

THE BANK OF PUNJAB (Consolidated)



1 Capital adequacy return

	Note	2023	2022
		Rupees in '000	
Common Equity Tier 1 capital (CET1): Instruments and reserves			
1	Fully paid-up capital/ capital deposited with SBP	32,715,693	29,741,539
2	Balance in share premium account and share deposit money	2,215,040	2,215,040
3	Reserve for issue of bonus shares	-	-
4	Discount on issue of shares	(263,158)	(263,158)
5	General/ Statutory reserves	12,820,095	10,554,384
6	Gain/(Losses) on derivatives held as Cash Flow Hedge	-	-
7	Accumulated losses	30,502,811	24,411,784
8	Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	762,170.00	627,810.00
9	CET 1 before Regulatory Adjustments	78,752,651	67,287,399
10	Total regulatory adjustments applied to CET1	1.3.1 4,748,514	13,565,088
11	Common Equity Tier 1	74,004,137	53,722,311
Additional Tier 1 (AT 1) Capital			
12	Qualifying Additional Tier-1 capital instruments plus any related share premium	-	-
13	of which: Classified as equity	11,917,500	8,017,500
14	of which: Classified as liabilities	-	-
15	Additional Tier-1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1)	-	-
16	of which: instrument issued by subsidiaries subject to phase out	-	-
17	AT1 before regulatory adjustments	-	-
18	Total regulatory adjustment applied to AT1 capital	1.3.2 -	-
19	Additional Tier 1 capital after regulatory adjustments	-	-
20	Additional Tier 1 capital recognized for capital adequacy	11,917,500	8,017,500
21	Tier 1 Capital (CET1 + admissible AT1) (11+20)	85,921,637	61,739,811
Tier 2 Capital			
22	Qualifying Tier 2 capital instruments under Basel III plus any related share premium	14,716,032	5,786,260
23	Tier 2 capital instruments subject to phase-out arrangement issued under pre-Basel 3 rules	-	-
24	Tier 2 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group tier 2)	-	-
25	of which: instruments issued by subsidiaries subject to phase out	-	-
26	General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit risk weighted assets	695,731	614,979
27	Revaluation reserves (net of taxes)	1,062,753	-
28	of which: Revaluation reserves on fixed assets	3,998,808	-
29	of which: Unrealized gains/losses on AFS	(2,936,055)	-
30	Foreign Exchange Translation Reserves	-	-
31	Undisclosed/Other Reserves (if any)	-	-
32	T2 before regulatory adjustments	16,474,516	6,401,239
33	Total regulatory adjustment applied to T2 capital	1.3.3 -	(4,985)
34	Tier 2 capital (T2) after regulatory adjustments	-	-
35	Tier 2 capital Unrecognized for capital adequacy	-	-
36	Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
37	Total Tier 2 capital admissible for capital adequacy	16,474,516	6,396,254
38	TOTAL CAPITAL (T1 + admissible T2) (21+37)	102,396,152	68,136,065
39	Total Risk Weighted Assets (RWA)	559,141,944	522,421,609
Capital Ratios and buffers (in percentage of risk weighted assets)			
40	CET1 to total RWA	13.24%	10.28%
41	Tier-1 capital to total RWA	15.37%	11.82%
42	Total capital to total RWA	18.31%	13.04%
43	Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	7.500%	7.500%
44	of which: capital conservation buffer requirement	1.500%	1.500%
45	of which: countercyclical buffer requirement	-	-
46	of which: D-SIB or G-SIB buffer requirement	-	-
47	CET1 available to meet buffers (as a percentage of risk weighted assets)	5.74%	2.78%
National minimum capital requirements prescribed by SBP			
48	CET1 minimum ratio	6.00%	6.00%
49	Tier 1 minimum ratio	7.50%	7.50%
50	Total capital minimum ratio	11.50%	11.50%

1.3 Regulatory Adjustments and Additional Information

		2023	2022
		Rupees in '000	
	Amount	Amounts subject to Pre-Basel III treatment	Amount
1.3.1	Common Equity Tier 1 capital: Regulatory adjustments		
1	Goodwill (net of related deferred tax liability)	-	1,776,940
2	All other intangibles (net of any associated deferred tax liability)	2,099,219	-
3	Shortfall in provisions against classified assets	-	-
4	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
5	Defined-benefit pension fund net assets	-	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	-	-
7	Cash flow hedge reserve	-	-
8	Investment in own shares/ CET1 instruments	-	-
9	Securitization gain on sale	-	-
10	Capital shortfall of regulated subsidiaries	-	-
11	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	3,413,759
12	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above	-	-
13	Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
14	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	2,649,295	8,374,389
15	Amount exceeding 15% threshold	-	-
16	of which: significant investments in the common stocks of financial entities	-	-
17	of which: deferred tax assets arising from temporary differences	-	-
18	National specific regulatory adjustments applied to CET1 capital	-	-
19	Investments in TFCs of other banks exceeding the prescribed limit	-	-
20	Any other deduction specified by SBP (mention details)	-	-
21	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-
22	Total regulatory adjustments applied to CET1 (sum of 1 to 21)	<u>4,748,514</u>	<u>13,565,088</u>
1.3.2	Additional Tier-1 & Tier-1 Capital: regulatory adjustments		
23	Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-	-
24	Investment in own AT1 capital instruments	-	-
25	Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-	-
26	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above	-	-
27	Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
28	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from additional tier-1 capital	-	-
29	Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
30	Total regulatory adjustment applied to AT1 capital (sum of 23 to 29)	<u>-</u>	<u>-</u>
1.3.3	Tier 2 Capital: regulatory adjustments		
31	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-
32	Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-	4,985
33	Investment in own Tier 2 capital instrument	-	-
34	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above	-	-
35	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
35A	Unrecognized portion of Tier 2 Capital	-	-
36	Total regulatory adjustment applied to T2 capital (sum of 31 to 35)	<u>-</u>	<u>4,985</u>
1.3.4	Additional Information		
	Risk weighted assets subject to pre-Basel III treatment		
37	Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)		
(i)	of which: deferred tax assets	-	-
(ii)	of which: Defined-benefit pension fund net assets	-	-
(iii)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-	-
(iv)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-
	Amounts below the thresholds for deduction (before risk weighting)	-	-
38	Non-significant investments in the capital of other financial entities	-	-
39	Significant investments in the common stock of financial entities	-	-
40	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-
	Applicable caps on the inclusion of provisions in Tier 2		
41	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	-	-
42	Cap on inclusion of provisions in Tier 2 under standardized approach	-	-
43	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
44	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-

1.4 Capital structure reconciliation

	Balance sheet of the published financial statements	Under regulatory scope of consolidation
	2,023	2,023
	Rupees in '000	
Assets		
Cash and balances with treasury banks	100,894,627	100,894,627
Balances with other banks	8,560,478	8,560,478
Lendings to financial institutions	143,325,933	143,325,933
Investments - net	913,088,050	913,088,050
Advances - net	807,544,892	807,544,892
Operating fixed assets	33,219,002	33,219,002
Intangible	2,099,217	2,099,217
Deferred tax assets - net	10,314,627	10,314,627
Other assets - net	197,156,815	197,156,815
Total assets	2,216,203,641	2,216,203,641
Liabilities & Equity		
Bills payable	5,507,855	5,507,855
Borrowings	453,965,991	453,965,991
Deposits and other accounts	1,520,836,189	1,520,836,189
Sub-ordinated loan	30,204,640	30,204,640
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities - net	-	-
Other liabilities	125,117,800	125,117,800
Total liabilities	2,135,632,475	2,135,632,475
Share capital	32,452,535	32,452,535
Reserves / Share Premium	15,035,135	15,035,135
Accumulated losses	30,502,820	30,502,820
Minority Interest	762,170	762,170
Surplus on revaluation of assets - net of tax	1,818,506	1,818,506
Total equity	80,571,166	80,571,166
Total liabilities & equity	2,216,203,641	2,216,203,641

1.4.1 Detail of Capital structure reconciliation

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	2,023	2,023	
	Rupees in '000		
Assets			
Cash and balances with treasury banks	100,894,627	100,894,627	
Balances with other banks	8,560,478	8,560,478	
Lending to financial institutions	143,325,933	143,325,933	
Investments	913,088,050	913,088,050	
<i>of which: Non-significant investments in the capital instruments of banking, financial and insurance entities exceeding 10% threshold</i>	-	-	a
<i>of which: significant investments in the capital instruments issued by banking, financial and insurance entities exceeding regulatory threshold</i>	-	-	b
<i>of which: Mutual Funds exceeding regulatory threshold</i>	-	-	c
<i>of which: reciprocal crossholding of capital instrument (separate for CET1, AT1, T2)</i>	-	-	d
<i>of which: others (mention details)</i>	-	-	e
Advances	807,544,892	807,544,892	
<i>shortfall in provisions/ excess of total EL amount over eligible provisions under IRB general provisions reflected in Tier 2 capital</i>	-	-	f
Fixed Assets	33,219,002	33,219,002	g
Intangible Assets	2,099,217	2,099,217	
Deferred Tax Assets	10,314,627	10,314,627	
<i>of which: DTAs that rely on future profitability excluding those arising from temporary differences</i>	-	-	h
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	2,649,295	2,649,295	i
Other assets	197,156,815	197,156,815	
<i>of which: Goodwill</i>	-	-	j
<i>of which: Intangibles</i>	-	-	k
<i>of which: Defined-benefit pension fund net assets</i>	-	-	l
Total assets	2,216,203,641	2,216,203,641	
Liabilities & Equity			
Bills payable	5,507,855	5,507,855	
Borrowings	453,965,991	453,965,991	
Deposits and other accounts	1,520,836,189	1,520,836,189	
Sub-ordinated loans	30,204,640	30,204,640	
<i>of which: eligible for inclusion in AT1</i>	11,917,500	11,917,500	m
<i>of which: eligible for inclusion in Tier 2</i>	18,287,140	18,287,140	n
Liabilities against assets subject to finance lease	-	-	
Deferred tax liabilities	-	-	
<i>of which: DTLs related to goodwill</i>	-	-	o
<i>of which: DTLs related to intangible assets</i>	-	-	p
<i>of which: DTLs related to defined pension fund net assets</i>	-	-	q
<i>of which: other deferred tax liabilities</i>	-	-	r
Other liabilities	125,117,800	125,117,800	
Total liabilities	2,135,632,475	2,135,632,475	

THE BANK OF PUNJAB



	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	2,023	2,023	
	Rupees in '000		
Share capital	32,452,535	32,452,535	
<i>of which: amount eligible for CET1</i>	-	-	s
<i>of which: amount eligible for AT1</i>	-	-	t
Reserves	15,035,135	15,035,135	
<i>of which: portion eligible for inclusion in CET1(provide breakup)</i>	-	-	u
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	v
Unappropriated profit/ (losses)	30,502,820	30,502,820	w
Minority Interest			
<i>of which: portion eligible for inclusion in CET1</i>	762,170	762,170	x
<i>of which: portion eligible for inclusion in AT1</i>	-	-	y
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	z
Surplus on revaluation of assets	1,818,506	1,818,506	
<i>of which: Revaluation reserves on Fixed Assets</i>	3,998,808	3,998,808	
<i>of which: Unrealized Gains/Losses on NBA</i>	755,753	755,753	aa
<i>of which: Unrealized Gains/Losses on AFS</i>	(2,936,055)	(2,936,055)	
<i>In case of Deficit on revaluation (deduction from CET1)</i>	1,062,753	1,062,753	ab
Total liabilities & Equity	2,216,203,641	2,216,203,641	

Common Equity Tier 1 capital (CET1): Instruments and reserves

1 Fully paid-up capital/ capital deposited with SBP	32,715,693	
2 Balance in share premium account, share deposit money and discount on issue of shares	1,951,882	(s)
3 Reserve for issue of bonus shares		
4 General/ Statutory reserves	12,820,095	(u)
5 Gain/(Losses) on derivatives held as Cash Flow Hedge		
6 Accumulated losses	30,502,811	(w)
7 Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	762,170	(x)
8 CET 1 before Regulatory Adjustments	78,752,651	
Common Equity Tier 1 capital: Regulatory adjustments		
9 Goodwill (net of related deferred tax liability)	-	(j) - (o)
10 All other intangibles (net of any associated deferred tax liability)	2,099,219	(k) - (p)
11 Shortfall of provisions against classified assets	-	(f)
12 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	{(h) - (r)} * x%
13 Defined-benefit pension fund net assets	-	{(l) - (q)} * x%
14 Reciprocal cross holdings in CET1 capital instruments	-	(d)
15 Cash flow hedge reserve	-	
16 Investment in own shares/ CET1 instruments	-	
17 Securitization gain on sale	-	
18 Capital shortfall of regulated subsidiaries	-	
19 Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	(ab)

	Component of regulatory capital reported by bank	Source based on reference number from step 2
	2,023	
	Rupees in '000	
20 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(a) - (ac) - (ae)
21 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	(b) - (ad) - (af)
22 Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	2,649,295	(i)
23 Amount exceeding 15% threshold	-	
24 of which: significant investments in the common stocks of financial entities	-	
25 of which: deferred tax assets arising from temporary differences	-	
26 National specific regulatory adjustments applied to CET1 capital	-	
27 of which: Investment in TFCs of other banks exceeding the prescribed limit	-	
28 of which: Any other deduction specified by SBP (mention details)	-	
29 Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	
30 Total regulatory adjustments applied to CET1 (sum of 9 to 29)	4,748,514	
31 Common Equity Tier 1	74,004,137	
Additional Tier 1 (AT 1) Capital		
32 Qualifying Additional Tier-1 instruments plus any related share premium	11,917,500	
33 of which: Classified as equity	11,917,500	(t)
34 of which: Classified as liabilities	-	(m)
35 Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-	(y)
36 of which: instrument issued by subsidiaries subject to phase out	-	
37 AT1 before regulatory adjustments	11,917,500	
Additional Tier 1 Capital: regulatory adjustments		
38 Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	
39 Investment in own AT1 capital instruments	-	
40 Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
41 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ac)
42 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
43 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	

	Component of regulatory capital reported by bank	Source based on reference number from step 2
	2,023	
	Rupees in '000	
44 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
45 Total of Regulatory Adjustment applied to AT1 capital (sum of 38 to 44)	-	
46 Additional Tier 1 capital		
47 Additional Tier 1 capital recognized for capital adequacy	11,917,500	
48 Tier 1 Capital (CET1 + admissible AT1) (31+47)	85,921,637	
Tier 2 Capital		
49 Qualifying Tier 2 capital instruments under Basel III plus any related share premium	14,716,032	
50 Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-	(n)
51 Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	-	(z)
52 of which: instruments issued by subsidiaries subject to phase out	-	
53 General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	695,731	(g)
54 Revaluation Reserves	1,062,753	
55 of which: Revaluation reserves on fixed assets	3,998,808	
56 of which: Unrealized Gains/Losses on AFS	(2,936,055)	portion of (aa)
57 Foreign Exchange Translation Reserves	-	(v)
58 Undisclosed/Other Reserves (if any)	-	
59 T2 before regulatory adjustments	16,474,516	
Tier 2 Capital: regulatory adjustments		
60 Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	
61 Reciprocal cross holdings in Tier 2 instruments	-	
62 Investment in own Tier 2 capital instrument	-	
63 Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ae)
64 Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
65 Amount of Regulatory Adjustment applied to T2 capital (sum of 60 to 64)	-	
66 Tier 2 capital (T2)	-	
67 Tier 2 capital Unrecognized for capital adequacy	-	
68 Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
69 Total Tier 2 capital admissible for capital adequacy	16,474,516	
70 TOTAL CAPITAL (T1 + admissible T2) (48+69)	102,396,152	

1.6 Risk Weighted Assets

The capital requirements for the banking group as per the major risk categories should be indicated in the manner given below:-

	Capital Requirements		Risk Weighted Assets	
	2,023	2,022	2,023	2,022
	Rupees in '000			
Credit Risk				
On-Balance sheet				
<u>Portfolios subject to standardized approach (Comprehensive)</u>				
Cash & cash equivalents	-	-	-	-
Sovereign	622,021	6,148	5,408,881	53,464
Public Sector entities	1,766,400	841,891	15,359,996	7,320,790
Banks	743,144	709,307	6,462,126	6,167,884
Corporate	24,425,423	23,732,351	212,394,983	206,368,267
Retail	7,894,639	6,748,460	68,649,039	58,682,260
Residential Mortgages	827,605	638,324	7,196,566	5,550,642
Low cost Housing	184,977	160,302	1,608,495	1,393,929
Past Due loans	1,091,722	1,073,209	9,493,233	9,332,256
Deffered Tax Assets	2,203,786	1,785,280	19,163,358	15,524,175
Operating Fixed Assets	3,820,184	3,489,570	33,218,995	30,344,088
Significant Inv (250%) Punjab Mod	-	-	-	-
Other assets	1,476,759	4,221,868	12,841,381	36,711,898
	45,056,661	43,406,710	391,797,053	377,449,653
Off-Balance sheet				
Non-market related				
Financial guarantees, acceptances, performance related	5,530,476	6,103,058	48,091,097	53,070,073
Market related				
Foreign Exchange contracts/ derivatives etc.	127,387	106,152	1,107,710	923,060
	5,657,863	6,209,210	49,198,807	53,993,133
Equity Exposure Risk in the Banking Book				
Under simple risk weight method				
Listed, Unlisted	136,253	102,986	1,184,809	895,528
Under Internal models approach				
	136,253	102,986	1,184,809	895,528
Market Risk				
<u>Capital Requirement for portfolios subject to Standardized Approach</u>				
Interest rate risk	2,119,908	92,464	26,498,845	1,155,803
Equity position risk	640,731	1,244,520	8,009,138	15,556,500
Foreign Exchange risk	58,106	195,891	726,325	2,448,638
	2,818,745	1,532,875	35,234,308	19,160,941
<u>Capital Requirement for portfolios subject to Basic Indicator Approach</u>				
Operational Risk				
<u>Capital Requirement for operational risks</u>				
	6,538,157	5,673,788	81,726,967	70,922,354
Total	60,207,679	56,925,570	559,141,944	522,421,609
Capital Adequacy Ratios				
	2,023	2,023	2,022	2,022
	Required	Actual	Required	Actual
CET1 to total RWA	6.00%	13.24%	6.00%	10.28%
Tier-1 capital to total RWA	7.50%	15.37%	7.50%	11.82%
Total capital to total RWA	11.50%	18.31%	11.5%	13.04%

2. Leverage Ratio

The State Bank of Pakistan (SBP) through its BPRD Circular No. 06 of 2013 has issued instructions regarding implementation of parallel run of leverage ratio reporting and its components from December 31, 2013 to December 31, 2017. During this period the final calibration, and any further adjustments to the definition, will be completed, with a view to set the leverage ratio as a separate capital standard on December 31, 2018. Banks are required to disclose the leverage from Dec 31, 2015

The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator), with this ratio expressed as a percentage:

Leverage Ratio = Tier 1 capital (after related deductions) / Total Exposure

As at December 31, 2022 the Bank's Leverage ratio stood at 3.45% which is well above the minimum requirement of 3.0%

On Balance sheer Assets	2023	2022
	Rs in '000'	
Cash and balances with treasury banks	100,894,627	73,203,963
Balances with other banks	8,560,478	4,842,758
Lendings to financial institutions	143,325,933	68,194,342
Investments - net	536,063,032	638,276,903
Advances - net	807,544,892	590,934,509
Operating fixed assets	33,218,995	30,344,088
Deferred tax assets - net	7,665,343	6,209,670
Financial Derivatives (A.1)	2,952,600	1,077,504
Other assets - net	197,116,863	59,840,583
Total Assets	1,837,342,764	1,472,924,320
A.1 Derivatives (On Balance sheet)		
Interest Rate	-	-
Equity	-	-
Foreign Exchange and Gold	2,952,600	1,077,504
Precious Metal (except gold)	-	-
Commodities	-	-
Credit Derivatives (protection bought & sold)	-	-
Any other derivatives	-	-
B. Off-Balance Sheet Items excluding derivatives		
Direct Credit Substitutes	34,797,867	22,805,891
Performance-related Contingent Liabilities (i.e. Guarantees)	100,823,882	76,678,167
Trade-related Contingent Liabilities (i.e. Letter of Credits)	172,670,983	170,302,819
Lending of securities or posting of securities as collaterals	377,025,018	
Undrawn committed facilities (which are not cancellable)	15,817,173	32,465,327
Unconditionally cancellable commitments	9,929,861	9,864,553
Commitments in respect of operating leases	-	
Commitments for the acquisition of operating fixed assets	-	
Other commitments	401,948	142,836
Total Off-Balance Sheet Items excluding Derivatives (B)	711,466,732	312,259,593
C. Commitments in respect of Derivatives - Off Balance Sheet Items		
(Derivatives having negative fair value are also included)		
Interest Rate		
Equity		
Foreign Exchange & gold	4,532,411	2,373,392
Precious Metals (except gold)		
Commodities		
Credit Derivatives (protection sold and bought)		
Other derivatives		
Total Derivatives (C)	4,532,411	2,373,392
Tier-1 Capital	85,921,637	61,739,811
Total Exposures (sum of A,B and C)	2,553,341,907	1,787,557,305
Leverage Ratio	3.37%	3.45%

3) Liquidity Coverage Ratio Disclosure

Dec 31, 2023

(in local currency)		TOTAL UNWEIGHTED ^a VALUE (average)	TOTAL WEIGHTED ^b VALUE (average)
HIGH QUALITY LIQUID ASSETS			
1	Total high quality liquid assets (HQLA)		633,492,844
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers of which:		
2.1	stable deposit	53,682,965	2,684,148
2.2	Less stable deposit	117,157,587	11,715,759
3	Unsecured wholesale funding of which:		
	Small Business	279,577,664	25,456,631
3.1	Operational deposits (all counterparties)		
3.2	Unsecured wholesale funding provided by non-financial corporate customers, sovereigns, central banks, multilateral development banks and PSEs	1,007,372,542	402,949,017
3.3	Other	63,062,884	63,062,884
4	Secured wholesale funding		-
5	Additional requirements of which:		
5.1	Outflows related to derivative exposures and other collateral requirements		
5.2	Outflows related to loss of funding on debt products		
5.3	Credit and Liquidity facilities	115,115,782	11,294,578
6	Other contractual funding obligations	30,394,696	30,394,696
7	Other contingent funding obligations	308,292,733	15,414,637
8	TOTAL CASH OUTFLOWS		562,972,349
CASH INFLOWS			
9	Secured lending	28,627,443	28,627,443
10	Inflows from fully performing exposures	378,571,529	189,285,765
11	Other Cash inflows	8,283,392	-
12	TOTAL CASH INFLOWS		217,913,208
TOTAL ADJUSTED VALUE			
21	TOTAL HQLA		633,492,844
22	TOTAL NET CASH OUTFLOWS (after CAP)		345,059,142
23	LIQUIDITY COVERAGE RATIO		183.59%

a Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

b Weighted values are calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)

c Adjusted values are calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (ie cap on level 2B and level 2 assets for HQLA and cap on inflows)

4. Net Stable Funding Ratio Disclosure

(All amounts in PKR thousands)

(Amount in PKR in thousands)		Total Unweighted Value	weighted value
Available Stable Funding (ASF)			
1	Capital:		
2	Regulatory capital	78,926,000	78,926,000
3	Other capital instruments	26,633,000	26,633,000
4	Retail deposits and deposit from small business customers:		
5	Stable deposits	102,564,000	97,435,800
6	Less stable deposits	339,429,000	305,486,100
7	Wholesale funding:		
8	Operational deposits	62,363,000	31,181,500
9	Other wholesale funding	1,007,366,000	503,683,000
10	Borrowing and Liabilities with effective residual maturity => one year	87,212,000	87,212,000
11	Other liabilities:		
12	NSFR derivative liabilities		
13	Other Liabilities with residual maturity => 6 months to <1 year including funded provided by Central Banks and Fis	11,503,000	5,751,500
14	Any Other Liabilities	500,144,000	-
15	Total ASF	2,216,140,000	1,136,308,900
Required Stable Funding (RSF)			
16	Total NSFR high-quality liquid assets (HQLA)	632,149,000	-
	Other Securities eligible as Level 1 HQLA for the LCR, of which:	410,033,000	20,501,650
17	Deposits held at other financial institutions for operational purposes	8,283,000	4,141,500
18	Performing loans and securities:		
19	Performing loans to financial institutions secured by Level 1 HQLA	-	-
20	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		
21	Level 2 B HQLA- Unencumbered Securities	2,686,000	1,343,000
22	Loans to Financial Institutions (Other than SBP) Maturity 6=> months to <=1 year	5,950,000	892,500
23	All other Assets not included in above categories with residual maturity <1 year	202,032,000	101,016,000
24	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		
25	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for	410,100,000	266,565,000
26	With a risk weight of greater than 35% under the Basel II Standardized Approach for credit risk	386,049,000	328,141,650
27	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	14,600,000	12,410,000
28	Held Till Maturity with residual maturity => than 1 year	98,548,000	98,548,000
29	Other assets:		
30	Physical traded commodities, including gold		
31	Assets posted as initial margin for derivative contracts		
32	NSFR derivative assets		
33	NSFR derivative liabilities before deduction of variation margin posted		
34	All other assets not included in the above categories	45,710,000	45,710,000
35	Total On Balance sheet RSF	2,216,140,000	879,269,300
36	Off-balance sheet items	641,242,000	32,062,100
37	Total RSF		911,331,400
38	Net Stable Funding Ratio (%)		124.69%