



IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

شہید محترمہ بینظیر بھٹو کی یاد میں

SINDH BANK

سندھ بینک

POWER TO THE PEOPLE

بالاختیار عوام

Quarterly
Financial
Statements
September 30, 2023

Contents

Vision and Mission Statements	02
Corporate Information.....	03
Directors' Report (English).....	04
Directors' Report (Urdu).....	09
Unconsolidated Condensed Interim Statement of Financial Position.....	20
Unconsolidated Condensed Interim Profit and Loss Account.....	21
Unconsolidated Condensed Interim Statement of Comprehensive Income	22
Unconsolidated Condensed Interim Statement of Changes in Equity.....	23
Unconsolidated Condensed Interim Cash Flow Statement.....	24
Notes to the Unconsolidated Condensed Interim Financial Statements	25
Consolidated Condensed Interim Statement of Financial Position.....	56
Consolidated Condensed Interim Profit and Loss Account	57
Consolidated Condensed Interim Statement of Comprehensive Income.....	58
Consolidated Condensed Interim Statement of Changes in Equity.....	59
Consolidated Condensed Interim Cash Flow Statement.....	60
Notes to the Consolidated Condensed Interim Financial Statements	61
Branch Network	87

VISION Our vision is to be a leading bank which would play a positive role to generate economic activities for empowering the people by meeting their financial needs for running a successful business and create employment opportunities.

MISSION To develop as a leading Commercial Bank in the country by meeting its stated objectives of promoting economic development of the country in general and in the Province of Sindh in particular.

Corporate Information*

Board of Directors

Mr. Anis A. Khan	Chairman/Non-Executive Director
Mr. Kazim Hussain Jatoi	Finance Secretary (GoS)/Nominee of GoS
Mr. Javaid Bashir Sheikh	Independent Director
Mr. Mohammad Aftab Alam	Non Executive Director
Mrs. Shaista Bano Gilani	Independent Director
Mr Imtiaz Ahmad Butt	Independent Director

Mr. Imran Samad President & CEO

Chief Financial Officer Dilshad Hussain Khan

Company Secretary Muhammad Irfan Zafar

Auditors' Riaz Ahmad and Company
Chartered Accountants.

Legal Advisors Mohsin Tayebaly & Co

Share Registrar CDC Share Registrar Services Ltd.

Registered/Head Office 3rd, Floor Federation House
Abdullah Shah Ghazi Road
Clifton, Karachi-75600
UAN : +92-21-111-333-225
Fax : +92-21-35870543

Registration Number 0073917
NTN Number 3654008-7
Website www.sindhbank.com.pk
Facebook /SindhBankLimitedOfficial
Instagram /SindhBankLimited
LinkedIn /Company/Sindh-bank-limited

" Mr. Asif Jahangir, Nominee of GoS has resigned and BoDs in its 106th meeting held on 29.08.2023 has approved cooption of Mr. Mushtaq Malik, subject to the necessary requisite approvals of GoS and SBP.

Directors' Report

On behalf of the Board of Directors of Sindh Bank, I am presenting herewith the financial results for the nine months period ended September 30, 2023. Review of performance is presented below:

(Rupees in '000)

Balance Sheet	As on Sep 30, 2023	As on Dec 31, 2022	% age Change
Paid up Capital	29,524,428	29,524,428	
Share Deposit Money	5,000,000	-	
Reserves & accumulated loss	(10,758,901)	(11,164,969)	3.63%
Paid up Capital & Reserves	23,765,527	18,359,459	29.45%
Deficit on Revaluation of Investment	(1,639,340)	(1,208,500)	-35.65%
Equity	22,126,187	17,150,959	29.01%
Borrowings	20,649,140	106,934,714	80.69%
Deposits	215,463,385	223,043,950	-3.39%
Investment (carrying value)	179,255,509	254,552,777	-29.58%
Gross Advances	68,204,619	70,899,317	-3.80%
Profit & Loss Account	Nine months ended		
	Sep 30, 2023	Sep 30, 2022	%age Change
Total Income			
Markup/return/interest income	38,506,708	25,884,223	48.77%
Markup/return/interest expenses	32,733,645	21,517,317	-52.13%
Net markup/return/interest income	5,773,063	4,366,906	32.20%
Fee, Commission & Other Income	444,029	318,895	
Dividend Income	142,979	193,164	
Foreign Exchange Income	739,229	429,357	
Gain/ (loss) on sale of Investments	(30,955)	(126,765)	
Non-mark-up/non-interest income	1,295,282	814,651	58.99%
Non mark-up/interest expenses	5,988,100	5,050,672	-18.56%
Provisions against loans & advances - net	129,437	1,229,221	89.47%
Total Provisions (Reversal)	129,437	1,229,221	
Profit before Tax & Provisions	1,080,245	130,885	725.34%
Profit/(Loss) Before Tax	950,808	(1,098,336)	186.57%
Profit/(Loss) After Tax	406,068	(671,292)	160.49%
Earnings/(Loss) per share (EPS) (Rupees)	0.14	(0.26)	153.85%
Other Information	As on Sep 30, 2023	As on Dec 31, 2022	%age Change
No. of Accounts	720,532	573,882	25.55%
Number of Branches	330	330	

Pre-tax profit for the nine months period ended September 30, 2023 amounted to Rs. 950.808 mn compared to pre-tax loss of Rs 1,098.336 mn in the same period last year, attributable factors of such variance are:

- The Bank has witnessed a significant upsurge in net Interest Income, totaling Rs. 1,406 mn, signifying a robust growth of 32.2%. This favorable progression can primarily be ascribed to the sustained maintenance of average policy rates at 20.2% throughout the initial nine-month period concluding on September 30, 2023, in contrast to the 12.92% observed in the corresponding period of the prior year. It is imperative to acknowledge that this increase is net of an opportunity cost of 7.28%, which was influenced by the substantial volume of Non-Performing Loans/TFC totaling Rs. 35.27 bn, in addition to investments in fixed Pakistan Investment Bonds (PIB) valued at Rs. 27.6 bn (face value).
- Increase in non-markup income by Rs.480.631-mn, main contribution factors are FX income increased by Rs.309.872-mn and Fee commission income increased by Rs 123.670 mn during the nine months period ended,
- Non markup expenses of the Bank rose by Rs 937.428 mn i.e 18.56% which was mainly attributable to rise in domestic inflation and FX rates.
- Provision on non performing loan recorded by Rs 129.437 mn with compare to provision made by Rs 1,229.221 mn in same period last year.

After tax profit for the nine months period ended September 30, 2023 amounted to Rs. 406.068 mn compared to after tax loss of Rs. 671.292 mn in the same period last year.

Total Assets stood at Rs.271.55 bn as compared to Rs.357.85 bn as at December 31, 2022, thereby registering decrease of 24.12 %. Carrying value of Investments as at September 30, 2023 amounted to Rs. 179.25 bn, decreased by 29.58 % over Rs.254.55 bn as at December 31, 2022. Gross Advances decreased by 3.8% to Rs. 68.204 bn from Rs.70.89 bn as at December 31, 2022, mainly due to regulatory restrictions on corporate advances and high cost of fund and recovery of NPL.

Total Deposits decrease by Rs 7.58 bn stood at Rs.215.46 bn compared to Rs. 223.04 bn as on December 31, 2022 due to Bank strategy to shed high cost deposit. Number of customer accounts stood at 720,532 after increase of 146,650 accounts (i.e. 25.55% during the period which depicts new customer preferences and branches motivation to introduce new customers (NTBs).

CREDIT RATING

VIS Credit Rating Company Limited reaffirmed the Bank's long term entity rating of A+ (Single A Plus) and short term rating of A-1 (A-one) in its report dated June 27, 2023.

MINIMUM CAPITAL REQUIREMENT & CAPITAL ADEQUACY RATIO

Bank's Capital Adequacy Ratio stood at 17.17% as against the minimum requirement of 11.50 % and Leverage Ratio stood at 3.01% against minimum requirement of 3% as on September 30, 2023.

CHANGE OF EXTERNAL AUDITORS

During the period previous external auditors M/S RSM Avais Hyder Liaquat Nauman Chartered Accountants had resigned on April 27, 2023. In order to fill the casual vacancy, the Board of Directors in its meeting held on August 3, 2023 has appointed M/S Riaz Ahmad and Company, Chartered Accountants as a statutory auditors of the Bank for the year 2023, on the recommendation of Board Audit Committee.

CHANGES IN THE BOARD OF DIRECTORS

There are following changes in the Board composition during the period:

- a) Mr. Imtiaz Ahmad Butt, Independent Director has been co-opted in place of outgoing Director Mr. Adnan A. Khan by the Board in its 106th BoD meeting held on August 29, 2023, whose approval has been received from SBP on October 09, 2023.
- b) Mr. Mushtaq Malik, Non Executive Director has been co-opted by the Board of Directors in its 106th BoD held on August 29, 2023 in place of Mr. Asif Jahangir, GoS Nominee/Non Executive Director after his resignation, whose approval has been sought from Government of Sindh being replacement of GoS Nominee, which is awaited and after receiving the same would be submitted to SBP for approval.
- c) Mr. Sajid Jamal Abro, Finance Secretary (FS) GoS has been transferred on September 05, 2023 and Dr. Kazim Hussain Jatoi, the new Finance Secretary of GoS has been appointed by the Board of Directors through Circular Resolution No.02/2023, dated 18.09.2023, which was then ratified by the Board in its 107th meeting held on October 26, 2023, whose approval has been received from SBP on October 24, 2023.

STAFF, TRAINING & DEVELOPMENT

During the nine month ended September 2023, 40 In-house and 28 Ex-house Training Programs were conducted in the areas of Branch Banking Operations, cash management, collection recoveries tools and techniques, Agri-Business Risk and lending Techniques, Islamic Banking, SME Finance, Compliance (AML/CFT) Cyber Security, Risk Management, Gender Sensitivity, managerial soft skills, and HR Orientation for newly hired cash officers and general banking officers, etc.

Additionally, this year up to September 2023, we introduced a certification course program for cash officers and general banking officers with the collaboration of "The Institute of Bankers Pakistan (IBP)" as yet we completed two batches as of September 2023, 240 officers were awarded certification".

ECONOMIC REVIEW

The calendar year kicked off with considerable political and macroeconomic uncertainty. The currency lost 18% of its value within the first month as major concerns emerged over the country's ability to repay its loan. Given the fiscal slippages, the uncertainty over the resumption of the IMF program was high. Prior to the end of the fiscal year, Pakistan took major steps to appease the IMF, including hiking of the power tariff and introducing of the mini-budget, which further jacked up the country's tax collection target to PKR 9.5 trillion. The 3rd quarter saw Pakistan re-joining the IMF program under a USD 3.0 bn stand-by arrangement. Following Pakistan's entry, the UAE and Saudi Arabia cumulatively deposited USD 3.0 bn with the State Bank of Pakistan, doubling its reserve balance to USD 8.0 bn. These developments alleviated concerns on Pakistan's ability to service its short-term external financial obligations.

The gas sector, which in recent years has emerged as another source of circular debt, is reportedly under scrutiny and a plan is being chalked out to raise tariffs to make this sector sustainable. We believe Government may announce new gas prices in ongoing month to meet IMF condition. The investors will also be keenly following developments on the IMF front, since the government is set to begin talks with IMF on quarterly review in October. This review will be based on the September-end data that will help Pakistan to unlock USD 710 mn loan tranche from the lender and will also instill confidence in the market.

Pakistan's CPI inflation averaged 31.71% during 9M-CY23, with the higher figure emanating from the Pak Rupee weakness, surging energy prices, and rising food prices. During the year, global oil prices surged towards to USD 100 per barrel mark and the Pak Rupee weakened to a low of PKR 307. In turn, domestic petroleum prices touched record-high levels of PKR 330 per litre. Recently, currency market reforms have allowed the Pak Rupee to recoup nearly 10% of its value to around PKR 278. Moreover, administrative efforts against smuggling and hoarding of commodities have resulted in easing food prices.

The interest rates were hiked to 22% during the calendar year with the SBP indicating that the rates have peaked out. It underpinned its stance on easing inflationary concerns led by successful administrative efforts to control currency speculation and smuggling. Given the inflationary trend where we project CPI inflation to fall below 20% by March 2024, we see the SBP to commence monetary easing. The recent spell of currency appreciation further reinforces our stance of monetary easing.

Pakistan's trade balance has continued to ease during 9M-CY23, with the first eight months depicting a trade deficit of USD 12.7 bn. The decline was driven by reduced imports, which fell by 35% YoY to USD 30.9 billion. In turn, the country's current account balance registered a surplus of USD 438 mn against a deficit of USD 10.4 bn. Worker's remittances continue to remain on the lower end, hovering around USD 2.1 bn per month (-18% YoY) during the calendar year, with the decline driven by a parallel currency market compelling the use of informal channels. With recent steps taken to curb the illegal currency channels and additional incentives implemented to encourage use of banking channels, the government projects monthly remittance figures to rise to USD 2.5 bn.

PSX REVIEW

Despite economic and political challenges, KSE 100 index up 14% in 9M-2023. Better than expected IMF's Standby Agreement (SBA) in Jul-2023, positive currency movement, and announcement of expected general election in last week of Jan-2024 helped sentiments period under review.

Furthermore, crucial role of Special Investment Facilitation Council (SIFC), and its potential to attract massive FDI across various sectors, like agriculture, mining, technology followed by government institutions swung into action and various decisive measures were taken that helped restore investors' confidence.

Listed corporates continued to announce robust results with encouraging business outlook that also provided some comfort. KSE 100 index companies posted record earnings of Rs1.2 trillion; up by 16% YoY in FY23. Foreign interest has also revived with Foreign Corporate turned net buyers in the market with net buying of US\$ 24 million in 9M2023 vs net selling of US\$ 70 million in 9M2022. Moreover, the European Union indicated an extension of Pakistan's GSP status and the SBP not going for further interest rate hikes, boosted the market sentiments.

SINDH MICROFINANCE BANK LIMITED (WHOLLY OWNED SUBSIDIARY)

Sindh Microfinance Bank Limited ('SMFB') started its operations as a province level microfinance bank in May 2016 with equity of Rs. 750 million. As of September 30, 2023, SMFB has increased its equity to nearly than Rs. 1.1 billion with internally generated profits.

Despite the challenging times for the Microfinance Sector, SMFB in April 2023 declared 24% dividend through issue of bonus shares of PKR 180 million raising the paid-up capital to PKR 930 million. SMFB has plans to apply for a national level license from the State Bank of Pakistan after having reached paid up capital of over PKR 1 billion in accordance with the minimum capital requirements.

SMFB continues to remain a sustainable and profitable institution and during the nine months ended September 30, 2023. SMFB registered a profit before tax of Rs. 98.05 million (nine months ended September 30, 2022: Rs. 37.7 million) which is an increase of almost 127% over the corresponding period last year.

To date, SMFB has disbursed 293,000 loans amounting to almost Rs. 9.1 bn through its presence in 96 business locations in the province of Sindh. The aim of the microfinance program of SMFB is to improve access to finance for the underprivileged segment of the Sindh Province, especially economically active women in rural and semi urban areas of Sindh.

The Pakistan Credit Rating Agency (PACRA) maintained the ratings of A- for the long term and A2 for the short term which in PACRA's perspective captures the strength of SMFB as a growing institution in the microfinance sector.

Brief summary of financial highlights for the nine months ended September 30, 2023 showing below:

	September 30, 2023		December 31 2022	
Balance Sheet				
	# of Account	Rs. In million	# of Account	Rs. In million
Gross Loan Portfolio	69,813	1,720	66,133	1,321
Total Assets	-	3,134	-	2,008
Deposits	153,477	1,224	129,056	600
Borrowings	-	710	-	310
Total Liabilities	-	2,051	-	995
Net Equity	-	1,083	-	1,012

	Nine Months Ended September 30, 2023		Nine Months Ended September 30, 2022	
	# of Account	Rs. In million	# of Account	Rs. In million
Loan Disbursements	55,992	2,258	30,115	986
Profit & loss account				
Net Interest Income	-	450	-	251
Profit Before Tax	-	98	-	37
Taxation	-	(27)	-	(10)
Profit After Tax	-	71	-	27

FUTURE OUTLOOK

With encouraging results achieved so far, the management is determined to maintain its focus on the following major goals in the coming period:

- (i) Recovery and reduction of Non-Performing Loans;
- (ii) Increase of Consumer, SME and Commercial business;
- (iii) Alternate delivery and service channels based on technology platforms to facilitate our customers;
- (iv) Training and development of Staff; and
- (v) Strengthening the risk and control environment.

Acknowledgements

On behalf of the Board of Directors, I would like to sincerely thank the regulators, shareholders and customers for their continued guidance, support and confidence reposed in the Bank and its Management.

On behalf of the Board of Directors



Imran Samad
President/CEO



Mohammad Aftab Alam
(Non Executive Director)

Karachi, October 26, 2023

ڈائریکٹرز رپورٹ

میں بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2023 کو اختتام پذیر نو ماہ کے لئے بینک کے مالیاتی نتائج پیش کر رہا ہوں۔ مالیاتی جھلکیاں درج ذیل ہیں:

بیلنس شیٹ	30 ستمبر 2023 پر	31 دسمبر 2022 پر	فیصد تبدیلی
اداشدہ سرمایہ	29,524,428	29,524,428	
حصص کی جمع شدہ رقم	5,000,000	-	
ذخائر اور جمع شدہ نقصان	(10,758,901)	(11,164,969)	3.63%
اداشدہ سرمایہ اور ذخائر	23,765,527	18,359,459	29.45%
سرمایہ کی دوبارہ قدر پذیری پر خسارہ	(1,639,340)	(1,208,500)	-35.65%
ملکیتی سرمایہ	22,126,187	17,150,959	29.01%
ادھار	20,649,140	106,934,714	29.01%
ڈپازٹس	215,463,385	223,043,950	-3.39%
سرمایہ کاری (Carrying value)	179,255,509	254,552,777	-29.58%
مجموعی ایڈوانسز	68,204,619	70,899,317	3.80%

نو ماہ کے اختتام پر			نفع نقصان کا کھاتہ
فیصد تبدیلی	30 ستمبر 2022 پر	30 ستمبر 2023 پر	کل آمدن
48.77%	25,884,223	38,506,708	مارک اپ / ریٹرنز / سودی آمدن
-52.13%	21,517,317	32,733,645	مارک اپ / ریٹرنز / سودی اخراجات
32.20%	4,366,906	5,773,063	خالص مارک اپ / ریٹرنز / سودی آمدن
	318,895	444,029	فیس، کمیشن اور دیگر آمدن
	193,164	142,979	منقسمہ منافع (Dividend Income)

نفع نقصان کا کھاتہ	30 ستمبر 2023 پر	30 ستمبر 2022 پر	فیصد تبدیلی
غیر ملکی زرمبادلہ سے آمدنی	739,229	429,357	
سرمایہ کاری کی فروخت سے نفع / (نقصان)	(30,955)	(126,765)	
بینا مارک اپ / غیر سودی آمدنی	1,295,282	814,651	58.99%
بینا مارک اپ / غیر سودی اخراجات	5,988,100	5,050,672	-18.56%
مختصات - قرضہ جات / ایڈوانسز کے لئے - خالص	129,437	1,229,221	89.47%
کل مختصات (واپسی)	129,437	1,229,221	
منافع قبل از ٹیکس اور مختصات	1,080,245	130,885	725.34%
منافع / (نقصان) قبل از ٹیکس	950,808	(1,098,336)	186.57%
منافع / (نقصان) بعد از ٹیکس	406,068	(671,292)	160.49%
آمدنی (نقصان) فی حصص (روپے)	0.14	(0.26)	153.85%
دیگر معلومات	30 ستمبر 2023 پر	31 دسمبر 2022 پر	فیصد تبدیلی
کھاتہ	720,532	573,882	25.55%
براؤنچر	330	330	

30 ستمبر 2023 کو اختتام پذیر نو ماہ پر منافع قبل از محصول 950.808 ملین روپے رہا جبکہ اس کے مقابلے میں گذشتہ سال اسی مدت کے دوران نقصان قبل از محصول کی مالیت 1,098.336 ملین روپے تھی۔ اس اتار چڑھاؤ کے عوامل درج ذیل ہیں:

- بینک کی خالص سودی آمدنی میں 1,406 ملین کا قابل قدر اضافہ دیکھنے میں آیا جو 32.2 فیصد نمو کو ظاہر کرتا ہے۔ یہ مثبت صورتحال بنیادی طور پر 30 ستمبر 2023 پر اختتام پذیر ابتدائی نو ماہ کے دوران 20.2 فیصد کی اوسط شرح کو برقرار رکھنے کے سبب رہی اس کے برخلاف گذشتہ سال اسی مدت کے دوران یہ شرح 12.92 فیصد تھی۔ یہ بات تسلیم کرنا ضروری ہے کہ یہ اضافہ 7.28 فیصد کی خالص اپرچوٹیشن کاسٹ (cost opportunity) کی پابندی سے مشروط ہے جو 35.27 ارب روپے کی مالیت کے غیر فعال قرضہ جات / TFC کے خاصے حجم کے ساتھ ساتھ 27.6 ارب روپے کے فیکسڈ پاکستان انویسٹمنٹ بانڈز (PIB) (فیس ویلیو) میں سرمایہ کاری سے متاثر ہوئے ہیں۔

- سال کے نو ماہ میں غیر مارک اپ آمدنی میں 480.631 ملین روپے کا اضافہ ہوا جس میں غیر ملکی زرمبادلہ سے آمدن کے 309.872 ملین روپے اور فیس کمیشن کی مدد میں 123.670 ملین روپے کے اضافے کا بڑا حصہ شامل تھا۔

- بینک کے غیر سودی اخراجات 937.428 ملین روپے یعنی 18.56 فیصد سے بڑھے جس کی بنیادی وجہ غیر معمولی افراط زر اور غیر ملکی زرمبادلہ کی شرح مبادلہ میں اضافہ تھا۔
- زیر غور مدت میں غیر فعال قرضہ جات پر 129.437 ملین روپے کے مختصات کیے گئے جس کے مقابلے میں گذشتہ سال اسی مدت میں اس کی مالیت 1,229.221 ملین روپے تھی۔

30 ستمبر 2023 کو اختتام پذیر نو ماہ پر منافع بعد از محصول 406.068 ملین روپے رہا جبکہ اس کے مقابلے میں گذشتہ سال اسی مدت کے دوران نقصان بعد از محصول کی مالیت 671.292 روپے تھی۔

31 دسمبر 2022 کے 357.85 ارب روپے کے کل اثاثہ جات کے مقابلے میں 30 ستمبر 2023 پر کل اثاثہ جات کی مالیت 271.55 ارب روپے رہی اور اس طرح سے 24.12 فیصد کمی کا اندراج ہوا۔ 30 ستمبر 2023 کے اختتام پر سرمایہ کاری کی value Carrying کی مالیت 179.25 ارب روپے رہی جبکہ 31 دسمبر 2022 پر اس کی مالیت 254.55 ارب روپے تھی جس میں 29.58 فیصد کمی کا اندراج ہوا۔ مجموعی ایڈوانسز کی مالیت 31 دسمبر 2022 کو اختتام پذیر سال کے 70.89 ارب روپے میں 3.8 فیصد کمی کے بعد 68.204 ارب روپے ہو گئی جس کی اصل وجہ اداراتی ایڈوانسز پر ریگولیٹری پابندیاں تھیں۔

31 دسمبر 2022 پر کل ڈپازٹس کی مالیت 223.04 ارب روپے تھی جو 7.58 ارب روپے کمی کے بعد 30 ستمبر 2023 پر 215.46 ارب روپے ہو گئی، جس کی وجہ بینک دولت پاکستان کی بلنڈ لاگت کے ڈپازٹس سے نجات پانے کی حکمت عملی ہے۔ زیر غور نو ماہ میں 146,650 کھاتوں یعنی 25.55 فیصد کے اضافے کے بعد کھاتوں کی تعداد بڑھ کر 720,532 ہو گئی جو گاہکوں کی تریخ اور برانچوں کی نئے گاہکوں کو متعارف کروانے کی ترقیب ظاہر کرتی ہے۔

کریڈٹ ریٹنگ

VIS کریڈٹ ریٹنگ کمپنی نے اپنی 27 جون 2023 کی رپورٹ میں بینک کی طویل المدت درجہ بندی کے لئے 'A+' (مثبت A) اور '1-A-' (مثبت A) کی توثیق کی ہے۔

کم سے کم سرمایہ (Capital) کی ضرورت اور کپٹیل کی موزونیت کا تناسب

30 ستمبر 2023 پر سندھ بینک کے سرمایہ کی موزونیت کا تناسب (Capital Adequacy Ratio) کم از کم 11.50 فیصد کی شرح کے مقابلے میں 17.17 فیصد اور لیوریج کا تناسب کم از کم 3 فیصد کی شرح کے مقابلے میں 3.01 فیصد رہا۔

بیرونی محاسبین میں تبدیلی (External Auditors)

زیر نوردت کے دوران سابقہ بیرونی آڈیٹرز، میسرز RSM: اوپس حیدرلیاقت نعمان، چارٹرڈ اکاؤنٹینٹس 27 اپریل 2023 کو مستعفی ہو گئے تھے۔ یہ عارضی غلا پر کرنے کے لئے بورڈ کی آڈٹ کمیٹی کی سفارش پر 3 اگست 2023 پر منعقدہ میٹنگ میں میسرز، ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس کو سال 2023 کے لیے بینک کے دستوری آڈیٹرز کے طور پر منتخب کر لیا گیا ہے۔

بورڈ کے ڈائریکٹرز میں تبدیلی

زیر نوردت کے دوران بورڈ میں مندرجہ ذیل تبدیلیاں ہوئی ہیں:

- جناب عدنان علی خان، آزاد ڈائریکٹر کے استعفیٰ دینے کے بعد بورڈ آف ڈائریکٹرز کے 106 ویں اجلاس منعقدہ 29 اگست 2023 میں ان کی جگہ جناب امتیاز احمد بٹ کو بطور آزاد ڈائریکٹر منتخب کیا جا چکا ہے جس کی منظوری بینک دولت پاکستان سے 9 اکتوبر 2023 کو موصول ہو گئی تھی۔
- گورنمنٹ آف سندھ کے نامزد نمائندہ جناب آصف جہانگیر کے مستعفی ہونے کے بعد، بورڈ آف ڈائریکٹرز کے 106 ویں اجلاس منعقدہ 29 اگست 2023 میں آپ کی جگہ جناب مشتاق ملک کو بطور نان ایگزیکٹو ڈائریکٹر منتخب کر لیا گیا ہے اس نامزدگی کے لیے متبادل نام حکومت سندھ کی منظوری کے لیے بھیج دیا گیا ہے اور منظوری کا انتظار ہے، منظوری کے بعد یہ نام بینک دولت پاکستان کو بھی منظوری کے لیے بھیج دیا جائے گا۔
- 05 ستمبر 2023 کو جناب ساجد جمال اہڑو، فنانس سیکریٹری، حکومت سندھ کا تبادلہ ہو گیا ہے اور نئے فنانس سیکریٹری، حکومت سندھ، جناب کاظم حسین جتوئی کو بورڈ آف ڈائریکٹرز نے اپنے گورنمنٹ آف ڈائریکٹرز 2023/02 کے ذریعے منتخب کر لیا ہے، جس کی تصدیق بورڈ آف ڈائریکٹرز کے 107 ویں اجلاس منعقدہ 26 اکتوبر 2023 میں کی گئی جس کے لیے بینک دولت پاکستان کی منظوری 24 اکتوبر 2023 کو موصول ہو گئی تھی۔

اسٹاف کی ٹریننگ اور ڈیولپمنٹ

ستمبر 2023 کو اختتام پذیر نو ماہ کے دوران بینک کے اندر 40 اور بینک سے باہر 28 ٹریننگ کے پروگرام منعقد کئے گئے جن میں برانچ بینکنگ آپریشنز، کیش مینجمنٹ، رقم جمع کروانے اور وصولیوں کے طریقہ کار اور ٹیکنیک، زرعی کاروبار سے متعلق خطرات اور قرضہ جات کی فراہمی، اسلامی بینکاری، SME فنانس، سائبر (AML/ CFT) سیکورٹی کی تعمیل، رسک مینجمنٹ، جنس کی حساسیت (Gender Sensitivity) مینیجریل سافٹ سکلز (Managerial Soft Skills)، نئے کیش افسران اور عام بینکاری کے افسران کے HR کے آگاہی پروگرام شامل ہیں۔

اس کے علاوہ ستمبر 2023 کے اختتام تک، انسٹیٹیوٹ آف بینکرز پاکستان (IBP) کے اشتراک سے کیش افسران اور عام بینکاری کے

افسران کے لئے سرٹیفیکیشن کورس پروگرام (Certification Course Program) کا انعقاد کیا گیا۔ اس ضمن میں دو گروپوں نے ٹریگ مکمل کی اور 30 ستمبر 2023 تک 1240 افسران کو سرٹیفیکیشن دیئے گئے۔

معاشی جائزہ

سال کا آغاز نمایاں سیاسی اور کل معیشت کی غیر یقینی صورتحال کے ساتھ ہوا۔ سال کے پہلے ماہ میں پاک روپے کی قدر میں 18 فیصد کی گراوٹ آئی جس سے اپنے قرضہ جات کی ادائیگی کی صلاحیت کے بارے میں پریشانی ابھر کر سامنے آئی۔ مالیاتی گراوٹ کے باعث IMF پروگرام کی بحالی پر غیر یقینی زیادہ تھی۔ مالی سال کے اختتام سے پہلے، پاکستان نے IMF کو مطمئن کرنے کے لیے دو بڑے اقدامات اٹھائے بشمول بجلی کے نرخوں میں اضافہ اور منی بجٹ (mini budget)، جس نے ملک کی ٹیکس کی وصولیائی کے ہدف کو 9.5 کھرب تک پہنچا دیا۔ تیسری سہ ماہی میں، پاکستان، IMF کے 3 ارب امریکی ڈالر کے اسٹینڈ بائی آرینجمنٹ (by arrangement stand) میں دوبارہ شامل ہوا۔ پاکستان کے IMF پروگرام میں شامل ہونے کے بعد، متحدہ عرب امارات اور سعودی عرب نے بھی مجموعی طور پر 3 ارب امریکی ڈالر بیک دولت پاکستان میں جمع کروادئے، جس سے ذخائر کے بیلنس دگنے ہو کر 18 ارب امریکی ڈالر ہو گئے۔ اس صورتحال نے پاکستان کے قلیل المدت بیرونی مالیاتی ادائیگیوں کی صلاحیت پر خدشات بڑھادیے ہیں۔

جانچ پڑتال کے بعد یہ اطلاع ہے کہ حالیہ سالوں میں گیس سیکلر بھی گردش قرضہ (circular debt) میں اضافے کا باعث ہو رہا ہے، اس کے لیے منصوبہ بنایا جا چکا ہے کہ گیس کے نرخوں میں اضافہ کیا جائے تاکہ یہ سیکلر کام جاری رکھ سکے۔ ہمارا خیال ہے کہ IMF کے گیس سیکلر کی قیمتوں میں اضافے کے تقاضے کو پورے کرنے کے لیے اسی ماہ میں گیس کی نئی قیمتوں کا اعلان کر دیا جائے گا۔ حکومت پاکستان، اکتوبر میں IMF سے سہ ماہی جائزہ کیلئے مذاکرات کے لیے تیار ہے، اور سرمایہ کار بھی IMF سے مذاکرات میں ہونے والی پیش رفت کو دلچسپی سے دیکھ رہے ہیں۔ اس جائزے کی بنیاد، ستمبر کے اختتامی اعداد و شمار ہوں گے، جس کی بنا پر پاکستان 710 بلین امریکی ڈالر کی قسط IMF سے حاصل کرے گا اور مارکیٹ میں بھی اعتماد بحال کرے گا۔

جاری سال کے نو ماہ کے دوران پاکستان کا کٹز یومر پرائس انڈیکس (CPI) کا افراط زر کا اوسط 31.71 فیصد رہا جو پاکستانی روپے کے کمزور پڑنے کے سبب ہوا جس سے توانائی اور غذائی اشیاء کی قیمتیں بڑھتی ہوئی رہیں۔ سال کے دوران عالمی تیل کی قیمتیں تیزی سے بڑھ کر 100 امریکی ڈالر ہو گئیں اور تینتے کے اختتام پر پاکستانی روپے کی قدر کم ہو کر 307 روپے فی امریکی ڈالر ہو گئی۔ جس کے نتیجے میں پیٹرول کی قیمت 330 روپے فی لٹر کی بلند ترین سطح پر آگئی تھی۔ حالیہ دنوں میں، کرنسی مارکیٹ کی اصلاحات کے سبب پاک روپے کی قدر میں 10 فیصد کا اضافہ ہوا اور یہ 278 روپے فی امریکی ڈالر ہو گئی۔ علاوہ ازیں، اسمگلنگ اور اجناس کی ذخیرہ اندوزی کے خلاف کامیاب انتظامات کے نتیجے میں غذائی اشیاء کی قیمتوں میں کمی آئی۔

سال کے دوران سودی شرح اضافے سے بڑھ کر 22 فیصد ہو گئی ہے جس کے بارے میں بینک دولت پاکستان کا اشارہ ہے کہ یہ شرح بلند ترین ہے۔ اس سے اس کا موقف ثابت ہوتا ہے کہ کرنسی کے بارے میں قیاس آرائیوں اور اسمگلنگ کے سلسلے میں اٹھائے جانے والے

کامیاب انتظامی اقدامات کے باعث افراط زر سے متعلق پریشانیوں میں کمی آئی ہے۔ موجودہ افراطی (inflationary) رجحان کے پس منظر میں ہمارا اندازہ ہے کہ صارف کی قیمتوں کے انڈیکس کا افراط زرمارج 2024 تک 20 فی صد کی سطح سے نیچے آجائے گا اور ہمارا اندازہ ہے کہ بینک دولت پاکستان مالی آسانیاں شروع کرے گا۔ حالیہ عرصہ میں پاک روپے کی قدر میں اضافہ مالی آسانیاں ہونے کے موقف کی تائید کرتا ہے۔

سال 2023 کے نو ماہ کے دوران، پاکستان کے تجارتی بیلنس میں بہتری کا عمل جاری رہنے کے ساتھ پہلے آٹھ مہینوں میں 12.7 ارب امریکی ڈالر کا تجارتی خسارہ دکھایا ہے اس کی کا محرک کم درآمدات تھیں، جو سال بہ سال کی بنیاد پر 35 فی صد کمی کے ساتھ 30.9 ارب امریکی ڈالر ہیں۔ اس اقدام کے سبب ملک کے کرنٹ اکاؤنٹ بیلنس نے 10.4 ارب امریکی ڈالر کے خسارے کے مقابلے میں 438 ملین امریکی ڈالر کا زائد ضرورت (surplus) کا اندراج کیا ہے۔ سال کے دوران سمندر پار پاکستانیوں اور کرنسی کے تبادلے سے متعلق چیلنجیں پر ہی جو ماہانہ تقریباً 2.1 ارب امریکی ڈالر (سال بہ سال 18 فی صد) رہیں اس کی کا محرک متوازی (parallel) کرنسی مارکیٹ تھی جس نے مجبور کیا کہ غیر سرکاری ذرائع استعمال کیے جائیں۔ ترسیل زر کے غیر قانونی ذرائع کے استعمال پر قابو پانے کے لیے کئے گئے اقدامات کے ساتھ بینکاری کے ذرائع کے استعمال کے لئے اضافی ترغیبات کے نفاذ سے حکومت توقع کر رہی ہے کہ ماہانہ ترسیل زر بڑھ کر 2.5 ارب امریکی ڈالر ہو جائیں گی۔

PSX کا جائزہ

سال 2023 کے نو ماہ میں معاشی اور سیاسی مشکلات کے باوجود KSE 100 انڈیکس میں 14 فی صد اضافہ ہوا۔ زیر غور مدت میں، جولائی 2023 کو IMF کا اسٹیٹڈ ہائی معاہدہ ہونے سے، توقعات سے زیادہ، کرنسی مارکیٹ میں مثبت حرکت ہوئی جنوری 2024 کے آخری ہفتے میں متوقع جزل ایکشن کے اعلان نے مثبت جذبہ پیدا کیا۔

علاوہ ازیں، اسٹیٹل انویسٹمنٹ سہولت کونسل (Special Investment Facilitation Council) کا کردار اور اس کے متعدد سیکٹرز، جیسا کہ زراعت، کان کنی (mining)، ٹیکنالوجی میں، بہت زیادہ FDI کو راغب کرنے کی صلاحیت، حکومتی اداروں کے حرکت میں آنے کے بعد اور متعدد فیصلہ کن اقدامات نے سرمایہ کاروں کا اعتماد بحال کرنے میں مدد کی۔

لسٹڈ کمپنیوں نے حوصلہ افزا کاروباری منظر نامہ کے ساتھ، مستحکم نتائج دینا جاری رکھا جو اطمینان کا باعث رہا۔ سال 2023 کے دوران 100 KSE انڈیکس کمپنیز نے 1.2 کھرب روپے کی ریکارڈ آمدنی دکھائی جو سال بہ سال کی بنیاد پر 16 فی صد زیادہ ہے۔ سال 2023 کے نو ماہ میں غیر ملکی سرمایہ کاروں کی دلچسپی بھی بحال ہوئی جس میں غیر ملکی کارپوریٹ مارکیٹ میں نیٹ خریداری بن گیا اور 24 ملین امریکی ڈالر کی نیٹ خریداری کی ہے اس کے برخلاف 2022 کے نو ماہ کے دوران 70 ملین کی نیٹ فروخت کی گئی تھی۔ علاوہ ازیں، یورپی یونین نے پاکستان کے GSP حیثیت میں توسیع کا اشارہ دیا ہے اور بینک دولت پاکستان بھی مزید سودی شرح نہیں بڑھا رہا ہے۔ جس سے مارکیٹ میں مثبت رجحان بڑھا۔

مائیکروفنانس بینک لمیٹڈ (مکمل طور پر ذیلی ادارہ)

سندھ مائیکروفنانس بینک لمیٹڈ (SMFB) نے مائیکروفنانس آپریشن کا آغاز سندھ میں مئی 2016 میں 750 ملین روپے کے ملکیتی سرمایہ سے کیا۔ 30 ستمبر 2023 تک SMFB نے اپنے منافع کے ذریعے سے اپنے ملکیتی سرمائے کو 1.1 ارب روپے سے زیادہ پہنچا دیا ہے۔ مائیکروفنانس سیکٹر کو درپیش مشکلات کے باوجود SMFB نے اپریل 2023 میں 24 فیصد 180 ملین روپے کے مقسمہ منافع کا بذریعہ بونس شیئرز کا اعلان کیا تھا اور ادا شدہ سرمایہ کو 930 ملین روپے تک بڑھا دیا۔ SMFB کا ارادہ ہے کہ جیسے ہی اس کا ادا شدہ سرمایہ ایک ارب روپے ہو جائے گا، جو کم سے کم کیپٹل کی پابندی ہے، تو وہ جلد ہی بینک دولت پاکستان سے قومی سطح کا لائسنس حاصل کرے گا۔ 30 ستمبر 2023 کے اختتام پذیر نو ماہ کے دوران SMFB بحیثیت ایک تسلسل سے جاری رہنے والے اور منافع بخش ادارے کے رہا، SMFB منافع قبل از محمول 98.05 ملین روپے (نومہ 37.7:2022 ملین روپے) کا اندراج کیا جو گزشتہ سال اسی مدت کی مالیت سے 127 فی صد زیادہ ہے۔

SMFB نے اب تک 293,000 قرضہ جات جن کی تقریباً مالیت 9.1 ارب روپے ہے، کی ادائیگیاں سندھ بھر میں 96 مقامات پر موجود دفاتر سے کی ہیں۔ مائیکروفنانس پروگرام کا مقصد سندھ کے پسماندہ طبقے، خاص طور پر خواتین تک، فنانس کی رسائی میں بہتری لانا تھا۔ اس جذبے کے تحت SMFB نے سندھ میں دیہی اور نیم شہروں میں معاشی طور پر متحرک خواتین کو خود مختار بنانے کے لئے ان تک فنانس کی رسائی میں اہم کردار ادا کیا۔

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے طویل المدت درجہ بندی - A اور قلیل المدت درجہ بندی A2 تفویض کی ہیں، PACRA کی نظر میں مائیکروفنانس کے سیکٹر میں SMFB ایک ترقی کرتا ہوا ادارہ ہے۔

30 ستمبر 2023 کو اختتام پذیر نو ماہ کی مختصر مالیاتی جھلکیاں درج ذیل ہیں:

31 دسمبر 2022		30 ستمبر 2023		
بیلنس شیٹ				
روپے ملین میں	کھاتوں کی تعداد	روپے ملین میں	کھاتوں کی تعداد	
1,321	66,133	1,720	69,813	مجموعی قرضہ کارپورٹ فولیو
2,008		3,134		کل اثاثہ جات
600	129,056	1,224	153,477	ڈپازٹس
310		710		ادھار
995		2,051		کل واجبات (Liabilities)
1,012		1,083		خالص ملکیتی سرمایہ (Equity)
قرضہ جات کی فراہمی کی سرگرمی				
	30 ستمبر 2022 پر اختتام پذیر نو ماہ		30 ستمبر 2023 پر اختتام پذیر نو ماہ	
روپے ملین میں	کھاتوں کی تعداد	روپے ملین میں	کھاتوں کی تعداد	
986	30,115	2,258	55,992	قرضہ جات کی فراہمی
نفع نقصان کا کھاتہ				
251		450		خالص سودی آمدن
37		98		منافع قبل از محصول
(10)		(27)		محصول
27		71		منافع بعد از محصول

مستقبل کا منظر نامہ


اب تک حوصلہ افزاء نتائج حاصل کرنے کے بعد، انتظامیہ پرعزم ہے کہ وہ آنے والی مدت میں مندرجہ ذیل مقاصد پر اپنی توجہ برقرار رکھے گی:


- (i) غیر فعال قرضوں کی بحالی اور کمی؛
- (ii) کنزیومر، SME اور تجارتی کاروبار میں اضافہ؛
- (iii) متبادل فراہمی اور خدمات کے ذرائع جس کی بنیاد ٹیکنالوجی پلیٹ فارم پر ہو، تاکہ گاہکوں کو سہولت فراہم کی جاسکے۔
- (iv) عملی تریبیت اور ترقی
- (v) خطرے اور نگرانی کے ماحول کی مضبوطی

اعتراف

یورڈ آف ڈائریکٹرز کی جانب سے، میں خلوص دل سے ریگولیشنز، حصص کنندگان اور گاہکوں کا ان کی پیک انتظامیہ کی مسلسل رہنمائی اور حمایت کرنے پر شکریہ ادا کرنا چاہتا ہوں۔

یورڈ آف ڈائریکٹرز کی جانب سے


آفتاب عالم
نان ایگزیکٹو ڈائریکٹر


عمران احمد
صدر CEO

کراچی: 26 اکتوبر 2023

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO
 شہید محترمہ بینظیر بھٹو کی یاد میں
SINDH BANK
سندھ بینک
 POWER TO THE PEOPLE
 باختیار عوام

HOMEREMITTANCE
 FASTEST AND RELIABLE WAY TO RECEIVE MONEY

Sindh Bank offers unmatched outreach with over 330 online branches in Pakistan to receive money from anywhere across the globe.

Western Union | **ria** Money Transfer | **MoneyGram** money transfer

☎ 111-333-225 | 🌐 www.sindhbank.com.pk | 📌 sindhbanklimitedofficial | 📷 sindhbankltd | 📌 companysindh-bank-limited

**UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS
PERIOD ENDED
SEPTEMBER 30, 2023**

Unconsolidated Condensed Interim Statement of Financial Position As At September 30, 2023

		September 30, 2023 Un-audited	December 31, 2022 Audited
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	7	19,757,623	14,168,738
Balances with other banks	8	1,264,207	1,619,530
Lendings to financial institutions	9	2,972,100	19,967,424
Investments-net	10	179,255,509	254,552,777
Advances-net	11	40,987,984	43,802,328
Fixed assets	12	3,320,318	4,032,522
Intangible assets	13	119,082	117,271
Deferred tax assets-net	14	14,888,809	14,662,046
Other assets	15	8,988,683	4,927,691
		271,554,315	357,850,327
LIABILITIES			
Bills payable	16	1,083,047	726,148
Borrowings	17	20,649,140	106,934,714
Deposits and other accounts	18	215,463,385	223,043,950
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	19	12,232,556	9,994,556
		249,428,128	340,699,368
NET ASSETS		22,126,187	17,150,959
REPRESENTED BY			
Share capital - net	20	29,524,428	29,524,428
Reserves		1,542,626	1,461,412
Shares deposit money	21	5,000,000	-
Deficit on revaluation of assets	22	(1,639,340)	(1,208,500)
Accumulated Loss		(12,301,527)	(12,626,381)
		22,126,187	17,150,959
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

 Chairman	 President and Chief Executive Officer	 Director	 Director	 Chief Financial Officer
---	---	---	--	--

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited) For The Nine Months And Quarter Ended September 30, 2023

	Nine months ended		Quarter ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Note	----- (Rupees in '000) -----			
Mark-up / Return / Interest Earned	24 38,506,708	25,884,223	11,614,344	10,585,822
Mark-up / Return / Interest Expensed	25 32,733,645	21,517,317	9,197,441	9,265,089
Net Mark-up / Interest Income	5,773,063	4,366,906	2,416,903	1,320,733
Non Mark-up / Interest Income				
Fee and Commission Income	26 436,880	313,210	154,090	107,337
Dividend Income	142,979	193,164	45,089	105,335
Foreign Exchange Income	739,229	429,357	142,670	98,715
Income / (loss) from derivatives	-	-	-	-
Gain / (Loss) on securities	27 (30,955)	(126,765)	76,496	3,821
Other Income	28 7,149	5,685	4,344	1,497
Total non-markup/interest Income	1,295,282	814,651	422,689	316,705
Total Income	7,068,345	5,181,557	2,839,592	1,637,438
Non Mark-up / Interest Expenses				
Operating expenses	29 5,931,195	5,041,623	2,065,526	1,799,543
Other charges	30 56,905	9,049	967	8,289
Total non-markup/interest expenses	5,988,100	5,050,672	2,066,493	1,807,832
Profit / (Loss) before provisions	1,080,245	130,885	773,099	(170,394)
Provisions and write offs - net Extra ordinary / unusual items	31 129,437	1,229,221	394,013	126,825
	-	-	-	-
Profit / (Loss) before Taxation	950,808	(1,098,336)	379,086	(297,219)
Taxation	32 544,740	(427,044)	217,730	(113,540)
Profit / (Loss) after Taxation	406,068	(671,292)	161,356	(183,679)
----- (Rupees) -----				
Basic earning / (Loss) per share	33 0.14	(0.26)	0.05	(0.07)
Diluted earning / (Loss) per share	34 0.13	(0.26)	0.05	(0.07)

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

 Chairman	 President and Chief Executive Officer	 Director	 Director	 Chief Financial Officer
---	---	---	--	--

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For The Nine Months And Quarter Ended September 30, 2023

	Nine months ended		Quarter ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----			
Profit / (Loss) after taxation for the period	406,068	(671,292)	161,356	(183,679)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (Deficit) / surplus on revaluation of investments - net of tax	<u>(430,840)</u>	<u>257,288</u>	<u>679,905</u>	<u>(188,883)</u>
	(24,772)	(414,004)	841,261	(372,562)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of deferred tax	-	-	-	-
Total comprehensive (loss) / Inome	<u>(24,772)</u>	<u>(414,004)</u>	<u>841,261</u>	<u>(372,562)</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.


 Chairman


 President and Chief Executive Officer


 Director


 Director


 Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) For The Nine Months And Quarter Ended September 30, 2023

	Share Capital	Shares Deposit Money	Capital Reserves			Surplus / (Deficit) on revaluation of Investments	Accumulated Loss **	Total
			Reserves on amalgamation	Share Premium	Statutory Reserve *			
Rupees in '000								
Balance as at January 01, 2022	25,524,428	4,000,000	9,433	51	1,451,928	(1,121,647)	(11,236,911)	18,627,282
Loss for the nine months ended September 30, 2022	-	-	-	-	-	-	(671,292)	(671,292)
Other comprehensive income - net of tax	-	-	-	-	-	257,288	-	257,288
Balance as at September 30, 2022	25,524,428	4,000,000	9,433	51	1,451,928	(864,359)	(11,908,203)	18,213,278
Loss after tax for the three months ended December 31, 2022	-	-	-	-	-	-	(714,458)	(714,458)
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	(344,141)	(3,720)	(347,861)
Share deposit money	4,000,000	(4,000,000)	-	-	-	-	-	-
Balance as at December 31, 2022	29,524,428	-	9,433	51	1,451,928	(1,208,500)	(12,626,381)	17,150,959
Profit for the nine months ended September 30, 2023	-	-	-	-	-	-	406,068	406,068
Share deposit money	-	5,000,000	-	-	-	-	-	5,000,000
Transfer to statutory reserve	-	-	-	-	81,214	-	(81,214)	-
Other comprehensive income - net of tax	-	-	-	-	-	(430,840)	-	(430,840)
Balance as at September 30, 2023	29,524,428	5,000,000	9,433	51	1,533,142	(1,639,340)	(12,301,527)	22,126,187

* Statutory reserve represents amount set aside as per the requirements of Section 21 of the Banking Companies Ordinance, 1962.

** As more fully explained in note 11.2.2 of these unconsolidated financial statements, unappropriated profit / (loss) includes an amount of Rs. 4,770.63 million net of tax as at September 30, 2023 (December 31, 2022: Rs.4,737.96 million) representing additional profit arising from availing forced sale value benefit for determining provisioning requirement which is not available for the purpose of distribution of dividend to shareholders.

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.


 Chairman


 President and
Chief Executive Officer


 Director


 Director


 Chief Financial Officer

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited) For The Nine Months Ended September 30, 2023

		September 30, 2023	September 30, 2022
	Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		950,808	(1,098,336)
Less: Dividend income		<u>(142,979)</u>	<u>(193,164)</u>
		807,829	(1,291,500)
Adjustments:			
Depreciation	29	779,596	804,753
Amortisation	29	30,396	26,160
Provision against non-performing loans and advances - net	31	119,646	1,224,173
Provision for diminution in the value of investments - net	31	9,101	5,048
Gain on sale of operating fixed assets	28	<u>(4,164)</u>	<u>2,835</u>
		934,575	2,062,969
		1,742,404	771,469
(Increase) / decrease in operating assets			
Lendings to financial institutions		16,995,324	(6,545,605)
Advances - net		2,694,698	2,354,674
Other assets (excluding advance taxation)		<u>(4,019,488)</u>	<u>(3,571,120)</u>
		15,670,534	(7,762,051)
Increase / (decrease) in operating liabilities			
Bills payable		356,899	362,598
Borrowings from financial institutions		<u>(86,285,574)</u>	<u>98,451,168</u>
Deposits and other accounts		<u>(7,580,565)</u>	<u>(28,911,546)</u>
Other liabilities (excluding current taxation)		2,238,000	460,088
		<u>(91,271,240)</u>	<u>70,362,308</u>
		<u>(73,858,302)</u>	<u>63,371,726</u>
Income tax paid		<u>(537,550)</u>	<u>(268,295)</u>
Net cash flows from / (used in) operating activities		<u>(74,395,852)</u>	<u>63,103,431</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in available-for-sale securities		44,898,565	(73,276,709)
Net investment in held-to-maturity securities		29,683,305	5,381,412
Dividends received		142,979	193,164
Investments in operating fixed assets		<u>(100,061)</u>	<u>(257,459)</u>
Sale proceeds from sale of fixed assets		4,626	3,613
Net cash flows from / (used in) investing activities		74,629,414	(67,955,979)
CASH FLOW FROM FINANCING ACTIVITIES			
Share deposit money		5,000,000	-
Net cash flows from financing activities		5,000,000	-
Increase in cash and cash equivalents		5,233,562	(4,852,548)
Cash and cash equivalents at the beginning of the year		<u>15,788,268</u>	<u>20,434,492</u>
Cash and cash equivalents at the end of the period	35	<u>21,021,830</u>	<u>15,581,944</u>

The annexed notes from 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.


 Chairman


 President and
 Chief Executive Officer


 Director


 Director


 Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For The Nine Months Ended September 30, 2023

1. STATUS AND NATURE OF BUSINESS

- 1.1 Sindh Bank Limited (the Bank) was incorporated in Pakistan on October 29, 2010 as a public unlisted company and is engaged in Commercial Banking, Corporate and Investment related activities. The Bank operates 330 (2022: 330) branches including 8 (2022: 8) sub-branches and 14 (2022: 14) Islamic banking branches in Pakistan. The Bank's registered office is located at 3rd floor, Federation House, Abdullah Shah Ghazi Road, Clifton, Karachi, Pakistan.
- 1.2 The Government of Sindh, through its Finance Department owns 99.97% ordinary shares of the Bank.
- 1.3 VIS Credit Rating Company Limited has reaffirmed the long term entity rating of A+ (Single A Plus) and short term rating of A-1 (A-one) in its report dated June 27, 2023.
- 1.4 Listing of the Bank will be undertaken in future after improvement in Bank's financial position and Regulator's guidance on the matter.

2. BASIS OF PRESENTATION

- 2.1 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 5 dated 22 March 2019 and the requirements of the International Accounting Standard 34, "Interim Financial Reporting". These do not include all of the information required for the full set of annual financial statements and should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2022.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the Banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by Banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon. The Islamic Banking branches of the Bank have complied with the requirements set out under the Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified under the provisions of the Companies Act, 2017.
- 2.3 The financial results of the Islamic Banking branches have been consolidated in these unconsolidated condensed interim financial statements for reporting purposes, after eliminating material inter-branch transactions / balances. Key financial figures of the Islamic Banking branches are disclosed in note 40 to these unconsolidated condensed interim financial statements.

3. STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. These accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and 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 Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) for Banking companies till further instructions. Further, according to the notification of the Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, the IFRS - 7 Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

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 audited unconsolidated financial statements for the Quarter ended December 31, 2022.

5 SIGNIFICANT ACCOUNTING POLICIES

5.1 Standards, interpretations and amendments to approved accounting standards that are effective in the current period

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2023. These are considered either not to be relevant or do not have any significant impact on these condensed interim financial statements.

5.2 Standards, interpretations and amendments to published accounting and reporting standards that are relevant but not yet effective:

IFRS 9 - Financial Instruments has been made applicable in several overseas jurisdictions from January 01, 2018 and is progressively being adopted in others. The requirements of IFRS 9 are incorporated in the banks financial statements for the jurisdictions where IFRS 9 has been adopted. In terms of SBP's BPRD Circular Letter No. 03 of 2022 dated July 05, 2022 the effective date of implementation of IFRS 9 is January 01, 2024 for banks having assets size of less than Rs. 500 billion as per their Annual Financial Statements of December 31, 2021. Since Sindh Bank Limited has assets size of less than Rs. 500 billion as at December 31, 2021 therefore, the effective date of implementation of IFRS 9 would be January 01, 2024.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Bank for the year ended December 31, 2022.

		September 30, 2023 Un-audited	December 31, 2022 Audited
	Note	----- (Rupees '000) -----	
7 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		3,221,360	4,593,287
Foreign currency		169,598	112,285
		3,390,958	4,705,572
With State Bank of Pakistan (SBP) in			
Local currency current accounts	7.1	15,332,917	9,015,993
Foreign currency current accounts	7.2	63,817	105,966
Foreign currency deposit accounts			
- Non Remunerative	7.3	161,856	104,727
- Remunerative	7.4	312,309	205,270
		15,870,899	9,431,956
With National Bank of Pakistan in			
Local currency current accounts		483,422	22,429
Local currency deposit accounts	7.5	697	5
		484,119	22,434
Prize bonds		11,647	8,776
		19,757,623	14,168,738

7.1 This represents cash reserve required to be maintained with SBP as per the requirement of Section 22 of the Banking Companies Ordinance, 1962. This is a sum not less than such percentage of the Bank's time and demand liabilities in Pakistan as may be prescribed by the SBP.

7.2 This represents US Dollar Settlement Account maintained with SBP.

7.3 This represents foreign currency (FCY) cash reserve maintained with SBP to comply with statutory reserve requirement applicable to Bank's FCY deposits.

7.4 This represents foreign currency special cash reserve maintained with SBP. The Bank is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared 3.34% to 4.33% profits (2022 : 0% - 3.14%) per annum.

7.5 This includes savings account with National Bank of Pakistan carrying mark-up at 20.50% (2022: 14.50%) per annum.

		September 30, 2023 Un-audited	December 31, 2022 Audited
	Note	----- (Rupees '000) -----	
8	BALANCES WITH OTHER BANKS		
	In Pakistan		
	In current accounts	30	30
	In savings accounts	1,620	1,434
		1,650	1,464
	Outside Pakistan		
	In current accounts	1,262,557	1,618,066
		1,264,207	1,619,530

8.1 This includes savings account with a commercial bank carrying profit at the rate of 20.50% (2022: 14.50%) per annum.

9 LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	9.2 & 9.3	2,972,100	19,967,424
Musharaka arrangements		-	-
		2,972,100	19,967,424

9.1 Particulars of lending

In local currency	2,972,100	19,967,424
In foreign currencies	-	-
	2,972,100	19,967,424

9.2 This represents arrangement with a commercial bank carrying mark-up @ 22.4% (2022 : 15.75% to 16.20%) per annum maturing on October 02, 2023 (2022 : January 06, 2023).

9.3 Securities held as collateral against Lendings to financial institutions

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Held by Bank	Further given as collateral	Total	Held by Bank	Further given as collateral	Total
	----- (Rupees '000) -----					
Market Treasury Bills	-	-	-	18,016,775	-	18,016,775
Pakistan Investment Bonds	2,972,400	-	2,972,400	1,975,600	-	1,975,600
Total	2,972,400	-	2,972,400	19,992,375	-	19,992,375

10 INVESTMENTS - NET	Note	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
		Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
10.1 Investments by type		----- Rupees in '000 -----							
Available-for-sale securities									
Federal Government Securities									
Market Treasury Bills		-	-	-	-	64,108,973	-	(180,402)	63,928,571
Pakistan Investment Bonds		17,456,987	-	(2,829,217)	14,627,770	17,616,725	-	(1,265,020)	16,351,705
Pakistan Investment Bonds - Floater Government of Pakistan - Ijarah Sukuk		145,676,245	-	126,442	145,802,687	125,882,687	-	(167,136)	125,715,551
Shares									
Listed		2,361,927	(342,757)	6,827	2,025,997	2,785,332	(342,757)	(373,481)	2,069,094
Mutual funds		215,049	(43,684)	29,196	200,561	215,049	(42,806)	19,492	191,735
		169,710,209	(386,441)	(2,687,443)	166,636,325	214,608,774	(385,563)	(1,981,145)	212,242,066
Held-to-maturity securities									
Federal Government Securities									
Market Treasury Bills		-	-	-	-	29,623,413	-	-	29,623,413
Pakistan Investment Bonds		11,283,887	-	-	11,283,887	11,343,755	-	-	11,343,755
Preference Shares - Unlisted		77,708	(77,708)	-	-	77,708	(77,708)	-	-
Non-government debt securities									
Term finance certificates - Listed		224,235	-	-	224,235	224,235	-	-	224,235
Term finance certificates - Unlisted		858,925	(497,863)	-	361,062	858,949	(489,641)	-	369,308
		12,444,755	(575,571)	-	11,869,184	42,128,060	(567,349)	-	41,560,711
Investment in Subsidiary									
Fully paid ordinary shares	10.5	750,000	-	-	750,000	750,000	-	-	750,000
Total Investments		182,904,964	(962,012)	(2,687,443)	179,255,509	257,486,834	(952,912)	(1,981,145)	254,552,777
						September 30, 2023 Un-audited	December 31, 2022 Audited		
						----- (Rupees '000) -----			
10.2 Investments given as collateral									
Federal government securities									
Pakistan Investment Bonds						19,123,200	104,589,900		
Market Treasury Bills						-	-		
						19,123,200	104,589,900		
10.3 Provision for diminution in value of investments									
10.3.1 Opening balance						952,912	873,216		
Charge / reversals									
Charge for the period / year						9,101	80,939		
Reversals for the period / year						-	-		
Reversal on disposals for the period / year						-	(1,243)		
Transfers - net						9,101	79,696		
Closing Balance						962,012	952,912		

September 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
Non performing investments	Provision	Non performing investments	Provision

----- Rupees in '000 -----

10.3.2 Particulars of provision against equity / debt investments

Category of classification

Domestic

Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	978,493	962,012	977,614	952,912
Total	978,493	962,012	977,614	952,912

10.3.3 The Bank has availed the benefit of forced sale value of collateral against non-performing investment under the prudential regulation issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, provision against non-performing investment would have been higher by Rs. 16.480 million (2022: Rs.24.70 million). The resultant increase in profit due to FSV benefit taken will not be available for distribution as cash and stock dividend to shareholders.

10.4 The market value of securities classified as held-to-maturity as at Sept 2023 amounted to Rs. 9,748.18 million (December 31, 2022: Rs.40,242.39 million).

10.5 During the quarter June 2023 Sindh MicroFinance Bank Limited had issued 18 million ordinary shares of Rs. 10 each, these shares have been allotted as fully paid up bonus shares in the proportion of 24 shares for every hundred existing shares ranking pari passu in all respects with the existing ordinary shares of the company.

11 ADVANCES - NET

	Performing		Non Performing		Total	
	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
----- Rupees in '000 -----						
Loans, cash credits, agriculture, running finances etc.	25,707,160	28,762,623	34,844,385	34,531,096	60,551,545	63,293,719
Commodity finance	5,917,270	5,205,042	-	-	5,917,270	5,205,042
Net investment in finance lease	346,320	538,713	417,840	420,881	764,160	959,594
Islamic financing and related assets						
Diminishing musharakah financing	572,584	1,021,768	11,423	11,898	584,007	1,033,666
Ijarah financing under IFAS 2	10,291	11,371	-	-	10,291	11,371
	32,553,625	35,539,517	35,273,648	34,963,875	67,827,273	70,503,392
Bills discounted and purchased (excluding market treasury bills)						
Payable in Pakistan	368,044	386,782	-	-	368,044	386,782
Payable outside Pakistan	5,897	5,738	3,405	3,405	9,302	9,143
	373,941	392,520	3,405	3,405	377,346	395,925
Advances - gross	32,927,566	35,932,037	35,277,053	34,967,280	68,204,619	70,899,317
Provision for non-performing advances						
- Specific Provision	-	-	27,207,415	27,089,777	27,207,415	27,089,777
- General provision against consumer and small enterprise advances	9,220	7,212	-	-	9,220	7,212
	9,220	7,212	27,207,415	27,089,777	27,216,635	27,096,989
Total Advances - Net	32,918,346	35,924,825	8,069,638	7,877,503	40,987,984	43,802,328

11.1 Particulars of advances (Gross)	September 30, 2023	December 31, 2022
	Un-audited	Audited
	----- (Rupees '000) -----	
In local currency	68,204,619	70,899,317
In foreign currencies	-	-
	<u>68,204,619</u>	<u>70,899,317</u>

11.2 Advances include Rs. 35,277.05 (2022: Rs. 34,967.28) million which have been placed under non-performing status are as detailed below:

Category of Classification	Note	September 30, 2023		December 31, 2022	
		Un-audited		(Audited)	
		Non performing Loans	Provision	Non performing Loans	Provision
		----- Rupees in '000 -----			
Domestic					
Other Assets Especially Mentioned	11.2.1	-	-	26,794	-
Substandard		129,875	333	10,979	36
Doubtful		334,032	623	198,971	23,739
Loss		34,813,146	27,206,459	34,730,536	27,066,002
Total		<u>35,277,053</u>	<u>27,207,415</u>	<u>34,967,280</u>	<u>27,089,777</u>

11.2.1 This represents non-performing portfolio of agricultural and small and medium enterprise financing classified as OAEM as per the requirements of the Prudential Regulations for Agricultural, Infrastructure Project Financing and Small and Medium Enterprise Financing issued by the State Bank of Pakistan.

11.2.2 The Bank has availed the benefit of forced sale value on plant and machinery under charge and mortgaged residential and commercial property (land and building only) held as collateral against non-performing advances under the prudential regulation issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, specific provision against non-performing advances would have been higher by Rs. 7,804.21 (2022: Rs. 7,742.44) million. The resultant increase in profit due to FSV benefit taken will not be available for distribution as cash and stock dividend to shareholders.

11.2.3 Particulars of provision against advances

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- Rupees in '000 -----					
Opening balance	27,089,777	7,212	27,096,989	25,236,386	2,903	25,239,289
Exchange adjustments	-	-	-	-	-	-
Charge for the period	1,101,204	2,008	1,103,212	2,718,477	4,309	2,722,786
Reversals	(952,410)	-	(952,410)	(860,608)	-	(860,608)
	148,794	2,008	150,802	1,857,869	4,309	1,862,178
Amounts charged off - Agriculture loans	(31,156)	-	(31,156)	(4,478)	-	(4,478)
Net charge / (reversal) during the period	117,638	2,008	119,646	1,853,391	4,309	1,857,700
Fair value adjustment on net assets of Sindh Leasing Co. Ltd	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-
Closing balance	<u>27,207,415</u>	<u>9,220</u>	<u>27,216,635</u>	<u>27,089,777</u>	<u>7,212</u>	<u>27,096,989</u>

11.2.3.1 General provision against consumer loans represents provision maintained at an amount equal to 1% (2022: 1%) of the fully secured performing portfolio and 4% (2022: 4%) of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP. General provision against Small Enterprises financing represents provision maintained at an amount equal to 0% (2022: 0%) of the fully secured performing portfolio and 1% of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP.

	Note	September 30, 2023	December 31, 2022
		Un-audited	Audited
		----- (Rupees '000) -----	
12 FIXED ASSETS			
Capital work-in-progress	12.1	11,668	26,725
Property and equipment		1,195,371	1,312,351
Right of use assets		2,113,279	2,693,446
		<u>3,320,318</u>	<u>4,032,522</u>
12.1 Capital work-in-progress			
Civil works		5,224	4,325
Equipment		102	2,041
Advances to suppliers		6,342	20,359
		<u>11,668</u>	<u>26,725</u>

September 30,
2023

September 30,
2022

Un-audited
----- Rupees in '000 -----

12.2 Additions to fixed assets

The following additions have been made to fixed assets during the period:

Property and equipment :

Lease hold improvements	18,770	34,733
Furniture and fixture	5,787	3,862
Computer and office equipment	45,325	49,867
Vehicles	13,030	120,357
Total	<u>82,912</u>	<u>208,819</u>

Disposal of fixed assets

The net book value of fixed assets disposed off during the period is as follows:

Furniture and fixture	-	10
Lease hold improvements	-	560
Computer and office equipment	-	24
Vehicles	462	184
Total	<u>462</u>	<u>778</u>

	September 30, 2023	December 31, 2022
	Un-audited	Audited
		----- (Rupees '000) -----
13 INTANGIBLE ASSETS		
Computer Software	119,082	117,271
Others	-	-
	<u>119,082</u>	<u>117,271</u>

	September 30, 2023	September 30, 2022
	Un-audited	
	----- Rupees in '000 -----	
Additions to intangible assets		
The additions intangible assets during the period:		
Computer Software	32,205	8,701
Disposals of intangible assets		
The net book value of intangible assets disposed off during the period.	-	-
	September 30, 2023	December 31, 2022
	Un-audited	Audited
	----- (Rupees '000) -----	
14 DEFERRED TAX ASSETS - NET		
Deductible Temporary Differences on		
- Provision against advances - general	8,572,357	9,108,677
- Tax losses carried forward	3,838,766	3,782,989
- Provision for diminution in the value of investments	94,853	94,853
- Deficit on revaluation of investments	1,048,103	772,647
- Others	1,466,489	1,050,673
	15,020,568	14,809,839
Taxable Temporary Differences on		
- Accelerated tax depreciation - tangible fixed assets	14,113	(3,797)
- Net investment in Lease Finance	(131,859)	(131,859)
- Accelerated tax amortization - intangible assets	(14,013)	(12,137)
	(131,759)	(147,793)
	14,888,809	14,662,046

- 14.1** The Bank has an aggregate amount of deferred tax assets of Rs. 14,889 million (2022: Rs. 14,662 million). Deferred tax asset has been recorded based on management's best estimate of the probable benefits expected to be realised in future years in the form of reduced tax liability as the Bank would be able to set off the profits earned in those years against the deferred tax asset. In this regard, the Bank has prepared financial projections for future taxable profits, which have been approved by the Board of the Bank, to assess the recoverability of deferred tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as growth in high yield consumer advances, investment returns, potential provision against assets, interest rates, cost of funds and expected recoveries of classified loans. Any significant change in such assumptions may have an effect on the recoverability of the deferred tax assets. Management believes that it is probable that the Bank will be able to achieve the profits and consequently, the deferred tax asset will be fully realised in future.

	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
15 OTHER ASSETS		
Income/ Mark-up accrued in local currency	8,290,974	4,261,207
Accrued commission income	19,730	19,730
Advances, deposits, advance rent and other prepayments	366,019	182,617
Receivable against sale of shares	-	56,982
Insurance premium receivable against agriculture loans	9,858	9,841
Stationery and stamps on hand	18,795	18,966
Dividends receivable	-	-
Receivable against 1 Link ATM settlement account	73,665	305,152
Advance Taxation - net	54,416	12,912
Acceptances	-	-
Insurance claims receivable	8,643	3,375
Other receivables	146,583	56,909
	<u>8,988,683</u>	<u>4,927,691</u>
16 BILLS PAYABLE		
In Pakistan	1,083,047	726,148
Outside Pakistan	-	-
	<u>1,083,047</u>	<u>726,148</u>
17 BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan		
- Under export refinance scheme	1,453,300	1,874,835
- Under long term finance facility	29,940	59,879
Repurchase agreement borrowings		
- State Bank of Pakistan (SBP)	10,000,000	105,000,000
- Other commercial banks / (DFIs)	9,165,900	-
	<u>19,165,900</u>	<u>105,000,000</u>
	<u>20,649,140</u>	<u>106,934,714</u>
17.1 Particulars of borrowings		
In local currency	20,649,140	106,934,714
In foreign currencies	-	-
	<u>20,649,140</u>	<u>106,934,714</u>

18 DEPOSITS AND OTHER ACCOUNTS

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	48,209,556	893,013	49,102,569	57,625,016	538,290	58,163,306
Savings deposits	121,796,194	1,634,328	123,430,522	98,443,519	1,009,539	99,453,058
Term deposits	37,107,719	265,766	37,373,485	61,811,366	435,818	62,247,184
Margin and other deposits	3,616,924	-	3,616,924	480,506	-	480,506
	<u>210,730,393</u>	<u>2,793,107</u>	<u>213,523,500</u>	<u>218,360,407</u>	<u>1,983,647</u>	<u>220,344,054</u>
Financial Institutions						
Current deposits	248,326	31	248,357	53,242	24	53,266
Savings deposits	597,528	-	597,528	627,586	-	627,586
Term deposits	974,000	-	974,000	1,899,000	-	1,899,000
Margin and other deposits	120,000	-	120,000	120,044	-	120,044
	<u>1,939,854</u>	<u>31</u>	<u>1,939,885</u>	<u>2,699,872</u>	<u>24</u>	<u>2,699,896</u>
	<u>212,670,247</u>	<u>2,793,138</u>	<u>215,463,385</u>	<u>221,060,279</u>	<u>1,983,671</u>	<u>223,043,950</u>

19 OTHER LIABILITIES

	Note	September 30,	December 31,
		2023 Un-audited	2022 Audited
----- (Rupees '000) -----			
Mark-up / return / interest payable in local currency		8,061,883	4,740,408
Mark-up / return / interest payable in foreign currency		4,661	3,485
Accrued expenses		452,084	281,813
Net defined benefit liability		112,205	104,688
Provision for compensated absences		233,730	250,602
Payable against 1 Link ATM settlement account		-	-
Unrealised loss against forward forex revaluation - net		351,736	692,112
Payable against purchase of operating fixed assets		24,230	44,089
Payable against purchase of shares		-	309,248
Retention money		54,875	56,547
Federal excise duty / sales tax on services payable		3,321	1,835
Lease liability		2,381,358	2,861,097
Withholding tax payable		55,858	20,919
Acceptances		-	-
Security deposit against lease contracts	19.1	192,412	237,882
Others		304,203	389,831
		<u>12,232,556</u>	<u>9,994,556</u>

19.1 These represent interest free security deposits received from lessees against lease contracts and are adjustable against residual value of leased assets at the expiry of the respective lease terms.

20 SHARE CAPITAL		September 30,	December 31,
20.1 Authorised capital	Note	2023	2022
September 30, 2023		Un-audited	Audited
December 31, 2022		----- (Rupees '000) -----	
Un-audited	Audited		
Number of Shares			
3,000,000,000	3,000,000,000	Ordinary shares of Rs.10 each	30,000,000
			30,000,000
20.2 Issued, subscribed and paid-up share capital			
Fully paid in cash			
2,952,442,817	2,552,442,817	Ordinary shares of Rs. 10/- Each	29,524,428
-	400,000,000	Right shares of Rs.10/- Each	-
2,952,442,817	2,952,442,817		29,524,428
			29,524,428
20.3 The Government of Sindh, through its Finance Department, owns 99.97% ordinary shares of the Bank.			
21 SHARES DEPOSIT MONEY			
Opening balance		-	4,000,000
Received during the period / year		5,000,000	-
Right shares issued during the period / year		-	(4,000,000)
		5,000,000	-
22 DEFICIT ON REVALUATION OF ASSETS			
Available-for-sale securities			
Federal government securities		(2,723,466)	(1,627,156)
Fully paid ordinary shares - listed		6,827	(373,481)
Units of mutual funds (units / certificates)		29,196	19,492
		(2,687,443)	(1,981,145)
Related deferred taxation		1,048,103	772,645
		(1,639,340)	(1,208,500)
23 CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	7,246,613	4,475,012
Commitments	23.2	105,223,801	167,300,904
Other contingent liabilities		-	-
		112,470,414	171,775,916
23.1 Guarantees:			
Financial guarantees		696,899	695,773
Performance guarantees		2,346,284	2,684,368
Other guarantees		4,203,430	1,094,871
		7,246,613	4,475,012

	Note	September 30, 2023	December 31, 2022
		Un-audited	Audited
		----- (Rupees '000) -----	
23.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		3,629,779	549,961
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	65,009,833	32,362,486
- forward lending	23.2.2	36,584,189	134,388,457
Other commitments		-	-
		<u>105,223,801</u>	<u>167,300,904</u>

23.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	32,860,568	16,669,577
Sale	32,149,265	15,692,909
	<u>65,009,833</u>	<u>32,362,486</u>

23.2.2 Commitments in respect of forward lending

Forward repurchase agreement lending	19,407,306	106,368,612
Forward resale agreement borrowing	2,977,572	19,984,859
Undrawn formal standby facilities, credit lines and other commitments to lend	23.2.2.1	14,199,311
		8,034,986
		<u>36,584,189</u>
		<u>134,388,457</u>

23.2.2.1 Commitments to extend credit

The Bank makes commitments to extend credit in the normal course of its business but these are revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

	For Nine Months ended	
	September 30, 2023	September 30, 2022
		----- Un-audited -----
		----- Rupees in '000 -----
24 MARK-UP/RETURN/INTEREST EARNED		
Loans and advances	5,133,975	3,728,069
Investments	32,222,093	21,053,163
Lendings to financial institutions	1,011,675	1,088,077
Balances with banks	138,965	14,914
	<u>38,506,708</u>	<u>25,884,223</u>

		For Nine Months ended	
		September 30,	September 30,
		2023	2022
		----- Un-audited -----	
		----- Rupees in '000 -----	
25	MARK-UP/RETURN/INTEREST EXPENSED		
			Note
	Deposits	22,711,870	11,415,184
	Borrowings	9,674,504	9,889,841
	Cost of swaps against foreign currency deposits / borrowings	99,835	77,480
	Lease liability against right of use assets	247,436	134,812
		<u>32,733,645</u>	<u>21,517,317</u>
26	FEE AND COMMISSION INCOME		
	Branch banking customer fees	47,576	42,002
	Consumer finance related fees	2,050	1,359
	Card related fees (debit cards)	191,086	152,220
	Commission on trade	122,570	45,859
	Commission on guarantees	41,463	42,917
	Credit related fees	6,486	13,212
	Commission on remittances including home remittances	22,986	14,904
	Others	2,663	737
		<u>436,880</u>	<u>313,210</u>
27	GAIN / (LOSS) ON SECURITIES		
	Realised	27.1 (30,955)	(126,765)
	Unrealised - held for trading	-	-
		<u>(30,955)</u>	<u>(126,765)</u>
27.1	Realised gain/(loss) on:		
	Federal Government Securities	9,673	(23,149)
	Shares of listed companies	(40,628)	(103,616)
		<u>(30,955)</u>	<u>(126,765)</u>
28	OTHER INCOME		
	Gain on sale of operating fixed assets	4,164	2,835
	Rent on property	630	520
	Incidental charges	2,225	2,130
	Others	130	200
		<u>7,149</u>	<u>5,685</u>

	Note	For Nine Months ended	
		September 30, 2023	September 30, 2022
		----- Un-audited ----- ----- Rupees in '000 -----	
29 OPERATING EXPENSES			
Total compensation expense	29.1	3,175,586	2,654,168
Property expenses			
Rent & taxes		21,436	19,486
Insurance		42,541	41,255
Utilities cost		375,426	301,553
Security (including guards)		339,147	304,279
Repairs & maintenance (including janitorial charges)		15,935	17,987
Depreciation		52,149	49,915
Depreciation on right of use assets		580,167	591,304
		1,426,801	1,325,779
Information technology expenses			
Software maintenance		106,802	96,599
Hardware maintenance		105,163	65,197
Depreciation		14,121	14,018
Amortisation		30,396	26,160
Network charges		17,393	11,012
Others		33,563	23,163
		307,438	236,149
Other operating expenses			
Directors' fees and allowances		18,550	11,300
Fees and allowances to Shariah Board		3,529	3,064
Legal & professional charges		21,615	18,009
Outsourced services costs		107,778	84,128
Travelling & conveyance		38,156	30,039
NIFT clearing charges		26,669	22,289
Depreciation		133,159	149,516
Training & development		2,255	1,363
Postage & courier charges		21,608	19,406
Communication		117,631	88,742
Stationery & printing		112,860	76,421
Marketing, advertisement & publicity		51,050	41,954
Donations		-	-
Auditors' Remuneration	29.2	10,598	11,074
Repairs & maintenance		124,148	91,971
Brokerage and commission		5,559	8,074
Entertainment		54,313	44,503
Fees and subscription		122,609	82,502
Insurance expenses		12,271	9,553
Others		37,012	31,619
		1,021,370	825,527
		5,931,195	5,041,623

For Nine Months ended
September 30, September 30,
2023 2022

Note ----- Un-audited -----
 ----- Rupees in '000 -----

29.1 Total compensation expense

Managerial Remuneration		
- Fixed	1,966,824	1,619,872
- Variable Cash Bonus / Awards etc.	15,890	12,259
Charge for defined benefit plan	112,205	100,662
Contribution to defined contribution plan	100,344	88,529
Rent & house maintenance	542,462	452,881
Utilities	104,301	92,583
Medical	104,384	92,613
Conveyance	88,088	86,036
Employee old age benefits contribution	22,395	11,396
Leave Fare Assistance	56,087	45,224
Staff Insurances	58,767	51,118
Others	3,839	995
	3,175,586	2,654,168

29.2 Auditors' remuneration

Audit fee	8,250	9,307
Fee for other statutory certifications	975	903
Special certifications and sundry advisory services	750	425
Out-of-pocket expenses	623	439
	10,598	11,074

30 OTHER CHARGES

Penalties imposed by State Bank of Pakistan	56,905	9,049
Others	-	-
	56,905	9,049

31 PROVISIONS & WRITE OFFS - NET

Provisions for diminution in value of investments	10.3.1	879	5,048
Provisions against investment in TFCs	10.3.1	8,222	-
Reversal of Provisions against loans & advances - specific		(952,410)	(82,641)
Provisions against loans & advances - specific		1,070,048	1,304,008
Provisions against loans & advances - general		2,008	2,806
Net provision during the period	11.2.3	119,646	1,224,173
Fixed assets written off		-	-
Bad debts directly charged to profit and loss account		690	-
		129,437	1,229,221

	For Nine Months ended	
	September 30, 2023	September 30, 2022
	----- Un-audited -----	
	----- Rupees in '000 -----	
32 TAXATION		
Current	496,045	332,834
Prior years	-	1,217
Deferred	48,695	(761,095)
	544,740	(427,044)
33 BASIC EARNINGS / (LOSS) PER SHARE		
Profit / (Loss) for the period	406,068	(671,292)
Weighted average number of ordinary shares	2,952,442,817	2,552,442,817
Basic earnings / (loss) per share	0.14	(0.26)
34 DILUTED EARNINGS / (LOSS) PER SHARE		
Profit / (Loss) for the period	406,068	(671,292)
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)	3,220,398,618	2,552,442,817
Diluted earnings / (loss) per share	0.13	(0.26)
35 CASH AND CASH EQUIVALENTS		
Cash and Balances with Treasury Banks	19,757,623	13,840,441
Balances with other banks	1,264,207	1,741,503
	21,021,830	15,581,944

36 FAIR VALUE MEASUREMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

36.1 Fair value of financial assets

IFRS 13 requires the Bank to carry out fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

36.2 The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP.

September 30, 2023 (Un-audited)				
Fair Value				
Level 1	Level 2	Level 3	Total	
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets measured at fair value				
Available-for-sale securities				
Pakistan Investment Bonds	-	160,430,457	-	160,430,457
Market Treasury Bills	-	-	-	-
Shares of listed companies	2,025,997	-	-	2,025,997
Units of mutual funds	75,303	125,258	-	200,561
Ijarah Sukuk - GoP	-	3,979,310	-	3,979,310
	2,101,300	164,535,025	-	166,636,325
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	32,860,568	-	32,860,568
Foreign exchange contracts (sale)	-	32,149,265	-	32,149,265
December 31, 2022 (Audited)				
Fair Value				
Level 1	Level 2	Level 3	Total	
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets measured at fair value				
Available-for-sale securities				
Pakistan Investment Bonds	-	142,067,256	-	142,067,256
Market Treasury Bills	-	63,928,571	-	63,928,571
Shares of listed companies	2,069,094	-	-	2,069,094
Units of mutual funds	68,975	122,760	-	191,735
Ijarah Sukuk - GoP	-	3,985,410	-	3,985,410
	2,138,069	210,103,997	-	212,242,066
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	16,669,577	-	16,669,577
Foreign exchange contracts (sale)	-	15,692,909	-	15,692,909

The valuation techniques used for the above assets are the same as disclosed below.

Item	Valuation techniques and input used
Fully paid-up ordinary shares /close end mutual funds	Fair value is determined on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Open ended mutual funds	Fair value is based on redemption prices as at the close of the business day.
Pakistan Investment Bonds / Market Treasury Bills	Fair values are derived using the PKRV rates (Reuters page).
Government of Pakistan (GoP) - Ijarah Sukuks	Fair values are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters.
Term Finance, Bonds and Sukuk certificates	Investments in debt securities (comprising term finance certificates, bonds, sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	September 30, 2023 (Un-audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
	----- Rupees in '000 -----				
Profit & Loss					
Net mark-up/return/profit income	23,631,480	36,470	-	(17,894,887)	5,773,063
Inter segment revenue - net	(28,663,629)	-	-	28,663,629	-
Non mark-up / return / interest income	813,555	133	-	481,594	1,295,282
Total Income	(4,218,594)	36,603	-	11,250,336	7,068,345
Segment direct expenses	(84,228)	(2,854)	-	(4,806,643)	(4,893,725)
Inter segment expense allocation	(109,507)	(27,353)	-	(957,515)	(1,094,375)
Total expenses	(193,735)	(30,207)	-	(5,764,158)	(5,988,100)
Provisions	(9,101)	-	-	(120,336)	(129,437)
Profit / (Loss) before tax	(4,421,430)	6,396	-	5,365,842	950,808
Balance Sheet					
Cash & Bank balances	15,871,678	-	-	5,150,152	21,021,830
Investments	179,255,509	-	-	-	179,255,509
Net inter segment lending	-	-	-	186,599,499	186,599,499
Lendings to financial institutions	2,972,100	-	-	-	2,972,100
Advances - performing	46,129	598,347	-	32,273,870	32,918,346
- non-performing (net)	-	1,070	-	8,068,568	8,069,638
Others	8,462,366	5,182	-	18,849,344	27,316,892
Total Assets	206,607,782	604,599	-	250,941,433	458,153,814

September 30, 2023 (Un-audited)

	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Rupees in 000' -----					
Borrowings	19,195,840	-	-	1,453,300	20,649,140
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	-	-	215,463,385	215,463,385
Net inter segment borrowing	186,003,743	595,756	-	-	186,599,499
Others	670,986	8,843	-	12,635,774	13,315,603
Total liabilities	205,870,569	604,599	-	229,552,459	436,027,627
Equity	737,213	-	-	21,388,974	22,126,187
Total Equity & liabilities	206,607,782	604,599	-	250,941,433	458,153,814
Contingencies & Commitments	87,394,711	-	-	25,075,703	112,470,414

September 30, 2022 (Un-audited)

	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Rupees in 000' -----					
Profit & Loss					
Net mark-up/return/profit income	12,227,257	29,554	-	(7,889,905)	4,366,906
Inter segment revenue - net	(16,040,526)	-	-	16,040,526	-
Non mark-up / return / interest income	451,280	408	-	362,963	814,651
Total Income	(3,361,989)	29,962	-	8,513,584	5,181,557
Segment direct expenses	(72,102)	(5,487)	-	(4,103,890)	(4,181,479)
Inter segment expense allocation	(86,919)	(22,166)	-	(760,108)	(869,193)
Total expenses	(159,021)	(27,653)	-	(4,863,998)	(5,050,672)
Provisions	(5,048)	-	-	(1,224,173)	(1,229,221)
Profit / (Loss) before tax	(3,526,058)	2,309	-	2,425,413	(1,098,336)

December 31, 2022 (Audited)

	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Rupees in 000' -----					
Balance Sheet					
Cash & Bank balances	9,432,651	-	-	6,355,617	15,788,268
Investments	254,552,777	-	-	-	254,552,777
Net inter segment lending	-	-	-	181,249,550	181,249,550
Lendings to financial institutions	19,967,424	-	-	-	19,967,424
Advances - performing	47,748	470,947	-	35,406,130	35,924,825
- non-performing (net)	-	1,800	-	7,875,703	7,877,503
Others	4,903,213	2,574	-	18,833,743	23,739,530
Total Assets	288,903,813	475,321	-	249,720,743	539,099,877

	December 31, 2022 (Audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
	----- Rupees in 000' -----				
Borrowings	105,059,879	-	-	1,874,835	106,934,714
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	-	-	223,043,950	223,043,950
Net inter segment borrowing	180,782,307	467,243	-	-	181,249,550
Others	2,440,114	8,078	-	8,272,512	10,720,704
Total liabilities	288,282,300	475,321	-	233,191,297	521,948,918
Equity	621,513	-	-	16,529,446	17,150,959
Total Equity & liabilities	288,903,813	475,321	-	249,720,743	539,099,877
Contingencies & Commitments	158,715,957	-	-	13,059,959	171,775,916

38 RELATED PARTY TRANSACTIONS

The related parties of the Bank comprise associated undertakings, directors, staff retirement funds and key management personnel (including their associates).

Transactions with related parties includes deposits, advances and other banking services which are carried out on an arm's length basis. Transactions with executives are undertaken at terms in accordance with employment agreements and service rules. Contributions to and accruals in respect of staff retirement benefit plans are made in accordance with the terms of the benefit plan. Remuneration of the President & Chief Executive Officer and directors are determined in accordance with the terms of their appointment.

The Government of Sindh (GoS) through its Finance Department holds 99.96% shareholding in the Bank and therefore entities which are owned and / or controlled by the GoS, or where the GoS may exercise significant influence, are related parties of the Bank. The Bank in the ordinary course of business enters into transactions with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to such entities. However, it is impracticable to disclose transactions with all other entities owned or controlled by the GoS.

The details of balances and transactions with related parties, other than those disclosed under respective notes, during the year are as follows:

	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
----- Rupees in 000' -----								
Investments								
Opening balance	-	-	750,000	-	-	-	750,000	-
Investment made during the period / year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-
Closing balance	-	-	750,000	-	-	-	750,000	-
Advances								
Opening balance	-	191,206	-	-	-	184,296	-	-
Addition during the period / year	-	11,232	-	-	-	73,125	-	-
Repaid during the period / year	-	51,003	-	-	-	104,370	-	-
Transfer in / (out) - net	-	43,801	-	-	-	38,155	-	-
Closing balance	-	195,236	-	-	-	191,206	-	-
Other Assets								
Interest / mark-up accrued	-	221	-	-	-	233	-	-
Other receivable	-	-	-	315	-	-	3	-
	-	221	-	315	-	233	3	-
Deposits and other accounts								
Opening balance	5,101	304,172	24,915	1,837,495	767	40,590	39,300	2,138,735
Received during the period / year	22,540	877,539	6,955,300	7,399,005	20,783	923,785	5,147,175	16,435,032
Withdrawn during the period / year	17,504	1,060,357	6,876,574	7,070,720	19,132	732,137	5,161,560	16,736,272
Transfer in / (out) - net	(9,906)	(31,327)	-	-	2,683	71,934	-	-
Closing balance	231	90,027	103,641	2,165,780	5,101	304,172	24,915	1,837,495
Other Liabilities								
Interest / mark-up payable	25	2,370	1,934	73,692	21	3,949	400	28,249

	September 30, 2023 (Un-audited)				September 30, 2022 (Un-audited)			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
----- Rupees in 000' -----								
Income:								
Mark-up / return / interest earned	-	5,927	-	-	-	4,106	-	-
Fee and commission income	4	8	514	37	-	12	338	28
Net gain on sale of securities	-	-	75	1,380	-	-	-	200
Other income	-	-	-	945	-	-	-	570
Expenses:								
Mark-up / return / interest paid	137	13,808	4,979	142,482	19	2,399	2,553	117,249
Remuneration paid	-	233,970	-	-	-	156,870	-	-
Contribution to provident fund	-	11,328	-	-	-	7,616	-	-
Provision for gratuity	-	14,854	-	-	-	13,982	-	-
Other staff benefits	-	31,971	-	-	-	21,974	-	-
Directors' meetings fee	18,550	-	-	-	11,300	-	-	-
Other expenses	300	-	-	-	500	-	-	-
Insurance premium paid	-	-	-	103,010	-	-	-	92,957
Others:								
Sale of Government Securities	-	-	293,500	1,850,000	-	-	67,035	5,044,300
Purchase of Government Securities	-	-	-	725,000	-	-	-	-
Gratuity paid	-	13,199	-	-	-	6,042	-	-
Leave encashment paid	-	6,597	-	-	-	1,994	-	-
Expenses recovered under								
agency arrangement	-	-	-	34	-	-	-	29
Insurance claims settled	-	-	-	6,227	-	-	-	25,809

As at the date of unconsolidated statement of financial position, loans/advances and deposits of government related entities amounted to Rs.5,917.27 million (note 11) and Rs.117,450.24 million (note 18). The above includes deposits amounting to Rs. 41,932.51 (2022: Rs.34,328.51) million received through the Finance Department, Government of Sindh.

	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>17,222,901</u>	<u>16,898,047</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	7,961,829	2,288,600
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>7,961,829</u>	<u>2,288,600</u>
Eligible Tier 2 Capital	<u>9,220</u>	<u>7,212</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u><u>7,971,049</u></u>	<u><u>2,295,812</u></u>
Risk Weighted Assets (RWAs):		
Credit Risk	28,059,434	26,979,421
Market Risk	8,907,058	6,237,413
Operational Risk	<u>9,454,405</u>	<u>9,454,405</u>
Total Risk Weighted Assets	<u><u>46,420,897</u></u>	<u><u>42,671,239</u></u>
Common Equity Tier 1 Capital Adequacy ratio	<u>17.15%</u>	<u>5.36%</u>
Tier 1 Capital Adequacy Ratio	<u>17.15%</u>	<u>5.36%</u>
Total Capital Adequacy Ratio	<u>17.17%</u>	<u>5.38%</u>
Notional minimum capital requirements prescribed by SBP		
CET1 minimum ratio	6.00%	6.00%
Tier 1 minimum ratio	7.50%	7.50%
Total capital minimum ratio	10.00%	10.00%
Total capital minimum ratio plus CCB	11.50%	11.50%
Approach followed for determining Risk Weighted Assets		
Credit Risk	Comprehensive Maturity method	Comprehensive Maturity method
Market Risk	Basic Indicator	Basic Indicator
Operational Risk		
	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	7,961,829	2,288,600
Total Exposures	<u>264,852,929</u>	<u>338,819,641</u>
Leverage Ratio (%)	<u>3.01%</u>	<u>0.68%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>164,839,425</u>	<u>132,719,755</u>
Total Net Cash Outflow	<u>37,918,112</u>	<u>37,666,184</u>
Liquidity Coverage Ratio (%)	<u>435%</u>	<u>352%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>164,203,088</u>	<u>159,888,541</u>
Total Required Stable Funding	<u>61,679,468</u>	<u>78,670,959</u>
Net Stable Funding Ratio	<u>266%</u>	<u>203%</u>

40 ISLAMIC BANKING BUSINESS

The bank is operating with 14 Islamic Banking branches and 13 Islamic Banking Windows in Conventional branches (December 31, 2022 : 14 Islamic Banking branches and 13 Islamic Banking Windows).

The statement of financial position of the business is as follows:

		September 30, 2023	December 31, 2022
		Un-audited	Audited
	Note	----- (Rupees '000) -----	
Assets			
Cash and balances with treasury banks		236,851	308,289
Balances with other banks		1,444	1,091
Due from financial institutions		-	-
Investments	40.1	4,103,510	4,108,170
Islamic financing and related assets	40.2	583,333	1,033,556
Fixed assets		142,808	170,539
Intangible assets		2,583	3,333
Deferred tax assets		-	-
Due from head office		-	14,563
Other assets		361,168	194,838
		5,431,697	5,834,379
Liabilities			
Bills payable		44,567	7,279
Due to financial institutions		1,100,000	1,000,000
Deposits and other accounts	40.3	3,140,825	3,933,951
Deferred tax liability		1,758	6,437
Due to head office		169,434	-
Other liabilities		197,955	233,055
		4,654,539	5,180,722
Net Assets		777,158	653,657
Represented By			
Islamic banking fund		1,100,000	1,100,000
Reserves		-	-
Surplus / (deficit) on revaluation of investments		2,750	2,725
Accumulated losses	40.7	(325,592)	(449,068)
		777,158	653,657
CONTINGENCIES AND COMMITMENTS	40.4		

The profit and loss account of the business is as follows:

	Note	Nine months ended	
		September 30, 2023	September 30, 2022
		----- Un-audited ----- ----- Rupees in '000 -----	
Profit / return earned	40.5	727,190	493,239
Profit / return expensed	40.6	441,279	310,165
Net profit/return		285,911	183,074
Other income			
Fee, commission and brokerage income		17,890	5,534
Income from dealing in foreign currencies		1,646	341
Dividend income		12,420	10,530
Gain on sale / redemption of securities		-	-
Other income		401	86
		32,357	16,491
Total Income		318,268	199,565
Other expenses			
Administrative expenses		195,287	158,019
Other charges		20	-
Total Other Expenses		195,307	158,019
Profit before provision		122,961	41,546
Provisions and write offs - net		(515)	(808)
Profit before taxation		123,476	42,354
Taxation		-	-
Profit after taxation		123,476	42,354

The cash flow statement of the business is as follows

	Nine months ended	
	September 30, 2023	September 30, 2022
	----- Un-audited -----	
	----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	123,476	42,354
Less: Dividend income	(12,420)	(10,530)
	<u>111,056</u>	<u>31,824</u>
Adjustments		
Depreciation	29,032	29,303
Amortisation	750	750
Provision against non-performing loans and advances - net	(516)	(808)
	<u>29,266</u>	<u>29,245</u>
	<u>140,322</u>	<u>61,069</u>
(Increase) / decrease in operating assets		
Balances with and due from financial institutions	-	(300,000)
Islamic financing and related assets - net	450,739	130,278
Due from head office	14,562	(45,994)
Other assets	(166,330)	(196,736)
	<u>298,971</u>	<u>(412,452)</u>
(Decrease) / increase in operating liabilities		
Bills payable	37,288	(5,118)
Due to financial institutions	100,000	(250,000)
Deposits and other accounts	(793,126)	1,724,900
Due to head office	169,434	-
Other liabilities	(35,100)	(21,773)
	<u>(521,504)</u>	<u>1,448,009</u>
	<u>(82,211)</u>	<u>1,096,626</u>
Income tax paid	-	-
Net cash flow from / (used in) operating activities	<u>(82,211)</u>	<u>1,096,626</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in securities	7	(999,994)
Dividend received	12,420	10,530
Investment in operating fixed assets	(1,301)	(4,165)
Net cash flow from / (used in) investing activities	<u>11,126</u>	<u>(993,629)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Increase in cash and cash equivalents	<u>(71,085)</u>	<u>102,997</u>
Cash and cash equivalents at beginning of the year	<u>309,380</u>	<u>403,460</u>
Cash and cash equivalents at end of the period	<u>238,295</u>	<u>506,457</u>

40.1 Investments	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- Rupees in '000 -----								
Federal Government Securities:								
- Ijarah Sukuks	4,000,001	-	(20,691)	3,979,310	4,000,008	-	(14,598)	3,985,410
Islamic Fund:								
- Listed Companies	99,000	-	25,200	124,200	99,000	-	23,760	122,760
Total Investments	<u>4,099,001</u>	<u>-</u>	<u>4,509</u>	<u>4,103,510</u>	<u>4,099,008</u>	<u>-</u>	<u>9,162</u>	<u>4,108,170</u>

40.2 Islamic financing and related assets	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
Ijarah financing under IFAS 2	10,291	11,371
Diminishing musharakah financing	584,007	1,033,666
	<u>594,298</u>	<u>1,045,037</u>
Less: provision against Islamic financing		
- Specific	10,965	11,481
- General	-	-
	<u>10,965</u>	<u>11,481</u>
Islamic financing and related assets - net of provisions	<u>583,333</u>	<u>1,033,556</u>

40.3 Deposits and other accounts	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	670,149	10,239	680,388	791,885	1,081	792,966
Savings deposits	2,113,835	5,424	2,119,259	1,904,738	6,040	1,910,778
Term deposits	288,223	-	288,223	500,121	-	500,121
Margin and other deposits	22,981	-	22,981	28,768	-	28,768
	<u>3,095,188</u>	<u>15,663</u>	<u>3,110,851</u>	<u>3,225,512</u>	<u>7,121</u>	<u>3,232,633</u>
Financial Institutions						
Current deposits	3,784	-	3,784	2,711	-	2,711
Savings deposits	26,190	-	26,190	98,577	-	98,577
Term deposits	-	-	-	600,000	-	600,000
Margin and other deposits	-	-	-	30	-	30
	<u>29,974</u>	<u>-</u>	<u>29,974</u>	<u>701,318</u>	<u>-</u>	<u>701,318</u>
	<u>3,125,162</u>	<u>15,663</u>	<u>3,140,825</u>	<u>3,926,830</u>	<u>7,121</u>	<u>3,933,951</u>

	September 30, 2023	December 31, 2022
	Un-audited	Audited
	----- (Rupees '000) -----	
40.4 Contingencies and Commitments		
Guarantees	209,811	178,617
Letter of Credit	1,315,117	353,321
Commitments	-	-
	<u>1,524,928</u>	<u>531,938</u>
	For Nine months ended	
	September 30, 2023	September 30, 2022
	Un-audited	-----
	----- Rupees in '000 -----	
40.5 Profit / return earned	Note	
Financing	107,792	132,187
Investments	575,584	315,037
Deposits with financial institutions	43,814	46,015
	<u>727,190</u>	<u>493,239</u>
40.6 Profit / return expensed		
Deposits and other accounts	348,588	283,665
Due to Financial Institutions	81,359	12,102
Amortisation of lease liability against right-of-use assets	11,332	14,398
Others	-	-
	<u>441,279</u>	<u>310,165</u>
	September 30, 2023	December 31, 2022
	Un-audited	Audited
	----- (Rupees '000) -----	
40.7 Islamic Banking Business Accumulated Losses		
Opening Balance	(449,068)	(513,949)
Add: Islamic Banking profit / (loss) for the period/year	123,476	64,881
Less: Taxation	-	-
Less: Reserves	-	-
Less: Transferred / Remitted to Head Office	-	-
	<u>(325,592)</u>	<u>(449,068)</u>

41 GENERAL

Figures have been rounded off to the nearest thousand Rupees.

42 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue by the Board of Directors on 26 October, 2023.

 Chairman	 President and Chief Executive Officer	 Director	 Director	 Chief Financial Officer
---	---	---	--	--

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO
شہید محترمہ بینظیر بھٹو کی یاد میں

SINDH BANK
سندھ بینک
POWER TO THE PEOPLE
بااختیار عوام

AUTO FINANCE



*Features

- Minimum Documentation.
- Quick and Hassle Free Processing.
- Low Mark-Up Rates.
- Flexible Financing.
- Financing of New and Used Cars (not older than 5 years).

* Terms & Conditions Apply

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS
PERIOD ENDED
SEPTEMBER 30, 2023**

Consolidated Condensed Interim Statement of Financial Position As At September 30, 2023

	Note	September 30, 2023	December 31, 2022
		Un-audited	Audited
----- (Rupees in '000) -----			
ASSETS			
Cash and balances with treasury banks	7	19,820,820	14,204,082
Balances with other banks	8	1,542,780	2,014,183
Lendings to financial institutions	9	2,972,100	19,967,424
Investments	10	179,266,393	253,857,565
Advances	11	42,688,890	45,105,226
Fixed assets	12	3,390,268	4,113,696
Intangible assets	13	126,227	124,022
Deferred tax assets-net	14	14,899,215	14,662,219
Other assets	15	9,119,655	5,048,053
		273,826,348	359,096,470
LIABILITIES			
Bills payable	16	1,083,047	726,148
Borrowings	17	21,359,140	107,244,714
Deposits and other accounts	18	216,575,229	223,632,712
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	19	12,349,269	10,079,561
		251,366,685	341,683,135
NET ASSETS		22,459,663	17,413,335
REPRESENTED BY			
Share capital - net	20	29,524,428	29,524,428
Reserves		1,625,794	1,526,805
Shares deposit money	21	5,000,000	-
Deficit on revaluation of assets	22	(1,639,340)	(1,208,500)
Accumulated Loss		(12,051,219)	(12,429,398)
		22,459,663	17,413,335
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes from 1 to 41 form an integral part of these consolidated condensed interim financial statements.


 Chairman
 
 President and
 Chief Executive Officer
 
 Director
 
 Director
 
 Chief Financial Officer

Consolidated Condensed Interim Profit And Loss Account (Un-audited) For The Nine Months And Quarter Ended September 30, 2023

	Nine months ended		Quarter ended		
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	
Note	----- (Rupees in '000) -----				
Mark-up / Return / Interest Earned	24	39,104,059	26,214,885	11,945,580	10,704,733
Mark-up / Return / Interest Expensed	25	32,881,019	21,597,343	9,256,138	9,296,589
Net Mark-up / Interest Income		6,223,040	4,617,542	2,689,442	1,408,144
Non Mark-up / Interest Income					
Fee and Commission Income	26	436,880	313,210	71,745	107,337
Dividend Income		142,979	193,164	45,089	105,335
Foreign Exchange Income		739,229	429,357	142,670	98,715
Income / (loss) from derivatives		-	-	-	-
Gain / (Loss) on securities	27	(30,955)	(126,765)	76,496	3,821
Other Income	28	7,149	5,685	4,344	1,497
Total non-markup/interest Income		1,295,282	814,651	340,344	316,705
Total Income		7,518,322	5,432,193	3,029,786	1,724,849
Non Mark-up / Interest Expenses					
Operating expenses	29	6,172,388	5,243,632	2,133,687	1,872,422
Other charges	30	56,945	9,090	967	8,289
Total non-markup/interest expenses		6,229,333	5,252,722	2,134,654	1,880,711
Profit / (Loss) before provisions		1,288,989	179,471	895,132	(155,862)
Provisions and write offs - net	31	252,815	1,240,061	475,625	129,369
Extra ordinary / unusual items		-	-	-	-
Profit/(Loss) before Taxation		1,036,174	(1,060,590)	419,507	(285,231)
Taxation	32	559,006	(416,777)	226,758	(110,284)
Profit/(Loss) after Taxation		477,168	(643,813)	192,749	(174,947)
----- (Rupees) -----					
Basic Earning/(Loss) per share	33	0.16	(0.25)	0.06	(0.07)
Diluted Earning/(Loss) per share	34	0.15	(0.25)	0.05	(0.07)

The annexed notes from 1 to 41 form an integral part of these consolidated condensed interim financial statements.







Chairman **President and Chief Executive Officer** **Director** **Director** **Chief Financial Officer**

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For The Nine Months And Quarter Ended September 30, 2023

	Nine months ended		Quarter ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----			
Profit / (loss) after taxation for the period	477,168	(643,813)	192,749	(174,947)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (Deficit) / surplus on revaluation of investments - net of tax	(430,840)	257,288	679,905	(188,883)
	<u>46,328</u>	<u>(386,525)</u>	<u>872,654</u>	<u>(363,830)</u>
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of deferred tax	-	-	-	-
Total comprehensive income / (loss)	<u>46,328</u>	<u>(386,525)</u>	<u>872,654</u>	<u>(363,830)</u>

The annexed notes from 1 to 41 form an integral part of these consolidated condensed interim financial statements.


 Chairman


 President and Chief Executive Officer


 Director


 Director


 Chief Financial Officer

Consolidated Condensed Interim Statement Of Changes In Equity (Un-audited) For The Nine Months And Quarter Ended September 30, 2023

	Share Capital	Shares Deposit Money	Capital Reserves			Depositors protection fund reserve**	Surplus / (Deficit) on revaluation of Investments	Accumulated Loss ***	Total
			Reserves on amalgamation	Share Premium	Statutory Reserve *				
Rupees in '000									
Balance as at January 01, 2022	25,524,428	4,000,000	9,433	51	1,495,961	11,007	(1,121,647)	(11,072,603)	18,846,630
Profit after tax for the nine months ended September 30, 2022	-	-	-	-	-	-	-	(643,813)	(643,813)
Other comprehensive income - net of tax	-	-	-	-	-	-	257,288	-	257,288
Transfer to statutory reserve	-	-	-	-	5,497	-	-	(5,497)	-
Transfer to depository protection fund -5% of the profit after tax for the nine months	-	-	-	-	-	1,374	-	(1,374)	-
Balance as at September 30, 2022	25,524,428	4,000,000	9,433	51	1,501,458	12,381	(864,359)	(11,723,287)	18,460,105
Loss after tax for the three months ended December 31, 2022	-	-	-	-	-	-	-	(700,526)	(700,526)
Other comprehensive income /(loss) - net of tax	-	-	-	-	-	-	(344,141)	(2,103)	(346,244)
Transfer to statutory reserve	-	-	-	-	2,785	-	-	(2,785)	-
Transfer to depository protection fund -5% of the profit after tax for the three months	-	-	-	-	-	697	-	(697)	-
Share deposit money	4,000,000	(4,000,000)	-	-	-	-	-	-	-
Balance as at December 31, 2022	29,524,428	-	9,433	51	1,504,243	13,078	(1,208,500)	(12,429,398)	17,413,335
Profit / (Loss) after tax for the nine months ended September 30, 2023	-	-	-	-	-	-	-	477,168	477,168
Other comprehensive income - net of tax	-	-	-	-	-	-	(430,840)	-	(430,840)
Transfer to statutory reserve	-	-	-	-	95,434	-	-	(95,434)	-
Share deposit money	-	5,000,000	-	-	-	-	-	-	5,000,000
Transfer to depository protection fund -5% of the profit tax for the nine months ended September 30, 2023	-	-	-	-	-	3,555	-	(3,555)	-
Balance as at September 30, 2023	29,524,428	5,000,000	9,433	51	1,599,677	16,633	(1,639,340)	(12,051,219)	22,459,663

* Statutory reserve represents amount set aside as per the requirements of Section 21 of the Banking Companies Ordinance, 1962.

** As more fully explained in note 11.2.2 of these unconsolidated condensed interim financial statements, unappropriated profit includes an amount of Rs. 4,770.63 million net of tax as at September 30, 2023 (December 31, 2022: Rs. 4,737.96 million) representing additional profit arising from availing forced sale value benefit for determining provisioning requirement which is not available for the purpose of distribution of dividend to shareholders.

The annexed notes from 1 to 41 form an integral part of these consolidated condensed interim financial statements.

 _____ Chairman	 _____ President and Chief Executive Officer	 _____ Director	 _____ Director	 _____ Chief Financial Officer
--	--	--	---	---

Consolidated Condensed Interim Cash Flow Statement (Un-audited) For The Nine Months Ended September 30, 2023

		September 30, September 30,	
		2023	2022
	Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		1,036,174	(1,060,590)
Less: Dividend income		<u>(142,979)</u>	<u>(193,164)</u>
		893,195	(1,253,754)
Adjustments:			
Depreciation	29	801,832	820,982
Amortisation	29	30,396	26,928
Provision and write offs -net	31	117,281	1,233,613
Provision for diminution in the value of investments - net	31	9,101	5,048
Gain on sale of operating fixed assets	28	<u>(4,164)</u>	<u>2,835</u>
		954,446	2,089,406
		<u>1,847,640</u>	<u>835,652</u>
(Increase) / decrease in operating assets			
Lendings to financial institutions		16,995,324	(6,545,605)
Advances		2,299,056	2,139,037
Other assets (excluding advance taxation)		<u>(4,036,397)</u>	<u>(3,576,573)</u>
		15,257,983	(7,983,141)
Increase / (decrease) in operating liabilities			
Bills payable		356,899	362,598
Borrowings from financial institutions		(85,885,574)	98,011,168
Deposits and other accounts		(7,057,483)	(28,648,891)
Other liabilities (excluding current taxation)		2,269,708	443,655
		<u>(90,316,450)</u>	<u>70,168,530</u>
		(73,210,827)	63,021,041
Income tax paid		<u>(555,750)</u>	<u>(288,781)</u>
Net cash flows from / (used in) operating activities		<u>(73,766,577)</u>	<u>62,732,260</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in available-for-sale securities		44,898,566	(73,276,709)
Net investment in held-to-maturity securities		28,977,208	5,822,117
Dividends received		142,979	193,164
Investments in operating fixed assets		(111,467)	(274,806)
Sale proceeds from sale of fixed assets		4,626	3,613
Net cash flows from / (used in) investing activities		<u>73,911,913</u>	<u>(67,532,621)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Share deposit money		5,000,000	-
Net cash flows from financing activities		<u>5,000,000</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents		5,145,335	(4,800,361)
Cash and cash equivalents at the beginning of the year		<u>16,218,265</u>	<u>20,873,244</u>
Cash and cash equivalents at the end of the period	35	<u>21,363,600</u>	<u>16,072,883</u>

The annexed notes from 1 to 41 form an integral part of these consolidated condensed interim financial statements.


 Chairman


 President and
 Chief Executive Officer


 Director


 Director


 Chief Financial Officer

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited) For The Nine Months Ended September 30, 2023

1. STATUS AND NATURE OF BUSINESS

The "Group" consists of:

1.1 Holding Company

1.1.1 Sindh Bank Limited (the Bank) was incorporated in Pakistan on October 29, 2010 as a public unlisted company and is engaged in Commercial Banking, Corporate and Investment related activities. The Bank operates 330 (2022: 330) branches including 8 (2022: 8) sub-branches and 14 (2022: 14) Islamic banking branches in Pakistan. The Bank's registered office is located at 3rd floor, Federation House, Abdullah Shah Ghazi Road, Clifton, Karachi, Pakistan.

1.1.2 The Government of Sindh, through its Finance Department owns 99.97% ordinary shares of the Bank.

1.1.3 VIS Credit Rating Company Limited has reaffirmed the long term entity rating of A+ (Single A Plus) and short term rating of A-1 (A-one) in its report dated June 27, 2023.

1.2 Subsidiary company

1.2.1 Sindh Microfinance Bank Limited

Sindh Microfinance Bank Limited (the Microfinance Bank) was incorporated on March 27, 2015 as a public company limited by shares under the provision of the company's Act, 2017 (previously Companies Ordinance, 1984). The Microfinance Bank obtained Microfinance banking license from State Bank of Pakistan (SBP) on October 16th, 2015, to operate in Sindh Province. Subsequently the Microfinance Bank has received the certificate of commencement of business from Securities & Exchange Commission of Pakistan (SECP) on November 30, 2015. The Microfinance Bank's registered office is situated at 39/F, 2nd Floor, Muhammad Ali Cooperative Housing Society, Karachi. The Microfinance Bank's principal business will be to provide microfinance services to the poor and underserved segment of the society as envisaged under the Microfinance Institutions Ordinance, 2001. The Microfinance Bank operates with a network of 19 (2022: 19) branches and 77 (2022: 71) services centers. The Bank holds 99.99% shares of the Microfinance Bank and remaining shares are held by the nominees of the Bank.

The credit rating companies PACRA has maintained the long term rating of the Microfinance Bank at "A-" and short term rating at "A2" as of March 29, 2023.

2. BASIS OF PRESENTATION

2.1 The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BPRD Circular Letter No. 5 dated 22 March 2019 and the requirements of the International Accounting Standard 34, "Interim Financial Reporting". These do not include all of the information required for the full set of annual financial statements and should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2022.

2.2 In accordance with the directives of the Federal Government regarding the shifting of the Banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by Banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon. The Islamic Banking branches of the Bank have complied with the requirements set out under the Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified under the provisions of the Companies Act, 2017.

3. STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. These accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and 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 Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

The SBP vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement (IAS 39) and International Accounting Standard 40, Investment Property (IAS 40) for Banking companies till further instructions. Further, according to the notification of the Securities and Exchange Commission of Pakistan (SECP) dated April 28, 2008, the IFRS - 7 Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim consolidated financial information is the same as that applied in the preparation of the audited unconsolidated financial statements for the year ended December 31, 2022.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Standards, interpretations and amendments to approved accounting standards that are effective in the current period

There are certain amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2023. These are considered either not to be relevant or do not have any significant impact on these condensed interim financial statements.

5.2 Standards, interpretations and amendments to published accounting and reporting standards that are relevant but not yet effective:

IFRS 9 - Financial Instruments has been made applicable in several overseas jurisdictions from January 01, 2018 and is progressively being adopted in others. The requirements of IFRS 9 are incorporated in the banks financial statements for the jurisdictions where IFRS 9 has been adopted. In terms of SBP's BPRD Circular Letter No. 03 of 2022 dated July 05, 2022 the effective date of implementation of IFRS 9 is January 01, 2024 for banks having assets size of less than Rs. 500 billion as per their Annual Financial Statements of December 31, 2021. Since Sindh Bank Limited has assets size of less than Rs. 500 billion as at December 31, 2021 therefore, the effective date of implementation of IFRS 9 would be January 01, 2024.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Group for the year ended December 31, 2022.

		September 30, 2023 Un-audited	December 31, 2022 Audited
	Note	----- (Rupees '000) -----	
7 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		3,222,503	4,594,195
Foreign currency		169,598	112,285
		3,392,101	4,706,480
With State Bank of Pakistan (SBP) in			
Local currency current accounts	7.1	15,392,153	9,042,458
Foreign currency current accounts	7.2	63,817	105,966
Foreign currency deposit accounts			
- Non Remunerative	7.3	161,856	104,727
- Remunerative	7.4	312,309	205,270
		15,930,135	9,458,421
With National Bank of Pakistan in			
Local currency current accounts		486,275	22,428
Local currency deposit accounts	7.5	697	7,977
		486,972	30,405
Prize bonds		11,612	8,776
		19,820,820	14,204,082

- 7.1 This represents cash reserve required to be maintained with SBP as per the requirement of Section 22 of the Banking Companies Ordinance, 1962.
- 7.2 This represents US Dollar Settlement Account maintained with SBP.
- 7.3 This represents foreign currency (FCY) cash reserve maintained with SBP to comply with statutory reserve requirement applicable on Bank's FCY deposits.
- 7.4 This represents foreign currency special cash reserve maintained with SBP. The Bank is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared profit in the range of 3.34% to 4.33% (2022 : 0% - 3.14%) per annum.
- 7.5 This includes savings account with National Bank of Pakistan carrying mark-up at 20.5% (2022: 14.50%) per annum.

		September 30, 2023 Un-audited	December 31, 2022 Audited
	Note	----- (Rupees '000) -----	
8 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		835	2,025
In savings accounts	8.1	279,388	394,091
		280,223	396,116
Outside Pakistan			
In current accounts		1,262,557	1,618,067
		1,542,780	2,014,183

- 8.1 This includes savings account with commercial banks carrying profit in the range of 10% to 23% (2022: 14.50% to 18.50%) per annum.

9 LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	9.3	2,972,100	19,967,424
Musharaka arrangements	9.2	-	-
		2,972,100	19,967,424

9.1 Particulars of lending

In local currency		2,972,100	19,967,424
In foreign currencies		-	-
		2,972,100	19,967,424

- 9.2 This represents arrangement with a commercial bank carrying mark-up @ 22.40% (2022: 15.75% to 16.20%) per annum maturing on October 02, 2023 (2022: January 06, 2023).

9.3 Securities held as collateral against Lendings to financial institutions

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Held by Bank	Further given as collateral	Total	Held by Bank	Further given as collateral	Total
	----- (Rupees '000) -----					
Market Treasury Bills	-	-	-	18,016,775	-	18,016,775
Pakistan Investment Bonds	2,972,400	-	2,972,400	1,975,600	-	1,975,600
Total	2,972,400	-	2,972,400	19,992,375	-	19,992,375

10 INVESTMENTS

10.1 Investments by type

	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	----- Rupees in '000 -----							
Available-for-sale securities								
Federal Government Securities								
Market Treasury Bills	-	-	-	-	64,108,973	-	(180,402)	63,928,571
Pakistan Investment Bonds	17,456,987	-	(2,829,217)	14,627,770	17,616,725	-	(1,265,020)	16,351,705
Pakistan Investment Bonds - Floater	145,676,245	-	126,442	145,802,687	125,882,687	-	(167,136)	125,715,551
Government of Pakistan - Ijarah Sukuk	4,000,001	-	(20,691)	3,979,310	4,000,008	-	(14,598)	3,985,410
Shares	-	-	-	-	-	-	-	-
Listed	2,361,926	(342,757)	6,827	2,025,996	2,785,332	(342,757)	(373,481)	2,069,094
Non-government debt securities	-	-	-	-	-	-	-	-
Mutual funds	215,049	(43,684)	29,196	200,561	215,049	(42,806)	19,492	191,735
	169,710,208	(386,441)	(2,687,443)	166,636,324	214,608,774	(385,563)	(1,981,145)	212,242,066
Held-to-maturity securities								
Federal Government Securities								
Market Treasury Bills	123,384	-	-	123,384	29,678,201	-	-	29,678,201
Pakistan Investment Bonds	11,283,888	-	-	11,283,888	11,343,755	-	-	11,343,755
Preference Shares - Unlisted	77,708	(77,708)	-	-	77,708	(77,708)	-	-
Term Deposit Certificates	637,500	-	-	637,500	-	-	-	-
Non-government debt securities	-	-	-	-	-	-	-	-
Term finance certificates - Listed	224,235	-	-	224,235	224,235	-	-	224,235
Term finance certificates - Unlisted	858,925	(497,863)	-	361,062	858,949	(489,641)	-	369,308
	13,205,640	(575,571)	-	12,630,069	42,182,848	(567,349)	-	41,615,499
Total Investments	182,915,848	(962,012)	(2,687,443)	179,266,393	256,791,622	(952,912)	(1,981,145)	253,857,565

	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
10.2 Investments given as collateral		
Federal government securities		
Pakistan Investment Bonds	19,123,200	104,589,900
	<u>19,123,200</u>	<u>104,589,900</u>
10.3 Provision for diminution in value of investments		
10.3.1 Opening balance	952,912	873,216
Charge / reversals		
Charge for the period / year	9,101	80,939
Reversals for the period / year	-	-
Reversal on disposals for the period / year	-	(1,243)
Transfers - net	9,101	79,696
Closing Balance	<u>962,012</u>	<u>952,912</u>

	September 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
	Non performing investments	Provision	Non performing investments	Provision
	----- Rupees in '000 -----			
10.3.2 Particulars of provision against equity / debt investments				
Category of classification				
Domestic				
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	978,493	962,012	977,614	952,912
Total	<u>978,493</u>	<u>962,012</u>	<u>977,614</u>	<u>952,912</u>

10.3.3 The Bank has availed the benefit of forced sale value of collateral against non-performing investment on the basis of prudential regulations of the State Bank of Pakistan. Had the benefit not been taken by the Bank, provision against non-performing investment would have been higher by Rs. 16.480 million (2022: Rs.24.70 million). The resultant increase in profit due to FSV benefit taken will not be available for distribution as cash and stock dividend to shareholders.

10.4 The market value of securities classified as held-to-maturity as at September 30, 2023 amounted to Rs. 9,748.18 million (December 31, 2022: Rs.40,242.39 million).

11 ADVANCES - NET

	Performing		Non Performing		Total	
	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
----- Rupees in '000 -----						
Loans, cash credits, agriculture, running finances etc.	27,421,400	30,047,225	34,850,466	34,567,552	62,271,866	64,614,777
Commodity finance	5,917,270	5,205,042	-	-	5,917,270	5,205,042
Net investment in finance lease	346,320	538,713	417,840	420,881	764,160	959,594
Islamic financing and related assets	-	-	-	-	-	-
Diminishing musharakah financing	572,584	1,021,768	11,423	11,898	584,007	1,033,666
Ijarah financing under IFAS 2	10,291	11,371	-	-	10,291	11,371
	<u>34,267,865</u>	<u>36,824,119</u>	<u>35,279,729</u>	<u>35,000,331</u>	<u>69,547,594</u>	<u>71,824,450</u>
Bills discounted and purchased (excluding market treasury bills)						
Payable in Pakistan	368,044	386,782	-	-	368,044	386,782
Payable outside Pakistan	5,897	5,738	3,405	3,405	9,302	9,143
	<u>373,941</u>	<u>392,520</u>	<u>3,405</u>	<u>3,405</u>	<u>377,346</u>	<u>395,925</u>
Advances - gross	34,641,806	37,216,639	35,283,134	35,003,736	69,924,940	72,220,375
Provision for non-performing advances						
- Specific Provision	-	-	27,209,980	27,095,152	27,209,980	27,095,152
- General provision against consumer and small enterprise advances	26,071	19,997	-	-	26,071	19,997
	<u>26,071</u>	<u>19,997</u>	<u>27,209,980</u>	<u>27,095,152</u>	<u>27,236,051</u>	<u>27,115,149</u>
Total Advances - Net	<u>34,615,735</u>	<u>37,196,642</u>	<u>8,073,155</u>	<u>7,908,584</u>	<u>42,688,890</u>	<u>45,105,226</u>

September 30, 2023
(Un-audited) December 31, 2022
Audited
----- (Rupees '000) -----

11.1 Particulars of advances (Gross)

In local currency	69,924,940	72,220,375
In foreign currencies	-	-
	<u>69,924,940</u>	<u>72,220,375</u>

11.2 Advances include Rs. 35,283.134 (2022: Rs.35,003.74) million which have been placed under non-performing status as detailed below:

Category of Classification	Note	September 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
		Non performing loans	Provision	Non performing loans	Provision
----- Rupees in '000 -----					
Domestic					
Other Assets Especially Mentioned	11.2.1	1,086	-	52,185	-
Substandard		131,158	654	12,914	519
Doubtful		336,973	2,094	207,444	27,975
Loss		34,813,917	27,207,232	34,731,193	27,066,658
Total		35,283,134	27,209,980	35,003,736	27,095,152

11.2.1 This represents non-performing portfolio of agricultural and small and medium enterprise financing classified as OAEM as per the requirements of the Prudential Regulations for Agricultural, Infrastructure Project Financing and Small and Medium Enterprise Financing issued by the State Bank of Pakistan.

11.2.2 The Bank has availed the benefit of forced sale value on plant and machinery under charge and mortgaged residential and commercial property (land and building only) held as collateral against non-performing advances as required by the prudential regulations of the State Bank of Pakistan. Had the benefit not been taken by the Bank, specific provision against non-performing advances would have been higher by Rs. 7,804.25 (2022: Rs. 7,742.44) million. The resultant increase in profit due to FSV benefit taken will not be available for distribution as cash and stock dividend to shareholders.

11.2.3 Particulars of provision against advances

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
----- Rupees in '000 -----						
Opening balance	27,098,773	19,997	27,118,770	25,240,531	12,124	25,252,655
Exchange adjustments	-	-	-	-	-	-
Charge for the period	1,092,074	6,075	1,098,149	2,726,401	7,873	2,734,274
Reversals	(952,411)	-	(952,411)	(860,610)	-	(860,610)
	139,664	6,075	145,739	1,865,791	7,873	1,873,664
Amounts charged off - Agriculture loans	(31,156)	-	(31,156)	(4,478)	-	(4,478)
Net charge / (reversal) during the period	108,508	6,075	114,583	1,861,313	7,873	1,869,186
Amounts written off	2,698	-	2,698	(6,692)	-	(6,692)
Closing balance	27,209,980	26,072	27,236,051	27,095,152	19,997	27,115,149

11.2.3.1 General provision against consumer loans represents provision maintained at an amount equal to 1% (2022: 1%) of the fully secured performing portfolio and 4% (2022: 4%) of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP. General provision against Small Enterprises financing represents provision maintained at an amount equal to 0% (2022: 0%) of the fully secured performing portfolio and 1% of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP.

	September 30, 2023 (Un-audited)	December 31, 2022 Audited
Note	----- (Rupees '000) -----	
12 FIXED ASSETS		
Capital work-in-progress	12.1 11,668	26,725
Property and equipment	1,219,236	1,340,419
Right of use assets	2,159,364	2,746,552
	<u>3,390,268</u>	<u>4,113,696</u>
12.1 Capital work-in-progress		
Civil works	5,224	4,325
Equipment	102	2,041
Advances to suppliers	6,342	20,359
	<u>11,668</u>	<u>26,725</u>
	September 30, 2023	September 30, 2022
	Un-audited	
	----- Rupees in '000 -----	
12.2 Additions to fixed assets		
The following additions have been made to fixed assets during the period:		
Property and equipment :		
Leasehold improvements	19,020	34,898
Furniture and fixture	5,787	3,892
Computer and office equipment	47,969	61,468
Vehicles	13,030	122,591
Total	<u>85,806</u>	<u>222,849</u>
Disposal of fixed assets		
The net book value of fixed assets disposed off during the period is as follows:		
Furniture and Fixture	-	10
Lease hold improvements	-	560
Computer and office equipment	-	24
Vehicles	462	184
Total	<u>462</u>	<u>778</u>
	September 30, 2023	December 31, 2022
	(Un-audited) Audited	
	----- (Rupees '000) -----	
13 INTANGIBLE ASSETS		
Computer Software	126,227	124,022
Others	-	-
	<u>126,227</u>	<u>124,022</u>

	September 30, 2023	September 30, 2022
	Un-audited	
	----- Rupees in '000 -----	
Additions to intangible assets		
The additions to intangible assets during the period:		
Computer Software	<u>32,599</u>	<u>8,739</u>
Disposals of intangible assets		
The net book value of intangible assets disposed off during the period.	<u>-</u>	<u>-</u>
	September 30, 2023	December 31, 2022
	(Un-audited)	Audited
	----- (Rupees '000) -----	
14 DEFERRED TAX ASSETS - NET		
Deductible Temporary Differences on		
- Provision against advances - general	<u>8,588,868</u>	9,117,819
- Tax losses carried forward	<u>3,838,766</u>	3,782,989
- Provision for diminution in the value of investments	<u>94,853</u>	94,853
- Deficit on revaluation of investments	<u>1,048,103</u>	772,647
- Others	<u>1,473,987</u>	1,058,710
	<u>15,044,577</u>	14,827,018
Taxable Temporary Differences on		
- Accelerated tax depreciation - tangible fixed assets	<u>13,867</u>	(5,410)
- Others	<u>(13,365)</u>	(15,598)
- Net investment in Lease Finance	<u>(131,859)</u>	(131,859)
- Accelerated tax amortization - intangible assets	<u>(14,005)</u>	(11,932)
	<u>(145,362)</u>	(164,799)
	<u>14,899,215</u>	<u>14,662,219</u>

- 14.1** The Bank has an aggregate amount of deferred tax assets of Rs. 14,889 million (2022: Rs. 14,662 million). Deferred tax asset has been recorded based on management's best estimate of the probable benefits expected to be realised in future years in the form of reduced tax liability as the Bank would be able to set off the profits earned in those years against the deferred tax asset. In this regard, the Bank has prepared financial projections for future taxable profits, which have been approved by the Board of the Bank, to assess the recoverability of deferred tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as growth in high yield consumer advances, investment returns, potential provision against assets, interest rates, cost of funds and expected recoveries of classified loans. Any significant change in such assumptions may have an effect on the recoverability of the deferred tax assets. Management believes that it is probable that the Bank will be able to achieve the profits and consequently, the deferred tax asset will be fully realised in future.

	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
15 OTHER ASSETS		
Income/ Mark-up accrued in local currency	8,348,158	4,331,108
Accrued commission income	19,730	19,730
Advances, deposits, advance rent and other prepayments	408,184	195,156
Receivable against sale of shares	-	56,982
Unrealised gain on forward forex revaluation - net	-	-
Insurance premium receivable against agriculture loans	9,858	9,841
Stationery and stamps on hand	18,795	18,966
Dividends receivable	-	-
Receivable against 1 Link ATM settlement account	73,665	305,152
Advance Taxation - net	86,039	50,834
Insurance claims receivable	8,643	3,375
Other receivables	146,583	56,909
	<u>9,119,655</u>	<u>5,048,053</u>
16 BILLS PAYABLE		
In Pakistan	1,083,047	726,148
Outside Pakistan	-	-
	<u>1,083,047</u>	<u>726,148</u>
17 BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan		
- Under export refinance scheme	1,453,300	1,874,835
- Under long term finance facility	29,940	59,879
Repurchase agreement borrowings		
- State Bank of Pakistan	10,000,000	105,000,000
- Other commercial bank	9,165,900	-
	<u>19,165,900</u>	<u>105,000,000</u>
Unsecured		
- State Bank of Pakistan(SBP)	560,000	310,000
- Other microfinance bank / company	150,000	-
	<u>21,359,140</u>	<u>107,244,714</u>
17.1 Particulars of borrowings		
In local currency	21,359,140	107,244,714
In foreign currencies	-	-
	<u>21,359,140</u>	<u>107,244,714</u>

18 DEPOSITS AND OTHER ACCOUNTS

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	48,209,925	893,012	49,102,937	57,625,139	538,290	58,163,429
Savings deposits	121,804,711	1,634,328	123,439,039	98,451,962	1,009,539	99,461,501
Term deposits	37,993,404	265,766	38,259,170	62,121,959	435,818	62,557,777
Margin and other deposits	3,616,924	-	3,616,924	480,506	-	480,506
	<u>211,624,964</u>	<u>2,793,106</u>	<u>214,418,070</u>	<u>218,679,566</u>	<u>1,983,647</u>	<u>220,663,213</u>
Financial Institutions						
Current deposits	248,326	31	248,357	53,242	24	53,266
Savings deposits	814,802	-	814,802	897,189	-	897,189
Term deposits	974,000	-	974,000	1,899,000	-	1,899,000
Margin and other deposits	120,000	-	120,000	120,044	-	120,044
	<u>2,157,128</u>	<u>31</u>	<u>2,157,159</u>	<u>2,969,475</u>	<u>24</u>	<u>2,969,499</u>
	<u>213,782,092</u>	<u>2,793,137</u>	<u>216,575,229</u>	<u>221,649,041</u>	<u>1,983,671</u>	<u>223,632,712</u>

	Note	September 30,	December 31,
		2023 Un-audited	2022 Audited
----- (Rupees '000) -----			
19 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		8,134,518	4,776,890
Mark-up / return / interest payable in foreign currency		4,661	3,485
Accrued expenses		453,242	282,605
Net defined benefit liability		116,122	107,192
Provision for compensated absences		233,730	250,603
Unrealised loss on forward forex revaluation - net		351,736	692,112
Payable to employee's provident fund		914	784
Payable against purchase of operating fixed assets		24,230	44,089
Payable against purchase of shares		-	309,248
Retention money		54,875	56,547
Federal excise duty / sales tax on services payable		3,321	1,835
Lease liability		2,404,495	2,896,585
Withholding tax payable		58,177	23,742
Acceptances		-	-
Security deposit against lease contracts	19.1	192,412	237,882
Others		316,836	395,962
		<u>12,349,269</u>	<u>10,079,561</u>

19.1 These represent interest free security deposits received from lessees against lease contracts of Sindh Leasing Company Limited was amalgamated into the Bank, and are adjustable against residual value of leased assets at the expiry of the respective lease terms.

20 SHARE CAPITAL - NET		September 30,	December 31,
		2023	2022
20.1 Authorised capital		Un-audited	Audited
September 30, 2023		----- (Rupees '000) -----	
Un-audited			
Audited			
Number of Shares			
3,000,000,000	3,000,000,000	Ordinary shares of Rs.10 each	30,000,000
20.2 Issued, subscribed and paid-up share capital			
Fully paid in cash			
2,952,442,817	2,552,442,817		29,524,428
-	400,000,000	Right shares of Rs.10/-	4,000,000
Each issued during the period			
2,952,442,817	2,952,442,817		29,524,428
20.3 The Government of Sindh, through its Finance Department, owns 99.97% ordinary shares of the Bank.			
21 SHARES DEPOSIT MONEY			
Opening balance		-	4,000,000
Received during the period / year		5,000,000	-
Right shares issued during the period / year		-	(4,000,000)
		5,000,000	-
22 DEFICIT ON REVALUATION OF ASSETS		Note	
Available-for-sale securities			
Federal government securities		(2,723,466)	(1,627,156)
Fully paid ordinary shares - listed		6,827	(373,481)
Units of mutual funds (units / certificates)		29,196	19,492
		(2,687,443)	(1,981,145)
Related deferred taxation		1,048,103	772,645
		(1,639,340)	(1,208,500)
23 CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	7,246,613	4,475,012
Commitments	23.2	105,223,801	167,300,904
Other contingent liabilities		-	-
		112,470,414	171,775,916
23.1 Guarantees:			
Financial guarantees		696,899	695,773
Performance guarantees		2,346,284	2,684,368
Other guarantees		4,203,430	1,094,871
		7,246,613	4,475,012

	Note	September 30,	December 31,
		2023	2022
		Un-audited	Audited
		----- (Rupees '000) -----	
23.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		3,629,779	549,961
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	65,009,833	32,362,486
- forward lending	23.2.2	36,584,189	134,388,457
Other commitments		-	-
		<u>105,223,801</u>	<u>167,300,904</u>
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		32,860,568	16,669,577
Sale		32,149,265	15,692,909
		<u>65,009,833</u>	<u>32,362,486</u>
23.2.2 Commitments in respect of forward lending			
Forward repurchase agreement lending		19,407,306	106,368,612
Forward resale agreement borrowings		2,977,572	19,984,859
Undrawn formal standby facilities, credit lines and other commitments to lend	23.2.2.1	14,199,311	8,034,986
		<u>36,584,189</u>	<u>134,388,457</u>
23.2.2.1 Commitments to extend credit			
The Banks enters into commitments to extend credit in the normal course of its business but these are revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.			
		Nine months ended	
		September 30,	September 30,
		2023	2022
		----- Un-audited -----	
		----- Rupees in '000 -----	
24 MARK-UP/RETURN/INTEREST EARNED			
Loans and advances		5,680,957	4,005,701
Investments		32,232,977	21,055,753
lendings to financial institutions		1,011,675	1,088,077
Balances with banks		178,450	65,354
		<u>39,104,059</u>	<u>26,214,885</u>

	Note	Nine months ended	
		September 30, 2023	September 30, 2022
		----- Un-audited -----	
		----- Rupees in '000 -----	
25 MARK-UP/RETURN/INTEREST EXPENSED			
Deposits		22,789,931	11,449,858
Borrowings		9,738,367	9,929,361
Cost of swaps against foreign currency deposits / borrowings		99,835	77,480
Lease liability against right of use assets		252,887	140,644
		<u>32,881,019</u>	<u>21,597,343</u>
26 FEE AND COMMISSION INCOME			
Branch banking customer fees		47,576	42,002
Consumer finance related fees		2,050	1,359
Card related fees (debit cards)		191,086	152,220
Commission on trade		122,570	45,859
Commission on guarantees		41,463	42,917
Credit related fees		6,486	13,212
Commission on remittances including home remittances		22,986	14,904
Others		2,663	737
		<u>436,880</u>	<u>313,210</u>
27 GAIN / (LOSS) ON SECURITIES			
Realised	27.1	(30,955)	(126,765)
Unrealised - held for trading		-	-
		<u>(30,955)</u>	<u>(126,765)</u>
27.1 Realised gain/(loss) on:			
Federal Government Securities		9,673	(23,149)
Shares of listed companies		(40,628)	(103,616)
Others investments		-	-
		<u>(30,955)</u>	<u>(126,765)</u>
28 OTHER INCOME			
Gain on sale of operating fixed assets		4,164	2,835
Rent on premises shared		630	520
Incidental charges		2,225	2,130
Others		130	200
		<u>7,149</u>	<u>5,685</u>

	Note	Nine months ended	
		September 30, 2023	September 30, 2022
		----- Un-audited -----	----- Rupees in '000 -----
29 OPERATING EXPENSES			
Total compensation expense	29.1	3,341,786	2,800,211
Property expenses			
Rent & taxes		21,436	19,486
Insurance		44,670	43,629
Utilities cost		382,425	305,817
Security (including guards)		339,147	304,279
Repairs & maintenance		19,356	20,278
Depreciation		52,149	50,038
Depreciation on right of use assets		595,306	602,560
		1,454,489	1,346,087
Information technology expenses			
Software maintenance		112,369	99,762
Hardware maintenance		105,163	65,197
Depreciation		14,121	17,368
Amortisation		30,396	26,928
Network charges		17,393	11,012
Others		33,563	23,163
		313,005	243,430
Other operating expenses			
Directors' fees and allowances		18,969	11,828
Fees and allowances to Shariah Board		3,529	3,064
Legal & professional charges		21,723	18,117
Outsourced services costs		107,778	84,128
Travelling & conveyance		47,948	36,178
NIFT clearing charges		26,669	22,289
Depreciation		140,256	151,016
Training & development		3,158	2,138
Postage & courier charges		21,608	19,406
Communication		121,664	91,979
Stationery & printing		116,458	78,919
Marketing, advertisement & publicity		51,189	42,157
Donations		-	-
Auditors' Remuneration	29.2	11,040	11,507
Repairs & maintenance		124,148	91,989
Brokerage and commission		5,559	8,074
Entertainment		54,313	45,745
Fees and subscription		130,825	90,171
Insurance expenses		12,271	9,553
Others		46,132	35,646
		1,063,108	853,904
		6,172,388	5,243,632

		Nine months ended	
		September 30,	September 30,
		2023	2022
		----- Un-audited -----	
		----- Rupees in '000 -----	
29.1	Total compensation expense		
	Managerial Remuneration		
	- Fixed	2,129,106	1,765,915
	- Variable Cash Bonus / Awards etc.	15,890	12,259
	Charge for defined benefit plan	116,122	100,662
	Contribution to defined contribution plan	100,344	88,529
	Rent & house maintenance	542,462	452,881
	Utilities	104,301	92,583
	Medical	104,384	92,613
	Conveyance	88,088	86,036
	Employees old age benefits contribution	22,395	11,396
	Leave Fare Assistance	56,087	45,224
	Staff Insurances	58,767	51,118
	Others	3,840	995
		<u>3,341,786</u>	<u>2,800,211</u>
29.2	Auditors' remuneration		
	Audit fee	8,692	9,740
	Fee for other statutory certifications	975	903
	Special certifications and sundry advisory services	750	425
	Out-of-pocket expenses	623	439
		<u>11,040</u>	<u>11,507</u>
30	OTHER CHARGES		
	Penalties imposed by the State Bank of Pakistan	56,945	9,090
	Others	-	-
		<u>56,945</u>	<u>9,090</u>
31	PROVISIONS & WRITE OFFS - NET		
	Provisions for diminution in value of investments	10.3.1 879	5,048
	Provisions against investment in TFCs	10.3.1 8,222	-
	Reversal of Provisions against loans & advances - specific	(952,410)	(82,641)
	Provisions against loans & advances - specific	1,060,918	1,311,433
	Provisions against loans & advances - general	6,075	4,821
	Net provision during the year	11.2.3 114,583	1,233,613
	Bad debts write off against provision	2,698	-
	Bad debts written off directly	126,434	1,400
		<u>252,815</u>	<u>1,240,061</u>

	Nine months ended	
	September 30, 2023	September 30, 2022
	----- Un-audited -----	
	----- Rupees in '000 -----	
32 TAXATION		
Current	520,545	344,247
Prior years	-	1,217
Deferred	<u>38,461</u>	<u>(762,241)</u>
	<u>559,006</u>	<u>(416,777)</u>
33 BASIC LOSS PER SHARE		
Profit / (Loss) for the period	<u>477,168</u>	<u>(643,813)</u>
Weighted average number of ordinary shares	<u>2,952,442,817</u>	<u>2,552,442,817</u>
Basic loss per share	<u>0.16</u>	<u>(0.25)</u>
34 DILUTED LOSS PER SHARE		
Profit / (Loss) for the period	<u>477,168</u>	<u>(643,813)</u>
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)	<u>3,220,398,618</u>	<u>2,552,442,817</u>
Diluted loss per share	<u>0.15</u>	<u>(0.25)</u>
35 CASH AND CASH EQUIVALENTS		
Cash and Balances with Treasury Banks	19,820,820	13,876,377
Balances with other banks	<u>1,542,780</u>	<u>2,196,506</u>
	<u>21,363,600</u>	<u>16,072,883</u>

36 FAIR VALUE MEASUREMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

36.1 Fair value of financial assets

IFRS 13 requires the Bank to carry out fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

- 36.2 The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP.

September 30, 2023 (Un-audited)				
Fair Value				
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----- Rupees in '000 -----			
Financial assets measured at fair value				
Available-for-sale securities				
Pakistan Investment Bonds	-	160,430,457	-	160,430,457
Market Treasury Bills	-	-	-	-
Shares of listed companies	2,025,996	-	-	2,025,996
Units of mutual funds	75,303	125,258	-	200,561
Ijarah Sukuk - GoP	-	3,979,310	-	3,979,310
	<u>2,101,299</u>	<u>164,535,025</u>	<u>-</u>	<u>166,636,324</u>
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	32,860,568	-	32,860,568
Foreign exchange contracts (sale)	-	32,149,265	-	32,149,265
December 31, 2022 (Audited)				
Fair Value				
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----- Rupees in '000 -----			
Financial assets measured at fair value				
Available-for-sale securities				
Pakistan Investment Bonds	-	142,067,256	-	142,067,256
Market Treasury Bills	-	63,928,571	-	63,928,571
Shares of listed companies	2,069,094	-	-	2,069,094
Units of mutual funds	68,975	122,760	-	191,735
Ijarah Sukuk - GoP	-	3,985,410	-	3,985,410
	<u>2,138,069</u>	<u>210,103,997</u>	<u>-</u>	<u>212,242,066</u>
Off balance sheet financial instruments				
Foreign exchange contracts (purchase)	-	16,669,577	-	16,669,577
Foreign exchange contracts (sale)	-	15,692,909	-	15,692,909

The valuation techniques used for the above assets are the same as disclosed below.

Item	Valuation techniques and input used
Fully paid-up ordinary shares /close end mutual funds	Fair value is determined on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Open ended mutual funds	Fair value is based on redemption prices as at the close of the business day.
Pakistan Investment Bonds / Market Treasury Bills	Fair values are derived using the PKRV rates (Reuters page).
Government of Pakistan (GoP) - Ijarah Sukuks	Fair values are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters.
Term Finance, Bonds and Sukuk certificates	Investments in debt securities (comprising term finance certificates, bonds, sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

37 SEGMENT INFORMATION

37.1 Segment Details with respect to Business Activities

	September 30, 2023 (Un-audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
	----- Rupees in '000 -----				
Profit & Loss					
Net mark-up/return/profit income	23,631,480	36,470	-	(17,444,910)	6,223,040
Inter segment revenue - net	(28,663,629)	-	-	28,663,629	-
Non mark-up / return / interest income	813,555	133	-	481,594	1,295,282
Total Income	(4,218,594)	36,603	-	11,700,313	7,518,322
Segment direct expenses	(84,228)	(2,854)	-	(4,803,293)	(4,890,375)
Inter segment expense allocation	(109,507)	(27,353)	-	(1,202,098)	(1,338,958)
Total expenses	(193,735)	(30,207)	-	(6,005,391)	(6,229,333)
Provisions	(9,101)	-	-	(243,714)	(252,815)
Profit / (Loss) before tax	(4,421,430)	6,396	-	5,451,208	1,036,174
Balance Sheet					
Cash & Bank balances	15,871,678	-	-	5,491,922	21,363,600
Investments	179,266,393	-	-	-	179,266,393
Net inter segment lending	-	-	-	186,599,500	186,599,500
Lendings to financial institutions	2,972,100	-	-	-	2,972,100
Advances - performing	46,129	598,347	-	33,971,259	34,615,735
- non-performing (net)	-	-	-	8,073,155	8,073,155
Others	8,462,366	5,182	-	19,067,817	27,535,365
Total Assets	206,618,666	603,529	-	253,203,653	460,425,848

	September 30, 2023 (Un-audited)				
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
	----- Rupees in '000 -----				
Borrowings	19,195,840	-	-	2,163,300	21,359,140
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	-	-	216,575,229	216,575,229
Net inter segment borrowing	185,738,442	594,686	-	266,372	186,599,500
Others	670,986	8,843	-	12,752,487	13,432,316
Total liabilities	205,605,268	603,529	-	231,757,388	437,966,185
Equity	1,013,398	-	-	21,446,265	22,459,663
Total Equity & liabilities	206,618,666	603,529	-	253,203,653	460,425,848
Contingencies & Commitments	87,394,711	-	-	25,075,703	112,470,414

	September 30, 2022 (Un-audited)				
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
	----- Rupees in '000 -----				
Profit & Loss					
Net mark-up/return/profit income	12,227,257	280,190	-	(7,889,905)	4,617,542
Inter segment revenue - net	(16,040,526)	-	-	16,040,526	-
Non mark-up / return / interest income	451,280	408	-	362,963	814,651
Total Income	(3,361,989)	280,598	-	8,513,584	5,432,193
Segment direct expenses	(72,102)	(5,487)	-	(4,103,890)	(4,181,479)
Inter segment expense allocation	(86,919)	(224,216)	-	(760,108)	(1,071,243)
Total expenses	(159,021)	(229,703)	-	(4,863,998)	(5,252,722)
Provisions	(5,048)	(10,840)	-	(1,224,173)	(1,240,061)
Profit / (Loss) before tax	(3,526,058)	40,055	-	2,425,413	(1,060,590)

	December 31, 2022 (Audited)				
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
	----- Rupees in '000 -----				
Balance Sheet					
Cash & Bank balances	9,432,651	429,997	-	6,355,617	16,218,265
Investments	253,802,777	54,788	-	-	253,857,565
Net inter segment lending	750,000	(750,000)	-	181,249,550	181,249,550
Lendings to financial institutions	19,967,424	-	-	-	19,967,424
Advances - performing	47,748	1,742,765	-	35,406,130	37,196,643
- non-performing (net)	-	32,880	-	7,875,703	7,908,583
Others	4,903,213	211,034	-	18,833,743	23,947,990
Total Assets	288,903,813	1,721,464	-	249,720,743	540,346,020

	December 31, 2022 (Audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
----- Rupees in '000 -----					
Borrowings	105,059,879	310,000	-	1,874,835	107,244,714
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	588,762	-	223,043,950	223,632,712
Net inter segment borrowing	180,782,307	467,243	-	-	181,249,550
Others	2,440,114	93,084	-	8,272,511	10,805,709
Total liabilities	288,282,300	1,459,089	-	233,191,296	522,932,685
Equity	621,513	262,375	-	16,529,447	17,413,335
Total Equity & liabilities	288,903,813	1,721,464	-	249,720,743	540,346,020
Contingencies & Commitments	158,715,957	-	-	13,059,959	171,775,916

38 RELATED PARTY TRANSACTIONS

The related parties of the Bank comprise associated undertakings, directors, staff retirement funds and key management personnel (including their associates).

Transactions with related parties includes deposits, advances and other banking services which are carried out on an arm's length basis. Transactions with executives are undertaken at terms in accordance with employment agreements and service rules. Contributions to and accruals in respect of staff retirement benefit plans are made in accordance with the terms of the benefit plan. Remuneration of the President & Chief Executive Officer and directors are determined in accordance with the terms of their appointment.

The Government of Sindh (GoS) through its Finance Department holds 99.96% shareholding in the Bank and therefore entities which are owned and / or controlled by the GoS, or where the GoS may exercise significant influence, are related parties of the Bank. The Bank in the ordinary course of business enters into transactions with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to such entities. However, it is impracticable to disclose transactions with all other entities owned or controlled by the GoS.

The details of balances and transactions with related parties, other than those disclosed under respective notes, during the period / year are as follows:

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Director	Key Management Personal	Other Related Parties	Director	Key Management Personal	Other Related Parties
----- Rupees in '000 -----						
Investments						
Opening balance	-	-	-	-	-	-
Investment made during the period / year	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Advances						
Opening balance	-	222,730	-	-	211,252	-
Addition during the period / year	-	11,232	-	-	77,693	-
Repaid during the period / year	-	53,356	-	-	104,370	-
Transfer in / (out) - net	-	43,801	-	-	38,155	-
Closing balance	<u>-</u>	<u>224,407</u>	<u>-</u>	<u>-</u>	<u>222,730</u>	<u>-</u>
Other Assets						
Interest / mark-up accrued	-	221	-	-	233	-
Other receivables	-	-	315	-	-	-
	<u>-</u>	<u>221</u>	<u>315</u>	<u>-</u>	<u>233</u>	<u>-</u>
Deposits and other accounts						
Opening balance	5,101	304,178	1,837,495	767	40,596	2,138,735
Received during the period / year	22,540	877,539	7,399,005	20,783	923,785	16,435,032
Withdrawn during the period / year	17,504	1,060,357	7,070,720	19,132	732,137	16,736,272
Transfer in / (out) - net	(9,906)	(31,327)	-	2,683	71,934	-
Closing balance	<u>231</u>	<u>90,033</u>	<u>2,165,780</u>	<u>5,101</u>	<u>304,178</u>	<u>1,837,495</u>
Other Liabilities						
Interest / mark-up payable	<u>25</u>	<u>2,370</u>	<u>73,692</u>	<u>21</u>	<u>3,949</u>	<u>28,249</u>

	September 30, 2023 (Un-audited)			September 30, 2022 (Un-audited)		
	Director	Key Management Personal	Other Related Parties	Director	Key Management Personal	Other Related Parties
----- Rupees in '000 -----						
Income:						
Mark-up / return / interest earned	-	6,784	6,499	-	4,820	-
Fee and commission income	4	8	37	-	12	28
Net gain on sale of securities	-	-	1,380	-	-	200
Other income	-	-	945	-	-	570
Expenses:						
Mark-up / return / interest paid	137	13,808	142,482	19	2,399	117,249
Remuneration paid	-	264,374	-	-	156,870	-
Contribution to provident fund	-	15,166	-	-	11,502	-
Provision for gratuity	-	18,771	-	-	17,582	-
Other staff benefits	-	31,971	-	-	21,974	-
Directors' meetings fee	18,750	-	-	11,827	-	-
Other expenses	300	-	-	500	-	-
Insurance premium paid	-	-	105,678	-	-	94,921
Others:						
Sale of Government Securities	-	-	1,850,000	-	-	5,044,300
Purchase of Government Securities	-	-	968,500	-	-	-
Gratuity paid	-	15,916	-	-	6,042	-
Leave encashment	-	6,597	-	-	1,994	-
Expenses recovered under agency arrangement	-	-	34	-	-	29
Insurance claims settled	-	-	6,227	-	-	25,844

As at the date of unconsolidated statement of financial position, loans/advances and deposits of government related entities amounted to Rs.5,917.27 million (note 11) and Rs.117,450.24 million (note 18). The above includes deposits amounting to Rs. 41,932.51 (2022: Rs.34,328.51) million received through the Finance Department, Government of Sindh.

	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>17,473,209</u>	<u>17,095,030</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>9,089,262</u>	<u>3,343,643</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>-</u>	<u>-</u>
Total Eligible Tier 1 Capital	<u>9,089,262</u>	<u>3,343,643</u>
Eligible Tier 2 Capital	<u>26,071</u>	<u>19,997</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>9,115,333</u>	<u>3,363,640</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>30,032,692</u>	<u>28,233,237</u>
Market Risk	<u>8,907,056</u>	<u>6,537,413</u>
Operational Risk	<u>10,052,361</u>	<u>10,052,361</u>
Total Risk Weighted Assets	<u>48,992,109</u>	<u>44,823,011</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>18.55%</u>	<u>7.46%</u>
Tier 1 Capital Adequacy Ratio	<u>18.55%</u>	<u>7.46%</u>
Total Capital Adequacy Ratio	<u>18.61%</u>	<u>7.50%</u>
Notional minimum capital requirements prescribed by SBP		
CET1 minimum ratio	<u>6.00%</u>	<u>6.00%</u>
Tier 1 minimum ratio	<u>7.50%</u>	<u>7.50%</u>
Total capital minimum ratio	<u>10.00%</u>	<u>10.00%</u>
Total capital minimum ratio plus CCB	<u>11.50%</u>	<u>11.50%</u>
Approach followed for determining Risk Weighted Assets		
Credit Risk	Comprehensive	Comprehensive
Market Risk	Maturity method	Maturity method
Operational Risk	Basic Indicator	Basic Indicator
	September 30, 2023 Un-audited	December 31, 2022 Audited
	----- (Rupees '000) -----	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>9,089,262</u>	<u>3,343,643</u>
Total Exposures	<u>270,199,254</u>	<u>350,271,053</u>
Leverage Ratio (%)	<u>3.36%</u>	<u>0.95%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>164,839,425</u>	<u>132,719,755</u>
Total Net Cash Outflow	<u>37,918,112</u>	<u>37,666,184</u>
Liquidity Coverage Ratio (%)	<u>435%</u>	<u>352%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>164,203,088</u>	<u>159,888,541</u>
Total Required Stable Funding	<u>61,679,468</u>	<u>78,670,959</u>
Net Stable Funding Ratio	<u>266%</u>	<u>203%</u>

40 GENERAL

Figures have been rounded off to the nearest thousand Rupees.

41 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue by the Board of Directors on 26 October, 2023.


Chairman

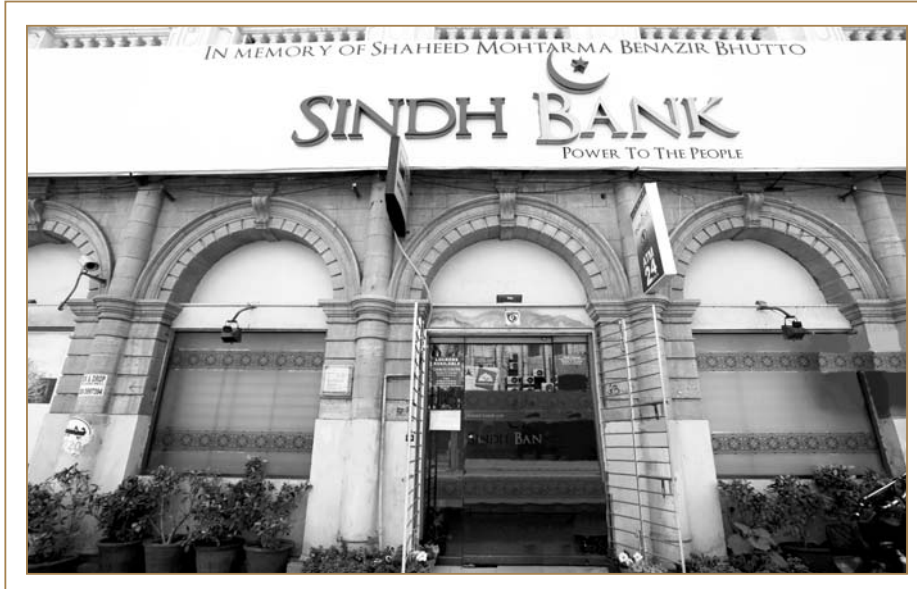

President and
Chief Executive Officer


Director


Director


Chief Financial Officer

Branch Network



SOUTH REGION

KARACHI AREA

**Syed Assad Ali
Group Business Head**
South Region
Tel: 021-35829376
Fax: 021-35870543
Email: assad.ali@sindhbankltd.com

Ms. Ghazala Ayaz
Area Manager
Area I, Karachi
Tel: 021-35290331
Email: ghazala.ayaz@sindhbankltd.com

Mr. Dilawar Ahmed Dakhan
Area Manager
Area II, Karachi
Tel: 021-36646423
Email: dilawar.dakhan@sindhbankltd.com

Mr. Ayaz Ahmed Jagirani
Area Manager
Area V, Karachi
Tel: 021-34188530
Email: ayaz.jagirani@sindhbankltd.com

Mr. Aijaz Ali Shaikh
Area Manager
Area IV, Karachi
Tel: 021-35130662-3
Email: aijaz.shaikh@sindhbankltd.com

Mr. Zahid Noshervani
Area Manager
Area III, Karachi
Tel: 021-34535131
Email: zahid.noshervani@sindhbankltd.com

Mr. Shafique Ahmed
Area Manager
Area VI, Karachi
Tel: 021-34968976
Fax: 021-34834583
Email: shafique.chandio@sindhbankltd.com

Mr. Aijaz Ali Bugti
Area Manager
Area VII, Karachi
Tel: 021-32526863, 32526864
Fax: 021-32526865
Email: aijaz.bugti@sindhbankltd.com

Mr. Husn-e-Kamil
Officiating Area Manager
Area VIII, Karachi
Tel: 021-99261588
Email: husne.kamil@sindhbankltd.com

Mr. Abdul Waheed
Officiating Area Manager
Area IX, Karachi
Tel: 021-32751623
Email: abdul.waheed2@sindhbankltd.com

Mr. Ghulam Mustafa Shaikh
Officiating Area Manager
Area X, Karachi
Tel: 021-35640032
Email: mustafa.shaikh@sindhbankltd.com

Mr. Faisal Haroon Badshah
Branch Manager /
Area Manager
Islamic Banking - Karachi
Tel: 021-34510021-23
Email: faisal.haroon@sindhbankltd.com

BALUCHISTAN AREA

Mr. Haq Nawaz
Area Manager
Balochistan Area I
Tel: 081-2865683
Fax: 081-2865682
Email: haq.nawaz@sindhbankltd.com

Mr. Wali Muhammad Attar
Officiating Area Manager
Balochistan Area II
Tel: 0838-510123
Email: wali.attar@sindhbankltd.com

SINDH RURAL REGION

Mr. Abdul Rauf Chandio
Group Business Head
Sindh Rural Region
Tel: 021-35642101-2
Fax: 021-35642104
Email: rauf.chandio@sindhbankltd.com

Mr. Jamil Ahmed Shaikh
Area Manager
Hyderabad Area I
Tel: 022-9330061
Email: jamil.shaikh@sindhbankltd.com

Mr. Manjhan Khan Jatoi
Area Manager
Hyderabad Area II
Tel: 022-9201460
Email: manjhan.jatoi@sindhbankltd.com

Mr. Mansoor Ahmed
 Officiating Area Manager
 Hyderabad Area III
 Tel: 022- 3816373
 Email: mansoor.ahmed@sindhbankltd.com

Mr. Zeeshan Ata Memon
 Officiating Area Manager
 Hyderabad Area IV
 Tel: 022- 2610704
 Email: zeeshan.atta@sindhbankltd.com

Mr. Kazim Hussain Qadri
 Area Manager
 Larkana Area I
 Tel: 074-4040753
 Email: kazim.hussain@sindhbankltd.com

Mr. Abdul Majid Khoso
 Area Manager
 Larkana Area II
 Tel: 072-2576325
 Email: majid.khoso@sindhbankltd.com

Mr. Bux Ali
 Officiating Area Manager
 Larkana Area III
 Tel: 0254-551578
 Email: bux.ali@sindhbankltd.com

Mr. Zeeshan Qureshi
 Officiating Area Manager
 Mirpurkhas Area
 Tel: 022-2653170
 Email: zeeshan.qureshi@sindhbankltd.com

Mr. Kashif Memon
 Area Manager
 Thatta Area
 Tel: 029-8550569
 Email: kashif.memon@sindhbankltd.com

Mr. Kashif Hussain Khuwaja
 Officiating Area Manager
 Badin Area
 Tel: 029-7862035
 Email: kashif.hussain@sindhbankltd.com

Mr. Badar Uddin Jatoi
 Officiating Area Manager
 Naushahro Feroze Area
 Tel: 024-2481550
 Email: badar.jatoi@sindhbankltd.com

Mr. Shams-ul-Abbas
 Area Manager
 Khairpur Area
 Tel: 024-3715407
 Email: shams.abbas@sindhbankltd.com

Mr. Zaheer Ahmed
 Officiating Area Manager
 Sukkur Area
 Tel: 071-5623961
 Email: zaheer.ahmed@sindhbankltd.com

Mr. Shakil Ahmed
 Area Manager
 Ghotki Area
 Tel: 072-3684435
 Email: shakil.ahmed@sindhbankltd.com

PUNJAB CENTRAL REGION

Mr. Rizwan Mahmood Khan
 Group Business Head
 Central Region
 Tel: 042-99264343
 Fax: 042-99264342
 Email: rizwan.mahmood@sindhbankltd.com

Ms. Shazia Andleeb
 Area Manager
 Lahore Area II & Chief Manager
 Tel: 042-99268880, 99268883
 Fax: 042-99268882
 Email: shazia.andleeb@sindhbankltd.com

Mr. Salman Satti
 Area Manager
 Lahore Area III & Chief Manager
 Tel: 042-37180190-2
 Email: salman.satti@sindhbankltd.com

Mr. Shoaib Naseem Khan
 Area Manager
 Lahore Area IV
 Tel: 042-37182146
 Email: shoaib.khan@sindhbankltd.com

Mr. Mubashar Uddin Khan
 Area Manager
 Gujranwala Area
 Tel: 055-3840015
 Fax: 055-9200993
 Email: mubashar.khan@sindhbankltd.com

Mr. Syed Ali Raza
 Area Manager
 Multan Area
 Tel: 061-9330296
 Email: a.li.raza1@sindhbankltd.com

Mr. Shafqat Ali Raja
 Area Manager
 Islamabad & Rawalpindi Area
 Tel: 051-2206330
 Email: shafqat.raja@sindhbankltd.com

NORTH REGION KPK & MIR PUR AJK AREA

Mr. Rehman Ullah Khattak
 Group Business Head
 North Region
 Tel: 091-5250602
 Email: rehmanullah.khattak@sindhbankltd.com

Mr. Farooq Khan
 Area Manager
 KPK-I
 Tel: 091-5822122
 Email: farooq.khan@sindhbankltd.com

Mr. Johar Ayub Khan
 Area Manager
 KPK-II
 Tel: 091-2600028
 Email: johar.khan@sindhbankltd.com

Mr. Intikhab Ashraf
 Area Manager
 AJK / Gilgit Baltistan
 Tel: 05822-920630
 Email: intikhab.ashraf@sindhbankltd.com

ISLAMIC BANKING DIVISION

Mr. Sheraz Ali Sabri
 Officiating Head of Islamic
 Banking Division
 Tel: 021-35829497
 Email: sheraz.sabri@sindhbankltd.com

Number of Branches

S.No.	Regions	No. of Branches
1	South Region - Karachi	93
2	Balochistan Branches	16
3	Sindh Rural Region	97
4	Punjab Central Region	101
5	North Region - KPK & Mirpur AJK Area	23
	Total	330



Sindh Bank Limited
Head Office:
3rd Floor, Federation House, Abdullah Shah Ghazi Road,
Clifton, Karachi-75600.
UAN: +92-21-111-333-225



111-333-225



www.sindhbank.com.pk



[sindhbanklimitedofficial](https://www.facebook.com/sindhbanklimitedofficial)



[sindhbankltd](https://www.instagram.com/sindhbankltd)



[company-sindh-bank-limited](https://www.linkedin.com/company/sindh-bank-limited)

Printed by: SAAM PRINTERS