



Quarterly Report
March 31, 2024
(Un-audited)

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Company Information

Board of Directors

Mr. Adil Matcheswala	Chairman
Mr. Khalilullah Shaikh	Independent Director
Ms. Nargis Ali Akber Ghaloo	Independent Director
Lt. Gen. (R) Sadiq Ali	Independent Director
Syed Mumtaz Ali Shah	Independent Director
Mr. Usman Yousaf Mobin	Independent Director
Mr. Basir Shamsie	President & CEO

Audit Committee

Ms. Nargis Ali Akber Ghaloo	Chairperson
Lt. Gen. (R) Sadiq Ali	Member
Mr. Khalilullah Shaikh	Member

Human Resource, Remuneration & Nomination Committee

Syed Mumtaz Ali Shah	Chairman
Mr. Adil Matcheswala	Member
Mr. Usman Yousaf Mobin	Member

Risk Management Committee

Syed Mumtaz Ali Shah	Chairman
Mr. Khalilullah Shaikh	Member
Lt. Gen. (R) Sadiq Ali	Member
Mr. Basir Shamsie	Member

Board IT Committee

Mr. Usman Yousaf Mobin	Chairman
Ms. Nargis Ghaloo	Member
Mr. Basir Shamsie	Member

Chief Financial Officer

Syed Adeel Ehtesham

Company Secretary & Head of Legal

Syed Muhammad Talib Raza

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi.

Legal Advisors

Bawaney & Partners
Haidermota & Co.
Liaquat Merchant Associates

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 – B, Block ‘B’
S.M.C.H.S., Main Shahra-e-Faisal
Karachi

Registered office

JS Bank Limited
Shaheen Commercial Complex
Dr. Ziauddin Ahmed Road
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Directors' Review

We are pleased to present the unaudited financial statements of JS Bank Limited ("JSBL") for the quarter ended March 31, 2024.

Economy

At the start of the fiscal year (FY)24, Pakistan faced an imminent economic crisis stemming from surging world commodity prices, global monetary tightening, catastrophic flooding in 2022, and political uncertainty. Persistent fiscal and external imbalances led to pressures on domestic prices, increasing debt, Rupee depreciation, and sharp reductions in foreign reserves. As a result, import and capital management measures were imposed which disrupted domestic supply chain leading to further inflationary pressures, and weakening economic activity.

A Stand-By Arrangement (SBA) was entered into with the International Monetary Fund (IMF) in July 2023. Besides stabilizing the economy, the SBA also improved foreign funding flows thus allowing for relaxation in import management measures.

Owing to a mild pickup in exports and lower import bill, Trade Deficit was recorded at US\$13.5 billion in 8MFY24 (down 28% YoY). Despite a stagnant remittance flow, sharp reduction in Trade Deficit helped bringing down the Current Account Deficit to US\$0.9 billion from US\$3.8 billion in the same period last year. Moreover, FX Reserves have also more than doubled in the same period (to US\$7.9 billion). As a result, PKR has also been showing stability against the US\$.

With stable currency and the effect of a high base last year, the country entered into a disinflation phase as CPI for 1QCY24 averaged 24%, compared to 31.5% during 1QCY23. In both its Monetary Policy meetings, however, SBP's Monetary Policy Committee (MPC) remained cautious and kept the Policy Rate unchanged at 22%. Additionally, the secondary market that had started pricing in a possible rate cut, witnessed a rebound. Yields however remained below the Policy Rate, aligning with the SBP's view of the economy entering into a positive interest rate zone based on forward-looking expectations.

In its recent outlook, the IMF has maintained Pakistan's economic growth prospects for the current fiscal year at 2%, which is marginally higher than the World Bank's forecast at 1.8%, albeit significantly lower than the government's target of 3.5%. Tighter Monetary and Fiscal policies, continued external headwinds, and domestic policy uncertainty are expected to weigh on economic growth in the medium term. Nonetheless, the government seems committed to carry out aggressive reforms to stabilise the economy, including measures for broadening the tax net, privatising SOEs, expanding social safety nets and facilitating the private sector.

Banking sector review

The banking sector's weighted average spreads remain stable during most of the quarter, closer to 7%. During the same time, while SBP kept the Policy Rate unchanged at 22% during 1QCY24, secondary market yields and KIBOR remained below the Policy Rate with the yield curve remaining inverted, leading to pressure on margins.

During the quarter, banking sector deposits touched PKR 28.3 trillion in March (up 20% YoY), where the preferred asset remained Investments. Gross ADR levels further reduced to 42% in March as demand for credit remained subdued in an all-time high-interest rate environment. The sector's loan book expanded by 3% YoY only. With that, the trend of Non-Performing Loans has also increased of late, where the stock has increased to PKR995 billion as of Dec-2023, adding PKR30 billion during 4QCY23 alone. This, however, depicts a stable infection ratio of 8% at December end.

Performance overview

For the first quarter ended March 31, 2024, the Bank reported a Profit Before Tax of PKR 3,721 million (Profit after Tax of PKR 1,708 million), as compared to a Profit before Tax of PKR 1,526 million (Profit after Tax of PKR 856 million) during the corresponding period last year. This represents a YoY growth of 144% in terms of PBT and 99% in terms of PAT. During this period, the Bank's Net Interest Income increased by 39%YoY primarily owing to an improvement in the Bank's deposit mix, as non-remunerative deposit averages improved from PKR 131.7 Bn in Q1'23 to PKR 152.3 Bn in Q1'24 (YoY growth of ~15.6%). Moreover, growth of 25% in markup income outpaced the growth in markup expenses of 21%. This is despite the pressure on margins in Q1 2024, as secondary market yields adjusted in anticipation of rate cuts while funding costs remained stagnant. As a result, NII increased to PKR 7,008 million (up 39% YoY)

At the end of the first quarter of 2024, the Bank achieved the milestone of crossing half a trillion deposits to close the quarter at PKR 514 billion. This achievement is testimony to the confidence and trust reposed in the Bank by our valued customers and the dedicated efforts of our teams. The Bank's non-markup income increased by 68% YoY to PKR 3,714 million, with improvements across all lines. Foreign Exchange Income, however, remained subdued as exchange rates remained relatively more stable as compared to the same period last year. Resultantly, total income grew by 48% YoY to PKR 10,722 million.

Operating expenses witnessed an increase of 26%YoY mainly on account of inflationary and exchange rate pressures impacting technology and other costs. However, with increase in revenues outpacing that in costs, the Bank's operating cost-to-income ratio improved to 57.9% as compared to 67.8% during the corresponding period last year.

As per the SBP's BPRD Circular Letter no. 7 dated April 13, 2023, IFRS 9 - Financial Instruments became effective for reporting periods beginning on or after January 01, 2024 for Banks. Accordingly, the Bank's financial statements for the current reporting period have been prepared in accordance with SBP's revised format for interim financial statements and other directives regarding the accounting framework for classification and measurement of financial instruments.

Based on the provisioning requirements under the new standard as well as additional provisions made in the current quarter, the Bank's NPL Coverage Ratio (including the impact of expected credit losses on loans classified as non-performing (under Stage III) has improved to 64.3% (December 31, 2023: 59.7%). For Capital Adequacy purposes, the SBP's final implementation guidelines include a transitional arrangement for recognition of new provisions arising out of first-time implementation of the standard, which the Bank has considered. Accordingly, the

Bank's Capital Adequacy Ratio as at March 31, 2024 has been reported at 13.38% (December 31, 2023: 12.53%).

Key highlights of the financial results of the Bank for the first quarter ended March 31, 2023, are presented below:

Financial Position	PKR Million	
	March 31, 2024	December 31, 2023
Shareholders' Equity	40,738	40,322
Total Deposits	514,013	486,283
Total Assets	620,846	589,432
Advances Net	197,449	203,727
Investments Net	319,904	287,479
Financial Performance		
	March 31, 2024	March 31, 2023
Mark-up/Interest Income - Net	7,008	5,056
Non-Markup/Interest Income	3,714	2,207
Operating Expenses	6,214	4,923
Provisions and write offs - net	711	763
Profit Before Tax	3,721	1,526
Profit After Tax	1,708	856
Basic/Diluted Earnings Per Share - Rupee	0.83	0.66

Consolidated Financial Statements

On a consolidated basis, JS Bank along with its subsidiaries BankIslami Pakistan Limited, JS Global Capital Limited, and JS Investments Limited recorded a profit before tax of PKR 9,338 million (profit after tax of PKR 4,204 million) for the first quarter ended March 31, 2024, as compared to a profit before tax of PKR 1,573 million (profit after tax of PKR 883 million) in the corresponding period last year. The earnings per share stood at PKR 1.66 for the first quarter ended March 31, 2024. Consolidated Capital Adequacy Ratio as of March 31, 2024, stood at 16.30% (December 31, 2023, 16.69%).

Credit Ratings

The Pakistan Credit Rating Agency Limited (PACRA) has assigned JS Bank Limited (JSBL) a long-term rating of "AA-" (Double A Minus), with a positive outlook, while the Bank's short-term assigned rating is "A1+" (A One Plus), which is the highest possible rating for this category.

Acknowledgments

On behalf of JS Bank, we would like to express our gratitude to our customers and stakeholders for their patronage. To us, reaching PKR 500 Billion in deposits is not just a number – but a testament to our customers’ unwavering trust reposed in us. We would also like to extend our appreciation to the management team and the staff for their persistent commitment to working together as a winning team. We expect you all to continue nurturing and valuing relationships and focus on providing the Bank’s customers with innovative solutions suited to their requirements to enhance their customer experience.

Finally, we would also like to thank the Ministry of Finance, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan, and other regulatory authorities for their continued guidance and support of our Bank.

For and on behalf of the Board,

Basir Shamsie
President & CEO

Adil Matcheswala
Chairman

Karachi: April 26, 2024

ڈائریکٹر رپورٹ

ہم 31 مارچ 2024 کو ختم ہونے والی سہ ماہی کیلئے جے ایس بینک لمیٹڈ (جے ایس بی ایل) کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنے میں مسرت محسوس کرتے ہیں۔

اقتصادی جائزہ:

مالی سال 2024 کے آغاز میں پاکستان کو کئی عوامل کے باعث معاشی بحران کا سامنا کرنا پڑا جس میں اشیاء کی عالمی قیمتوں میں اضافہ، عالمی مالیاتی پالیسیوں میں سختی، سال 2022 میں تباہ کن سیلاب اور سیاسی عدم استحکام شامل تھے۔ مالی اور بیرونی عدم توازن کے نتیجے میں ملکی قیمتوں پر دباؤ بڑھتے ہوئے قرض، روپے کی قدر میں کمی اور غیر ملکی ذخائر میں نمایاں کمی ہوئی جس کے نتیجے میں درآمدی اور سرمائے کے انتظام کے اقدامات نافذ کیے گئے، جس سے ملکی سپلائی چین میں خلل پڑا اور افراط زر پر مزید دباؤ اور معاشی سرگرمیاں کمزور ہوئیں۔

جولائی 2023 میں، پاکستان نے انٹرنیشنل مانیٹری فنڈ (IMF) کے ساتھ اسٹینڈ بائی ارٹیمینٹ (SBA) پر دستخط کیے جس سے نہ صرف معیشت مستحکم ہوئی بلکہ غیر ملکی فنڈنگ کے بہاؤ کو بھی تقویت ملی، جس سے درآمدی انتظامی اقدامات میں نرمی ممکن ہوئی۔

برآمدات میں معمولی اضافے اور درآمدی بل میں کمی کے نتیجے میں مالی سال 2024 کے پہلے آٹھ مہینوں میں تجارتی خسارہ 13.5 بلین امریکی ڈالر رہا، جو گذشتہ سال کے مقابلے میں 28 فیصد کم ہے۔ ترسیلات زر کے مستحکم بہاؤ کے باوجود تجارتی خسارے میں نمایاں کمی کی وجہ سے کرنٹ اکاؤنٹ خسارہ گزشتہ سال کی اسی مدت میں 3.8 بلین امریکی ڈالر سے کم ہو کر 0.9 بلین امریکی ڈالر رہ گیا۔ مزید برآں، اس عرصے کے دوران زرمبادلہ کے ذخائر دو گنے سے بھی زیادہ ہو گئے، جو 7.9 بلین امریکی ڈالر تک پہنچ گئے۔ اس کے نتیجے میں پاکستانی روپیہ امریکی ڈالر کے مقابلے میں مستحکم نظر آیا۔

مستحکم کرنسی اور گزشتہ سال بلند بنیادی اثرات کے باوجود، ملک تنزلی کے مرحلے میں داخل ہوا، مالی سال 2024 کی پہلی سہ ماہی میں کنزیومر پرائس انڈیکس (CPI) اوسطاً 24% رہا جو کہ مالی سال 2023 کی اسی مدت کے دوران 31.5% تھا۔ تاہم، اپنی دونوں مانیٹری پالیسی میٹنگز میں، اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی کمیٹی (MPC) محتاط رہی اور پالیسی ریٹ کو 22% پر برقرار رکھنے کا انتخاب کیا۔ مزید برآں، ثانوی مارکیٹ، جس نے ابتدائی طور پر ممکنہ شرح میں کمی کا اندازہ لگانا شروع کر دیا تھا۔ تاہم، پیداوار پالیسی کی شرح سے نیچے رہی، اسٹیٹ بینک کے اس تخمینہ کے مطابق کہ معیشت مستقبل کی توقعات کی بنیاد پر ایک مثبت شرح سود کے زون میں داخل ہو رہی ہے۔

حالیہ رپورٹس کے مطابق، رواں مالی سال کے لیے آئی ایم ایف نے پاکستان کی اقتصادی ترقی میں 2 فیصد امکانات ظاہر کئے ہیں جو کہ عالمی بینک کی 1.8 فیصد کی پیش گوئی سے قدرے زیادہ ہے، لیکن حکومت کے 3.5 فیصد کے ہدف سے نمایاں طور پر کم ہے۔ درمیانی مدت میں سخت مالی اور مالیاتی پالیسیاں، مسلسل بیرونی چیلنجز اور ملکی پالیسی کی غیر یقینی صورتحال کے پیش نظر توقع ہے کہ اقتصادی ترقی میں کمی واقع ہوگی، اس کے باوجود، حکومت معیشت کو مستحکم کرنے کے مقصد سے جارحانہ اصلاحات نافذ کرنے کے لیے پرعزم دکھائی دیتی ہے۔ ان اصلاحات میں ٹیکس نیٹ کو وسیع کرنا، سرکاری ملکیتی اداروں (SOEs) کی نجکاری، سماجی تحفظ کے جال کو وسعت دینا، اور نجی شعبے کو فروغ دینا شامل ہیں۔

بینکنگ سیکٹر کا جائزہ:

سہ ماہی کے دوران بینکنگ سیکٹر کا اوسط ویٹڈ ایورج اسپرڈ 7 فیصد رہا۔ اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے سال 2024 کی پہلی سہ ماہی کے دوران پالیسی ریٹ کو 22% پر برقرار رکھنے کے باوجود، ثانوی مارکیٹ کی پیداوار اور کراچی انٹربینک آفرڈ ریٹ (KIBOR) پالیسی ریٹ سے نیچے رہے، جس کے نتیجے میں پیداوار میں کمی ہوئی اور مارجن پر دباؤ پڑا۔

سہ ماہی کے دوران، بینکنگ سیکٹر کے ذخائر 28.3 ٹریلین تک پہنچ گئے، جس میں سال بہ سال 20% اضافہ ہوا، سرمایہ کاری ترجیحی اثاثہ ہے۔ مارجن میں مجموعی ADR کی سطح کم ہو کر 42% ہو گئی کیونکہ زیادہ شرح سود والے ماحول میں کریڈٹ کی مانگ کم رہی۔ سیکٹر کی لون بک میں سال بہ سال صرف 3 فیصد اضافہ ہوا۔ مزید برآں، حال ہی میں نان پرفارمنگ لونز کے رجحان میں اضافہ ہوا ہے، دسمبر 2023 تک اسٹاک 995 بلین تک پہنچ گیا، جس سے صرف سال 2023 کی چوتھی سہ ماہی کے دوران 30 بلین روپے کا اضافہ ہوا۔ تاہم، یہ دسمبر کے آخر میں 8 فیصد کے مستحکم انفیکشن کا تناسب ظاہر کرتا ہے۔

مالیاتی کارکردگی:

31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی کیلئے، بینک کا قبل از ٹیکس منافع 3,721 ملین روپے (بعد از ٹیکس منافع مبلغ 1,708 ملین روپے) رہا، جس کا موازنہ گذشتہ سال کی اسی مدت کے قبل از ٹیکس منافع 1,526 ملین روپے (بعد از ٹیکس منافع 856 ملین روپے) سے کیا جاسکتا ہے۔ یہ قبل از ٹیکس منافع کے لحاظ سے 144 فیصد اور بعد از ٹیکس منافع کے لحاظ سے 99 فیصد کی سالانہ ترقی کی نمائندگی کرتا ہے۔ دوران مدت بینک کی خالص سودی آمدنی میں سالانہ 39 فیصد اضافہ ہوا جو کہ بنیادی طور پر بینک ڈپازٹس میں بہتری کے باعث تھا۔ نان ری میونیٹری ڈپازٹس سال 2023 کی پہلی سہ ماہی میں 131.7 بلین روپے سے سال 2024 کی پہلی سہ ماہی میں 152.3 بلین روپے ہو گئے جو کہ 15.6 فیصد کا اضافہ ہے۔ مزید برآں، مارک اپ آمدنی میں 25 فیصد کی نمو 21 فیصد کے مارک اپ اخراجات میں اضافے سے آگے نکل گئی۔ یہ 2024 کی پہلی سہ ماہی میں مارجن پر دباؤ کے باوجود ہے، کیونکہ ثانوی مارکیٹ کی پیداواری شرح میں کمی کی توقع میں ایڈجسٹ ہوئی جبکہ فنڈنگ کے اخراجات جمود کا شکار رہے۔ نتیجتاً، NII بڑھ کر 7,008 ملین روپے ہو گیا، جو کہ سالانہ 39 فیصد زیادہ ہے۔

2024 کی پہلی سہ ماہی کے اختتام پر، بینک نے نصف ٹریلین ڈالرز کو عبور کرنے کا سنگ میل حاصل کیا جو کہ سہ ماہی میں 514 بلین روپے پر بند ہوا۔ یہ کامیابی بینک پر ہمارے قابل قدر صارفین کے اعتماد اور بھروسہ کے ساتھ ساتھ ہماری ٹیموں کی سرشار کوششوں کا ثبوت ہے۔ بینک کی غیر مارک اپ آمدنی 68% سالانہ اضافے کے ساتھ 3,714 بلین روپے ہو گئی، تاہم، فارن ایکسچینج کی آمدنی کم رہی کیونکہ شرح تبادلہ گذشتہ سال کی اسی مدت کے مقابلے میں نسبتاً مستحکم رہا۔ نتیجتاً، کل آمدنی سالانہ 48% اضافے سے 10,722 بلین روپے ہو گئی۔

انتظامی اخراجات میں سالانہ 26 فیصد اضافہ ہوا، بنیادی طور پر افراط زر اور شرح مبادلہ کے دباؤ کی وجہ سے ٹیکنالوجی اور دیگر اخراجات متاثر ہوئے۔ تاہم، اخراجات میں اضافے سے آمدنی میں اضافے کے ساتھ، بینک کا آپریٹنگ لاگت سے آمدنی کا تناسب گزشتہ سال کی اسی مدت کے 67.8 فیصد کے مقابلے میں 57.9 فیصد تک بہتر ہو گیا۔

اسٹیٹ بینک کے BPRD سرکلر لیٹر نمبر 7، مورخہ 13 اپریل 2023 کے مطابق، IFRS-9 مالیاتی انسٹرومنٹس بینکوں کے لیے یکم جنوری 2024 سے یا اس کے بعد شروع ہونے والے رپورٹنگ ادوار کے لیے موثر ہو گئے۔ نتیجتاً، موجودہ رپورٹنگ مدت کے لیے بینک کے مالی گوشوارے عبوری مالیاتی گوشواروں اور مالیاتی انسٹرومنٹس کی درجہ بندی اور پیمائش کے لیے اکاؤنٹنگ فریم ورک سے متعلق دیگر ہدایات کے لیے اسٹیٹ بینک کے نظر ثانی شدہ فارمیٹ کے مطابق تیار کیے گئے ہیں۔

نئے معیار کے تحت فراہمی کی ضروریات کے ساتھ ساتھ موجودہ سہ ماہی میں کی گئی اضافی دفعات کی بنیاد پر، بینک کا NPL کوریج ریٹ (مرحلہ III کے تحت نان پرفارمنگ کے طور پر درجہ بند قرضوں پر متوقع کریڈٹ نقصانات کے اثرات سمیت) 31 دسمبر 2023 تک 59.7 فیصد سے بڑھ کر 64.3 فیصد ہو گیا ہے۔ کیپٹل ایڈیکلیسی کے مقاصد کے لیے، SBP کے نفاذ کے حتمی رہنما خطوط میں پہلی بار معیار کے نفاذ سے پیدا ہونے والی نئی دفعات کی شناخت کے لیے ایک عبوری انتظام شامل ہے، جس پر بینک نے غور کیا ہے۔ اس کے مطابق، 31 مارچ 2024 تک بینک کا کیپٹل ایڈیکلیسی ریٹ 13.38 فیصد رپورٹ کیا گیا ہے، جو دسمبر 2023 میں 12.53 فیصد تھا۔

31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی کیلئے بینک کے مالی نتائج کا خلاصہ درج ذیل ہے:

مالی پوزیشن		ملین پاکستانی روپے
	31 دسمبر 2024	31 مارچ 2023
شیر ہولڈرز اکیویٹی	40,738	40,322
مجموعی ڈپازٹس	514,013	486,283
مجموعی اثاثہ جات	620,846	589,432
خالص ایڈوانسز	197,449	203,727

287,479	319,904	خالص سرمایہ کاریاں
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مالیاتی کارکردگی		
31 مارچ 2023	31 مارچ 2024	
5,056	7,008	مارک اپ/ انٹریسٹ آمدنی۔ خالص
2,207	3,714	غیر مارک اپ/ انٹریسٹ آمدنی
4,923	6,214	آپریٹنگ اخراجات
763	711	پروویژنز اور رٹ آف۔ خالص
1,526	3,721	قبل از ٹیکس منافع / (خسارہ)
856	1,708	بعد از ٹیکس منافع
0.66	0.83	بنیادی / ڈیلوی پیٹڈ آمدنی فی حصص۔ روپے میں

مجموعی مالیاتی بیانات:

مجموعی مالیاتی بیانات کی بنیاد پر، 31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی میں جے ایس بینک نے اپنی ذیلی کمپنیوں بینک اسلامی پاکستان لمیٹڈ، جے ایس گلوبل کیپیٹل لمیٹڈ اور جے ایس انویسٹمنٹس لمیٹڈ کے ساتھ قبل از ٹیکس منافع 9,338 ملین روپے (بعد از ٹیکس منافع 4,204 ملین روپے) حاصل کیا جس کا موازنہ گذشتہ سال کی اسی مدت کے قبل از ٹیکس منافع 1,573 ملین روپے (بعد از ٹیکس منافع 883 ملین روپے) سے کیا جاسکتا ہے۔ 31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے فی حصص آمدنی 1.66 روپے رہی۔ 31 مارچ 2024 کو جمع شدہ سرمائے کی مناسبت کا تناسب 16.30 فیصد (31 دسمبر 2023، 16.69 فیصد) تھا۔

کریڈٹ ریٹنگ:

پاکستانی کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پاکرا) نے بینک کو "AA-" (ڈبل اے مائنس) کی طویل مدتی درجہ بندی اور "A1+" (اے ون پلس) کی مختصر مدتی درجہ بندی تفویض کی ہے، جو کہ اس زمرے کے لئے سب سے زیادہ ممکنہ درجہ بندی ہے۔

اظہار تشکر:

جے ایس بینک کی جانب سے ہم اپنے صارفین اور اسٹیک ہولڈرز کے تعاون اور سرپرستی پر دل سے ان کے شکر گزار ہیں۔ 500 بلین ڈپازٹس تک پہنچنا ہمارے لیے صرف ایک نمبر نہیں ہے، یہ ہمارے صارفین کے ہم پر غیر متزلزل اعتماد کا ثبوت ہے۔ بطور کامیاب ٹیم مل کام کرنے کے مستقل عزم کے لیے ہم انتظامی ٹیم اور اسٹاف کی بھی تعریف کرتے ہیں۔ ہم توقع کرتے ہیں کہ سب کے ساتھ تعلقات استوار کرنا جاری رہے گا اور بینک کے صارفین کو ان کے مجموعی تجربے کو بڑھانے کے لیے ان کی ضروریات کے مطابق جدید حل فراہم کرنے پر توجہ دی جائے گی۔ آپ کی مسلسل حمایت کے لیے آپ کا شکریہ۔

آخر میں، ہم وزارت خزانہ، اسٹیٹ بینک آف پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ریگولیٹری اداروں کا بینک کو تعاون فراہم کرنے کیلئے بھی ممنون ہیں۔ اختتام پر، ہم انتظامی ٹیم اور اپنے تمام ساتھیوں کا ان کی زیادہ سے زیادہ کامیابیوں اور ترقی کی کوشش کے عزم پر شکریہ ادا کرنا چاہتے ہیں۔

منجانب بورڈ

باصر سٹشی

صدر اور سی ای او

عادل ماچس والا

چیئر مین

کراچی: 26 اپریل 2024ء



Condensed Interim Unconsolidated Financial Statements
for the Quarter Ended March 31, 2024

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		(Un-audited) March 31, 2024	(Audited) December 31, 2023
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	44,335,501	40,895,031
Balances with other banks	7	2,991,738	3,727,490
Lendings to financial institutions	8	-	-
Investments	9	319,904,142	287,478,855
Advances	10	197,448,644	203,726,900
Property and equipment	11	8,771,242	8,627,102
Right-of-use assets	12	2,287,921	2,139,578
Intangible assets	13	5,249,779	4,872,907
Deferred tax assets	20	-	-
Other assets	14	39,856,692	37,964,595
		620,845,659	589,432,458
LIABILITIES			
Bills payable	15	5,064,490	5,668,721
Borrowings	16	29,144,018	27,222,479
Deposits and other accounts	17	514,013,179	486,282,778
Lease liabilities	18	2,377,792	2,234,115
Subordinated debt	19	8,497,533	8,497,767
Deferred tax liabilities	20	216,955	1,316,108
Other liabilities	21	20,793,794	17,888,422
		580,107,761	549,110,390
NET ASSETS		40,737,898	40,322,068
REPRESENTED BY			
Share capital		20,506,625	20,506,625
Reserves		6,882,001	6,563,243
Surplus on revaluation of assets	22	1,045,907	1,959,868
Unappropriated profit		12,303,365	11,292,332
		40,737,898	40,322,068
CONTINGENCIES AND COMMITMENTS			23

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

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	Note ----- Rupees in '000 -----	
Mark-up / return / interest earned	25 26,230,720	20,981,916
Mark-up / return / interest expensed	26 19,222,962	15,926,154
Net mark-up / interest income	7,007,758	5,055,762
Non mark-up / interest income		
Fee and commission income	27 1,103,169	954,664
Dividend income	917,143	129,619
Foreign exchange income	1,263,276	1,720,657
Loss from derivatives	-	(124,560)
Gain / (loss) on securities - net	28 418,844	(507,474)
Gain / (loss) on derecognition of financial assets measure at amortised cost - net	-	-
Other income	29 11,873	33,925
Total non mark-up / interest income	3,714,305	2,206,831
Total Income	10,722,063	7,262,593
Non mark-up / interest expenses		
Operating expenses	30 6,214,066	4,923,256
Workers' welfare fund	31 75,501	31,477
Other charges	32 326	19,562
Total non-mark-up / interest expenses	6,289,893	4,974,295
Profit before credit loss allowance / provisions	4,432,170	2,288,298
Credit loss allowance / provision and write offs - net	33 710,688	762,692
Profit before taxation	3,721,482	1,525,606
Taxation	34 2,013,461	669,434
Profit after taxation	1,708,021	856,172
----- Rupees -----		
Earnings per share - basic and diluted	35 0.83	0.66

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

**President and
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Officer**

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Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----	
Profit after taxation for the period	1,708,021	856,172
Other comprehensive income / (loss)		
Items that may be reclassified to profit and loss account in subsequent periods		
Effect of translation of net investment in foreign branch	(22,846)	216,115
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	-	(405,174)
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(774,990)	(645,516)
	(797,836)	(834,575)
Items that will not be reclassified to profit and loss account in subsequent periods		
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	(134,019)	15,894
Total comprehensive income for the period	<u>776,166</u>	<u>37,491</u>

The annexed notes from 1 to 42 form an integral part of these condensed interim unconsolidated financial

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JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	Capital reserve		Statutory reserve	Surplus / (deficit) on revaluation of			Unappropriated profit	Total	
	Share capital	Share premium		Exchange translation reserve	Investments	Fixed assets			Non-banking assets
	Rupees in '000								
Balance as at January 01, 2023 (Audited)	10,119,242	-	457,187	2,330,014	(459,791)	1,147,729	107,083	7,845,155	21,546,619
Total comprehensive income for the quarter ended March 31, 2023									
Profit after taxation	-	-	-	-	-	-	-	856,172	856,172
Other comprehensive income / (loss) - net of tax	-	-	216,115	-	(645,516)	-	-	-	(429,401)
	-	-	216,115	-	(645,516)	-	-	856,172	426,771
Transfer to statutory reserve	-	-	-	171,234	-	-	-	(171,234)	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(30,758)	(5)	30,763	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	15,894	-	-	(15,894)	-
Balance as at March 31, 2023 (Un-audited)	10,119,242	-	673,302	2,501,248	(1,089,413)	1,116,971	107,078	8,544,962	21,973,390
Total comprehensive income for the nine months ended December 31, 2023									
Profit after taxation	-	-	-	-	-	-	-	3,478,746	3,478,746
Other comprehensive income / (loss) - net of tax	-	-	3,726	-	1,516,312	(45,739)	390,813	(71,780)	1,793,332
	-	-	3,726	-	1,516,312	(45,739)	390,813	3,406,966	5,272,078
Transfer to statutory reserve	-	-	-	695,750	-	-	-	(695,750)	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(10,909)	(11)	10,920	-
Loss on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	(25,234)	-	-	25,234	-
Transactions with owners, recorded directly in equity									
Issue of share capital (right shares)	2,205,689	-	-	-	-	-	-	-	2,205,689
Issue of share capital (further issue of shares)	5,326,293	5,544,618	-	-	-	-	-	-	10,870,911
Discount on issue of shares written off against share premium account	2,855,401	(2,855,401)	-	-	-	-	-	-	-
Balance as at December 31, 2023 (Audited)	20,506,625	2,689,217	677,028	3,196,998	401,665	1,060,323	497,880	11,292,332	40,322,068
Impact of adoption of IFRS 9 - ECL (net of tax)	-	-	-	-	-	-	-	(360,336)	(360,336)
Balance as at January 01, 2024 after adoption of IFRS 9	20,506,625	2,689,217	677,028	3,196,998	401,665	1,060,323	497,880	10,931,996	39,961,732
Total comprehensive income for the quarter ended March 31, 2024									
Profit after taxation	-	-	-	-	-	-	-	1,708,021	1,708,021
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-	-	-
Effect of translation of net investment in foreign branches	-	-	(22,846)	-	-	-	-	-	(22,846)
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	-	(774,990)	-	-	-	(774,990)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	(134,019)	-	-	-	(134,019)
	-	-	(22,846)	-	(909,009)	-	-	1,708,021	776,166
Transfer to statutory reserve	-	-	-	341,604	-	-	-	(341,604)	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(4,716)	(236)	4,952	-
Balance as at March 31, 2024 (Un-audited)	20,506,625	2,689,217	654,182	3,538,602	(507,344)	1,055,607	497,644	12,303,365	40,737,898

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

**President and
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**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
Note	-----	-----
	Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,721,482	1,525,606
Less: Dividend income	(917,143)	(129,619)
	<u>2,804,339</u>	<u>1,395,987</u>
Adjustments:		
Depreciation on property and equipment	30 320,780	237,017
Depreciation on non-banking assets	30 8,875	6,395
Depreciation on right-of-use assets	30 290,970	263,554
Amortisation	30 82,814	57,561
Finance charges on leased assets	26 82,775	76,965
Charge for defined benefit plan	38,075	30,899
Unrealised loss on revaluation of investments measured at FVTPL - net	28 28,886	19,117
Credit loss allowance / Provisions and write offs - net	33 710,688	762,692
Provision for workers' welfare fund	31 75,501	31,477
Gain on sale of property and equipment - net	29 (1,335)	(25,366)
Gain on termination of leases - net	29 (3,318)	(7,107)
	<u>1,634,711</u>	<u>1,453,204</u>
	<u>4,439,050</u>	<u>2,849,191</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	-	10,513,823
Securities measured at FVTPL	(14,537,004)	(2,667,927)
Advances	4,809,249	6,824,425
Other assets	(1,003,818)	2,030,338
	<u>(10,731,573)</u>	<u>16,700,659</u>
Increase / (decrease) in operating liabilities		
Bills payable	(604,231)	806,684
Borrowings	557,707	(46,462,106)
Deposits and other accounts	27,730,401	(27,144,121)
Other liabilities	1,847,994	(1,516,385)
	<u>29,531,871</u>	<u>(74,315,928)</u>
	<u>23,239,348</u>	<u>(54,766,078)</u>
Income tax paid	(932,637)	(358,513)
Net cash flows generated from / (used in) operating activities	<u>22,306,711</u>	<u>(55,124,591)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities measured at FVOCI	(17,950,074)	17,989,163
Net investments in securities measured at amortised cost	(1,715,985)	47,766,503
Dividend received	24,202	19,081
Investments in property and equipment	(479,510)	(284,645)
Investments in intangible assets	(459,728)	(158,170)
Proceeds from sale of property and equipment	15,706	104,406
Effect of translation of net investment in foreign branch	(22,846)	216,115
Net cash flows (used in) / generated from investing activities	<u>(20,588,235)</u>	<u>65,652,453</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease obligations against right-of-use assets	(375,098)	(360,495)
Repayment of subordinated debt	(234)	-
Net cash flows (used in) / generated from financing activities	<u>(375,332)</u>	<u>(360,495)</u>
Increase in cash and cash equivalents	<u>1,343,144</u>	<u>10,167,367</u>
Cash and cash equivalents at beginning of the period	44,073,112	25,273,672
Cash and cash equivalents at end of the period	<u>45,416,256</u>	<u>35,441,039</u>

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

**President and
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**Chief Financial
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Director

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Chairman

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

1. STATUS AND NATURE OF BUSINESS

1.1 JS Bank Limited (the Bank / JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). The Bank commenced its banking operations on December 30, 2006 and its registered office is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

The Bank is a scheduled bank, engaged in commercial banking and related services as described in the Banking Companies Ordinance, 1962 and is operating through 292 (December 31, 2023: 291) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2023: 1). The Pakistan Credit Rating Agency Limited (PACRA) has assigned the long-term entity rating of the Bank to AA- (Double A Minus) whereas short-term rating is maintained at A1+ (A One Plus), which is the highest possible short-term rating. The ratings denote a very low expectation of credit risk and indicate very strong capacity for timely repayment of financial commitments.

1.2 Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL, in their respective extraordinary general meetings held on July 31, 2006, approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

2. BASIS OF PRESENTATION

The disclosures made in these condensed interim unconsolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 02 dated February 09, 2023 and IAS 34.

These condensed interim unconsolidated financial statements are separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and are accounted for on the basis of direct equity interest rather than on the basis of reported results. The condensed interim consolidated financial statements of the Bank are being issued separately.

These condensed interim unconsolidated financial statements have been presented in Pakistan Rupees (PKR), which is the currency of the primary economic environment in which the Bank operates and functional currency of the Bank. The amounts are rounded to nearest thousand except as stated otherwise

2.1 Statement of Compliance

These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

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

These condensed interim unconsolidated financial statements do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2023.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies vide BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks vide its notification S.R.O 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

International Financial Reporting Standard (IFRS) 10, 'Consolidated Financial Statements', was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I)/2016 dated January 28, 2016, that the requirement of consolidation under section 228 of the Companies Act, 2017 and IFRS 10, 'Consolidated Financial Statements' is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements.

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

There are certain new and amended standards, interpretations of and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2024 but are considered not to be relevant or do not have any significant effect on the Bank's operations.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements are the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2023.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2023 except for the adoption of IFRS 9 Financial Instruments w.e.f January 01, 2024.

4.1 Changes in accounting policies and transition disclosures

4.1.1 Impact of IFRS 9 - Financial Instruments

As permitted by the transitional provisions of IFRS 9, the Bank has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves at the beginning of the current year without restating the comparatives.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'.

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4.1.2 Reconciliation of statement of financial position balances from existing requirements to IFRS 9

The following table reconciles the carrying amounts of financial assets and financial liabilities, from their previous measurement category in accordance with previous requirements to their new measurement categories upon transition to IFRS 9 on January 01, 2024.

Carrying amount as per previous accounting policy as at December 31, 2023	Classification under IFRS 9				Remeasurement under IFRS 9 (ECL)	IFRS 9 carrying amount as at January 01, 2024
	At FVPL	At FVOCI - with recycling	At FVOCI - without recycling	At Amortised Cost		
Rupees in '000 -----						
Cash and balances with treasury banks	40,895,031	-	-	-	-	40,895,031
Balances with other banks	3,727,490	-	-	-	(2,975)	3,724,515
Advances	203,726,900	-	-	-	(683,782)	203,043,118
Investments						
Held for trading	47,925	47,925	-	-	-	47,925
Available for sale	164,198,559	-	160,664,988	3,533,571	(3,205)	164,195,354
Held to maturity	102,146,174	-	-	-	-	102,146,174
Other assets	37,964,595	-	-	-	-	37,964,595
Other liabilities	(17,888,422)	-	-	-	(16,578)	(17,905,000)
	534,818,252	47,925	160,664,988	3,533,571	(706,540)	534,111,712

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2023.

	(Un-audited) March 31, 2024	(Audited) December 31, 2023
Rupees in '000 -----		
6. CASH AND BALANCES WITH TREASURY BANKS	Note	
In hand		
Local currency	11,424,040	8,606,571
Foreign currencies	1,854,271	2,159,380
	13,278,311	10,765,951
With State Bank of Pakistan in		
Local currency current account	22,330,855	20,387,010
Foreign currency current accounts	1,945,630	2,071,676
Foreign currency deposit accounts	5,046,293	4,614,459
	29,322,778	27,073,145
With National Bank of Pakistan in local currency current accounts	1,723,137	3,038,343
National Prize Bonds	11,275	17,592
Less: Credit loss allowance held	-	-
	44,335,501	40,895,031
7. BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	5,636	5,636
In deposit accounts	73	73
	5,709	5,709
Outside Pakistan		
In current accounts	2,988,361	3,721,855
	2,994,070	3,727,564
Less: Credit loss allowance held	(2,332)	(74)
	2,991,738	3,727,490
8. LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (reverse repo)	-	-
Less: Credit loss allowance held	-	-
	-	-

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9.1.1 The market value of securities classified as measured at amortised cost (December 31, 2023: HTM) as at March 31, 2024 amounted to Rs. 101,839.637 million (December 31, 2023: Rs. 100,310.906 million).

	(Un-audited)		(Audited)	
	March 31, 2024		December 31, 2023	
	Cost	Market value	Cost	Market value
9.2 Investments given as collateral	----- Rupees in '000 -----			
Federal Government Securities				
Market Treasury Bills	-	-	-	-
Pakistan Investment Bonds - Floater	-	-	-	-
	-	-	-	-

	Note	(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
9.3 Credit loss allowance / provision for diminution in value of investments		----- Rupees in '000 -----	
Opening balance		796,641	647,221
Impact of adoption of IFRS 9		3,205	-
Exchange rate adjustments		(4,144)	44,314
Charge for the period / year		2,521	113,311
Reversals for the period / year		(38,429)	(8,205)
	33	(35,908)	105,106
Closing balance		759,794	796,641

9.3.2 Particulars of credit loss allowance against debt securities

Category of classification	(Un-audited)	
	March 31, 2024	
	Outstanding amount	Credit loss allowance held
	----- Rupees in '000 -----	
Domestic		
Performing Stage 1	1,412,675	5,727
Under-performing Stage 2	-	-
Non-performing Stage 3		
Substandard	-	-
Doubtful	-	-
Loss	303,107	303,107
	1,715,782	308,834
Overseas		
Performing Stage 1	10,243,725	153
Under-performing Stage 2	1,402,880	84,328
Non-performing Stage 3		
Substandard	-	-
Doubtful	-	-
Loss	555,882	186,745
	12,202,487	271,226
Total	13,918,269	580,060

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9.4 Summary of financial position and performance of associates

	March 31, 2024 (Un-audited)			
	Assets	Liabilities	Revenue	Loss
	Rupees in '000			
Omar Jibran Engineering Industries Limited	4,640,055	2,556,248	995,287	(306,074)
Veda Transit Solutions Private Limited	3,787,012	3,391,940	614,633	(21,995)
	December 31, 2023 (Audited)			
	Rupees in '000			
	Assets	Liabilities	Revenue	Loss
Omar Jibran Engineering Industries Limited	5,372,772	2,430,640	2,345,882	(145,624)
Veda Transit Solutions Private Limited	4,242,630	3,236,774	2,468,979	(80,262)

10. ADVANCES

	Note	March 31, 2024 (Un-audited)		
		Performing	Non-Performing	Total
		Rupees in '000		
Loans, cash credits, running finances, etc.		182,665,800	16,832,980	199,498,780
Bills discounted and purchased		9,336,005	-	9,336,005
Advances - gross		192,001,805	16,832,980	208,834,785
Credit loss allowance against advances				
- Stage 1		(302,067)	-	(302,067)
- Stage 2		(266,244)	-	(266,244)
- Stage 3		-	(10,817,830)	(10,817,830)
	10.3	(568,311)	(10,817,830)	(11,386,141)
Advances - net of credit loss allowance		191,433,494	6,015,150	197,448,644
		December 31, 2023 (Audited)		
		Rupees in '000		
		Performing	Non-Performing	Total
Loans, cash credits, running finances, etc.		186,577,182	16,184,450	202,761,632
Bills discounted and purchased		11,025,154	-	11,025,154
Advances - gross		197,602,336	16,184,450	213,786,786
Provision against advances				
- Specific		-	(9,660,542)	(9,660,542)
- General		(377,450)	-	(377,450)
- Provision under IFRS-9		(21,894)	-	(21,894)
		(399,344)	(9,660,542)	(10,059,886)
Advances - net of provision		197,202,992	6,523,908	203,726,900
		(Un-audited)		(Audited)
		March 31, 2024		December 31, 2023
		Rupees in '000		
10.1 Particulars of advances (gross)				
In local currency		200,374,843		202,199,868
In foreign currencies		8,459,942		11,586,918
		208,834,785		213,786,786
10.2	Advances include Rs. 16,832.980 million (December 31, 2023: Rs. 16,184.450 million) which have been placed under Stage 3 / Non-performing status as detailed below:			
		(Un-audited)		(Audited)
		March 31, 2024		December 31, 2023
Category of classification		Non-Performing Loans	Credit loss allowance	Non-Performing Loans
				Provision
		Rupees in '000		
Domestic				
Other Assets Especially Mentioned*		404,354	4,334	363,753
Substandard	} Stage 3	1,040,510	62,484	1,336,698
Doubtful		3,131,098	257,032	2,509,560
Loss		12,257,018	10,493,980	11,974,439
Total		16,832,980	10,817,830	16,184,450
				9,660,542

* The Other Assets Especially Mentioned category pertains to agriculture, housing and small enterprises financing.

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10.3 Particulars of credit loss allowance against advances

		March 31, 2024 (Un-audited)			
		Stage 3	Stage 2	Stage 1	Total
Note		----- Rupees in '000 -----			
	Opening balance	9,660,542	-	399,344	10,059,886
	Impact of adoption of IFRS 9	121,453	244,315	318,014	683,782
	Exchange rate adjustments	-	-	(259)	(259)
	Charge for the period	1,225,135	21,929	-	1,247,064
	Reversals for the period	(99,379)	-	(415,032)	(514,411)
	33	1,125,756	21,929	(415,032)	732,653
	Amounts charged off - agricultural financing	(73,816)	-	-	(73,816)
	Amount written off	(16,105)	-	-	(16,105)
	Closing balance	10,817,830	266,244	302,067	11,386,141
	10.3.3				
		December 31, 2023 (Audited)			
		Specific	General	Provision under IFRS 9	Total
		----- Rupees in '000 -----			
	Opening balance	7,210,740	200,614	11,500	7,422,854
	Exchange rate adjustments	-	-	2,856	2,856
	Charge for the period	3,128,536	176,836	7,538	3,312,910
	Reversals for the period	(624,082)	-	-	(624,082)
		2,504,454	176,836	7,538	2,688,828
	Amount written off	(54,652)	-	-	(54,652)
	Closing balance	9,660,542	377,450	21,894	10,059,886

10.3.3 The State Bank of Pakistan through various circulars has allowed benefit of the forced sale value (FSV) of Plant and Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loans (NPLs) for a maximum of five years from the date of classification. As at March 31, 2024, the Bank has availed cumulative FSV benefit under the directives of the SBP of Rs. 4,066.282 million (December 31, 2023: Rs. 3,914.240 million).

The additional profit arising from availing the FSV benefit - net of tax amounts to Rs. 2,073.804 million (December 31, 2023: Rs. 1,996.262 million). The additional impact on profitability arising from availing the benefit of FSV shall not be available for payment of cash or stock dividend to shareholders or bonus to employees under the requirements of Prudential Regulations of Corporate / Commercial Banking of SBP.

10.4 Advances - Particulars of credit loss allowance

		March 31, 2024 (Un-audited)		
		Stage 1	Stage 2	Stage 3
		----- Rupees in '000 -----		
	Opening balance	399,344	-	9,660,542
	Impact of adoption of IFRS 9	318,014	244,315	121,453
	New Advances	3,091	56,973	1,223,241
	Advances derecognised / repaid	(427,883)	(23,649)	(99,379)
	Transfer to stage 1	19,420	(13,628)	(5,792)
	Transfer to stage 2	(9,275)	26,058	(16,783)
	Transfer to stage 3	(644)	(23,825)	24,469
		(415,291)	21,929	1,125,756
	Amounts written off	-	-	(89,921)
	Changes in risk parameters	-	-	-
	Closing balance	302,067	266,244	10,817,830

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		<u>March 31, 2024 (Un-audited)</u>	
		<u>Outstanding amount</u>	<u>Credit loss allowance held</u>
		----- Rupees in '000 -----	
10.5	Advances - Category of classification		
	Domestic		
	Performing Stage 1	140,560,825	282,592
	Under-performing Stage 2	48,229,116	266,244
	Non-performing Stage 3		
	Substandard	-	-
	Doubtful	-	-
	Loss	16,899,302	10,817,830
		<u>205,689,243</u>	<u>11,366,666</u>
	Overseas		
	Performing Stage 1	3,145,542	19,475
	Under-performing Stage 2	-	-
	Non-performing Stage 3		
	Substandard	-	-
	Doubtful	-	-
	Loss	-	-
		<u>3,145,542</u>	<u>19,475</u>
	Total	<u><u>208,834,785</u></u>	<u><u>11,386,141</u></u>
		(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
11.	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	509,242	450,659
	Property and equipment	8,262,000	8,176,443
		<u>8,771,242</u>	<u>8,627,102</u>
11.1	Capital work-in-progress		
	Civil works	203,872	277,785
	Equipment	67,020	162,148
	Advances to suppliers	238,350	10,726
		<u>509,242</u>	<u>450,659</u>
		(Un-audited)	
		January - March 2024	January - March 2023
11.2	Additions to property and equipment		
	The following additions have been made to property and equipment during the period:		
	Capital work-in-progress - net	295,554	119,452
	Property and equipment		
	Leasehold improvements	195,802	92,850
	Furniture and fixture	56,216	50,231
	Electrical, office and computer equipments	159,398	142,214
	Vehicles	9,511	-
		<u>420,927</u>	<u>285,295</u>
	Total	<u><u>716,481</u></u>	<u><u>404,747</u></u>

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11.2.1 This includes transfer from capital work in progress during the period of Rs. 236.971 million (March 31, 2023: Rs. 120.102 million).

		(Un-audited)	
		January - March 2024	January - March 2023
		----- Rupees in '000 -----	
11.3	Disposal of fixed assets		
	The net book value of property and equipment disposed off during the period is as follows:		
	Property and equipment		
	Building on leasehold land	-	61,165
	Leasehold improvements	3,044	1,219
	Furniture and fixture	859	1,846
	Electrical, office and computer equipments	3,999	11,172
	Vehicles	6,469	3,638
	Total	14,371	79,040

		(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
		----- Rupees in '000 -----	
12.	RIGHT-OF-USE ASSETS		
	Note		
	Opening balance	2,139,578	2,286,719
	Additions / renewals	452,718	1,147,815
	Terminations	(13,165)	(177,510)
	Depreciation charge	(290,970)	(1,126,808)
	Exchange rate adjustments	(240)	5,685
	Other adjustments	-	3,677
	Closing balance	2,287,921	2,139,578

13.	INTANGIBLE ASSETS		
	Capital work-in-progress - computer software	1,275,576	815,848
	Computer software	2,510,579	2,593,435
	Goodwill	1,463,624	1,463,624
		5,249,779	4,872,907

		(Un-audited)	
		January - March 2024	January - March 2023
		----- Rupees in '000 -----	
13.1	Additions to intangible assets		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress - net	459,728	132,435
	Computer software	-	126,790
		459,728	259,225

13.1.1 This includes transfer from capital work in progress during the period of Nil (March 31, 2023: Rs. 101.055).

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	(Un-audited) March 31, 2024	(Audited) December 31, 2023
14. OTHER ASSETS		
	----- Rupees in '000 -----	
Mark-up / return / interest accrued in local currency	24,052,229	23,018,231
Mark-up / return / interest accrued in foreign currencies	216,321	155,308
Advances, deposits, advance rent and other prepayments	1,628,904	1,239,908
Acceptances	2,531,959	2,622,716
Dividend receivable	892,941	-
Stationery and stamps in hand	15,794	21,290
Receivable in respect of home remittance	31,651	30,805
Due from State Bank of Pakistan	751,524	807,190
Non-banking assets acquired in satisfaction of claims	4,767,331	4,775,743
Mark to market gain on forward foreign exchange contracts	528,642	1,642,158
Advance against investments in securities	1,028,858	1,178,306
Branchless banking fund settlement	-	202,425
Inter bank fund transfer settlement	1,959,703	1,079,395
Credit card settlement	471,418	498,755
Insurance claims receivable	26,984	27,302
Others	443,624	155,791
	<u>39,347,883</u>	<u>37,455,323</u>
Less: Credit loss allowance / Provision held against other assets	14.1 (11,241)	(11,241)
Other assets - net of credit loss allowance	<u>39,336,642</u>	<u>37,444,082</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	22 520,050	520,513
Other assets - total	<u>39,856,692</u>	<u>37,964,595</u>
14.1 Credit loss allowance / Provision held against other assets		
Advances, deposits, advance rent and other prepayments	10,184	10,184
Others	1,057	1,057
	<u>11,241</u>	<u>11,241</u>
15. BILLS PAYABLE		
In Pakistan	4,703,254	5,269,279
Outside Pakistan	361,236	399,442
	<u>5,064,490</u>	<u>5,668,721</u>
16. BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan under:		
Export refinancing scheme	14,401,562	13,554,172
Long-term finance facility	1,872,078	2,014,764
Financing facility for storage of agricultural produce	127,766	133,729
Financing facility for renewable energy projects	1,153,700	1,157,963
Refinance for women entrepreneurs	159,217	165,296
Refinance facility for modernization of Small and Medium Enterprises (SMEs)	147,503	157,968
Refinance facility for combating COVID-19	132,947	152,375
Temporary economic refinance facility	4,599,986	4,714,801
Small enterprise financing and credit guarantee scheme for special persons	1,696	1,978
Refinance facility for working capital of SMEs	210,783	193,750
Refinance facility for SME Asaan Finance (SAAF) scheme	1,450,003	1,438,299
	<u>24,257,241</u>	<u>23,685,095</u>
Borrowing from financial institutions:		
Refinancing facility for mortgage loans	2,973,462	2,987,901
	<u>27,230,703</u>	<u>26,672,996</u>
Unsecured		
Overdrawn nostro accounts	1,913,315	549,483
	<u>29,144,018</u>	<u>27,222,479</u>
16.1 Particulars of borrowings		
In local currency	27,230,703	26,672,996
In foreign currencies	1,913,315	549,483
	<u>29,144,018</u>	<u>27,222,479</u>

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17. DEPOSITS AND OTHER ACCOUNTS

	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	129,038,307	10,585,316	139,623,623	128,237,399	11,215,356	139,452,755
Savings deposits	153,599,924	13,698,491	167,298,415	119,326,770	6,400,278	125,727,048
Term deposits	136,635,002	36,365,456	173,000,458	139,870,324	45,365,021	185,235,345
Margin deposits	21,276,184	96	21,276,280	19,264,764	566,321	19,831,085
	440,549,417	60,649,359	501,198,776	406,699,257	63,546,976	470,246,233
Financial Institutions						
Current deposits	1,592,443	173,900	1,766,343	978,840	283,096	1,261,936
Savings deposits	7,918,072	3,279	7,921,351	11,207,875	525	11,208,400
Term deposits	3,126,709	-	3,126,709	3,566,209	-	3,566,209
	12,637,224	177,179	12,814,403	15,752,924	283,621	16,036,545
	453,186,641	60,826,538	514,013,179	422,452,181	63,830,597	486,282,778

18. LEASE LIABILITIES

	Note	(Un-audited) March 31, 2024	(Audited) December 31, 2023
----- Rupees in '000 -----			
Opening balance		2,234,115	2,545,780
Additions / renewals		452,718	1,147,815
Terminations		(16,483)	(226,861)
Finance charges on leased assets		82,775	300,981
Payments		(375,098)	(1,551,908)
Exchange rate adjustments		(235)	5,516
Other adjustments		-	12,792
Closing balance		2,377,792	2,234,115

18.1 Outstanding liabilities

Not later than one year	220,010	161,144
Later than one year and upto five years	1,066,578	1,116,855
Over five years	1,091,204	956,116
Total	2,377,792	2,234,115

19. SUBORDINATED DEBT

Term Finance Certificates - Fifth Issue	19.1	3,499,533	3,499,767
Term Finance Certificates - Fourth Issue	19.2	2,498,000	2,498,000
Term Finance Certificates - Third Issue	19.3	2,500,000	2,500,000
		8,497,533	8,497,767

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

19.1 In 2023, the Bank had issued Rs. 3.5 billion of rated, privately placed and listed (in process), unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	August 30, 2023
Tenure:	Up to ten years from the issue date.
Maturity date:	August 30, 2033
Rating:	A+ (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base Rate is defined as the average three months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each three monthly period.
Profit payment:	Quarterly
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital.
Call option:	Exercisable in part or in full on or after five years from the issue date, subject to SBP's approval.
Lock-in-clause:	Principal and profit will be payable subject to compliance with MCR or CAR or Leverage Ratio set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability (PONV) event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of PONV as declared by SBP, subject to a cap of 924,772,179 shares.

19.2 In 2021, the Bank had issued Rs. 2.5 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 28, 2021
Tenure:	Up to Seven years from the issue date.
Maturity date:	December 28, 2028
Rating:	A + (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital.
Call option:	Exercisable in part or in full on or after the 10th redemption, subject to SBP's approval.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability (PONV) event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of PONV as declared by SBP, subject to a cap of 400,647,739 shares.

JS BANK LIMITED
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19.3 In 2018, the Bank had issued Rs. 2.5 billion of rated, privately placed, unsecured, subordinated, perpetual and non-cumulative term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by the State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier I Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 31, 2018
Maturity date:	Perpetual
Rating:	A (Single A)
Profit rate:	Floating rate of return at Base Rate + 2.25 percent per annum; Base Rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annually on a non-cumulative basis
Redemption:	Not applicable
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated as to payment of principal and profit to all other claims except common shares.
Call option:	Exercisable in part or in full at a par value on or after five years from the issue date, with prior approval of SBP. The Bank shall not exercise the call option unless the called instrument is replaced with capital of same or better quality.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	
Pre-Specified Trigger (PST)	<p>Upon the occurrence of a PST as defined under SBP BPRD Circular No. 06 dated August 15, 2013 which stipulates that if an Issuer's Common Equity Tier 1 (CET 1) ratio falls to or below 6.625% of Risk Weighted Assets (RWAs), the Issuer will have full discretion to determine the amount of TFCs to be permanently converted into common shares or written off, subject to SBP regulations / instructions, and the cap specified below. The Bank will be able to exercise this discretion subject to:</p> <ul style="list-style-type: none"> - If and when Bank's CET 1 reaches the loss absorption trigger point, the aggregate amount of Additional Tier-1 capital to be converted must at least be the amount sufficient to immediately return the CET 1 ratio to above 6.625% of total RWAs (if possible); - The converted amount should not exceed the amount needed to bring the CET 1 ratio to 8.5% of RWAs (i.e. minimum CET 1 of 6.0% plus capital conservation buffer of 2.5%); and - In case, conversion of Additional Tier-1 capital Instrument is not possible following the trigger event, the amount of the Instrument must be written off in the accounts resulting in increase in CET 1 of the Issuer.
Point of Non-Viability (PONV)	<p>Upon the occurrence of a PONV event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Bank's common / ordinary share on the date of the PONV trigger event as declared by SBP, subject to the cap specified below:</p> <p>The PONV trigger event is the earlier of:</p> <ul style="list-style-type: none"> - A decision made by SBP that a conversion or temporary / permanent write-off is necessary without which the Issuer would become non-viable; - The decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by SBP. - The maximum number of shares to be issued to TFC holders at the PST and / or PONV (or otherwise as directed by SBP) will be subject to a specified cap of 329,595,476 ordinary shares, or such other number as may be agreed to in consultation with SBP.

JS BANK LIMITED
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		(Un-audited) March 31, 2024	(Audited) December 31, 2023
	Note	----- Rupees in '000 -----	
20. DEFERRED TAX LIABILITIES			
Deductible Temporary Differences on:			
Credit loss allowance / provision against investments		(81,579)	(80,009)
Credit loss allowance / provision against loans and advances		(990,538)	(734,869)
Surplus on revaluation of investments classified as measure at FVOCI / available-for-sale	22	(489,871)	-
Other assets		(44,171)	(30,437)
		(1,606,159)	(845,315)
Taxable Temporary Differences on:			
Accelerated tax depreciation		754,562	702,195
Goodwill		717,176	717,176
Surplus on revaluation of investments classified as measure at FVOCI / available-for-sale	22	-	385,918
Surplus on revaluation of fixed assets	22	328,970	333,501
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	22	22,406	22,633
		1,823,114	2,161,423
		216,955	1,316,108
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		7,714,610	5,971,062
Mark-up / return / interest payable in foreign currencies		543,579	446,941
Unearned income on guarantees		425,260	398,300
Accrued expenses		940,139	1,550,139
Current taxation (payments less provision)		992,312	34,325
Acceptances		2,531,959	2,622,716
Unclaimed dividends		4,214	4,214
Mark to market loss on forward foreign exchange contracts		1,505,072	1,609,783
Defined benefit obligation - net		171,266	133,191
Withholding taxes payable		1,005,920	1,085,992
Donation payable		244,949	169,813
Security deposits against leases, lockers and others		1,531,264	1,640,270
Workers' welfare fund		446,853	371,352
Payable in respect of home remittance		30,436	35,659
Retention money payable		72,146	58,836
Insurance payable		273,444	249,979
Payable to vendors against SBS goods		251,203	282,322
Debit card settlement		340,354	473,999
Clearing and settlement accounts		1,221,919	499,770
Branchless banking fund settlement		152,926	-
Credit loss allowance against off-balance sheet obligations	21.1	30,426	-
Others		363,543	249,759
		20,793,794	17,888,422
21.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		-	-
Impact of adoption of IFRS 9		16,578	-
Reclassified from advances		1,575	-
Charge for the period / year		12,273	-
Reversals for the period / year		-	-
		12,273	-
Closing balance		30,426	-

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FOR THE QUARTER ENDED MARCH 31, 2024

		(Un-audited) March 31, 2024	(Audited) December 31, 2023
22. SURPLUS ON REVALUATION OF ASSETS	Note	----- Rupees in '000 -----	
Surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI / available-for-sale	9.1	(997,215)	787,583
- Fixed assets		1,384,577	1,393,824
- Non-banking assets acquired in satisfaction of claims	14	520,050	520,513
		907,412	2,701,920
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI / available-for-sale		489,871	(385,918)
- Fixed assets		(328,970)	(333,501)
- Non-banking assets acquired in satisfaction of claims		(22,406)	(22,633)
		138,495	(742,052)
		1,045,907	1,959,868
23. CONTINGENCIES AND COMMITMENTS			
Guarantees		83,396,396	72,956,594
Commitments		174,291,166	162,815,632
Other contingencies		729,069	736,214
		258,416,631	236,508,440
23.1 Guarantees			
Financial guarantees		8,807,632	8,425,132
Performance guarantees		37,442,294	33,842,832
Other guarantees		37,146,470	30,688,630
		83,396,396	72,956,594
23.2 Commitments			
Documentary credits and short-term trade-related transactions			
- Letters of credit		42,788,217	42,357,815
Commitments in respect of:			
- Forward foreign exchange contracts		131,397,129	120,272,393
- Forward lending		-	10,000
Commitments for acquisition of:			
- Fixed assets and intangible assets	23.2.4	105,820	175,424
		174,291,166	162,815,632
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		83,730,277	71,216,019
Sale		47,666,852	49,056,374
		131,397,129	120,272,393
23.2.2 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to lend		-	10,000
23.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.			
23.2.4 This represents commitments related to purchase of leasehold improvements, furniture and fixtures, hardware & network equipment, electrical equipment and computer software.			
		(Un-audited) March 31, 2024	(Audited) December 31, 2023
23.3 Other contingencies	Note	----- Rupees in '000 -----	
23.3.1 Claims against the Bank not acknowledged as debts	23.3.1.1	729,069	736,214
23.3.1.1 These mainly represent counter claims filed by borrowers for damages, claims by former employees of the Bank and other claims relating to banking transactions.			
Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed interim unconsolidated financial statements.			
23.3.2 Tax related contingencies are disclosed in note 34.1.			

JS BANK LIMITED
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24. DERIVATIVE INSTRUMENTS

Derivative instruments, such as Forward Exchange Contracts, Cross Currency Swaps and Options, are forward transactions that provide market making opportunities / hedge against the adverse movement of interest and exchange rates. Derivatives business also provides risk solutions for the existing and potential customers of the Bank.

The Bank enters into a Cross Currency Swap transaction with its customer on back-to-back basis with an Authorized Derivative Dealer (ADD) without carrying any open position in its books. Specific approvals for the transactions have been granted by State Bank of Pakistan. Policies in line with SBP instructions have been formulated and are operative.

The Bank also enters into Foreign Currency & Commodity Options from its Wholesale Banking Branch Bahrain for market making activities.

These transactions cover the aspects of both market making and hedging.

The Bank held no derivative instruments as at quarter ended March 31, 2024 (December 31, 2023: Nil).

25. MARK-UP / RETURN / INTEREST EARNED

(Un-audited)
March 31, March 31,
2024 2023
----- Rupees in '000 -----

On:

Loans and advances	9,744,545	9,091,518
Investments	15,718,706	11,313,869
Lendings to financial institutions	291,906	33,322
Securities purchased under resale agreements	385,919	489,607
Balances with other banks	89,644	53,600
	26,230,720	20,981,916

25.1 Interest income recognised on:

Financial assets measured at FVOCI	10,308,312	-
Financial assets measured at amortised cost	15,922,408	-
	26,230,720	-

26. MARK-UP / RETURN / INTEREST EXPENSED

On:

Deposits	15,362,102	10,954,022
Borrowings	2,393,395	4,505,908
Subordinated debt	496,780	327,149
Cost of foreign currency swaps against foreign currency deposits / borrowings	887,910	62,110
Finance charges on leased assets	82,775	76,965
	19,222,962	15,926,154

26.1 Interest expense calculated using effective interest rate method

Other financial liabilities	2,890,175	-
	16,332,787	-
	19,222,962	-

JS BANK LIMITED
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		(Un-audited)	
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
27. FEE AND COMMISSION INCOME	Note		
Branch banking customer fees		24,687	39,524
Finance related fees		118,284	134,451
Card related fees (debit and credit cards)		203,170	98,472
Investment banking fees		3,500	28,750
Commission on trade		294,789	222,066
Commission on guarantees		160,806	169,095
Commission on cash management		8,395	14,845
Commission on remittances including home remittances		72,246	41,038
Commission on bancassurance		25,527	20,880
Commission on distribution of mutual funds		1,513	-
Commission on online services		38,535	94,800
Postage and courier income		6,310	2,818
Rebate income		145,407	87,925
		<u>1,103,169</u>	<u>954,664</u>
28. GAIN / (LOSS) ON SECURITIES - NET			
Realised	28.1	447,730	(488,357)
Unrealised - measured at FVTPL	9.1	(28,886)	(19,117)
		<u>418,844</u>	<u>(507,474)</u>
28.1 Realised gain / (loss) on:			
Federal government securities			
Market treasury bills		35,158	(423,025)
Pakistan investment bonds		538,374	(85,186)
Ijarah sukuk certificates		1,666	13,848
		575,198	(494,363)
Mutual fund units		-	5,646
Foreign currency bonds		(127,468)	360
	28.2	<u>447,730</u>	<u>(488,357)</u>
28.2 Net gain / (loss) on financial assets			
Measured at FVPL - designated upon initial recognition		(10,527)	-
Net gain on financial assets measured at FVOCI		429,371	-
		<u>418,844</u>	<u>-</u>
29. OTHER INCOME			
Rent income		3,642	1,452
Gain on sale of property and equipment - net		1,335	25,366
Gain on termination of leases - net		3,318	7,107
Others		3,578	-
		<u>11,873</u>	<u>33,925</u>

JS BANK LIMITED
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30. OPERATING EXPENSES

	(Un-audited)	
	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----	
Total compensation expense	2,404,273	1,943,371
Property expense		
Rent and taxes	23,663	7,307
Utilities cost	170,605	110,151
Security (including guards)	99,491	92,250
Repair and maintenance (including janitorial charges)	114,544	82,007
Depreciation	82,639	71,344
Depreciation on right-of-use assets	290,970	263,554
Depreciation on non-banking assets	8,875	6,395
	790,787	633,008
Information technology expenses		
Software maintenance	340,275	233,003
Hardware maintenance	61,448	23,717
Depreciation	137,835	79,360
Amortisation	82,814	57,561
Network charges	64,863	70,576
	687,235	464,217
Other operating expenses		
Directors' fees and allowances	3,000	3,000
Legal and professional charges	36,136	62,211
Insurance	59,983	56,205
Outsourced services costs	105,190	60,259
Travelling and conveyance	70,386	50,772
NIFT clearing charges	15,050	13,487
Depreciation	100,306	86,313
Training and development	12,903	6,699
Postage and courier charges	27,368	14,326
Communication	120,406	44,662
Stationery and printing	99,665	95,753
Marketing, advertisement and publicity	649,410	732,767
Donations	75,501	31,477
Auditors' remuneration	4,921	3,788
Staff auto fuel and maintenance	165,605	137,175
Bank charges	21,095	20,604
Stamp duty	7,379	15,032
Online verification charges	28,222	32,089
Brokerage, fee and commission	20,521	8,812
Card related fees (debit and credit cards)	384,421	136,657
Consultancy fee	21,580	17,790
Deposit protection premium	47,349	42,316
Entertainment expenses	49,298	40,379
Repair and maintenance	17,314	19,751
Cash handling charges	86,536	54,170
Fee and subscription	20,518	31,482
Employees social security	2,684	2,121
Generator fuel and maintenance	57,470	50,041
Others	21,554	12,522
	2,331,771	1,882,660
	6,214,066	4,923,256

JS BANK LIMITED
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31. WORKERS' WELFARE FUND

The Bank has made provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

		(Un-audited)	
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
32. OTHER CHARGES	Note		
Penalties imposed by State Bank of Pakistan		326	19,562

**33. CREDIT LOSS ALLOWANCE /
PROVISION AND WRITE OFFS - NET**

Credit loss allowance / provision against balances with other banks		(716)	14
Credit loss allowance / provision for diminution in value of investment	9.3	(35,908)	51,213
Credit loss allowance / provision against loans and advances	10.3	732,653	707,082
Other credit loss allowance / provision and write offs		14,659	4,383
		710,688	762,692

34. TAXATION

Current		1,890,624	476,869
Deferred		122,837	192,565
		2,013,461	669,434

34.1 There are no material changes in tax contingencies as disclosed in annual unconsolidated financial statements for the year ended December 31, 2023.

		(Un-audited)	
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
35. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit after taxation for the period		1,708,021	856,172
		----- Number of shares -----	
Weighted average number of ordinary shares		2,050,662,536	1,297,464,262
		----- Rupees -----	
Earnings per share - basic and diluted		0.83	0.66

		(Un-audited) March 31, 2024	(Audited) December 31, 2023	(Un-audited) March 31, 2023
		----- Rupees in '000 -----		
36. CASH AND CASH EQUIVALENTS	Note			
Cash and balances with treasury banks	6	44,335,501	40,895,031	33,982,736
Balances with other banks - gross	7	2,994,070	3,727,564	3,491,252
Overdrawn nostro accounts	16	(1,913,315)	(549,483)	(2,032,949)
		45,416,256	44,073,112	35,441,039

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

International Financial Reporting Standard (IFRS) 13, 'Fair Value Measurement' defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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. Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for 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 assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

Fair value hierarchy

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3:** Fair value measurements using unobservable inputs for the asset or liability.

37.1 Valuation techniques used in determination of fair values within level:

Item	Valuation approach and input used
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Financial Instruments - Level 1

Shares of listed companies	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange / Bloomberg.
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Financial instruments - Level 2

Mutual fund units	Fair values of investments in mutual fund units are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Market Treasury Bills (MTB), Pakistan Investment Bonds (PIB) and GoP Sukuks	Fair values of Pakistan Investment Bonds, Market Treasury Bills and GoP Sukuks are derived using PKRV, PKFRV and PKISRV rates.
Debt Securities (TFCs) and Sukuk other than Government	Investments in debt securities (comprising of Term Finance Certificates, Bonds and any other security issued by a company or a corporate body for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Overseas Government Sukuks, Overseas and Euro Bonds	The fair value of Overseas Government Sukuks, and Overseas & Euro Bonds are valued on the basis of price available on Bloomberg.
Forward foreign exchange contracts	The valuation has been determined by interpolating the foreign exchange revaluation rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currencies involved, interest rates, yield curves, volatilities, contracts duration, etc.

Financial instruments - Level 3

Currently, no financial instruments are classified in level 3.	
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, unavailability of reliable data regarding market rates for similar instruments.	

Non-Financial assets - Level 3

Fixed assets - Land and building	Fixed assets and Non-banking assets under satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values as disclosed in note 11 and 14 of these consolidated financial statements. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of State Bank of Pakistan. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.
Non-banking assets acquired in satisfaction of claims	These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statements.

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

37.3 The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

	March 31, 2024 (Un-audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----- Rupees in '000 -----			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	179,452,279	-	179,452,279
Shares	3,462,716	-	-	3,462,716
Non Government Debt Securities	-	1,386,792	-	1,386,792
Foreign Securities	10,569,134	84,865	-	10,653,999
Open end mutual funds	-	-	-	-
	14,031,850	180,923,936	-	194,955,786
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	101,839,637	-	101,839,637
	14,031,850	282,763,573	-	296,795,423
Non-Financial assets - measured at fair value				
Revalued fixed assets	-	-	4,171,241	4,171,241
Non-banking assets acquired in satisfaction of claims	-	-	5,369,827	5,369,827
	-	-	9,541,068	9,541,068
Off balance sheet financial instruments				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	82,252,712	-	82,252,712
Sale	-	47,165,718	-	47,165,718

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	December 31, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----- Rupees in '000 -----			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	140,427,168	-	140,427,168
Shares	3,444,798	-	-	3,444,798
Non Government Debt Securities	-	424,118	-	424,118
Foreign Securities	77,773	18,644,141	-	18,721,914
Open end mutual funds	-	-	-	-
	3,522,571	159,495,427	-	163,017,998

Financial assets - disclosed but not measured at fair value

Investments				
Federal Government Securities	-	100,310,906	-	100,310,906
	3,522,571	259,806,333	-	263,328,904

Non-Financial assets - measured at fair value

Revalued fixed assets	-	-	4,200,345	4,200,345
Non-banking assets acquired in satisfaction of claims	-	-	5,296,256	5,296,256
	-	-	9,496,601	9,496,601

Off balance sheet financial instruments

Commitments in respect of:

Forward foreign exchange contracts

Purchase	-	69,922,737	-	69,922,737
Sale	-	47,730,717	-	47,730,717

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38. SEGMENT INFORMATION

38.1 Segment Details with respect to Business Activities:

	For the quarter ended March 31, 2024 (Un-audited)						
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
	Rupees in '000						
Profit and loss account							
Net mark-up / return / interest / (expense)	(6,081,530)	(96,351)	13,442,258	204,031	(16,280)	(444,370)	7,007,758
Inter segment revenue - net	11,278,953	2,239,177	(12,522,410)	434,046	120,729	(1,550,495)	-
Non mark-up / return / income	500,497	398,206	1,712,727	148,166	46,872	907,837	3,714,305
Total income / (loss)	5,697,920	2,541,032	2,632,575	786,243	151,321	(1,087,028)	10,722,063
Segment direct expenses	2,848,250	174,613	51,411	412,833	927,651	1,875,135	6,289,893
Inter segment expense allocation	979,683	190,631	52,551	63,787	120,966	(1,407,618)	-
Total expenses	3,827,933	365,244	103,962	476,620	1,048,617	467,517	6,289,893
Credit loss allowance and write offs - net	98,545	641,935	(36,623)	15	-	6,816	710,688
Profit / (loss) before tax	1,771,442	1,533,853	2,565,236	309,608	(897,296)	(1,561,361)	3,721,482
	For the quarter ended March 31, 2023 (Un-audited)						
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
	Rupees in '000						
Profit and loss account							
Net mark-up / return / interest / (expense)	(3,000,604)	765,885	7,719,000	(106,588)	(5,405)	(316,526)	5,055,762
Inter segment revenue - net	8,026,690	1,003,161	(9,558,805)	533,954	59,138	(64,138)	-
Non mark-up / return / income	503,061	574,183	701,256	233,575	66,467	128,289	2,206,831
Total income / (loss)	5,529,147	2,343,229	(1,138,549)	660,941	120,200	(252,375)	7,262,593
Segment direct expenses	2,227,643	159,863	42,509	176,331	865,999	1,501,950	4,974,295
Inter segment expense allocation	1,095,010	168,046	46,453	35,298	105,356	(1,450,163)	-
Total expenses	3,322,653	327,909	88,962	211,629	971,355	51,787	4,974,295
Provisions and write offs - net	120,036	556,540	-	86,116	-	-	762,692
Profit / (loss) before tax	2,086,458	1,458,780	(1,227,511)	363,196	(851,155)	(304,162)	1,525,606
	As at March 31, 2024 (Un-audited)						
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
	Rupees in '000						
Statement of financial position							
Cash and bank balances	15,869,224	24,169	29,877,945	602,989	952,912	-	47,327,239
Lendings to financial institutions	-	-	-	-	-	-	-
Investments	-	-	281,988,270	13,691,222	-	24,224,650	319,904,142
Net inter segment lending	246,425,051	56,212,450	-	15,624,424	2,675,218	-	320,937,143
Advances - performing	67,834,986	111,922,022	-	7,201,783	-	5,043,014	192,001,805
Advances - non-performing	6,692,792	10,041,011	-	19,639	-	79,538	16,832,980
Advances - provisions - net	(2,653,636)	(8,682,055)	-	(7,596)	-	(42,854)	(11,386,141)
Others	71,874,142	113,280,978	-	7,213,826	-	5,079,698	197,448,644
Total Assets	334,168,417	169,517,597	311,866,215	38,310,767	3,628,130	84,291,676	941,782,802
Borrowings	7,627,761	18,271,690	3,244,567	-	-	-	29,144,018
Deposits and other accounts	320,430,061	150,873,771	-	38,254,467	3,628,130	826,750	514,013,179
Subordinated debt	-	-	-	-	-	8,497,533	8,497,533
Net inter segment borrowing	-	-	308,621,648	-	-	12,315,495	320,937,143
Others	6,110,595	372,136	-	56,300	-	21,914,000	28,453,031
Total Liabilities	334,168,417	169,517,597	311,866,215	38,310,767	3,628,130	43,553,778	901,044,904
Equity	-	-	-	-	-	40,737,898	40,737,898
Total Equity and Liabilities	334,168,417	169,517,597	311,866,215	38,310,767	3,628,130	84,291,676	941,782,802
Contingencies and Commitments	91,318,779	70,371,258	85,409,210	10,482,495	-	834,889	258,416,631
	As at December 31, 2023 (Audited)						
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
	Rupees in '000						
Statement of financial position							
Cash and bank balances	6,601,476	3,633	29,255,325	1,673,716	1,072,267	6,016,104	44,622,521
Lendings to financial institutions	-	-	-	-	-	-	-
Investments	-	-	241,068,907	22,083,318	-	24,326,630	287,478,855
Net inter segment lending	237,203,038	41,050,823	-	7,114,783	2,745,472	-	288,114,116
Advances - performing	73,093,100	112,007,279	-	7,267,979	-	5,233,978	197,602,336
Advances - non-performing	6,589,395	9,526,666	-	27,685	-	40,704	16,184,450
Advances - provisions - net	(2,932,017)	(7,065,190)	-	(21,976)	-	(40,703)	(10,059,886)
Others	76,750,478	114,468,755	-	7,273,688	-	5,233,979	203,726,900
Others	-	-	-	-	-	53,604,182	53,604,182
Total Assets	320,554,992	155,523,211	270,324,232	38,145,505	3,817,739	89,180,895	877,546,574
Borrowings	7,749,336	17,572,794	1,900,349	-	-	-	27,222,479
Deposits and other accounts	305,980,179	137,568,824	-	38,098,734	3,817,739	817,302	486,282,778
Subordinated debt	-	-	-	-	-	8,497,767	8,497,767
Net inter segment borrowing	-	-	268,423,883	-	-	19,690,233	288,114,116
Others	6,825,477	381,593	-	46,771	-	19,853,525	27,107,366
Total Liabilities	320,554,992	155,523,211	270,324,232	38,145,505	3,817,739	48,858,827	837,224,506
Equity	-	-	-	-	-	40,322,068	40,322,068
Total Equity and Liabilities	320,554,992	155,523,211	270,324,232	38,145,505	3,817,739	89,180,895	877,546,574
Contingencies and Commitments	77,650,720	37,673,689	120,272,393	-	-	911,638	236,508,440

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39. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, associates and other related parties.

The Bank enters into transactions with related parties in the ordinary course of business and substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of balances and transactions with related parties are as follows:

	As at March 31, 2024 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	----- Rupees in '000 -----					
Statement of financial position						
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the period	-	-	-	50,500,000	-	-
Repaid during the period	-	-	-	(50,500,000)	-	-
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	20,887,275	269,800	2,637,210
Investment made during the period	-	-	-	-	-	-
Investment redeemed / disposed off during the period	-	-	-	-	-	-
Deficit on investments	-	-	-	-	-	(224,113)
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	20,887,275	269,800	2,413,097
Credit loss allowance for diminution in value of investments	-	-	-	-	70,871	-
Advances						
Opening balance	-	247	482,029	-	185,733	1,922,929
Addition during the period	-	478	42,220	-	-	1,499,443
Repaid during the period	-	(465)	(34,274)	-	-	(1,339,569)
Transfer in / (out) - net	-	-	(104,423)	-	-	1,799
Closing balance	-	260	385,552	-	185,733	2,084,603
Other assets						
Mark-up / return / interest accrued	-	-	395	-	31,613	43,788
Receivable against bancassurance / bancatakaful	-	-	-	-	-	6,607
Prepaid insurance	-	-	-	-	-	66,602
Advance against investment in securities	-	-	-	-	-	1,178,306
Provision against other assets	-	-	-	-	-	-
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	-	-	-	-	-	-
Settled during the period	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	80,689	369	41,934	1,004,208	16,895	5,868,930
Received during the period	232,178	-	673,051	19,903,221	5,918	45,637,719
Withdrawn during the period	(206,822)	(284)	(636,883)	(19,669,645)	(892)	(46,015,871)
Transfer in / (out) - net	-	-	(20,575)	-	-	1,887
Closing balance	106,045	85	57,527	1,237,784	21,921	5,492,665
Subordinated debt						
Opening balance	-	-	-	-	-	20,000
Issued during the period	-	-	-	-	-	-
Redeemed during the period	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	20,000
Other liabilities						
Mark-up / return / interest payable on deposits	-	-	5	-	-	27,395
Mark-up / return / interest payable on subordinated debt	-	-	-	-	-	1,197
Payable to defined benefit plan	-	-	-	-	-	171,266
Donation payable	-	-	-	-	-	244,949
Contingencies and commitments						
Letter of guarantee	-	-	-	-	-	14,854
Letter of credit	-	-	-	-	-	442,902

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As at December 31, 2023 (Audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Rupees in '000						
Statement of financial position						
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the year	-	-	-	45,459,800	-	116,405,200
Repaid during the year	-	-	-	(45,459,800)	-	(116,405,200)
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	1,919,121	269,800	5,067,465
Investment made during the period	-	-	-	17,814,959	-	1,290,000
Investment redeemed / disposed off during the period	-	-	-	-	-	(1,790,000)
Deficit on investments	-	-	-	-	-	(777,060)
Transfer in / (out) - net	-	-	-	1,153,195	-	(1,153,195)
Closing balance	-	-	-	20,887,275	269,800	2,637,210
Provision for diminution in value of investments	-	-	-	-	70,871	-
Advances						
Opening balance	-	-	498,310	-	232,166	1,342,159
Addition during the year	-	1,997	174,782	-	-	8,810,838
Repaid during the year	-	(2,240)	(170,324)	-	(46,433)	(8,243,696)
Transfer in / (out) - net	-	490	(20,739)	-	-	13,628
Closing balance	-	247	482,029	-	185,733	1,922,929
Other assets						
Mark-up / return / interest accrued	-	-	426	-	12,869	32,471
Receivable against bancassurance / bancatakaful	-	-	-	-	-	15,358
Prepaid insurance	-	-	-	-	-	587
Net defined benefit plan	-	-	-	-	-	-
Advance against investment in securities	-	-	-	-	-	1,178,306
Provision against other assets	-	-	-	-	-	-
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the year	-	-	-	-	-	-
Settled during the year	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	130,430	290	47,853	1,374,281	2,621	12,800,727
Received during the year	20,697,001	2,406	946,674	258,359,484	2,167,505	181,116,923
Withdrawn during the year	(20,746,742)	(2,327)	(946,477)	(258,729,557)	(2,158,470)	(187,829,237)
Transfer in / (out) - net	-	-	(6,116)	-	5,239	(219,483)
Closing balance	80,689	369	41,934	1,004,208	16,895	5,868,930
Subordinated debts						
Opening balance	-	-	-	-	-	124,714
Issued during the year	-	-	-	-	-	20,000
Redeemed during the year	-	-	-	-	-	(124,714)
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	20,000
Other liabilities						
Mark-up / return / interest payable on deposits	-	-	-	-	-	16,403
Mark-up / return / interest payable on subordinated debt	-	-	-	-	-	13
Payable to defined benefit plan	-	-	-	-	-	133,191
Donation Payable	-	-	-	-	-	169,813
Others payable	400	-	-	-	-	-
Contingencies and commitments						
Letter of guarantee	-	-	-	-	-	15,141
Letter of Credit	-	-	-	-	-	516,329
Forward lending	-	-	-	-	-	-

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For the quarter ended March 31, 2024 (Un-audited)						
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Rupees in '000						
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	4,885	36,178	11,008	68,264
Fee and commission income	-	35	373	1,513	-	25,763
Dividend income	-	-	-	832,812	-	42,497
Credit loss allowance and write offs - net						
Credit loss allowance for diminution in value of investments - net	-	-	-	-	-	-
Expense						
Mark-up / return / interest paid	3,073	-	184	48,278	187	213,791
Remuneration paid	-	-	241,294	-	-	-
Directors' fees and allowances	-	3,000	-	-	-	-
Net charge for defined contribution plans	-	-	-	-	-	90,354
Net charge for defined benefit plans	-	-	-	-	-	38,075
Insurance Expense	-	-	-	-	-	20,623
Donation Expense	-	-	-	-	-	81,791
Consultancy Charges	-	-	-	-	-	15,577
Other expenses	1,400	-	-	-	-	53
Payments made during the period						
Insurance premium paid	-	-	-	-	-	82,377
Insurance claims settled	-	-	-	-	-	1,704
Other Transactions						
Sale of Government Securities	-	-	2,971	-	-	15,317,459
Purchase of Government Securities	-	-	3,148	-	-	8,898,599
Sale of Foreign Currencies	-	-	-	6,097,375	-	-
Purchase of Foreign Currencies	-	-	-	20,847,059	-	-

For the quarter ended March 31, 2023 (Un-audited)						
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Rupees in '000						
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	5,870	-	10,838	70,395
Fee, commission and brokerage income	-	-	320	2	6	21,544
Dividend income	-	-	-	-	-	98,808
Gain / (loss) on sale of securities - net	-	-	-	-	-	5,647
Provisions and write offs - net						
Provision for diminution in value of investments - net	-	-	-	-	-	-
Expense						
Mark-up / return / interest paid	5,166	-	374	59,739	-	257,747
Commission / charges paid	-	-	-	325	-	-
Remuneration paid	-	-	145,370	-	-	-
Non-executive directors' fee	-	3,000	-	-	-	-
Net charge for defined contribution plans	-	-	-	-	-	77,180
Net charge for defined benefit plans	-	-	-	-	-	30,899
Insurance Expense	-	-	-	-	-	34,697
Donation	-	-	-	-	-	31,477
Legal charges	4,724	-	-	-	-	-
Advisory fee	-	-	-	-	-	-
Consultancy Charges	-	-	-	-	-	10,500
Other expenses	-	-	1,154	-	-	2,448
Payments made during the period						
Insurance premium paid	-	-	-	-	-	180,207
Insurance claims settled	-	-	-	-	-	5,003
Other transactions						
Sale of Government Securities	-	-	15,317	-	-	24,955,530
Purchase of Government Securities	-	-	14,712	-	-	735,720
Sale of Foreign Currencies	-	-	-	-	-	11,047,920
Purchase of Foreign Currencies	-	-	-	-	-	8,760,363

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	(Un-audited) March 31, 2024	(Audited) December 31, 2023
----- Rupees in '000 -----		
40. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>20,506,625</u>	<u>20,506,625</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>19,242,581</u>	17,247,260
Eligible Additional Tier 1 (ADT 1) Capital	<u>2,500,000</u>	2,500,000
Total Eligible Tier 1 Capital	<u>21,742,581</u>	19,747,260
Eligible Tier 2 Capital	<u>6,041,396</u>	5,907,060
Total Eligible Capital (Tier 1 + Tier 2)	<u>27,783,977</u>	<u>25,654,320</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>161,529,065</u>	158,394,680
Market Risk	<u>1,692,986</u>	1,788,170
Operational Risk	<u>44,504,940</u>	44,504,940
Total	<u>207,726,991</u>	<u>204,687,790</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>9.26%</u>	<u>8.43%</u>
Tier 1 Capital Adequacy Ratio	<u>10.47%</u>	<u>9.65%</u>
Total Capital Adequacy Ratio	<u>13.38%</u>	<u>12.53%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>21,742,581</u>	19,747,260
Total Exposures	<u>679,071,263</u>	646,271,336
Leverage Ratio	<u>3.20%</u>	<u>3.06%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>219,444,583</u>	156,090,413
Total Net Cash Outflow	<u>77,306,342</u>	80,778,281
Liquidity Coverage Ratio	<u>283.86%</u>	<u>193.23%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>451,266,809</u>	443,311,118
Total Required Stable Funding	<u>304,116,551</u>	302,819,828
Net Stable Funding Ratio	<u>148.39%</u>	<u>146.39%</u>

40.1 In order to mitigate the impact of expected credit loss (ECL) provisioning on capital, SBP has allowed transitional arrangement to absorb the impact on regulatory capital. Accordingly, transitional arrangement is applied. If Transition wasn't applied Capital Position would have been as below:

	Transition Arrangement	Full ECL Impact
CET1 to TRWAs	9.26%	9.12%
T1 Capital to TRWAs	10.47%	10.32%
Total eligible capital to TRWAs	13.38%	13.23%
Leverage	3.20%	3.16%

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

41. GENERAL

- 41.1** Corresponding figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are no material re-arrangements / re-classifications to report, except for changes introduced through the SBP's revised format for interim financial statements.
- 41.2** The figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest thousand unless otherwise stated.

42. DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on April 26, 2024.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman



Condensed Interim Consolidated Financial Statements
for the Quarter Ended March 31, 2024

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		(Un-audited) March 31, 2024	(Audited) December 31, 2023
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	77,960,229	82,182,460
Balances with other banks	7	5,797,370	5,302,080
Lendings to financial institutions	8	16,211,724	16,502,138
Investments	9	633,449,668	582,645,128
Advances	10	451,619,350	434,453,374
Property and equipment	11	23,145,780	22,241,601
Right-of-use assets	12	5,836,589	5,848,280
Intangible assets	13	9,085,823	8,501,048
Deferred tax assets	20	1,298,702	-
Other assets	14	80,628,820	72,324,972
		1,305,034,055	1,230,001,081
LIABILITIES			
Bills payable	15	8,115,586	10,793,898
Borrowings	16	160,270,275	88,031,534
Deposits and other accounts	17	1,009,575,422	1,007,819,494
Lease liabilities	18	6,895,288	6,686,639
Subordinated debt	19	11,494,437	11,344,671
Deferred tax liabilities	20	-	890,194
Other liabilities	21	47,075,483	44,446,530
		1,243,426,491	1,170,012,960
NET ASSETS		61,607,564	59,988,121
REPRESENTED BY			
Share capital		20,506,625	20,506,625
Reserves		8,108,146	7,306,299
Surplus on revaluation of assets	22	3,002,818	4,880,072
Unappropriated profit		20,226,142	17,808,561
		51,843,731	50,501,557
Non-controlling interest		9,763,833	9,486,564
		61,607,564	59,988,121
CONTINGENCIES AND COMMITMENTS			
	23		

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

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
Note	----- Rupees in '000 -----	
Mark-up / return / interest / profit earned	25 56,009,861	21,021,902
Mark-up / return / interest / profit expensed	26 38,898,217	15,935,720
Net mark-up / interest income	17,111,644	5,086,182
Non mark-up / interest income		
Fee, commission and brokerage income	27 2,083,855	1,144,724
Dividend income	157,670	142,620
Foreign exchange income	1,663,287	1,720,657
Income / (loss) from derivatives	299,270	(122,581)
Gain / (loss) on securities - net	28 653,826	(441,546)
Gain / (loss) on derecognition of financial assets measure at amortised cost - net	-	-
Share of loss from associates	(17,005)	(6,741)
Other income	29 57,198	43,168
Total non mark-up / interest income	4,898,101	2,480,301
Total Income	22,009,745	7,566,483
Non mark-up / interest expenses		
Operating expenses	30 11,447,775	5,178,585
Workers' welfare fund	31 204,788	32,502
Other charges	32 453	19,562
Total non-mark-up / interest expenses	11,653,016	5,230,649
Profit before provisions	10,356,729	2,335,834
Credit loss allowance / provisions and write offs - net	33 1,018,313	762,692
Profit before taxation	9,338,416	1,573,142
Taxation	34 5,134,807	689,869
Profit after taxation	4,203,609	883,273
Attributable to:		
Equity holders of the Bank	3,395,872	882,413
Non-controlling interest	807,737	860
	4,203,609	883,273
----- Rupees -----		
Earnings per share - basic and diluted	35 1.66	0.68

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

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----	
Profit after taxation for the period	4,203,609	883,273
Other comprehensive income / (loss)		
Items that may be reclassified to profit and loss account in subsequent periods		
Effect of translation of net investment in foreign branch	(22,846)	216,115
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	-	(404,447)
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(1,524,551)	(654,073)
	(1,547,397)	(842,405)
Items that will not be reclassified to profit and loss account in subsequent periods		
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	(134,019)	15,894
	(1,681,416)	(826,511)
Total comprehensive income for the period	2,522,193	56,762
Attributable to:		
Equity holders of the Bank	1,900,737	57,122
Non-controlling interest	621,456	(360)
	2,522,193	56,762

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

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	Attributable to equity holders of the Bank								Non-controlling interest	Total	
	Share capital	Capital reserve		Statutory reserve	Surplus / (deficit) on revaluation of			Unappropriated profit			Sub-total
		Share premium	Exchange translation reserve		Investments	Fixed assets	Non-banking assets				
	Rupees in '000										
Balance as at January 01, 2023 (Audited)	10,119,242	-	457,187	2,330,014	(438,754)	1,674,379	107,083	8,643,962	22,893,113	363,274	23,256,387
Total comprehensive income for the quarter ended March 31, 2023											
Profit after taxation	-	-	-	-	-	-	-	882,413	882,413	860	883,273
Other comprehensive income / (loss) - net of tax	-	-	216,115	-	(1,041,406)	-	-	-	(825,291)	(1,220)	(826,511)
	-	-	216,115	-	(1,041,406)	-	-	882,413	57,122	(360)	56,762
Transfer to statutory reserve	-	-	-	171,234	-	-	-	(171,234)	-	-	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(36,656)	(5)	36,661	-	-	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	(14,480)	-	-	14,480	-	-	-
Balance as at March 31, 2023 (Un-audited)	10,119,242	-	673,302	2,501,248	(1,494,640)	1,637,723	107,078	9,406,282	22,950,235	362,914	23,313,149
Non-controlling interest on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	15,779,178	15,779,178
Total comprehensive income for the nine months ended December 31, 2023											
Profit after taxation	-	-	-	-	-	-	-	8,566,417	8,566,417	935,570	9,501,987
Other comprehensive income / (loss) - net of tax	-	-	3,726	-	4,385,112	(45,739)	391,162	(96,913)	4,637,348	781,301	5,418,649
	-	-	3,726	-	4,385,112	(45,739)	391,162	8,469,504	13,203,765	1,716,871	14,920,636
Transfer to statutory reserve	-	-	-	1,438,806	-	-	-	(1,438,806)	-	-	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(105,704)	(61)	105,765	-	-	-
Loss on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	5,141	-	-	(5,141)	-	-	-
Transactions with owners, recorded directly in equity											
Issue of share capital (right shares)	2,205,689	-	-	-	-	-	-	-	2,205,689	-	2,205,689
Issue of share capital (further issue of shares)	5,326,293	5,544,618	-	-	-	-	-	-	10,870,911	-	10,870,911
Transfer of share discount to share premium	2,855,401	(2,855,401)	-	-	-	-	-	-	-	-	-
Sale of shares by non-controlling interest	-	-	-	-	-	-	-	1,270,957	1,270,957	(7,889,589)	(6,618,632)
Interim cash dividend to NCI by subsidiary @ Rs. 1.75 per share	-	-	-	-	-	-	-	-	-	(482,810)	(482,810)
Balance as at December 31, 2023 (Audited)	20,506,625	2,689,217	677,028	3,940,054	2,895,613	1,486,280	498,179	17,808,561	50,501,557	9,486,564	59,988,121
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	(360,347)	-	-	(198,215)	(558,562)	(68,296)	(626,858)
Balance as at January 01, 2024 after adoption of IFRS 9	20,506,625	2,689,217	677,028	3,940,054	2,535,266	1,486,280	498,179	17,610,346	49,942,995	9,418,268	59,361,263
Total comprehensive income for the quarter ended March 31, 2024											
Profit after taxation	-	-	-	-	-	-	-	3,395,872	3,395,872	807,737	4,203,609
Other comprehensive income / (loss) - net of tax	-	-	(22,846)	-	-	-	-	-	(22,846)	-	(22,846)
Effect of translation of net investment in foreign branch	-	-	(22,846)	-	-	-	-	-	(22,846)	-	(22,846)
Movement in fair value of debt investments at FVOCI - net of tax	-	-	-	-	(1,338,271)	-	-	-	(1,338,271)	(186,281)	(1,524,552)
Movement in fair value of equity investments at FVOCI - net of tax	-	-	-	-	(134,019)	-	-	-	(134,019)	-	(134,019)
	-	-	(22,846)	-	(1,472,290)	-	-	3,395,872	1,900,736	621,456	2,522,192
Transfer to statutory reserve	-	-	-	824,693	-	-	-	(824,693)	-	-	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(44,768)	151	44,617	-	-	-
Transactions with owners recorded directly in equity											
Interim cash dividend to NCI by subsidiary company @ Rs. 1.00 per share	-	-	-	-	-	-	-	-	-	(275,891)	(275,891)
Balance as at March 31, 2024 (Un-audited)	20,506,625	2,689,217	654,182	4,764,747	1,062,976	1,441,512	498,330	20,226,142	51,843,731	9,763,833	61,607,564

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

President and
Chief Executive Officer

Chief Financial
Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,338,416	1,573,142
Less:		
Dividend income	(157,670)	(142,620)
Share of loss from associates	17,005	6,741
	<u>9,197,751</u>	<u>1,437,263</u>
Adjustments:		
Depreciation on property and equipment	30 716,570	258,226
Depreciation on non-banking assets	30 9,455	6,395
Depreciation on right-of-use assets	30 683,996	273,719
Amortisation	30 138,655	58,646
Finance charges on leased assets	26 344,029	82,982
Charge for defined benefit plan	105,178	30,899
Unrealised (gain) / loss on revaluation of investments measured at FVTPL - net	28 (653,826)	13,305
Credit loss allowance / Provisions and write offs - net	33 1,018,313	762,692
Provision for workers' welfare fund	31 204,788	32,502
Gain on sale of fixed assets - net	29 (1,396)	(25,366)
Gain on termination of leases - net	29 (3,318)	(7,107)
	<u>2,562,444</u>	<u>1,486,893</u>
	<u>11,760,195</u>	<u>2,924,156</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	290,322	10,513,823
Securities measured at FVTPL	(16,156,148)	(2,603,768)
Advances	(19,571,944)	6,815,919
Other assets	(8,268,126)	1,433,528
	<u>(43,705,896)</u>	<u>16,159,502</u>
Increase / (decrease) in operating liabilities		
Bills payable	(2,678,312)	806,684
Borrowings	70,174,909	(46,632,962)
Deposits and other accounts	1,755,928	(27,038,927)
Other liabilities	145,882	(612,305)
	<u>69,398,407</u>	<u>(73,477,510)</u>
	<u>37,452,706</u>	<u>(54,393,852)</u>
Income tax paid	(3,190,830)	(373,814)
Net cash flows generated from / (used in) operating activities	<u>34,261,876</u>	<u>(54,767,666)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities measured at FVOCI	(35,099,576)	17,998,958
Net investments in securities measured at amortised cost	(1,715,985)	47,766,503
Dividend received	74,782	20,445
Investments in property and equipment	(1,635,337)	(287,233)
Investments in intangible assets	(723,472)	(158,170)
Proceeds from sale of property and equipment	15,767	104,406
Effect of translation of net investment in foreign branch	(22,846)	216,115
Net cash flows (used in) / generated from investing activities	<u>(39,106,667)</u>	<u>65,661,024</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of leased obligations against right-of-use assets	(804,372)	(371,625)
Repayment of subordinated debt	(234)	-
Issuance of subordinated debt	150,000	-
Dividend paid to NCI	(275,891)	-
Net cash flows used in financing activities	<u>(930,497)</u>	<u>(371,625)</u>
(Decrease) / Increase in cash and cash equivalents	<u>(5,775,288)</u>	<u>10,521,733</u>
Cash and cash equivalents at beginning of the period	86,935,131	25,333,309
Cash and cash equivalents at end of the period	36 <u>81,159,843</u>	<u>35,855,042</u>

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

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

1. STATUS AND NATURE OF BUSINESS

1.1 The Group consists of:

Holding Company: JS Bank Limited

JS Bank Limited (the Bank / JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). The Bank commenced its banking operations on December 30, 2006 and its registered office is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

The Bank is a scheduled bank, engaged in commercial banking and related services as described in the Banking Companies Ordinance, 1962 and is operating through 292 (December 31, 2023: 291) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2023: 1). The Pakistan Credit Rating Agency Limited (PACRA) has assigned the long-term entity rating of the Bank to AA- (Double A Minus) whereas short-term rating is maintained at A1+ (A One Plus), which is the highest possible short-term rating. The ratings denote a very low expectation of credit risk and indicate very strong capacity for timely repayment of financial commitments.

1.2 Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL, in their respective extraordinary general meetings held on July 31, 2006, approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

The ultimate parent of the Group is Jahangir Siddiqui & Co. Ltd. which holds 71.21% (2023: 71.21%) shares of the Bank.

1.3 Composition of the Group

	Effective Holding	
	March 31, 2024	December 31, 2023
Subsidiaries		
JS Global Capital Limited	92.90%	92.90%
JS Investments Limited	84.56%	84.56%
BankIslami Pakistan Limited	75.12%	75.12%
My Solutions Corporation Limited	75.12%	75.12%

1.4 Composition of the associated companies

Associates of the Bank

Omar Jibran Engineering Industries Limited	9.60%	9.60%
Veda Transit Solutions (Private) Limited	3.92%	3.92%
Intercity Touring Company (Private) Limited	9.12%	9.12%

Associates of BIPL

Shakarganj Food Products Limited	27.33%	27.33%
KASB Funds Limited	32.97%	32.97%
KASB Capital Limited	16.36%	16.36%

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements include financial statements of JS Bank Limited and its subsidiary companies, and share of the profit / reserves of associates and have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter No. 02 dated February 09, 2023 and IAS 34.

These condensed interim consolidated financial statements have been presented in Pakistan Rupees (PKR), which is the currency of the primary economic environment in which the Group operates and the functional currency of the Group. The amounts are rounded to nearest thousand except as stated otherwise.

2.1 Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. These comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) 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;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of IFRS, the requirements of the Banking Companies Ordinance,

The disclosures made in these condensed interim consolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD circular letter No. 5 dated March 22, 2019 and IAS 34, 'Interim Financial Reporting'.

These condensed interim consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2021.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies vide BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks vide its notification S.R.O 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim consolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

International Financial Reporting Standard (IFRS) 10, 'Consolidated Financial Statements', was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I)/2016 dated January 28, 2016, that the requirement of consolidation under section 228 of the Companies Act, 2017 and IFRS 10, 'Consolidated Financial Statements' is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim consolidated financial statements.

2.2 Basis of Consolidation

The Group

- The condensed interim consolidated financial statements include the financial statements of the Bank and its subsidiary companies together - the Group.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2024

- Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with investee and has the ability to effect those return through its power over the investee, except investment in mutual funds established under trust structure where International Financial Reporting Standard (IFRS) 10, 'Consolidated Financial Statements' is not applicable.
- These condensed interim consolidated financial statements incorporate the financial statements of subsidiaries from the date that control commences until the date that control ceases.
- The financial statements of the subsidiary companies are prepared for the same reporting year as the Bank for the purpose of consolidation, using consistent accounting policies
- The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis.
- Non-controlling interests are that part of the net results of operations and of net assets of subsidiaries attributable to interest which are not owned by the Bank.
- Material intra-group balances and transactions are eliminated.

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

There are certain new and amended standards, interpretations of and amendments that are mandatory for the Group's accounting periods beginning on or after January 01, 2024 but are considered not to be relevant or do not have any significant effect on the Group's operations.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim consolidated financial statements are the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2023.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended December 31, 2023.

4.1 Changes in accounting policies and transition disclosures

4.1.1 Impact of IFRS 9 - Financial Instruments

As permitted by the transitional provisions of IFRS 9, the Group has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves at the beginning of the current year without restating the comparatives.

The adoption of IFRS 9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7, 'Financial Instruments: Disclosures'.

4.1.2 Reconciliation of statement of financial position balances from existing requirements to IFRS 9

The following table reconciles the carrying amounts of financial assets and financial liabilities, from their previous measurement category in accordance with previous requirements to their new measurement categories upon transition to IFRS 9 on January 01, 2024.

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Carrying amount as per previous accounting policy as at Dec 31, 2023	Classification under IFRS 9				Remeasurement under IFRS 9 (ECL)	IFRS 9 carrying amount as at January 01, 2024
	At FVPL	At FVOCI - with recycling	At FVOCI - without recycling	At Amortised Cost		
Rupees in '000						
Cash and balances with treasury banks	82,182,460	-	-	-	-	82,182,460
Balances with other banks	5,302,080	-	-	-	(2,975)	5,299,105
Lendings to financial institutions	16,502,138	-	-	-	-	16,502,138
Advances	434,453,374	-	-	-	(1,228,014)	433,225,360
Investments						
Held for trading	1,513,353	1,513,353	-	-	(605,136)	908,217
Available for sale	478,769,593	1,207,251	473,999,459	3,562,883	612,901	479,382,494
Held to maturity	102,146,174	-	-	-	-	102,146,174
Other assets	72,324,972	-	-	-	-	72,324,972
Other liabilities	(44,446,530)	-	-	-	(16,578)	(44,463,108)
	1,148,747,614	2,720,604	473,999,459	3,562,883	(1,239,802)	1,147,507,812

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2023.

	(Un-audited) March 31, 2024	(Audited) December 31, 2023
Rupees in '000		
6. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	21,639,637	19,834,818
Foreign currencies	2,947,346	3,479,237
	24,586,983	23,314,055
With State Bank of Pakistan in		
Local currency current accounts	40,174,551	41,887,252
Foreign currency current accounts	1,945,630	2,071,676
Foreign currency deposit accounts	5,046,293	4,614,459
Cash reserve account	974,870	969,037
Special cash reserve account	1,170,326	1,206,364
US dollar clearing account	107,126	38,902
	49,418,796	50,787,690
With National Bank of Pakistan in local currency current accounts	3,941,555	8,059,788
National Prize Bonds	12,895	20,927
Less: Credit loss allowance held	-	-
	77,960,229	82,182,460
7. BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	29,631	40,691
In deposit accounts	249,171	165,785
	278,802	206,476
Outside Pakistan		
In current accounts	5,371,476	4,908,757
In deposit accounts	162,651	186,921
	5,534,127	5,095,678
Less: Credit loss allowance held	(15,559)	(74)
	5,797,370	5,302,080
8. LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (reverse repo)	-	-
Unsecured		
Bai Muajjal receivable	16,211,816	16,502,138
Other placements	17,820	17,820
	16,229,636	16,519,958
Less: Credit loss allowance / provision held	(17,912)	(17,820)
	16,211,724	16,502,138
8.1 Particulars of credit loss allowance		
	(Un-audited) March 31, 2024	
Category of classification	Outstanding amount	Credit loss allowance held
Rupees in '000		
Domestic		
Performing	16,211,816	92
Under-performing	-	-
Non-performing		
Substandard	-	-
Doubtful	-	-
Loss	17,820	17,820
Total	16,229,636	17,912

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9. INVESTMENTS

		March 31, 2024 (Un-audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
9.1	Investments by type:	----- Rupees in '000 -----			
	FVTPL				
	Federal Government Securities	14,584,929	-	(28,886)	14,556,043
	Shares	188,976	-	-	188,976
	Non Government Debt Securities	1,405,106	-	218,184	1,623,290
	Open End Mutual Funds	1,246,085	-	55,107	1,301,192
		17,425,096	-	244,405	17,669,501
	FVOCI				
	Federal Government Securities	458,938,995	(84,328)	2,444,176	461,298,843
	Shares	2,497,129	(136,589)	1,122,975	3,483,515
	Non Government Debt Securities	37,179,115	(858,142)	(45,145)	36,275,828
	Foreign Securities	10,897,028	(186,898)	(49,311)	10,660,819
		509,512,267	(1,265,957)	3,472,695	511,719,005
	Amortised cost				
	Federal Government Securities	103,954,304	(92,145)	-	103,862,159
	Associates	1,301,114	(1,102,111)	-	199,003
	Subsidiaries	104,771	(104,771)	-	-
	Total Investments	632,297,552	(2,564,984)	3,717,100	633,449,668
----- Rupees in '000 -----					
December 31, 2023 (Audited)					
		Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----					
	Held-for-trading securities				
	Federal Government Securities	47,974	-	(49)	47,925
	Shares	550,760	-	17,974	568,734
	Non Government Debt Securities	126,688	-	-	126,688
	Open End Mutual Funds	703,597	-	66,409	770,006
		1,429,019	-	84,334	1,513,353
	Available-for-sale securities				
	Federal Government Securities	413,089,028	(124,556)	5,282,169	418,246,641
	Shares	3,284,621	(728,269)	1,614,519	4,170,871
	Non Government Debt Securities	37,739,884	(864,816)	283,609	37,158,677
	Foreign Securities	20,180,047	(1,344,594)	(106,719)	18,728,734
	Open End Mutual Funds	153,920	-	310,750	464,670
		474,447,500	(3,062,235)	7,384,328	478,769,593
	Held-to-maturity securities				
	Federal Government Securities	102,238,319	(92,145)	-	102,146,174
	Associates	1,318,119	(1,102,111)	-	216,008
	Subsidiaries	104,771	(104,771)	-	-
	Total Investments	579,537,728	(4,361,262)	7,468,662	582,645,128

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9.1.1 The market value of securities classified as measured at amortised cost as at March 31, 2024 amounted to Rs. 101,839.637 million (December 31, 2023: Rs. 100,310.906 million).

	(Un-audited)		(Audited)	
	March 31, 2024		December 31, 2023	
	Cost	Market value	Cost	Market value
9.2 Investments given as collateral	----- Rupees in '000 -----			
Federal Government Securities				
Government of Pakistan Ijarah Sukuks	103,729,000	35,314,000	35,314,000	36,278,840
			(Un-audited)	(Audited)
			March 31,	December 31,
			2024	2023
9.3 Credit loss allowance / provision for diminution in value of investments			----- Rupees in '000 -----	
Opening balance			4,361,262	953,410
Additional impact upon acquisition of Subsidiary			-	2,678,462
Impact of adoption of IFRS 9			3,337	-
Exchange rate adjustments			(4,145)	44,314
Charge for the period / year			2,521	718,375
Reversals for the period / year			(50,961)	(33,299)
			(48,440)	685,076
Impact of reclassification of equity securities from FVOCI to FVTPL			(1,747,030)	-
Closing balance			2,564,984	4,361,262

9.3.2 Particulars of credit loss allowance / provision against debt securities

			(Un-audited)	
			March 31, 2024	
Category of classification			Outstanding amount	Credit loss allowance held
----- Rupees in '000 -----				
Domestic				
Performing	Stage 1		328,005,760	5,857
Under-performing	Stage 2		-	-
Non-performing	Stage 3		-	-
Substandard			-	-
Doubtful			-	-
Loss			1,220,681	944,430
			329,226,441	950,287
Overseas				
Performing	Stage 1		10,243,725	153
Under-performing	Stage 2		1,402,880	84,328
Non-performing	Stage 3		-	-
Substandard			-	-
Doubtful			-	-
Loss			555,882	186,745
			12,202,487	271,226
Total			341,428,928	1,221,513

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9.4 Investment in associates

9.4.1 Movement of Investment in associates

March 31, 2024 (Un-audited)					
Country of incorporation	Holding	Investment at the beginning of the year	Share of loss	Investment at the end of the period	
----- Rupees in '000 -----					
Omar Jibran Engineering Industries Limited	Pakistan	9.60%	204,619	(5,616)	199,003
Veda Transit Solutions Private Limited	Pakistan	3.92%	11,389	(11,389)	-
			<u>216,008</u>	<u>(17,005)</u>	<u>199,003</u>
December 31, 2023 (Audited)					
Country of incorporation	Holding	Investment at the beginning of the year	Share of loss	Investment at the end of the year	
----- Rupees in '000 -----					
Omar Jibran Engineering Industries Limited	Pakistan	9.60%	236,194	(31,575)	204,619
Veda Transit Solutions Private Limited	Pakistan	3.92%	40,457	(29,068)	11,389
			<u>276,651</u>	<u>(60,643)</u>	<u>216,008</u>

9.4.2 Summary of financial position and performance of associates

March 31, 2024 (Un-audited)					
As at	Assets	Liabilities	Revenue	Profit / (loss)	
----- Rupees in '000 -----					
Omar Jibran Engineering Industries Limited	Jun 30, 2023	5,372,772	2,430,640	2,345,882	(145,624)
Veda Transit Solutions Private Limited	Jun 30, 2022	4,242,630	3,236,774	2,468,979	(80,262)
Shakarganj Food Products Limited	Sep 30, 2023	10,335,484	6,782,556	15,068,704	166,682
KASB Funds Limited	Dec 31, 2015	46,465	32,465	23,640	(66,241)
KASB Capital Limited*	Dec 31, 2016	\$ 652,864	\$ 135,428	-	\$ (34,084)
December 31, 2023 (Audited)					
As at	Assets	Liabilities	Revenue	Profit / (loss)	
----- Rupees in '000 -----					
Omar Jibran Engineering Industries Limited	Jun 30, 2023	5,372,772	2,430,640	2,345,882	(145,624)
Veda Transit Solutions Private Limited	Jun 30, 2022	4,242,630	3,236,774	2,468,979	(80,262)
Shakarganj Food Products Limited	Sep 30, 2023	10,335,484	6,782,556	15,068,704	166,682
KASB Funds Limited	Dec 31, 2015	46,465	32,465	23,640	(66,241)
KASB Capital Limited*	Dec 31, 2016	\$ 652,864	\$ 135,428	-	\$ (34,084)

* This represents the full USD amount as the company is incorporated in Mauritius.

March 31, 2024 (Un-audited)				
		Performing	Non-Performing	Total
----- Rupees in '000 -----				
10. ADVANCES	Note			
Loans, cash credits, running finances, etc.		183,400,158	21,766,329	205,166,487
Bills discounted and purchased		9,336,005	684,295	10,020,300
Islamic financing and related assets	10.2	255,329,945	17,180,457	272,510,402
Advances - gross		<u>448,066,108</u>	<u>39,631,081</u>	<u>487,697,189</u>
Credit loss allowance against advances				
- Stage 1		(2,179,406)	-	(2,179,406)
- Stage 2		(1,139,398)	-	(1,139,398)
- Stage 3		-	(32,759,035)	(32,759,035)
	10.4	<u>(3,318,804)</u>	<u>(32,759,035)</u>	<u>(36,077,839)</u>
Advances - net of credit loss allowance		<u>444,747,304</u>	<u>6,872,046</u>	<u>451,619,350</u>

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		December 31, 2023 (Audited)		
		Performing	Non- Performing	Total
Note		----- Rupees in '000 -----		
	Loans, cash credits, running finances, etc.	187,280,380	21,170,983	208,451,363
	Bills discounted and purchased	11,025,154	684,295	11,709,449
	Islamic financing and related assets	230,973,261	17,219,814	248,193,075
	Advances - gross	429,278,795	39,075,092	468,353,887
	Provision against advances			
	- Specific	-	(29,109,710)	(29,109,710)
	- General	(4,768,909)	-	(4,768,909)
	- Provision - under IFRS 9	(21,894)	-	(21,894)
		(4,790,803)	(29,109,710)	(33,900,513)
	Advances - net of provision	424,487,992	9,965,382	434,453,374
			(Un-audited)	(Audited)
			March 31,	December 31,
			2024	2023
			----- Rupees in '000 -----	
10.1	Particulars of advances (gross)			
	In local currency		477,601,611	454,582,565
	In foreign currencies		10,095,578	13,771,322
			487,697,189	468,353,887
			March 31, 2024 (Un-audited)	
		Performing	Non- Performing	Total
		----- Rupees in '000 -----		
10.2	Islamic financing and related assets			
	Running Musharakah	103,418,867	1,445,141	104,864,008
	Diminishing Musharakah financing and related assets - others	64,389,499	3,306,933	67,696,432
	Diminishing Musharakah - Housing	22,332,666	2,305,695	24,638,361
	Istisna financing and related assets	24,045,459	3,548,321	27,593,780
	Diminishing Musharakah financing and related assets - Auto	16,215,344	642,388	16,857,732
	Murabahah financing and related assets	16,525,695	390,795	16,916,490
	Musawamah financing and related assets / Tijarah	4,591,591	4,899,333	9,490,924
	Investment Agency Wakalah	2,730,590	-	2,730,590
	Murabahah against Bills	63,333	199,474	262,807
	Ijarah financing under IFAS 2 and related assets	279,756	161,024	440,780
	Financing against Bills	563,206	-	563,206
	Qardh-e-Hasana	45,662	122,131	167,793
	Musharakah financing	-	159,222	159,222
	Past Due Acceptance	-	-	-
	Net investment in Ijarah financing in Pakistan	79,190	-	79,190
	Housing finance portfolio - others	19,086	-	19,086
	Salam	30,001	-	30,001
	Islamic financing and related assets - gross	255,329,945	17,180,457	272,510,402
	Credit loss allowance against islamic financing and related assets			
	- Stage 1	(1,877,339)	-	(1,877,339)
	- Stage 2	(873,154)	-	(873,154)
	- Stage 3	-	(16,382,518)	(16,382,518)
		(2,750,493)	(16,382,518)	(19,133,011)
	Islamic financing and related assets - net of credit loss allowance	252,579,452	797,939	253,377,391

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	December 31, 2023 (Audited)		
	Performing	Non- Performing	Total
	Rupees in '000		
Running Musharakah	100,625,553	1,444,955	102,070,508
Diminishing Musharakah financing and related assets - others	45,889,901	3,529,814	49,419,715
Diminishing Musharakah - Housing	23,553,066	2,019,821	25,572,887
Istisna financing and related assets	20,455,759	3,630,366	24,086,125
Diminishing Musharakah financing and related assets - Auto	16,380,932	538,620	16,919,552
Murabahah financing and related assets	16,073,181	397,002	16,470,183
Musawamah financing and related assets / Tijarah	3,781,236	5,024,205	8,805,441
Investment Agency Wakalah	2,730,590	-	2,730,590
Murabahah against Bills	671,556	192,048	863,604
Ijarah financing under IFAS 2 and related assets	288,755	161,958	450,713
Financing against Bills	209,100	-	209,100
Qardh-e-Hasana	48,226	121,025	169,251
Musharakah financing	-	160,000	160,000
Past Due Acceptance	155,972	-	155,972
Net investment in Ijarah financing in Pakistan	85,343	-	85,343
Housing finance portfolio - others	24,091	-	24,091
Islamic financing and related assets - gross	<u>230,973,261</u>	<u>17,219,814</u>	<u>248,193,075</u>
Provision against islamic financing and related assets			
- Specific	-	(13,837,297)	(13,837,297)
- General	(4,391,404)	-	(4,391,404)
	(4,391,404)	(13,837,297)	(18,228,701)
Islamic financing and related assets - net of provision	<u>226,581,857</u>	<u>3,382,517</u>	<u>229,964,374</u>

- 10.3** Advances include Rs. 39,655.821 million (December 31, 2023: Rs. 39,075.092 million) which have been placed under non-performing status as detailed below:

Category of classification	(Un-audited) March 31, 2024		(Audited) December 31, 2023	
	Non- Performing Loans	Credit loss allowance	Non- Performing Loans	Provision
Rupees in '000				
Domestic				
Other Assets Especially Mentioned*	404,354	4,334	757,584	2,154
Substandard	2,534,118	955,544	2,345,892	352,882
Doubtful	5,245,008	2,281,972	4,680,410	1,092,320
Loss	31,447,601	29,517,185	31,291,206	27,662,354
	} Stage 3			
Total	<u>39,631,081</u>	<u>32,759,035</u>	<u>39,075,092</u>	<u>29,109,710</u>

* The Other Assets Especially Mentioned category pertains to agriculture, housing and small enterprises financing.

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10.4 Particulars of credit loss allowance against advances

		March 31, 2024 (Un-audited)			
		Stage 3	Stage 2	Stage 1	Total
		----- Rupees in '000 -----			
	Note				
Opening balance		29,109,710	4,391,459	399,344	33,900,513
Impact of adoption of IFRS 9		2,107,396	(2,700,690)	1,817,051	1,223,757
Exchange rate adjustments		-	-	(259)	(259)
Charge for the period		1,731,229	21,929	378,302	2,131,460
Reversals for the period		(99,379)	(573,300)	(415,032)	(1,087,711)
	33	1,631,850	(551,371)	(36,730)	1,043,749
Amounts charged off - agricultural financing		(73,816)	-	-	(73,816)
Amount written off		(16,105)	-	-	(16,105)
Closing balance	10.4.3	32,759,035	1,139,398	2,179,406	36,077,839
December 31, 2023 (Audited)					
		Specific	General	Provision under IFRS 9	Total
		----- Rupees in '000 -----			
Opening balance		7,210,740	200,614	11,500	7,422,854
Additional impact upon acquisition of subsidiary		17,593,812	3,242,903	-	20,836,715
Exchange rate adjustments		-	-	2,856	2,856
Charge for the period		5,189,705	1,376,836	7,538	6,574,079
Reversals for the period		(829,895)	(51,444)	-	(881,339)
		4,359,810	1,325,392	7,538	5,692,740
Amount written off		(54,652)	-	-	(54,652)
Closing balance		29,109,710	4,768,909	21,894	33,900,513

10.4.3 The State Bank of Pakistan through various circulars has allowed benefit of the forced sale value (FSV) of Plant and Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loans (NPLs) for a maximum of five years from the date of classification. As at March 31, 2024, the Bank has availed cumulative FSV benefit under the directives of the SBP of Rs. 5,244.886 million (December 31, 2023: Rs. 4,551.312 million).

The additional profit arising from availing the FSV benefit - net of tax amounts to Rs. 2,671.831 million (December 31, 2023: Rs. 1,968.675 million). The additional impact on profitability arising from availing the benefit of FSV shall not be available for payment of cash or stock dividend to shareholders or bonus to employees under the requirements of Prudential Regulations of Corporate / Commercial Banking of SBP.

10.5 Advances - Particulars of credit loss allowance

		March 31, 2024 (Un-audited)		
		Stage 1	Stage 2	Stage 3
		----- Rupees in '000 -----		
Opening balance		1,898,381	1,446,454	31,095,653
		318,014	244,315	121,453
New Advances		370,629	740,673	1,223,241
Advances derecognised / repaid		(1,138,332)	(413,451)	(152,563)
Transfer to stage 1		1,317,200	(612,836)	(704,364)
Transfer to stage 2		(106,350)	218,048	(111,698)
Transfer to stage 3		(600,644)	(483,805)	1,084,449
		(157,497)	(551,371)	1,339,065
Amounts written off		-	-	(89,921)
Changes in risk parameters		120,508	-	292,785
Closing balance		2,179,406	1,139,398	32,759,035

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		March 31, 2024 (Un-audited)	
		Outstanding amount	Credit loss allowance held
		----- Rupees in '000 -----	
10.6	Advances - Category of classification		
	Domestic		
	Performing Stage 1	389,164,269	2,159,931
	Under-performing Stage 2	55,689,975	1,139,398
	Non-performing Stage 3		
	Substandard	1,493,608	893,060
	Doubtful	2,113,910	2,024,940
	Loss	36,089,885	29,841,035
		484,551,647	36,058,364
	Overseas		
	Performing Stage 1	3,145,542	19,475
	Under-performing Stage 2	-	-
	Non-performing Stage 3		
	Substandard	-	-
	Doubtful	-	-
	Loss	-	-
		3,145,542	19,475
	Total	487,697,189	36,077,839
		(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
11.	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	2,685,017	1,990,955
	Property and equipment	20,460,763	20,250,646
		23,145,780	22,241,601
	11.1 Capital work-in-progress		
	Civil works	1,445,750	1,517,359
	Equipment	67,020	311,448
	Advances to suppliers	1,172,247	162,148
		2,685,017	1,990,955
		(Un-audited)	
		January - March 2024	January - March 2023
11.2	Additions to property and equipment		
	The following additions have been made to property and equipment during the period:		
	Capital work-in-progress - net	295,554	119,452
	Property and equipment		
	Leasehold improvements	196,805	92,850
	Furniture and fixture	246,457	50,231
	Electrical, office and computer equipments	469,531	143,653
	Vehicles	28,482	-
		941,275	286,734
	Total	1,236,829	406,186
		----- Rupees in '000 -----	

11.2.1

JS BANK LIMITED
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FOR THE QUARTER ENDED MARCH 31, 2024

11.2.1 This includes transfer from capital work in progress during the period of Rs. 367.163 million (March 31, 2023: Rs. 118.953 million).

		(Un-audited)	
		January - March 2024	January - March 2023
		----- Rupees in '000 -----	
11.3	Disposal of property and equipment		
	The net book value of property and equipment disposed off during the period is as follows:		
	Building on leasehold land	-	61,165
	Leasehold improvements	3,044	1,219
	Furniture and fixture	859	1,846
	Electrical, office and computer equipments	3,999	11,172
	Vehicles	6,469	3,638
	Total	14,371	79,040

		(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
		----- Rupees in '000 -----	
12.	RIGHT-OF-USE ASSETS		
	Opening balance	5,848,280	2,457,244
	Additional impact upon acquisition of subsidiary	-	2,449,059
	Additions / renewals	685,710	2,554,992
	Terminations	(13,165)	(203,293)
	Depreciation charge	(683,996)	(1,419,084)
	Exchange rate adjustments	(240)	5,685
	Other adjustments	-	3,677
	Closing balance	5,836,589	5,848,280

13.	INTANGIBLE ASSETS		
	Capital work-in-progress	1,275,576	815,848
	Computer software	3,337,351	3,213,292
	Goodwill	4,407,921	4,407,921
	Others	64,975	63,987
		9,085,823	8,501,048

		(Un-audited)	
		January - March 2024	January - March 2023
		----- Rupees in '000 -----	
13.1	Additions to intangible assets		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress - net	459,728	132,435
	Computer software	263,744	126,790
		723,472	259,225

13.1.1 This includes transfer from capital work in progress during the period of Nil (March 31, 2023: Rs. 101.055 million).

JS BANK LIMITED
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FOR THE QUARTER ENDED MARCH 31, 2024

		(Un-audited) March 31, 2024	(Audited) December 31, 2023
		----- Rupees in '000 -----	
14. OTHER ASSETS	Note		
Mark-up / return / interest accrued in local currency		56,427,598	45,926,699
Mark-up / return / interest accrued in foreign currencies		240,634	163,513
Advances, deposits, advance rent and other prepayments		4,154,411	5,224,714
Acceptances		4,516,809	6,589,632
Dividend receivable		82,888	5,552
Receivable against bancassurance / bancatakaful		250,076	332,672
Stationery and stamps on hand		15,794	21,290
Receivable in respect of home remittance		31,651	30,805
Due from State Bank of Pakistan		751,524	807,190
Non-banking assets acquired in satisfaction of claims		6,219,026	6,228,532
Mark to market gain on forward foreign exchange contracts		528,642	1,642,158
Advance against investments in securities		1,028,858	1,178,306
Branchless banking fund settlement		-	202,425
Inter bank fund transfer settlement		1,959,703	1,079,395
Credit card settlement		471,418	498,755
Insurance claims receivable		106,172	27,302
Trade receivable from brokerage and advisory business - net		3,070,801	1,817,314
Balances due from funds under management		125,504	125,531
Others		1,435,289	1,197,153
		81,416,798	73,098,938
Less: Credit loss allowance / Provision held against other assets	14.1	(1,376,855)	(1,362,792)
Other assets - net of credit loss allowance		80,039,943	71,736,146
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	22	588,877	588,826
Other assets - total		80,628,820	72,324,972
14.1 Credit loss allowance / Provision held against other assets			
Advances, deposits, advance rent and other prepayments		64,555	64,555
Trade receivable from brokerage and advisory business - net		444,288	430,225
Non-banking assets acquired in satisfaction of claims		305,762	305,762
Others		562,250	562,250
		1,376,855	1,362,792
14.1.1 Movement of credit loss allowance / provision held against other assets			
Opening balance		1,362,792	430,569
Additional impact upon acquisition of subsidiary		-	768,745
Impact of adoption of IFRS 9		14,063	-
Charge during the period / year		-	163,478
Reversals during the period / year		-	-
		-	163,478
Closing balance		1,376,855	1,362,792

JS BANK LIMITED
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FOR THE QUARTER ENDED MARCH 31, 2024

	(Un-audited) March 31, 2024	(Audited) December 31, 2023
----- Rupees in '000 -----		
15. BILLS PAYABLE		
In Pakistan	7,754,350	10,394,456
Outside Pakistan	361,236	399,442
	8,115,586	10,793,898

16. BORROWINGS

Secured

Borrowings from State Bank of Pakistan under:

Export refinancing scheme	14,401,562	13,554,172
Long-term finance facility	2,823,169	2,972,509
Financing facility for storage of agricultural produce	168,289	176,993
Financing facility for renewable energy projects	1,770,758	1,797,675
Refinance for women entrepreneurs	200,555	179,462
Refinance facility for modernization of Small and Medium Enterprises (SMEs)	202,109	218,239
Refinance facility for combating COVID-19	299,614	232,749
Temporary economic refinance facility	12,169,741	12,461,501
Small enterprise financing and credit guarantee scheme for special persons	1,696	1,978
Refinance facility for working capital of SMEs	210,783	193,750
Refinance facility for SME Asaan Finance (SAAF) scheme	1,450,003	1,438,299
Acceptances from SBP under Mudaraba	96,207,123	30,694,154
Islamic Export Finance Scheme - Rupee based discounting	4,843,233	4,600,946
Acceptances under Islamic Export Refinance Scheme	2,631,500	3,554,100
Acceptances for financial assistance	4,525,177	4,413,497
	141,905,312	76,490,024

Borrowing from financial institutions:

Musharakah	112,500	2,649,999
Repurchase agreement borrowings	2,973,462	2,987,901
Refinancing facility for mortgage loans	3,250,686	3,354,127
	6,336,648	8,992,027
	148,241,960	85,482,051

Unsecured

Overdrawn nostro accounts	2,613,315	549,483
Wakalah	2,000,000	2,000,000
Musharakah	7,415,000	-
	12,028,315	2,549,483
	160,270,275	88,031,534

16.1 Particulars of borrowings

In local currency	158,356,960	87,482,051
In foreign currencies	1,913,315	549,483
	160,270,275	88,031,534

JS BANK LIMITED
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FOR THE QUARTER ENDED MARCH 31, 2024

17. DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)			(Audited)		
	March 31, 2024			December 31, 2023		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	283,815,636	18,224,855	302,040,491	301,477,172	19,188,611	320,665,783
Savings deposits	269,562,307	17,426,078	286,988,385	239,067,032	10,197,248	249,264,280
Term deposits	327,896,719	44,599,929	372,496,648	328,171,818	53,754,279	381,926,097
Margin deposits	32,401,601	107,704	32,509,305	32,213,341	677,539	32,890,880
	913,676,263	80,358,566	994,034,829	900,929,363	83,817,677	984,747,040
Financial Institutions						
Current deposits	2,237,995	183,721	2,421,716	1,692,578	294,647	1,987,225
Savings deposits	9,203,773	3,279	9,207,052	16,619,049	525	16,619,574
Term deposits	3,911,679	-	3,911,679	4,465,509	-	4,465,509
Margin deposits	146	-	146	146	-	146
	15,353,593	187,000	15,540,593	22,777,282	295,172	23,072,454
	929,029,856	80,545,566	1,009,575,422	923,706,645	84,112,849	1,007,819,494

	(Un-audited)	(Audited)
----- Rupees in '000 -----		
18. LEASE LIABILITIES	Note	
Opening balance	6,686,639	2,795,197
Additional impact upon acquisition of subsidiary	-	2,917,378
Additions / renewals	685,710	2,554,992
Terminations	(16,483)	(267,772)
Finance charge on leased assets	344,029	953,739
Payments	(804,372)	(2,280,921)
Exchange rate adjustments	(235)	5,516
Other adjustments	-	8,510
Closing balance	6,895,288	6,686,639
18.1 Outstanding liabilities		
Not later than one year	258,199	198,864
Later than one year and upto five years	2,115,166	2,143,040
Over five years	4,521,924	4,344,735
Total	6,895,288	6,686,639

19. SUBORDINATED DEBT

Term Finance Certificates - Fifth Issue	19.1	3,499,533	3,499,767
Term Finance Certificates - Fourth Issue	19.2	2,498,000	2,498,000
Term Finance Certificates - Third Issue	19.3	2,500,000	2,500,000
ADT-1 Sukuk Issue I	19.4	1,998,904	1,998,904
ADT-1 Sukuk Issue II	19.5	998,000	848,000
		11,494,437	11,344,671

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19.1 In 2023, the Bank had issued Rs. 3.5 billion of rated, privately placed and listed (in process), unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	August 30, 2023
Tenure:	Up to ten years from the issue date.
Maturity date:	August 30, 2033
Rating:	A+ (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base Rate is defined as the average three months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each three monthly period.
Profit payment:	Quarterly
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital.
Call option:	Exercisable in part or in full on or after five years from the issue date, subject to SBP's approval.
Lock-in-clause:	Principal and profit will be payable subject to compliance with MCR or CAR or Leverage Ratio set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability (PONV) event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of PONV as declared by SBP, subject to a cap of 924,772,179 shares.

19.2 In 2021, the Bank had issued Rs. 2.5 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 28, 2021
Tenure:	Up to Seven years from the issue date.
Maturity date:	December 28, 2028
Rating:	A + (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital.
Call option:	Exercisable in part or in full on or after the 10th redemption, subject to SBP's approval.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability (PONV) event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of PONV as declared by SBP, subject to a cap of 400,647,739 shares.

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19.3 In 2018, the Bank had issued Rs. 2.5 billion of rated, privately placed, unsecured, subordinated, perpetual and non-cumulative term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by the State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier I Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 31, 2018
Maturity date:	Perpetual
Rating:	A (Single A)
Profit rate:	Floating rate of return at Base Rate + 2.25 percent per annum; Base Rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annually on a non-cumulative basis
Redemption:	Not applicable
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated as to payment of principal and profit to all other claims except common shares.
Call option:	Exercisable in part or in full at a par value on or after five years from the issue date, with prior approval of SBP. The Bank shall not exercise the call option unless the called instrument is replaced with capital of same or better quality.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	
Pre-Specified Trigger (PST)	<p>Upon the occurrence of a PST as defined under SBP BPRD Circular No. 06 dated August 15, 2013 which stipulates that if an Issuer's Common Equity Tier 1 (CET 1) ratio falls to or below 6.625% of Risk Weighted Assets (RWAs), the Issuer will have full discretion to determine the amount of TFCs to be permanently converted into common shares or written off, subject to SBP regulations / instructions, and the cap specified below. The Bank will be able to exercise this discretion subject to:</p> <ul style="list-style-type: none"> - If and when Bank's CET 1 reaches the loss absorption trigger point, the aggregate amount of Additional Tier-1 capital to be converted must at least be the amount sufficient to immediately return the CET 1 ratio to above 6.625% of total RWAs (if possible); - The converted amount should not exceed the amount needed to bring the CET 1 ratio to 8.5% of RWAs (i.e. minimum CET 1 of 6.0% plus capital conservation buffer of 2.5%); and - In case, conversion of Additional Tier-1 capital Instrument is not possible following the trigger event, the amount of the Instrument must be written off in the accounts resulting in increase in CET 1 of the Issuer.
Point of Non-Viability (PONV)	<p>Upon the occurrence of a PONV event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Bank's common / ordinary share on the date of the PONV trigger event as declared by SBP, subject to the cap specified below:</p> <p>The PONV trigger event is the earlier of:</p> <ul style="list-style-type: none"> - A decision made by SBP that a conversion or temporary / permanent write-off is necessary without which the Issuer would become non-viable; - The decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by SBP. - The maximum number of shares to be issued to TFC holders at the PST and / or PONV (or otherwise as directed by SBP) will be subject to a specified cap of 329,595,476 ordinary shares, or such other number as may be agreed to in consultation with SBP.

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- 19.4** The Group has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments (Sukuks or the Issue) in the nature of Sukuks under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I (ADT-1) Capital as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013. Summary of terms and conditions of the Issue are:

Amount:	Rs. 2,000 million.
Issue date:	April 21, 2020
Tenure:	Perpetual (i.e. no fixed or final redemption date)
Rating:	PACRA has rated this Sukuk at 'A'
Profit rate:	The Sukuk carries a profit at the rate of 3 Months KIBOR + 2.75%. The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Group inline with SBP's guidelines of pool management.
Profit payment:	Profit shall be payable monthly in arrears, on a non-cumulative basis.
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Call option:	The Group may, at its sole discretion, call the Sukuks, at any time after five years from the issue date subject to the prior approval of the SBP.
Lock-in-clause:	In the event where payment of profit results in breach of regulatory MCR / CAR requirements or SBP determines a bar on profit distribution, the monthly profit weightage of the Sukuk holders will be reduced to a minimum level e.g. 0.005, till the month in which such condition is withdrawn by SBP.
Loss absorbency clause:	The Sukuks shall, at the discretion of the SBP, be permanently converted into ordinary shares pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel-III Implementation in Pakistan" issued vide BPRD Circular No. 06 dated August 15, 2013.

- 19.5** The Group has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Sukuks under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I (ADT-1) Capital as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013. Summary of terms and conditions of the Issue are:

Amount:	Rs. 1,000 million.
Issue date:	February 21, 2024
Tenure:	Perpetual (i.e. no fixed or final redemption date)
Rating:	PACRA has rated this Sukuk at 'A'
Profit rate:	The Sukuk carries a profit at the rate of 1 Month KIBOR + 2.50%. The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Group inline with SBP's guidelines of pool management.
Profit payment:	Profit shall be payable monthly in arrears, on a non-cumulative basis.
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Call option:	The Group may, at its sole discretion, call the Sukuks, at any time after five years from the issue date subject to the prior approval of the SBP.
Lock-in-clause:	In the event where payment of profit results in breach of regulatory MCR / CAR requirements or SBP determines a bar on profit distribution, the monthly profit weightage of the Sukuk holders will be reduced to a minimum level e.g. 0.005, till the month in which such condition is withdrawn by SBP.
Loss absorbency clause:	The Sukuks shall, at the discretion of the SBP, be permanently converted into ordinary shares pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel-III Implementation in Pakistan" issued vide BPRD Circular No. 06 dated August 15, 2013.

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	(Un-audited) March 31, 2024	(Audited) December 31, 2023
Note ----- Rupees in '000 -----		
20. DEFERRED TAX ASSET / (LIABILITIES)		
Deductible Temporary Differences on:		
Credit loss allowance / provision against investments	243,333	241,763
Credit loss allowance / provision against loans and advances	6,773,585	6,270,555
Other assets	165,031	78,212
Accumulated tax losses	39,435	45,805
	7,221,384	6,636,335
Taxable Temporary Differences on:		
Accelerated tax depreciation	(1,379,200)	(1,233,336)
Goodwill	(717,176)	(717,176)
Fair value adjustment on amalgamation	(304,173)	(337,060)
Surplus on revaluation of investments classified as measure at FVOCI / available-for-sale	22 (1,807,589)	(3,466,467)
Surplus on revaluation of fixed assets	22 (1,650,528)	(1,698,745)
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	22 (55,879)	(56,106)
Surplus on revaluation of investments classified as measured at FVTPL / held-for-trading	(8,137)	(17,639)
	(5,922,682)	(7,526,529)
	1,298,702	(890,194)
21. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	16,742,349	14,380,731
Mark-up / return / interest payable in foreign currencies	727,051	718,389
Unearned income on guarantees	425,260	398,300
Accrued expenses	2,965,532	3,913,117
Current taxation (payments less provision)	4,525,234	2,448,848
Acceptances	4,516,809	6,589,632
Unclaimed dividends	7,576	7,576
Mark to market loss on derivative instruments	2,701	16,437
Mark to market loss on forward foreign exchange contracts	1,516,595	1,923,277
Defined benefit obligation - net	667,310	562,132
Payable to defined contribution plan	64,874	44,798
Withholding taxes payable	1,130,799	1,199,621
Donation payable	332,312	209,514
Security deposits against leases, lockers and others	1,947,989	2,061,856
Workers' welfare fund	1,416,170	1,210,355
Payable in respect of home remittance	30,436	35,659
Retention money payable	157,612	121,883
Insurance payable	275,242	249,979
Payable to vendors against SBS goods	251,203	282,322
Debit card settlement	340,354	473,999
Clearing and settlement accounts	1,289,233	539,857
Branchless banking fund settlement	152,926	-
Trade payable from brokerage and advisory business - net	4,036,767	2,899,893
Dividend payable	312,838	206,472
Deferred Murabahah income financing and IERS	1,178,260	1,111,958
Sundry Creditors	889,742	1,595,515
Credit loss allowance against off-balance sheet obligations	21.1 116,401	-
Others	1,055,908	1,244,410
	47,075,483	44,446,530
21.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	-	-
Impact of adoption of IFRS 9	102,553	-
Reclassified from advances	1,575	-
Charge for the period / year	12,273	-
Reversals for the period / year	-	-
	12,273	-
Closing balance	116,401	-

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22. SURPLUS ON REVALUATION OF ASSETS

	Note	(Un-audited) March 31, 2024			(Audited) December 31, 2023		
		Attributable to			Attributable to		
		Equity Holders	Non - Controlling Interest	Total	Equity Holders	Non - Controlling Interest	Total
----- Rupees in '000 -----							
Surplus / (deficit) on revaluation of:							
- Securities measured at FVOCI / available-for-sale	9.1	2,083,479	1,021,161	3,104,640	5,495,518	1,520,755	7,016,273
- Fixed assets		1,663,591	(72,267)	1,591,324	1,745,704	(50,081)	1,695,623
- Non-banking assets acquired in satisfaction of claims	14	521,023	318	521,341	521,097	193	521,290
		4,268,093	949,212	5,217,305	7,762,319	1,470,867	9,233,186
Deferred tax on surplus / (deficit) on revaluation of:							
- Securities measured at FVOCI / available-for-sale		(1,020,503)	(500,432)	(1,520,935)	(2,599,905)	(728,167)	(3,328,072)
- Fixed assets		(222,079)	35,411	(186,668)	(259,424)	24,540	(234,884)
- Non-banking assets acquired in satisfaction of claims		(22,693)	(94)	(22,787)	(22,918)	(97)	(23,015)
		(1,265,275)	(465,115)	(1,730,390)	(2,882,247)	(703,724)	(3,585,971)
		3,002,818	484,097	3,486,915	4,880,072	767,143	5,647,215

23. CONTINGENCIES AND COMMITMENTS

	Note	(Un-audited) March 31, 2024	(Audited) December 31, 2023
----- Rupees in '000 -----			
Guarantees	23.1	87,271,039	78,331,902
Commitments	23.2	385,356,140	415,060,508
Other contingencies	23.3	1,449,662	1,456,807
		474,076,841	494,849,217

23.1 Guarantees

Financial guarantees	8,807,632	8,425,132
Performance guarantees	40,379,015	37,928,885
Other guarantees	38,084,392	31,977,885
	87,271,039	78,331,902

23.2 Commitments

Documentary credits and short-term trade-related transactions			
- Letters of credit		68,621,197	66,757,307
Commitments in respect of:			
- Forward foreign exchange contracts	23.2.1	240,357,949	221,244,084
- Derivative instruments	23.2.2	709,674	735,596
- Forward lending	23.2.3	74,600,124	124,976,341
Commitments for acquisition of:			
- Fixed assets	23.2.4	1,067,196	1,347,180
		385,356,140	415,060,508

23.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	138,392,799	125,569,086
Sale	101,965,150	95,674,998
	240,357,949	221,244,084

23.2.2 Commitments in respect of derivative instruments

Forward securities contract			
Purchase		-	-
Sale		709,674	-
		709,674	-

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		(Un-audited) March 31, 2024	(Audited) December 31, 2023
		----- Rupees in '000 -----	
23.2.3	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to lend	23.2.3.1 <u>74,600,124</u>	<u>124,976,341</u>

23.2.3.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

23.2.4 This represents commitments related to purchase of leasehold improvements, furniture and fixtures, hardware & network equipment, electrical equipment and computer software.

		(Un-audited) March 31, 2024	(Audited) December 31, 2023
		----- Rupees in '000 -----	
23.3	Other contingencies		
	Claims against the Bank not acknowledged as debts	Note 23.3.1 <u>730,873</u>	738,018
	Other contingencies	<u>718,789</u>	718,789
		<u>1,449,662</u>	<u>1,456,807</u>

23.3.1 These mainly represent counter claims filed by borrowers for damages, claims by former employees of the Bank and other claims relating to banking transactions.

Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these consolidated financial statements.

23.3.2 Tax related contingencies are disclosed in note 34.1.

24. DERIVATIVE INSTRUMENTS

Derivative instruments, such as Forward Exchange Contracts, Cross Currency Swaps and Options, are forward transactions that provide market making opportunities / hedge against the adverse movement of interest and exchange rates. Derivatives business also provides risk solutions for the existing and potential customers of the Group.

The Group has entered into a Cross Currency Swap transaction with its customer on back-to-back basis with an Authorized Derivative Dealer (ADD) without carrying any open position in its books. Specific approvals for the transactions have been granted by State Bank of Pakistan. Policies in line with SBP instructions have been formulated and are operative.

The Bank has also entered into Foreign Currency & Commodity Options from its Wholesale Banking Branch Bahrain for market making activities.

These transactions cover the aspects of both market making and hedging.

		March 31, 2024 (Un-audited)					
		Cross currency swaps		Options and Accumulators		Forward securities	
		Notional principal	Mark to market	Notional principal	Mark to market	Notional principal	Mark to market
24.1	Product Analysis	----- Rupees in '000 -----					
	With Banks						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	709,674	(2,701)
		-	-	-	-	709,674	(2,701)
	With FIs other than banks						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	-	-
		-	-	-	-	-	-
	Total						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	709,674	(2,701)
		-	-	-	-	709,674	(2,701)
		----- Rupees in '000 -----					
		December 31, 2023 (Audited)					
		Cross currency swaps		Options and Accumulators		Forward securities	
		Notional principal	Mark to market	Notional principal	Mark to market	Notional principal	Mark to market
		----- Rupees in '000 -----					
	With Banks						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	735,596	(16,437)
		-	-	-	-	735,596	(16,437)
	With FIs other than banks						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	-	-
		-	-	-	-	-	-
	Total						
	Hedging	-	-	-	-	-	-
	Market making	-	-	-	-	735,596	(16,437)
		-	-	-	-	735,596	(16,437)

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	(Un-audited)	
	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----	
25. MARK-UP / RETURN / INTEREST PROFIT EARNED		
On:		
Loans and advances	21,870,125	9,124,107
Investments	32,671,316	11,320,135
Lendings to financial institutions	935,523	33,322
Securities purchased under resale agreements	385,919	489,607
Balances with other banks	146,978	54,731
	<u>56,009,861</u>	<u>21,021,902</u>
25.1 Interest income recognised on:		
Financial assets measured at FVOCI	23,122,061	-
Financial assets measured at amortised cost	32,887,800	-
	<u>56,009,861</u>	<u>-</u>
26. MARK-UP / RETURN / INTEREST PROFIT EXPENSED		
On:		
Deposits	29,415,331	10,930,221
Borrowings	7,226,469	4,533,258
Subordinated debt	672,041	327,149
Cost of foreign currency swaps against foreign currency deposits / borrowings	1,240,347	62,110
Lease liability against right-of-use assets	344,029	82,982
	<u>38,898,217</u>	<u>15,935,720</u>
26.1 Interest expense calculated using effective profit rate method	7,888,635	-
Other financial liabilities	31,009,582	-
	<u>38,898,217</u>	<u>-</u>
27. FEE, COMMISSION AND BROKERAGE INCOME		
Branch banking customer fees	63,855	39,524
Finance related fees	149,546	134,326
Card related fees (debit and credit cards)	535,147	98,472
Investment banking fees	60,640	33,222
Commission on trade	424,010	222,066
Commission on guarantees	176,715	169,095
Commission on cash management	14,411	14,845
Commission on remittances including home remittances	85,527	41,038
Commission on bancassurance / bancatakaful	34,199	20,880
Commission on distribution of mutual funds	1,513	-
Commission on online services	38,535	94,800
Postage and courier income	6,310	2,818
Rebate income	145,407	87,925
Brokerage income	240,373	148,012
Management fee	107,667	37,701
	<u>2,083,855</u>	<u>1,144,724</u>

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		(Un-audited)	
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
28. GAIN / (LOSS) ON SECURITIES - NET	Note		
Realised	28.1	409,421	(428,241)
Unrealised - measured at FVTPL		244,405	(13,305)
		<u>653,826</u>	<u>(441,546)</u>
28.1 Realised gain / (loss) on:			
Federal government securities			
Market treasury bills		35,207	(422,980)
Pakistan investment bonds		540,523	(85,072)
Ijara sukuk certificates		1,666	13,848
		<u>577,396</u>	<u>(494,204)</u>
Shares			
Listed companies		(60,990)	16,083
Non Government Debt Securities			
Term finance certificates		5,627	10,945
Mutual fund units		14,856	38,575
Foreign currency bonds		(127,468)	360
		<u>409,421</u>	<u>(428,241)</u>
28.2 Net gain / (loss) on financial assets			
Measured at FVTPL - designated upon initial recognition		(10,527)	-
Net gain on financial assets measured at FVOCI		429,371	-
		<u>418,844</u>	<u>-</u>
29. OTHER INCOME			
Rent Income		3,642	5,000
Gain on sale of property and equipment - net		1,396	25,366
Gain on termination of leases - net		3,318	7,107
Gain on termination of Islamic financing		37,164	-
Others		11,678	5,695
		<u>57,198</u>	<u>43,168</u>

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	(Un-audited)	
	March 31, 2024	March 31, 2023
	----- Rupees in '000 -----	
30. OPERATING EXPENSES		
Total compensation expense	4,600,691	2,086,780
Property expense		
Rent and taxes	145,696	9,031
Utilities cost	416,075	119,209
Security (including guards)	324,873	92,622
Repair and maintenance (including janitorial charges)	232,288	93,044
Depreciation	272,324	86,425
Depreciation on right-of-use assets	683,996	273,719
Depreciation on non-banking assets	9,455	6,395
	2,084,707	680,445
Information technology expenses		
Software maintenance	487,943	235,219
Hardware maintenance	122,399	27,726
Depreciation	237,750	81,316
Amortisation	136,943	58,646
Network charges	157,001	75,916
	1,142,036	478,823
Other operating expenses		
Directors' fees and allowances	12,513	3,000
Legal and professional charges	90,763	71,551
Insurance	215,274	57,238
Outsourced services costs	109,425	62,419
Travelling and conveyance	158,641	73,402
NIFT clearing charges	26,325	13,487
Depreciation	206,496	90,485
Amortisation	1,712	-
Training and development	27,627	6,900
Postage and courier charges	41,673	14,539
Communication	205,148	46,948
Stationery and printing	211,245	97,309
Marketing, advertisement and publicity	723,657	740,795
Donations	121,445	31,477
Auditors' remuneration	14,031	4,826
Staff auto fuel and maintenance	165,704	137,386
Bank charges	20,893	20,971
Stamp duty	23,743	15,037
Online verification charges	28,222	32,089
Brokerage, fee and commission	29,179	9,731
Card related fees (debit and credit cards)	384,421	136,657
CDC and other charges	19,502	6,294
Consultancy fee	23,005	19,215
Deposit protection premium	47,349	42,316
Entertainment expenses	112,144	41,693
Repair and maintenance	207,323	19,751
Cash handling charges	86,536	54,170
Fee and subscription	255,347	51,495
Employees social security	3,200	2,446
Generator fuel and maintenance	57,479	50,053
Fee and allowances to Shariah Board	7,776	-
Royalty	8,750	8,750
Others	34,290	13,227
	3,680,838	1,975,657
	11,508,272	5,221,705
Less: Reimbursement of selling and distribution expenses	(60,497)	(43,120)
	11,447,775	5,178,585

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31. WORKERS' WELFARE FUND

The Group has made provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

		(Un-audited)	
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
32. OTHER CHARGES	Note		
Penalties imposed by State Bank of Pakistan		453	19,562
33. CREDIT LOSS ALLOWANCE / PROVISION AND WRITE OFFS - NET			
Credit loss allowance / provision against balances with other banks		(716)	14
Credit loss allowance / provision against lendings to financial institutions		72	
Credit loss allowance / provision for diminution in value of investments	9.3	(48,440)	51,213
Credit loss allowance / provision against loans and advances	10.4	1,043,749	707,082
Other credit loss allowance and write offs		23,648	4,383
		1,018,313	762,692
34. TAXATION			
Current		5,267,216	494,348
Deferred		(132,409)	195,521
		5,134,807	689,869

34.1 There are no material changes in tax contingencies as disclosed in annual consolidated financial statements for the year ended December 31, 2023.

		(Un-audited)	
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
35. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit after taxation attributable to ordinary equity holders of the Bank		3,395,872	882,413
			----- Number of shares -----
Weighted average number of ordinary shares		2,050,662,536	1,297,464,262
			----- Rupees -----
Earnings per share - basic and diluted		1.66	0.68

		(Un-audited) March 31, 2024	(Audited) December 31, 2023	(Un-audited) March 31, 2023
		----- Rupees in '000 -----		
36. CASH AND CASH EQUIVALENTS	Note			
Cash and balances with treasury banks	6	77,960,229	82,182,460	33,983,041
Balances with other banks - gross	7	5,812,929	5,302,154	3,904,950
Overdrawn nostro accounts	16	(2,613,315)	(549,483)	(2,032,949)
		81,159,843	86,935,131	35,855,042

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37. FAIR VALUE OF FINANCIAL INSTRUMENTS

International Financial Reporting Standard (IFRS) 13, 'Fair Value Measurement' defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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. Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for 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 assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

Fair value hierarchy

IFRS 13 requires the Group to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3:** Fair value measurements using unobservable inputs for the asset or liability.

37.1 Valuation techniques used in determination of fair values within level:

Item	Valuation approach and input used
Financial Instruments - Level 1	
Shares of listed companies	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange / Bloomberg.
Financial instruments - Level 2	
Mutual fund units	Fair values of investments in mutual fund units are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Market Treasury Bills (MTB), Pakistan Investment Bonds (PIB) and GoP Sukuks	Fair values of Pakistan Investment Bonds, Market Treasury Bills and GoP Sukuks are derived using PKRV, PKFRV and PKISRV rates.
Debt Securities (TFCs) and Sukuk other than Government	Investments in debt securities (comprising of Term Finance Certificates, Bonds and any other security issued by a company or a corporate body for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Overseas Government Sukuks, Overseas and Euro Bonds	The fair value of Overseas Government Sukuks, and Overseas & Euro Bonds are valued on the basis of price available on Bloomberg.
Forward foreign exchange contracts	The valuation has been determined by interpolating the foreign exchange revaluation rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currencies involved, interest rates, yield curves, volatilities, contracts duration, etc.
Financial instruments - Level 3	
Currently, no financial instruments are classified in level 3.	
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, unavailability of reliable data regarding market rates for similar instruments.	
Non-Financial assets - Level 3	
Fixed assets - Land and building	Fixed assets and Non-banking assets under satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values as disclosed in note 11 and 14 of these condensed interim consolidated financial statements. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of State Bank of Pakistan. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these consolidated financial statements.
Non-banking assets acquired in satisfaction of claims	

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

37.3 The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

	March 31, 2024 (Un-audited)			
	Level 1	Level 2	Level 3	Total
<u>On balance sheet financial instruments</u>	----- Rupees in '000 -----			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	475,854,886	-	475,854,886
Shares	3,661,491	-	-	3,661,491
Non Government Debt Securities	-	37,899,118	-	37,899,118
Foreign Securities	10,569,134	91,685	-	10,660,819
Open end mutual funds	-	1,301,192	-	1,301,192
	14,230,625	515,146,881	-	529,377,506
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	101,839,637	-	101,839,637
	14,230,625	616,986,518	-	631,217,143
Non-Financial assets - measured at fair value				
Revalued property and equipment	-	-	7,331,141	7,331,141
Non-banking assets acquired in satisfaction of claims	-	-	6,807,903	6,807,903
	-	-	14,139,044	14,139,044
<u>Off balance sheet financial instruments</u>				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	138,921,441	-	138,921,441
Sale	-	103,481,745	-	103,481,745
Derivative instruments				
Forward securities contract				
Purchase	-	-	-	-
Sale	-	709,674	-	709,674

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	December 31, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
<u>On balance sheet financial instruments</u>	----- Rupees in '000 -----			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	418,294,566	-	418,294,566
Shares	4,728,341	-	-	4,728,341
Non Government Debt Securities	-	37,285,365	-	37,285,365
Foreign Securities	71,367	18,644,141	-	18,715,508
Open end mutual funds	-	1,234,676	-	1,234,676
	4,799,708	475,458,748	-	480,258,456
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	100,310,906	-	100,310,906
	4,799,708	575,769,654	-	580,569,362
Non-Financial assets - measured at fair value				
Revalued fixed assets	-	-	11,765,145	11,765,145
Non-banking assets acquired in satisfaction of claims	-	-	6,511,596	6,511,596
	-	-	18,276,741	18,276,741
<u>Off balance sheet financial instruments</u>				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	127,211,243	-	127,211,243
Sale	-	93,751,722	-	93,751,722
Derivative instruments				
Forward securities contract				
Purchase	-	-	-	-
Sale	-	719,159	-	719,159

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38. SEGMENT INFORMATION

38.1 Segment Details with respect to Business Activities:

For the quarter ended March 31, 2024 (Un-audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset Management	Others	Total
Rupees in '000										
Profit and loss account										
Net mark-up / return / interest profit / (expense)	(6,041,635)	(96,351)	13,442,258	204,031	(16,280)	10,022,303	41,422	266	(444,370)	17,111,644
Inter segment revenue - net	11,278,953	2,239,177	(12,522,410)	434,046	120,729	-	-	-	(1,550,495)	-
Non mark-up / return / income	500,497	396,255	1,712,727	148,166	46,872	1,589,375	269,998	176,191	58,020	4,898,101
Total Income / (loss)	5,737,815	2,539,081	2,632,575	786,243	151,321	11,611,678	311,420	176,457	(1,936,845)	22,009,745
Segment direct expenses	2,848,250	174,613	51,411	412,833	927,651	5,014,469	251,736	96,918	1,875,135	11,653,016
Inter segment expense allocation	979,683	190,631	52,551	63,787	120,966	-	-	-	(1,407,618)	-
Total expenses	3,827,933	365,244	103,962	476,620	1,048,617	5,014,469	251,736	96,918	467,517	11,653,016
Credit loss allowance and write offs - net	98,545	641,935	(36,623)	15	-	320,155	(12,530)	-	6,816	1,018,313
Profit / (loss) before tax	1,811,337	1,531,902	2,565,236	309,608	(897,296)	6,277,054	72,214	79,539	(2,411,178)	9,338,416
For the quarter ended March 31, 2023 (Un-audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset Management	Others	Total
Rupees in '000										
Profit and loss account										
Net mark-up / return / interest profit / (expense)	(3,000,604)	765,885	7,719,000	(106,588)	(5,405)	-	7,116	(497)	(292,725)	5,086,182
Inter segment revenue - net	8,026,690	1,003,161	(9,558,805)	533,954	59,138	-	-	-	(64,138)	-
Non mark-up / return / income	503,061	574,183	701,256	233,575	66,467	-	197,183	83,153	121,423	2,480,301
Total Income / (loss)	5,529,147	2,343,229	(1,138,549)	660,941	120,200	-	204,299	82,656	(235,440)	7,566,483
Segment direct expenses	2,227,643	159,863	42,509	176,331	865,999	-	177,559	79,126	1,501,619	5,230,649
Inter segment expense allocation	1,095,010	168,040	46,453	35,298	105,356	-	-	-	(1,450,163)	-
Total expenses	3,322,653	327,909	88,962	211,629	971,355	-	177,559	79,126	51,456	5,230,649
Provisions and write offs - net	120,036	556,540	-	86,116	-	-	-	-	-	762,692
Profit / (loss) before tax	2,086,458	1,458,780	(1,227,511)	363,196	(851,155)	-	26,740	3,530	(286,896)	1,573,142
As at March 31, 2024 (Un-audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset Management	Others	Total
Rupees in '000										
Statement of financial position										
Cash and bank balances	15,869,224	24,169	29,877,945	602,989	952,912	36,157,030	247,575	25,755	-	83,757,599
Lendings to financial institutions	-	-	-	-	-	16,211,724	-	-	-	16,211,724
Investments	-	-	281,988,270	13,691,222	-	332,257,292	747,283	1,428,145	3,337,456	633,449,668
Net inter segment lending	246,425,051	56,212,450	-	15,624,424	2,675,218	-	-	-	42,585,798	363,522,941
Advances - performing	67,834,986	111,922,022	-	7,201,783	-	255,329,945	729,307	5,051	5,043,014	448,066,108
Advances - non-performing	6,692,792	10,041,011	-	19,639	-	22,798,101	-	-	79,538	39,631,081
Advances - provisions - net	(2,653,636)	(8,682,055)	-	(7,596)	-	(24,691,698)	-	-	(42,854)	(36,077,839)
Others	71,874,142	113,280,978	-	7,213,826	-	253,436,348	729,307	5,051	5,079,698	451,619,350
Total Assets	334,168,417	169,517,597	311,866,215	38,310,767	3,628,130	697,753,032	6,295,405	2,076,920	104,940,513	1,668,556,996
Borrowings	7,627,761	18,271,690	3,244,567	-	-	131,013,757	112,500	-	-	160,270,275
Deposits and other accounts	319,469,777	150,873,771	-	38,254,467	3,628,130	496,522,527	-	-	826,750	1,009,575,422
Subordinated debt	-	-	-	-	-	2,996,904	-	-	8,497,533	11,494,437
Net inter segment borrowing	960,284	-	308,621,648	-	-	38,255,821	1,685,737	1,683,956	12,315,495	363,522,941
Others	6,110,595	372,136	-	56,300	-	28,964,023	4,497,168	392,964	21,693,171	62,086,357
Total Liabilities	334,168,417	169,517,597	311,866,215	38,310,767	3,628,130	697,753,032	6,295,405	2,076,920	43,332,949	1,606,949,432
Equity	-	-	-	-	-	-	-	-	51,843,731	51,843,731
Non-controlling interest	-	-	-	-	-	-	-	-	9,763,833	9,763,833
Total Equity and Liabilities	334,168,417	169,517,597	311,866,215	38,310,767	3,628,130	697,753,032	6,295,405	2,076,920	104,940,513	1,668,556,996
Contingencies and Commitments	91,318,779	70,371,258	85,409,210	10,482,495	-	214,950,536	709,674	-	834,889	474,076,841
As at December 31, 2023 (Audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset Management	Others	Total
Rupees in '000										
Statement of financial position										
Cash and bank balances	6,601,476	3,633	29,255,325	1,673,716	1,072,267	42,661,045	143,038	57,936	6,016,104	87,484,540
Lendings to financial institutions	-	-	-	-	-	16,502,138	-	-	-	16,502,138
Investments	-	-	241,068,907	22,083,318	-	314,083,872	590,962	1,361,628	3,456,441	582,645,128
Net inter segment lending	237,203,038	41,050,823	-	7,114,783	2,745,472	-	-	-	40,532,368	328,646,484
Advances - performing	73,093,100	112,007,279	-	7,267,979	-	230,978,830	694,457	3,172	5,233,978	429,278,795
Advances - non-performing	6,589,395	9,526,666	-	27,685	-	22,890,642	-	-	40,704	39,075,092
Advances - provisions - net	(2,932,017)	(7,065,190)	-	(21,976)	-	(23,840,627)	-	-	(40,703)	(33,900,513)
Others	76,750,478	114,468,755	-	7,273,688	-	230,028,845	694,457	3,172	5,233,979	434,453,374
Total Assets	320,554,992	155,523,211	270,324,232	38,145,505	3,817,739	654,460,452	5,039,361	1,938,999	108,843,074	1,558,647,565
Borrowings	7,749,336	17,572,794	1,900,349	-	-	60,659,056	149,999	-	-	88,031,534
Deposits and other accounts	304,975,970	137,568,824	-	38,098,734	3,817,739	522,540,925	-	-	817,302	1,007,819,494
Subordinated debt	-	-	-	-	-	2,846,904	-	-	8,497,767	11,344,671
Net inter segment borrowing	1,004,209	-	268,423,883	-	-	36,299,104	1,616,726	1,612,329	19,690,233	328,646,484
Others	6,825,477	381,593	-	46,771	-	32,114,463	3,272,636	326,670	19,849,651	62,817,261
Total Liabilities	320,554,992	155,523,211	270,324,232	38,145,505	3,817,739	654,460,452	5,039,361	1,938,999	48,854,953	1,498,659,444
Equity	-	-	-	-	-	-	-	-	50,501,557	50,501,557
Non-controlling interest	-	-	-	-	-	-	-	-	9,486,564	9,486,564
Total Equity and Liabilities	320,554,992	155,523,211	270,324,232	38,145,505	3,817,739	654,460,452	5,039,361	1,938,999	108,843,074	1,558,647,565
Contingencies and Commitments	77,650,720	37,673,689	120,272,393	-	-	257,605,181	735,596	-	911,638	494,849,217

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39. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, directors, key management personnel, associates and other related parties.

The Group enters into transactions with related parties in the ordinary course of business and substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

	As at March 31, 2024 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	----- Rupees in '000 -----				
Statement of financial position					
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the period	-	-	-	-	-
Repaid during the period	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments					
Opening balance	7,595	-	-	1,371,911	6,508,867
Investment made during the period	-	-	-	-	1,969,242
Investment redeemed / disposed off during the period	-	-	-	-	(3,294,874)
Deficit on investments	-	-	-	-	(224,113)
Transfer in / (out) - net	-	-	-	-	-
Closing balance	<u>7,595</u>	<u>-</u>	<u>-</u>	<u>1,371,911</u>	<u>4,959,122</u>
Credit loss allowance for diminution in value of investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,102,111</u>	<u>388,607</u>
Advances					
Opening balance	-	247	919,926	665,920	2,006,365
Addition during the period	-	478	122,384	200,000	1,706,173
Repaid during the period	-	(465)	(60,417)	(200,778)	(1,385,193)
Transfer in / (out) - net	-	-	(112,887)	-	1,799
Closing balance	<u>-</u>	<u>260</u>	<u>869,006</u>	<u>665,142</u>	<u>2,329,144</u>
Other assets					
Mark-up / return / interest accrued	-	-	951	59,529	50,079
Receivable against bancassurance / bancatakaful	-	-	-	-	6,607
Prepaid insurance	-	-	-	-	66,602
Net defined benefit plan	-	-	-	-	-
Trade receivable	-	-	682	-	211,844
Rent receivable	-	-	-	-	2,961
Dividend receivable	-	-	-	-	82,888
Credit loss allowance against other assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Borrowings					
Opening balance	-	-	-	-	-
Borrowings during the period	-	-	-	-	-
Settled during the period	-	-	-	-	-
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deposits and other accounts					
Opening balance	80,689	369	88,537	46,398	8,164,204
Received during the period	232,178	-	925,114	705,341	71,383,479
Withdrawn during the period	(206,822)	(284)	(862,853)	(728,563)	(69,342,534)
Transfer in / (out) - net	-	-	(30,297)	-	1,887
Closing balance	<u>106,045</u>	<u>85</u>	<u>120,501</u>	<u>23,176</u>	<u>10,207,036</u>
Subordinated debt					
Opening balance	2,500	-	485	-	21,119
Issued during the period	-	-	-	-	140,316
Redeemed during the period	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-
Closing balance	<u>2,500</u>	<u>-</u>	<u>485</u>	<u>-</u>	<u>161,435</u>
Other liabilities					
Mark-up / return / interest payable on deposits	-	-	443	3	110,021
Mark-up / return / interest payable on subordinated debt	-	-	-	-	1,197
Dividend payable	-	-	39	-	117,373
Trade payable	16,551	-	1,435	135,346	11,590
Donation payable	-	-	-	-	251,239
Payable to defined benefit plan	-	-	-	-	171,266
Others payable	-	-	-	-	3,404
Contingencies and commitments					
Letter of guarantee	-	-	-	-	14,854
Letter of credit	-	-	-	-	442,902

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	As at December 31, 2023 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000				
Statement of financial position					
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the year	-	-	-	-	116,405,200
Repaid during the year	-	-	-	-	(116,405,200)
Transfer in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	7,595	-	-	269,800	11,290,639
Investment made during the period	-	-	-	-	1,290,203
Investment redeemed / disposed off during the period	-	-	-	-	(4,141,720)
Deficit on investments	-	-	-	-	(777,060)
Transfer in / (out) - net	-	-	-	1,102,111	(1,153,195)
Closing balance	7,595	-	-	1,371,911	6,508,867
Provision for diminution in value of investments	-	-	-	1,102,111	388,607
Advances					
Opening balance	-	-	524,061	232,166	1,340,315
Addition during the year	-	1,997	414,637	903,910	13,272,798
Repaid during the year	-	(2,240)	(238,056)	(950,343)	(12,232,769)
Transfer in / (out) - net	-	490	219,284	480,187	(373,979)
Closing balance	-	247	919,926	665,920	2,006,365
Other assets					
Mark-up / return / interest accrued	-	-	869	20,758	33,338
Receivable against bancassurance / bancatakaful	-	-	-	-	15,358
Prepaid insurance	-	-	-	-	587
Net defined benefit plan	-	-	-	-	-
Trade receivable	-	-	511	-	169,423
Rent receivable	-	-	-	-	16,338
Other receivable	-	-	-	-	3,650
Provision against other assets	-	-	-	-	-
Borrowings					
Opening balance	-	-	-	-	320,785
Borrowings during the year	-	-	-	-	-
Settled during the year	-	-	-	-	(320,785)
Transfer in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Deposits and other accounts					
Opening balance	130,430	174,485	47,853	2,621	12,626,532
Received during the year	20,697,001	2,406	1,800,295	4,325,135	203,709,787
Withdrawn during the year	(20,746,742)	(2,327)	(1,785,562)	(4,298,767)	(209,905,961)
Transfer in / (out) - net	-	(174,195)	25,951	17,409	1,733,846
Closing balance	80,689	369	88,537	46,398	8,164,204
Subordinated debts					
Opening balance	2,500	-	-	-	124,714
Issued during the year	-	-	-	-	20,000
Redeemed during the year	-	-	-	-	(124,715)
Transfer in / (out) - net	-	-	485	-	1,120
Closing balance	2,500	-	485	-	21,119
Other liabilities					
Mark-up / return / interest payable on deposits	-	-	333	13	82,686
Mark-up / return / interest payable on borrowings	-	-	-	-	-
Mark-up / return / interest payable on subordinated debts	-	-	-	-	13
Dividend payable	-	-	-	-	169,317
Trade payable	5,989	-	1,154	-	21,868
Donation payable	-	-	-	-	209,514
Defined benefit obligation - net	-	-	-	-	133,191
Others payable	400	-	10	-	4,950
Contingencies and commitments					
Letters of guarantee	-	-	-	-	15,141
Letters of credit	-	-	-	-	516,329
Forward lending	-	-	-	-	-

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	For the quarter ended March 31, 2024 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000				
Profit and loss account					
Income					
Mark-up / return / interest earned	-	-	11,834	40,371	118,510
Fee, commission and brokerage income	238	35	480	-	133,344
Dividend income	-	-	-	-	42,698
Gain / (loss) on sale of securities - net	-	-	-	-	5,552
Rental income	-	-	-	-	-
Other income	-	-	16	22	-
Credit loss allowance and write offs - net					
Credit loss allowance for diminution in value of investments - net	-	-	-	-	-
Expense					
Mark-up / return / interest paid	3,073	-	675	238	398,836
Commission / charges paid	-	-	-	-	-
Remuneration paid	-	-	510,898	-	-
Non-executive directors' fee	-	3,000	-	-	9,512
Net charge for defined contribution plans	-	-	-	-	165,458
Net charge for defined benefit plans	-	-	-	-	105,178
Insurance expense	-	-	-	-	24,794
Donation	-	-	-	-	91,791
Rental expense	1,409	-	-	-	14,757
Advisory fee	3,750	-	-	-	-
Consultancy charges	-	-	-	-	15,577
Royalty	-	-	-	-	11,250
Other expenses	1,400	-	8,601	-	55,113
Payments made during the period					
Insurance premium paid	-	-	-	-	82,487
Insurance claims settled	-	-	-	-	1,704
Other Transactions					
Sale of Government Securities	-	-	2,971	-	15,317,459
Purchase of Government Securities	-	-	3,148	-	8,898,599

	For the quarter ended March 31, 2023 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	Rupees in '000				
Profit and loss account					
Income					
Mark-up / return / interest earned	431	-	5,870	10,838	70,768
Fee, commission and brokerage income	201	-	383	6	26,831
Dividend income	-	-	-	-	98,808
Gain on sale of securities - net	-	-	-	-	15,037
Rental income	-	-	-	-	33,570
Other income	-	-	-	-	379
Provision and write offs - net					
Provision for diminution in value of investments - net	-	-	-	-	-
Expense					
Mark-up / return / interest expensed	5,166	-	374	-	257,747
Commission / charges paid	-	-	-	-	-
Remuneration paid	-	-	257,500	-	-
Non-executive directors' fee	-	16,721	-	-	-
Net charge for defined contribution plans	-	-	-	-	84,326
Net charge for defined benefit plans	-	-	-	-	30,899
Insurance expense	-	-	-	-	38,222
Donation	-	-	-	-	31,477
Rental expense	874	-	-	-	9,848
Advisory fee	8,474	-	-	-	3,750
Consultancy charges	-	-	-	-	10,500
Royalty	-	-	-	-	11,250
Other expenses	-	-	1,154	-	7,333
Payments made during the period					
Insurance premium paid	-	-	-	-	183,732
Insurance claims settled	-	-	-	-	5,003
Other transactions					
Sale of Government Securities	-	-	15,317	-	24,955,530
Purchase of Government Securities	-	-	14,712	-	735,720
Sale of Non Government Securities	-	-	-	-	888,653
Purchase of non-Government Securities	-	-	-	-	50,456
Sale of Foreign Currencies	-	-	-	-	11,047,920
Purchase of Foreign Currencies	-	-	-	-	8,760,363

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	(Un-audited) March 31, 2024	(Audited) December 31, 2023
	----- Rupees in '000 -----	
40. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>20,506,625</u>	<u>20,506,625</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>46,591,532</u>	42,774,020
Eligible Additional Tier 1 (ADT 1) Capital	<u>5,500,000</u>	5,358,441
Total Eligible Tier 1 Capital	<u>52,091,532</u>	48,132,461
Eligible Tier 2 Capital	<u>14,751,499</u>	15,440,920
Total Eligible Capital (Tier 1 + Tier 2)	<u>66,843,031</u>	<u>63,573,381</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>307,620,827</u>	279,081,514
Market Risk	<u>6,806,619</u>	6,158,393
Operational Risk	<u>95,774,177</u>	95,774,177
Total	<u>410,201,623</u>	<u>381,014,084</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>11.36%</u>	<u>11.23%</u>
Tier 1 Capital Adequacy Ratio	<u>12.70%</u>	<u>12.63%</u>
Total Capital Adequacy Ratio	<u>16.30%</u>	<u>16.69%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>52,091,532</u>	48,132,461
Total Exposures	<u>1,424,179,471</u>	1,363,431,140
Leverage Ratio	<u>3.66%</u>	<u>3.53%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>492,414,855</u>	518,459,296
Total Net Cash Outflow	<u>145,891,289</u>	182,046,259
Liquidity Coverage Ratio	<u>337.52%</u>	<u>284.80%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>954,379,489</u>	958,135,272
Total Required Stable Funding	<u>485,715,305</u>	457,577,597
Net Stable Funding Ratio	<u>196.49%</u>	<u>209.39%</u>

40.1 In order to mitigate the impact of expected credit loss (ECL) provisioning on capital, SBP has allowed transitional arrangement to absorb the impact on regulatory capital. Accordingly, transitional arrangement is applied. If Transition wasn't applied Capital Position would have been as below:

Capital Adequacy Ratios	Transition Arrangement	Full ECL Impact
CET1 to TRWAs	11.36%	11.27%
T1 Capital to TRWAs	12.70%	12.62%
Total eligible capital to TRWAs	16.30%	16.21%
Leverage	3.66%	3.63%

JS BANK LIMITED
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FOR THE QUARTER ENDED MARCH 31, 2024

41. GENERAL

- 41.1** Corresponding figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are no material re-arrangements / re-classifications to report.
- 41.2** The figures in these condensed interim consolidated financial statements have been rounded off to the nearest thousand unless otherwise stated.

42. DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on April 26, 2024.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman