,432	9,460,922	60,000	1,622,051	11,451,832	75,273,237
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	(5,498,565)	(5,498,565)
Balance as at January 01, 2024 - as restated	52,678,432	9,460,922	60,000	1,622,051	5,953,267	69,774,672
Profit after taxation for quarter ended March 31, 2024	-	-	-	-	1,067,169	1,067,169
Other comprehensive loss for quarter ended March 31, 2024	-	-	-	(915,288)	-	(915,288)
Total comprehensive income / (loss) for quarter ended March 31, 2024	-	-	-	(915,288)	1,067,169	151,881
Transferred to statutory reserve	-	253,603	-	-	(253,603)	-
Balance as at March 31, 2024	52,678,432	9,714,525	60,000	706,763	6,766,833	69,926,553
Profit after taxation for nine months period ended December 31, 2024	-	-	-	-	12,112,299	12,112,299
Other comprehensive income for nine months period ended December 31, 2024	-	-	-	1,538,066	179,817	1,717,883
Total comprehensive income for nine months period ended December 31, 2024	-	-	-	1,538,066	12,292,116	13,830,182
Transferred to statutory reserve	-	2,338,537	-	-	(2,338,537)	-
Balance as at December 31, 2024	52,678,432	12,053,062	60,000	2,244,829	16,720,412	83,756,735
Profit after taxation for the quarter ended March 31, 2025	-	-	-	-	2,729,042	2,729,042
Other comprehensive loss for the quarter ended March 31, 2025	-	-	-	(394,766)	-	(394,766)
Total comprehensive income / (loss) for the quarter ended March 31, 2025	-	-	-	(394,766)	2,729,042	2,334,276
Transferred to statutory reserve	-	533,687	-	-	(533,687)	-
Balance as at March 31, 2025	52,678,432	12,586,749	60,000	1,850,063	18,915,767	86,091,011

Statutory reserves represent reserve maintained as per requirement of Section 21 of the Banking Companies Ordinance, 1962.

The Bank has set aside contingencies reserve for insurance of cash, building and vehicles.

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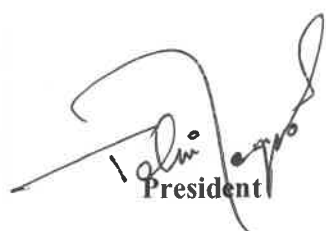

Director


Director

ZARAI TARAQIATI BANK LIMITED
CONSOLIDATED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2025

		Period ended	
	Note	March 31, 2025	March 31, 2024
		..... Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating profit before working capital changes	33	(4,350)	(223,758)
(Increase) / decrease in operating assets:			
Lendings to financial institutions		16,793,920	3,382,300
Securities classified as FVPL		3,420,389	(594,337)
Advances		(488,423)	177,599
Other assets (excluding advance taxation)		(1,073,242)	(1,505,572)
		18,652,644	1,459,990
Increase / (decrease) in operating liabilities:			
Bills payable		37,878	(2,096,951)
Borrowings from financial institutions		(23,505,443)	96,555,863
Deposits and other accounts		976,755	(7,721,019)
Other liabilities		108,050	904,991
		(22,382,760)	87,642,884
Interest received		17,375,855	1,973,179
Interest paid		(12,072,804)	(23,067,815)
Employees' benefits paid		(187,436)	(244,954)
Income tax paid		(1,456,193)	(1,702,034)
Net cash flow (used in) / generated from operating activities		(75,044)	65,837,492
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		(5,095,836)	(93,115,380)
Realised gain on sales of securities		192,429	227,446
Investments in property and equipment		(97,470)	(10,271)
Proceeds from sale of property and equipment		1,533	6,852
Net cash used in investing activities		(4,999,344)	(92,891,353)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets		(88,652)	(82,772)
Decrease in cash and cash equivalents		(5,163,040)	(27,136,633)
Cash and cash equivalents at beginning of the period		10,619,860	35,586,790
Cash and cash equivalents at end of the period	34	5,456,820	8,450,157

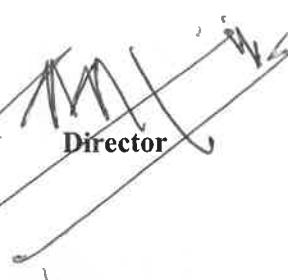
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President


Chief Financial Officer


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ZARAI TARAQIATI BANK LIMITED
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED) FOR THE PERIOD ENDED MARCH 31, 2025

1. THE GROUP AND ITS OPERATIONS

The "Group" consists of:

Holding company

- Zarai Taraqati Bank Limited

Subsidiary company

- Kissan Support Services (Private) Limited

1.1 STATUS AND NATURE OF BUSINESS

(a) Reorganization and conversion

The Federal Government in its cabinet meeting held on August 28, 2002 decided for the reorganization and conversion of Agricultural Development Bank of Pakistan (ADBP) into a public limited Company for the purposes of ensuring good governance, autonomy, delivering high quality and viable financial services to a greater number of rural clientele and adequate returns to stakeholders. Accordingly, the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002 was promulgated for taking over the entire undertaking of ADBP and for matters connected therewith or incidental thereto.

(b) Status

As required under section 3 of the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002, Zarai Taraqati Bank Limited ("the Bank") was incorporated as a public limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on October 23, 2002. Consequently, under SRO 823(1)/2002 dated November 18, 2002, all the assets, contracts, liabilities, proceedings and undertakings of ADBP were transferred to, and vested in Zarai Taraqati Bank Limited on December 14, 2002, the effective date specified by the Federal Government, on the basis of net worth determined at Rs. 8.7 billion. The Bank is domiciled in Pakistan and its registered office is situated at 1-Faisal Avenue (Zero Point), Islamabad. The Bank operates 501 (December 31, 2024: 501) branches including 25 (December 31, 2024: 25) Islamic banking branches in Pakistan as at the close of the period.

(c) Nature of business

The main purpose of the Bank is to provide sustainable rural finance and services particularly to small farmers and low-income households to strengthen the rural and agricultural sector, mitigate poverty, capital market and investment activities and other banking business.

1.2 Kissan Support Services (Private) Limited ("the Company")

Kissan Support Services (Private) Limited was incorporated in Pakistan as a private limited company on September 19, 2005 under the Companies Ordinance, 1984. It is a fully owned subsidiary of Zarai Taraqati Bank Limited (ZTBL). The registered office of the Company is situated at 1-Faisal Avenue (Zero Point), Islamabad. The Company's principal business is the provision of consultancy, advisory, agency and other support services on contractual basis or otherwise to the Bank.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

These interim financial statements (un-audited) have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. These comprise of:

- International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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 Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP).

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

The SBP, vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40 'Investment Property' (IAS 40) for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 04, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard (IFAS) 3, Profit and loss sharing on Deposits. Further, according to a notification of Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, International Financial Reporting Standard 7 'Financial Instruments Disclosure' (IFRS 7), has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these interim financial statements (un-audited). However, investments have been classified and disclosed in accordance with the requirements prescribed by SBP through various circulars.

The disclosures made in these interim financial statements (un-audited) have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 9, 2023 and IAS34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of annual financial statements, and should be read in conjunction with the financial statements (audited) of the Group for the year ended December 31, 2024.

- 2.2 These interim financial statements (un-audited) include the financial statements of the Bank and its subsidiary company.
- 2.3 The assets and liabilities of the subsidiary company have been consolidated on a line by line basis and the carrying value of investment held by the Bank is eliminated against the subsidiary's equity held by the Bank in the consolidated interim financial statements. Intra-group balances and transactions have been eliminated.
- 2.4 The financial results of the Islamic banking branches have been consolidated in these interim financial statements for reporting purposes, after eliminating interbranch transactions / balances. Key financial figures of the Islamic banking branches are disclosed in note 37 to these interim financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim financial statements (un-audited) are consistent with those applied in the preparation of the annual financial statements (audited) of the Group for the year ended December 31, 2024.

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

During the period, there are certain new and amended standards, interpretations and improvements to accounting standards that became effective. However, these are considered either not to be relevant or not to have any material effect on the financial statements of the Group and, therefore, are not disclosed.

3.2 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that are not effective in the current period. The Group expects that adoption of the same will not affect its financial statements in the period of initial application.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these interim financial statements (un-audited) are the same as that applied in the preparation of the financial statements (audited) for the year ended December 31, 2024.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the financial statements (audited) of the Group for the year ended December 31, 2024.

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
6 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	591,131	1,133,799
With State Bank of Pakistan in:		
Local currency current account	1,744,363	1,621,700
With National Bank of Pakistan in:		
Local currency current account	69,950	180,216
Local currency deposit account	222,771	188,231
	292,721	368,447
Prize bonds	1,850	1,866
	2,630,065	3,125,812
Less: credit loss allowance held against cash and balances with treasury banks	-	-
Cash and balances with treasury banks - net of credit loss allowance	2,630,065	3,125,812
7 BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	84,695	111,847
In deposit accounts	2,742,060	7,382,201
	2,826,755	7,494,048
Less: credit loss allowance held against balances with other banks	(569)	(1,484)
Balances with other banks - net of credit loss allowance	2,826,186	7,492,564
8 LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lendings	5,950,000	14,500,000
Musharakah lending	5,000,000	13,650,000
Repurchase agreement lendings (reverse repo)	3,210,780	2,804,700
	14,160,780	30,954,700
Less: credit loss allowance held against lending to financial institutions	(1,917)	(4,628)
Lendings to financial institutions - net of credit loss allowance	14,158,863	30,950,072

8.1 Lending to financial institutions - Particulars of credit loss allowance

		March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
Rupees in '000					
Domestic					
Performing	Stage 1	14,160,780	1,917	30,954,700	4,628
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		-	-	-	-
Total		14,160,780	1,917	30,954,700	4,628

9 INVESTMENTS

9.1 Investments by types

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / amortised cost	Credit Loss Allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
..... Rupees in '000								
FVTPL								
Federal Government securities	-	-	-	-	3,404,062	-	16,327	3,420,389
	-	-	-	-	3,404,062	-	16,327	3,420,389
FVOCI								
Federal Government securities	370,653,233	-	770,846	371,424,079	365,532,619	-	1,661,390	367,194,009
Shares	99,819	(10,523)	3,084,510	3,173,806	99,819	(10,523)	3,118,309	3,207,605
Non Government Debt securities	2,331,493	(353)	(1,059)	2,330,081	2,356,271	(354)	(3,467)	2,352,450
	373,084,545	(10,876)	3,854,297	376,927,966	367,988,709	(10,877)	4,776,232	372,754,064
Total investments	373,084,545	(10,876)	3,854,297	376,927,966	371,392,771	(10,877)	4,792,559	376,174,453

10 ADVANCES

Loans, cash credits, running finance, etc.
Islamic financing and related assets
Advances - gross

Credit loss allowance against advances:

-Against agriculture advances

-Stage 1

-Stage 2

-Stage 3

-Against Staff advances

-General

Advances - net of credit loss allowance

Performing		Non Performing		Total	
(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Rupees in '000					
104,014,678	101,613,315	25,067,897	26,981,173	129,082,575	128,594,488
8,368	8,032.00			8,368	8,032
104,023,046	101,621,347	25,067,897	26,981,173	129,090,943	128,602,520
469,422	581,916	-	-	469,422	581,916
2,486,576	2,588,742	-	-	2,486,576	2,588,742
-	-	14,096,597	13,270,932	14,096,597	13,270,932
353	387	37,528	39,333	37,881	39,720
3,000,000	3,000,000	-	-	3,000,000	3,000,000
5,956,351	6,171,045	14,134,125	13,310,265	20,090,476	19,481,310
98,066,695	95,450,302	10,933,772	13,670,908	109,000,467	109,121,210

10.1 Particulars of advances (gross)

In local currency

129,090,943 128,602,520

10.2 Advances include Rs. 25,027.189 million (December 31, 2024: Rs. 26,938.645 million) relating to agricultural financing which have been placed under non-performing / Stage 3 status as detailed below:

Category of classification

Domestic

Other assets especially mentioned

Substandard

Doubtful

Loss

March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
Non performing loans	Credit loss allowance / provision	Non performing loans	Credit loss allowance / provision
Rupees in '000			
3,299,495	-	7,653,464	-
11,710,118	7,018,873	12,265,726	7,958,480
6,142,612	3,217,354	4,419,491	2,717,418
3,874,964	3,860,369	2,599,964	2,595,034
25,027,189	14,096,596	26,938,645	13,270,932

10.3 Particulars of credit loss allowance against advances

	March 31, 2025 (Un-audited)					December 31, 2024 (Audited)					
	Stage 3	Stage 2	Stage 1	General	Total	Stage 3	Stage 2	Stage 1	Specific	General	Total
	Rupees in '000										
Opening balance	13,270,932	2,588,742	581,916	3,000,000	19,441,590				11,434,334	3,000,000	14,434,334
Impact on adoption of IFRS 9	-	-	-	-	-	14,387,176	5,171,698	1,335,082	(11,434,334)		9,459,622
Charge for the period	2,900,534	1,818,111	312,038	-	5,030,683	6,179,931	2,509,747	506,641	-	-	9,196,319
Reversals	(2,074,870)	(1,920,277)	(424,532)	-	(4,419,679)	(5,403,697)	(5,092,703)	(1,259,807)	-	-	(11,756,207)
	825,664	(102,166)	(112,494)	-	611,004	776,234	(2,582,956)	(753,166)	-	-	(2,559,888)
Amounts charged off	-	-	-	-	-	(1,892,478)	-	-	-	-	(1,892,478)
Closing balance	14,096,596	2,486,576	469,422	3,000,000	20,052,594	13,270,932	2,588,742	581,916	-	3,000,000	19,441,590

10.3.2 Regulations R-11, R-12, R-13 and R-15 of the Prudential Regulations for Agriculture Financing prescribe minimum standards for classification and provisioning of non-performing loans. As per the time based criteria given in the aforesaid Regulations, provision against non-performing loans is to be made at a given percentage of the difference resulting from the outstanding balance of principal less the amount of realizable liquid assets and a given percentage of the value of mortgaged lands and buildings at the time of sanction of the loans. However, as a matter of prudence the Bank has not availed the benefit of allowed value of mortgaged lands and buildings while computing the provision against non-performing loans.

10.3.3 In addition to the time based criteria, the Bank has further classified loans and advances amounting to Rs. 1,484.788 million (December 31, 2024: 1,899.185 million) and further de-graded the category of classified loans and advances amounting to Rs. 2,803.264 million (December 31, 2024: Rs. 4,088.474 million) on the basis of credit worthiness of the borrowers in accordance with the subjective criteria of the Prudential Regulations for Agriculture Financing.

10.4 Advances - Particulars of credit loss allowance

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rupees in '000					
10.4.1 Opening Balances	581,916	2,588,742	13,270,932	1,335,082	5,171,698	14,387,176
New advances	59,003	1,760,744	437,291	402,982	2,672,162	4,510,399
Advances derecognised or repaid	(348,286)	(218,652)	(631,976)	(1,325,822)	(1,758,826)	(4,601,396)
Transfer to stage 1	253,546	(121,971)	(131,575)	1,057,090	(617,645)	(439,445)
Transfer to stage 2	(70,145)	116,486	(46,340)	(86,326)	131,154	(44,828)
Transfer to stage 3	(3,020)	(1,618,335)	1,621,356	(131,376)	(2,717,198)	2,848,574
	(108,902)	(81,728)	1,248,756	(83,452)	(2,290,353)	2,273,304
Amounts written off / charged off				-	-	(1,892,478)
Changes in risk parameters (PDs/LGDs/EADs)	(3,592)	(20,438)	(423,092)	(669,714)	(292,603)	(1,497,070)
Closing balance	469,422	2,486,576	14,096,596	581,916	2,588,742	13,270,932

10.4.2 Advances - Category of classification

Domestic

Performing Stage 1
Under performing Stage 2
Non-Performing Stage 3
Substandard
Doubtful
Loss

Total

March 31, 2025 (Un-audited)		December 31, 2024 (Audited)	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
..... Rupees in '000			
93,218,476	469,422	100,590,077	581,916
13,301,273	2,486,576	7,853,106	2,588,742
11,710,118	7,018,873	12,265,726	7,958,480
6,142,612	3,217,354	4,419,491	2,717,418
3,874,964	3,860,369	2,599,964	2,595,034
21,727,694	14,096,596	19,285,181	13,270,932
128,247,443	17,052,594	127,728,364	16,441,590

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Note	Rupees in '000	
11 PROPERTY AND EQUIPMENT			
Capital work-in-progress	11.1	230,784	181,928
Property and equipment		1,629,310	1,670,499
		<u>1,860,094</u>	<u>1,852,427</u>
11.1 Capital work-in-progress			
Civil works		49,809	55,146
Equipment		170,759	116,566
Consultancy charges		9,801	9,801
Others	11.1.1	415	415
		<u>230,784</u>	<u>181,928</u>

11.1.1 This includes soil testing and other charges incurred at sites.

		... (Un-audited) ... March 31, 2025	March 31, 2024
		Rupees in '000	
11.2 Additions to property and equipment			
The following additions have been made during the period:			
Capital work-in-progress		54,193	1,355
Property and equipment:			
Building on leasehold land		6,472	7,826
Building on freehold land		-	9,067
Furniture and fixture		1,743	1,163
Electrical, office and computer equipment		24,069	882
Vehicles		-	8,276
		<u>32,284</u>	<u>27,214</u>
Total		<u>86,477</u>	<u>28,569</u>
11.3 Disposal of property and equipment			
The net book value of fixed assets disposed off is as follows:			
Furniture and fixture		7	14
Electrical, office and computer equipment		29	-
Vehicles		330	3,757
Total		<u>366</u>	<u>3,771</u>

12 RIGHT-OF-USE ASSETS

	(Un-audited) March 31, 2025			(Audited) December 31, 2024		
	Buildings	Others	Total	Buildings	Others	Total
..... Rupees in '000						
At January 1						
Cost	1,546,930	-	1,546,930	1,450,311	-	1,450,311
Accumulated Depreciation	689,875	-	689,875	593,372	-	593,372
Net opening carrying amount	857,055	-	857,055	856,939	-	856,939
Additions during the period / year	109,496	-	109,496	324,882	-	324,882
Deletions during the period / year	28,552	-	28,552	49,311	-	49,311
Depreciation charge for the period / year	75,768	-	75,768	275,455	-	275,455
Net closing carrying amount	862,231	-	862,231	857,055	-	857,055

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
13 INTANGIBLE ASSETS			
Computer Software		163,745	172,427
		... (Un-audited) ...	
		March 31, 2025	March 31, 2024
		Rupees in '000	
13.1 Additions to intangible assets			
Additions made during the period:			
Directly purchased		17,140	-
		Note	
		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
14 DEFERRED TAX ASSETS			
Deductible temporary differences on:			
Credit loss allowance against non-performing loans and advances		17,606,293	18,742,145
		17,606,293	18,742,145
Taxable temporary differences on:			
Accelerated tax depreciation		278,477	(274,388)
Defined benefit plans		(2,454,733)	(2,460,407)
Surplus on revaluation of investments	22	(2,004,234)	(2,531,403)
		(4,180,490)	(5,266,198)
		13,425,803	13,475,947
15 OTHER ASSETS			
Income / mark-up accrued in local currency on :			
- advances		10,704,634	13,421,515
- securities		15,528,077	12,218,003
- deposits		19,833	34,316
Amount recoverable from Federal Government		2,891,516	2,887,888
Tax recoverable		422,652	422,652
Branch adjustment account		1,620,307	1,625,809
Taxation (payments less provision)		907,183	1,453,221
Receivable from defined benefit plans:			
- Gratuity scheme - SR 2005		1,230,259	1,184,271
Non banking assets acquired in satisfaction of claims		404,216	407,301
Due from Islamic Banking		8,187	3,655
Stationery and stamps in hand		162,507	163,445
Stock of farm machinery		11,237	11,237
Advances against salary and expenses		68,500	60,882
Security deposits		7,938	7,899
Advances and other prepayments		1,829,099	1,658,376
Clearing and settlement		976,281	160,566
Others		208,144	173,621
		37,000,570	35,894,657
Provision held against other assets	15.1	(1,467,441)	(1,465,073)
Other assets - net of credit allowance		35,533,129	34,429,584

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
15.1 Credit loss allowance held against other assets		
Tax recoverable	422,652	422,652
Non banking assets acquired in satisfaction of claims	404,216	407,301
Amount recoverable from Federal Government	551,140	551,140
Stock of farm machinery	11,237	11,237
Accrued interest on advances of ex-employees	15,641	16,070
Amount deposited with courts / legal charges recoverable	62,555	56,673
	<u>1,467,441</u>	<u>1,465,073</u>

15.1.1 Movement in credit loss allowance held against other assets

Opening balance	1,465,073	988,669
Charge for the period / year	12,020	521,703
Reversals	(9,652)	(45,299)
	<u>2,368</u>	<u>476,404</u>
Closing balance	<u>1,467,441</u>	<u>1,465,073</u>

16 CONTINGENT ASSETS

- 15.1 There is a contingency of an amount of Rs. 297.149 million and Rs. 54.828 million on account of minimum income tax levied by the Income Tax authorities under section 80-D of the Income Tax Ordinance, 1979, and various tax refunds pertaining to assessment years 1991-92 to 1998-99 and assessment year 1999-2000 respectively despite the income of the Bank being exempt from tax up to income year ended 30 June 1999. The Bank paid, under protest, these disputed tax demands and also filed writ petition in this respect in the Honorable Lahore High Court, Rawalpindi Bench, Rawalpindi. Later on, the Bank withdrew the said petition on the directions of the Federal Government and the case was referred to the Law and Justice Division of the Government of Pakistan (GoP) which decided the reference in the Bank's favor. The Federal Board of Revenue (FBR), disagreed with the aforesaid decision, further took up the matter with Federal Cabinet for its review. Federal Cabinet referred the case to the Attorney General of Pakistan (AGP) for final decision which was received on March 12, 2011 whereby the AGP decided that Section 27-A of the ADBP Ordinance should prevail over the said section 80-D of the Income Tax Ordinance, 1979.
- 15.2 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 11.05.2019 for the period January 2012 to December 2012 creating a demand of Rs 6.42 million (Principle + Penalty). On 03.06.2019, payment of impugned tax Amounting Rs.6.6 million (Principle + 10% Surcharge) has been made, under protest, to avail the SRB Amnesty Scheme. Bank has filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favorable decision.
- 15.3 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 11.07.2019 for the period January 2013 to December 2013 creating a demand of Rs 2.75 million. On 03.06.2019, payment of impugned tax amounting to Rs. 2.75 million was made, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favorable decision.
- 15.4 Assistant Commissioner, Sindh Revenue Board (SRB) passed the order on 24.01.2020 for the period of January 2014 to December 2014 which created a demand of Rs.54.6 million. On 03.06.2019 payment of impugned tax was made for Rs. 2.86 million, under protest, to avail the SRB Amnesty Scheme. Bank filed appeal before Commissioner (Appeals), SRB. Main Appeal heard and further adjourned to 12.08.2022 but remained undecided and appeal/case has been transferred to Appellate Tribunal by the Commissioner (Appeals-I) on 30.06.2022, being time barred at the Commissioner Appeals. The Bank is expecting a favorable decision.

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
17	BILLS PAYABLE		
	In Pakistan	489,585	451,707
18	BORROWINGS		
	Secured		
	Borrowing from State Bank of Pakistan (SBP):		
	Redeemable preference shares	54,461,536	54,461,536
	Repurchase agreement borrowings	312,348,001	251,568,896
	Repurchase agreement borrowings - others	2,660,406	13,014,346
	Borrowings from other banks	-	19,385,015
	Total secured	369,469,943	338,429,793
	Unsecured		
	Call borrowings	15,091,583	69,637,176
		384,561,526	408,066,969

(Un-audited)	(Audited)
March 31,	December 31,
2025	2024
Rupees in '000	

19 DEPOSITS AND OTHER ACCOUNTS

Customers - local currency

Current deposits	5,210,517	10,175,082
Saving deposits	11,571,311	11,935,409
Term deposits	38,316,844	31,712,703
Others	56,127	187,903
	55,154,799	54,011,097

Financial Institutions - local currency

Current deposits	173,970	126,063
Saving deposits	736,515	951,369
Term deposits	-	-
	910,485	1,077,432
	56,065,284	55,088,529

20 LEASE LIABILITIES

Outstanding amount at the start of the period / year	997,225	983,391
Additions during the period / year	102,719	270,098
Lease payments including interest	(91,212)	(336,217)
Interest expense	31,502	126,658
Remeasurement	(19,215)	(46,705)
Outstanding amount at the end of the period / year	1,021,019	997,225

20.1 Lease liabilities outstanding

Not later than one year	133,076	82,572
Later than one year and upto five years	420,614	425,336
Over five years	467,329	489,317
Total lease liabilities	1,021,019	997,225

21 OTHER LIABILITIES

Mark-up / return / interest payable in local currency on:

- borrowings	1,815,553	3,407,005
- deposits and other accounts	3,862,482	2,515,501
Accrued expenses	1,307,760	1,746,765
Net liabilities relating to Bangladesh	190	189
Payable to Ministry of Food Agriculture & Livestock	168,000	168,000
Payable to defined benefit plans:		
- pension scheme	6,543,354	6,344,733
- employees' post retirement medical benefits	10,680,291	10,439,311
- employees' compensated absences	2,159,491	2,153,930
- gratuity scheme of the company	437,011	420,541
Security deposits	25,875	23,010
Deferred income	9,058	9,058
Others	2,151,059	2,062,343
	29,160,124	29,290,386

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			
22 SURPLUS ON REVALUATION OF ASSETS			
Surplus on revaluation of:			
- securities measured at FVOCI - Debt		769,787	1,657,923
- securities measured at FVOCI - Equity		3,084,510	3,118,309
		3,854,297	4,776,232
Deferred tax on surplus on revaluation of:			
- securities measured at FVOCI - Debt		(400,289)	(878,699)
- securities measured at FVOCI - Equity		(1,603,945)	(1,652,704)
		(2,004,234)	(2,531,403)
		1,850,063	2,244,829

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingent liabilities

In respect of cases filed against the Bank:

23.1.1	by borrowers; 465 (December 31, 2024: 402) cases	339,202	338,547
23.1.2	by employees; 415 (December 31, 2024: 417) cases	247,706	276,281

23.1.2.1 This include employees pension related litigations for addition of certain allowances in pensionable pay. These cases are under adjudication in the Honorable Supreme Court of Pakistan. The financial impact of these cases are not quantifiable at this point of time. In the opinion of the legal advisor favorable outcomes of these contingencies is expected, hence, no provision is incorporated in these financial statements.

23.2 Tax related contingencies

- Zarai Taraqiati Bank Limited

23.2.1 Income tax

The Bank faces cumulative contingent liabilities amounting to Rs. 93,133.195 million under various sections of the Income Tax Ordinance, 2001, for tax years 2002 to 2024, which are under litigation at various forums including the Appellate Tribunal Inland Revenue, the Alternate Dispute Resolution Committee, the Honorable Islamabad High Court, and the Honorable Supreme Court of Pakistan. Key cases include Rs. 669.768 million u/s 161/205 for tax years 2009-2012, Rs. 19.528 million u/s 155 for tax year 2015, Rs. 74,621.732 million u/s 122(5A) for tax years 2010-2024, Rs. 0.619 million u/s 153 for tax year 2015, Rs. 170.675 million u/s 149 for tax years 2015-2016, Rs. 87.532 million u/s 151 for tax years 2015-2016, Rs. 1,565.379 million u/s 122(1) for tax year 2018, and Rs. 1,392.216 million u/s 4(B) for tax year 2022. Other cases include a demand of Rs. 712 million for tax year 2015/-2016, Rs. 29.121 million for tax year 2019, and Rs. 9,917.854 million from disputes covering assessment years 2002-2003 and tax years 2003-2009. In the opinion of the legal advisor favorable outcomes of these contingencies are expected, hence, no provision is incorporated in these financial statements.

23.2.2 Federal excise duties / Sales tax

For the tax years 2008-2016, the Bank is facing total contingent liabilities amounting to Rs. 1,951.757 million related to Federal Excise Duties and Sales Tax matters. These cases are currently under litigation at various forums, including the Honorable Islamabad High Court, the Appellate Tribunal Inland Revenue, and other relevant tribunals and authorities. For the years 2008-2012, contingent liabilities amounting to Rs. 825.121 million were contested, with Rs. 343 million decided in favor of the Bank, leaving Rs. 482.121 million still under dispute. For the periods January 2013 to December 2014, demands of Rs. 738.892 million and Rs. 681.109 million were raised for Federal Excise Duties, and Rs. 4.470 million and Rs. 13.295 million for Sales Tax. For December 2016, a demand of Rs. 10.3 million by the Punjab Revenue Authority was partially contested. The Sindh Revenue Board raised demands for July 2011 to December 2011 and January 2015 to December 2016, totaling Rs. 21.57 million. In the opinion of the legal advisor favorable outcomes of these contingencies are expected, hence, no provision is incorporated in these financial statements.

- Kissan Support Services (Private) Limited

- 23.2.3** Sales tax department served show cause notice dated March 16, 2023 for the tax period Jan to Dec 2018 vide which the Company was required to charge and pay sales tax on sales and services declared in income tax return / audited financial statements at Rs. 1,289.021 million (this is inclusive of reimbursable expenses) for the tax year 2018, whereas, declared sales in sales tax return for the corresponding tax year stand at Rs. 138.653 million (service charges value only) therefore sales tax amounting to Rs. 184.059 million is recoverable from the Company u/s 11(2) of STA 1990 read with ICT (Tax on Services) Ordinance, 2001. Moreover, the department claims sales tax recoverable Rs.0.732 million due to disposal of vehicles and purchase of fixed assets thus, total claim of the department is Rs.184.791 million. The management submitted reply on April 10, 2023 through tax consultant and an hearing was conducted on May 2, 2023 but decision is still pending, this unjustified tax demand is likely to be deleted. No provision has been made as the management is confident that the case will be decided in favor of the Company.
- 23.2.4** An order was passed by sales tax department u/s 11(2) dated January 23, 2023 vide which the Company was required to charge and pay sales tax on sales and services declared in income tax return / audited financial statements at Rs. 1,137.505 million (this is inclusive of reimbursable expenses) for the tax year 2021, whereas, declared sales in sales tax return for the corresponding tax year stand at Rs. 121.633 million (this is only service charges) therefore sales tax amounting to Rs. 162.539 million is recoverable from the Company along with default surcharges and penalty amounting to Rs. 39.610 million and Rs. 8.252 million respectively. An appeal was filed before the Commissioner Inland Revenue (Appeal-IV) on February 2, 2023 and an hearing was conducted on July 6, 2023. The CIR (Appeal-IV) has remanded the case back to the department for reconsideration. However, the case has not yet been taken up by the FBR. No provision has been made as the management is confident that this unjustified tax demand will likely be deleted and the case will be decided in favor of the Company.
- 23.2.5** An order was passed by the tax department u/s 122(5A) dated June 11, 2022 vide which the department raised tax demand amounting to Rs. 8.683 million against erroneous refund adjustment made by the Company for the tax year 2016. An appeal was filed before the CIR (Appeal-IV) who has annulled this unjustified demand vide order dated December 2, 2022. However, the department has filed second appeal with ATIR, Islamabad which is pending for adjudication. No provision has been made as the management is confident that the decision will be decided in the favor of the Company.
- 23.2.6** The officer Inland Revenue LTU, Islamabad has initiated proceedings against the Company under section 161/205 of the Income Tax Ordinance, 2001 for the tax years 2009 and 2011 and created a demand of Rs. 32 million. The Company submitted detailed reply in June 2015 against the show cause with complete documentary evidences, the case is pending for adjudication. No provision has been made as the management is confident that the decision of the case will be decided in the favor of Company.

- 23.2.7 The Company is facing claims launched in various courts filed by the employees, pertaining to service promotion, dismissal from service and entry into Company's premises and others. The matters are still pending before the courts. As no amount is involved in most of the cases, therefore, the liability is not accurately quantifiable (2024: same as mentioned).

		(Un-audited) March 31, 2025	(Audited) December 31, 2024
		Rupees in '000	
23.3	Commitments against		
	Capital expenditures	1,234,312	1,253,127
	Consultancy Expenditures	7,559	7,770
	Note	(Un-audited) March 31, 2025	March 31, 2024
		Rupees in '000	
24	MARK-UP / RETURN / INTEREST EARNED		
	Loans and advances	6,170,284	7,223,288
	Investments	11,081,432	16,935,872
	Securities purchased under resale agreement	91,283	59,282
	Call money lendings	457,238	803,300
	Balances with banks	154,328	525,304
		17,954,565	25,547,046
25	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits	1,708,025	2,640,656
	Redeemable preference shares - SBP	1,021,154	1,021,154
	Securities sold under repurchased agreement	7,445,042	16,033,285
	Call borrowings	1,164,104	1,201,031
	Bank commission and other charges	19,501	5,193
	On lease liability against right-of-use assets	31,502	28,849
		11,389,328	20,930,168
26	FEE & COMMISSION INCOME		
	Branch banking customer fees	11,905	13,980
	Credit related fees	217,939	129,647
	Commission on remittances including home remittances	353	1,528
		230,197	145,155
27	GAIN ON SECURITIES		
	Realised	192,429	227,446
	Unrealised - Measured at FVPL	-	(1,876)
	Realised	192,429	225,570
27.1	Realised gain on: Federal Government Securities	192,429	227,446

		(Un-audited)	
		March 31,	March 31,
		2025	2024
		Rupees in '000	
28	OTHER INCOME		
	Rent on property	8,797	7,781
	Gain on sale of fixed assets - net	1,167	3,081
	Gain on sale of non banking assets - net	4,717	1,796
	Discount income	448,284	291,520
	Others	5,599	5,083
		<u>468,564</u>	<u>309,261</u>

28.1 Other includes sale of scrap, sale of tender forms and private use of vehicles etc.

		(Un-audited)	
		March 31,	March 31,
		2025	2024
		Rupees in '000	
29	OPERATING EXPENSES		
	Total compensation expense	2,569,362	2,615,577
	Property expense		
	Rent & taxes	1,354	3,204
	Insurance	31,045	27,617
	Utilities cost	78,826	83,020
	Repair and maintenance (including janitorial charges)	55,167	59,499
	Depreciation	9,067	8,231
	Depreciation - right of use assets	75,768	64,370
		251,227	245,941
	Information technology expenses		
	Software maintenance	11,992	6,448
	Hardware maintenance	6,096	8,014
	Depreciation	34,807	11,419
	Amortisation	25,819	30,254
	Network charges	35,358	42,298
		114,072	98,433
	Other operating expenses		
	Directors' fees and allowances	5,201	6,814
	Legal & professional charges	33,894	45,368
	Travelling & conveyance	30,036	17,939
	NIFT clearing charges	13,926	5,849
	Depreciation	28,427	26,691
	Training & development	24,991	9,002
	Postage & courier charges	10,619	11,595
	Communication	5,423	6,404
	Stationery & printing	15,653	17,077
	Motor vehicle expenses	147,609	165,988
	Others	50,710	21,910
		<u>3,301,150</u>	<u>3,294,588</u>

		(Un-audited)	
	Note	March 31, 2025	March 31, 2024
30 OTHER CHARGES			
Penalties imposed by SBP		-	1,291
30 CREDIT LOSS ALLOWANCE AND WRITE-OFFS - NET			
Reversal of credit loss allowance against balances with other banks		(915)	-
Reversal of credit loss allowance against lending to financial institutions		(2,710)	-
Reversal of credit loss allowance for diminution in value of investments		(1)	-
Credit loss allowance against loans & advances	10.3	609,166	2,240,116
Credit loss allowance against other assets	15.1.1	2,369	(2,819)
Recovery of written off / charged off bad debts		(1,761,219)	(1,697,638)
		<u>(1,153,310)</u>	<u>539,659</u>
31 TAXATION			
Current		2,002,231	807,387
Deferred		577,314	(413,230)
		<u>2,579,545</u>	<u>394,157</u>
32 EARNINGS PER SHARE - BASIC AND DILUTED			
Profit after tax for the period - Rupees in '000		2,729,042	1,067,169
Weighted average number of ordinary shares outstanding		<u>5,267,843,241</u>	<u>5,267,843,241</u>
Earnings per share - basic and diluted (Rupees)		<u>0.52</u>	<u>0.20</u>
32.1	There is no dilutive effect on the basic earnings per share of the Bank.		
33 OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES			
Profit before taxation		5,308,587	1,461,326
Adjustments:			
Net mark-up / interest income		(6,565,237)	(4,616,878)
Depreciation		72,300	46,340
Depreciation on right-of-use assets		75,768	64,370
Amortization		25,819	30,254
Markup on lease liability on right-of-use assets		31,502	28,849
Credit loss allowance and write-offs	30	607,909	2,237,297
Provision for employees post retirement medical benefits		332,027	404,029
Charge for defined benefit plans - net		300,571	349,306
Gain on securities		(192,429)	(225,570)
Gain on sale of operating fixed assets	28	(1,167)	(3,081)
		<u>(5,312,937)</u>	<u>(1,685,084)</u>
		<u>(4,350)</u>	<u>(223,758)</u>
34 CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks	6	2,630,065	2,759,628
Balances with other banks	7	2,826,755	5,690,529
		<u>5,456,820</u>	<u>8,450,157</u>

35 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

35.1 Fair value of financial assets

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 cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

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 financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	March 31, 2025 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	..... Rupees in '000			
On balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
- Federal Government Securities	-	371,424,079	-	371,424,079
- Shares	3,173,806	-	-	3,173,806
Corporate sukuk	338,796	-	-	338,796
- Debt securities (TFCs, Sukuk)	1,991,285	-	-	1,991,285
	5,503,887	371,424,079	-	376,927,966
	5,503,887	371,424,079	-	376,927,966

35.2 Valuation technique used & key inputs

Revaluation rates for Treasury Bills and Pakistan Investment Bonds are contributed by money market brokers on daily basis while for listed securities daily prices are shared by Pakistan Stock Exchange. Investments in non Government debt securities are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP).

Investment in unlisted securities have not been carried out at fair value in accordance with the SBP guidelines.

35.3 Fair value of non-financial assets

Property and equipment as well as non-banking assets, are measured at fair value under Level 2 of the fair value hierarchy.

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

36 SEGMENT INFORMATION

36.1 Segment Details with respect to Business Activities:

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

	March 31, 2025 (Un-audited)				
	Branch banking & agri financing	Treasury	Islamic banking	Kissan Supports Services Limited	Total
	..... Rupees in '000				
Profit & Loss					
Net mark-up/return/profit	3,015,202	3,497,193	52,842		6,565,237
Inter segment revenue - net	1,123,165	(1,177,481)	-	54,316	-
Non mark-up / return / interest income	633,296	192,429	656	64,809	891,190
Total Income	4,771,663	2,512,141	53,498	119,125	7,456,427
Segment direct expenses	3,196,844	20,549	66,605	17,152	3,301,150
Inter segment expense allocation	(18,348)	-	-	18,348	-
Total expenses	3,178,496	20,549	66,605	35,500	3,301,150
Credit loss allowance	(1,153,310)	-	-		(1,153,310)
Profit / loss) before tax	2,746,477	2,491,592	(13,107)	83,625	5,308,587
Balance Sheet					
Cash & Bank balances	1,646,701	1,513,154	2,280,680	15,716	5,456,251
Investments	-	373,798,591	3,129,375	-	376,927,966
Net inter segment lendings	75,887,671	-	-	1,881,285	77,768,956
Lendings to financial institutions	-	9,158,863	5,000,000	-	14,158,863
Advances - performing	104,014,678	-	8,368	-	104,023,046
- non-performing	4,977,421	-	-	-	4,977,421
Others	32,982,333	17,103,586	1,538,124	220,959	51,845,002
Total Assets	219,508,804	401,574,194	11,956,547	2,117,960	635,157,505
Borrowings	54,461,536	324,239,990	5,860,000	-	384,561,526
Subordinated debt	-	-	-	-	-
Deposits & other accounts	51,908,721	-	4,156,563	-	56,065,284
Net inter segment borrowing	1,881,285	74,073,275	1,814,396	100,000	77,868,956
Others	28,519,153	1,510,866	62,274	578,435	30,670,728
Total Liabilities	136,770,695	399,824,131	11,893,233	678,435	549,166,494
Equity	82,738,109	1,850,063	63,314	1,439,525	86,091,011
Total Equity & Liabilities	219,508,804	401,674,194	11,956,547	2,117,960	635,257,505
Contingencies & Commitments	96,575,094	-	-	435,876	97,010,970

March 31, 2024 (Un-audited)					
	Branch banking & agri financing	Treasury	Islamic banking	Kissan Supports Services Limited	Total
	..... Rupees in '000				
Profit & Loss					
Net mark-up/return/profit	3,646,087	899,659	71,069	63	4,616,878
Inter segment revenue - net	1,107,751	(1,177,481)	-	69,730	-
Non mark-up / return / interest income	400,699	225,570	1,066	52,651	679,986
Total Income	5,154,537	(52,252)	72,135	122,444	5,296,864
Segment direct expenses	3,198,892	19,086	54,908	22,993	3,295,879
Inter segment expense allocation	(16,105)	-	-	16,105	-
Total expenses	3,182,787	19,086	54,908	39,098	3,295,879
Credit loss allowance	539,659	-	-	-	539,659
Profit / (loss) before tax	1,432,091	(71,338)	17,227	83,346	1,461,326
December 31, 2024 (Audited)					
	Branch banking & agri financing	Treasury	Islamic banking	Kissan Supports Services Limited	Total
	..... Rupees in '000				
Balance Sheet					
Cash & Bank balances	3,785,190	6,550,505	267,541	15,140	10,618,376
Investments	-	374,517,656	1,656,797	-	376,174,453
Net inter segment lending	68,666,097	-	-	1,812,431	70,478,528
Lendings to financial institutions	-	17,300,072	13,650,000	-	30,950,072
Advances - performing	101,613,315	-	8,032	-	101,621,347
- non-performing	7,499,863	-	-	-	7,499,863
Others	35,496,078	13,737,680	1,340,506	213,176	50,787,440
Total Assets	217,060,543	412,105,913	16,922,876	2,040,747	648,130,079
Borrowings	54,461,536	339,805,433	13,800,000	-	408,066,969
Subordinated debt	-	-	-	-	-
Deposits & other accounts	53,733,563	-	1,354,966	-	55,088,529
Net inter segment borrowing	1,812,431	68,066,097	500,000	100,000	70,478,528
Others	26,893,629	2,094,536	1,189,325	561,828	30,739,318
Total Liabilities	136,901,159	409,966,066	16,844,291	661,828	564,373,344
Equity	80,054,402	2,244,829	78,585	1,378,919	83,756,735
Total Equity & Liabilities	216,955,561	412,210,895	16,922,876	2,040,747	648,130,079
Contingencies & Commitments	96,622,040	-	-	435,876	97,057,916

37 RELATED PARTY TRANSACTIONS AND BALANCES

The Bank has related party relationship with its subsidiary company, employee benefit plans, agriculture technology development fund and the Bank's key management personnel.

The Group has related party relationship with its employee benefit plans, agriculture technology development fund and the Group's key management personnel. Details of transactions with related parties and balances with them are as under:

	Key management personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)	March 31, 2025 (Un-audited)	December 31, 2024 (Audited)
	Rupees in '000					
Advances						
Opening balance	98,550	54,997	-	-	-	-
Addition	-	74,572	-	-	-	-
Repaid	(5,998)	(31,019)	-	-	-	-
Closing balance	92,552	98,550	-	-	-	-
Other assets						
Interest / mark-up accrued	12,115	11,266	-	-	-	-
Receivable at the end of the period	-	-	1,230,259	1,184,271	-	-
Deposits and other accounts						
Opening balance	9,495	2,085	11,990,670	12,001,475	334,598	274,290
Received during the period / year	63,507	232,219	341,616	16,795,203	1,649	590,448
Withdrawn during the period / year	(65,000)	(224,809)	(1,005,876)	(16,806,008)	(247)	(530,140)
Closing balance	8,002	9,495	11,326,410	11,990,670	336,000	334,598
Other liabilities						
Interest / mark-up payable	-	-	370,594	288,217	20,018	11,090
Payable at the end of the period	-	-	19,383,136	18,937,974	-	-
	Key management personnel		Defined Benefit Plans		Agricultural Technology Development Fund	
	(Un-audited) Period ended March 31,					
	2025	2024	2025	2024	2025	2024
	Rupees in '000					
Income						
Mark-up / interest earned	949	635	-	-	-	-
Expense						
Mark-up / interest paid	-	-	37,054	25,430	1,649	1,882
Compensation	81,106	57,051	-	-	-	-
Post retirement benefit	1,057	1,111	-	-	-	-
Contribution to defined benefit plan	208	220	-	-	-	-

37.1 Transactions with Government related entities

The Federal Government through SBP holds controlling interest in the Group and therefore entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Group.

The Group in the normal course of business enters into transaction with Government-related entities. Such transactions include deposits from and provision of other banking services to Government-related entities. However, these transactions have not been treated as related parties transactions for the purpose of this disclosure.

38 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) March 31, 2025 ... Rupees in '000 ...	(Audited) December 31, 2024
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	52,678,432	52,678,432
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	77,684,792	74,684,118
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	77,684,792	74,684,118
Eligible Tier 2 Capital	3,718,482	4,174,704
Total Eligible Capital (Tier 1 + Tier 2)	81,403,274	78,858,822
Risk Weighted Assets (RWAs):		
Credit Risk	149,473,495	154,389,975
Market Risk	17,442,625	20,718,775
Operational Risk	43,898,575	43,898,575
Total	210,814,695	219,007,325
Common Equity Tier 1 Capital Adequacy Ratio	36.85%	34.10%
Tier 1 Capital Adequacy Ratio	36.85%	34.10%
Total Capital Adequacy Ratio	38.61%	36.01%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	77,684,792	74,684,118
Total exposures	557,483,448	577,770,414
Leverage ratio	13.93%	12.93%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	86,514,862	75,177,791
Total Net Cash Outflow	29,024,033	32,376,518
Liquidity Coverage Ratio	298%	232%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	194,683,472	200,257,341
Total Required Stable Funding	148,960,410	162,878,163
Net Stable Funding Ratio	131%	123%

39 ISLAMIC BANKING BUSINESS

The Group is operating 25 (2024: 25) Islamic banking branches as at March 31, 2025.

	Note	(Un-audited) March 31, 2025	(Audited) December 31, 2024
Rupees in '000			
ASSETS			
Cash and balances with treasury banks		255,895	141,150
Balances with other banks		2,024,785	126,391
Due from financial institutions	39.1	5,000,000	13,650,000
Investments	39.2	3,129,375	1,656,797
Islamic financing and related assets - net		8,368	8,032
Property and equipment		118,091	120,687
Intangible assets		-	-
Due from Head Office		-	-
Other assets		1,420,033	1,219,819
Total Assets		11,956,547	16,922,876
LIABILITIES			
Bills payable		3,953	4,435
Due to financial institutions		5,860,000	13,800,000
Deposits and other accounts	39.3	4,156,563	1,354,966
Due to Head Office		1,314,396	963,273
Subordinated debt		-	-
Other liabilities		58,321	221,617
		11,393,233	16,344,291
NET ASSETS		563,314	578,585
REPRESENTED BY			
Islamic Banking Fund		500,000	500,000
Reserves		-	-
Surplus on revaluation of assets		7,828	11,953
Unappropriated profit	39.4	55,486	66,632
		563,314	578,585

CONTINGENCIES AND COMMITMENTS

The profit and loss account of the Bank's Islamic banking branches is as follows:

	Note	(Un-audited)	
		March 31,	March 31,
		2025	2024
		Rupees in '000	
Profit / return earned	39.5	432,643	649,955
Profit / return expensed	39.6	379,801	578,886
Net profit / return		52,842	71,069
Other income			
Fee and commission income		656	1,066
Dividend income		-	-
Foreign exchange income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities		1,961	-
Other income		-	-
Total other income		2,617	1,066
Total income		55,459	72,135
Other expenses			
Operating expenses		66,605	54,908
Workers Welfare Fund		-	-
Other charges		-	-
Total other expenses		66,605	54,908
Profit / (loss) before provisions		(11,146)	17,227
Provisions and write offs - net		-	-
Profit / (loss) before taxation		(11,146)	17,227
Taxation		-	7,442
Profit / (loss) after taxation		(11,146)	9,785

39.1 Due from Financial Institutions

	March 31, 2025 (Un-audited)			December 31, 2024 (Audited)		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	..... Rupees in '000					
Musharakah / Mudarabah	5,000,000	-	5,000,000	13,650,000	-	13,650,000

39.2 Investments

	March 31, 2025 (Un-audited)				December 31, 2024 (Audited)			
	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance for diminution	Surplus / (deficit)	Carrying value
	..... Rupees in '000							
Federal Government securities								
Ijarah sukuk	2,788,758	-	1,746	2,790,504	1,287,277	-	8,343	1,295,620
Non Government Debt Securities								
Listed securities	332,788	-	6,083	338,871	357,566	-	3,611	361,177
Total investments	<u>3,121,546</u>	<u>-</u>	<u>7,829</u>	<u>3,129,375</u>	<u>1,644,843</u>	<u>-</u>	<u>11,954</u>	<u>1,656,797</u>

	(Un-audited) March 31, 2025	(Audited) December 31, 2024
	Rupees in '000	
39.3 Deposits		
Customers - local currency		
Current deposits	168,327	392,796
Savings deposits	1,850,016	719,767
Term deposits receipts	28,745	242,165
Others	238	238
	<u>2,047,326</u>	<u>1,354,966</u>
Financial Institutions		
Term deposits	2,109,237	-
	<u>4,156,563</u>	<u>1,354,966</u>
39.4 Islamic Banking Business Unappropriated Profit		
Opening Balance	66,632	48,202
Add: Islamic Banking profit for the period	(11,146)	41,002
Less: Taxation	-	22,572
Closing Balance	<u>55,486</u>	<u>66,632</u>
	(Un-audited) March 31, 2025	March 31, 2024
	Rupees in '000	
39.5 Profit / return earned of financing, investments and placement		
Profit earned on:		
Financing	419	-
Investments	84,681	633,576
Placements	347,543	16,379
	<u>432,643</u>	<u>649,955</u>
39.6 Profit on deposits and other dues expensed		
Call borrowings/ Funds acceptances	285,944	454,614
Commission and other charges	757	593
Deposits and other accounts	93,100	123,679
	<u>379,801</u>	<u>578,886</u>

40 CORRESPONDING FIGURES


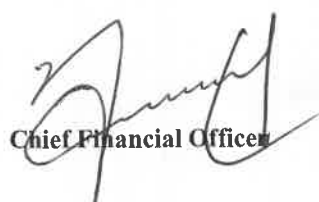



Corresponding figures have been rearranged, reclassified or additionally incorporated in these interim financial statements wherever necessary to facilitate comparison and better presentation.

41 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements were authorized for issue on 27 APR 2025 by the Board of Directors of the Bank.

42 GENERAL

The figures in the interim financial statements are rounded off to the nearest thousand rupees.

 President
  Chief Financial Officer
  Director
  Director
  Director