

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Condensed interim statement of financial position

As at September 30, 2023

	Note	Un-audited Sep. 30, 2023	Audited June 30, 2023
Rupees in '000'			
ASSETS			
Cash and balances with treasury banks	5	632,159	739,719
Balances with other banks	6	647,293	1,261,162
Lendings to financial institutions		-	-
Investments	7	6,004,571	3,311,637
Advances	8	8,960,500	10,625,612
Fixed assets	9	15,515,020	15,538,777
Intangible assets	10	6,472	6,472
Right of Use Assets	11	81,963	88,527
Deferred tax assets		-	-
Other assets	12	1,387,817	1,093,222
		33,235,795	32,665,127
LIABILITIES			
Bills payable	13	56,067	20,188
Borrowings		-	-
Deposits and other accounts	15	6,208,216	6,223,904
Lease Liabilities	16	84,780	89,890
Subordinated debt		-	-
Deferred tax liabilities		15,644	15,644
Other liabilities	17	2,776,961	2,317,887
		9,141,668	8,667,513
NET ASSETS		24,094,127	23,997,614
REPRESENTED BY			
Share capital/ Head office capital account - net		7,885,547	7,885,547
Reserves		1,167,338	1,167,338
Surplus on revaluation of assets	18	15,520,254	15,529,873
Unappropriated loss		(479,012)	(585,144)
		24,094,127	23,997,614
CONTINGENCIES AND COMMITMENTS	19		

The annexed notes 1 to 34 form an integral part of these financial statements.


A.President/CEO

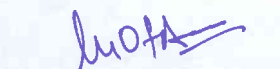

Chief Financial Officer

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Condensed interim profit and loss account
For the quarter ended September 30, 2023

		Un-audited For the quarter ended September	
	Note	2023	2022
		Rupees in '000'	
Mark-up/Return/Interest Earned	20	885,936	569,372
Mark-up/Return/Interest Expensed	21	(246,597)	(91,067)
Net Mark-up/ Interest Income		639,339	478,305
NON MARK-UP/INTEREST INCOME			
Fee and Commission Income	22	41,395	17,695
Dividend Income		11	151
Foreign Exchange Income		-	-
Income / (loss) from derivatives		-	-
Gain / (Loss) on securities		-	-
Other Income	23	19,801	11,856
Total non-markup/interest Income		61,207	29,702
Total Income		700,546	508,007
NON MARK-UP/INTEREST EXPENSES			
Operating expenses	24	(533,626)	(393,124)
Workers Welfare Fund		-	-
Other charges	25	-	-
Total non-markup/interest expenses		(533,626)	(393,124)
Profit / (Loss) Before Provisions		166,920	114,883
Provisions and write offs - net	26	558	(22,138)
Extra ordinary / unusual items (to be specified)		-	-
PROFIT/(LOSS) BEFORE TAXATION		166,362	137,021
Taxation	27	60,230	-
PROFIT/(LOSS) AFTER TAXATION		106,132	137,021
		Rupees	
Basic Earnings/(Loss) per share	28	1.35	1.74
Diluted Earnings/(Loss) per share		-	-

The annexed notes 1 to 34 form an integral part of these financial statements.


A. President/CEO


Chief Financial Officer

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Statement of comprehensive income
For the quarter ended September 30, 2023

Un-audited
For the quarter ended
September
2023 2022
Rupees in '000'

Profit after taxation for the Quarter

106,132 137,021

Other comprehensive income

Items that may be reclassified to profit and loss account in subsequent periods:

Effect of translation of net investment in foreign branches
Movement in surplus / (deficit) on revaluation of investments - net of tax
Others (to be specified)

-	-
-	-
-	-
-	-

Items that will not be reclassified to profit and loss account in subsequent periods:


Remeasurement gain / (loss) on defined benefit obligations - net of tax
Movement in surplus on revaluation of operating fixed assets - net of tax
Movement in surplus on revaluation of non-banking assets - net of tax
Net change in fair value of available for sale investment

-	-
-	-
-	-
50,381	(6,113)
50,381	(6,113)
156,513	130,908

Total comprehensive income

The annexed notes 1 to 34 form an integral part of these financial statements.


A. President/CEO


Chief Financial Officer

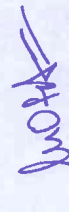
THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Condensed interim statement of changes in equity
For the quarter ended September 30, 2023

Un-audited September 30, 2023

	Surplus/(Deficit) on revaluation of					Total	
	Share capital / Head office capital	Statutory reserve	Investments	Fixed / Non Banking Assets	Common good fund		Unappropriate d loss
	Rupees in '000'						
Opening Balance July 1, 2022	7,885,488	1,005,443	495,157	15,135,681	7,232	(1,090,841)	23,438,160
Profit after taxation for the prior year	-	-	-	-	-	137,021	137,021
Other comprehensive income - net of tax	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-
Deficit on revaluation of assets	-	-	(6,113)	-	-	-	(6,113)
issuance of shares	-	-	-	-	-	-	-
Transfer of Revaluation Surplus on Disposal	-	-	-	-	-	-	-
Medical aid to staff	-	-	-	-	(200)	-	(200)
Opening Balance October 1, 2022	7,885,488	1,005,443	489,044	15,135,681	7,032	(953,821)	23,568,868
Profit after taxation	-	-	(89,367)	-	-	485,791	485,791
Other comprehensive income/(Loss) - net of tax	-	-	-	-	-	33,103	(56,264)
Transfer to common good fund	-	-	-	-	-	-	-
Transfer to statutory reserve	-	155,703	-	(5,486)	-	(155,703)	-
Transfer of Revaluation Surplus on Disposal	-	-	-	-	(840)	5,486	-
Medical aid to staff	-	-	-	-	-	-	(840)
Refund of shares	59	-	-	-	59	-	59
Closing Balance June 30, 2023	7,885,547	1,161,146	399,677	15,130,195	6,192	(585,144)	23,997,614
Profit after taxation	-	-	-	-	-	106,132	106,132
Medical aid to staff	-	-	50,381	(60,000)	-	-	(9,619)
Surplus on revaluation of assets	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-
Closing Balance September 30, 2023	7,885,547	1,161,146	450,058	15,070,195	6,192	(479,012)	24,094,127

The annexed notes 1 to 34 form an integral part of these financial statements.


A. President/CEO


Chief Financial Officer

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Condensed interim statement of cash flows
For the quarter ended September 30, 2023

Un-audited
For the quarter ended
September
2023 2022
Rupees in '000

CASH FLOW FROM OPERATING ACTIVITIES

Profit/(Loss) before taxation	166,362	137,021
Less: Dividend income	(11)	(151)
	166,351	136,870
Adjustments:		
Depreciation	4,971	2,478
Amortization	-	-
Provision for employees retirement benefits	-	-
Loss/ (Gain) on sale of fixed assets	-	-
	4,971	2,478
	171,322	139,348
(Increase)/ Decrease in operating assets		
Advances	1,665,112	(392,694)
Others assets (excluding advance taxation)	(294,595)	(132,626)
	1,370,517	(525,320)
Increase/ (Decrease) in operating liabilities		
Bills Payable	35,879	(9,825)
Deposits	(15,688)	(154,235)
Other liabilities (excluding current taxation)	407,610	(16,593)
	427,801	(180,653)
Taxes Paid	(2,624)	(7,592)
Contribution to pension fund	(14,550)	(13,099)
Medical aid to employees from common good fund	-	(200)
<i>Net cash flow from / (used in) operating activities</i>	1,952,466	(587,517)

CASH FLOW FROM INVESTING ACTIVITIES

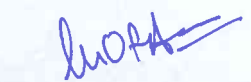
Net investments in held-to-maturity securities	(2,642,553)	(958,626)
Dividends received	11	151
Investments in operating fixed assets	(31,352)	(2,419)
Proceeds from sale of fixed assets	-	-
Effect of translation of net investment in foreign branches	-	-
<i>Net cash flow from / (used in) investing activities</i>	(2,673,894)	(960,894)

CASH FLOW FROM FINANCING ACTIVITIES

Issue of share capital	-	-
<i>Net cash flow from / (used in) financing activities</i>	-	-
Effects of exchange rate changes on cash and cash equivalents	-	-
Increase/(Decrease) in cash and cash equivalents	(721,428)	(1,548,411)
Cash and cash equivalents at beginning of the year	2,000,881	2,591,323
Cash and cash equivalents at end of the quarter	1,279,453	1,042,913

The annexed notes 1 to 34 form an integral part of these financial statements.


A. President/CEO


Chief Financial Officer

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

1 STATUS AND NATURE OF BUSINESS

The Punjab Provincial Cooperative Bank Limited (the Bank) was incorporated in 1924 as a Cooperative Bank under the Cooperative Societies Act, 1912 (repealed) (now the Cooperative Societies Act, 1925). It was given the status of a scheduled bank by the State Bank of Pakistan (SBP) with effect from November 07, 1955. The Bank is operating under the supervision of the Cooperative Department, Government of Punjab and the State Bank of Pakistan (SBP). The principal activity of the Bank is to carry out the business of agriculture credit and other activities as defined in the Cooperative Societies Act, 1925 and its Rules. The Bank operates through its 151 (2022: 151) branches in the whole province of Punjab. The registered office of the Bank is located at the Bank Square, The Mall, Lahore, Pakistan.

2 BASIS OF PRESENTATION

The financial statements are presented in Pakistani Rupee, which is the Bank's functional currency. Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

2.1 Statement of compliance

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

-International Financial Reporting Standards (IFRS) 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 ("the Ordinance"), the Cooperative Societies Act, 1925 ("the Act"), the Cooperative Societies Rules, 1927 ("the Rules"), and

-Directives issued by the SBP.

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

In addition, the Companies Act, 2017 also became effective for the financial statements for the year ended December 31, 2017. As the Bank's financial statements are prepared in accordance with the format prescribed by SBP, it did not have a direct impact on the financial statements. It is further added that under Section 68 of Cooperative Societies Act 1925, the provision of Companies Act shall not apply to societies registered under this Act.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements

For the quarter ended September 30, 2023

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

The State Bank of Pakistan vide BPRD circular Letter No. 3 of 2022 dated 05.07.2022 has decided to implement the IFRS-9 from 01.01.2024 instead of 01.01.2022. In case of PPCBL the financial year is closed on 30th June therefore, the implementation date would be considered as 01.07.2024.

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

The following other standards, amendments and interpretations of approved accounting standards are not effective for accounting periods beginning on January 1, 2022:

<u>Standards</u>	<u>Effective Date</u>
IAS-37 Onerous Contracts (Amendments)	January 01, 2022
IAS-16 Proceeds Before Intended Use (Amendments)	January 01, 2022
IAS-1 Classification of Liabilities as Current or Non-Current	January 01, 2022

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized prospectively in the period in which the estimate is revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumption and estimates are significant to the financial statements are as follows:-

- i) Classification and provisioning against investment
- ii) Impairment of 'available for sale' equity investments
- iii) Income taxes
- iv) Classification and provisioning against advances
- v) Depreciation and revaluation of operating fixed assets
- vi) Amortisation of intangible assets
- vii) Staff retirement benefits

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except as otherwise stated under relevant policy notes.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements have been applied consistently to all periods presented.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements

For the quarter ended September 30, 2023

		Un-audited September 30 2023	Audited June 30 2023
	NOTE	Rupees in '000	
5 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		127,698	212,064
With State Bank of Pakistan in			
Local currency current account	5.1	399,575	421,867
With National Bank of Pakistan in			
Local currency current account		39,479	30,869
Local currency deposit account (NIDA)	5.2	65,407	74,919
		104,886	105,788
		632,159	739,719

5.1 Deposits with SBP are maintained to comply with the statutory requirements issued from time to time.

5.2 Rate of profit on NIDA account is at 20.50% per annum (June 30, 2022 : 19.50% per annum).

6 BALANCES WITH OTHER BANKS

In Pakistan			
In current account		8,344	4,983
In deposit account	6.1	638,949	1,256,179
		647,293	1,261,162

6.1 These accounts carry profit rates ranging from 19.75% to 20.50% per annum (June 30, 2022 : 12.75% to 19.75%) per annum.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

7 INVESTMENTS

7.1 Investments by type:

	Un-audited September 30, 2023			Audited June 30, 2023				
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000								
Available-for-sale securities								
Shares - Listed companies	7,023	-	450,058	457,081	7,023	-	399,677	406,700
Shares - Cooperative Institutions	3,551	(1,589)	-	1,962	3,551	(1,589)	-	1,962
	10,574	(1,589)	450,058	459,043	10,574	(1,589)	399,677	408,662
Held-to-maturity securities								
Market Treasury Bills	5,545,528	-	-	5,545,528	2,902,975	-	-	2,902,975
Pakistan Investment Bonds	-	-	-	-	-	-	-	-
Non-Banking Finance Company	88,059	(88,059)	-	-	88,059	(88,059)	-	-
	5,633,587	(88,059)	-	5,545,528	2,991,034	(88,059)	-	2,902,975
Total Investments	5,644,161	(89,648)	450,058	6,004,571	3,001,608	(89,648)	399,677	3,311,637

7.2 Investments by segments:

	Un-audited September 30, 2023			Audited June 30, 2023				
	Cost/ Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost /Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Federal Government Securities:								
Market Treasury Bills	5,545,528	-	-	5,545,528	2,902,975	-	-	2,902,975
Investment with other financial institutions								
Non-Banking Finance Company	88,059	(88,059)	-	-	88,059	(88,059)	-	-
Shares:								
Listed Companies	7,023	-	450,058	457,081	7,023	-	399,677	406,700
Cooperative institutions	3,551	(1,589)	-	1,962	3,551	(1,589)	-	1,962
	10,574	(1,589)	450,058	459,043	10,574	(1,589)	399,677	408,662
Total Investments	5,644,161	(89,648)	450,058	6,004,571	3,001,608	(89,648)	399,677	3,311,637

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements

For the quarter ended September 30, 2023

	Un-audited September 30 2023	Audited June 30 2023
	Rupees in '000	
7.3 Provision for diminution in value of investments		
7.3.1 Opening balance	89,648	89,648
Exchange adjustments	-	-
Charge / reversals		
Charge for the year	-	-
Reversals for the year	-	-
Reversal on disposals	-	-
	89,648	89,648
Transfers - net	-	-
Amounts written off	-	-
Closing Balance	89,648	89,648

7.3.2 Particulars of provision against debt securities

Category of classification	Un-audited September 30, 2023		Audited June 30, 2023	
	NPI	Provision	NPI	Provision
Domestic				
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	88,059	88,059	88,059	88,059
	88,059	88,059	88,059	88,059
Overseas				
Not past due but impaired	-	-	-	-
Overdue by:				
Upto 90 days	-	-	-	-
91 to 180 days	-	-	-	-
181 to 365 days	-	-	-	-
> 365 days	-	-	-	-
	-	-	-	-
Total	88,059	88,059	88,059	88,059

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements

For the quarter ended September 30, 2023

8 ADVANCES

	Performing		Non Performing		Total	
	Un-audited Sep. 30, 2023	Audited June 30, 2023	Un-audited Sep. 30, 2023	Audited June 30, 2023	Un-audited Sep. 30, 2023	Audited June 30, 2023
	Rupees in '000					
Loans, cash credits, running finances, etc.	8,703,527	10,391,556	1,813,494	1,789,825	10,517,021	12,181,381
Islamic financing and related assets	-	-	-	-	-	-
Bills discounted and purchased	-	-	184	184	184	184
Advances - gross	8,703,527	10,391,556	1,813,678	1,790,009	10,517,205	12,181,565
Provision against advances						
- Specific	-	-	1,556,327	1,555,575	1,556,327	1,555,575
- General	-	-	378	378	378	378
Advances - net of provision	8,703,527	10,391,556	256,973	234,056	8,960,500	10,625,612

8.1 Particulars of advances (Gross)

	Un-audited September 30, 2023	Audited June 30, 2023
	Rupees in '000	
In local currency	10,517,205	12,181,565
In foreign currencies	-	-
	10,517,205	12,181,565

8.2 Advances include Rs. 1,813,494 thousand (2023: Rs. 1,789,825 thousand) which have been placed under non-performing status as detailed below:-

Category of Classification	Un-audited September 30, 2023		Audited June 30, 2023	
	Non Performing		Non Performing	
	Loans	Provision	Loans	Provision
	Rupees in '000			
Domestic				
Other Assets Especially Mentioned	122,290	50	44,322	-
Substandard	52,083	575	60,453	589
Doubtful	79,020	6,985	92,870	7,851
Loss	1,560,101	1,548,901	1,592,180	1,547,413
	1,813,494	1,556,511	1,789,825	1,555,853

8.3 Particulars of provision against advances

	Un-audited September 30, 2023			Audited June 30, 2023		
	Specific	General	Total	Specific	General	Total
	Rupees in '000					
Opening balance	1,555,575	378	1,555,953	1,701,621	378	1,701,999
Exchange adjustments	-	-	-	-	-	-
Charge for the year	558	-	558	(146,046)	-	(146,046)
Reversals	-	-	-	-	-	-
	1,556,133	378	1,556,511	1,555,575	378	1,555,953
Amounts written off	-	-	-	-	-	-
Amounts charged off - agriculture financing	-	-	-	-	-	-
Other movements (to be specified)	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-

9 FIXED ASSETS

	Note	Un-audited Sep. 30, 2023	Audited June 30, 2023
Capital work-in-progress	9.1	78,766	95,531
Property and equipment		15,436,254	15,443,246
		15,515,020	15,538,777

9.1 Capital work-in-progress

	Un-audited Sep. 30, 2023	Audited June 30, 2023
Civil works	28,592	45,357
Equipment	50,174	50,174
	78,766	95,531

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

	Un-audited Sep. 30, 2023	Audited June. 30, 2023
	Rupees in '000	
9.2 Additions to fixed assets		
Capital work-in-progress	-	-
Property and equipment		
Freehold land	-	-
Leasehold land	-	-
Buidling on freehold land	-	29,875
Buidling on leasehold land	-	-
Furniture and fixture	144	7,110
Electrical office and computer equipment	11,338	15,125
Vehicles	19,870	10,143
Others	-	42
	31,352	62,295
Total	31,352	62,295
9.3 Disposal of fixed assets		
Freehold land	-	5,684
Leasehold land	-	-
Buidling on freehold land	-	2,880
Buidling on leasehold land	-	-
Furniture and fixture	57	232
Electrical office and computer equipment	-	5
Vehicles	2,195	1
Others	-	-
Total	2,252	8,802
10 INTANGIBLE ASSETS		
Capital work in progress	-	-
Computer Software	6,472	6,472
	6,472	6,472
	Un-audited Sep. 30, 2023	Audited June 2023
	Rupees in '000	
10.1 Additions to intangible assets		
Developed internally	-	-
Directly purchased	-	-
Through business combinations	-	-
Total	-	-
10.2 Disposals of intangible assets		
Developed internally	-	-
Directly purchased	-	-
Through business combinations	-	-
Total	-	-
11 Right of Use Assets		
Opening Balance as at July 1, 2023	88,527	78,534
Add: Prepaid lease rentals as at 30.09.2022	-	-
Add: addition during the period	1,143	41,439
Less: Depreciation charge for the year	(7,707)	(31,446)
Closing Balance	81,963	88,527

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

	NOTE	Un-audited September 30, 2023	Audited June 30, 2023
		Rupees in '000	
12 OTHER ASSETS			
Income/ Mark-up accrued in local currency - net of provision		1,187,751	834,150
Advances, deposits, advance rent and other prepayments		2,251	2,497
Sundry debtors		1,633	1,387
Crop insurance recoverable		94,330	93,192
Live stock insurance recoverable		8,603	8,561
Branch adjustment		403	114,706
Memorandum account		-	-
Others (to be specified, if material)		167,430	113,314
		<u>1,462,401</u>	<u>1,167,807</u>
Less: Provision held against other assets	12.1	<u>(74,584)</u>	<u>(74,585)</u>
Other Assets (Net of Provision)		<u>1,387,817</u>	<u>1,093,222</u>
		<u>1,387,817</u>	<u>1,093,222</u>
12.1 Provision held against other assets			
Advances, deposits, advance rent & other prepayments		-	-
Non banking assets acquired in satisfaction of claims		-	-
Others (to be specified if material)		<u>(74,585)</u>	<u>(74,585)</u>
		<u>(74,585)</u>	<u>(74,585)</u>
12.1.1 Movement in provision held against other assets			
Opening balance		(74,585)	(66,479)
Charge for the year		-	(8,106)
Reversals		-	-
Amount Written off		-	-
Closing balance		<u>(74,585)</u>	<u>(74,585)</u>
13 BILLS PAYABLE		<u>56,067</u>	<u>20,188</u>

14 CONTINGENT ASSETS

The bank has 88 cases pending with authorities for recoveries and settlement of properties. However inflow of economic benefits from such cases are not probable and therefore are not being disclosed here.

15 DEPOSITS AND OTHER ACCOUNTS

	Un-audited September 30, 2023			Audited June 30, 2023		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
Rupees in '000.....					
Customers						
Fixed deposits	630,468	-	630,468	594,257	-	594,257
Savings deposits	4,128,274	-	4,128,274	4,386,802	-	4,386,802
Current accounts - non remunerative	1,400,671	-	1,400,671	1,127,638	-	1,127,638
Call deposits	829	-	829	829	-	829
Other deposits	47,974	-	47,974	114,379	-	114,379
	<u>6,208,216</u>	<u>-</u>	<u>6,208,216</u>	<u>6,223,905</u>	<u>-</u>	<u>6,223,905</u>
Financial Institutions						
Fixed deposits	-	-	-	-	-	-
Savings deposits	-	-	-	-	-	-
Current accounts - non remunerative	-	-	-	-	-	-
Call deposits	-	-	-	-	-	-
Other deposits	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,208,216</u>	<u>-</u>	<u>6,208,216</u>	<u>6,223,905</u>	<u>-</u>	<u>6,223,905</u>

15.1 Others deposits include staff security deposits and employees' provident fund deposits.

	Un-audited September 30, 2023	Audited June 30, 2023
16 Lease Liabilities		
Opening Balance	89,890	74,984
Add: Accrued lease rentals as at July 01, 2023	-	-
Add: Additions during the year	1,143	39,347
Add: Interest expense	4,056	17,927
Less: Lease payments	(10,309)	(42,368)
Gross liability	84,780	89,890
Less: Current Portion	-	-
Closing Balance	84,780	89,890

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements

For the quarter ended September 30, 2023

Un-audited
September 30,
2023

Audited
June 30,
2023

17 OTHER LIABILITIES

Rupees in '000

Mark-up/ Return/ Interest payable in local currency	264,945	51,208
Accrued expenses	11,184	39,752
Sundry creditors	90,104	106,076
Provision for Income Tax (Less Advance Taxation)	55,926	(1,680)
Dissolved bank payable	37,427	37,427
Provision for employees' gratuity	144,996	142,263
Provision for employees' pension fund	1,581,209	1,513,299
Provision for employees' compensated absences	329,898	314,666
Withholding tax payable	14,091	56,290
Branch adjustment	-	-
Memorandum account	-	-
Others	247,182	58,586
	2,776,962	2,317,887

Un-audited
September 30,
2023

Audited
June 30,
2023

Rupees in '000

18 SURPLUS ON REVALUATION OF ASSETS

Surplus on revaluation of			
- Available for sale securities	8.2	450,058	399,677
- Fixed Assets	18.1	15,070,195	15,130,195
		15,520,253	15,529,872

18.1 Surplus on revaluation of fixed assets

Surplus on revaluation of fixed assets as at July 1	15,130,195	15,135,681
Addition/(Deletion) during the year	(60,000)	(5,486)
Realised on disposal during the year - net of deferred tax	-	-
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	-	-
Related deferred tax liability on incremental depreciation charged during the quarter	-	-
Related deferred tax liability on surplus realised on disposal	-	-
Surplus on revaluation on assets-Closing balance	15,070,195	15,130,195

19 CONTINGENCIES AND COMMITMENTS

-Commitments	19.1	21,037	40,808
-Other Commitments	19.2	9,000	9,000
		30,037	49,808

19.1 Commitments:

- Civil work	11,055	21,002
- intangible assets	9,982	19,806
	21,037	40,808

19.2 These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and the possibility of an outflow of economic resources is remote.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

	Un-audited September 30, 2023	Un-audited September 30, 2022
	Rupees in '000	
20 MARK-UP/RETURN/INTEREST EARNED		
On:		
a) Loans and advances	572,608	380,322
b) Investments	259,301	153,879
c) Balances with banks	54,027	35,171
	<u>885,936</u>	<u>569,372</u>
21 MARK-UP/RETURN/INTEREST EXPENSED		
Deposits	246,597	91,067
	<u>246,597</u>	<u>91,067</u>
22 FEE & COMMISSION INCOME		
Branch banking customer fees	1,125	803
Commission on utility bills Collection	2,524	2,562
Advances & guarantees Fee	37,543	14,124
Commission on remittances including home remittances	-	-
Commission received on deposit category	-	-
Bank and service charges	-	-
Consumer finance related fees	-	-
Profit on books for sale	-	-
Rent on lockers	203	206
Others	-	-
	<u>41,395</u>	<u>17,695</u>
23 OTHER INCOME		
Rent on property	19,801	11,856
Profit on Books for Sale.	-	-
Gain on sale of fixed assets-net	-	-
Bank and service charges	-	-
Loan processing fee	-	-
	<u>19,801</u>	<u>11,856</u>
24 OPERATING EXPENSES		
Total compensation expense	427,513	302,481
Property expense		
Rent & taxes	8,729	7,812
Building Repair and maintenance (including janitorial charges)	2,756	1,308
Interest on Lease Liability	4,056	3,339
Loss on disposal of property	-	-
Depreciation on right-of-use assets	7,707	6,435
Depreciation on property & equipments	946	649
	<u>24,194</u>	<u>19,543</u>
Information technology expenses		
Amortisation	-	-

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

	Un-audited September 30, 2023	Un-audited September 30, 2022
	Rupees in '000	
Other operating expenses		
Legal and professional charges	1,184	1,334
Travelling and Conveyance	2,660	2,288
Depreciation	4,025	1,829
Traning & Development	216	164
Postage and courier charges	1,817	1,066
Communication	4,515	4,369
Stationery and printing	2,823	426
Marketing, advertisement and publicity	839	291
Insurance	583	2,331
Utilities cost	24,795	25,005
Security (including guards)	955	-
Repair and maintenance (Furniture & Electrical)	1,548	924
Others	35,959	31,073
	<u>81,919</u>	<u>71,100</u>
	<u>533,626</u>	<u>393,124</u>
Total compensation expense		
Salary & Allowances	312,975	277,808
Fees and Allowances etc	307	214
Charge for defined benefit plan	104,917	13,099
Conveyance	9,314	11,360
Others		
	<u>427,513</u>	<u>302,481</u>
25 OTHER CHARGES		
Penalties imposed by State Bank of Pakistan	-	-
	<u>-</u>	<u>-</u>
26 PROVISIONS & WRITE OFFS - NET		
Provisions against lending to financial institutions	-	-
Provisions for diminution in value of investments	-	-
Provisions against loans & advances	558	(22,138)
Provisions for salary payable	-	-
Bad debts written off directly	-	-
Recovery of written off / charged off bad debts	-	-
	<u>558</u>	<u>(22,138)</u>
27 TAXATION		
Current	60,230	-
Prior years	-	-
Deferred	-	-
	<u>60,230</u>	<u>-</u>
28 BASIC EARNINGS PER SHARE		
Profit for the year	<u>106,132</u>	<u>137,021</u>
Weighted average number of ordinary shares	<u>7,885,547</u>	<u>7,885,488</u>
Basic earnings per share	<u>1.35</u>	<u>1.74</u>
There is no dilutive effect on basic earnings per share during the year.		

THE FUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

29 FAIR VALUE MEASUREMENTS

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

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

29.1 Fair value of financial assets

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

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

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

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

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Un-audited September 30, 2023			
	Carrying value	Fair Value		
	Level 1	Level 2	Level 3	Total
Rupees in '000				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Shares	457,081	457,081	-	457,081
Financial assets - disclosed but not measured at fair value				
Cash and balances with treasury banks	632,159	-	-	-
Balances with other banks	647,293	-	-	-
Investments in Treasury bills and NBFCs	5,633,587	-	-	-
Advances	8,960,500	-	-	-
Other Assets	1,387,817	-	-	-
Financial liabilities - measured at fair value				
Financial liabilities - disclosed but not measured at fair value				
Bills payable	56,067	-	-	-
Deposits and other accounts	6,208,216	-	-	-
Other liabilities	2,776,962	-	-	-
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	-	-	-
Forward sale of foreign exchange	-	-	-	-
Forward agreements for lending	-	-	-	-
Forward agreements for borrowing	-	-	-	-
Derivatives purchases	-	-	-	-
Derivatives sales	-	-	-	-

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

	Audited June 30, 2023			
	Carrying value	Level 1	Level 2	Level 3
Rupees in '000				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Shares	406,700	406,700	-	406,700
Financial assets - disclosed but not measured at fair value				
Cash and balances with treasury banks	739,719	-	-	739,719
Balances with other banks	1,261,162	-	-	1,261,162
Investments in Treasury bills and NBFCs	2,904,937	-	-	2,904,937
Advances	10,625,612	-	-	#####
Other Assets	1,093,222	-	-	1,093,222
Financial liabilities - measured at fair value				
Financial liabilities - disclosed but not measured at fair value				
Bills payable	20,188	-	-	20,188
Deposits and other accounts	6,223,905	-	-	6,223,905
Other liabilities	2,317,887	-	-	2,317,887
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	-	-	-
Forward sale of foreign exchange	-	-	-	-
Forward agreements for lending	-	-	-	-
Forward agreements for borrowing	-	-	-	-
Derivatives purchases	-	-	-	-
Derivatives sales	-	-	-	-

29.2 Fair valuation of financial instrument within level 2 is determined on the basis of market value as at the reporting date

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

30 SEGMENT INFORMATION

30.1 Segment Details with respect to Business Activities

	Un-audited September 30, 2023			
	Retail banking	Retail finance lending	Others	Total
Profit & Loss				
Net mark-up/return/profit	54,027	572,608	259,301	885,936
Inter segment revenue - net	-	-	-	-
Non mark-up / return / interest income	41,395	-	19,812	61,207
Total Income	95,422	572,608	279,113	947,143
Segment direct expenses	(246,597)	-	(534,184)	(780,781)
Inter segment expense allocation	-	-	-	-
Total expenses	(246,597)	-	(534,184)	(780,781)
Provisions	-	-	-	-
Profit before tax	(151,175)	572,608	(255,071)	166,362

	Retail banking	Retail finance lending	Others	Total
Balance Sheet				
Cash & Bank balances	-	-	1,279,452	1,279,452
Investments	-	-	6,004,571	6,004,571
Net inter segment lending	-	-	-	-
Lendings to financial institutions	-	-	-	-
Advances - performing	-	8,703,527	-	8,703,527
Advances - non-performing	-	256,973	-	256,973
Right of Use Assets	-	-	-	81,963
Others	15,521,492	1,387,817	-	16,909,309
Total Assets	15,521,492	10,348,317	-	33,235,795
Bills payable	56,067	-	-	56,067
Deposits & other accounts	6,208,216	-	-	6,208,216
Net inter segment borrowing	-	-	-	-
Lease Liability	-	-	84,780	84,780
Deferred Tax Liabilities	-	-	15,645	15,645
Others	512,017	264,945	2,000,000	2,776,962
Total liabilities	6,776,300	264,945	-	9,141,670
Equity	-	-	24,094,126	24,094,125
Total Equity & liabilities	6,776,300	264,945	-	33,235,795

Contingencies & Commitments

- - -

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

Notes to the condensed interim financial statements

For the quarter ended September 30, 2023

	Audited June 30, 2023			
	Retail banking	Retail finance lending	Others	Total
Profit & Loss				
Net mark-up/return/profit	165,753	1,851,606	671,689	2,689,048
Inter segment revenue - net	-	-	-	-
Non mark-up / return / interest income	91,062	-	190,042	281,104
Total Income	256,815	1,851,606	861,731	2,970,152
Segment direct expenses	649,070	-	1,762,221	2,411,291
Inter segment expense allocation	-	-	-	-
Total expenses	649,070	-	1,762,221	2,411,291
Provisions	(146,046)	-	-	(146,046)
Profit before tax	(538,301)	1,851,606	(900,490)	704,907

	Audited June 30, 2023			
	Retail banking	Retail finance lending	Others	Total
Balance Sheet				
Cash & Bank balances	-	-	2,000,881	2,000,881
Investments	-	-	3,311,637	3,311,637
Net inter segment lending	-	-	-	-
Lendings to financial institutions	-	-	-	-
Advances - performing	-	10,391,556	-	10,391,556
Advances - non-performing	-	234,056	-	234,056
Right of Use-Assets	-	-	88,527	88,527
Others	12,631	821,519	15,804,320	16,638,470
Total Assets	12,631	11,447,131	21,205,365	32,665,127
Bills payable	20,188	-	-	20,188
Deposits & other accounts	6,223,905	-	-	6,223,905
Deffered tax liabilty	-	-	15,644	15,644
Lease Liability	-	-	89,890	89,890
Others	51,208	-	2,266,679	2,317,887
Total liabilities	6,295,301	-	2,372,213	8,667,514
Equity	-	-	23,997,613	23,997,613
Total Equity & liabilities	6,295,301	-	26,369,826	32,665,127

Contingencies & Commitments

- - -

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

32 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	Un-audited September 30, 2023	Audited June 30, 2023
	Rupees in '000	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,000,000	6,000,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	8,628,505	8,398,988
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,628,505	8,398,988
Eligible Tier 2 Capital	3,413,944	3,317,056
Total Eligible Capital (Tier 1 + Tier 2)	12,042,449	11,716,044
Risk Weighted Assets (RWAs):		
Credit Risk	24,471,385	25,207,163
Market Risk	914,162	813,400
Operational Risk	3,617,112	3,182,953
Total	29,002,659	29,203,516
Common Equity Tier 1 Capital Adequacy ratio	29.75	28.76
Tier 1 Capital Adequacy Ratio	29.75	28.76
Total Capital Adequacy Ratio	41.52	40.12
<p>State Bank of Pakistan (SBP) vide Letter No. BPRD/BACPD/629/023472/15 dated 26.10.2015 required from Bank to have a minimum paid up capital (net of losses) of Rs. 6 billion. Further, the bank is required to maintain a Capital Adequacy Ratio of 16% at all times. As of September 30, 2023, the paid up capital of the Bank net of losses amounts to Rs. 7,406,535 thousand which is in agreement with regulatory requirements. For the time being CAR is being reported under Basel I and Basel III as parallel run.</p> <p>Standardized Approach is used for calculating the Credit and Market risk, whereas, Basic Indicator Approach is used for Operational Risk in the Capital Adequacy Calculation.</p>		
Leverage Ratio (LR):		
Eligible Tier-1 Capital	8,628,505	8,398,988
Total Exposures	33,225,375	32,731,666
Leverage Ratio	25.97	25.66
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	741,000	870,000
Total Net Cash Outflow	169,000	161,000
Liquidity Coverage Ratio	4.38	5.40
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	13,796,000	14,119,000
Total Required Stable Funding	7,206,000	7,190,000
Net Stable Funding Ratio	191	196

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
Notes to the condensed interim financial statements
For the quarter ended September 30, 2023

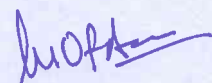
33 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 26-10-23 by the Administrator of the Bank.

34 GENERAL

Figures in the financial statements have been rounded-off to the nearest


A. President/CEO


Chief Financial Officer