



# ISLAMIC BANKING BULLETIN

January-March 2023

**Islamic Finance Policy Department  
State Bank of Pakistan**

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## Progress & Market Share of Islamic Banking Industry

### Overview

Assets of Islamic Banking Industry (IBI) expanded by Rs 303 billion during the quarter January to March, 2023 to reach Rs 7,532 billion by end March, 2023. Deposits of IBI also grew by Rs 191 billion during the period under review and were recorded at Rs 5,352 billion by end March, 2023. On a year on year (YoY) basis, assets and deposits of IBI were up by Rs 1,587 billion (26.7 percent) and Rs 1,106 billion (26 percent), respectively by end March, 2023. Market share of Islamic banking assets and deposits in the overall banking industry was recorded at 19.4 percent and 21.5 percent, respectively by end March, 2023.

During the period under review, net financing and investments of IBI witnessed a rise of Rs 113 billion and Rs 67 billion, respectively. The market share of financing of IBI in advances of overall banking industry increased to 27.5 percent, while the share of investment stood at 15.8 percent by end March, 2023 (**Table-1**).

Particulars	Period			Yearly Growth (%)			Share in Overall Banking Industry (%)		
	Mar-22	Dec-22	Mar-23	Mar-22	Dec-22	Mar-23	Mar-22	Dec-22	Mar-23
Total Assets	5,945	7,229	7,532	35.5	29.6	26.7	19.4	20.2	19.4
Deposits	4,246	5,161	5,352	22.8	22.6	26.0	20.0	22.0	21.5
Investments (net)	2,202	3,051	3,118	63.7	64.7	41.6	14.3	16.6	15.8
Financing (net)	2,692	3,113	3,226	37.8	19.9	19.8	26.0	26.8	27.5
Number of Islamic Banking Institutions	22	22	22	-	-	-	-	-	-
Number of Branches*	3,983	4,396	4,427	13.7	11.1	10.9	-	-	-
Number of Islamic Banking Windows	1,418	1,516	1,832	(11.1)	5.1	25.4	-	-	-

\*including sub-branches

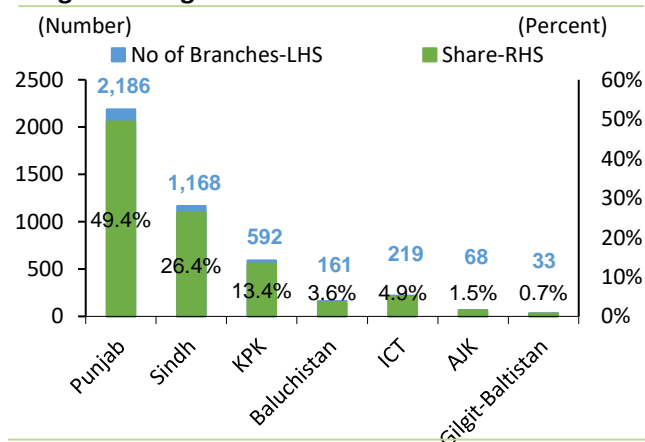
Source: Data submitted by banks under quarterly Reporting Chart of Accounts (RCOA)

### Branch Network of Islamic Banking Industry

The network of IBI consisted of 22 Islamic Banking Institutions (IBIs), including 6 full-fledged Islamic Banks (IBs) and 16 conventional banks having standalone Islamic Banking Branches (IBBs). It is worth mentioning here that Faysal Bank Limited has been granted license to operate as a full-fledged Islamic bank from January 1, 2023 (making it the 6<sup>th</sup> full-fledged Islamic bank in the country).

During the quarter under review, 31 standalone branches were added to the branch network of

Figure 1: Region Wise Branch Network



Source: SBP

IBI. The branch network of IBI reached to 4,427 (spread across 129 districts of the country) by end March, 2023. **Figure 1** illustrates geographical distribution of branches in different regions of Pakistan. The number of Islamic banking windows (dedicated counters at conventional branches) operated by IBBs increased by 316 during the period under review and was recorded at 1,832 by end March, 2023 (**Annexure I**).

## Assets and Liabilities Structure

### Assets

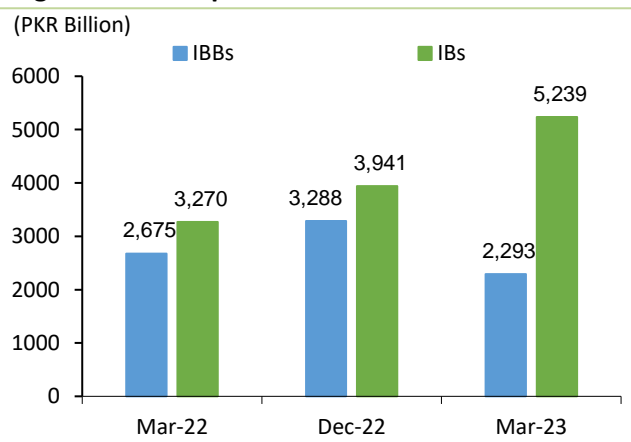
During the period under review, assets of IBI increased by Rs 303 billion and stood at Rs 7,532 billion by end March, 2023. Market share of IBI's assets in overall banking assets was recorded at 19.4 percent by end March, 2023. The increase in assets was largely due to financing (net), which observed a quarterly upsurge of Rs 113 billion. On the other hand, investments (net) of IBI exhibited a quarterly growth of Rs 67 billion. The share of financing (net) and investments (net) in total assets of IBI was registered at 42.8 percent and 41.4 percent, respectively by end March, 2023 (see section below on **Investments and Financing and Related Assets** for details).

### Breakup of Assets of IBs and IBBs

As indicated above, Faysal Bank Limited has been granted license to operate as a full-fledged Islamic bank from January 1, 2023. Accordingly, the business portfolio of the bank has been classified in the category of IBs. Due to this major development, the composition and share of IBs and IBBs in overall assets of IBI have witnessed a noteworthy change.

The assets of IBs were recorded at Rs 5,239 billion by end March, 2023 compared to Rs 3,941 billion in the previous quarter. Likewise, the assets of IBBs stood at Rs 2,293 billion by end March, 2023 compared to Rs 3,288 billion in the previous quarter. The share of IBs in overall assets of IBI was registered at 69.6 percent (Dec-22: 55 percent), while the share of IBBs in overall assets of IBI stood at 30.4 percent (Dec-22: 45 percent) by end March, 2023 (**Figure 2**).

**Figure 2: Breakup of Assets**

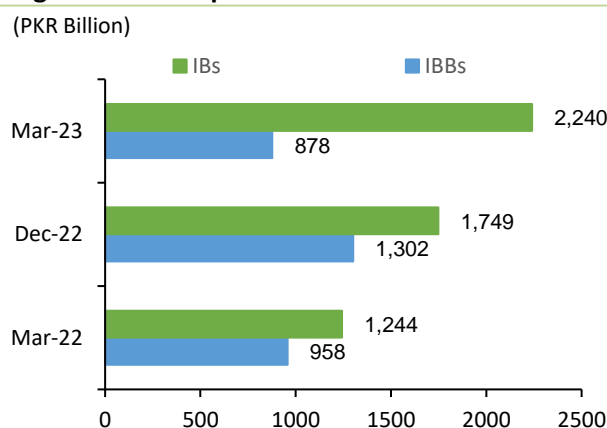


Source: SBP

## Investments

During the period under review, investments (net) of IBI revealed a growth of Rs 67 billion, and stood at Rs 3,118 billion by end March, 2023. This rise was mainly driven by IBI's investments in the Government of Pakistan (GoP) domestic Ijarah Sukuk (GIS) during the period under review. The share of IBs and IBBs in overall investments of IBI was recorded at 71.9 percent and 28.1 percent, respectively by end March, 2023 (**Figure-3**).

**Figure 3: Breakup of Investments**

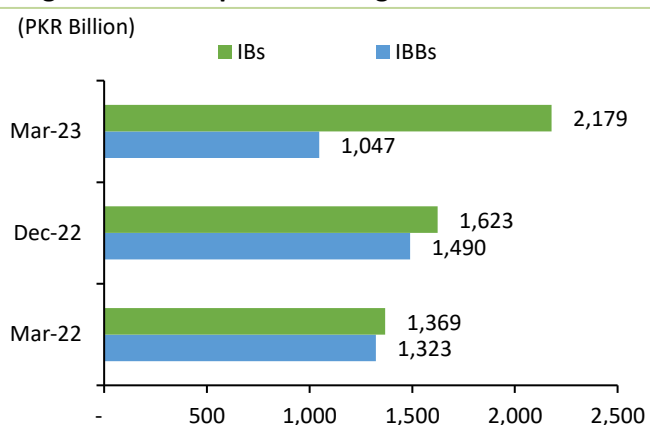


Source: SBP

## Financing & Related Assets

Financing and related assets (net) of IBI increased by Rs 113 billion during the period under review to reach Rs 3,226 billion by end March, 2023. It is important to highlight that the financing portfolio of IBI has been rising progressively over the last few years. As a result, the market share of financing of IBI in advances of overall banking industry increased to 27.5 percent by end March, 2023. Whilst, the share of IBs and IBBs in overall financing of IBI was recorded at 67.5 percent and 32.5 percent, respectively by end March, 2023 (**Figure-4**).

**Figure 4: Breakup of Financing**



Source: SBP

Mode wise financing of IBI shows that the share of Diminishing Musharaka (33.6 percent) persisted highest in the overall financing of IBI, followed by Musharaka (24.3 percent) by end March, 2023 (**Table-2**). In terms of sector wise break-up of financing, textile (16.2 percent) and agribusiness (14.7 percent) were two top sectors in terms of their share in the overall financing of IBI by end March, 2023 (**Table-3**).

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

Mode	Mar-22	Dec-22	Mar-23
Murabaha	13.5	12	11.8
Ijarah	4.8	4.2	4.1
Musharaka	21.8	25.2	24.3
Diminishing Musharakah	35.2	34.8	33.6
Salam	2.1	1.6	2.4
Istisna	9.3	9.3	9.5
Others	13.3	12.9	14.3
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Table 3: Sector Wise Financing (Share in %)

	Mar-22	Dec-22	Mar-23	Overall Banking Industry
Chemical and Pharmaceuticals	4.0	5.1	4.5	3.5
Agribusiness	11.3	13.7	14.7	8.4
Textile	16.4	16.7	16.2	15.7
Cement	2.5	2.5	2.5	2.2
Sugar	4.5	2.6	4.0	3.3
Shoes and leather garments	0.4	0.4	0.4	0.4
Automobile and transportation equipment	1.5	1.5	1.3	1.8
Financial	0.3	1.6	1.5	3.6
Insurance	0.0	0.0	0.0	0.0
Electronics and electrical appliances	1.1	1.0	0.8	1.2
Production and transmission of energy	11.7	10.1	10.2	13.1
Individuals	11.4	11.9	11.5	9.5
Others	34.9	32.9	32.4	37.3
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

The breakup of client wise financing portfolio shows that the share of corporate sector (68.2 percent) continued highest in overall financing of IBI followed by commodity financing (17.4 percent) and consumer finance (10 percent) by end March, 2023. Moreover, the share of SMEs and agriculture financing stayed small compared to the overall banking industry's share in financing to these sectors (Table-4).

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

Segment	Mar-22	Dec-22	Mar-23	Overall Banking Industry
Corporate Sector	69.6	69.6	68.2	69.2
SMEs	2.1	2.0	1.8	3.7
Agriculture	1.1	0.8	0.9	3.5
Consumer Finance	11.1	10.4	10.0	7.0
Commodity Financing	14.4	15.5	17.4	10.1
Others	1.7	1.7	1.7	6.5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

### Asset Quality

Key indicators of asset quality including non-performing finances (NPFs) to financing (gross) and net NPFs to net financing, were registered at 3.2 percent and 0.04 percent, respectively by end March, 2023. Provisions to NPFs ratio was recorded at 98.7 percent by end March, 2023. Like previous quarters, the above-mentioned ratios remained relatively

Table-5: Assets Quality Ratio (%)

Ratio	Mar-22	Dec-22	Mar-23	Overall Banking Industry
NPFs to Financing (gross)	2.7	2.6	3.2	7.8
Net NPFs to Net Financing	0.3	0.1	0.04	0.8
Provisions to NPFs	90.7	96.1	98.7	90.8

better than those of overall banking industry averages (**Table-5**).

## Liabilities

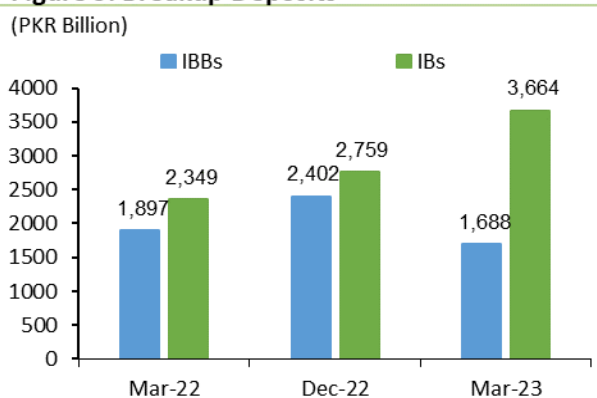
Deposit base of IBI has been constantly growing with substantial pace over the years. During the period under review, deposits of IBI grew by Rs 191 billion to reach Rs 5,352 billion by end March, 2023. The market share of deposits of IBI in overall banking industry's deposits recorded at 21.5 percent by end March, 2023.

Table-6: Break up of Deposits (Amount in PKR Billion, Growth in %)					
Category	Mar-22	Dec-22	Mar-23	Yearly Growth (%)	Quarterly Growth (%)
<b>1. Customers</b>					
Fixed Deposits	673	881	830	23.3	(5.8)
Saving Deposits	1,509	1,839	1,815	20.3	(1.3)
Current Deposits	1,721	1,925	2,146	24.7	11.5
Others	45	127	116	157.8	(8.6)
<b>Sub-total</b>	<b>3,947</b>	<b>4,772</b>	<b>4,906</b>	<b>24.3</b>	<b>2.8</b>
<b>2. Financial Institutions</b>					
Remunerative Deposits	280	370	430	53.6	16.2
Non-remunerative Deposits	19	19	16	(15.8)	(15.8)
<b>Sub-total</b>	<b>299</b>	<b>388</b>	<b>446</b>	<b>49.2</b>	<b>14.9</b>
<b>Total (1+2)</b>	<b>4,246</b>	<b>5,161</b>	<b>5,352</b>	<b>26.0</b>	<b>3.7</b>

Category wise breakup of customers' deposits indicates that current deposits increased by Rs 221 billion during the period under review. However, fixed deposits and saving deposits decreased by Rs 51 billion and Rs 24 billion, respectively. In contrast, financial institutions deposits upraised by Rs 58 billion during the period under review (**Table-6**).

The share of IBs and IBBs in overall deposits of IBI also changed during the period under review due to inclusion of Faysal Bank Limited in the category of IBs. The share of deposits of IBs and IBBs in overall deposits of IBI was 68.5 percent (Dec-22:53.5 percent) and 31.5 percent (Dec-22: 46.5 percent), respectively by end March, 2023 (**Figure-5**).

**Figure 5: Breakup Deposits**



Source: SBP

## Liquidity

Liquidity ratios including liquid assets to total assets and liquid assets to total deposits were registered at 41.2 percent and 58 percent, respectively by end March, 2023. Financing to deposit ratio of IBI was recorded at 60.3 percent by end March, 2023. It is important to note that like previous quarters, financing to deposits ratio of IBI remained higher than the overall banking industry average (**Table-7**).

Ratios	Mar-22	Dec-22	Mar-23	Overall Banking Industry
Liquid Assets to Total Assets	36.3	41.6	41.2	58.7
Liquid Assets to Total Deposits	50.8	58.2	58.0	91.6
Financing to Deposits (Net)	63.4	60.3	60.3	47.2

## Capital

Capital to total assets and capital minus net NPAs to total assets ratios of IBI stood at 6 percent and 5.9 percent, respectively by end March, 2023 (**Table-8**).

Ratios	Mar-22	Dec-22	Mar-23	Overall Banking Industry
Capital to Total Assets	5.8	5.9	6.0	5.4
(Capital - Net NPAs) to Total Assets	5.6	5.9	5.9	5.2

## Profitability

Profit before tax of IBI was recorded at Rs 63.1 billion by end March, 2023. Profitability ratios like return on assets (ROA) and return on equity (ROE) (before tax) were registered at 3.4 percent and 57.3 percent, respectively by end March, 2023. During the period under review, operating expense to gross income ratio of IBI declined to 39.4 percent by end March, 2023 (**Table-9**).

Particulars	Mar-22	Dec-22	Mar-23	Overall Banking Industry
Profit before tax (PKR billion)	30.9	191.0	63.1	256.6
ROA before tax	2.1	2.9	3.4	2.8
ROE before tax	37.2	51.4	57.3	48.5
Operating Expense to Gross Income	51.3	41.9	39.4	43.4



## Country Model – People’s Democratic Republic of Algeria

### i. Introduction

Algeria is a predominantly Muslim country of North Africa. Algeria’s economy is dominated by its export trade in petroleum and natural gas, commodities that, despite fluctuations in world prices, annually contribute roughly one-third of the country’s gross domestic product (GDP). According to IMF World Economic Outlook report the real GDP of Algeria is projected to grow at 2.6 percent in 2023.

### ii. Regulatory landscape

Focusing on Islamic finance as a new branch in supporting economic growth, the Algerian government has set out many legal projects to enhance an adequate ecosystem for practitioners. The operating Islamic financial institutions are Al Baraka Bank Algeria which started in 1990 and Al Salam Bank Algeria in 2008, both operating as full-fledged Islamic banks. Recently BoA authorized conventional banks to open Islamic windows under the provisions of BoA Regulation No 20-02 dated the 15th March 2020. Then in 2021, it also allowed Takaful companies in the form of an executive decree. While the government officially legalized Islamic banks by enclosing new articles in the law of currency and banking, it also launched international consultancy services to amend the current laws and regulations to structure Sukuk and enhance regulation of Takaful.

The High Islamic Council (HIC) established the National Shariah Board of Fatwas for the Islamic Financial Industry (NSBFIFI). This institution is giving important regulatory support and strengthening the pillars of Islamic finance and banking in Algeria under Decision No 20-02 in 2020. The HIC states that every Islamic financial institution must obtain the Shariah Conformity Certificate from NSBFIFI for all Islamic banking, Takaful products and Sukuk (HIC, 2020).

### iii. Islamic Banking and finance

In Algeria, as mentioned earlier, there exist two fully-fledged Islamic banks which are Al Baraka Bank Algeria and Al Salam Bank Algeria. Under the new regulation No 20-02, other conventional banks have opened Islamic windows to serve and satisfy the needs of the large population as Algerian is 100 percent Muslim country. The National Bank of Algeria was the first public bank to launch a full Islamic branch in August 2020. After that, other public conventional banks such as Crédit Populaire d’Algérie, Banque Algérien de Développement Rurale, Banque de Développement Locale, Banque Extérieure d’Algérie, Caisse Nationale d’Epargne et Prévoyance and some private conventional banks have also started inaugurating Islamic windows in branches across the country.

In total, there are nine Islamic bank windows currently offering Shariah compliant products. Savings account deposits have promptly reached DZD500 billion (US\$3.67 billion) since the new regulation’s launch in 2020 including at fully-fledged Islamic banks and Islamic window branches. In addition, the financing amount reached DZD400 billion (US\$2.94 billion) from all Islamic banking activities

**iv. Sukuk**

Sukuk market in Algeria is still in nascent stage. The provision for Sukuk in Algeria was added with the amendment in Algeria's commercial law which institutionalize Sukuk as legal security similar to stocks and bond. Since then the Ministry of Finance has issued an official international call for expression of interest and consultancy service to develop legal and regulatory framework for Sukuk in Algeria. The development of regulatory framework is seen as a big milestone towards the establishment of a mature Sukuk market in the country.

**v. Takaful**

In 2021, the Algerian government issued Executive Decree No 21-81 allowing the establishment of Takaful companies. This regulation has permitted the creation of Algerian General Takaful as the first company under this decree. Algeria's insurance authority (CNA) has so far granted two takaful licenses following the new regulation that sets out the conditions and modalities for operating takaful business. The regulation allows takaful business to be conducted either by an insurance company carrying out such business exclusively or by an insurer opening a takaful window. Takaful operators or windows must have certificates of compliance for Islamic insurance products issued by the National Shariah Fatwa Authority for the Islamic finance industry.

**vi. Way Forward**

The Islamic financial system in Algeria has strengthened over the years due to the development of Islamic legal and regulatory framework. However, despite the development, the Islamic financial sector is still in infancy stage. Algeria has predominantly a Muslim country, which puts it in an ideal place to boost Islamic finance by further strengthening regulations and legislation in an integrated framework; issuance of adequate standards that are compatible with those issued by AAOIFI, IFSB and other relevant Islamic standard setting bodies.

**Sources of Information**

International Monetary Fund (IMF) {<https://www.imf.org/>}

Islamic Finance News (IFN) {<https://www.islamicfinancenews.com>}

Islamic Financial Service Board (IFSB) {<https://www.ifsb.org/>}

Bank of Algeria (BoA) {<https://www.bank-of-algeria.dz/>}

Britannica {<https://www.britannica.com/>}

## **Adoption of AAOIFI Shari'ah Standard No. (50): Irrigation Partnership (Musaqat)**

State Bank of Pakistan (SBP), vide IBD Circular No.01 of 2022, has adopted four AAOIFI Shar'iah Standards; (i) No. 10 (Salam and Parallel Salam), (ii) No. 11 (Istisna'a and Parallel Istisna'a), (iii) No. 25 (Combination of Contracts) and (iv) No. 50 (Irrigation Partnership (Musaqat)). For the current issue, Standard No. (50): Irrigation Partnership (Musaqat) is discussed below along with the amendments advised by the Shari'ah Advisory Committee of SBP.

### **1. Scope of the Standard**

This Standard covers the Shari'ah rules and requirements for Irrigation Partnership (Musaqat) and its applications in the activities of Islamic financial institutions. It does not cover other forms of agricultural partnership as they have separate Shari'ah standards dedicated to them.

### **2. Definition of Irrigation Partnership (Musaqat)**

A contract between the owner of an orchard or its usufruct and a worker (irrigator) agreeing to share the produce according to specific ratios stipulated at the time of contract.

### **3. Permissibility and Description of the Contract**

Irrigation Partnership (Musaqat) is a permissible contract that becomes binding on commencement of the work or if mutually agreed between the two parties not to terminate the contract before its expiry.

### **4. Elements of Irrigation Partnership**

- 4/1 Offer and acceptance should be exchanged explicitly or implicitly by means of a recognized form of indication.
- 4/2 Each of the two parties should be legally competent.
- 4/3 The relevant trees should be identified, arable (productive), and in need of irrigation and plant husbandry.

### **5. Conditions of Validity (Prerequisites)**

- 5/1 The contract should stipulate for each party a predetermined, defined, indivisible share of the produce.
- 5/2 The work should be restricted to the husbandry of the crop and trees. The owner may not (in this contract) demand any additional work from the worker (irrigator)
- 5/3 The contract is valid until the time of harvest or for a defined period in which the crop is normally enough for harvest.

### **6. Duties of the Worker (Irrigator)**

- 6/1 The worker (irrigator) is obligated to care for the trees and crops as per agreement with the owner and customary requirements, including:
  - 6/1/1. Carrying out plant husbandry by watering, pollinating, fertilising, weeding, maintaining and cleaning irrigation channels, pruning, controlling pests, harvesting and performing seasonal work

that is usually required for each type of tree.

- 6/1/2. Not commissioning or subcontracting a third party to carry out his work without the permission of the owner. If he does so, the owner of the trees has the option to ratify the third party contract or reject it.
- 6/2 The worker (irrigator) may employ others to assist him to carry out part or all of the contracted work.
- 6/3 The worker (irrigator) acts in a fiduciary capacity and is not liable for any loss arising from other than willful misconduct, negligence or breach of the terms of the contract. In such a case, he is liable to indemnify the owner against any actual loss caused, but remains entitled to his share of the crop.

## **7. Duties of the Owner of the Trees**

The owner should facilitate for the worker (irrigator) full access to the trees (subject of contract), and remove any impediments which may hinder the work of the worker (irrigator).

## **8. Joint Duties of the Worker (Irrigator) and the Owner of Trees**

- 8/1 After harvesting, the worker (irrigator) and the owner are obligated to take care of the crop, each in proportion to his share. Prior to harvesting, the worker (irrigator) is obligated to take care of the crop unless custom or a term of the contract dictates otherwise.
- 8/2 The worker (irrigator) and the owner are responsible for the expenses of the Irrigation Partnership in proportion to their shares, including any Takaful insurance, unless they agree otherwise.
- 8/3 The worker (irrigator) is solely-responsible for performing the work customarily undertaken by workers (irrigators) in similar Irrigation Partnerships and such work does not entitle him to any increase in his share of the crop as he is already contractually obligated to carry it out. If he hires others to perform his work, their wage is his sole responsibility and should not be taken from the overall crop. The worker (irrigator) may hire, on the account of the Irrigation Partnership, others to perform work that is customarily beyond the scope of his duties.
- 8/4 If the worker (irrigator) refuses to complete the term of the Irrigation Partnership after commencing work or entering into the contract, the owner should demand performance from him. If the worker (irrigator) stops working before the crop materializes he is not entitled to any share. If he stops working after the crop materializes but before it is ready for harvest, a third party should be hired to complete the work and his wage should be deducted from the worker's (irrigator's) share after the crop is harvested and sold. If the worker's (irrigator's) share is not sufficient to pay the third party's wage, the worker (irrigator) must make up the difference. If the worker's (irrigator's) share of the crop is more than the third party's wage, he keeps the difference.
- 8/5 In an Irrigation Partnership (Musaqat) that is due to terminate when the crop materializes or is ready for harvest, if the owner does not enable the worker, and this occurs before the crop materializes, then the owner shall be requested to enable the worker (irrigator) to complete his work. If the owner does not enable the worker (irrigator), then the worker (irrigator) shall be entitled to a wage at the market rate for similar work if this occurs after the crop materializes, the worker (irrigator) is entitled to his stipulated share of the crop.

**9. Division of Produce**

- 9/1 In principle, all recurring produce of the trees should be shared as part of the crop, such as fruits, palm leaves etc. unless the parties agree to restrict their sharing arrangement to just the fruits.
- 9/2 The worker (irrigator) is entitled to his share of the crop on an indivisible basis as soon as it materializes

**10. Contingencies in Irrigation Partnerships**

- 10/1 If the crop does not materialize at all or is completely destroyed by a natural disaster, the worker (irrigator) is not entitled to anything. If the natural disaster destroys only part of the crop, the parties divide what remains according to their stipulated shares.
- 10/2 If the crop does not materialize during the stipulated term, the worker (irrigator) has the option either to stop working or to continue his work without a wage until the crop materializes and thereafter takes his share. If he stops working without a valid excuse, he foregoes his right to a share of the crop when it materializes. If he has a valid excuse, he is entitled to the portion of his share that corresponds to the period of time worked in proportion to the total time the crop took to materialize.

**11. Trees Belonging to Third Parties and Usurped Trees**

- 11/1 If it transpires that the trees belong to a third party, the crop will then belong to him (the third party). In this case, the worker (irrigator) is entitled to a wage or compensation from the other party (the usurping party) at the market rate for similar work but not exceeding (what would have been) his share of the crop.
- 11/2 If the worker (irrigator) enters into an Irrigation Partnership (Musaqat) with a party who, unbeknown to the worker (irrigator), has usurped the trees, then the produce, if any, will belong to the owner of the trees and the worker (irrigator) will be entitled to a wage at fair market rate. But if the worker (irrigator) knew that the trees were usurped, then he is not entitled to any remuneration.

**12. Termination of Irrigation Partnership Contract (Musaqat)**

The Irrigation Partnership (Musaqat) contract terminates upon the occurrence of any of the following:

- 12/1 Harvest and division of the crop, if the Irrigation Partnership was linked to the produce of a specific season.
- 12/2 Completion of the agreed term and division of the crop in accordance with Item 10/2.
- 12/3 Death of the worker (irrigator) or liquidation of the institution carrying out the work if the Irrigation Partnership (Musaqat) contract stipulates that the work is non-assignable. If there is

no such stipulation, the successor has the option to complete the work on the same terms, either himself or by hiring workers (irrigators), in return for the deceased's (or liquidated institution's) share of the crop. If the successor chooses not to complete the work, the owner may complete the work himself or by hiring others and upon materialization of the crop, the successor of the worker (irrigator) is entitled to receive a wage at the market rate for similar work for the period of time worked by the deceased (or liquidated institution) but not exceeding his (or its) stipulated share of the crop.

- 12/4 Death of the trees that are the subject matter of the contract or inability of the trees to bear fruit.
- 12/5 Passing of a season without any fruit.

### **13. Revocation of Irrigation Partnership Contract (Musaqat)**

- 13/1 Irrigation Partnership (Musaqat) contract is revocable by mutual consent of the two parties (Iqalah).
- 13/2 The owner can revoke the contract in the following situations:
- 13/2/1 when the worker (irrigator) is unable to perform the work, in which case the following apply:
- 13/2/1/1 If the worker (irrigator) is unable to work for a reason outside his control, such as an illness, he is entitled to receive a wage at the market rate for similar work for the period of time worked.
- 13/2/1/2 If the worker (irrigator) is unable to work for a reason within his control, he is entitled to receive a wage at the market rate for similar work for the period of time worked. He is also liable to indemnify the owner for actual loss suffered, as determined by experts.
- 13/2/2 when the worker (irrigator) stops working and it is not possible to enforce him (to fulfil the terms of the contract).
- The worker (irrigator) is entitled to revoke the contract if the owner refuses to allow him to work [see item 8/5]

### **14. Zakat Due on Irrigation Partnership (Musaqat)**

See Shari'ah Standard No. (35) On Zakat, item 5/4/9.

### **15. Some Applications of Irrigation Partnership (Musaqat) in Financial Institutions**

- 15/1 The institution may enter into Irrigation Partnership (Musaqat) contracts with the owners of trees and then hire workers (irrigators) to carry out the work.
- 15/2 The institution can own trees and enter into Irrigation Partnership (Musaqat) contracts with other parties to carry out the work

## **4. Date of Issuance of the Standard**

The Standard This Shari'ah Standard was issued on 21 Safar, 1434 A.H., corresponding to 4 January 2013 A.D.

**Adaptation of the Standard in Pakistan:**

For adoption of the Standard in Pakistan, following amendments have been made on the advice of the Shari'ah Advisory Committee, State Bank of Pakistan:

Clause No.	Clarifications/Amendments
5/2	The following is added as a footnote to the clause: This clause may be read as follows: "The work should be restricted to the husbandry of trees and their output. The owner may not, (in this contract) demand any additional work from the worker (irrigator)."
6/1	The following is added as a footnote to the clause: This clause may be read as follows: This clause may be read as follows: "The worker (irrigator) is obligated to care for the trees and their output as per agreement with the owner and customary requirements, including:"
6/3	The following is added as a footnote to the clause: "The worker (irrigator) acts in a fiduciary capacity and is not liable for any loss arising from other than wilful misconduct, negligence or breach of the terms of the contract. In such a case, he is liable to indemnify the owner against any actual loss caused, but remains entitled to his share of the output."
7	The following is added as a footnote to the clause: The following is added as a footnote to the clause: This clause may be read as follows: "Duties of the Owner of the Trees The owner should facilitate for the worker (irrigator) full access to the trees (subject of the contract), and provide all the enablers that can only be provided by the owner."
8/1	The following is added as a footnote to the clause: This clause may be read as follows: "After harvesting (taking out the output), the worker (irrigator) and the owner are obligated to take care of the fruit/output. Prior to harvesting, the worker (irrigator) is obligated to take care of the fruit/output unless custom or a term of the contract dictates otherwise."
8/3	The following is added as a footnote to the clause: This clause may be read as follows: "The worker (irrigator) is solely responsible for performing the work customarily undertaken by the workers (irrigators)/agreed between the parties in similar Irrigation Partnerships and such work does not entitle him to any increase in his share of the output as he is already contractually obligated to carry it out. If he hires others to perform his work, their wage is his sole responsibility and should not be taken from the overall output. The worker (irrigator) may hire, on the account of the Irrigation Partnership, others to perform work that is customarily beyond the scope of his duties."
8/5	The following is added as a footnote to the clause: This clause may be read as follows: "If the owner stops the worker (irrigator) from conducting his duties, before the maturity of Irrigation Partnership (Musaqat) i.e. materialization of the output, or its readiness for harvesting, then the owner shall be obligated to allow the worker (irrigator) to complete his work. And if the owner does not allow the worker (irrigator), then the worker (irrigator) shall be entitled to a wage at the market rate for similar work. If this occurs after the output materializes, the worker (irrigator) is entitled to his stipulated share of the output."
11/2	The following is added as a footnote to the clause:

This clause may be read as follows: “If the worker (irrigator) enters into an Irrigation Partnership (Musaqat) with a party who has usurped the trees, and the worker (irrigator) is not aware of the usurpation, then the output, if any, will belong to the owner of the trees and the worker (irrigator) will be entitled to the wages at the market rate. But if the worker (irrigator) knew that the trees were usurped, then he is not entitled to any remuneration.”

13/2/1  
/2

The following is added as a footnote to the clause:

The text of Clause 13/2/1/2 as appearing in English Version is different from Arabic Version and the English version will be applicable from Shariah perspective instead of Arabic version for this clause which is as below: “If the worker (irrigator) is unable to work for a reason within his control, he is entitled to receive a wage at the market rate for similar work for the period of time worked. He is also liable to indemnify the owner for actual loss suffered, as determined by experts.”

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

**Source:**

1. AAOIFI website
2. IBD Circular No. 01 of 2022



## Events and Developments at Islamic Finance Group (IFG) – State Bank of Pakistan (SBP)

### A. Events

#### **Fundamentals of Islamic Banking Operations (FIBO)**

In collaboration with National Institute of Banking and Finance (NIBAF), Islamic Finance Development Department (IFDD) – SBP conducted four (04) iterations of Fundamentals of Islamic Banking Operations (FIBO) program during the period under review. These programs were held at Peshawar (Jan 9 – Jan 13), Faisalabad (Feb 13 – Feb 17), Karachi (Feb 27 – Mar 3) and Islamabad (Mar 6 – Mar 10). The FIBO program is a five-day training course aimed at enhancing the capacity of both bankers and non-bankers (Shari'ah scholars, academics, etc.).

#### **Islamic Banking Branch Operations (IBBO)**

A short duration capacity building program named 'Islamic Banking Branch Operations' was continued in the quarter under review. This program is especially designed for upscaling capacity levels of Islamic banking branch staff. During the quarter under review, IFDD in collaboration with NIBAF conducted two (02) iterations of IBBO program. The sessions were organized for participants in Islamabad and Sialkot from Jan 17 – Jan 19 and Mar 13 – Mar 15, respectively.

#### **Young Islamic Banking Professionals (Y – IBP) Program**

IFDD – SBP in collaboration with Development Finance Support Department, SBP – BSC, has initiated a series of dedicated awareness sessions on Islamic finance for the students of universities. The half-day sessions aim to introduce young students to the fundamentals of Islamic banking. At the end of each session, a quiz is conducted and around 7 – 10 students are shortlisted for an opportunity to participate free of cost in FIBO and IBBO programs offered by NIBAF. The shortlisted students are also offered 4 – 6 weeks' internship programs at an Islamic bank. During the period under review, sessions were conducted in Karachi, Peshawar, Mansehra, Gujranwala, Sialkot, Muzaffarabad, Hyderabad, Rawalpindi, D.I. Khan, Lahore, Sukkur, Faisalabad, Bahawalpur and Attock wherein more than 2,200 students participated.

#### **Islamic Banking Certification Course (IBCC) at Darul Uloom Memon, Karachi**

IFDD, in collaboration with NIBAF, arranged the Islamic Banking Certification Course (IBCC) at Darul Uloom Memon, Karachi from January to March, 2023. IBCC is an intensive course in the Islamic banking industry in terms of its coverage, training delivery as well as participation/attendance and evaluation. The training program is aimed at enhancing the capacity levels of human resource of Islamic banking industry.

#### **Capacity Building Program for Focal Persons at Federal Board of Revenue (FBR)**

An iteration of Capacity Building Program for Focal Persons at Federal Board of Revenue (FBR) was conducted on February 9 – 10, 2023. The two-day program was held at NIBAF, North Nazimabad, Karachi where 33 FBR officials from their nationwide field offices participated.

#### **Awareness Session for Students and Faculty of Different Universities**

One-day awareness sessions for students and faculty of various universities were conducted during the period under review. The universities include Jinnah University for Women, Karachi, GC University for Women, Faisalabad, and Bacha Khan University, Charsadda.

## Islamic Banking News

### I. Local Industry News

#### **Islamic Development Bank Group Commits to Supporting "Climate Resilient Pakistan" with US\$4.2 Billion in Financing**

H.E. Dr. Muhammad Al Jasser, announced a US\$4.2 billion IsDB Group commitment to support Pakistan's climate resilience efforts and development agenda and the country vision 2025 over the next three years including US\$ 600 ordinary capital resources from IsDB Group. He made the announcement at the International Conference on Climate Resilient Pakistan in Geneva, addressing the devastating effects of Pakistan's recent floods. The United Nations and the Government of the Islamic Republic of Pakistan co-organized the International Conference on Climate Resilient Pakistan to mobilize international aid to help Pakistan rebuild better after the recent catastrophic floods. Pakistan is moving from the "rescue-and-relief" phase to the enormous task of "recovery, rehabilitation, and reconstruction."

<https://www.isdb.org/>

#### **Pakistani development financial institution to grow Shariah compliant portfolio with Islamic units to launch soon**

In response to the high demand for Islamic finance among its clients and within the market as a whole, Pakistan Kuwait Investment Company (PKIC), a development financial institution jointly owned by the governments of Pakistan and Kuwait, has secured an in-principle approval to launch its Islamic window and a no objection certificate (NOC) to establish a separate Islamic digital bank. PKIC's group comprises energy solutions provider EnerTech, digital banking services company Codebase Technologies and investment firm Planet N Group. This year, the consortium will work on forming the Islamic digital bank's board, which will then approve a final business plan that in turn would outline which products would be launched during the first phase.

<https://www.islamicfinancenews.com/>

#### **SBP Issues Islamic banking license to Faysal Bank Limited**

State Bank of Pakistan (SBP) has issued an Islamic banking license to Faysal Bank Limited (FBL) making it the second-largest full-fledged Islamic bank in Pakistan. Commenting on the momentous occasion, Mr. Jameel Ahmed, Governor State Bank of Pakistan said, "Conversion of Faysal Bank is first of its kind in the banking history of Pakistan. This is a ground breaking accomplishment, not only for the bank, but also for Pakistan's Islamic banking industry."

<https://www.nation.com.pk/>

#### **Pakistani regulator publishes draft guidelines to establish Islamic index and introduce Shariah supervisory boards**

The Securities and Exchange Commission of Pakistan (SECP) has issued the draft Shariah Governance Regulations, 2023, in which the proposed regulations include the construction of an Islamic index at the stock exchange and the introduction of the concept of Shariah supervisory boards, as the country paves its way to a fully Islamic financial system. The new Islamic index will be the third in the country where there are currently two Islamic indices, namely the KMI 30 Index, which tracks the 30 most liquid Shariah

compliant companies listed on the Pakistan Stock Exchange (PSX), and the PSX–KMI All Share Index, which comprises all Shariah compliant companies listed on the PSX.

<https://www.islamicfinancenews.com/>

## I. International Industry News

### **Islamic investment bank deepens US real estate exposure with latest acquisition**

GFH Financial Group has tapped the US real estate market once more with its latest acquisition of a majority stake in Big Sky Asset Management, a company focused on the healthcare sector, further expanding the Islamic investment bank's presence in the US. The transaction follows GFH's acquisition of two medical clinic portfolios in the past year, through a joint venture with Big Sky, valued at over US\$800 million. This recent transaction follows GFH's last foray into the US asset management space, when it acquired SQ Asset Management, a real estate asset manager specializing in student housing in the US, in May 2022.

<https://www.islamicfinancenews.com/>

### **Sovereign Securities: Saudi Arabia kicks off 2023 with US\$10 billion triple tranche Sukuk offering**

Saudi Arabia has completed its first international Sukuk issuance of the year worth US\$10 billion, while other usual sovereign securities issuers kept up the momentum. The Saudi National Debt Management Center completed its first international issuance of the year with a triple tranche Sukuk offering amounting to US\$10 billion under the Kingdom's Global Medium-Term Note Issuance Programme. The total order book reached over US\$38 billion, which equals to an oversubscription of 3.8 times. The value of the first tranche is US\$3.25 billion for a five-year Sukuk facility maturing in January 2028, the second tranche totaled US\$3.5 billion for a 10.5-year Sukuk facility maturing in July 2033, while the third tranche totaled US\$3.25 billion for a 30-year Sukuk facility maturing in January 2053.

<https://www.islamicfinancenews.com/>

### **Islamic investment bank partners with UNDP; boosts SDG efforts across portfolio**

Kuwait Finance House (KFH) and the United Nations Development Programme (UNDP) have joined hands in a technical partnership that will support KFH to further ramp up its efforts to embed sustainability and the SDGs across its investment portfolio through SDG impact investment and scaling-up of green Sukuk. Under the signed MoU, the UNDP will provide technical assistance for KFH to further closely align its investments across all of its business sectors with the SDGs through key instruments such as SDG impact standards and issuance of green Sukuk.

<https://www.islamicfinancenews.com/>

### **Central Bank of the Russian Federation promotes Islamic finance development in four Russian regions**

The State Duma (parliament) of Russia will consider the draft of the law regarding an experiment on the introduction of Islamic financing in Russia in the second reading after all amendments and adjustments are included in the text of the document. Russian state authorities are preparing for the realization of the law "On conducting an experiment to establish a special regulation in order to create the necessary conditions for the implementation of participating (Islamic) financing activities in certain regions of the Russian Federation".

<https://www.islamicfinancenews.com/>

## II. Articles and Views

### **Cybersecurity: A growing concern for Islamic banks**

The increase in the digitalization of services in recent years, accelerated by the COVID-19 pandemic, has resulted in the proliferation of cyber risks and particularly cyberattacks within economies, making them an increased concern across the globe. The Bank for International Settlements defines cyber risk as “the risk of financial loss, disruption or reputational damage to an organization resulting from the failure of its IT [information technology] systems”. From an Islamic perspective, preserving and protecting properties of individuals and organizations from any harmful act is one of the objectives of Shariah. Such properties include financial and tangible wealth, digital resources and intangible wealth. Thus, preventing cybersecurity threats of digital theft, fraud and scams is aligned with the objectives of Shariah and is associated with ensuring the safety of cyberspace and the adoption of measures to reinforce Islamic finance institutions’ cyber resilience.

<https://www.islamicfinancenews.com/>

### **The licensed warehouse system: A novel approach in Islamic financing**

Given the aforementioned importance of agricultural commodities, agricultural commodity trading and Islamic contracts are critical for developing a sustainable and inclusive economic paradigm. The use of a licensed warehouse system and an electronic warehouse receipt (or e-WhR) system allows for the adoption of Shariah compliant contracts for agricultural production and commerce. There are only a few instances from Muslim countries. In Pakistan, for example, the government has formed the Collateral Management Company to issue e-WhRs and utilize these e-receipts to finance agricultural shareholders. Turkiye, on the other hand, established the licensed warehouse system in 2005 with Law No 5300 and began actively operating the warehousing system in 2012. Agricultural commodity trading can be connected with the rest of the world through licensed storage and specialized commodity exchange, and so is likely to develop a deep market structure. Market depth will be assured by transforming agricultural goods with predetermined standards that are housed in licensed warehouses into e-WhRs, which may be utilized as a financial instrument in addition to production and consumption.

<https://www.islamicfinancenews.com/>

### **Promotion and improvement of Islamic financial products and services through machine learning**

The multiplicity of products and services and the complexity of processes in a competitive world are requirements for knowledge-based businesses. In this regard, information and communication technology, artificial intelligence (AI), machine learning (ML) and intelligent advisors (IAs) have come to help customers in accordance with Shariah. The rise of modern AI based on Shariah has revolutionized the financial world and Islamic financial institutions have considered it as an unprecedented challenge to gain a competitive advantage. Due to the process complexity of ethics-based Islamic financial products and services, IAs related to AI provide an automatic information technology-based financial feature with a lower cost, low risk, high diversity and with the least behavioral bias in accordance with Shariah compared with traditional advisors. The goal of IAs is to collect customers’ information and details such as demographic information, financial goals and asset management expertise through data mining. As such, with appropriate search and matching processes, a customized portfolio risk appetite assessment is generated by IAs.

<https://www.islamicfinancenews.com/>

## Annexure I: Islamic Banking Branch Network

<b>Annexure: I</b>			
<b>Islamic Banking Branch Network (As of March 31, 2023)</b>			
<b>Type</b>	<b>Name of Bank</b>	<b>No. of Branches</b>	<b>Windows</b>
<b>Islamic Banks</b>	AlBaraka Bank (Pakistan) Limited	164	-
	BankIslami Pakistan Limited	266	-
	Dubai Islamic Bank Pakistan Limited	210	-
	Faysal Bank Limited	698	-
	Meezan Bank Limited	968	-
	MCB Islamic Bank Limited	199	-
	<b>Sub-Total</b>	<b>2,505</b>	
<b>Conventional Banks having Standalone Islamic Banking Branches</b>	Allied Bank Limited	117	160
	Askari Bank Limited	117	-
	Bank Al Habib Limited	176	150
	Bank Alfalah Limited	291	-
	Habib Bank Limited	302	572
	Habib Metropolitan Bank Limited	61	242
	National Bank of Pakistan	188	54
	Silk Bank Limited	23	-
	Sindh Bank Limited	14	13
	Soneri Bank Limited	40	15
	Standard Chartered Bank (Pakistan) Limited	2	38
	Summit Bank Limited	14	37
	The Bank of Khyber	120	-
	The Bank of Punjab	138	40
	United Bank Limited	150	501
	Zarai Taraqati Bank Limited	8	10
	<b>Sub-Total</b>	<b>1,761</b>	<b>1832</b>
	<b>Total Full-Fledged Branches and windows</b>	<b>4,266</b>	<b>1,832</b>
<b>Sub Branches</b>	AlBaraka Bank (Pakistan) Limited	6	-
	Askari Bank Limited	3	-
	Bank Alfalah Limited	5	
	BankIslami Pakistan Limited	110	-
	MCB Islamic Bank Limited	1	
	The Bank of Khyber	5	
	Dubai Islamic Bank Pakistan Limited	25	
	The Bank of Punjab	2	-
	Faysal Bank Limited	2	
	United Bank Limited	2	-
	<b>Total Sub-Branches</b>	<b>161</b>	-
	<b>Grand Total Branches/Sub-Branches/Windows</b>	<b>4,427</b>	<b>1,832</b>

Source: Information/Data obtained from different banks

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

Province/Region wise Break-up of Islamic Banking Branch Network									
Annexure: II									
(As of March 31, 2023)									
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	15	13	5	28	117	83	266
	Dubai Islamic Bank Pakistan Limited	7	5	15	3	10	86	84	210
	Faysal Bank Limited	11	25	30	7	55	390	180	698
	Meezan Bank Limited	10	39	40	3	72	522	282	968
	MCB Islamic Bank Limited	2	10	12	1	24	101	49	199
	<b>Sub-Total</b>	<b>37</b>	<b>98</b>	<b>117</b>	<b>22</b>	<b>203</b>	<b>1,308</b>	<b>720</b>	<b>2,505</b>
Conventional Banks having Standalone Islamic Banking Branches	Allied Bank Limited	2	4	6	1	12	70	22	117
	Askari Bank Limited	-	3	10	1	19	56	28	117
	Bank Al Habib Limited	1	9	10	1	31	58	66	176
	Bank Alfalah Limited	1	8	21	-	36	169	56	291
	Habib Bank Limited	11	6	12	2	34	163	74	302
	Habib Metropolitan Bank	1	2	1	-	15	20	22	61
	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	2	1	11	18	7	40
	Standard Chartered Bank (Pakistan) Limited	-	-	-	-	-	1	1	2
	Summit Bank Limited	-	1	2	2	1	2	6	14
	The Bank of Khyber	-	5	3	-	98	11	3	120
	The Bank of Punjab	3	6	7	2	21	91	8	138
	United Bank Limited	1	5	7	-	52	47	38	150
	Zarai Taraqati Bank Limited	-	-	1	-	2	4	1	8
	<b>Sub-Total</b>	<b>30</b>	<b>56</b>	<b>91</b>	<b>11</b>	<b>377</b>	<b>821</b>	<b>375</b>	<b>1,761</b>
	<b>Total Full-Fledged Branches</b>	<b>67</b>	<b>154</b>	<b>208</b>	<b>33</b>	<b>580</b>	<b>2,129</b>	<b>1,095</b>	<b>4,266</b>
Sub Branches	AlBaraka Bank (Pakistan) Limited	-	-	-	-	-	-	6	6
	Askari Bank Limited	-	1	-	-	1	1	-	3
	Bank Alfalah Limited	-	-	1	-	-	2	2	5
	BankIslami Pakistan Limited	1	6	9	-	5	40	49	110
	Dubai Islamic Bank Pakistan Limited	-	-	-	-	-	9	16	25
	MCB Islamic Bank Limited	-	-	-	-	-	1	-	1
	Faysal Bank Limited	-	-	-	-	-	2	-	2
	The Bank of Khyber	-	-	-	-	5	-	-	5
	The Bank of Punjab	-	-	-	-	-	2	-	2
	United Bank Limited	-	-	1	-	1	-	-	2
	<b>Total Sub-Branches</b>	<b>1</b>	<b>7</b>	<b>11</b>	<b>0</b>	<b>12</b>	<b>57</b>	<b>73</b>	<b>161</b>
	<b>Grand Total</b>	<b>68</b>	<b>161</b>	<b>219</b>	<b>33</b>	<b>592</b>	<b>2,186</b>	<b>1,168</b>	<b>4,427</b>

## Annexure III. District wise Break-up of Islamic Banking Branch Network

District wise Break-up of Islamic Banking Branch Network								Annexure: III	
(As of March 31, 2023)									
S. No.	Province	District	No. of Branches*	S. No.	Province	District	No. of Branches*		
1	Sindh	Badin	3	67	Khyber Pakhtunkhwa	Abbottabad	32		
2		Dadu	8	68		Bannu	16		
3		Ghotki	5	69		Batagram	6		
4		Hyderabad	72	70		Buner	15		
5		Jacobabad	5	71		Charsadda	15		
6		Jamshoro	6	72		Chitral	10		
7		Karachi City	948	73		Dera Ismail Khan	18		
8		Kashmore	2	74		Hangu	11		
9		Khairpur	6	75		Haripur	18		
10		Larkana	9	76		Karak	6		
11		Matiari	4	77		Kohat	20		
12		Mirpurkhas	14	78		Lakki Marwat	2		
13		Naushahro Feroze	8	79		Lower Dir	36		
14		Shaheed Benazir Abad	20	80		Malakand	26		
15		Sanghar	16	81		Mansehra	23		
16		Shikarpur	1	82		Mardan	28		
17		Sukkur	20	83		Nowshera	29		
18		Shahdadkot	3	84		Peshawar	130		
19		Tando Allahyar	4	85		Shangla	8		
20		Tando Mohammad Khan	4	86		Swabi	13		
21		Thatta	4	87		Swat	76		
22		Umer Kot	6	88		Tank	2		
<b>Sindh Total</b>			<b>1,168</b>	89	Torghar	1			
23	Punjab	Attock	30	90	Upper Dir	18			
24		Bahawalnagar	32	91	Kohistan	2			
25		Bahawalpur	46	92	Bajaur Agency	8			
26		Bhakkar	8	93	Khyber Agency	14			
27		Chakwal	24	94	Mohmand Agency	1			
28		Chiniot	9	95	Orakzai Agency	2			
29		Dera Ghazi Khan	28	96	Kurram Agency	5			
30		Faisalabad	179	97	North Waziristan Agency	1			
31		Gujranwala	108	<b>KPK Total</b>				<b>592</b>	
32		Gujrat	86	98	ICT	Islamabad	219		
33		Hafizabad	13	<b>Islamabad Total</b>				<b>219</b>	
34		Jhang	18	99	Gilgit-Baltistan	Astore	1		
35		Jhelum	26	100		Baltistan	1		
36		Kasur	27	101		Ghizer	1		
37		Khanewal	37	102		Hunza	1		
38		Khushab	11	103		Skardu	6		
39		Lahore City	641	104		Diamir	7		
40		Layyah	14	105	Gilgit	16			
41		Lodhran	6	<b>Gilgit-Baltistan Total</b>				<b>33</b>	
42		Mandi Bahauddin	20	106	Balochistan	Chaghi	4		
43		Mianwali	12	107		Duki	1		
44		Multan	128	108		Gawadar	8		
45	Muzaffargarh	25	109	Harnai		0			
46	Nankana Sahib	14	110	Jaffarabad		3			
47	Narowal	12	111	Kalat		1			
48	Okara	41	112	Kech		2			
49	Pakpattan	18	113	Khuzdar		3			
50	Rahim Yar Khan	62	114	Kharan		1			
51	Rajanpur	10	115	Lasbela		7			
52	Rawalpindi	209	116	Loralai		6			
53	Sahiwal	47	117	Mastung		1			
54	Sargodha	55	118	Noshki		2			
55	Sheikhupura	36	119	Nasirabad		2			
56	Sialkot	91	120	Panjur		4			
57	Toba Tek Singh	32	121	Pishin		9			
58	Vehari	31	122	Qilla Abdullah		8			
			123	Qilla Saifullah		7			
			124	Quetta	79				
			125	Sibi	2				
			126	Sohbatpur	1				
			127	Turbat	3				
			128	Zhob	4				
			129	Ziarat	3				
<b>Punjab Total</b>			<b>2,186</b>	<b>Baluchistan Total</b>				<b>161</b>	
59	Azad Kashmir	Bagh	4						
60		Bhimber	4						
61		Dadyal	4						
62		Hattian Bala	1						
63		Kotli	9						
64		Mirpur	24						
65		Muzaffarabad	15						
66	Poonch	7							
<b>Azad Kashmir Total</b>			<b>68</b>	<b>Grand Total</b>				<b>4,427</b>	

\*including sub-branches