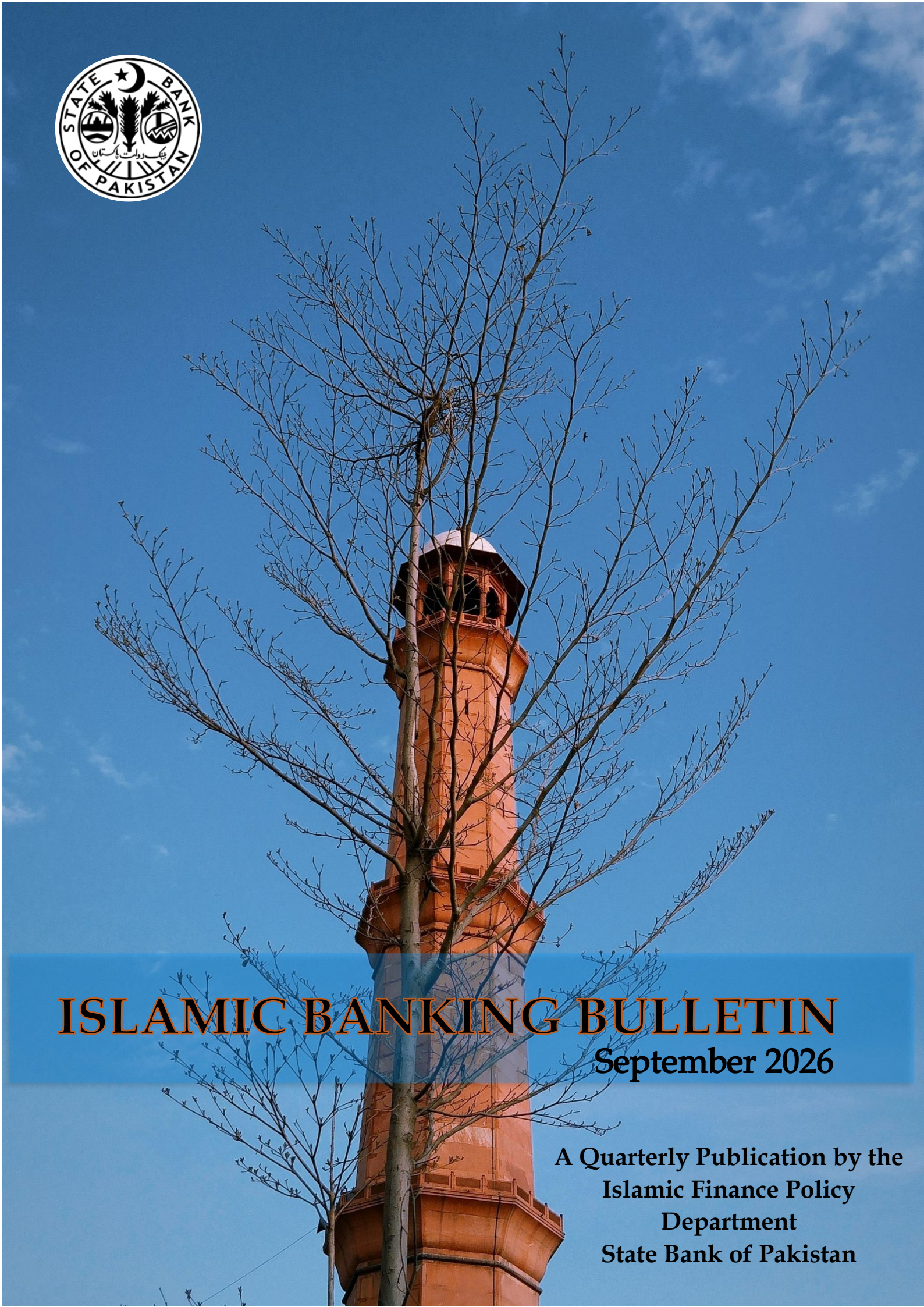

ISLAMIC BANKING BULLETIN

September 2026

A Quarterly Publication by the Islamic Finance Policy Department
State Bank of Pakistan



ISLAMIC BANKING BULLETIN

For the period ending September 30, 2026

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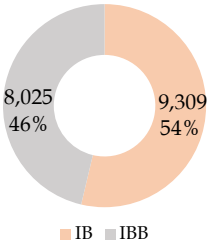
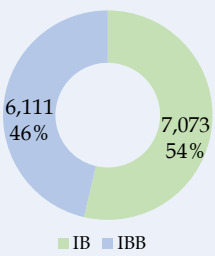
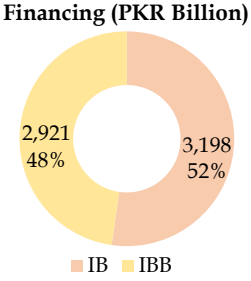
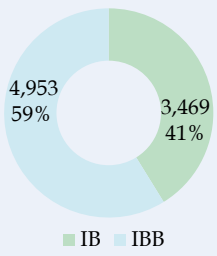
ISLAMIC BANKING SECTOR AT A GLANCE

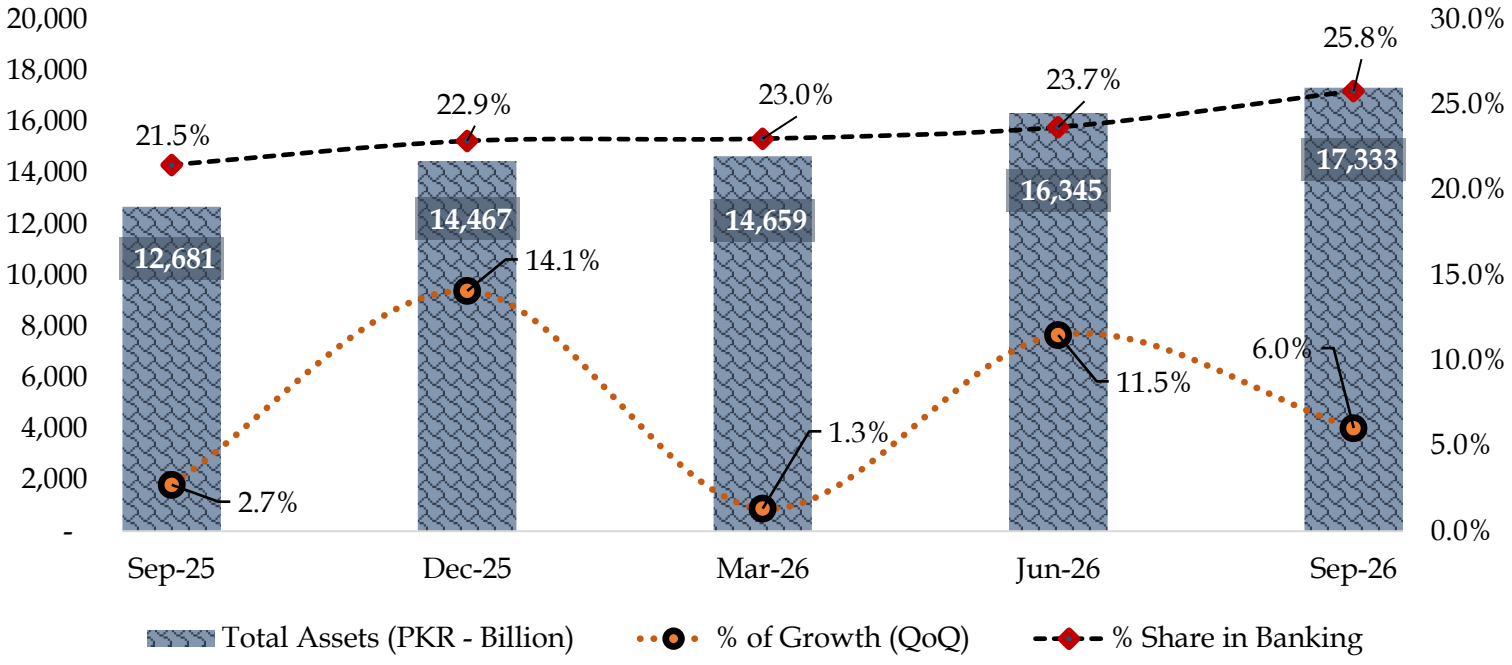
Faisal Mosque Islamabad

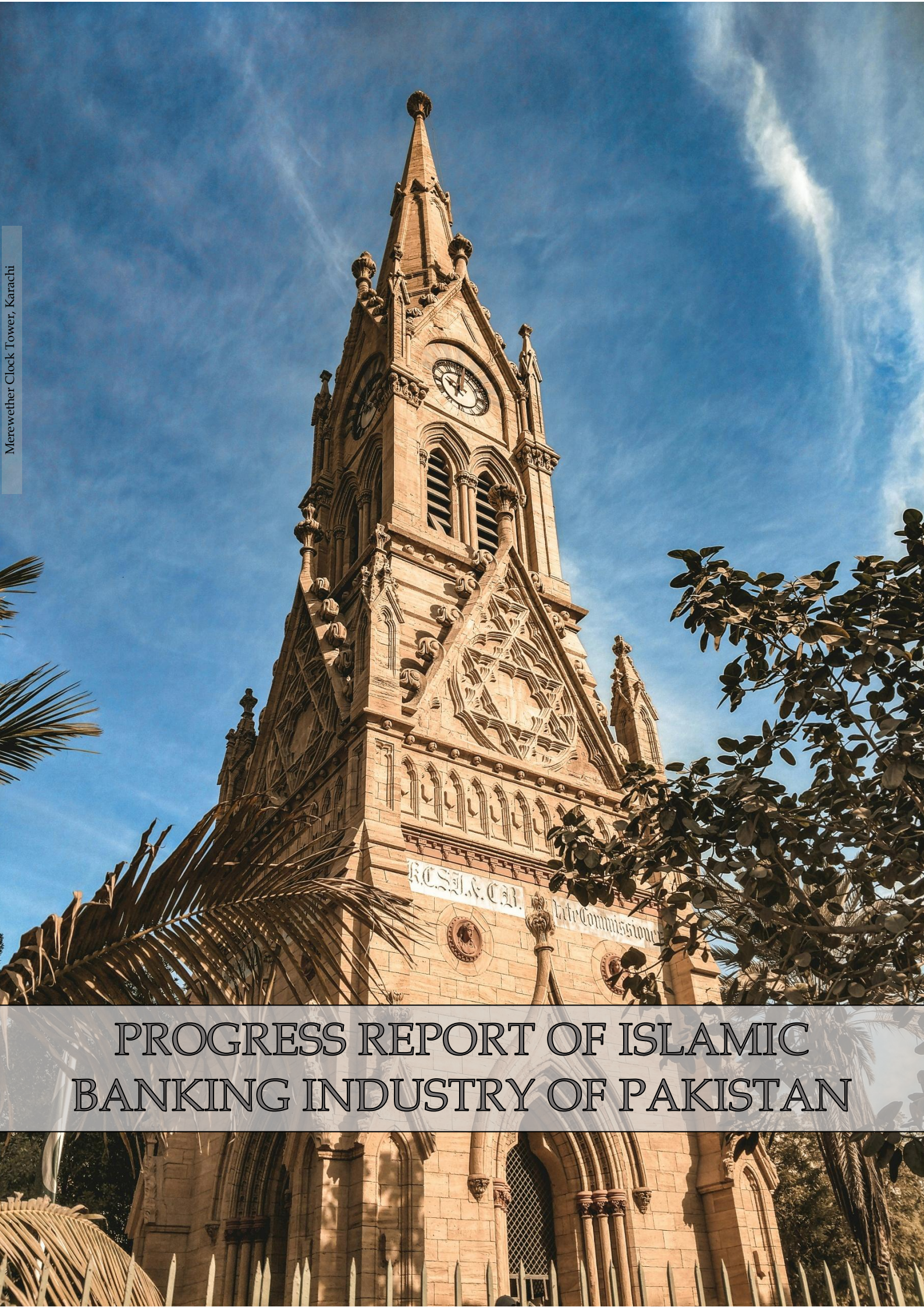
Islamic Banking Snapshot – September 2026

Overall Summary

	Assets	Deposits	Financing	No. of Branches
Total	PKR 17.3 Trillion	PKR 13.2 Trillion	PKR 6.1 Trillion	8,422
Change in Quarter	+ PKR 988.5 Billion + 6.0%	+ PKR 515.5 Billion + 4.1%	+ PKR 113.9 Billion +1.9%	+ 665 +8.6%
Share in Total Banking Industry	25.8% + 2.1%	30.3% + 1.1%	39.0% - 0.1%	
Share of IBBs & IBs				

Islamic Banking Assets - Growth and Market Share





Merewether Clock Tower, Karachi

PROGRESS REPORT OF ISLAMIC BANKING INDUSTRY OF PAKISTAN

Overview

Pakistan's Islamic banking sector kept up its steady expansion during the third quarter of 2026 and further cemented its place in the wider financial system. At the close of September 2026, the Islamic Banking Institutions (IBIs) comprised seven full-fledged Islamic Banks (IBs), among them Raqami Islamic Digital Bank Limited, alongside 16 conventional banks, including the Mashreq Bank Pakistan Limited (digital bank), that deliver Shariah-compliant services via dedicated Islamic Banking Branches (IBBs).

Over the July-September 2026 period, IBIs' total assets grew by PKR 988.5 billion and stood at PKR 17,333 billion, while deposits went up by PKR 515.5 billion to reach PKR 13,185 billion (**Table 1**). Measured quarter-on-quarter (QoQ), assets expanded by a solid 6.0 percent and deposits by 4.1 percent. Financing rose 1.9 percent QoQ to settle at PKR 6,119 billion, while net investments advanced 10.0 percent to PKR 8,704 billion. These movements signal increasing appetite for Shariah-compliant offerings and add to the sector's overall financial depth.

Looking at market share, Islamic banking held 25.8 percent of the banking industry's total assets as of September 2026, marking a considerable YoY gain of 4.2 percentage points. Its share in deposits was higher at 30.3 percent, a rise largely driven by branch network expansion and continued conversion initiatives. The sector also provided 39.0 percent of overall financing, and its investments made up 21.0 percent of the industry's total portfolio, pointing to its ongoing growth.

Overall, these trends confirm the sector's persistent momentum and its firmer rooting within Pakistan's financial system. Consistent gains across major performance indicators, supported by a widening branch network, show the resilience of Islamic banking as well as the growing customer preference for Shariah-compliant financial solutions.

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

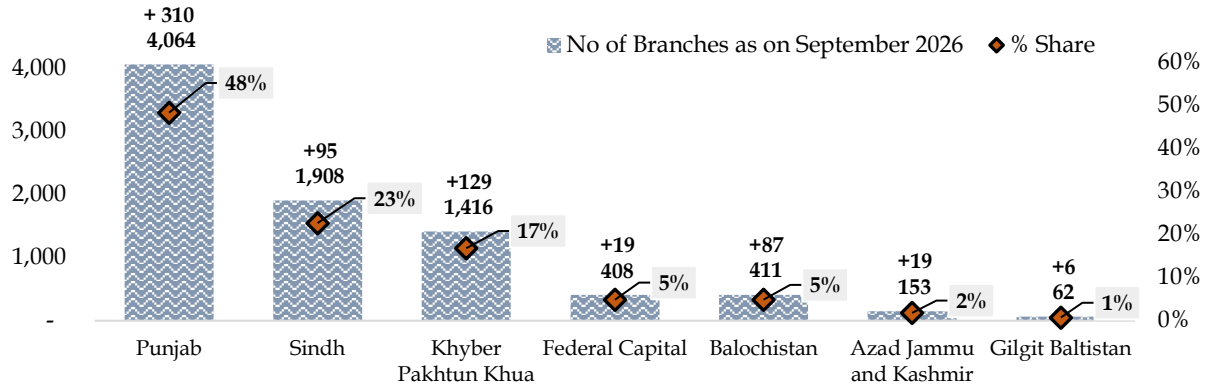
Particulars	Islamic Banking Industry Progress			Percent Growth (YoY)			Share in Overall Banking Industry (%)		
	Sep-25	Jun-26	Sep-26	Sep-25	Jun-26	Sep-26	Sep-25	Jun-26	Sep-26
Assets	12,681	16,345	17,333	28.3	32.4	36.7	21.5	23.7	25.8
Deposits	9,850	12,669	13,185	29.7	32.9	33.9	26.5	29.2	30.3
Investments (Net)	6,276	7,914	8,704	30.7	33.3	38.7	17.0	18.1	21.0
Financing (Net)	4,109	6,005	6,119	26.4	48.9	48.9	31.0	39.1	39.0
Number of Islamic Banking Institutions	21	23	23	(4.5)	9.5	9.5	-	-	-
Number of Branches**	6,776	7,757	8,422	27.1	21.3	24.3	-	-	-
Number of Islamic Banking Windows	2,905	3,733	3,586	33.9	36.5	23.4	-	-	-

*** The numbers include data of Digital Banks.**
****Number includes sub-branches**
Source: Data submitted by banks under quarterly Reporting Chart of Accounts (RCOA)

Branch Network of Islamic Banking Industry

During the third quarter of 2026, the industry added a net 665 branches, an increase of 8.6 percent over the previous quarter, which took the total Islamic branch network to 8,422 branches by the end of September 2026 (**Figure 1**). IBI branches are present across 161 districts, reflecting the sector's steady geographic reach and its expanding contribution to financial inclusion, as well as wider public access to Shariah-compliant financial services.

Figure 1: Region-wise Branch Network

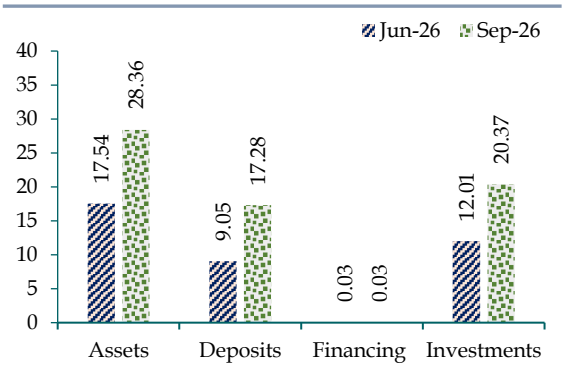


Source: SBP

Digital Banks

Pakistan's banking sector is making notable headway in its digital transformation, with a growing focus on Shariah-compliant financial services. The addition of two digital banks, Raqami Islamic Digital Bank Limited and Mashreq Bank Pakistan Limited, has carried Islamic banking offerings to a wider section of the population through digital platforms. In addition, Easypaisa Bank Limited received in-principle approval to offer Islamic financial services.

Figure 2: Islamic Digital Banks (I-DBs) Indicators (PKR Billion)



Source:SBP

The total assets of Islamic digital banks climbed to PKR 28.36 billion by end-September 2026, a sharp QoQ increase of 61.9 percent from PKR 17.54 billion at end-June 2026. Deposits grew even faster, reaching PKR 17.28 billion in September 2026 against PKR 9.05 billion in the comparable period, a jump of 91.0 percent. Investments moved along a similar path with QoQ growth of 69.6 percent, while financing edged down by 0.3 percent (**Figure 2**). These results point to increasing trust in digital Islamic banking solutions, strengthening their contribution to financial inclusion and reinforcing the digital finance landscape.

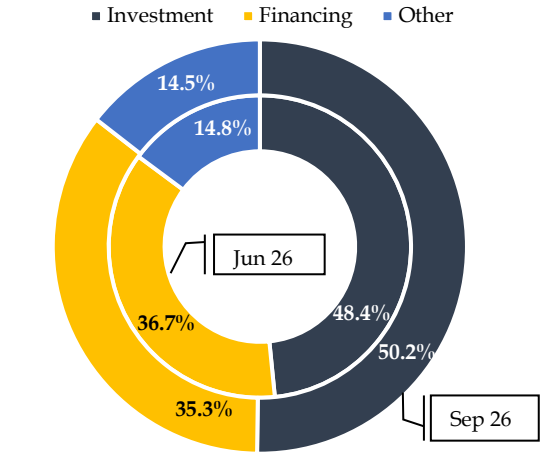
Assets and Liabilities Structure

Assets

The total assets of IBIs rose by PKR 988.5 billion during the quarter ended September 2026, reaching PKR 17,333 billion compared with PKR 16,345 billion in the corresponding quarter. Islamic banking assets made up 25.8 percent of the overall banking industry, up from 23.7 percent in June 2026, which points to the sector's growing market share.

Looking at the composition in more detail, net financing represented 35.3 percent of total Islamic banking assets, while net investments accounted for 50.2 percent (**Figure 3**). The overall growth in IBI assets reflects stronger financial intermediation through Islamic finance.

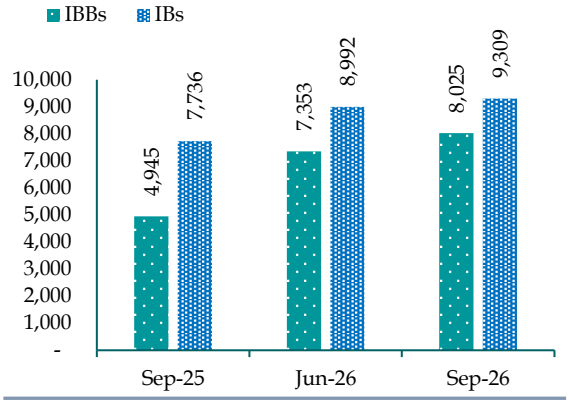
Figure 3 : Major Contributors of the Change in Assets



Break up of Assets of IBs and IBBs

IBs recorded an increase of PKR 316 billion, reaching PKR 9,309 billion, whereas IBBs posted stronger growth, rising by PKR 672 billion during the quarter to stand at PKR 8,025 billion. As of September 2026, IBs accounted for 53.7 percent of total Islamic banking assets, with IBBs contributing the remaining 46.3 percent **(Figure 4)**. These figures highlight the rising demand among customers for Shariah compliant products.

Figure 4: Breakup of Assets (PKR Billion)

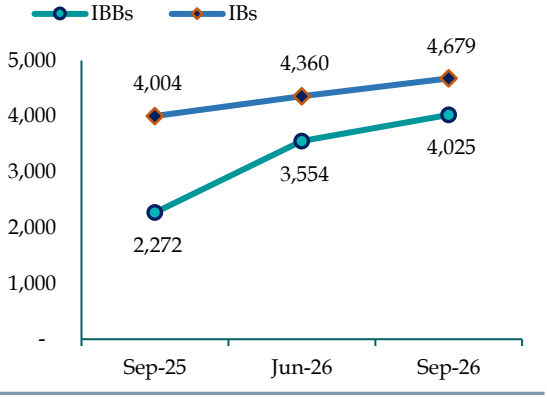


Source: SBP

Investments

IBIs kept building up their investment portfolios during the quarter, with net investments growing by PKR 790 billion to reach PKR 8,704 billion by end-September 2026. The rise was supported by allocations to various Government of Pakistan Ijarah Sukuk (GIS), along with the effect of the newly launched Government of Pakistan Hybrid Sukuk issued during the quarter.

Figure 5: Breakup of Investment (PKR Billion)



Source: SBP

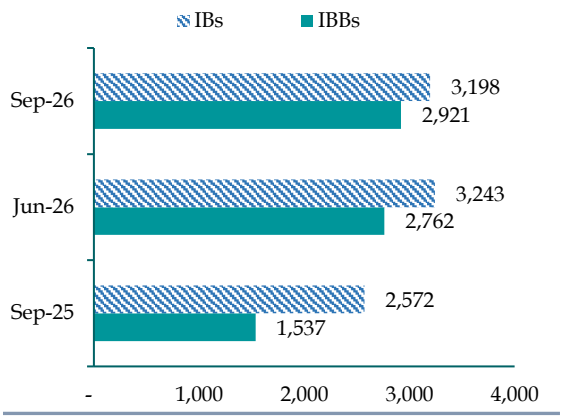
Looking at the breakdown, IBBs of conventional banks raised their net investments by PKR 471 billion to PKR 4,025 billion. Driven largely by the need to deploy substantial inflows from rapid deposit growth, this allocation underscores how IBBs are leveraging on increased supply of Sukuk to absorb excess liquidity. IBs also posted growth, adding PKR 319 billion to reach PKR

4,679 billion. IBs held the larger portion at 53.8 percent of total net investments of IBIs, while IBBs made up the remaining 46.2 percent (**Figure 5**).

Financing & Related Assets

The Financing and related assets posted a moderate rise, reaching PKR 6,119 billion by end-September 2026 from PKR 6,005 billion in June 2026, a net gain of PKR 114 billion. IBBs expanded their financing by PKR 159 billion to PKR 2,921 billion, while the financing portfolio of IBs moderated to PKR 3,198 billion (**Figure 6**).

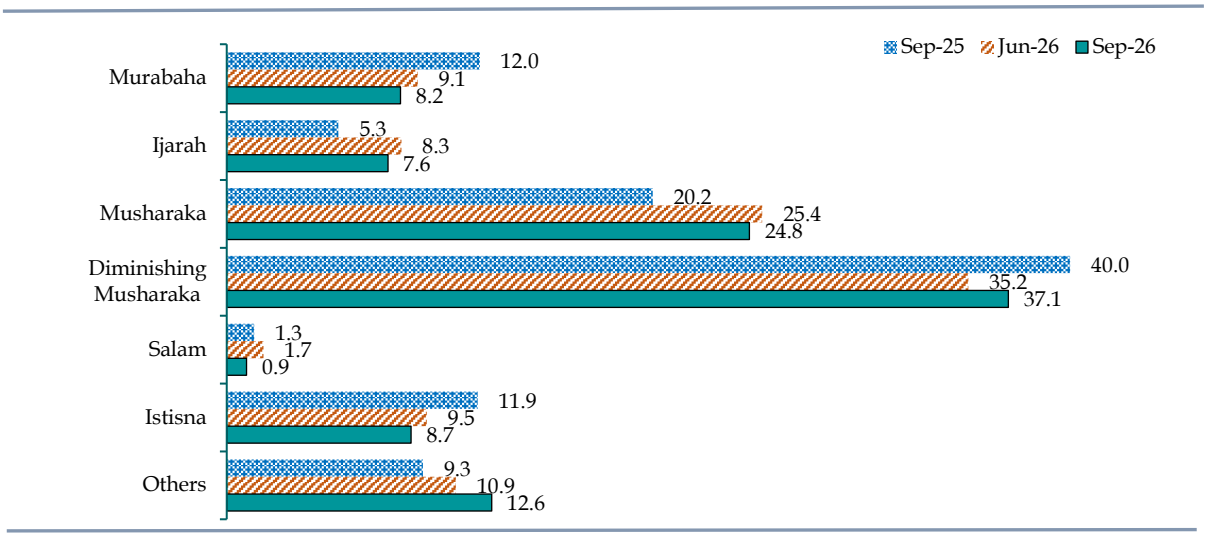
Figure 6: Breakup of Financing (PKR Billion)



Source: SBP

Reviewing the composition of financing, Diminishing Musharaka continued to hold the largest share at 37.1 percent of the total portfolio, followed by Musharaka at 24.8 percent. Istisna and Murabaha stood close to each other, with Istisna ahead at 8.7 percent and Murabaha at 8.2 percent. All other modes of financing used by IBIs made up the remaining 21.1 percent (**Figure 7**).

Figure 7 : Mode-wise Financing (Share in %)



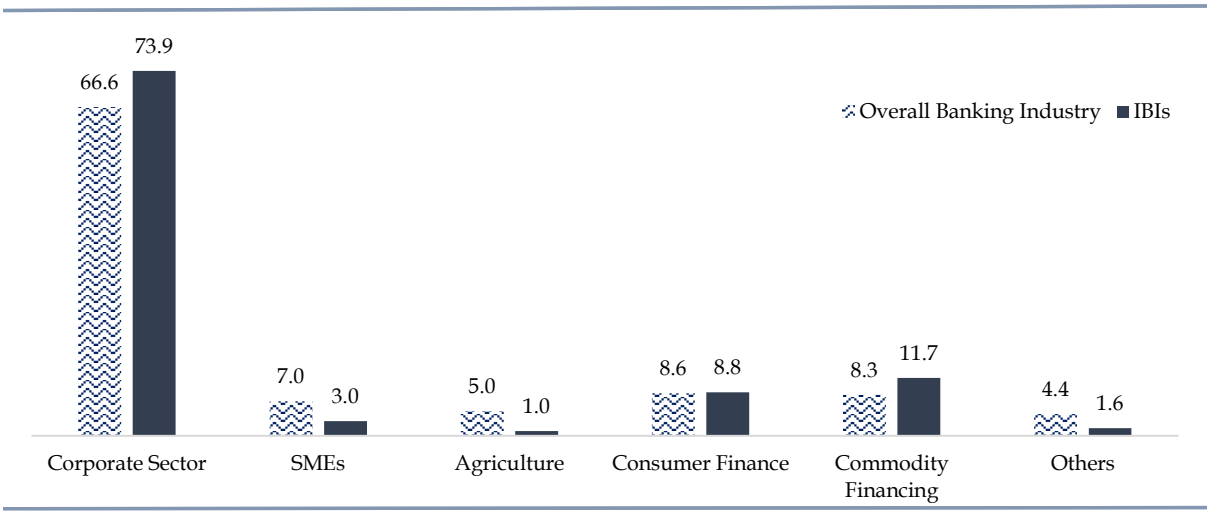
Source: SBP

A sector-wise review of financing shows that the Production and Transmission of Energy sector held the largest share at 15.8 percent of total financing. The textile sector came next at 14.5 percent, followed by individuals at 10.3 percent and agribusiness at 9.1 percent, which highlights their important role in shaping the financing mix. The remaining 50.3 percent was spread across other sectors **(Table 2)**.

Table 2: Sector wise Financing (Share in %)				
Sector	**Sep-25**	**Jun-26**	**Sep-26**	**Overall Banking Industry**
Chemical and Pharmaceuticals	6.7	7.4	6.2	4.3
Agribusiness	12.7	10.3	9.1	10.0
Textile	16.1	13.9	14.5	16.2
Cement	1.8	2.3	2.3	1.6
Sugar	2.5	4.8	3.3	3.1
Shoes and leather garments	0.3	0.3	0.2	0.3
Automobile and transportation equipment	0.9	1.0	1.1	0.9
Financial	0.7	1.4	1.6	3.9
Electronics and electrical appliances	1.2	1.4	1.4	1.4
Production and transmission of energy	6.9	16.7	15.8	10.3
Individuals	9.1	8.5	10.3	10.9
Others	41.1	32.0	34.2	37.0
Total	100.0	100.0	100.0	100.0

The corporate sector took the largest share of financing at 73.9 percent, which points to strong economic activity and demand within the segment. Commodity financing came next at 11.7 percent, while consumer financing stood at 8.8 percent, indicating a steady appetite for retail credit. By contrast, financing to SMEs and the agriculture sector stayed modest at 3.0 percent and 1.0 percent, respectively, underlining the need for greater efforts to strengthen these areas **(Figure 8)**.

Figure 8 - Client Wise Financing Portfolio (Share in %)



Source: SBP

Asset Quality

The asset quality of IBIs stayed stable as of end-September 2026. The Non-Performing Financing (NPF) ratio to gross financing was 2.2 percent, and net NPFs to net financing remained negative at -0.60 percent, which indicates a comfortable provisioning cushion. Provisions held against NPFs stayed solid at 124.9 percent, marginally lower than 125.7 percent in the previous quarter, reflecting IBIs' continued commitment to prudent and effective risk management practices **(Table 3)**.

Table-3: Assets Quality Ratio of IBI (%)

Ratio	Sep-25	Jun-26	Sep-26	Overall Banking Industry
NPFs to Gross Financing	3.4	2.2	2.2	5.6
Net NPFs to Net Financing	(0.6)	(0.6)	(0.6)	(0.3)
Provisions to NPFs	116.9	125.7	124.9	105.8

Liabilities

Total deposits of IBIs maintained their upward momentum in the third quarter of 2026, growing by PKR 515.5 billion to stand at PKR 13,185 billion. This growth further reinforced the standing of IBIs in the overall banking industry, with their market share rising to 30.3 percent.

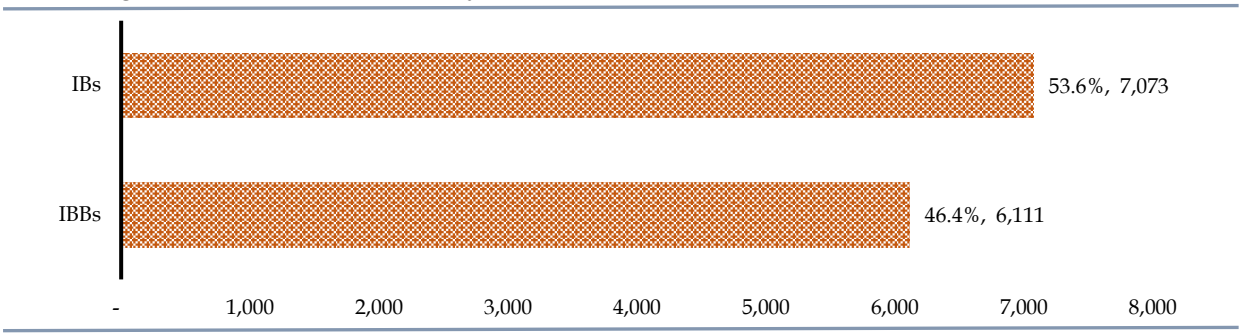
Examining the deposit mix, current and saving deposits remained the largest components of the deposit base, at PKR 5,859 billion and PKR 4,470 billion, respectively. In terms of quarterly growth, fixed deposits posted the strongest increase at PKR 288 billion, followed by saving deposits, which grew by PKR 272 billion, and current deposits, which rose by PKR 192 billion **(Table 4)**.

Table-4: Break up of Deposits (Amount in PKR Billion, Growth in %)

Category	Sep-25	Jun-26	Sep-26	% of Total (1+2)	Yearly Growth (%)	Quarterly Growth (%)
Customers (1)						
Fixed Deposits	915	1,058	1,345	10.2%	47.1	27.2
Saving Deposits	3,741	4,198	4,470	33.9%	19	6
Current Deposits	4,190	5,667	5,859	44.4%	39.8	3.4
Others	98	166	122	0.9%	25	(26.2)
Sub-Total	**8,944**	**11,089**	**11,797**	**89.5%**	31.9	6.4
Financial Institutions (2)						
Remunerative Deposits	612	1,233	1,033	7.8%	68.9	(16.2)
Non-remunerative Deposits	294	347	354	2.7%	20	2
Sub-Total	**906**	**1,580**	**1,388**	**10.5%**	53.2	(12.2)
Total (1+2)	**9,850**	**12,669**	**13,185**	**100.0%**	33.9	4.1

IBs saw their deposits grow by PKR 162 billion to reach PKR 7,073 billion by September 2026. IBBs posted a notably stronger rise, with deposits increasing by PKR 353 billion to PKR 6,111 billion. As of end-September 2026, IBs held 53.6 percent of total IBI deposits, while IBBs accounted for the remaining 46.4 percent **(Figure 9)**.

Figure 9 : Deposits Bifurcation - by Share

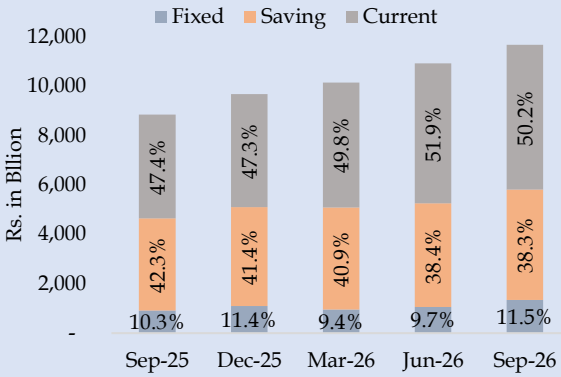


Source: SBP

Box 1: Deposit Mix of IBIs

Customers' deposits with IBIs showed a notable increase by 32 percent on year-on-year basis to Rs. 11,675 billion in September 2026, from Rs. 8,846 billion in the same quarter preceding year (**Figure B1**).* The expansion was accompanied by a change in deposit composition. The share of current deposits and fixed deposits in IBIs customers' deposits increased to 50.2 percent and 11.5 percent, respectively. In contrast, share of saving deposits declined to 38.3 percent.

Figure B1: Customers' Deposits by Type (Share)



Current deposits recorded the largest absolute increase among deposit types, rising by Rs. 1,669 billion from Rs. 4,190 billion in September 2025 to Rs. 5,859 billion in September 2026. Specifically, current deposits of IBs and IBBs grew by Rs. 488.3 billion (20 percent growth) and Rs. 1,180.4 billion (68 percent growth), respectively, during this period. Consequently, the share of IBBs in current deposits of IBIs increased to 49.8 percent in September 2026 from 44.8 percent in September 2025. Fixed deposits grew 47 percent year-on-year to Rs. 1,345 billion, increasing their share to 11.5 percent from 10.3 percent. Saving deposits rose by Rs. 729 billion to Rs. 4,470 billion during this period, growing at 19 percent rate on year-on-year basis.

The growing share of current deposits has improved the cost of funds and profitability of Islamic banking institutions, since these accounts carry no contractual profit-sharing obligation. However, because they are withdrawable on demand, they require prudent liquidity management and adequate liquid-asset buffers. In addition, providing clear, complete, and timely information on deposit products will help customers make informed choices and strengthen the industry's credibility.

* *Excluding "others" customer deposits.*

Liquidity

The liquidity position of IBIs remained broadly stable during the review period. The Liquid Assets to Total Assets ratio recorded a marginal increase to 56.6 percent, while the Liquid Assets to Total Deposits ratio also edged up slightly to 74.4 percent, reflecting an overall comfortable liquidity standing.

Meanwhile, the net Financing to Deposits ratio declined slightly to 46.4 percent by end-September 2026, suggesting a relatively faster deposit growth amid a cautious financing approach adopted by IBIs during the quarter. **(Table 5)**.

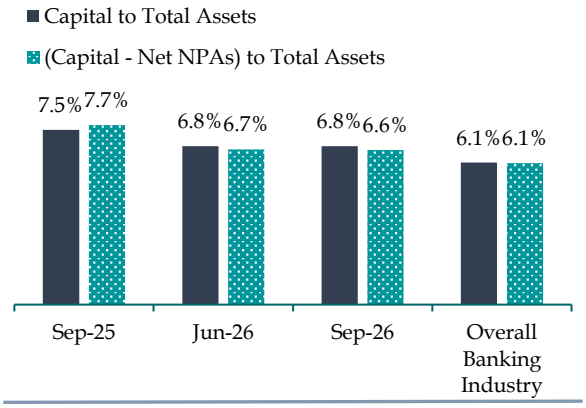
Table-5: Liquidity Ratios (%)

Ratios	Sep-25	Jun-26	Sep-26	Overall Banking Industry
Liquid Assets to Total Assets	54.3	55.6	56.6	66.7
Liquid Assets to Total Deposits	69.8	71.8	74.4	103.0
Financing to Deposit Ratio (FDR)	41.7	47.4	46.4	36.1
Liquidity Coverage Ratio (LCR)*	234.6	203.3	216.1	206.0
Net Stable Funding Ratio (NSFR)*	209.3	187.8	195.3	174.7
*The ratios represent full-fledged Islamic banks only				

Capital

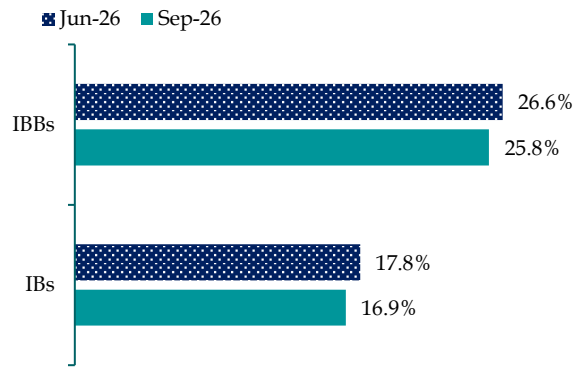
During the quarter under review, the capital ratios of IBIs showed a slight decrease. The Capital to Total Assets ratio held steady at 6.8 percent, suggesting little change in the share of assets funded through liabilities. The (Capital – Net NPAs) to Total Assets ratio edged down to 6.6 percent from 6.7 percent in the previous quarter (**Figure 10**). Meanwhile, the Capital Adequacy Ratio (CAR) of IBs eased to 16.9 percent from 17.8 percent, while that of IBBs fell to 25.8 percent from 26.6 percent **(Figure 11)**.

Figure 10 - Capital Ratios (%)



Source: SBP

Figure 11 - Capital Adequacy Ratio (%)



Source: SBP

Profitability

The profitability of IBIs strengthened on a year-on-year basis, with profit before tax climbing to PKR 352.7 billion by end-September 2026, compared with PKR 305.0 billion by end-September 2025. In addition, Return on Assets (ROA) edged up to 3.0 percent, while Return on Equity (ROE) also improved to 44.9 percent over the same period. Operating costs eased slightly over the year, with the 'Operating Expense to Gross Income' ratio standing at 47.3 percent. This indicates that continued focus on operational efficiency will remain essential for IBIs to sustain long-term growth and competitiveness.

Table-6: Profitability Ratios (%)

Particulars	Sep-25	Jun-26	Sep-26	Overall Banking Industry
Profit before Tax (PKR Billion)	305.0	221.6	352.7	1159.2
ROA before Tax	3.4	2.9	3.0	2.3
ROE before Tax	44.8	43.3	44.9	39.0
Operating Expense to Gross Income	45.0	47.6	47.3	50.3

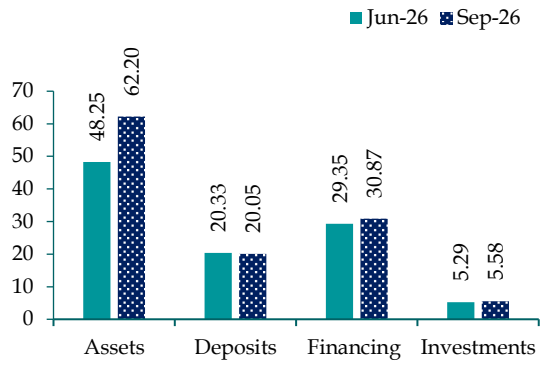
SBP Regulated Islamic Financial Institutions (Other than Commercial Banks)

At present, four Microfinance Banks are offering Islamic Microfinance products. Moreover, two Development Finance Institutions (DFIs) are offering Shariah-compliant products.

Microfinance Banks having Islamic Operations

As of end-September 2026, the network remained unchanged at 109 branches and 23 Islamic banking windows, extending its reach to remote communities. Assets of Islamic MFBs rose to PKR 62.20 billion, up PKR 13.95 billion (28.9 percent) over the quarter. Deposits declined by PKR 0.28 billion (-1.4 percent) to PKR 20.05 billion. Financing grew by 5.2 percent and investments by 5.5 percent, reaching PKR 30.87 billion and PKR 5.58 billion, respectively **(Figure 12)**.

Figure 12: Islamic Microfinance Banks (IMB) Indicators (PKR Billion)



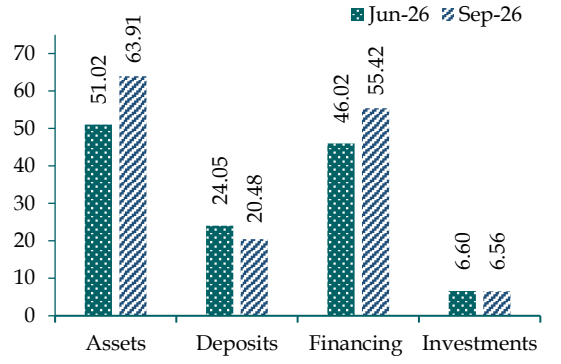
Source:SBP

Development Finance Institutions (DFIs) having Islamic Operations

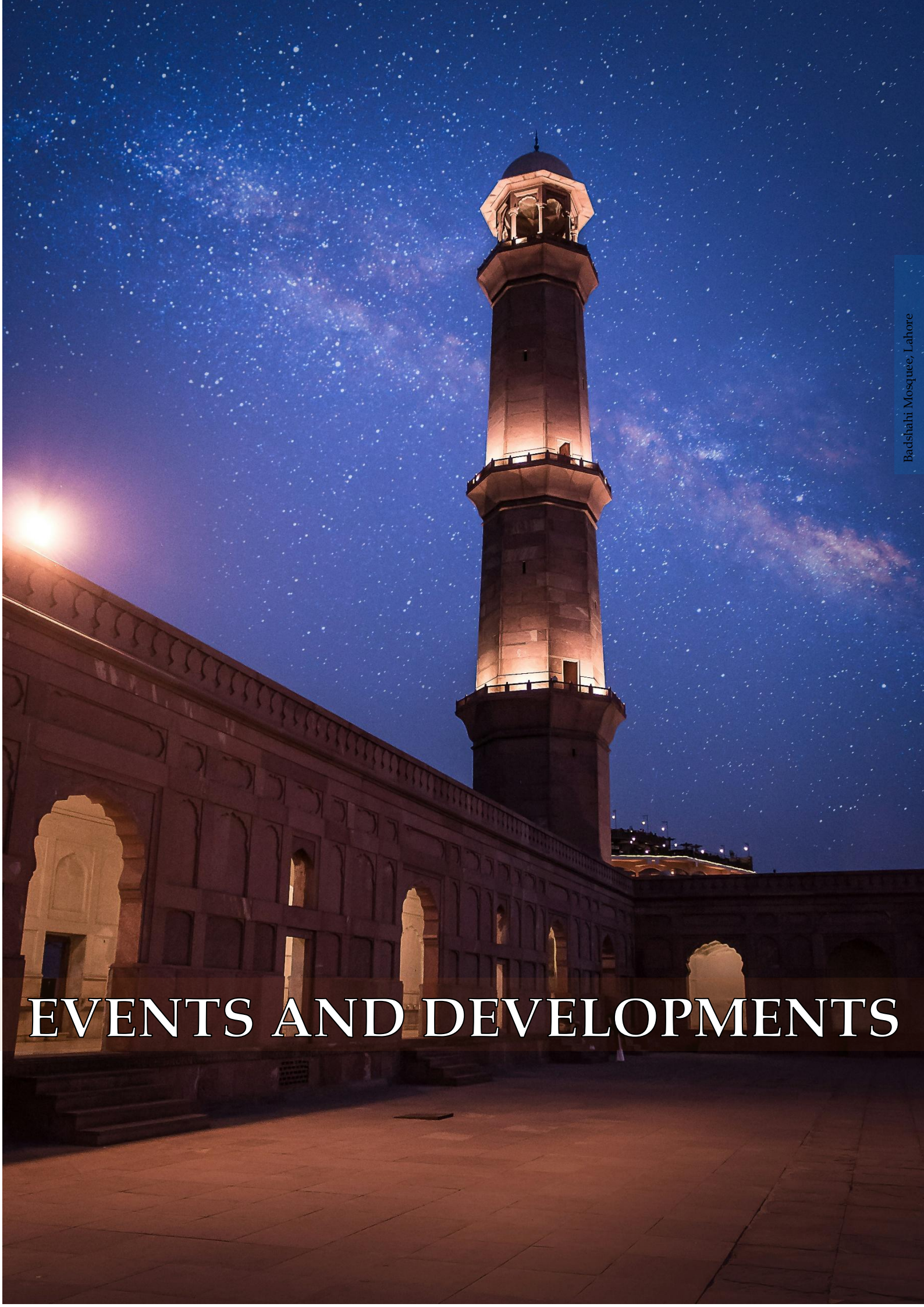
Two Development Finance Institutions (DFIs), namely Pakistan Mortgage Refinance Company Limited and Pak Kuwait Investment Company Limited, currently offer Shariah-compliant financial services, while Pak Libya Investment Company Limited and Pak Oman Investment Company Limited have received in-principle approval for Islamic operations. The continued participation of DFIs in the Islamic finance space reflects steady demand for Shariah-compliant products and services in this segment.

As of September 2026, the combined Islamic asset base of DFIs offering Islamic products rose slightly to PKR 63.91 billion from PKR 51.02 billion, whereas deposits fell to PKR 20.48 billion from PKR 24.05 billion in June 2026. Financing activities expanded to PKR 55.42 billion, underscoring the commitment to long-term, development-oriented financing **(Figure 13)**. DFIs thus continue to strengthen the role of Islamic finance in Pakistan's economic development.

Figure 13: Islamic Development Finance Institutions (I-DFIs) Indicators (PKR Billion)



Source:SBP



Badshahi Mosquee, Lahore

EVENTS AND DEVELOPMENTS

Events and Developments at Islamic Finance Group (IFG) – SBP

❖ SBP Shariah Advisors Forum (SAF) 2026



The State Bank of Pakistan (SBP), through its Islamic Finance Policy Department and in collaboration with IBA's Centre for Excellence in Islamic Finance, held the SBP Shariah Advisors Forum 2026 on July 15, 2026, at IBA City Campus, Karachi. The Forum brought together Shariah Board members, advisors, and heads of Shariah compliance, audit, and product development to deliberate on Shariah governance matters and overall development of Islamic finance in Pakistan.

Speakers, including Dr. Ishrat Husain and SBP Deputy Governor Mr. Saleemullah, stressed that Islamic finance should move beyond replicating conventional products toward Maqasid-based outcomes such as fairness, financial inclusion, and societal welfare. They also reaffirmed the commitment to an orderly transition to a Riba-free financial system. Sessions and panels covered Maqasid-based intermediation, harmonization of Fiqh opinions, the effectiveness of Shariah Boards, and stronger Shariah compliance mechanisms. The Forum concluded by reaffirming collaboration among the SBP, scholars, financial institutions, and academia to strengthen Shariah governance and build institutional capacity.

❖ Young Islamic Banking Professionals (Y-IBP), Awareness for Academic Faculty in Islamic Banking Program (AAF-IBP) and other Awareness Programs at Universities



As part of its continued efforts to promote Islamic banking awareness and strengthen engagement with academia, the Islamic Finance Development Department (IFDD), in collaboration with SBP BSC, arranged five (05) iterations each of the Young Islamic Banking Professionals (Y-IBP) and Awareness for Academic Faculty in Islamic Banking (AAF-IBP) programs at Sukkur IBA University; Government College University Hyderabad; University of Balochistan Quetta; National College of Business Administration & Economics (NCBA&E) Bahawalpur and Bahria University Islamabad.

These programs engaged around 900 participants and provided an overview of the Shariah foundations, key products, and operational modalities of Islamic banking.

❖ **Shariah Experts in Islamic Banking Professionals (SE-IBP)**



In collaboration with SBP BSC, eight (08) sessions of the Shariah Experts in Islamic Banking Professionals (SE-IBP) program were organized across various cities, engaging over 500 Madrasa students. The sessions aimed to enhance participants' understanding of the fundamental concepts, Shariah principles, products, and operational framework of Islamic banking.

To encourage professional engagement and capacity development, participants were assessed through quizzes conducted at the conclusion of each session. Shortlisted participants will be provided opportunities for complimentary Islamic banking training and internships, facilitating their exposure to practical banking operations and potential career opportunities in the Islamic banking industry.

❖ **Capacity Building Program on Islamic Finance for Government Officials.**



IFDD-SBP, in coordination with NIBAF, facilitated a one-day special Capacity Building Program on Islamic Baking & Finance on July 29,2026 for the probationary officers under Common Training Program (CTP) - 54 at Civil Servants Academy Lahore.

The program aimed to enhance the understanding of officers regarding Islamic banking in promoting inclusive economic growth and sustainable development. The sessions provided insights into key aspects of Islamic banking, including the underlying principles of profit entitlement and risk-sharing, distinctions between Islamic and conventional banking, Shariah-compliant financing contracts, and Islamic liability products.

❖ **Training of Trainers (ToT) on Islamic Banking & Finance for Faculty Members**



NIBAF-Pakistan, in collaboration with IFDD-SBP, conducted a five-day **ToT Program on Islamic Banking & Finance** from September 28 to October 2, 2026, engaging **42 faculty members from 21 educational institutions** across Karachi, Hyderabad, Jamshoro, Shaheed Benazirabad, and Bhitshah.

The program aimed to strengthen participants' understanding of Islamic banking principles and practices while enhancing their capacity to disseminate Islamic finance knowledge through academic institutions, thereby supporting broader awareness and adoption of Islamic banking in Pakistan.

❖ **Capacity Building Program for Shariah Scholars**



One iteration of the two-day program was organized at Jamia-tul-Mustafa, Karachi on September 14-15, 2026 by IFDD-SBP, in collaboration with NIBAF. The program focused on strengthening participants' understanding of Islamic banking and finance, particularly Shariah governance, emerging issues, regulatory developments, and practical aspects of Islamic banking operations.

These initiatives aimed to enhance the knowledge and professional capacity of Shariah Scholars, enabling them to play a more effective role in promoting Shariah-compliant banking practices and supporting the ongoing transformation of Pakistan's banking system towards Islamic banking.

Annexure I: Islamic Banking Branch Network

(As of September 30, 2026)			
Type	**Name of Bank**	**No. of Branches**	**Windows**
Islamic Banks	Meezan Bank Limited	1,186	-
	Faysal Bank Limited	898	-
	BankIslami Pakistan Limited	509	-
	MCB Islamic Bank Limited	318	-
	Dubai Islamic Bank Pakistan Limited	316	-
	AlBaraka Bank (Pakistan) Limited	178	-
	Sub-Total	**3,405**	**-**
Conventional Banks having Standalone Islamic Banking Branches	United Bank Limited	824	738
	Habib Bank Limited	656	492
	Allied Bank Limited	578	267
	Bank Al Habib Limited	451	-
	National Bank of Pakistan	449	593
	Bank Alfalah Limited	447	-
	Askari Bank Limited	409	343
	The Bank of Punjab	279	617
	Habib Metropolitan Bank Limited	254	311
	The Bank of Khyber	223	33
	Soneri Bank Limited	215	10
	Sindh Bank Limited	60	12
	Zarai Taraqiati Bank Limited	36	55
	Bank Makarmah Limited	12	80
	Standard Chartered Bank (Pakistan) Limited	2	35
	Sub-Total	**4,895**	**3,586**
	Total Full-Fledged Branches and Windows	**8,300**	**3,586**
Sub-Branches	BankIslami Pakistan Limited	60	-
	The Bank of Khyber	21	-
	Askari Bank Limited	18	-
	United Bank Limited	10	-
	Bank Alfalah Limited	4	-
	Allied Bank Limited	5	-
	Faysal Bank Limited	2	-
	MCB Islamic Bank Limited	2	-
	Total Sub-Branches	**122**	**-**
	Grand Total Branches/Sub-Branches/Windows	**8,422**	**3,586**
Source: Information/Data obtained from different banks			

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

(As of September 30, 2026)									
Type	**Name of Bank**	**Azad Kashmir**	**Baluchistan**	**Federal Capital**	**Gilgit-Baltistan**	**Khyber Pakhtunkhwa**	**Punjab**	**Sindh**	**Grand Total**
Islamic Banks including Sub-Branches	Meezan Bank Limited	15	44	51	8	101	636	331	1,186
	Faysal Bank Limited	15	30	32	8	74	513	228	900
	BankIslami Pakistan Limited	7	34	31	6	47	264	180	569
	MCB Islamic Bank Limited	3	11	18	3	36	172	77	320
	Dubai Islamic Bank Pakistan Limited	5	8	19	3	21	150	110	316
	AlBaraka Bank (Pakistan) Limited	1	4	10	3	18	90	52	178
	Sub-Total	**46**	**131**	**161**	**31**	**297**	**1,825**	**978**	**3,469**
Conventional Banks having Standalone Islamic Banking Branches including Sub-Branches	United Bank Limited	19	66	28	0	215	335	171	834
	Habib Bank Limited	12	45	27	2	168	264	138	656
	Bank Alfalah Limited	1	8	39	0	40	292	71	451
	Bank Al Habib Limited	7	23	21	1	88	203	108	451
	Askari Bank Limited	4	32	38	7	76	199	71	427
	Allied Bank Limited	12	17	22	2	123	315	92	583
	National Bank of Pakistan	33	46	23	10	92	157	88	449
	Habib Metropolitan Bank Limited	5	15	11	1	45	112	65	254
	The Bank of Khyber	4	7	16	0	170	34	13	244
	The Bank of Punjab	5	13	8	2	36	182	33	279
	Soneri Bank Limited	2	3	10	1	47	103	49	215
	Sindh Bank Limited	2	3	1	0	2	29	23	60
	Zarai Taraqiati Bank Limited	1	2	1	3	16	11	2	36
	Bank Makarmah Limited	0	0	2	2	1	2	5	12
	Standard Chartered Bank (Pakistan) Limited	0	0	0	0	0	1	1	2
	Sub-Total	**107**	**280**	**247**	**31**	**1119**	**2,239**	**930**	**4,953**
	Grand Total	**153**	**411**	**408**	**62**	**1,416**	**4,064**	**1,908**	**8,422**

Annexure III: District wise Break-up of Islamic Banking Branch Network*

(As of September 30, 2026)

S. No.	District	No. of Branches
1	Islamabad	408
Islamabad Total		**408**
Balochistan		
2	Quetta East	129
3	Quetta West	45
4	Gwadar	24
5	Kech	23
6	Loralai	16
7	Pishin	14
8	Killa Abdullah	16
9	Killa Saifullah	13
10	Lasbela	13
11	Khuzdar	16
12	Jaffarabad	8
13	Panjgur	9
14	Zhob	9
15	Chagai	9
16	Sibi	8
17	Nasirabad	6
18	Duki	3
19	Kalat	5
20	Nushki	5
21	Ziarat	4
22	Kharan	3
23	Mastung	4
24	Harnai	3
25	Kachhi (Bolan)	2
26	Sohbatpur	3
27	Awaran	1
28	Barkhan	1
29	Chaman	1
30	Musakhel	1
31	Surab	10
32	Usta Muhammad	3
33	Sherani	1
34	Kohlu	1
35	Hub	2
Balochistan Total		**411**
Khyber Pakhtunkhwa		
36	Peshawar	266
56	Bajaur	17
57	Shangla	21
58	Battagram	13
59	Lower Chitral	21
60	Upper Chitral	6
61	Kurram	11
62	Lakki Marwat	12
63	Tank	9
64	Upper Kohistan	5
65	North Waziristan	5
66	South Waziristan	5
67	Lower Kohistan	4
68	Orakzai	2
69	Kolai Pallas Kohistan	0
70	Torghar	2
KPK Total		**1,416**
Punjab		
71	Lahore	956
72	Rawalpindi	382
73	Faisalabad	312
74	Multan	237
75	Sialkot	208
76	Gujranwala	181
77	Gujrat	166
78	Rahim Yar Khan	106
79	Sargodha	134
80	Bahawalpur	105
81	Sahiwal	87
82	Bahawalnagar	75
83	Okara	71
84	Sheikhupura	72
85	Khanewal	70
86	Vehari	64
87	Attock	73
88	Toba Tek Singh	54
89	Mandi Bahauddin	61
90	Kasur	53
91	Jhelum	54
92	Dera Ghazi Khan	60
93	Muzaffargarh	47
112	Karachi South	495
113	Karachi Central	232
114	Karachi East	419
115	Karachi West	101
116	Malir	105
117	Korangi	72
118	Keamari	22
119	Hyderabad	114
120	Sukkur	38
121	Mirpur Khas	35
122	Shaheed Benazirabad	35
123	Sanghar	38
124	Naushahro Feroze	23
125	Larkana	21
126	Khairpur Mirs	20
127	Dadu	14
128	Badin	13
129	Ghotki	11
130	Jamshoro	13
131	Thatta	10
132	Tharparkar	3
133	Matiari	11
134	Tando Allah Yar	7
135	Umerkot	9
136	Kambar Shahdadkot	6
137	Kashmore	7
138	Shikarpur	14
139	Tando Mohammad Khan	6
140	Jacobabad	6
141	Sujawal	8
Sindh Total		**1,908**
Gilgit Baltistan		
142	Gilgit	24
143	Skardu	12
144	Diamir	9
145	Ghizer	5
146	Astore	3
147	Ghanche	3
148	Hunza	3

S. No.	District	No. of Branches
37	Swat	155
38	Lower Dir	72
39	Mardan	74
40	Abbottabad	70
41	Mansehra	73
42	Nowshera	64
43	Swabi	61
44	Kohat	67
45	Haripur	56
46	Malakand	51
47	Charsadda	41
48	Buner	37
49	Upper Dir	34
50	Dera Ismail Khan	32
51	Bannu	38
52	Karak	29
53	Hangu	24
54	Khyber	21
55	Mohmand	18

S. No.	District	No. of Branches
94	Chakwal	54
95	Jhang	40
96	Pakpattan	36
97	Nankana Sahib	31
98	Khushab	33
99	Narowal	28
100	Layyah	28
101	Bhakkar	26
102	Chiniot	25
103	Hafizabad	19
104	Mianwali	28
105	Rajanpur	44
106	Lodhran	19
107	Wazirabad	11
108	Kot Addu	7
109	Murree	4
110	Talagang	2
111	Taunsa Sharif	1
Punjab Total		**4,064**

S. No.	District	No. of Branches
149	Shigar	1
150	Nagar	1
151	Kharmang	1
Gilgit Baltistan Total		**62**
Azad Kashmir		
152	Mirpur	56
153	Kotli	24
154	Muzaffarabad	22
155	Bagh	16
156	Poonch	14
157	Bhimber	11
158	Sudhanoti	5
159	Haveli	3
160	Hattian Bala	1
161	Neelum	1
Azad Kashmir Total		**153**
Grand Total		**8,422**

** District Bifurcation includes the newly added districts.*