

# Groups' Review

## Corporate and Investment Banking



Muhammad Jawaid Iqbal

The Corporate and Investment Banking Group (CIBG) focuses on attracting and servicing large customers. We have expertise in providing exemplary customized and personalized service to our Corporate Customers under the Relationship Management concept which is basically catering to all the customer needs through 'One Window' operations.

CIBG has been strategically segmented into several sub divisions so that focused approach can be maintained on different aspects of business requirements. Highly experienced, professional and qualified teams are put into place to steadily expand our customer base and continue to enhance our cordial relations with our esteemed clients by providing prompt and value added services, innovative solutions and by becoming reliable source of all financial and non financial support and advisory services. CIBG has been sub-divided as follows:

### Corporate Banking

Corporate Banking offers personalized services to Corporate Customers under the concept of 'One Window' interface, with primary responsibility of portfolio management which involves both credit maintenance and marketing functions.

### Investment Banking / Syndications

Investment Banking focuses on Debt Arrangements, Syndications, Investments, Project Finances, Mergers and Acquisitions / Privatizations, Corporate Finance Advisory, Balance Sheet Restructuring / Debt re-profiling, Underwriting and other Structured Transactions.

### Commodities Financing

Commodities team is mainly responsible to cater large trading customers involved in the import / export of basic essential commodities in Pakistan (Government owned and Private Sector) and to meet the government own commodity financing needs.

### Cash Management

Cash Management team provides tailored made cash management solutions to large Corporate Entities through our online branch network.

We have dedicated teams placed in Karachi, Lahore, Multan, Faisalabad and Islamabad regions providing door step credit and marketing services to all the existing and potential Corporate Customers across the country. A wide variety of products are available to choose from which ranges from Corporate Finance products such as Loan Syndications, Structured Finance, Term Finance Certificates, Private Placements, Corporate Advisory Services to core Corporate Banking products such as Overdrafts (Working Capital facilities), Local & Foreign Currency financing, trade related facilities such as Import / Export financing, Documentary Letters of Credit, Term Loans and Cash Management Services.

Being a new entrant in the Corporate and Investment Banking World, year 2005 has been a challenging year for the Bank. Despite that, CIBG was not only able to position itself as one of the prime banks for the existing clientele but also created new relationships with several top tier names in the market such as Packages, Mobilink, Engro Chemicals, Dewan Group, Sapphire Group, Nestle Pakistan, Afroze Textile, Nishat Group, Fazal Group, Lucky Cement Group and many more by facilitating them through value-added and personalized services and supporting them in meeting their short term and long term financial needs by offering structured facilities.

The Bank, in a short span of time, has spurred as one of the leading and most dynamic Investment Bank in the market by undertaking role of lead arranger and advisor in majority of the key financial transactions during year under review. CIBG has been able to grow its Corporate and Investment book size by an extremely substantial amount of over Rs.40 Billion within a period of one year. Some of the key Investment Banking deals worth mentioning are:



“The Kohinoor Maple Leaf Group is delighted to be associated with Allied Bank and we are very impressed by the progress the bank has made under the new Board and Management.”

Tariq Saigol  
Chairman  
Kohinoor Maple Leaf Group

## Groups' Review

“Relationship with Allied Bank provides us unique amalgam of competitive product range, professional expertise and efficient delivery at out door step ”

Anwar Ahmed  
GM Finance  
PARCO



Transaction detail	Size (Rupees in Millions)	Role
Acquisition financing of Pak Arab Fertilizer Limited for the Acquirer Group (Fatima Group & Arif Habib Group)	9,000	Lead Advisor and Arranger
Acquisition financing of National Refinery Limited for the Acquirer Group ( Attock Group of Companies)	7,200	Co-Lead Advisor and Arranger
Structured Project financing for National Transmission & Dispatch Company (NTDC)	5,100	Lead Advisor and Arranger
Acquisition financing for Mustehkam Cement on behalf of the Bestway Group	3,200	Lead Advisor and Arranger
Expansion financing for Maple Leaf Cement Limited	1,000	Lead Advisor and Arranger
Term Financing for Atlas Investment Bank Limited	800	Arranger
Balance Sheet Restructuring of Dewan Farooq Motors Limited	750	Advisor and Arranger
Term Financing to Crescent Leasing Corporation Limited	550	Lead Arranger
Expansion financing to Amreli Steel Mills (Pvt.) Limited	550	Lead Advisor and Arranger

CIBG is in the process of setting up focussed corporate branches to further facilitate our corporate customers through personalized operational and trade services. In addition, we plan to undertake asset management activities through an independent Asset Management Company.

## Commercial and Retail Banking



Naveed Masud

The Commercial and Retail Banking Group (CRBG) focuses on keeping pace with the accelerated growth and development in the banking industry and growing specialization in providing various products and services to variety of target markets. CRBG ensures that focused attention is given to the target market and desired growth rate is achieved in developing commercial assets and cost efficient mobilization of deposits.

Major objectives of the group are:

- decentralization with appropriate empowerment of the team members directly dealing with the customers to serve them in more efficient and effective manner
- evolve a business plan taking into consideration the network, its geographical spread and the available business opportunities in the given areas
- facilitate the agricultural sector and associated ancillary business

In order to pay focused attention and providing flexible / customized solutions to the needs of target markets the entire field set up was restructured during 2005 by segregating the functions into Commercial & Retail Banking and Corporate & Investment Banking, which move has contributed positively towards results of the Bank.

The CRBG structure now consists of 3 Group Headquarters, 27 Regional Headquarters, and 741 branches. The branches are responsible for business development and customer services and they report to regional heads. Regional head is responsible for overall supervisory functions and strengthening of relationship with existing and new CRBG customers for sustained business growth. Regional headquarters report to respective Group Heads-CRBG stationed at Islamabad, Lahore & Karachi and these Group Heads report to Group Chief-CRBG.

The Bank is building the capacity on fast track basis by hiring qualified and experienced professionals in order to have a strong retail banking team and to develop flexible and customized products for retail and SME customers.



During 2006, we will continue to focus on our long and short term goals, targets and objectives. In line with the vision and mission statement of the Bank, we aspire to be:

- Market leader in middle sized customer segment
- To provide the customers complete integrated financing, investment and deposits solutions under one roof
- To become leading SME Bank in the diverse urban markets
- To focus on new avenues in Agriculture sector financing



## Treasury



Muhammad Yaseen

The Treasury group is actively involved in fund management through transaction in interbank market and management of investments in government securities and equities. The group is also responsible for managing regulatory reserve requirements.

The group has qualified and experienced professionals who have specialized expertise in treasury functions which they utilize to maximize the returns. The group is divided into Money Market Desk, Foreign Exchange & Treasury Marketing Unit and Capital Market Desk.

### Money Market Desk

The Money Market Desk is responsible to manage regulatory reserve requirements of the Bank, liquidity management by placement and borrowing through interbank money market, participate in auction of T-Bills and other government papers and management and trading of investment in fixed income government securities.

### Foreign Exchange & Treasury Market Unit (FX TMU)

The FX TMU desk manages day to day liquidity needs of the Bank in non-rupee currencies, manages regulatory reserve requirements of foreign currency accounts, provide funding to nostro accounts, funding through Swaps, Quote competitive prices to the Bank's customers, quote spot and forward rates to customers and discounting of bills.

### Capital Market Desk

The Capital Market Desk is responsible for all activities related to equity markets. The desk manages investment in listed shares, trades in securities to generate profit from short term price fluctuations, finds arbitrage opportunities for profit maximization through trading in ready and futures market and provides financing through CFS.

During the year, the Bank was appointed as Primary Dealer by State Bank of Pakistan, which gave an edge to the Bank as market maker rather than being a price taker. The Treasury also increased its activities in capital market which proved to be one of the most profitable areas during the year. The Bank started arbitrage in ready and future market during the year, increased its investment portfolio size and actively started trading in equity securities to benefit from price fluctuation in the market.

During 2006, the group will continue its efforts to diversify and enhance its activities for achieving sustained growth in revenues.



## Risk Management



Fareed Vardag

The primary objectives of Risk Management Group (RMG) are to understand the risk profile of various businesses, to initiate and propose risk policies, risk measurement methodologies and risk limits in order to aggregate and control credit, market and operational risks across the Bank.

In pursuance of these objectives, RMG has taken up the challenge to foster a proactive risk culture by creating the following risk management functions by business specialization:

- **Credit Risk** is defined as the possibility of losses due to unexpected default or a deterioration of creditworthiness of a business partner. At RMG, Credit Risk Management is divided into two units i.e. Commercial & Retail Risk, and Corporate & Financial Institutions Risk. These units ensure that risk exposures undertaken match the risk appetite of the Bank, and that proper credit approval procedures are adhered to. Identification and monitoring of problematic exposures and initiation of proactive measures to minimize the financial loss to the Bank is another key responsibility of this function.
- **Operational Risk** includes risks that arise from the internal processes of the Bank or from external events. The Operational Risk Management unit is developing an effective system for identification of critical risk areas, and developing processes / controls to mitigate these risks.
- **Market Risk** is defined as any fluctuation in value of the portfolio resulting from changes in market price and market parameters, such as interest rates, exchange rates and share prices. The Bank intends to build an effective Market Risk Management unit to independently identify measure, monitor and control the potential losses that may arise from the Bank's activities in the financial markets.
- **Credit Administration** is involved in minimizing losses that could arise due to security and documentation deficiencies. The Credit Administration Division constantly monitors the security and documentation risks inherent in the existing credit portfolio through eight regional credit administration departments located all over the country.
- **Risk Architecture** formulates credit policies and procedure guidelines and ensures that all risks in product program based lending in consumer finance is properly mitigated. This function also oversees the formulation of operational risk and market risk policies.
- **Portfolio Management** is an integral part of the credit process that has varied responsibilities. These include monitoring portfolio MIS and risk profile, establishing concentration limits, defining target market and risk acceptance criteria, identify and analyze trends that could affect the risk and performance of the portfolio as well as coordinating the implementation of Basel II in the Bank, which is of utmost priority and is viewed by the Bank as an important step in the alignment of regulatory and economic capital requirements. A consulting firm has recently been appointed to provide consultancy services in respect of the Basel II implementation. Another key responsibility is to launch internal risk rating models as a first step in the road map to develop loss norms, probability of default and risk adjusted pricing.

The Risk Management Group continues to promote sound business decisions consistent with the Bank's risk tolerance levels and drives the maximization of long-term shareholder return.

Our aim is to continue the pace of initiatives in 2006 with setup of risk concentration limits, implementation of Basel II as well as formulation of operational risk and market risk guidelines.



## Audit and Inspection



Khawaja Muhammad Sardar

In the context of changes in regulatory requirements, the role of internal audit has become very pivotal as a second line of defence against financial indiscipline and mismanagement besides an integrated system of internal control. As a part of good governance practice, the Audit and Inspection Group primarily performs its functions independent of the management and reports to the Audit Committee of the Board of Directors.

The Group has its objectives, besides fundamental objectives underlying internal audit, of well defined time bound Strategic Plan to change the traditional internal auditing systems into risk based, valued adding consulting activity and help the Bank to accomplish its overall objectives by bringing a systematic disciplined approach to evaluate and improve effectiveness of Risk Management, Control and Corporate Governance process.

The foremost asset of the Group is its staff, which is groomed through continuing professional development in order for them to possess tangible skills in the areas of corporate finance, risk assessment, quantitative methods and vision to see where things may go wrong.

The Audit and Inspections group is expected to perform a wide range of audits, which interalia include the following:

- **Financial Audit** - to assess the reliability of the accounting system and information and of resulting financial reports. This also includes appraisal of the related systems of internal controls;
- **Operational Audit** - to assess the quality and appropriateness of other systems and procedures, to analyze the organizational structures with a critical perspective, and to evaluate the adequacy of the related methods and resources;
- **Compliance Audit** - to assess compliance with the laws, regulations, policies and procedures;
- **Management Audit** - to assess the quality of management's approach to risk and control in accordance with the Bank's objectives. Basically, it concentrates on control problems of high-level management, e.g. evaluation of the organizational structure and financial discipline, long-range plans

and objectives, budgeting, profit planning, human and physical facilities etc.; and

- **Information System Audit** - to assess the controls over Information Technology systems and their application. This covers the analysis of computer-based information systems (including the aspects of Change Management, Disaster Recovery Planning, Integrity of information produced etc.), which is an essential part in the evaluation of the overall system of accounting and internal controls and assessing reliability of the processed data.

In addition to the routine audits, the Group provides various services which include special investigations or reviews as required by the Audit Committee, special audits of high risk areas like large advances, Advice / guidance on the Bank's policies and procedures and internal controls, risk management or other relevant issues; and consultancy services, which encompass a wide range of services, allowing the functionaries of the Bank to utilize the Group's financial and information technology expertise to address a known problem or need.

As a part of our ongoing activities, Audit Plan – 2005 has been successfully implemented as regular as well as surprise inspections of Branches / Control Offices / Divisions / Groups, as envisaged therein, have been accomplished.

However, to achieve our objectives, broad based multidimensional restructuring of the Group as a whole by induction of audit professionals and re-designing of internal audit procedures / manual is underway to convert total audit framework from manual to I.T. based system to match with the systems of multinational financial institutions, which is expected to be accomplished by the end of year 2006.

## Special Asset Management



Muhammad Abbass Sheikh

Special Asset Management (SAM) focuses on reducing level of Non – Performing Loans to an optimum level within minimum possible time. It persuades defaulting borrowers through constant and regular follow-ups by way of dialogues aiming at amicable settlements.

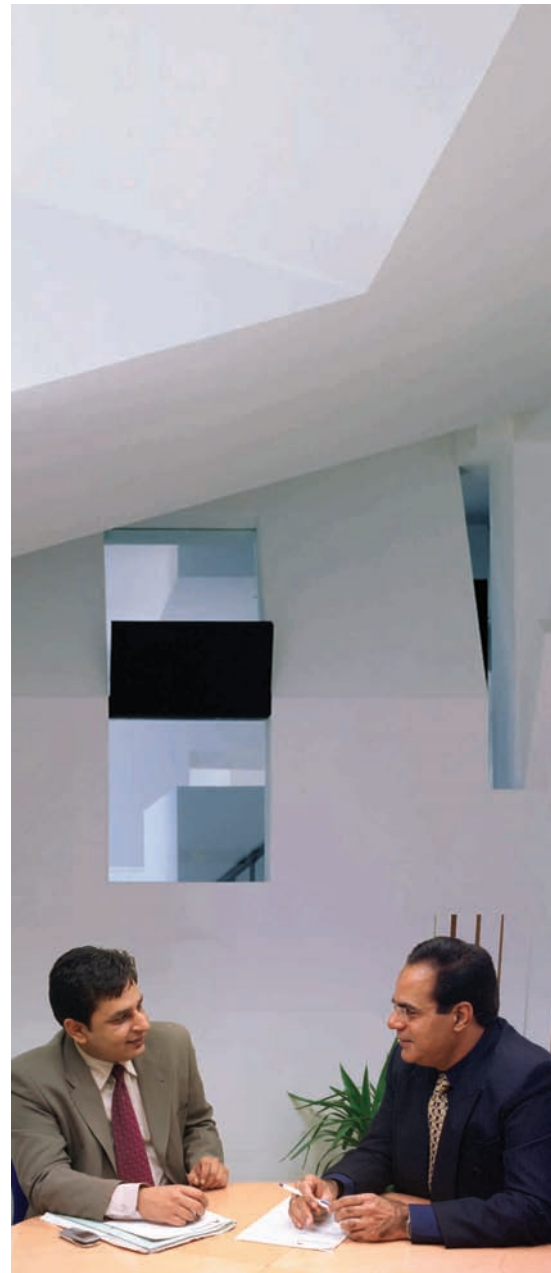
It resolves disputes with the clients through negotiations and by taking appropriate legal actions, when circumstances require, within the framework set out in Financial Institutions (Recovery of Finances) Ordinance, 2001. The group also initiates criminal proceedings including referral of cases of “Wilful Defaulters” to National Accountability Bureau (NAB) under NAB Ordinance, 1999. This group launches periodical recovery schemes, targeting different categories of defaulters and offering suitable packages thereto based on their characteristics after analyzing economic and socio-political environment.

During the year, the Group managed substantial reduction in Non – Performing Loans (NPLs). Consequently NPLs to Gross loan ratio decreased to 11% as against 22% compared to the corresponding year-end.

The structure of SAM group is as follows:

- **Central SAM Wing** is responsible for effective monitoring of recovery / settlements / rescheduling / restructuring, and maintenance of MIS.
- **Legal Affairs Wing** monitors legal matters of the Bank, renders opinions on applicable laws, deals with special tasks and assignments, advice on legal issues relating to operational matters, and ensures remedial and litigation management.
- **SAM Branches**, the group operates 20 SAM branches throughout the country, working as front offices for the achievement of the group objectives.

During the year 2006, efforts will be channelized to further reduce NPL portfolio in effective and efficient manner.



## Finance and Corporate Affairs



Zia Ijaz

Finance Group plays a central role in strategic decision making, transparent financial reporting and enhancing the economic value of the Bank. It also provides support to the business groups in performance analysis and launching new products and initiatives.

**Planning and MIS** arm of the Finance Group translates financial and operational data into strategic information for an efficient and effective decision making. It provides support in the formulation of corporate strategies and business plans. It plays a pivotal role in maintaining financial discipline and budgetary control. It also compares the performance of the Bank with peers.

**Financial and Regulatory Reporting** arm of the Finance Group provides timely, relevant and reliable information to the shareholders, regulators and other stakeholders while following the statutory requirements and international best practices. Financial and Regulatory Reporting arm is actively involved in formulation of policies related to accounting and finance issues across the Bank and assists in their implementation. It also manages the records of fixed assets of the Bank.

**Taxation** wing of the Finance Group manages the Bank wide tax matters and endeavours to bring tax efficiency while complying with the tax laws.

During the year 2005, the Finance Group actively participated in a number of strategic initiatives. On the automation side, Oracle ERP / Financials project was initiated, which will be fully completed in first half of 2006. A Five Year Strategic Business Plan was prepared in co-ordination with the Business Groups. The MIS of the Bank was further strengthened by adding Segmental and Product Profitability reports. Another milestone during 2005 was the merger of Ibrahim Leasing Limited with the Bank followed by the listing of the Bank on all the stock exchanges of Pakistan.

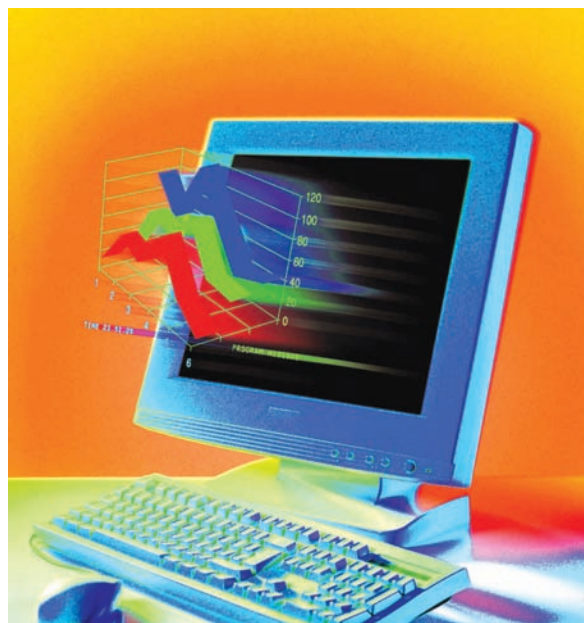
Finance Group will continue to be a valuable partner of the business and will play a proactive role in automation initiatives, business planning and analysis and tax management.

### Corporate Affairs

Corporate Affairs Group is responsible for compliance of all legal and statutory corporate requirements under Corporate and Banking laws and Regulations. Besides arranging Board of Directors and Shareholders' meetings, it co-ordinates meetings of the Executive Committee of the Board, I.T. Steering Committee and Management Committee.

Corporate affairs also manages the shareholders' matters and co-ordinates with the Shares Registrar for the transfer and issue of Bank's shares.

During the year 2005, Corporate Affairs Group coordinated a number of activities related to change in organizational structure, corporate identity and formation of committees of Board and Management.



## Operations



Syed Shahid Raza

Operations Group, apart from re-engineering the existing procedures to ensure safe and smooth conduct of Bank's operational activities also focuses on supporting the field offices in pursuit of their business objectives and goals while maintaining adequate controls from a risk perspective.

Group also assisted in launching of a variety of value added services facilitating bank's account holders / customers by offering them a wider product range and efficient delivery.

Operations Group is divided into the following five areas.

- **Alternative Delivery Channels** provides innovative and value added I.T. based solutions to the Bank's clients.
- **Branch Operations** supports the field functionaries through procedural manuals, branches rationalization, fully automated inter branch & nostro accounts reconciliations. It also provides support in Hajj & Zakat matters. During 2005, it has developed a number of new procedural manuals including ATM, Allied Online, Remittances, Cash & Teller etc.
- **Treasury Operations** supports Treasury front office in settlement of its trading / investment activities in Foreign Exchange, Money Market and Stock Market besides providing operational support in cash management to the branches and other business areas of the Bank.
- **Establishment** caters to the Bank's requirements for printed stationary, operating and fixed assets, insurance, and security arrangements at the central office level.
- **Engineering** is responsible for the purchase of new properties and construction / renovation of the existing / newly hired premises.

Various services introduced in 2005 with active participation and support of Operations group include:-

- Online banking facilities at all our branches, enabling the customers to operate their accounts across the country on a real time basis.
- Inter branch funds transfer & cheque books requests through ATM's
- Availability of direct SWIFT facility to our clients.
- Call Center Help Lines on 24/7 basis to facilitate the Bank's customers.
- Full automation of Inter branch & Nostro accounts reconciliation.
- Automation and on line connectivity of Home Remittance Cell aimed at crediting the proceeds of the Home Remittances received from abroad same day to the accounts of beneficiaries.
- Evening banking services to ensure extended banking facilities to Bank's account holder / customers.
- Local collection of foreign currency cheques drawn and collected by our own branches ensuring speedy collection of proceeds.
- Introducing new personalized cheque books throughout the Bank.

## Information Technology



Javed Iqbal

Allied Bank is committed to serving its clients with banking solutions based on state of art technology. Over the past few years, the Bank has taken strategic decision to concentrate on technology. Going into this direction the Bank has recruited highly experienced professionals to accomplish the Bank's technology requirements.

The Information Technology (I.T) group is responsible for meeting the automation needs of the Bank. Its core responsibilities include branch computerization and automation of processes at the controlling offices to make the operations more efficient and provide the management with accurate and timely information. Besides, IT Group is responsible for launching and managing technology based products and services for the Bank's customers such as ATM network, Debit card services, online inter-branch transaction services, Internet banking services, Help Line services, etc., and to ensure continuity of these services, some of which are available round-the-clock.



The Bank has the largest on - line network of over 700 branches around the country, the benefits are being passed on to the customers in every nook and corner of the country. The Bank is able to offer remote cheque encashment, remote deposit of cash, transfer of funds, cash management services, etc., on an on-line, real-time basis to all its account holders at all its branches in over 250 cities across the country. Through this network the Bank also offers ATM / Debit Card facility to all its customers.

During the year, ATM services were extended to 100 ATMs covering 39 cities with additional features of inter-branch funds transfer and cheque book request facilities. The Bank is also a member of "1-LINK" ATM Switch, which ensures customer access at over 500 locations throughout the country.

In January 2006, of Allied Direct Internet Banking – Banking at your fingertips – was launched, offering convenience to manage and control banking and finances whenever you want to, wherever you want to.

Office automation was also introduced within the Bank by implementation of MS-Exchange based email and Share Point Portal facilities on the Bank's intranet. In addition to this, MS-Exchange email was also provided to 90 main branches and Linux based email was extended to all branches of the Bank thus improving communications within the Bank which, in turn, has increased the productivity and efficiency and have resulted in reduction in the cost of inter – office communication. The Bank's website was also revamped and redesigned to depict the new corporate identity of the Bank.



Address	Type	Status	IP Address	Port	Device
192.168.1.1	Server	Up	192.168.1.1	80	IBM xSeries 350
192.168.1.2	Server	Up	192.168.1.2	80	IBM xSeries 350
192.168.1.3	Server	Up	192.168.1.3	80	IBM xSeries 350
192.168.1.4	Server	Up	192.168.1.4	80	IBM xSeries 350
192.168.1.5	Server	Up	192.168.1.5	80	IBM xSeries 350
192.168.1.6	Server	Up	192.168.1.6	80	IBM xSeries 350
192.168.1.7	Server	Up	192.168.1.7	80	IBM xSeries 350
192.168.1.8	Server	Up	192.168.1.8	80	IBM xSeries 350
192.168.1.9	Server	Up	192.168.1.9	80	IBM xSeries 350
192.168.1.10	Server	Up	192.168.1.10	80	IBM xSeries 350
192.168.1.11	Server	Up	192.168.1.11	80	IBM xSeries 350
192.168.1.12	Server	Up	192.168.1.12	80	IBM xSeries 350
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192.168.1.19	Server	Up	192.168.1.19	80	IBM xSeries 350
192.168.1.20	Server	Up	192.168.1.20	80	IBM xSeries 350
192.168.1.21	Server	Up	192.168.1.21	80	IBM xSeries 350
192.168.1.22	Server	Up	192.168.1.22	80	IBM xSeries 350
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192.168.1.48	Server	Up	192.168.1.48	80	IBM xSeries 350
192.168.1.49	Server	Up	192.168.1.49	80	IBM xSeries 350
192.168.1.50	Server	Up	192.168.1.50	80	IBM xSeries 350



Other milestones during the year include:

- Implementation of endorsement printers and MICR codeline validation devices at the branch teller workstations.
- Automation of the process of communicating details of Demand Draft issuance to payee branches through online network.
- Automation of the accrual of profit on PLS Savings accounts.
- Implementation of Oracle based Human Capital Management system.
- Implementation of the new CIB software for reporting credit related information to State Bank of Pakistan (SBP).
- Development of a mechanism for processing transaction batches for posting in the branches through the online system.

The Bank has also started implementing Oracle Financials, which will play a vital role in strengthening MIS, bringing transparency and doing business in more cost efficient manner.

Besides the above, hardware upgrade was carried out to meet the requirements of increased transaction volumes on ATMs and Online Inter-branch network. Development of a Disaster Recovery Site (DRS) for the ATM and online transaction services was initiated. The DRS is planned to be operational during 2006.

The Bank will increase its ATM network to over 300 ATMs by the end of 2006, introduce of Inter-Bank funds transfer facility through ATMs, launch of VISA Debit card, initiate Utility Bills Payment Service at the Bank's ATMs and through Internet Banking website, Implement RFID based attendance system at the controlling offices, introduction of a user interface with the branches' transaction database for Business Intelligence / MIS, etc. During 2006, the Bank also plans to initiate replacement of the existing branch based core banking software with a full function, centralized, state-of-the art core banking software package for which a detailed software selection exercise is already in hand.

## Human Resources



Bilal Mustafa

Human Resources (HR) Group focuses on the objectives of developing, implementing, and supporting programs and processes which add value to the Bank's human assets, leading to improved employee welfare, empowerment, growth and retention, while being committed to its management and overall satisfaction for its customers, employees and shareholders.

In line of these objectives, the Group is divided, with major functions, among following:

- Personnel
- Staff Finances and Salary
- Employees' Funds and Benefits
- Disciplinary Action Cases
- Management Development
- Planning and Performance Management

The Group has, during the year, developed and revised its HR policies interalia Pay Ranges, which is one of the most important factors in human capital motivation. In view of the Bank's projected growth, the Group has been able to recruit quality personnel at various levels through out the Bank. In order for employees to remain updated and enrich their skills more, various in-house as well as ex-house training sessions were arranged. To motivate and compensate employees for their performance, new performance evaluation system was also introduced.

The HR Group, in year 2006, will maintain its focus on human capital development by bringing improvements in existing policies as well as by introducing new policies.



## Compliance and Control



Khalid Mehboob

Compliance and Control Group was formed to oversee the implementation of all the relevant laws, regulations and procedures of the Bank, besides, making the Internal Controls more effective so that the branches operate within the framework of the internal and external rules and regulations.

The purpose of the compliance function is to assist the bank in managing its various risks, i.e. risk of legal or regulatory sanctions, financial loss, or loss to reputation a bank may suffer as a result of its failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice. Compliance with laws, rules and standards helps to maintain the bank's reputation with, and thus meet the expectations of, its customers, the markets and society as a whole.

In accordance with the above principles, the Compliance part of the Group is conducting the following functions.

- Legal, regulatory and corporate matters
- Internal Control and its overall framework
- Compliance with the policies
- AML/KYC and fraud control program
- Regulatory reporting
- Compliance of internal, external auditors and SBP report
- Compliance of SBP Prudential Regulations

The Bank's Board of Directors is committed to promote the values of honesty and integrity throughout the organization. Compliance with applicable laws, rules and standards are to be viewed as an essential means to this end.

Control part of the Group pertains to the implementation of the Bank's policies, procedures and processes to control risks.

For this purpose, the Bank has designated three Group Heads in the South, North and Central Regions who are supported by the Compliance & Control officers posted in the big branches and other officials responsible for visiting the branches on a periodical basis.



  
Allied Bank

Central Office