January-March 2024

Quarterly Islamic Banking Bulletin

Islamic Finance Policy Department

State Bank of Pakistan

TABLE OF CONTENTS

PROGRESS & MARKET SHARE OF ISLAMIC BANKING INDUSTRY

OVERVIEW

Assets of Islamic Banking Industry (IBI) rose by PKR 241 billion, and reached PKR 9,235 billion by end of March 2024 quarter. Likewise, deposits of IBI also maintained an upward trajectory, increased by PKR 126 billion during the period and reached to PKR 6,875 billion. The year on year (YoY) growth of assets and deposits of IBI was registered at 22.6 percent and 28.5 percent, respectively. Financing (net) showed yearly growth of 1.0 percent and reached PKR 3,259 billion, whereas Investments (net) increased by 41.3 percent to PKR 4,405 billion.

With respect to market share, assets and deposits of IBI in the overall banking industry stood at 19.9 percent and 23.2 percent, respectively. The market share of financing (net) and investment (net) of IBI in the overall banking industry stood at 28.0 percent and 16.3 percent, respectively by the end of March, 2024. The number of IBI branches increased to 5,101, with a promising YoY growth of 15.2 percent. While, Islamic Banking Windows (IBWs) stood at 1,916, portraying YoY growth of 4.6 percent.

Table 1: Industry Progress and Market Share **(Amount in PKR Billion)**

Particulars	Period			Yearly Growth (YoY)			Share in Overall Banking Industry (%)		
	Mar-23	Dec-23	Mar-24	Mar-23	Dec-23	Mar-24	Mar-23	Dec-23	Mar-24
Assets	7,532	8,994	9,235	26.7	24.4	22.6	19.4	19.4	19.9
Deposits	5,352	6,749	6,875	26.0	30.8	28.5	21.5	23.2	23.2
Investments (net)	3,118	4,235	4,405	41.6	38.8	41.3	15.8	16.3	16.3
Financing (net)	3,226	3,335	3,259	19.8	7.1	1.0	27.5	27.4	28.0
Number of Islamic Banking Institutions	22	22	22	-	-	-	-	-	-
Number of Branches	4,427	4,955	5,101	10.9	12.7	15.2	-	-	-
Number of Islamic Banking Windows	1,832	1,922	1,916	25.4	26.8	4.6	-	-	-

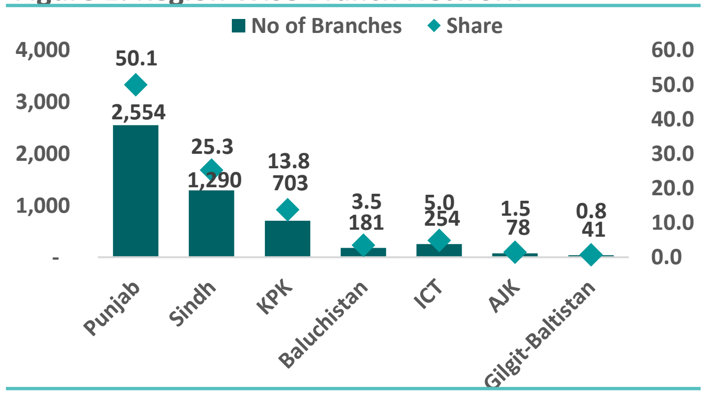
**number includes sub-branches*

Source: Data submitted by banks under quarterly Reporting Chart of Accounts (RCOA)

BRANCH NETWORK OF ISLAMIC BANKING INDUSTRY

Islamic Banking Institutions included 22 banks, comprising of 6 full-fledged Islamic banks and 16 conventional banks having standalone Islamic banking branches. IBI branch network has shown a quarterly growth of 2.9 percent with the addition of 146 branches. With the inclusion of these branches, IBI branch network increased to 5,101. **Figure 1** depicts the geographical distribution of branches. IBI has marked its presence in 131 districts across Pakistan. In

Figure 1: Region Wise Branch Network



Source: SBP

addition to that 1,916 IBWs have been operating across the country by end of March, 2024.

ASSETS AND LIABILITIES STRUCTURE

ASSETS

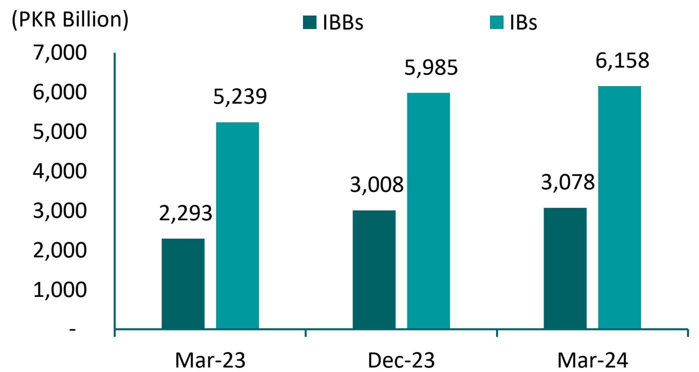
During the period under review, assets of IBI have increased by PKR 241 billion and were registered at PKR 9,235 billion in comparison to PKR 8,994 billion in the preceding quarter. This growth in assets was mainly driven by Investment (net), which observed a quarterly increase of PKR 170 Billion (4.0 percent).

Market share of IBI's assets in overall banking industry's assets was recorded at 19.9 percent. The breakdown of Islamic banking assets reveals that the share of financing (net) stood at 35.3 percent, whereas investments (net) was recorded at 47.7 percent (see section below on Investments and Financing for details).

BREAK UP OF ASSETS OF IBs AND IBBs

Asset size for both Islamic Banks (IBs) and Islamic Banking Branches (IBBs) continued its upward trajectory during the quarter. Assets of IBs increased by PKR 173 billion and reached to PKR 6,158 billion. Similarly, the assets of IBBs increased by PKR 70 billion and reached at PKR 3,078 billion. The share of IBs and IBBs in the overall IBI asset stood at 66.7 percent and 33.3 percent, respectively by end March, 2024 **(Figure 2)**.

Figure 2: Breakup of Assets

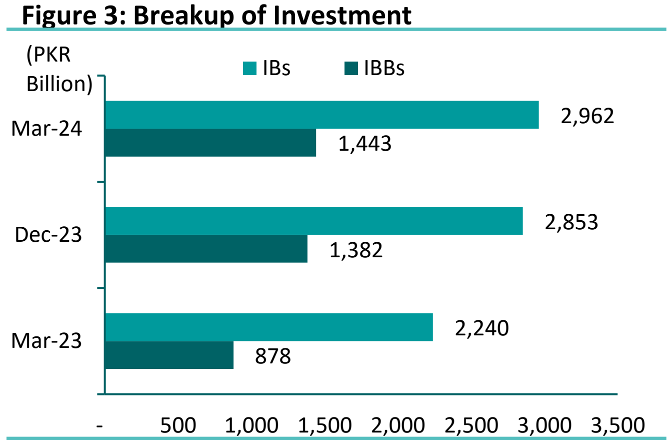


Source: SBP

INVESTMENTS

Investments (net) of IBI grew by PKR 170 billion (4.0 percent) during the quarter under review. This increase in investments (net) was mainly due to the funds invested by IBIs in multiple domestic Government Ijarah Sukuk (GIS) issued by Government of Pakistan. The breakdown of investments (net) portfolio shows that the major growth was generated by IBs, which increased by PKR 109 billion and stood at PKR 2,962 billion. Similarly, investment (net) portfolio of IBBs increased by PKR 61 billion to a total of PKR 1,443 billion by the end of March, 2024.

Figure 3: Breakup of Investment



Source: SBP

In terms of share, IBs and IBBs investments (net) as percentage of total investments (net) stood at 67.2 percent and 32.8 percent respectively. **(Figure 3)**.

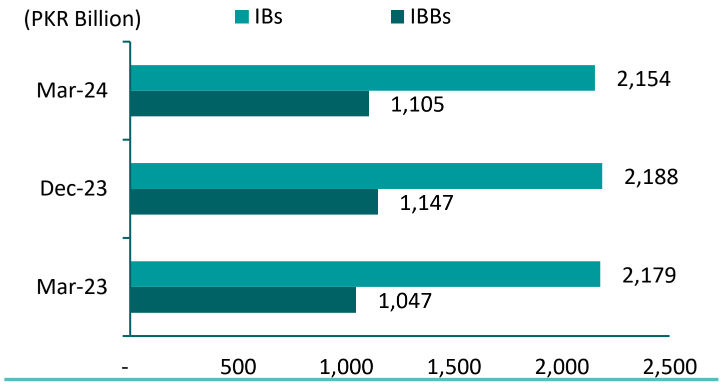
FINANCING & RELATED ASSETS

Financing & related assets stood at PKR 3,259 billion. The major share of financing was contributed by IBs which stood at PKR 2,154 billion, whereas IBBs contributed PKR 1,105 billion. On an overall basis, financing observed a decline of PKR 76 billion **(Figure 4)**.

In terms of mode wise financing, Diminishing Musharakah had a leading share with 32.6 percent of the total financing, followed by Musharakah with 24.4 percent and Murabaha financing with 12.6 percent share **(Table 2)**.

Sector Wise Financing of IBI depicted a trend similar to the previous quarter, with textile sector holding a major share of 15.7 percent, followed by production and transmission of energy with a share of 10.8 percent **(Table 3)**.

Figure 4: Breakup of Financing



Source: SBP

Table-2: Mode Wise Financing (Share in %)

Mode	Mar-23	Dec-23	Mar-24
Murabaha	11.8	13.1	12.6
Ijarah	4.1	3.8	4.2
Musharaka	24.3	25.3	24.4
Diminishing Musharakah	33.6	32.1	32.6
Salam	2.4	2.1	2.6
Istisna	9.5	10.6	10.9
Others	14.3	13.0	12.7
Total	**100.0**	**100.0**	**100.0**

Table 3: Sector Wise Financing (Share in %)

Sector	Mar-23	Dec-23	Mar-24	Overall Banking Industry
Chemical and Pharmaceuticals	4.5	5.4	5.5	3.2
Agribusiness	14.7	10.7	9.9	7.6
Textile	16.2	16.3	15.7	15.4
Cement	2.5	2.4	2.3	2.0
Sugar	4.0	2.9	5.3	4.1
Shoes and Leather Garments	0.4	0.4	0.4	0.4
Automobile and Transportation Equipment	1.3	1.4	1.1	1.4
Financial	1.5	1.6	1.5	2.7
Electronics and Electrical Appliances	0.8	1.1	1.0	1.3
Production and Transmission of Energy	10.2	10.4	10.8	13.6
Individuals	11.5	10.5	10.3	9.0
Others	32.4	36.9	36.2	39.3
Total	**100.0**	**100.0**	**100.0**	**100.0**

The breakdown of client wise financing portrays that the share of corporate sector financing in total client wise financing decreased to 72.5 percent in March 2024 as compared to 73.7 percent in December 2023. Similarly, commodity financing increased to 13.8 percent in comparison to 12.9 percent in the previous quarter, with second largest share, which was followed by consumer financing with a share of 8.4 percent. The share of SME and agriculture financing was reported as 1.9 percent and 1.2 percent, respectively **(Table 4)**.

Table 4: Client Wise Financing Portfolio (Share in %)

Segment	Mar-23	Dec-23	Mar-24	Overall Banking Industry
Corporate Sector	68.2	73.7	72.5	68.7
SMEs	1.8	1.8	1.9	4.0
Agriculture	0.9	1.1	1.2	4.0
Consumer Finance	10.0	8.5	8.4	6.6
Commodity Financing	17.4	12.9	13.8	11.0
Others	1.7	2.0	2.2	5.7
Total	**100.0**	**100.0**	**100.0**	**100.0**

ASSET QUALITY

During the quarter under review, the asset quality ratios of IBI such as Gross Non-Performing Financing (NPF) to Financing (gross) stood at 3.7 percent, whereas Net NPFs to Net Financing was recorded at -0.6 percent. IBI provisions to NPFs increased from 91.5 percent to 116.4 percent by end March 2024.

Table-5: Assets Quality Ratio (%)

Ratio	Mar-23	Dec-23	Mar-24	Overall Banking Industry
NPFs to Financing (gross)	3.2	3.8	3.7	7.9
Net NPFs to Net Financing	0.0	0.30	(0.6)	(0.5)
Provisions to NPFs	98.7	91.5	116.4	105.4

LIABILITIES

Deposits of IBIs carried on the momentum gained in the previous quarter with an increase of PKR 126 billion (1.9 percent), reached at PKR 6,875 billion. The market share of deposits in the overall banking industry remained at 23.2 percent for this quarter. Current deposits and saving deposits were the major constituents, each amounting to PKR 2,571 billion and PKR 2,489 billion, respectively. During the quarter under review, saving deposits and current deposits have shown a rise of PKR 117 billion (4.9 percent) and PKR 43 billion (1.7 percent) each, whereas fixed deposits decreased by PKR 47 billon (-4.3 percent) **(Table 6)**.

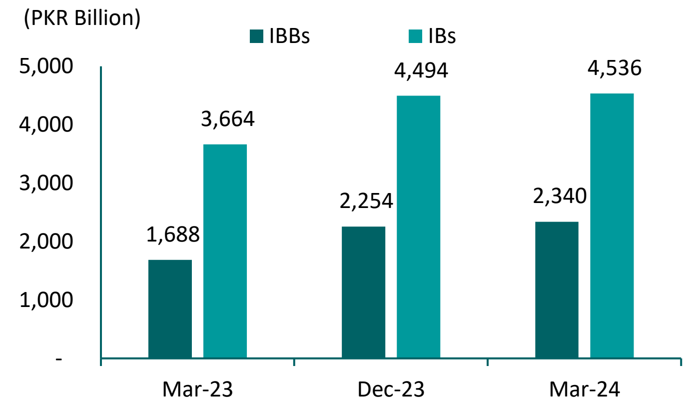
Table-6: Break up of Deposits (Amount in PKR Billion, Growth in %)

Category	Mar-23	Dec-23	Mar-24	Yearly Growth (%)	Quarterly Growth (%)
1. Customers					
Fixed Deposits	830	1,101	1,054	27.0	(4.3)
Saving Deposits	1,815	2,372	2,489	37.1	4.9
Current Deposits	2,146	2,528	2,571	19.8	1.7
Others	116	120	109	(6.0)	(9.2)
Sub-total	**4,907**	**6,121**	**6,223**	**26.7**	**1.7**

2. Financial Institutions					
Remunerative Deposits	430	606	603	40.2	(0.5)
Non-remunerative Deposits	16	22	50	212.5	127.3
Sub-total	**446**	**628**	**652**	**46.2**	**3.8**
Total (1+2)	**5,353**	**6,749**	**6,875**	**28.4**	**1.9**

The bifurcation of deposits among IBs and IBBs shows that the deposits of IBs increased by PKR 42 billion and reached to PKR 4,536 billion by end March, 2024. Similarly, IBB's deposits improved by PKR 86 billion to reach at PKR 2,340 billion by the end of quarter. The share of IBs and IBBs in the overall deposits of IBI was registered at 66 percent and 34 percent respectively, by end March 2024 **(Figure-5).**

Figure 5: Breakup of Deposits



Source: SBP

LIQUIDITY

During the period under review, Liquid Assets to Total Assets Ratio improved to 49.7 percent, whereas Liquid Assets to Total Deposits Ratio increased to 66.8 percent. While, Financing to Deposits (Net) Ratio decreased to 47.4 percent by end March, 2024 **(Table 7)**.

Table-7: Liquidity Ratios (%)

Ratios	Mar-23	Dec-23	Mar-24	Overall Banking Industry
Liquid Assets to Total Assets	41.2	49.1	49.7	64.0
Liquid Assets to Total Deposits	58.0	65.4	66.8	100.4
Financing to Deposits (Net)	60.3	49.4	47.4	39.3

CAPITAL

Capital ratios of IBI were observed to be stable during the quarter under review. Capital to Total Assets Ratio remained at 7.3 percent, whereas (Capital - Net NPAs) to Total Assets Ratio improved to 7.4 percent which was previously recorded at 7.1 percent **(Table 8)**.

Table-8: Capital Ratios (%)

Ratios	Mar-23	Dec-23	Mar-24	Overall Banking Industry
Capital to Total Assets	6.0	7.3	7.3	6.0
(Capital - Net NPAs) to Total Assets	5.9	7.1	7.4	5.9

PROFITABILITY

Profit before tax of IBI was registered at PKR 123.5 billion at the quarter end. Meanwhile, earnings ratios i.e. 'Return on Assets (ROA)' and 'Return on Equity (ROE)' (before tax) were 5.4 percent and 74.0 percent, respectively. During the period under review, 'operating expense to gross income' of IBI was recorded at 33.8 percent **(Table 9).**

Table-9: Profitability Ratios (%)

Particulars	Mar-23	Dec-23	Mar-24	Overall Banking Industry
Profit before tax (PKR billion)	63.1	393.4	123.5	339.0
ROA before tax	3.4	4.9	5.4	2.9
ROE before tax	57.3	75.5	74.0	48.6
Operating Expense to Gross Income	39.4	34.7	33.8	42.2

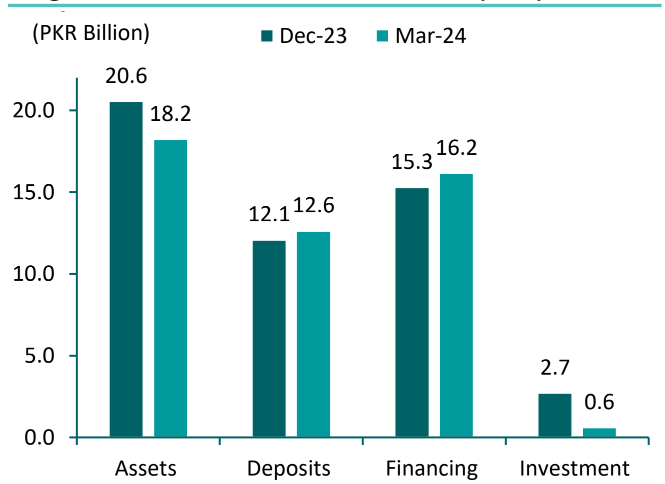
OTHER ISLAMIC FINANCIAL INSTITUTIONS

The State Bank of Pakistan (SBP) has been instrumental in fostering the growth of Islamic banking within the country. In 2007, SBP introduced guidelines for establishing Islamic Microfinance Business, setting the stage for the development of this sector. Currently, there are two key Islamic microfinance institutions: NRSP Microfinance Bank Limited and U Microfinance Bank Limited, with a total of 111 branches collectively. Further two development finance institutions i.e. Pakistan Kuwait Investment Company Limited (PKIC) and Pakistan Mortgage and Refinance Company Limited (PMRC) are providing Islamic products & services. These entities play a crucial role in providing Shariah-compliant financial services and supporting the economic development of the country.

ISLAMIC MICROFINANCE BUSINESS

The microfinance institutions have Islamic operations includes two banks: NRSP Microfinance Bank Limited and U Microfinance Bank Limited. The branch network of Islamic microfinance industry consisted of 111 branches by end March, 2024. The assets size of the Islamic microfinance industry was recorded at PKR 18.2 billion by end March, 2024. Likewise, deposits of Islamic microfinance industry stood at PKR 12.6 billion by end March, 2024 **(Figure 6)**.

Figure 6: Islamic Microfinance Banks (IMB)

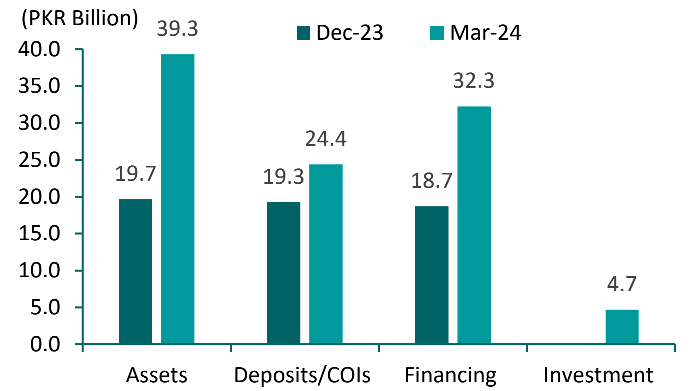


Source:SBP

DEVELOPMENT FINANCE INSTITUTIONS HAVING ISLAMIC OPERATIONS

Development finance institutions having Islamic operations include, Pakistan Mortgage and Refinance Company Limited (PMRC) and Pakistan Kuwait Investment Company Limited (PKIC). The combined Islamic asset size of these institution was PKR 39.3 billion by end March, 2024. On the other hand, Certificates of Investment (COI) stood at PKR 24.4 billion by end March, 2024 **(Figure 7)**

Figure 7: Islamic DFIs Indicators



Source:SBP

COUNTRY MODEL – UNITED KINGDOM

i. Overview

United Kingdom (UK) has been the Islamic Finance hub of the west for last one decade, given the industry's rapid development and the UK government's support for its promotion. Excluding Turkey, the UK accounts for 85 percent of Islamic finance assets in Europe. Islamic Finance in the UK started to evolve in the 1980s, with the introduction of Murabaha transactions. The first UK Islamic Bank, Al Baraka International initiated its operations in 1982. Since then, there has been significant growth in the offer of retail Islamic Finance services, providing choice to more than 2.5 million Muslim residents in the UK.

ii. Regulatory Landscape

In the UK, all financial firms are supervised under the same unitary and principles-based regulatory framework; firms engaging in Islamic finance are not subject to separate rules, as this might give rise to regulatory arbitrage, that is, the risk of parallel regulatory regimes in which one set of requirements is considered to be more favorable or less onerous than the other. In UK, Islamic finance firms appoint a Shariah Supervisory Board (SSB) of Islamic scholars, to certify and evidence the fact that their activities and products are compliant with Shariah principles. These scholars are trained in the specialized religious jurisprudence relating to commercial activity ('fiqh al Mu'amalat'), in addition to having a general grounding in both jurisprudence and conventional finance; not all religious scholars will be qualified to sit on SSBs.

iii. Banking and Finance

There are currently five full-fledged Islamic banks operating in UK, whereas over 20 conventional banks in are operating with operating Shariah compliant windows, and numerous investment management, advisory and insurance sector firms. The Islamic Finance retail market in UK has launched a series of Shariah-compliant products including individual savings accounts, home purchase plans, a Shariah compliant pension scheme and business start-up financing. The Government is also developing Islamic student financing. There are now over 100,000 Islamic finance retail customers in the UK. In 2021, the Bank of England (BoE) launched its much-awaited Alternative Liquidity Facility, which is structured as a Wakalah or fund-based facility and is expected to help ease the difficulties that Islamic financial institutions were facing in the UK.

iv. Capital Markets and Sukuk

The London Stock Exchange (LSE) has been a key destination for international Sukuk listings, raising more than US$50 billion through 68 Sukuk issues to date. Both its International Securities Market and main market have seen landmark Sukuk deals across a range of sectors, notably the Islamic Development Bank's debut green Sukuk worth US$1.08 billion. The LSE also features three Shariah compliant exchange-traded funds available through six multicurrency lines based on Islamic indices. The UK became the first western country to issue a sovereign Sukuk facility in 2014 with an issuance worth GBP200 million. In 2018, Al Rayan Bank launched its Shariah compliant Tolkien Sukuk paper, the largest-ever sterling-denominated Sukuk issued by a UK entity at the time, at GBP250 million.

v. FinTech

The UK's Islamic fintech scene is thriving, with Islamic banks collaborating with tech companies to fill the market gap. In 2020, Niyah launched its Islamic banking app and marketplace for Shariah compliant financial products to serve the Muslim community. In 2021, US-based Islamic fintech company Wahed Invest acquired Niyah as part of the former's expansion plans. Wahed Invest had also previously launched the world's first automated, globally accessible investment platform in UK, especially targeting young Muslim professionals. Londonbased ethical and digital UK fintech company MoneeMint, formerly known as Ummah Finance, has also announced plans to roll out an ethical digital bank. As of January 2023, there are 41 Islamic fintech companies operating in the UK, according to the IFN Fintech Landscape.

vi. Outlook

The UK remains one of the leading countries for Islamic finance in the region, having the highest value of Shariah compliant assets at around US$733.03 million. Over 6,500 homes in the North West and the Midlands are currently being financed by a £700 million investment by Gatehouse Bank, a fully Shariah compliant bank which suggests that the role of Islamic finance in funding infrastructure development will continue to grow in the years ahead. The increasing availability of Islamic Finance products, instruments, and services will foster market competition among financial institutions, which could lead to greater availability of less expensive long term capital, a wider variety of financial products, and more opportunities for attracting FDI into the UK.

Sources of Information

Bank of England {https://www.bankofengland.co.uk/}

Government of UK {https://assets.publishing.service.gov.uk/}

Islamic Finance News {https://www.islamicfinancenews.com/}

Bloom Money {https://bloommoney.co/}

ADOPTION OF AAOIFI SHARIAH STANDARD NO. (46): AL-WAKALAH BI AL-ISTITHMAR (INVESTMENT AGENCY)

With a view to further strengthen Shariah compliance framework and harmonize the Shariah practices in Islamic banking industry, the AAOIFI Shariah Standards No. 46 (Al-Wakalah Bi Al-Istithmar (Investment Agency)) has been adopted by SBP. For the current issue, Standard No. 46 (Al-Wakalah Bi Al-Istithmar (Investment Agency)), is discussed below along with the amendments advised by the Shariah Advisory Committee of SBP.

1. Scope of the Standard

This Standard covers Investment Agency in various fields, or parts thereof, and the powers and responsibilities of the principal and the investment agent. It does not cover Agency in general or the acts of Un-commissioned Agent (Fodooli) as they are covered by Shari'ah Standard No. (23) on Agent (Fodooli).

2. Definition of Investment Agency and Its Permissibility

2/1 Investment Agency means appointing another person to invest and grow one's wealth, with or without a fee.

2/2 Investment Agency is permissible subject to the relevant Shari'ah rules.

3. Investment Agency: Integral Parts (Arkan) and Its Key Types

3/1 The integral parts (Arkan) of a valid investment agency are offer and acceptance, the subject matter of the contract, and the two contracting parties (the principal and the agent). [see Shari'ah Standard No. (23) for the conditions that are required for a valid agency and the rules relating to the acts of the uncommissioned agent (Fodooli).

3/2 It is permissible to make the appointment of an agent contingent agency upon the fulfillment of certain conditions or to cause to take effect on a specified future date. It is also permissible to stipulate conditions/restrictions that are compliant with Shari'ah. For further details, see Shari'ah Standard No. (23).

3/3 It is permissible for the investment agency to be restricted to a particular kind of investment, or a specific place or be subject to other restrictions. It is also permissible that it be unrestricted, in which case it would still be restricted by customary practice and that the agent acts in the principal's best interests.

3/4 It is not permissible for any one of the parties to unilaterally amend the restrictions in the agency contract. [see Shari'ah Standard No. (23) for the types of agency]

4. Characteristics of Investment Agency

4/1 Investment agency contracts, whether remunerated or unremunerated, are binding on institutions because they are invariably fixed term contracts in which both parties agree not to terminate within a specified period.

4/2 Where the parties agreed to terminate for a specified period, it is permissible for the contract to stipulate the right of one of the parties to terminate the contract unilaterally in specific circumstances.

4/3 When the term of an agency expires, the agent is required not to enter into new investment activities, but may not liquidate ongoing existing into new investment activities.

5. Agency Fee

5/1 If the agency is remunerated, the agent's fee should either be a fixed amount or a percentage of the amount invested. It is also permissible to link the fee to an established index/benchmark that is known to both parties and is referred to before every investment period after the fee of the first period has been determined. It should, however, be capped and floored (by assigning it maximum and minimum limits).

5/2 If the fee was not specified in the contract and the agent customarily charges a fee as is normal practice in institutions then the agent will be entitled to a fee which is prevalent in the relevant markets. This also applies when the agent does not complete the task required after starting and realizing returns that are beneficial to the principal.

5/3 The principal is required to pay the investment agent's fees in accordance with stipulated time and manner.

5/4 It is permissible to stipulate that the agent, in addition to his fee, is entitled to all or part of any amount over and above the expected profit as a performance incentive.

6. Amount, Term and Profit of the Investment

6/1 The amount and term of the investment should be determined, irrespective of whether the amount is paid as a lump sum or in installments.

6/2 The principal is responsible for any expenses related to the investment such as transportation, storage, taxes, maintenance and insurance. It is not permissible to require the agent to pay them from the agent's own funds, or to defer any reimbursement due to the agent where he has paid them on behalf of the principal or to make such reimbursement subject to the yield of the investment. And the investment agent is liable, as a legal entity, for any expenses related to its employees or equipment.

6/3 The agent may start investment activity before receiving the funds (from the principal), and with the principal's permission, by:

6/3/1 Incurring a debt on behalf of the principal by purchasing on credit;

6/3/2 Advancing a loan to the principal by purchasing something on his behalf.

6/4 Any loan advanced by the agent is construed as an interest free loan which may not bring any benefit to the agent as creditor. The agent is entitled to its fee and performance incentive, without consideration entitled to the loan advanced.

6/5 The profit in its entirety is the right of the principal unless it is stipulated that the agent shall be entitled to all or part of any excess above the expected profit as a performance incentive in addition to its fixed fee.

6/6 It is permissible for the agent, with the principal's consent, to set aside a portion of the profit to create a profit equalisation reserve for the benefit of the principal.

6/7 Upon liquidation, the balance of the profit equalisation reserve is returned to the principal without affecting the agent's entitlement to the fixed fee or performance incentive for the period in which the the reserve was set aside.

7. Liability of an Investment Agent

7/1 The agent acts in a fiduciary capacity in relation to the investment and therefore is not liable for any loss in cases other than willful misconduct, negligence, or breach of contract unless the breach happens to be advantageous to the principal such as selling an asset for a price higher than the price required by the principal. In situations where the agent is held liable for loss of capital, such liability is limited to the capital amount and the agent is not liable for loss of expected profit whether the capital was invested immediately or delayed or not invested at all.

7/2 If the investment results in profit or capital gain in case of a breach that is advantageous to the principal, then such profit or capital increase belongs to the principal without affecting the agent's right to its performance incentive.

8. Rights and Obligations of the Contracts Executed by the Agent

The results of the contract (like transfer of ownership and entitlement to the fee) belong to the principal. However, the rights and obligations (like pursuit of payment or delivery including litigation) belong to the agent.

9. Rules of Investment Agency

If the agent co-mingles his own funds with the principal's funds or with the funds that he manages, he may not then purchase, for his own account any assets from the assets owned by the co-mingled funds without giving notice on each occasion. This is to establish the transfer of ownership and liability for the asset from the co-mingled funds to the agent's account. This requirement is impracticable in relation to investment accounts (and therefore this requirement may be waived). [see items 7/1/2 and 7/1/3]

See also Shariah Standard No. (23) on Agency and the Acts of an Uncommissioned Agent (Fodooli).

10. Date of Issuance of the Standard

This Standard was issued on 26 Jumada II, 1432 A.H., corresponding to 29 May 2011 A.D.

Adoption of the Standard in Pakistan:

For adoption of the Standard in Pakistan, following amendments have been made on the advice of the Shariah Advisory Committee, SBP:

Clause No.	Clarifications/Amendments
	The word 'uncommissioned' may be read as 'Self-imposed' in the title and throughout the text of AAOIFI Shariah Standard No. 46 [as has been advised also for AAOIFI Shariah Standard No. 23 - Agency and the Act of an Uncommissioned Agent (Fodooli) adopted vide IBD Circular No. 01 of 2020 dated January 3, 2020].
Clause 3/2:	The following is added as a footnote to the clause: This clause may be read as follows: "It is permissible to make the appointment of an agent contingent upon the fulfillment of certain conditions or to cause to take effect on a specified future date. It is also permissible to stipulate conditions/restrictions that are compliant with Shari'ah. For further details, see Shari'ah Standard No. (23)."
Clause 3/4:	The following is added as a footnote to the clause: This clause may be read as follows: "It is not permissible for any one of the parties to unilaterally amend the restrictions in the restricted (المقيدة) agency contract. [see Shari'ah Standard No. (23) for the types of agency]."
Clause 4/1:	The following is added as a footnote to the clause: This clause may be read as follows: "Investment agency contracts, whether remunerated or unremunerated, are binding when applied by institutions because they are invariably fixed term contracts in which both parties agree not to terminate within a specified period."

Clause 4/2: The following is added as a footnote to the clause: This clause may be read as follows: “Where the parties agreed not to terminate for a specified period, it is permissible to stipulate in the contract the right of one of the parties to terminate the contract unilaterally in specific circumstances.”
Clause 4/3: The following is added as a footnote to the clause: This clause may be read as follows: “When the term of an agency expires, the agent is required not to enter into new investment activities, but is required to conclude existing investments.”
Clause 5/1: The following is added as a footnote to the clause: This clause may be read as follows: “If the agency is remunerated, the agent’s fee must be known by way of a fixed amount or a percentage of the amount invested. It is also permissible to link the fee to an established index/benchmark that is known to both parties and is referred to before every investment period after the fee of the first period has been determined. It should, however, be capped and floored (by assigning it maximum and minimum limits).”
Clause 5/2: The following is added as a footnote to the clause: This clause may be read as follows: “If the fee was not specified in the contract and the agent customarily charges a fee as is normal practice in institutions then the agent will be entitled to a fee which is prevalent in the relevant markets (Ujrat al-Mithl). This also applies when the agent does not complete the task required after starting and realizing returns that are beneficial to the principal.”
Clause 5/4: The following is added as a footnote to the clause: This clause may be read as follows: “It is permissible to stipulate that the investment agent, in addition to his fee, is entitled to all or part of any amount over and above the expected profit as a performance incentive.”
Clause 6/3: The following is added as a footnote to the clause: This clause may be read as follows: “The agent may start investment activity before receiving the funds (from the principal), with the principal’s permission, by:”
Clause 6/3/2: The following is added as a footnote to the clause: This clause may be read as follows: “Advancing a loan (Qard) to the principal for purchasing something on his behalf.”
Clause 6/4: The following is added as a footnote to the clause: This clause may be read as follows: “Any loan advanced by the agent for purchasing is construed as an interest free loan which may not bring any benefit to the agent as creditor. The agent is entitled to its fee and performance incentive, without consideration to the loan advanced."
Clause 7/1: The following is added as a footnote to the clause: This clause may be read as follows: “The investment agent acts in a fiduciary capacity in relation to the investment and therefore is not liable for any loss in cases other than willful misconduct, negligence, or breach of contract unless the breach happens to be advantageous to the principal such as selling an asset for a price higher than the price required by the principal. In situations mentioned above where the agent is held liable for indemnification, such liability is limited to the capital amount and the agent is not liable for loss of expected profit whether the capital was invested immediately or delayed or not invested at all.”
Clause 8: The following is added as a footnote to the clause: This clause may be read as follows: **“Consequences of the Contract and its Rights** The results of the contract (like transfer of ownership and entitlement to the consideration) belong to the principal. However, the rights arising from contract (like pursuit of payment and litigation) belong to the agent.”
Clause 11: The following is added as a footnote to the clause: This clause may be read as follows: **“Rules of Investment Agency** If the agent co-mingles his own funds with the principal’s funds or with the funds that he manages, he may not then purchase, for his own account any assets from the assets owned by the co-mingled funds without giving notice on each occasion. This is to establish the transfer of ownership and liability for the asset from

the co-mingled funds to the agent's account. This requirement is impracticable in relation to investment accounts (and therefore this requirement may be waived). [see item 6/1/4 of AAOIFI Shari'ah Standard No. (23) as adopted by SBP vide IBD Circular No. 1 of 2020]."
Clause 12/1/1: The following is added as a footnote to the clause: This clause may be read as follows: "It is permissible to co-mingle funds on the basis of Investment Agency with funds from Mudarabah investment accounts. Such funds are treated as if they were extra funds provided by a capital provider in a Mudarabah investment or shareholder funds when they are co-mingled with funds in Mudarabah investment accounts. Allocation of profits is calculated by the standard prorated method (usually daily weighted average method) for funds invested in Mudarabah which takes into account each investor's amount and the tenor of the investment. All the profits of the invested funds in Mudarabah belong to the principals and the agent is entitled to his fee and any performance incentive stipulated. The agent is not entitled of Mudarib's share in profit against capital invested under agency."

As per practice, these amendments are issued by SBP as footnotes of the standard.

Source:

1. AAOIFI website

2. IFPD Circular No. 01 of 2023

EVENTS AND DEVELOPMENTS AT ISLAMIC FINANCE GROUP (IFG) – STATE BANK OF PAKISTAN (SBP)

Training Programs on "Fundamentals of Islamic Banking Operations (FIBO)"

Islamic Finance Group (IFG), SBP, in collaboration with National Institute of Banking and Finance (NIBAF) conducted three (03) iterations of 'Fundamentals of Islamic Banking Operations (FIBO)' program in different cities across the country during Q3 of FY 2023 – 24. These programs were aimed to enhance the capacity of the industry professionals, Shariah scholars, academia, etc. The sessions were organized for participants in Sialkot, Peshawar and Quetta during January - March, 2024, which was attended by 95 participants.

Capacity Building Programs on "Islamic Banking Branch Operations (IBBO)"

IFG-SBP in collaboration with NIBAF held a short duration capacity building program titled 'Islamic Banking Branch Operations (IBBO)' which aims to upscale capacity levels of Islamic banking branch level staff as well as local Shariah scholars, academia, etc. During the quarter from January - March, 2024, four (04) iterations of IBBO were held in Nowshera, Mingora, Sheikhupura and Bahawalpur, respectively and were attended by 104 participants cumulatively.

Capacity Building Program for Government Officials

To upgrade the capacity levels of government officials, IFG-SBP in collaboration with NIBAF arranged capacity building program at Lahore on January 17-18, 2024. The participants were from several government bodies, including; (i) Federal Board of Revenue (FBR), (ii) Pakistan Agricultural Storage & Services Corporation (PASSCO), (iii) Punjab Higher Education Department (HED), (iv) Trading Corporation of Pakistan (TCP), (v) National Transmission & Dispatch Company Limited (NTDC), (vi) Central Directorate of National Savings (CDNS), (vii) National Fertilizer Corporation (NFC), (viii) Food Department, (ix) Finance Department, (x) Lahore Electric Supply Company Limited (LESCO), (xi) Sui Northern Gas Company Limited (SNGPL), officials from Bank of Punjab and SBP BSC. The sessions aimed to enable the participants in identifying different forms of Riba and to sensitize them on their prohibition. The sessions also shed light on the Shariah-compliant product structures and how they cater to the needs of the market.

Awareness Sessions for University Students

In order to increase awareness and clarify doubts about Islamic banking & finance in the young minds, IFG-SBP in collaboration with NIBAF conducted five (05) awareness sessions for university students during the quarter Jan-Mar 2024. The sessions were conducted at Federal Urdu University - Karachi, Riphah International University - Malakand campus, Riphah International University - Islamabad campus, NUML - Islamabad and KUBS - Karachi. The sessions were attended by 743 participants.

Awareness Sessions for "Young Islamic Banking Professionals (Y-IBP)"

In order to bolster efforts to spread awareness of Islamic banking and finance, IFG-SBP collaborated with SBPBSC for holding specialized awareness sessions for university students. During Q3 of FY 2023 – 24, six (06) awareness sessions were conducted across the country which were attended by more than 694 participants from different parts of the country. Students shortlisted on the basis of a quiz were also enrolled in FIBO and IBBO programs.

Awareness Sessions for "Shariah Experts in Islamic Banking Professionals (SE-IBP)"

IFG-SBP in collaboration with SBP BSC is conducting a specialized program titled "Shariah Experts in Islamic Banking Professionals (SE-IBP)" for Shariah scholars and students associated with Madaris with an aim to spread awareness of Islamic banking and finance among the Shariah fraternity. In this connection, three (03) such sessions were conducted across the country during Q3 of FY 2023 – 24 which were attended by more than 311 participants. Shortlisted student based on the quiz were enrolled in FIBO and IBBO programs to further develop their knowledge base in this field.

One-day Workshop on Islamic Banking & Finance for Government Officials

The engagement with the National School of Public Policy (NSPP), Lahore continued in the quarter under consideration. As part of the 35th Senior Management Course (SMC), one-day workshop on Islamic Banking & Finance was conducted at the National Institute of Management (NIM), Karachi. The workshop was participated by 40 public officials from various federal and provincial occupational groups eligible for promotion from BPS 19 to BPS 20. The workshop, featuring a leading Shariah scholar and an experienced banker as the facilitators, was well-received by the participants.

One-day Workshop on Islamic Banking & Finance for Probationary Civil Servants

Furthering the objective of sensitizing public officials at all levels, a one-day workshop for 236 probationary officers (BPS – 17) was conducted at the Civil Services Academy (CSA), Lahore. The participants, belonging to the 51st Common Training Program (CTP), were introduced to the basics of Islamic Banking & Finance. This was the first such engagement with CSA, Lahore and the workshops would be conducted for future batches of CTP as well.

ISLAMIC BANKING NEWS AND VIEWS

i. Local Industry News

Govt to raise Rs150 billion via Islamic bonds auction at PSX

The auction will be held for five denominations of Sukuk: one-year discounted Government of Pakistan Ijarah Sukuk (GIS), three-year variable rate, three-year fixed rate, five-year variable rate, and five-year fixed rate Sukuk, according to an auction calendar issued by the Pakistan Stock Exchange (PSX). Meezan Bank Limited is leading the transaction as a joint financial adviser and Shariah Adviser for the issue of Sukuk, along with Dubai Islamic Bank Pakistan Limited, BankIslami Pakistan Limited, and Bank Alfalah Limited (Islamic). This will be the third issuance through PSX, after successful issuances in December 2023 and January 2024, where the government was able to raise approximately PKR 30 billion and PKR 80 billion respectively.
https://www.thenews.com.pk/

SECP launches Islamic finance bulletin for FY23

The Securities and Exchange Commission of Pakistan (SECP) has published its first Islamic Finance Bulletin for the financial year 2022-23, aimed at providing up-to-date data, insights into new developments, and a deeper understanding of regulatory reforms in the Islamic financial services industry. The bulletin provides essential information on the Islamic financial services industry, including Islamic capital markets, non-banking financial institutions, and Takaful, while also offering a future perspective on SECP's policies, regulated sectors, and cooperation.
https://www.dawn.com/

SECP plans to introduce Shariah-compliant brokerage houses

The SECP is planning to introduce Shariah-compliant brokerage houses for providing Shariah-compliant brokerage services in the securities market. The SECP published a concept paper aimed at enabling Shariah-compliant brokerage services in the securities market through an optimal organizational and operational model. Keeping in view the strategic importance of the brokerage industry, the Commission is considering options to pave the way for the introduction of Shariah-compliant brokerage houses. Therefore, the Commission, to energize this critical area, is considering several possibilities to adopt an optimal Shariah-compliant brokerage services model by new entrants and existing brokerages.
https://www.brecorder.com/

ii. International Industry News

Global Sukuk market to cross $1trln in 2024: Fitch

An uptrend in Global Sukuk issuance has been projected for 2024, with the market expected to cross $1 trillion in the medium term, according to Fitch Ratings, despite geopolitical events, monetary tightening, and fluctuating oil prices. Last year ended with the global outstanding Sukuk market expanding by 10.3% year-on-year to reach $850 billion, despite volatilities with the ongoing Israel-Gaza conflict. In core markets such as the GCC, Malaysia, Indonesia, Pakistan, and Türkiye, sukuk had a 29% debt capital market issuance share in all currencies last year, down from 35% in 2022, and 40% share in US dollars, down 1.6% from the previous year. In

2024, Sukuk will continue being a sizeable part of the funding mix in core markets, the report added. Fitch has further forecast lower oil prices and interest, which could drive issuance in 2024 and 2025.
https://www.zawya.com/

AEON Bank set to become Malaysia's first Islamic Digital Bank

AEON Bank is set to become Malaysia's first Islamic digital bank after receiving approval from the nation's regulatory bodies. The subsidiary of AEON Credit Service and AEON Financial Service received approval from Bank Negara Malaysia and the Minister of Finance to initiate its operations in the Southeast Asian nation, according to The Paypers. AEON Bank's foray into digital banking aims to provide secure and efficient financial services to customers in Malaysia. Looking ahead, AEON Bank is looking to extensively expand its operations and enhance of its array of solutions for both retail and wholesale members, encompassing ecosystem partners such as auto dealers, merchants, tenants, suppliers, and more.
https://fintech.global/

Sharjah Islamic Bank provides $100 million Islamic finance facility for Türkiye Wealth Fund

Sharjah Islamic Bank (SIB) and the Türkiye Wealth Fund (TWF) recently signed an agreement for a $100 million Shariah-compliant Murabaha facility for three years. Facilitated by Dogan Investment Bank, this agreement marks a significant milestone as TWF embarks on its first venture launch financing from an international source in a form compliant with Islamic Shariah law. The agreement between SIB and TWF reflects the robust economic and investment ties between the UAE and Türkiye.
https://economymiddleeast.com/

iii. Issue Based Articles

Exploring potential of Islamic social finance

Islamic social finance is a multifaceted approach that blends Islamic finance principles with a focus on principles of justice, equity, social responsibility and community welfare. It aims to address socio-economic inequalities, promote sustainable development and foster community cohesion. This unique financial framework aligns with Islamic ethics and values, offering an alternative to conventional finance systems. In essence, Islamic social finance seeks to create financial instruments that not only comply with the Shariah law but also address social issues by integrating ethical and moral considerations into financial practices and seeks to create a more inclusive and equitable society.

Islamic social finance instruments primarily include Zakat (obligatory almsgiving), Sadaqah (voluntary charity), Waqf (endowment and trusts) and Qarz al-Hasan (benevolent interest-free loans) while innovative developments in the area now also cover Islamic microfinance, Social Sukuk, socially responsible investment and Islamic crowdfunding and ethical investments. The above-mentioned instruments, if used properly, can provide much-needed stimulus and support to the economy. Islamic social finance can directly contribute to wealth distribution to the lower segment of society to reduce poverty, enhance social welfare and broaden the safety net for the needy, channel support to welfare institutions in the area of education, health and public welfare, create growth and employment opportunities for small entrepreneurs and startups, help in disaster recovery and rehabilitation, encourage ethical investments and support sustainable community development.
https://tribune.com.pk/

Islamic Banking — Need of the hour

As a global concept, Islamic banking has established itself on a sound and solid footing. Almost every country with a substantial financial base offers Islamic banking operations parallel to conventional financing. Pakistan's constitutional structure makes it compulsory for the state to shift from conventional banking to Islamic banking after the unanimous decision of the Federal Shariat Court on April 28, 2022.

For this to happen, the state has to engage all conventional banks to shift their banking model to an asset-backed Islamic banking model. Here, it must be noted that there are subtle interpretational differences between religious schools of thought within Islam. Before investing any further time and expense on any particular school's methodology, the state should come forward and place the matter before a collective forum comprising bankers, economists, accountants, ulemas, politicians and other academics/practitioners etc. The same exercise was conducted back in the 1980s, whereby the Council of Islamic Ideology came forward with a roadmap on converting the entire conventional banking into Islamic banking.

The situation at hand, therefore, demands a pragmatic approach with due regard to the legal as well as international financial obligations. Islam prescribes a balanced and pragmatic approach to the solution of intricate problems. Conversion of conventional banking is one of them. The question of Islamic banking must not be left to the corner as was done in the last 30 years. The federal and provincial governments, along with the State Bank of Pakistan (SBP) and the judiciary's concurrence, have to devise a practical way forward so that the investment climate in cash-starved Pakistan doesn't get hampered. The SBP's initiative of establishing Islamic banking windows by commercial banks deserves appreciation. The successful operation of Islamic banking windows by commercial banks is surely an achievement worth capitalising on. However, much reformation in legal and fiscal domains is still awaited.
https://www.dawn.com/

Pakistan's bumpy road to Islamic finance goals

Pakistan has pledged to become fully Shariah-compliant in its banking services by December 2027, but still has a long way to go to create a banking industry that provides the services its customers want. Change is being driven by a Federal Shariat Court of Pakistan directive in 2022 for the government to adopt Shariah-compliant forms of finance, both domestically and internationally, by the end of 2027. At present, Pakistan's Islamic finance sector is still relatively small. Islamic finance in Pakistan reached a value of $53 billion as of the end of 2023. According to a Fitch research note, the country could see its Islamic banking sector reach 25% of its assets in the medium term, a number that falls short of the State Bank of Pakistan's target of 30% of assets and deposits by 2025. In order to reach these targets, the central bank further called for existing conventional banks to be transformed into Islamic banks. The process has already begun, with Faysal Bank announcing it had become fully Islamic in December 2022. Summit Bank has received approval to change its name to Bank Makramah and transition to Islamic banking, while the Bank of Punjab has also announced plans to transition.

A blueprint exists for the banks looking to make the move, as the SBP has created regulatory guidelines to assist banks in the process, says Habib Ahmed, Sharjah chair in Islamic law and finance at Durham University Business School. Any transition should take the existing customer base into account. Bashar Al Natoor, global head of Islamic finance at Fitch Ratings, says for banks looking to move to Islamic compliance, there is the possibility for existing maturities to expire, but in the longer term they need to begin the process of phasing out conventional banking products and services. Some of the impetus to convert has been driven by regulations

that require conventional banks to offer a minimum return on savings that is 150 basis points below the current benchmark rate. Islamic banks do not have to comply with this, with some offering a minimum rate of return. According to the Fitch research note: "While the regulatory exemption may support Islamic banks' profitability through lower cost of funding, their competitiveness could reduce if they offer lower deposit rates than conventional banks."
https://www.thebanker.com/

ANNEXURE I: ISLAMIC BANKING BRANCH NETWORK

Annexure: I

Islamic Banking Branch Network
(As of March 31, 2024)

Type	Name of Bank	No. of Branches	Windows
Islamic Banks	AlBaraka Bank (Pakistan) Limited	164	-
	BankIslami Pakistan Limited	347	-
	Dubai Islamic Bank Pakistan Limited	210	-
	Faysal Bank Limited	720	-
	Meezan Bank Limited	1003	-
	MCB Islamic Bank Limited	227	-
	Sub-Total	**2,671**	
Conventional Banks having Standalone Islamic Banking Branches	Allied Bank Limited	127	167
	Askari Bank Limited	137	-
	Bank Al Habib Limited	221	100
	Bank Alfalah Limited	358	-
	Habib Bank Limited	408	552
	Habib Metropolitan Bank Limited	208	187
	National Bank of Pakistan	188	152
	Silk Bank Limited	23	-
	Sindh Bank Limited	14	13
	Soneri Bank Limited	48	15
	Standard Chartered Bank (Pakistan) Limited	2	38
	Bank Makramah Ltd	14	34
	The Bank of Khyber	126	-
	The Bank of Punjab	158	147
	United Bank Limited	213	501
	Zarai Taraqiati Bank Limited	28	10
	Sub-Total	2,273	1916
	Total Full-Fledged Branches and windows	**4,944**	**1,916**
Sub Branches	AlBaraka Bank (Pakistan) Limited	6	-
	Allied Bank Limited	1	
	Askari Bank Limited	3	-
	Bank Alfalah Limited	4	
	BankIslami Pakistan Limited	100	-
	MCB Islamic Bank Limited	2	
	The Bank of Khyber	10	
	Dubai Islamic Bank Pakistan Limited	25	
	The Bank of Punjab	2	-
	Faysal Bank Limited	2	
	United Bank Limited	2	-
	Total Sub-Branches	**157**	**-**
	Grand Total Branches/Sub-Branches/Windows	**5,101**	**1,916**

Source: Information/Data obtained from different banks

ANNEXURE II: PROVINCE/REGION WISE BREAK-UP OF ISLAMIC BANKING BRANCH NETWORK

Annexure: II

Province/Region wise Break-up of Islamic Banking Branch Network

(As of March 31, 2024)

Type	Name of Bank	Azad Kashmir	Baluchistan	Federal Capital	Gilgit-Baltistan	Khyber Pakhtunkhwa	Punjab	Sindh	Grand Total
Islamic Banks	AlBaraka Bank (Pakistan) Limited	2	4	7	3	14	92	42	164
	BankIslami Pakistan Limited	5	17	19	5	32	166	103	347
	Dubai Islamic Bank Pakistan Limited	7	5	15	3	10	86	84	210
	Faysal Bank Limited	11	25	31	7	55	409	182	720
	Meezan Bank Limited	12	39	42	5	76	539	290	1,003
	MCB Islamic Bank Limited	2	10	14	1	29	115	56	227
	Sub-Total	**39**	**100**	**128**	**24**	**216**	**1,407**	**757**	**2,671**
Conventional Banks having Standalone Islamic Banking Branches	Allied Bank Limited	3	4	9	1	14	80	16	127
	Askari Bank Limited	-	3	11	3	22	69	29	137
	Bank Al Habib Limited	1	9	10	1	38	90	72	221
	Bank Alfalah Limited	1	9	25	-	39	221	63	358
	Habib Bank Limited	12	12	16	2	60	206	100	408
	Habib Metropolitan Bank	3	10	8	1	35	90	61	208
	National Bank of Pakistan	9	4	6	1	40	95	33	188
	Silk Bank Limited	-	1	3	-	3	9	7	23
	Sindh Bank Limited	1	1		-	2	7	3	14
	Soneri Bank Limited	-	1	4	1	11	23	8	48
	Standard Chartered Bank (Pakistan) Limited	-	-	-	-	-	1	1	2
	Bank Makramah Ltd	-	1	2	2	1	2	6	14
	The Bank of Khyber	-	5	6	-	101	11	3	126
	The Bank of Punjab	5	7	7	2	21	108	8	158
	United Bank Limited	3	7	7	-	70	77	49	213
	Zarai Taraqiati Bank Limited		-	1	3	14	9	1	28
	Sub-Total	**38**	**74**	**115**	**17**	**471**	**1,098**	**460**	**2,273**
	Total Full-Fledged Branches	**77**	**174**	**243**	**41**	**687**	**2,505**	**1,217**	**4,944**
Sub Branches	Allied Bank Limited	-	-	1	-	-	-	-	1
	AlBaraka Bank (Pakistan) Limited	-	-	-	-	-	-	6	6
	Askari Bank Limited	-	1	-	-	1	1	-	3
	Bank Alfalah Limited			1			1	2	4
	BankIslami Pakistan Limited	1	6	8	-	4	33	48	100
	Dubai Islamic Bank Pakistan Limited	-	-	-	-	-	9	16	25
	MCB Islamic Bank Limited						1	1	2
	Faysal Bank Limited		-	-	-	-	2	-	2
	The Bank of Khyber	-	-	-	-	10	-	-	10
	The Bank of Punjab	-	-	-	-	-	2	-	2
	United Bank Limited	-	-	1	-	1	-	-	2
	Total Sub-Branches	**1**	**7**	**11**	**0**	**16**	**49**	**73**	**157**
	Grand Total	**78**	**181**	**254**	**41**	**703**	**2,554**	**1,290**	**5,101**

ANNEXURE III. DISTRICT WISE BREAK-UP OF ISLAMIC BANKING BRANCH NETWORK

Annexure: III

District wise Break-up of Islamic Banking Branch Network

(As of March 31, 2024)

S. No.	Province	District	No. of Branches*
1	Sindh	Badin	4
2		Dadu	9
3		Ghotki	6
4		Hyderabad	76
5		Jacobabad	6
6		Jamshoro	6
7		Karachi City	1039
8		Kashmore	3
9		Khairpur	8
10		Larkana	9
11		Matiari	4
12		Mirpurkhas	18
13		Naushahro Feroze	8
14		Shaheed Benazir Abad	20
15		Sanghar	20
16		Shikarpur	3
17		Sukkur	24
18		Shahdadkot	4
19		Tando Allahyar	5
20		Tando Mohammad Khan	5
21		Thatta	5
22		Umer Kot	8
Sindh Total			**1,290**
23	Punjab	Attock	35
24		Bahawalnagar	43
25		Bahawalpur	59
26		Bhakkar	8
27		Chakwal	28
28		Chiniot	13
29		Dera Ghazi Khan	33
30		Faisalabad	204
31		Gujranwala	127
32		Gujrat	111
33		Hafizabad	13
34		Jhang	24
35		Jhelum	27
36		Kasur	32
37		Khanewal	43
38		Khushab	17
39		Lahore City	718
40		Layyah	16
41		Lodhran	7
42		Mandi Bahauddin	25
43		Mianwali	14
44		Multan	146
45		Muzaffargarh	29
46		Nankana Sahib	16
47		Narowal	14
48		Okara	45
49		Pakpattan	20
50		Rahim Yar Khan	72
51		Rajanpur	14
52		Rawalpindi	250
53		Sahiwal	54
54		Sargodha	68
55		Sheikhupura	43
56		Sialkot	113
57		Toba Tek Singh	38
58		Vehari	35
Punjab Total			**2,554**
59	Azad Kashmir	Bagh	6
60		Bhimber	6
61		Dadyal	4
62		Hattian Bala	1
63		Kotli	10
64		Mirpur	27
65		Muzaffarabad	15
66		Poonch	9
Azad Kashmir Total			**78**
67	Khyber Pakhtunkhwa	Abbottabad	37
68		Bannu	17
69		Batagram	8
70		Buner	21
71		Charsadda	19
72		Chitral	12
73		Dera Ismail Khan	20
74	Khyber Pakhtunkhwa	Hangu	12
75		Haripur	22
76		Karak	7
77		Kohat	22
78		Lakki Marwat	4
79		Lower Dir	43
80		Malakand	29
81		Mansehra	29
82		Mardan	36
83		Nowshera	32
84		Peshawar	146
85		Shangla	10
86		Swabi	16
87		Swat	92
88		Tank	3
89		Torghar	1
90		Upper Dir	26
91		Kohistan	5
92		Bajaur Agency	10
93		Khyber Agency	15
94		Mohmand Agnecy	1
95		Orakzai Agency	2
96		Kurram Agency	5
97		North Waziristan Agency	1
KPK Total			**703**
98	ICT	Islamabad	254
Islamabad Total			**254**
99	Gilgit-Baltistan	Astore	2
100		Baltistan	1
101		Ghizer	2
102		Ghanche	1
103		Hunza	1
104		Skardu	7
105		Diamir	8
106		Shigar	1
107		Gilgit	18
Gilgit-Baltistan Total			**41**
108	Balochistan	Chaghi	4
109		Duki	1
110		Gawadar	9
111		Harnai	0
112		Jaffarabad	3
113		Kalat	1
114		Kech	3
115		Khuzdar	4
116		Kharan	1
117		Lasbela	7
118		Loralai	10
119		Mastung	1
120		Noshki	2
121		Nasirabad	2
122		Panjgur	4
123		Pishin	9
124		Qilla Abdullah	10
125		Qilla Saifullah	9
126		Quetta	86
127		Sibi	2
128		Sohbatpur	1
129		Turbat	3
130		Zhob	5
131		Ziarat	4
Baluchistan Total			**181**
Grand Total			**5,101**

*including sub-branches