

Circular

To: **The Managers, All Pakistan Branches.**

Cc: **All Members – Management Forum
Secretary to President/CEO
Heads - Retail & Consumer/Corporate/Commercial Banking
All GMs / DGMs, HOK.
All Regional Chief Executives.
All Regional Operations Chiefs
All Regional Audit Executives
All Learning & Development Centres/ Computer Centre Executives
All Remedial Assets Executives.**

From: **Business Policies & Procedures, Global Operations**

Date: **June 03, 2016**

Regarding **PROCEDURE FOR ZAKAT DEDUCTION ON 1ST RAMZAN-UL-MUBARAK 1436-37 AH
(LIKELY TO FALL ON 7TH OR 8TH JUNE, 2016) SUBJECT TO APPEARANCE OF THE MOON**

Circular No. **P/INST/2016/105**

The 1st of Ramzan-ul-Mubarak is likely to fall on 7th or 8th June, 2016 (subject to appearance of the Moon) and the Government has declared it as the Zakat deduction day for the Zakat year 1436-37 AH. As has been the practice in the past, Zakat will be collected from Savings and other Profit bearing accounts (Asset Code 101) on this day. The "Nisab of Zakat" has been fixed at **Rs.35,557/- (Rupees Thirty five thousand five hundred fifty seven only)** by the Administrator General Zakat, Ministry of Religious Affairs and Inter-Faith Harmony, Government of Pakistan, Islamabad under his Circular Letter No.CE-1001(36)/NISAB/1436-37/2016 dated 3rd June, 2016.

Similar to previous years, it has been decided to continue with the centralized deduction of Zakat at HOK in order to ensure that the deduction of Zakat takes place through the system on the Zakat Deduction Day. It is worth mentioning that the following Zakat Exemption / Deduction Reports are available on CMoD since 1st June, 2016 and can be printed.

- All HBL Branches except AJK Branches (ZKTPKEXMSR & ZKTPKDEDSR)
- HBL AJK Branches (ZKTAKEXMSR & ZKTAKDEDSR)

All branches are advised to strictly follow the following procedure:-

1. Zakat will be deducted on 1st of Ramzan -ul Mubarak which is likely to fall on 7th or 8th June, 2016(subject to appearance of the Moon) from customer accounts.
2. As soon as Zakat deduction is completed, branches should print all system generated reports including Zakat deduction reports through their own terminals.
3. The Bank will remain closed for public dealings on 7th or 8th June 2016 (subject to appearance of the Moon) as it has been declared as a Bank Holiday by the Government and branches must not perform any customer transactions on this day.
4. As per instructions of the Zakat Cell, MORA, GOP, it is required that all Banks should transfer the entire amount of Zakat deducted without keeping any amount for the refund of Zakat. Keeping in view the very clear instructions from the concerned Zakat Cell of the Ministry it would not be possible to make any refund without the approval of the competent authority. **In order to facilitate branches, Zakat Exemption Reports have been provided to them and it should be ensured that exemption from Zakat applied by customers is correctly fed in the system so that Zakat from any exempted account is not deducted**

