




**FINANCIAL STATEMENT FOR THE QUARTER ENDED
SEPTEMBER 30, 2024**


THE PUNJAB PROVINCIAL CO-OPERATIVE BANK LTD
Head Office, Bank Square, Lahore


THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2024


	Note	Un-audited (September 30, 2024)	(Audited) (June 30, 2024)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	6	821,048	1,036,377
Balances with other banks	7	790,655	1,057,619
Investments	8	6,495,738	6,279,402
Advances	9	10,120,473	10,082,694
Property and equipment	10	15,667,280	15,642,235
Right-of-use assets	11	59,270	72,909
Intangible assets	12	14,039	15,199
Other assets	13	1,247,974	1,330,811
Total Assets		35,216,477	35,517,246
LIABILITIES			
Bills payable	15	37,146	132,110
Deposits and other accounts	16	7,907,972	7,983,205
Lease liabilities	17	76,113	87,835
Deferred tax liabilities	18	41,941	41,941
Other liabilities	19	2,924,768	2,932,222
Total Liabilities		10,987,940	11,177,313
NET ASSETS		24,228,537	24,339,933
REPRESENTED BY			
Share capital		7,885,549	7,885,549
Reserves		1,297,293	1,297,794
Surplus/ (Deficit) on revaluation of assets	20	15,661,316	15,620,156
Unappropriated / Unremitted profit / (loss)		(615,621)	(463,566)
		24,228,537	24,339,933
CONTINGENCIES AND COMMITMENTS	21		

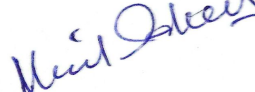
The annexed notes 1 to 38 form an integral part of these financial statements.


Chief Financial Officer


President/CEO


Director




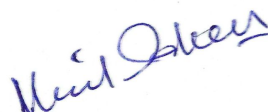

Director


Chairman

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	Quarter Ended	
		September	September
		30, 2024	30, 2023
		Rupees in '000	
Mark-up / Return / Interest earned	22	860,742	885,936
Mark-up / Return / Interest expensed	23	(303,817)	(246,597)
Net mark-up / interest income		556,925	639,339
NON MARK-UP / INTEREST INCOME			
Fee and commission income	24	23,853	41,395
Dividend income		160	11
Other income/ (loss)	25	27,109	19,801
Total non-markup / interest income / (loss)		51,122	61,207
Total income / (loss)		608,047	700,546
NON MARK-UP/INTEREST EXPENSES			
Operating expenses	26	673,836	533,626
Other charges	27	-	-
Total non-markup / interest expenses		673,836	533,626
Profit / (Loss) before credit loss allowance		(65,789)	166,920
Credit loss allowance and write offs - net	28	48,326	558
PROFIT/(LOSS) BEFORE TAXATION		(114,115)	166,362
Final Taxes	29	24	-
PROFIT/(LOSS) BEFORE FINAL TAXES		(114,139)	166,362
Income Tax	30	11,396	60,230
PROFIT/(LOSS) AFTER TAXATION		(125,535)	106,132
		Rupees	
Basic earnings / (loss) per share	31	(1.59)	1.35
Diluted earnings / (loss) per share		-	-

The annexed notes 1 to 38 form an integral part of these financial statements.

Chief Financial Officer President/CEO Director Director Chairman

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Quarter Ended	
	September 30, 2024	September 30, 2023
	------(Rupees in '000)-----	
Profit/ (Loss) after taxation for the period	(125,535)	106,132
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Effect of translation of net investment in foreign branches	-	-
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	-	-
Others (to be specified)	-	-
Items that will not be reclassified to profit and loss account in subsequent periods:		
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	41,160	50,381
Movement in surplus on revaluation of property and equipment - net of tax	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-
Others (to be specified)	-	-
	41,160	50,381
Total comprehensive income	<u>(84,375)</u>	<u>156,513</u>

The annexed notes 1 to 38 form an integral part of these financial statements.

				
Chief Financial Officer	President/CEO	Director	Director	Chairman

**THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Share capital	General Reserves		Surplus / (deficit) on revaluation of		Accumulated losses	Total
		Statutory reserve	Common good fund	Investments	Fixed / non banking assets		
	Rupees in '000'						
Balance as at July 1, 2023	7,885,547	1,161,146	6,193	399,677	15,130,195	(585,144)	23,997,614
Profit after taxation for the prior year	-	-	-	-	-	106,132	106,132
Other comprehensive income - net of tax	-	-	-	-	-	-	-
Transfer from surplus on revaluation upon disposal to unappropriated profit	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-
Medical aid to staff	-	-	-	-	-	-	-
(Surplus) / Deficit on revaluation of assets	-	-	-	50,381	(60,000)	-	(9,619)
Transactions with equity owners:							
Issue of shares	-	-	-	-	-	-	-
Balance as at October 01, 2023	7,885,547	1,161,146	6,193	450,058	15,070,195	(479,012)	24,094,127
Profit after taxation for the current year	-	-	-	-	-	425,170	425,170
Other comprehensive income - net of tax	-	-	-	-	-	(276,898)	(276,898)
Transfer from surplus on revaluation upon disposal to unappropriated profit	-	-	-	-	-	-	-
Transfer to statutory reserve	-	132,826	-	-	-	(132,826)	1
Medical aid to staff	-	-	(2,371)	-	-	-	(2,371)
Surplus/Addition on revaluation of assets	-	-	-	99,903	-	-	99,903
Transactions with equity owners:							
Issue of shares	2	-	-	-	-	-	2
Refund of shares	-	-	-	-	-	-	-
Balance as at June 30, 2024	7,885,549	1,293,972	3,822	549,961	15,070,195	(463,566)	24,339,934
Profit/(loss) after taxation for the current year	-	-	-	-	-	(125,535)	(125,535)
Other comprehensive income / (loss)	-	-	-	-	-	(26,520)	(26,520)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of	-	-	-	41,160	-	-	41,160
Transfer to statutory reserve	-	-	-	-	-	-	-
Medical aid to staff	-	-	(501)	-	-	-	(501)
Surplus/Addition on revaluation of assets	-	-	-	-	-	-	-
Transactions with equity owners:							
Issue of shares	-	-	-	-	-	-	-
Refund of shares	-	-	-	-	-	-	-
Balance as at September 30, 2024	<u>7,885,549</u>	<u>1,293,972</u>	<u>3,321</u>	<u>591,121</u>	<u>15,070,195</u>	<u>(615,621)</u>	<u>24,228,538</u>

The annexed notes 1 to 38 form an integral part of these financial statements.


 Chief Financial Officer


 President/CEO


 Director



 Director



 Chairman


THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2024


	Un-audited (September 30, 2024)	(Audited) (June 30, 2024)
	Note	Rupees in '000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(114,115)	782,868
Less: Dividend income	(160)	(57,480)
	<u>(114,275)</u>	<u>725,388</u>
Adjustments:		
Depreciation	9,745	31,175
Amortization	1,161	3,071
Depreciation on right-of-use assets	8,701	39,786
Provision for employees retirement benefits	86,417	117,979
Interest on lease liabilities	4,767	13,479
Finance charges on leased assets	-	-
Loss/ (Gain) on sale/disposal of property and equipment	-	(8,368)
Others	-	-
	<u>110,791</u>	<u>197,122</u>
	<u>(3,484)</u>	<u>922,510</u>
(Increase)/ Decrease in operating assets		
Advances	(37,779)	542,918
Others assets (excluding advance taxation)	82,837	(237,589)
	<u>45,058</u>	<u>305,329</u>
Increase/ (Decrease) in operating liabilities		
Bills payable	(94,964)	111,922
Deposits	(75,233)	1,759,300
Other liabilities (excluding current taxation)	(71,327)	465,084
	<u>(241,524)</u>	<u>2,336,306</u>
Payments against off-balance sheet obligations		
Defined benefits paid	(2,835)	(310,950)
Medical Aid paid to employees	(501)	(2,371)
Income tax paid	(31,130)	(183,157)
<i>Net cash flow from / (used in) operating activities</i>	<u>(234,416)</u>	<u>3,067,667</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in amortized cost securities	(201,696)	(2,790,961)
Dividends received	160	57,480
Lease rental paid	(34,790)	(44,265)
Payment for acquisition of fixed assets	(11,551)	(196,808)
Others to be specified	-	-
<i>Net cash flow from / (used in) investing activities</i>	<u>(247,877)</u>	<u>(2,974,554)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	2
<i>Net cash flow from / (used in) financing activities</i>	<u>-</u>	<u>2</u>
Increase/(Decrease) in cash and cash equivalents	(482,293)	93,115
Cash and cash equivalents at beginning of the year	<u>2,093,996</u>	<u>2,000,881</u>
Cash and cash equivalents at end of the year	<u><u>1,611,703</u></u>	<u><u>2,093,996</u></u>

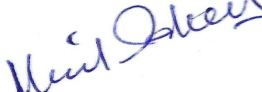
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Chief Financial Officer


President/CEO


Director


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Chairman

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

1. STATUS AND NATURE OF BUSINESS

The Punjab Provincial Cooperative Bank Limited (the Bank) was incorporated in 1924 as a Cooperative Bank under the Repealed Cooperative Societies Act, 1912 (now the Cooperative Societies Act, 1925). It was given the status of a scheduled bank by the State Bank of Pakistan (SBP) with effect from November 07, 1955. The Bank is operating under the supervision of the Cooperative Department, Government of Punjab and the State Bank of Pakistan (SBP). The principal activity of the Bank is to carry out the business of agriculture credit and other activities as defined in the Cooperative Societies Act, 1925 and its Rules. The Bank operates through its 151 (2023: 151) branches in the province of Punjab. The registered office of the Bank is located at the Bank Square, The Mall, Lahore, Pakistan.

2. BASIS OF PREPARATION

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

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) issued by the Institute of Chartered Accountants of Pakistan as are notified under the provisions of and directives issued under the Banking Companies Ordinance (BCO), 1962, the Companies Act, 2017 and directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP). Whenever the requirements of the BCO, 1962, Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.2 The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the year ended 30 June 2024.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Bank for the year ended June 30, 2024 except for the adoption of IFRS 9 Financial Instruments w.e.f July 01, 2024.

3.1.1 Amendments to approved accounting standards that are effective in the current period

Impact of IFRS 9 - Financial Instruments

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

For notes disclosures, the consequential amendments to IFRS 7 disclosures as a result of adoption of IFRS 9 have also only been applied to the current period. The comparative period notes disclosures repeat those disclosures made in the prior year.

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

3.1.2 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

The following table reconciles the carrying amount of financial assets from their previous measurement category in accordance with existing local regulations to their new measurement categories upon transition to IFRS 9 on July 01, 2024

Account Heads	Classification before IFRS 9	Classification after IFRS 9	Balances as of June 30, 2024	Addition ECL Under IFRS 9	Adoption of Revised Classifications	Re-measurements	Adjusted Balances as of June 30, 2024
ASSETS							
Cash and balances with treasury banks	Held-to-maturity	Amortised cost	1,036,377	-	-	-	1,036,377
Balances with other banks	Held-to-maturity	Amortised cost	1,057,619	-	-	-	1,057,619
Investments							
- Classified as available for sale	Available for sale	N/A	585,466	-	(585,466)	-	-
- Classified as FVOCI	N/A	Fair value through OCI	-	-	585,466	-	585,466
- Classified as held to maturity	Held-to-maturity	N/A	5,693,936	-	(5,693,936)	-	-
- Classified as amortised cost	N/A	Amortised cost	-	-	5,693,936	-	5,693,936
			6,279,402	-	-	-	6,279,402
Advances – net of provision	Held-to-maturity	Amortised cost	10,082,694	(61,025)	-	-	10,021,669
Fixed assets	N/A	N/A	15,642,235	-	-	-	15,642,235
Intangible assets	N/A	N/A	15,199	-	-	-	15,199
Right-of-use assets	N/A	N/A	72,909	-	-	-	72,909
Other assets - financial assets	Held-to-maturity	Amortised cost	1,284,920	(3,735)	-	-	1,281,185
Other assets – non financial assets	N/A	N/A	45,891	-	-	-	45,891
LIABILITIES							
Bills payable	Held-to-maturity	Amortised cost	132,110	-	-	-	132,110
Deposits and other accounts	Held-to-maturity	Amortised cost	7,983,205	-	-	-	7,983,205
Lease liabilities	N/A	N/A	87,835	-	-	-	87,835
Deferred tax Liability	N/A	N/A	41,941	-	-	-	41,941
Other liabilities - financial liabilities	Held-to-maturity	Amortised cost	523,169	-	-	-	523,169
Other liabilities - non financial liabilities	N/A	N/A	2,409,053	-	-	-	2,409,053

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim unconsolidated financial information is the same as that applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2024.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended June 30, 2024.

6. CASH AND BALANCES WITH TREASURY BANKS

	Un-audited September 30, 2024	Audited June 30, 2024
In hand		
Local currency	149,535	271,860
With State Bank of Pakistan in Local currency current account	513,284	554,964
With National Bank of Pakistan in Local currency current accounts Local currency deposit accounts (NIDA)	20,305 137,924 158,229	24,525 185,028 209,553

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

 Un-audited
September
30, 2024
 Audited
 June 30,
 2024
 Rupees in '000

7 BALANCES WITH OTHER BANKS

 In current accounts
 In deposit accounts

21,077	22,558
769,578	1,035,061
790,655	1,057,619

8 INVESTMENTS
8.1 Investments by type:

	Un-audited September 30, 2024				Audited June 30, 2024			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	Rupees in '000							
FVOCI								
Listed Shares	7,023	-	591,121	598,144	7,023	-	576,481	583,504
Un-Listed Shares	3,551	(1,589)	-	1,962	3,551	(1,589)	-	1,962
	10,574	(1,589)	591,121	600,106	10,574	(1,589)	576,481	585,466
Amortised Cost								
Market Treasury Bills	2,069,537	-	-	2,069,537	1,972,145	-	-	1,972,145
Pakistan Investment Bonds	3,112,956	-	-	3,112,956	3,121,791	-	-	3,121,791
Non Government debt securities	88,059	(88,059)	-	-	600,000	-	-	600,000
Term Deposit	713,139	-	-	713,139	88,059	(88,059)	-	-
	5,983,691	(88,059)	-	5,895,632	5,781,995	(88,059)	-	5,693,936
Total Investments	5,994,265	(89,648)	591,121	6,495,738	5,792,569	(89,648)	576,481	6,279,402

8.2 Credit loss allowance for diminution in value of investments
8.2.1 Opening balance

89,648 89,648

 Charge / reversals
 Charge for the period / year
 Reversals for the period / year
 Reversal on disposals

-	-
-	-
-	-
-	-

 Transfers - net
 Amounts written off
 Closing Balance

-	-
-	-
89,648	89,648

8.3 Particulars of credit loss allowance against debt securities
Domestic

Un-audited September 30, 2024 Audited June 30, 2024

Rupees in '000

		Un-audited September 30, 2024		Audited June 30, 2024	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
Performing	Stage 1	-	-	-	-
Underperforming	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		88,059	88,059	88,059	88,059
		88,059	88,059	88,059	88,059
Total		88,059	88,059	88,059	88,059

9 ADVANCES

	Performing		Non Performing		Total	
	Un-audited September 30, 2024	Audited June 30, 2024	Un-audited September 30, 2024	Audited June 30, 2024	Un-audited September 30, 2024	Audited June 30, 2024
	Rupees in '000					
Loans, cash credits, running finances, etc.	9,598,088	9,814,506	968,037	644,096	10,566,125	10,458,602
Bills discounted and purchased	-	-	184	184	184	184
Advances - gross	9,598,088	9,814,506	968,221	644,280	10,566,309	10,458,786
Credit loss allowance against advances						
-Stage 1	24,446	-	-	-	24,446	-
-Stage 2	3,765	-	-	-	3,765	-
-Stage 3	-	-	417,625	376,092	417,625	376,092
	28,211	-	417,625	376,092	445,836	376,092
Advances - net of credit loss allowance	9,569,877	9,814,506	550,596	268,188	10,120,473	10,082,694

9.1 Particulars of advances (gross)

 In local currency
 In foreign currencies

Un-audited September 30, 2024	Audited June 30, 2024
10,566,309	10,458,786
-	-
10,566,309	10,458,786

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024
9.2 Advances include Rs.968,221 thousands (June 30, 2024: Rs.644,280 thousands) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification	Un-audited September 30, 2024		Audited June 30, 2024	
	Non performing loans	Credit loss allowance	Non performing loans	Provision
	Rupees in '000			
Domestic	466,163	-	151,363	-
Other Assets Especially Mentioned (OAEM)	100,783	47,311	90,571	17,812
Substandard	81,219	50,640	86,058	42,201
Doubtful	320,056	319,674	316,104	316,079
Loss				
Total	968,221	417,625	644,096	376,092

9.3 Particulars of credit loss allowance against advances

	Un-audited September 30, 2024				Audited June 30, 2024			
	Stage 3	Stage 2	Stage 1	Total	Stage 3	Stage 2	Stage 1	Total
	Rupees in '000				Rupees in '000			
Opening balance	376,092	-	-	376,092	1,555,853	-	-	1,555,853
Exchange adjustments	-	-	-	-	-	-	-	-
Charge for the period / year	783	-	-	783	100	-	-	100
IFRS-9 Impact	40,750	3,765	24,446	68,961	(30,511)	-	-	(30,511)
Amounts written off	-	-	-	-	-	-	-	-
Amounts charged off - agriculture financing	-	-	-	-	(1,149,350)	-	-	(1,149,350)
Other movements (to be specified)	-	-	-	-	-	-	-	-
Closing balance	417,625	3,765	24,446	445,836	376,092	-	-	376,092

9.4 Advances - Particulars of credit loss allowance

	Un-audited September 30, 2024			Audited June 30, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rupees in '000			Rupees in '000		
9.4.1 Opening balance	-	-	376,092	-	-	1,555,953
New Advances	-	-	783	-	-	-
Advances derecognised or repaid	24,446	3,765	40,750	-	-	(30,511)
Transfer to stage 1	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-	-
	24,446	3,765	41,533	-	-	(30,511)
Amounts written off / charged off	-	-	-	-	-	(1,149,350)
Changes in risk parameters	-	-	-	-	-	-
Other changes (to be specific)	-	-	-	-	-	-
Closing balance	24,446	3,765	417,625	-	-	376,092

9.4.2 Advances - Category of classification

	Domestic	Stage	Un-audited September 30, 2024		Audited June 30, 2024	
			Outstanding amount	Credit loss allowance Held	Outstanding amount	Provision Held
Performing		Stage 1	9,435,541	24,446	9,814,506	-
Underperforming		Stage 2	628,710	3,765	151,363	-
Non-Performing		Stage 3				
Substandard			100,783	47,311	90,571	17,812
Doubtful			81,219	50,640	86,058	42,201
Loss			320,056	319,674	316,288	316,079
			502,058	417,625	492,917	376,092
Total			10,566,309	445,836	10,458,786	376,092

10 PROPERTY AND EQUIPMENT

	Un-audited September 30, 2024	Audited June 30, 2024
Capital work-in-progress	10.1	99,698
Property and equipment		85,145
		15,567,582
		15,642,235

10.1 Capital work-in-progress

Civil works	43,876	29,569
Equipment	55,822	55,576
	99,698	85,145

10.2 Additions to property and equipment

The following additions have been made to Property and Equipment during the period:

Capital work-in-progress	14,551	53,327
--------------------------	--------	--------

Property and equipment

Freehold land	-	-
Leasehold land	-	-
Building on freehold land	148	24,417
Building on leasehold land	-	-
Furniture and fixture	12,722	29,400
Electrical office and computer equipment	6,666	71,421
Vehicles	-	28,713
Others	-	6
	19,536	153,957
Total	34,087	207,284

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
10.3	Disposal of property and equipment		
	The net book value of Property and Equipment disposed off during the period is as follows:		
	Freehold land	-	-
	Leasehold land	-	60,000
	Building on freehold land	-	1,915
	Building on leasehold land	-	241
	Furniture and fixture	-	-
	Electrical office and computer equipment	52	-
	Vehicles	53	-
	Others	-	19
	Total	105	62,175

		Un-audited September 30, 2024			Audited June 30, 2024		
		Buildings	Others (to be specified)	Total	Buildings	Others (to be specified)	Total
		Rupees'000			Rupees'000		
11	RIGHT-OF-USE ASSETS						
	At July 1, 2024						
	Cost	169,815	-	169,815	145,647	-	145,647
	Accumulated Depreciation	(96,906)	-	(96,906)	(57,120)	-	(57,120)
	Net Carrying amount at July 1, 2024	72,909	-	72,909	88,527	-	88,527
	Additions during the year	-	-	-	24,168	-	24,168
	Deletions during the year	(4,938)	-	(4,938)	-	-	-
	Depreciation Charge for the year	(8,701)	-	(8,701)	(39,786)	-	(39,786)
	Net Carrying amount at September 30, 2024	59,270	-	59,270	72,909	-	72,909

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
12	INTANGIBLE ASSETS		
	Computer software	3,617	4,187
	Others (to be specified)	10,422	11,012
		14,039	15,199

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
13	OTHER ASSETS		
	Income / Mark-up accrued in local currency	1,089,631	1,173,808
	Advances, deposits, advance rent and other prepayments	6,454	5,595
	Crop Insurance Recoverable from SBP	85,017	72,006
	Livestock Insurance Recoverable from SBP	9,009	5,346
	Branch adjustment account	20	9,408
	Others	124,858	129,454
		1,314,989	1,395,617
	Less: Credit loss allowance held against other assets	(67,015)	(64,806)
	Other Assets (Net of credit loss allowance)	1,247,974	1,330,811
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	-	-
	Other assets - total	1,247,974	1,330,811

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
13.1	Credit loss allowance held against other assets		
	Advances, deposits, advance rent & other prepayments	(3,204)	(995)
	Others Recoverable	(63,811)	(63,811)
		(67,015)	(64,806)

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
13.1.1	Movement in Credit loss allowance held against other assets		
	Opening balance	(64,806)	(74,585)
	Charge for the period / year	(2,209)	(15,102)
	Reversals	-	1
	Amount written off	-	24,880
	Closing balance	(67,015)	(64,806)

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
14	CONTINGENT ASSETS		
	The Bank has 98 cases pending with authorities for recoveries and settlement of properties. These cases represent contingent assets as the inflow of economic benefits is not considered probable at this stage. Therefore, in accordance with IAS 37, these assets have not been recognized or disclosed in the financial statements.		

		Un-audited September 30, 2024	Audited June 30, 2024
		Rupees in '000	
15	BILLS PAYABLE		
	In Pakistan	37,146	132,110

		Audited					
		September 30, 2024			June 30, 2024		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
		Rupees in '000					
16	DEPOSITS AND OTHER ACCOUNTS						
	Customers						
	Current deposits	1,360,007	-	1,360,007	1,615,093	-	1,615,093
	Savings deposits	5,854,415	-	5,854,415	5,673,468	-	5,673,468
	Term deposits	650,885	-	650,885	393,528	-	393,528
	Call Deposit	3,302	-	3,302	1,489	-	1,489
	Others	39,363	-	39,363	299,627	-	299,627
		7,907,972	-	7,907,972	7,983,205	-	7,983,205

16.1 Other deposits include staff security deposits and employees' provident fund deposits.

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

17 LEASE LIABILITIES

		Un-audited	
		September	Audited June
		30, 2024	30, 2024
		Rupees in '000	
	Outstanding amount at the start of the year	87,835	89,890
	Additions (Deletion) during the year	(4,938)	24,168
	Lease payments including interest	(11,551)	(44,265)
	Interest expense	4,767	18,042
	Outstanding amount at the end of the year	<u>76,113</u>	<u>87,835</u>
17.1	Liabilities Outstanding		
	Not later than one year	14,923	14,717
	Later than one year and upto five years	48,547	56,360
	Over five years	12,643	16,758
	Total at the year end	<u>76,113</u>	<u>87,835</u>

		Un-audited	
		September	Audited June
		30, 2024	30, 2024
		Rupees in '000	
18	DEFERRED TAX LIABILITIES		
	Deductible temporary differences on		
	- Post retirement employee benefits	117,979	117,979
	- Decelerated tax depreciation	(1,479)	(1,479)
	- Lease Liabilities	87,835	87,835
		<u>204,335</u>	<u>204,335</u>
	Taxable temporary differences on		
	- Provision against other assets	(64,806)	(64,806)
	- Surplus on revaluation of investments	576,481	576,481
	- Accelerated tax depreciation	82,053	82,053
	- Right of Use of Assets	72,909	72,909
		<u>666,637</u>	<u>666,637</u>
		<u>(462,302)</u>	<u>(462,302)</u>
		<u>41,941</u>	<u>41,941</u>

		Un-audited	
		September	Audited June
		30, 2024	30, 2024
		Rupees in '000	
19	OTHER LIABILITIES		
	Mark-up/ Return/ Interest payable in local currency	276,329	404,951
	Accrued expenses	12,640	12,952
	Sundry Creditors	98,822	103,383
	Provision of Income Tax (Less Advance Taxation)	86,746	110,908
	Dissolved Bank Payable	1,883	1,883
	Provision for Employees Gratuity Scheme	147,188	143,237
	Provision for Employees Pension Fund	2,014,085	1,948,015
	Provision for Employees Compensated Absences	(23,534)	(37,097)
	Withholding Tax Payable	16,786	12,334
	Others	293,823	231,656
		<u>2,924,768</u>	<u>2,932,222</u>

		Un-audited	
		September	Audited June
		30, 2024	30, 2024
		Rupees in '000	
20	SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS		
	Surplus / (deficit) on revaluation of		
	- Securities measured at FVOCI-Equity	591,121	549,961
	- Property and equipment	15,070,195	15,070,195
		<u>15,661,316</u>	<u>15,620,156</u>
	Deferred tax on surplus / (deficit) on revaluation of:		
	- Securities measured at FVOCI-Equity	-	(26,520)
	- Property and equipment	-	-
		<u>-</u>	<u>(26,520)</u>
		<u>15,661,316</u>	<u>15,593,636</u>

		Un-audited	
		September	Audited June
		30, 2024	30, 2024
		Rupees in '000	
21	CONTINGENCIES AND COMMITMENTS		
	-Commitments	45,769	46,282
	-Other contingent liabilities	9,000	9,000
		<u>54,769</u>	<u>55,282</u>
21.1	Commitments:		
	Commitments for acquisition of:		
	- Property and equipment	39,339	39,852
	- Intangible assets	6,430	6,430
		<u>45,769</u>	<u>46,282</u>

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

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	September 30, 2024	September 30, 2023
	Rupees in '000	
22 MARK-UP / RETURN / INTEREST EARNED		
Loans and advances	538,738	572,608
Investments	249,246	259,301
Balances with banks	72,758	54,027
	<u>860,742</u>	<u>885,936</u>
23 MARK-UP / RETURN / INTEREST EXPENSED		
Deposits	<u>303,817</u>	<u>246,597</u>
24 FEE & COMMISSION INCOME		
Branch banking customer fees	3,395	1,125
Credit/Advances related fees	18,091	37,543
Commission on Utility Bills Collection	2,116	2,524
Rent on Lockers	251	203
Others	-	-
	<u>23,853</u>	<u>41,395</u>
25 OTHER INCOME		
Rent on property	27,109	19,801
Gain on sale of property and equipment - net	-	-
Gain on sale of non banking assets - net	-	-
	<u>27,109</u>	<u>19,801</u>
26 OPERATING EXPENSES		
Total compensation expense		
Salary & Allowances	404,338	312,975
Fee & Allowances etc	-	307
Charge for defined benefit plan	99,897	104,917
Charge for contribution plan	4,758	-
Conveyance	-	9,314
	<u>508,993</u>	<u>427,513</u>
Property expense		
Rent & taxes	5,419	8,729
Interest on Lease Liability	4,767	4,056
Finance Cost Lease	-	-
Depreciation on Right of Use of Assets	8,701	7,707
Repair & maintenance (including janitorial charges)	1,159	2,756
Depreciation on Buildings	1,210	946
	<u>21,256</u>	<u>24,194</u>
Information technology expenses		
Software maintenance	811	-
Amortization	1,161	-
	<u>1,972</u>	<u>-</u>
Other operating expenses		
Legal & professional charges	10,804	1,184
Travelling & conveyance	13,308	2,660
Depreciation	8,535	4,025
Training & development	216	216
Postage & courier charges	1,748	1,817
Communication	6,039	4,515
Stationery & printing	4,681	2,823
Marketing, advertisement & publicity	1,044	839
Insurance	19,536	583
Utilities Cost	28,946	24,795
Security (Including Guards)	1,551	955
Repair & Maintenance (Furniture & Electrical etc)	4,351	1,548
Other	40,856	35,959
	<u>141,615</u>	<u>81,919</u>
	<u>673,836</u>	<u>533,626</u>
27 OTHER CHARGES		
Penalties imposed by State Bank of Pakistan	-	-
	<u>-</u>	<u>-</u>
28 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET		
Credit loss allowance against loans & advances	69,744	558
Bad debts written off directly	-	-
Credit loss allowance against other assets	2,209	-
Recovery of written off / charged off bad debts	(23,627)	-
	<u>48,326</u>	<u>558</u>

	September 30, 2024	September 30, 2023
	Rupees in '000	
29 FINAL TAXES		
Final Tax	24	-
29.1 This represents final taxes paid under section 150 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.		
30 TAXATION		
Current	11,396	60,230
Prior periods	-	-
Deferred	-	-
	<u>11,396</u>	<u>60,230</u>
31 BASIC EARNINGS/ (LOSS) PER SHARE	September 30, 2024	September 30, 2023
	Rupees	
Profit for the period	(125,535)	106,132
Weighted average number of ordinary shares	<u>7,885,549</u>	<u>7,885,549</u>
Basic earnings per share	<u>(1.59)</u>	<u>1.35</u>

31.1 DILUTED EARNINGS/ (LOSS) PER SHARE
There is no dilutive effect on basic earnings per share during the year.

32 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The carrying amount of unquoted equity securities, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements. The fair value of other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

32.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

	September 30, 2024				Total
	Carrying Value	Level 1	Level 2	Level 3	
Rupees in '000					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Shares	598,144	598,144	-	-	598,144
Financial assets - disclosed but not measured at fair value					
Cash and balance with treasury banks	821,048	-	-	-	821,048
Balance with other banks	790,655	-	-	-	790,655
Investments	5,897,594	-	-	-	5,897,594
Advances	10,120,473	-	-	-	10,120,473
Other Assets	1,247,974	-	-	-	1,247,974
Financial liabilities - measured at fair value					
Shares	-	-	-	-	-
Financial liabilities - disclosed but not measured at fair value					
Bills Payable	37,146	-	-	-	37,146
Deposits and Other Accounts	7,907,972	-	-	-	7,907,972
Other Liabilities	2,924,768	-	-	-	2,924,768
Audited June 30, 2024					
	Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000					
On balance sheet financial instruments					
Financial assets - measured at fair value					
Shares	583,504	583,504	-	-	583,504
Financial assets - disclosed but not measured at fair value					
Cash and balance with treasury banks	1,036,377	-	-	-	1,036,377
Balance with other banks	1,057,619	-	-	-	1,057,619
Investments	5,695,898	-	-	-	5,695,898
Advances	10,082,694	-	-	-	10,082,694
Other Assets	1,330,811	-	-	-	1,330,811
Financial liabilities - measured at fair value					
Shares	-	-	-	-	-
Financial liabilities - disclosed but not measured at fair value					
Bills Payable	132,110	-	-	-	132,110
Deposits and Other Accounts	7,983,205	-	-	-	7,983,205
Other Liabilities	2,932,222	-	-	-	2,932,222

Rupees in '000

September 30, 2024

	Retail Banking	Retail Finance Lending	Others	Total
Profit & Loss				
Net mark-up / return / profit	72,758	538,738	249,246	860,742
Inter segment revenue - net	-	-	-	-
Non mark-up / return / interest income	23,853	-	27,269	51,122
Total Income	96,611	538,738	276,515	911,864
Segment direct expenses	303,817	-	673,836	977,653
Inter segment expense allocation	-	-	-	-
Total expenses	303,817	-	673,836	977,653
Credit loss allowance	-	48,326	-	48,326
Profit before tax	(207,206)	538,738	(397,321)	(65,789)

	Retail Banking	Retail Finance Lending	Others	Total
Balance Sheet				
Cash & bank balances	-	-	1,611,703	1,611,703
Investments	-	-	6,495,738	6,495,738
Net inter segment lending	-	-	-	-
Lendings to financial institutions	-	-	-	-
Advances - performing	-	9,598,088	-	9,598,088
Advances - non-performing	-	550,596	-	550,596
Right of Use of Assets	-	-	59,270	59,270
Others	14,039	1,089,631	15,825,623	16,929,293
Total Assets	14,039	11,238,315	23,992,334	35,244,688
Bills Payable	37,146	-	-	37,146
Lease Liabilities	-	-	76,113	76,113
Deposits & other accounts	7,907,972	-	-	7,907,972
Deferred Tax Liability	-	-	41,941	41,941
Others	276,329	-	2,648,439	2,924,768
Total liabilities	8,221,447	-	2,766,493	10,987,940
Equity	-	-	24,228,537	24,228,537
Total equity & liabilities	8,221,447	-	26,995,030	35,216,477

Contingencies & commitments

	-	-	-	-
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September 30, 2023

	Retail Banking	Retail Finance Lending	Others	Total
Profit & Loss				
Net mark-up / return / profit	54,027	572,608	259,301	885,936
Inter segment revenue - net	-	-	-	-
Non mark-up / return / interest income	41,395	-	19,812	61,207
Total Income	95,422	572,608	279,113	947,143
Segment direct expenses	246,597	-	533,626	780,223
Inter segment expense allocation	-	-	-	-
Total expenses	246,597	-	533,626	780,223
Credit loss allowance	-	558	-	558
Profit before tax	(151,175)	572,050	(254,513)	166,362

June 30, 2024

	Retail Banking	Retail Finance Lending	Others	Total
Balance Sheet				
Cash & bank balances	-	-	2,093,996	2,093,996
Investments	-	-	6,279,402	6,279,402
Net inter segment lending	-	-	-	-
Lendings to financial institutions	-	-	-	-
Advances - performing	-	9,814,506	-	9,814,506
Advances - non-performing	-	268,188	-	268,188
Right of Use of Assets	-	-	72,909	72,909
Others	29,569	1,144,239	15,814,437	16,988,245
Total Assets	29,569	11,226,933	24,260,744	35,517,246
Bills Payable	132,110	-	-	132,110
Lease Liabilities	-	-	87,835	87,835
Deposits & other accounts	7,983,205	-	-	7,983,205
Deferred Tax Liability	-	-	41,941	41,941
Others	404,951	-	2,527,271	2,932,222
Total liabilities	8,520,266	-	2,657,047	11,177,313
Equity	-	-	24,339,933	24,339,933
Total equity & liabilities	8,520,266	-	26,996,980	35,517,246

Contingencies & commitments

	-	-	-	-
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THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

34 RELATED PARTY TRANSACTIONS

Related parties comprise of key management personnel, provident fund trust, pension fund trust, Registrar Co-operative Societies and the Government of Punjab.

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

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

	Un Audited September 30, 2024				Audited June 30, 2024			
	Key management personnel	Directors	Provident Fund Trust	Pension Fund Trust	Key management personnel	Directors	Provident Fund Trust	Pension Fund Trust
	(Rupees in '000)							
Advances								
Opening balance	19,409	-	-	-	13,797	-	-	-
Addition during the period / year	4,751	-	-	-	16,779	-	-	-
Repaid during the period / year	(4,009)	-	-	-	(11,167)	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	<u>20,151</u>	-	-	-	<u>19,409</u>	-	-	-
Deposits and other accounts								
Opening balance	1,383	-	140,664	2,492,120	-	-	-	-
Transfer in / (out) - net	443	-	265,157	60,492	-	-	-	-
Closing balance	<u>1,826</u>	-	<u>405,821</u>	<u>2,552,612</u>	<u>1,383</u>	-	<u>140,664</u>	<u>2,492,120</u>
Other Liabilities								
Payable to staff retirement fund	-	-	-	2,137,739	-	-	-	2,054,155
	September 30, 2024				September 30, 2023			
	Key management personnel	Directors	Provident Fund Trust	Pension Fund Trust	Key management personnel	Directors	Provident Fund Trust	Pension Fund Trust
	(Rupees in '000)							
Income								
Mark-up / return / interest earned	-	-	11,514	101,162	325	-	-	-
Expenses								
Total Compensation Expense	17,614	1,018	-	-	25,677	-	-	-
Contribution for the Year	-	-	4,758	99,897	-	-	3,900	14,550
	<u>17,614</u>	<u>1,018</u>	<u>4,758</u>	<u>99,897</u>	<u>25,677</u>	<u>-</u>	<u>3,900</u>	<u>14,550</u>

THE PUNJAB PROVINCIAL COOPERATIVE BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Un Audited September 30, 2024	Audited June 30, 2024
	Rupees in '000	
35 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>6,000,000</u>	<u>6,000,000</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>8,553,182</u>	<u>8,704,578</u>
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>8,553,182</u>	<u>8,704,578</u>
Eligible Tier 2 Capital	<u>3,366,070</u>	<u>3,443,581</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>11,919,252</u>	<u>12,148,159</u>
Risk Weighted Assets (RWAs):		
Credit risk	<u>26,630,785</u>	<u>24,951,163</u>
Market risk	<u>1,193,110</u>	<u>1,255,067</u>
Operational risk	<u>3,816,967</u>	<u>3,125,934</u>
Total	<u>31,640,862</u>	<u>29,332,164</u>
Common Equity Tier 1 Capital Adequacy Ratio	<u>27.03</u>	<u>29.68</u>
Tier 1 Capital Adequacy Ratio	<u>27.03</u>	<u>29.68</u>
Total Capital Adequacy Ratio	<u>37.67</u>	<u>41.42</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>8,553,182</u>	<u>8,704,578</u>
Total Exposure	<u>35,216,477</u>	<u>35,517,246</u>
Leverage Ratio	<u>24.29</u>	<u>24.51</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>966,000</u>	<u>1,219,000</u>
Total Net Cash Outflow	<u>207,000</u>	<u>233,000</u>
Liquidity Coverage Ratio	<u>4.67</u>	<u>5.23</u>
Net Stable Funding Ratio (NSFR):		
Total available stable funding	<u>15,398,000</u>	<u>16,366,000</u>
Total required stable funding	<u>6,706,000</u>	<u>10,221,000</u>
Net Stable Funding Ratio	<u>230</u>	<u>160</u>

36 EVENTS AFTER THE REPORTING DATE

There are no significant events after the reporting period that may require adjustment of and same / or disclosure in these financial statements.


37 GENERAL


37.1 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.


37.2 Comparative figures have been re-arranged and reclassified for comparison purposes.

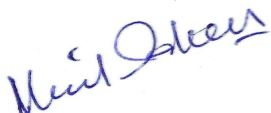
38 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on _____ by the Board of Directors of the Bank.


Chief Financial Officer


President/CEO


Director


Chairman