

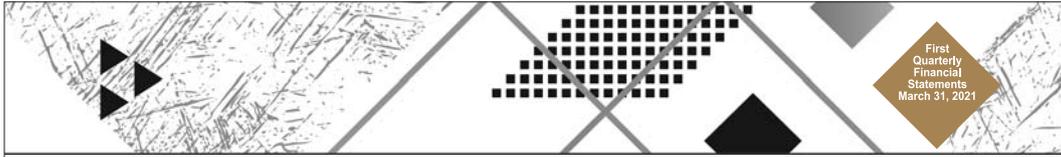


IN MEMORY OF SHAHED MOHTARMA BENAZIR BHUTTO شہید و محترمہ بینظیر بھٹو کی یاد میں

**SINDH BANK**  
**سندھ بینک**

POWER TO THE PEOPLE بااختیار عوام

First  
Quarterly  
Financial  
Statements  
March 31, 2021



## Contents

Vision and Mission Statements .....	02
Corporate Information.....	03
Directors' Report (English).....	04
Directors' Report (Urdu).....	08
Unconsolidated Condensed Interim Statement of Financial Position.....	14
Unconsolidated Condensed Interim Profit and Loss Account.....	15
Unconsolidated Condensed Interim Statement of Comprehensive Income .....	16
Unconsolidated Condensed Interim Statement of Changes in Equity.....	17
Unconsolidated Condensed Interim Cash Flow Statement.....	18
Notes to the Unconsolidated Condensed Interim Financial Statements .....	19
Consolidated Condensed Interim Statement of Financial Position.....	48
Consolidated Condensed Interim Profit and Loss Account .....	49
Consolidated Condensed Interim Statement of Comprehensive Income.....	50
Consolidated Condensed Interim Statement of Changes in Equity.....	51
Consolidated Condensed Interim Cash Flow Statement.....	52
Notes to the Consolidated Condensed Interim Financial Statements .....	53
Branch Network .....	79

## 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

Anis A. Khan*	Chairman/Non-Executive Director
Syed Hasan Naqvi, Finance Secretary (GoS)*	Non Executive Director / Nominee of GoS
Asif Jahangir*	Non Executive Director / Nominee of GoS
Masooma Hussain*	Non Executive Director
Javaid B. Sheikh*	Independent Director
Muhammad Naeem Sahgal*	Independent Director
Mohammed Aftab Alam*	Non Executive Director
Imran Samad	President & CEO

### Chief Financial Officer

Saeed Jamal Tariq

### Company Secretary

Shamsuddin Khan

### Auditors'

Naveed Zafar Ashfaq Jaffery & Co.  
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](http://www.sindhbank.com.pk)

\*All Directors have been elected / re-elected in 10th AGM held on April 2, 2021, subject to the approval of SBP, whose FPT documents have been submitted to SBP.

## Directors' Report

On behalf of the Board of Directors of Sindh Bank, I am presenting herewith the financial results for the first quarter ended March 31, 2021. Review of performance is presented below:

(Rs. in '000)

Balance Sheet	As on Mar 31, 2021	As on Dec 31, 2020	% age Change
Paid up Capital	25,524,428	19,710,130	-
Shares Deposit Money	-	2,000,000	
Proposed shares to be issued on amalgamation	-	3,814,298	
Reserves & Accumulated loss	(6,154,926)	(6,038,802)	-1.92%
<b>Paid up Capital &amp; Reserves</b>	<b>19,369,502</b>	<b>19,485,626</b>	<b>0.6%</b>
Deficit on Revaluation of Investments	(749,864)	(408,505)	
<b>Equity</b>	<b>18,619,638</b>	<b>19,077,121</b>	<b>-2.40%</b>
<b>Borrowings</b>	<b>114,967,088</b>	<b>62,377,648</b>	<b>84.31%</b>
<b>Deposits</b>	<b>192,889,232</b>	<b>185,570,689</b>	<b>3.94%</b>
<b>Investment (carrying value)</b>	<b>232,785,346</b>	<b>170,818,493</b>	<b>36.28%</b>
<b>Gross Advances</b>	<b>77,375,443</b>	<b>76,355,873</b>	<b>1.34%</b>
Profit & Loss Account	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020	%age Change
Markup/return/interest income	4,938,741	3,695,752	
Markup/return/interest expenses	3,982,296	2,912,925	
<b>Net markup/return/interest income</b>	<b>956,445</b>	<b>782,827</b>	<b>22.18%</b>
Gain/loss on sale of Investments	9,133	165	
Dividend Income	41,087	23,324	
Fee, Commission & Other Income	129,910	80,590	
<b>Non-mark-up/non-interest income</b>	<b>180,130</b>	<b>104,079</b>	<b>73.07%</b>
<b>Non mark-up/interest expenses</b>	<b>1,308,613</b>	<b>1,198,964</b>	<b>-9.15%</b>
Provision/Diminution in value of investments	11,894		
Provision-specific & general against advances	4,889	(745,452)	
<b>Total Provisions</b>	<b>16,783</b>	<b>(745,452)</b>	<b>102.25%</b>
<b>Loss before Tax &amp; provisions</b>	<b>(172,038)</b>	<b>(312,058)</b>	<b>44.87%</b>
<b>(Loss)/ Profit before Tax</b>	<b>(188,821)</b>	<b>433,394</b>	
<b>(Loss)/ Profit After Tax</b>	<b>(116,124)</b>	<b>164,726</b>	
<b>(Loss)/ Earnings per share (Rupees)</b>	<b>(0.05)</b>	<b>0.08</b>	
Other Information	As on Mar 31, 2021	As on Dec 31, 2020	%age Change
No. of Accounts	508,622	499,760	1.77%
Number of Branches	330	330	

Pre-tax loss for the quarter ended March 31, 2021 amounted to Rs.188.8 mn compared to pre-tax profit of Rs.433.4 mn in the same quarter last year. Main reason for this divergence over March 2020 was write-back of provisions amounting to Rs.745.5 mn in the quarter March 2020, mainly due to regularization of a major corporate borrower (without this reversal, the figure of losses in 2020 would have been Rs.312.10 mn).

Keeping aside this factor, the Bank recorded a significant improvement in its core profitability as its Loss before tax and provisions stood reduced to Rs 172.0 mn compared to Rs.312.1 mn last year. The improvement was brought about by increases of (i) Rs.173.6 mn i.e. 22% in net markup/interest income, (ii) Rs.76.0 mn i.e.73% in other income supported by increases in capital gains, dividends, FX income and a marginal increase in Fee & Commission.

The Bank continued its momentum in the area of Home Remittances Unit, after it was strengthened in 2020, and achieved yet another quarter of stellar results, as given below:

2020 (March 31)		2021 (March 31)		% age Increase	
Transactions	Amount in USD	Transactions	Amount in USD	Transactions	Amount in USD
5,140	1,870,114	24,647	13,902,946	379.5%	643.4%

Improvement in net interest earned figures for the comparative quarters was mainly due to a significant increase in customer Deposits from Rs.136.76 bn at March 31, 2020 to Rs.192.89 bn on March 31, 2021. Borrowings (mainly from money market) also increased from Rs.12.91 bn to Rs.114.97 bn, which combined with increase in Deposits, made more funds available for investment.

Total Assets stood at Rs.332.58 bn compared to Rs.273.71 bn as at December 31, 2020, thereby registering an increase of 21%. Carrying value of Investments as at March 31, 2021 amounted to Rs.232.75 bn, increasing by Rs.36.28% over Rs.170.82 bn as at December 31, 2020. Increase was pre-dominantly in short term MTBs and floating rate PIBs. Gross Advances increased by 1.34% to Rs. 77.4 bn from Rs. 76.4 bn as at December 31, 2020.

Total Deposits increased by 3.94% to Rs. 192.89 bn from Rs. 185.57 bn on December 31, 2020. Number of customer accounts stood at 508,622 after increase of 8,862 accounts (i.e. 1.8%) during the quarter which depicts new customer preferences and branches motivation to introduce new customers.

**Credit Rating**

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 July 06, 2020.

**Economic Review**

Pakistan's GDP growth for Fiscal Year 2020 was negative 0.38%, the first ever decrease in 68 years. This decrease came on the back of the Covid-19 outbreak. Going forward, SBP MPC expects GDP growth to be around 3 percent in FY21, higher than previously anticipated due to improved prospects for manufacturing and reflecting in part the monetary and fiscal stimulus provided during Covid. Despite the recent momentum, risks remain due to the emergence of a third, more virulent wave of Covid in Pakistan just as the vaccine roll-out is beginning.

Post advent of Covid-19, efforts of the Government of Pakistan remains focused on measures aimed at domestic recovery and increase in economic activity. Helped by supportive monetary policy, SBP's temporary refinancing facilities, and targeted fiscal support, Large-scale manufacturing (LSM) grew by 7.9 percent during the first seven months of FY21, compared to a contraction of 3.2 percent during the same period last year.

The key concern remains inflation, which is high due to supply side factors and was recorded at 9.1% for March 2021 with the latest SPI reading at 18.9%. The increase in electricity prices as agreed with IMF, will continue to manifest in headline inflation numbers in coming months, keeping average inflation in FY21 close to the upper end of the announced range of 7-9 percent. However, going forward, inflation is expected to taper down as core inflation remains somewhat subdued with the State Bank expected range of 5-7% over the medium term. At its meeting on March 19, 2021, the Monetary Policy Committee (MPC) decided to maintain the policy rate at 7 percent on a forward looking basis. In the absence of unforeseen developments, the MPC expects monetary policy settings to remain broadly unchanged in the near term.

The current account registered a surplus of \$0.9 bn during first seven months of FY21 supported by record remittances, subdued domestic demand and a nascent recovery in exports. As the economic recovery takes hold, the trade deficit is likely to widen on the back of imports of capital goods and industrial materials as well as food, combined with rising international commodity prices. Despite these factors, SBP expects current account deficit in FY21 to remain below 1 percent of GDP given increase in remittances and pickup in exports. The recent staff-level agreement on the resumption of the IMF program and successful Eurobonds issuance combined with a controlled current account point towards a stable PKR, which bodes well for prospects of investment flows into the country. These factors led to appreciation of PKR, which now stands close to a one-year high and this helped to keep SBP's foreign exchange reserves around US\$13.673 bn, levels last seen three years ago. Total FX reserves closed at US\$ 20.836 bn.

After a phenomenal performance during 7MFY21, where the KSE100 index gained nearly 34.8%, the benchmark index took a break. The first month of this quarter started on note of optimism, however, the index could not hold ground and lost 5.50% in value during the last two months of this quarter, which has limited the fiscal year increase so far to 29.3%.

#### **Sindh Microfinance Bank Limited (wholly owned subsidiary)**

Sindh Microfinance Bank Limited ('SMFB') was established in May 2016 with the aim to improve access to finance at the grass root level in Sindh Province with particular focus on women. To date SMFB has disbursed loans of approximately Rs.4 bn (more than 146k loans) through its presence in 75 locations in the province of Sindh.

Despite the challenging circumstances of COVID-19 pandemic which drastically affected the profitability of small microfinance banks, SMFB continues to remain a sustainable and profitable microfinance enterprise. As of March 31, 2021, net equity of SMFB stood at Rs.948.2 mn with a paid up capital of Rs.750 mn.

The Pakistan Credit Rating Agency (PACRA) has maintained the ratings of A- for the long term and A2 for the short term with a stable outlook which in PACRA's perspective draw comfort from SMFB's liquidity position, profitability and low investment in non-earning assets.

#### **Future Outlook**

For FY 2021, the outlook for the economy remains contingent on the COVID-19 trajectory in the coming months. Going forward, Monetary Policy Statement (March 2021) expects GDP growth to be around 3 percent in FY21, higher than previously anticipated due to improved prospects for manufacturing and reflecting in part the monetary and fiscal stimulus provided during Covid-19. Despite the recent momentum, risks remain due to the emergence of a third, more virulent wave of Covid-19 in Pakistan just as the vaccine roll-out is beginning.

After outstanding performance by our retail banking team in 2020. Sindh Bank is well-positioned to pursue its goal of achieving sustained financial growth, strength and profitability. Hence, the management is determined to pursue its goals of (i) Recovery and reduction of Non-Performing Loans, (ii) increase NIM and Trade related fee income, with increased focus on Consumer, SME and Commercial business, restoring and building new correspondent banking relationships and establishing new tie-ups with major players in Home remittances industry, (iii) further Strengthening the Governance, Risk and Control environment, and (iv) increased focus on alternate delivery and service channels and technologically superior solutions for making banking more accessible to our customers.



At the cost of repetition, a factor that is critical to the Bank achieving its above goals are getting necessary enablers to affect a settlement with a major borrowers group and newer NPLs arising due to accountability related actions.

**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

Karachi, April 29, 2021

**Masooma Hussain**  
Non Executive Director

## ڈائریکٹرز رپورٹ

میں بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2021 کو اختتام پذیر پہلی سہ ماہی کے لیے بینک کے مالیاتی نتائج پیش کر رہا ہوں۔ کارکردگی کا جائزہ درج ذیل پیش ہے:

(روپے 000)

بیلنس شیٹ	31 مارچ 2021 پر	31 دسمبر 2020 پر	فیصد تبدیلی
اداشدہ سرمایہ	25,524,428	19,710,130	-
حصص کی ڈپازٹ رقم	-	2,000,000	
انضمام پر تجویز کردہ حصص کا اجراء	-	3,814,298	
ذخائر اور جمع شدہ نقصان	(6,154,926)	(6,038,802)	-1.92%
اداشدہ سرمایہ اور ذخائر	19,369,502	19,485,626	0.6%
دو بارہ قدر پذیری پر خسارہ	(749,864)	(408,505)	
ملکیتی سرمایہ	18,619,638	19,077,121	-2.40%
ادھار	114,967,088	62,377,648	84.31%
ڈپازٹس	192,889,232	185,570,689	3.94%
سرمایہ کاری (Carrying value)	232,785,346	170,818,493	36.28%
مجموعی ایڈوانسز	77,375,443	76,355,873	1.34%
نفع نقصان کا کھاتہ	31 مارچ 2021 پر اختتام پذیر پہلے 3 ماہ پر	31 مارچ 2020 پر اختتام پذیر پہلے 3 ماہ پر	فیصد تبدیلی
مارک اپ/ریٹرنز/سودی آمدنی	4,938,741	3,695,752	
مارک اپ/اخراجات/سودی اخراجات	3,982,296	2,912,925	
خالص مارک اپ/ریٹرنز/سودی آمدنی	956,445	782,827	22.18%
سرمایہ کی فروخت سے آمدنی/(نقصان)	9,133	165	
منقسمہ آمدنی	41,087	23,324	

نفع نقصان کا کھاتہ	31 مارچ 2021 پر اختتام پذیر پہلے 3 ماہ پر	31 مارچ 2020 پر اختتام پذیر پہلے 3 ماہ پر	فیصد تبدیلی
فیس، کمیشن اور دیگر آمدنی	129,910	80,590	
بنا مارک اپ/ غیر سودی آمدنی	180,130	104,079	73.07%
بنا مارک اپ/ غیر سودی اخراجات	1,308,613	1,198,964	-9.15%
مخصصات/ سرمایہ کی گھٹی ہوئی قدر	11,894		
مخصصات - ایڈوانسز کے لیے مخصوص اور عام	4,889	(745,452)	
کل مخصصات	16,783	(745,452)	102.25%
نقصان قبل از محصول اور مخصصات	(172,038)	(312,058)	44.87%
(نقصان)/ نفع قبل از ٹیکس	(188,821)	433,394	
(نقصان)/ نفع بعد از ٹیکس	(116,124)	164,726	
(نقصان)/ آمدنی فی حصص (روپے)	(0.05)	0.08	
دیگر معلومات	31 مارچ 2021 پر	31 دسمبر 2020 پر	فیصد تبدیلی
کھاتوں کی تعداد	508,622	499,760	1.77%
شاخوں کی تعداد	330	330	

31 مارچ کو اختتام پذیر سہ ماہی پر قبل از محصول نقصان کی مالیت 188.8 ملین روپے رہی جبکہ اس کے مقابلے گزشتہ سال اسی سہ ماہی میں قبل از محصول منافع کی مالیت 433.4 ملین روپے تھی۔ مارچ 2020 کے مقابلے میں اس تبدیلی کی بنیادی وجہ بڑے اداراتی قرضہ لینے والے کو باضابطہ کرنے کے لئے مارچ 2020 کی سہ ماہی میں 745.5 ملین روپے مالیت کے مخصصات کی واپسی کا اندراج تھا۔ ان مخصصات کے بغیر سال 2020 میں نقصان کی مالیت 312.10 ملین روپے تک ہو سکتی تھی۔

اس عنصر کو ایک جانب رکھا جائے تو، بینک نے بنیادی منافع بخشی میں کافی بہتری دکھائی ہے جیسا کہ اس کا نقصان قبل از محصول اور مخصصات گھٹ کر 172.0 ملین روپے رہا جبکہ گزشتہ سال اس کی مالیت 312.1 ملین روپے تھی۔ اس میں بہتری شامل ہیں (i) خالص مارک اپ/ سودی آمدنی میں 173.6 ملین روپے یعنی 22 فیصد کا اضافہ، (ii) 76.0 ملین روپے یعنی 73 فیصد دیگر آمدن جس کی معاونت کیپیٹل گین (capital gains)، منقسم آمدنی، FX آمدنی میں خاصا اضافہ اور فیس اور کمیشن سے ہونے والی آمدنی میں معمولی اضافہ ہے۔

2020 میں ملکی تریبل زر کے پونٹ کو مستحکم کیا گیا تھا اس پر بینک نے اپنی توجہ کو مزید رکھا جس سے ایک اور سہ ماہی میں اعلیٰ نتائج حاصل کیے، جیسا کہ درج ذیل ہیں:

فیصد اضافہ		31 مارچ 2021		31 مارچ 2020	
امریکی ڈالر میں مالیت	سودے	امریکی ڈالر میں مالیت	سودے	امریکی ڈالر میں مالیت	سودے
643.4%	379.5%	13,902,946	24,647	1,870,114	5,140

تقابلی سہ ماہیوں (comparative quarters) کے خالص سود سے حاصل ہونے والے اعداد و شمار میں بہتری کی اصل وجہ گاہکوں کے ڈپازٹس میں خاصہ اضافہ ہے جو 31 مارچ 2020 میں 136.76 ارب روپے تھا جو بڑھ کر 31 مارچ 2021 میں 192.89 ارب روپے ہو گیا۔ ادھار (جو زیادہ تر زرکی منڈی سے حاصل کیا گیا) بھی 12.91 ارب روپے سے بڑھ کر 114.97 ارب روپے ہو گیا جس سے ڈپازٹس میں اضافے کے ساتھ مل کر سرمایہ کاری کے لیے زیادہ فنڈز دستیاب ہوئے۔

کل اثاثہ جات کی مالیت 31 دسمبر 2020 کے 273.71 ارب روپے کے مقابلے میں 21 فیصد اضافے سے بڑھ کر 332.58 ارب روپے ہو گئی۔ 31 مارچ 2021 پر سرمایہ کاری (Carrying value) کی مالیت 232.75 ارب روپے رہی جبکہ اس کی مالیت 31 دسمبر 2020 پر 170.82 ارب روپے تھی جس میں 36.28 فیصد اضافہ ہوا۔ یہ اضافہ نمایاں طور پر قلیل المدت MTBs اور فلوٹنگ ریٹ PIBs کے سبب تھا۔ 31 دسمبر 2020 پر مجموعی ایڈوانسز کی مالیت 76.4 ارب روپے میں 1.34 فیصد اضافے کے ساتھ 77.4 ارب روپے رہی۔

کل ڈپازٹس 31 دسمبر 2020 کے 185.57 ارب روپے میں 3.94 فیصد اضافے سے 192.89 ارب روپے ہو گئے۔ اس سہ ماہی کے دوران کھاتے داروں کی تعداد میں 8,862 (یعنی 1.8 فیصد) کھاتوں کا اضافہ سے مجموعی کھاتے داروں کی تعداد 508,622 ہو گئی جو گاہکوں کی ترجیح اور برانچوں کے عملے کی نئے گاہکوں کو متعارف کروانے کی ترغیب کی کوششوں کو ظاہر کرتی ہے۔

### کریڈٹ ریٹنگ

VIS کریڈٹ ریٹنگ کمپنی نے اپنی 6 جولائی 2020 کی رپورٹ میں طویل المدت درجہ بندی کے لیے 'A+' (A پلس) اور قلیل المدت درجہ بندی کے لیے "A1" (A ون) کی توثیق کی ہے۔

### معاشی جائزہ

مالی سال 2020 میں پاکستان کی مجموعی قومی پیداوار (GDP) کی نمو 68 سالوں میں پہلی مرتبہ منفی 0.38 فیصد تھی۔ یہ کمی کوڈ-19 کے

پس منظر میں آئی۔ مزید برآں، بینک دولت پاکستان کی MPC کو توقع ہے کہ سال 2021 میں پاکستان کی مجموعی قومی پیداوار (GDP) کی نمو کی شرح تقریباً 3 فیصد رہے گی، جو پچھلی توقعات سے زیادہ ہے جس کی بنیاد پیداواری شعبے میں بہتری کے امکانات تھی اور کووڈ-19 کے دوران جزوی طور پر مالی اور اقتصادی ترغیبات ہیں۔ حالیہ معاشی تیزی کے باوجود پاکستان میں، ویکسین لگانے کے آغاز سے، کووڈ کی تیسری، زیادہ مہلک وبا کے ابھرنے کا خطرہ موجود ہے۔

کووڈ کے آغاز سے پہلے، حکومت پاکستان کی کوششوں کا مرکز اندرون ملک بحالی اور معاشی سرگرمیوں میں اضافے پر تھا۔ معاون مالیاتی پالیسی کے سبب، بینک دولت پاکستان کی عارضی قرضہ دینے کی سہولیات، مخصوص مالیاتی مدد اور بڑے پیمانے کی پیداواری (LSM) صنعت، میں سال 2021 کے پہلے سات ماہ میں 7.9 فیصد کا اضافہ ہوا جس کے مقابلے میں گذشتہ سال اسی مدت کے دوران یہ نمو 3.2 فیصد تھی۔

بنیادی مسئلہ افراط زر رہا، جس کے بلند ہونے کی وجہ فراہمی کے سلسلے کے عناصر رہے اور مارچ 2021 میں یہ 9.1 فیصد رہی جبکہ تازہ ترین SPI کی قدر 18.9 فیصد رہی۔ جیسا کہ IMF سے بجلی کی قیمتیں بڑھانے پر اتفاق کیا گیا، آنے والے مہینوں میں بجلی کی قیمتیں headline افراط زر کے اعداد و شمار میں نظر آئیں گی، اور مالی سال 2021 میں اعلان کردہ اوسط افراط زر 7-9 فیصد کی بلند سطح کے قریب رہے گی۔ تاہم، آگے بڑھتے ہوئے، توقع ہے کہ افراط زر بتدریج کم ہوگا جو کہ بینک دولت پاکستان کی وسطی مدت کے بنیادی افراط زر کے تخمینے کے مطابق یہ 5-7 فیصد رہے گا۔ آنے والے وقت کو مد نظر رکھتے ہوئے 19 مارچ 2021 کو منعقدہ بینک دولت پاکستان کی مالیاتی پالیسی کمیٹی (MPC) نے فیصلہ کیا ہے کہ پالیسی نرخ کو 7 فیصد پر برقرار رکھیں گے۔ کسی غیر متوقع پیش رفت کی غیر موجودگی میں بینک دولت پاکستان کی مالیاتی پالیسی کمیٹی (MPC) توقع کرتی ہے کہ مستقبل قریب میں وسیع تر مالیاتی پالیسی کی ترتیب میں کوئی تبدیلی نہیں ہوگی۔

مالی سال 2021 کے پہلے سات ماہ میں جاری کھاتے میں 10.9 ارب امریکی ڈالر کا اضافہ رہا جس کی معاونت رکارڈ تریسیلات زر، ملک میں گھٹی ہوئی طلب اور برآمدات کی بحالی کے نئے آغاز نے کی۔ جیسے جیسے معیشت کی بحالی قدم جمائے گی، تو بین الاقوامی اجناس کی بڑھتی ہوئی قیمتوں کے پس منظر میں توقع کی جارہی ہے کہ کمپیوٹل کی اشیاء اور صنعتی سامان کے ساتھ ساتھ غذائی اشیاء کی درآمدات سے تجارتی خسارے میں اضافہ ہوگا۔ ان عوامل کے باوجود، بینک دولت پاکستان کو توقع ہے کہ تریسیلات زر اور برآمدات میں اضافہ ہونے سے، سال 2021 میں جاری کھاتے کا خسارہ مجموعی قومی پیداوار کے ایک فیصد سے کم رہے گا۔ IMF پروگرام کی بحالی کے سلسلے میں ہونے والا حالیہ اسٹاف-لیول کے معاہدہ اور یورو بانڈز کے کامیاب اجراء کے ساتھ جاری کھاتے کو قابو میں رکھتے ہوئے پاکستانی روپے کے استحکام کی سمت متعین کردی ہے، جو ملک میں سرمایہ کاری کے بہاؤ کی جانب مثبت اشارہ ہے۔ ان عوامل کے نتیجے میں پاکستانی روپے کی قدر میں

اضافہ ہوا اور اب وہ ایک سال کی بلند ترین سطح پر ہے اور جس نے بینک دولت پاکستان کے پاس غیر ملکی زرمبادلہ کے ذخائر کو تقریباً 13.673 ارب امریکی ڈالر پر رکھنے میں معاونت کی، یہ سطح گزشتہ تین سال قبل دیکھی گئی تھی۔ کل غیر ملکی زرمبادلہ کے ذخائر 20.836 ارب امریکی ڈالر رہے۔

مالی سال 2021 کے سات ماہ میں حیرت انگیز کارکردگی دکھانے کے بعد PSX-100 انڈیکس میں تقریباً 34.8 فیصد کا اضافہ ہوا، جس کے بعد benchmark انڈیکس نے ایک وقفہ لیا۔ اس سہ ماہی کے پہلے مہینے کا آغاز پر امید (optimism) پر ہوا، تاہم انڈیکس تسلسل برقرار نہ رکھ سکا اور اس سہ ماہی کے پچھلے دو ماہ میں قدر میں 5.50 فیصد کمی دکھائی، جس نے مالی سال میں اضافے کو 29.3 فیصد تک محدود کر دیا۔

### مائیکروفنانس بینک لمیٹڈ (مکمل طور پر ذیلی ادارہ)

سندھ مائیکروفنانس بینک لمیٹڈ (SMFB)، نے مائیکروفنانس آپریشن کا آغاز صوبہ سندھ میں مئی 2016 میں کیا جس کا مقصد صوبہ سندھ میں نجلی سطح پر زندگی گزارنے والے افراد، خاص طور پر خواتین کی فنانس تک رسائی ہے۔ اب تک SMFB تقریباً 4 ارب روپے (146,000 سے زیادہ قرضہ جات) کی ادائیگی ایسے افراد کو سندھ بھر میں 75 مقامات پر موجود مراکز سے کی جا چکی ہیں۔

کووڈ-19 کی عالمی وبا کے کٹھن حالات کے باوجود، جس نے مائیکروفنانس بینکوں کی منافع بخشی کو متاثر کیا، SMFB ایک قائم رہنے والے اور منافع بخش ادارے کے طور پر جاری رہے گا۔ 31 مارچ 2021 پر SMFB کی خالص ملکیتی سرمایہ 948.2 ملین روپے اور ادا شدہ سرمایہ 750 ملین روپے رہا۔

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے طویل المدت درجہ بندی A- اور قلیل المدت درجہ بندی A2 کی توثیق کی ہے جو PACRA کی نظر میں SMFB کی سیالیت (liquidity) کی صورتحال، منافع بخشی اور بنی آمدنی والے اثاثہ جات میں کم سرمایہ کاری ہے۔

### مستقبل کا منظر نامہ

سال 2021 کے آنے والے مہینوں میں کووڈ-19 کے اثرات کی وجہ سے معیشت کی صورتحال غیر یقینی (contingent) رہے گی۔ آگے بڑھتے ہوئے، مالیاتی پالیسی کے بیان (مارچ 2021) میں توقع کی جا رہی ہے کہ مالی سال 2021 میں مجموعی قومی پیداوار (GDP) کی نمو تقریباً 3 فیصد رہے گی، جو پہلے سے لگائے گئے متوقع تخمینوں سے زیادہ ہے، جس کی وجہ پیداواری شعبے میں بہتری کے

امکانات، اور جزوی طور پر کووڈ-19 کے دوران مالیاتی اور اقتصادی ترغیبات کا عکاس ہے۔ حالیہ تیزی کے باوجود پاکستان میں، ویکسین لگانے کے آغاز سے، کووڈ کی تیسری، زیادہ مہلک وبا کے ابھرنے کا خطرہ موجود ہے۔

سال 2020 میں ہماری ریٹیل بینکاری ٹیم کی غیر معمولی کارکردگی کے سبب۔ سندھ بینک بہتر صورتحال میں ہے کہ وہ تسلسل سے مالیاتی نمو اور مستحکم منافع بخش کو حاصل کر سکے۔ اس لئے انتظامیہ پر عزم ہے کہ اپنے مقاصد حاصل کرنے کی کوششیں جاری رکھے گی (i) غیر فعال قرضہ جات کی بحالی اور کمی (ii) SME، Consumer اور تجارتی کاروبار پر زیادہ توجہ کے ساتھ NIM اور تجارت سے متعلق فیس میں اضافہ، نئے خط و کتابت سے بینکاری کے تعلقات کی بحالی اور ملکی ترسیلات زر کی صنعت کی بڑی پارٹیوں سے روابط (iii) نظم و ضبط (Governance)، رسک کنٹرول کے ماحول کو مزید مستحکم کرنا اور (iv) متبادل فراہمی اور خدمات کے ذرائع اور ٹیکنالوجی کی بنیاد پر بہترین حل تاکہ بینکاری کی گاہکوں تک زیادہ رسائی بنائی جائے۔

یہ دھراتے ہوئے کہ ایک ایسا عنصر جو بینک کے اوپر دیے گئے مقاصد کے حصول کے لیے انتہائی اہم ہے، بڑے قرض لینے والے ایک گروپ سے تصفیہ کے لیے کسی محرک کا ہونا ضروری ہے اور نئے غیر فعال قرضہ جات (NPLs) جو احتساب سے متعلق اقدامات کے سبب بڑھ سکتے ہیں۔

## اعتراف

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

بورڈ آف ڈائریکٹرز کی جانب سے

  
معصومہ حسین  
نان ایگزیکٹو ڈائریکٹر

  
عمران صد  
صدر / CEO

کراچی: 29 اپریل 2021

## Unconsolidated Condensed Interim Statement of Financial Position As At March 31, 2021

	Note	March 31, 2021 Un-audited	December 31, 2020 Audited
----- (Rupees in '000) -----			
<b>ASSETS</b>			
Cash and balances with treasury banks	7	14,911,383	14,486,693
Balances with other banks	8	985,863	4,185,277
Lendings to financial institutions	9	7,729,879	8,212,780
Investments	10	232,785,346	170,818,493
Advances	11	57,867,936	56,853,255
Fixed assets	12	3,046,051	3,265,367
Intangible assets	13	62,061	68,385
Deferred tax assets-net	14	10,549,289	10,182,327
Other assets	15	4,647,856	5,640,803
		<b>332,585,664</b>	<b>273,713,380</b>
<b>LIABILITIES</b>			
Bills payable	16	729,648	592,334
Borrowings	17	114,967,088	62,377,648
Deposits and other accounts	18	192,889,232	185,570,689
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	19	5,380,058	6,095,588
		<b>313,966,026</b>	<b>254,636,259</b>
<b>NET ASSETS</b>		<b>18,619,638</b>	<b>19,077,121</b>
<b>REPRESENTED BY</b>			
Share capital - net	20	25,524,428	19,710,130
Reserves		1,471,422	1,471,422
Shares deposit money	21	-	2,000,000
Proposed Ordinary shares to be issued on amalgamation		-	3,814,298
Deficit on revaluation of assets	22	(749,864)	(408,505)
Accumulated Loss		(7,626,348)	(7,510,224)
		<b>18,619,638</b>	<b>19,077,121</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	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 Statement of Comprehensive Income (Un-audited) For The Quarter Ended March 31, 2021

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	----- (Rupees in '000) -----	
<b>(Loss) / Profit after taxation for the period</b>	<b>(116,124)</b>	<b>164,726</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in (deficit) / surplus on revaluation of investments - net of tax	<u>(341,359)</u> <u>(457,483)</u>	<u>627,429</u> <u>792,155</u>
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>		
Remeasurement gain / (loss) on defined benefit obligations - net of deferred tax	-	-
<b>Total comprehensive (loss) / income</b>	<u><u>(457,483)</u></u>	<u><u>792,155</u></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 Quarter Ended March 31, 2021

	Share Capital	Proposed Ordinary shares to be issued on amalgamation	Shares Deposit Money	Capital Reserves			Deficit on revaluation of investments	Accumulated Loss **	Total
				Reserves on amalgamation	Share Premium	Statutory Reserve *			
Rupees in '000									
Balance as at January 01, 2020	19,710,130	-	2,000,000	-	51	1,451,928	(1,780,577)	(4,304,331)	17,077,201
Profit after tax for the quarter ended March 31, 2020	-	-	-	-	-	-	-	164,726	164,726
Other comprehensive income - net of tax	-	-	-	-	-	-	627,429	-	627,429
Transfer to statutory reserve	-	-	-	-	-	32,945	-	(32,945)	-
<b>Balance as at March 31, 2020</b>	<b>19,710,130</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>	<b>51</b>	<b>1,484,873</b>	<b>(1,153,148)</b>	<b>(4,172,550)</b>	<b>17,869,356</b>
Loss after tax for the nine months ended December 31, 2020	-	-	-	-	-	-	-	(3,377,297)	(3,377,297)
Other comprehensive income /(loss) - net of tax	-	-	-	-	-	-	744,643	6,678	751,321
Transfer to statutory reserve	-	-	-	-	-	(32,945)	-	32,945	-
Proposed Ordinary shares to be issued and reserve upon amalgamation of Sindh Leasing Company Ltd.	-	3,814,298	-	19,443	-	-	-	-	3,833,741
<b>Balance as at December 31, 2020</b>	<b>19,710,130</b>	<b>3,814,298</b>	<b>2,000,000</b>	<b>19,443</b>	<b>51</b>	<b>1,451,928</b>	<b>(408,505)</b>	<b>(7,510,224)</b>	<b>19,077,121</b>
Loss after tax for the quarter ended March 31, 2021	-	-	-	-	-	-	-	(116,124)	(116,124)
Other comprehensive income - net of tax	-	-	-	-	-	-	(341,359)	-	(341,359)
Issue of Shares during the period	<b>5,814,298</b>	<b>(3,814,298)</b>	<b>(2,000,000)</b>	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>25,524,428</b>	<b>-</b>	<b>-</b>	<b>19,443</b>	<b>51</b>	<b>1,451,928</b>	<b>(749,864)</b>	<b>(7,626,348)</b>	<b>18,619,638</b>

\* 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.9,162.91 million net of tax as at March 31, 2021 (December 31, 2020: Rs. 9,142.42 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 Quarter Ended March 31, 2021

		March 31, 2021	March 31, 2020
Note	-----	(Rupees in '000)	-----
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss) / Profit before taxation		(188,821)	433,394
Less: Dividend income		(41,087)	(23,324)
		<u>(229,908)</u>	<u>410,070</u>
<b>Adjustments:</b>			
Depreciation	29	237,919	238,081
Amortisation	29	6,325	5,119
Provision and write offs -net	31	16,783	(745,452)
Gain on sale of operating fixed assets	28	(107)	(2,942)
		<u>260,920</u>	<u>(505,194)</u>
		31,012	(95,124)
<b>(Increase) / decrease in operating assets</b>			
Lendings to financial institutions		482,901	461,261
Advances		(1,019,570)	3,124,504
Other assets (excluding advance taxation)		926,730	(390,441)
		<u>390,061</u>	<u>3,195,324</u>
<b>Increase / (decrease) in operating liabilities</b>			
Bills payable		137,314	(33,734)
Borrowings from financial institutions		52,589,440	8,722,750
Deposits and other accounts		7,318,543	2,707,923
Other liabilities (excluding current taxation)		(716,456)	333,392
		<u>59,328,841</u>	<u>11,730,331</u>
		59,749,914	14,830,531
Income tax paid		(2,336)	(19,446)
<b>Net cash flow (used in) operating activities</b>		<u>59,747,578</u>	<u>14,811,085</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investment in available-for-sale securities		(62,543,982)	(17,442,373)
Net investment in held-to-maturity securities		6,556	6,278
Dividends received		33,621	19,274
Investments in operating fixed assets		(18,604)	(73,006)
Sale proceeds from sale of fixed assets		107	3,199
<b>Net cash flows from investing activities</b>		<u>(62,522,302)</u>	<u>(17,486,628)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Shares deposit money		-	-
<b>Net cash flows from financing activities</b>		-	-
Increase in cash and cash equivalents		(2,774,724)	(2,675,543)
<b>Cash and cash equivalents at the beginning of the year</b>		<u>18,671,970</u>	<u>14,391,336</u>
<b>Cash and cash equivalents at the end of the period</b>	35	<u>15,897,246</u>	<u>11,715,793</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 Quarter Ended March 31, 2021

### 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 (2020: 330) branches including 8 (2020: 8) sub-branches and 14 (2020: 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 99.95% 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 July 06, 2020.

#### 1.4 Going Concern

Due to significant losses suffered by the Bank in the years 2018 to 2020 and to address any material uncertainties, the management has been working on a Business Viability Plan approved by its Board of Directors in 73rd meeting held on September 13, 2019. The Plan aims to make the Bank a viable, self-sustaining institution. Important areas of focus where efforts are continuing and significant progress has been made are:

- Strengthening Bank's Capital -As planned, cash injection, of Rs. 11.7 billion and 3.814 billion from amalgamation of Sindh Leasing Company Limited in Bank's Tier 1 Common Equity .
- Improving Business Volumes and Profitability-This involves the Bank taking pro-active measures to:
  - i. increase fee-based income from mainly trade-related business;
  - ii) Improving Net Interest margin i.e.
    - a) mobilizing cost effective (CASA) deposits;
    - b) launching new asset products in the Consumer and SME segments;
    - iii. making concerted efforts for recovery and reduction of Non-Performing Loans.
    - iv. taking cost rationalization measures;
- Strengthening the Bank's Governance, Risk and Control environment.

1.5 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 condensed interim financial statements do not include all the information and disclosures required and should be read in conjunction with the annual financial statements of the Bank for the year ended 31 December 2020.

**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.

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. The 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, 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. SIGNIFICANT ACCOUNTING POLICIES**

**4.1** The accounting policies adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the unconsolidated annual audited financial information of the Bank for the year ended December 31, 2020.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard amendments, or interpretation and also are not early adopted by the Bank:

<b>Standard or Interpretation or Amendments</b>	<b>Effective date (annual periods beginning on or after)</b>
IAS 1 - Classification of Liabilities as Current or Non - Current - (Amendments)	January 01, 2023
IFRS 3 - Business Combination - (Amendments)	January 01, 2022
IAS 37 - Onerous Contracts - Costs of fulfilling a Contract - (Amendments)	January 01, 2022
IFRS 9 - Annual improvement process Financial Instruments	January 01, 2022
IFRS 1 - First time adoption of International Financial Reporting Standards -Subsidiary	January 01, 2022
IFRS 41 - Agriculture- Taxation in fair value measurements	January 01, 2022

**Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.**

<b>Standard</b>	<b>IASB Effective date (annual periods beginning on or after)</b>
IFRS 1 - First time adoption of IFRSs	July 01, 2009
IFRS 17 - Insurance Contracts	January 01, 2023

IFRS 9 - Financial Instruments : has been 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 bank financial statements for the jurisdictions where IFRS 9 has been adopted. As per the SBP's BPRD Circular Letter No. 4 dated October 23, 2019, the applicability of IFRS 9 to banks in Pakistan was deferred to accounting periods beginning on or after January 01, 2021 and detailed guidelines are awaited regarding the same.

**5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The basis for accounting estimates adopted in the preparation of this condensed interim unconsolidated financial information is the same as that applied in the preparation of the unconsolidated annual audited financial statements for the year ended December 31, 2020.

**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, 2020.

		March 31, 2021 Un-audited	December 31, 2020 Audited
	Note	----- (Rupees '000) -----	
<b>7 CASH AND BALANCES WITH TREASURY BANKS</b>			
<b>In hand</b>			
Local currency		4,157,930	4,961,892
Foreign currency		149,706	252,331
		<b>4,307,636</b>	5,214,223
<b>With State Bank of Pakistan (SBP) in</b>			
Local currency current accounts	7.1	9,582,797	6,707,459
Foreign currency current accounts	7.2	164,103	153,339
Foreign currency deposit accounts			
- Non Remunerative	7.3	74,930	73,605
- Remunerative	7.4	145,998	141,572
		<b>9,967,828</b>	7,075,975
<b>With National Bank of Pakistan in</b>			
Local currency current accounts		578,296	2,100,360
Local currency deposit accounts	7.5	5,055	10,790
		<b>583,351</b>	2,111,150
<b>Prize bonds</b>			
		<b>52,568</b>	85,345
		<b>14,911,383</b>	14,486,693

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 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 Nil profit (2020: 0.51% to 0.76%) per annum.

7.5 This includes savings account with National Bank of Pakistan carrying mark-up at 5.50% (2020: 5.50%) per annum.

		March 31, 2021 Un-audited	December 31, 2020 Audited
	Note	----- (Rupees '000) -----	
<b>8</b>	<b>BALANCES WITH OTHER BANKS</b>		
	<b>In Pakistan</b>		
	In current accounts	30	30
	In savings accounts	3,369	15,962
		<u>3,399</u>	<u>15,992</u>
	<b>Outside Pakistan</b>		
	In current accounts	982,464	4,169,285
		<u>985,863</u>	<u>4,185,277</u>

8.1 This includes savings account with a commercial bank carrying profit at the rate of 5.50% (2020: 5.50%) per annum.

**9 LENDINGS TO FINANCIAL INSTITUTIONS**

Call money lendings		-	3,000,000
Repurchase agreement lendings (Reverse Repo)	9.2 & 9.4	6,229,879	3,969,535
Bai Muajjal with financial institutions		-	583,245
Musharaka arrangements	9.3	1,500,000	660,000
		<u>7,729,879</u>	<u>8,212,780</u>

**9.1 Particulars of lending**

In local currency		7,729,879	8,212,780
In foreign currencies		-	-
		<u>7,729,879</u>	<u>8,212,780</u>

9.2 This represents resale agreement lending with commercial banks carrying mark-up in the range of 7.19% to 7.95% (2020 :7.20%) per annum maturing up to April 23, 2021 (2020: March 18, 2021).

9.3 This represents arrangement with an Islamic bank carrying mark-up in the range of 7.10% to 7.25% (2020: 6.50% to 7.20%) per annum maturing up to April 16, 2021 (2020: January 06, 2021).

**9.4 Securities held as collateral against Lendings to financial institutions**

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Held by Bank	Further given as collateral	Total	Held by Bank	Further given as collateral	Total
	----- (Rupees '000) -----					
Market Treasury Bills	496,429	-	496,429	-	-	-
Pakistan Investment Bonds	5,794,536	-	5,794,536	3,854,420	-	3,854,420
Total	<u>6,290,965</u>	<u>-</u>	<u>6,290,965</u>	<u>3,854,420</u>	<u>-</u>	<u>3,854,420</u>

**10 INVESTMENTS**

**10.1 Investments by type**

	March 31, 2021 (Un-audited)				December 31, 2020 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- Rupees in '000 -----								
<b>Available-for-sale securities</b>								
Federal Government Securities								
Market Treasury Bills	87,689,867	-	(24,789)	87,665,078	51,311,160	-	43,094	51,354,254
Pakistan Investment Bonds	123,766,193	-	(1,015,651)	122,750,542	97,956,376	-	(694,937)	97,261,439
Government of Pakistan - Ijarah Sukuk	1,500,000	-	5,455	1,505,455	1,500,026	-	(540)	1,499,486
Shares								
Listed	2,811,081	(368,929)	(216,276)	2,225,876	2,437,740	(369,853)	(42,599)	2,025,288
Unlisted	100,000	-	-	100,000	100,000	-	-	100,000
Non-government debt securities								
Sukuk certificates	78,570	-	(114)	78,456	96,428	-	(316)	96,112
Mutual funds	215,049	(32,991)	22,092	204,150	215,048	(32,991)	25,619	207,676
	<u>216,160,760</u>	<u>(401,920)</u>	<u>(1,229,283)</u>	<u>214,529,557</u>	<u>153,616,778</u>	<u>(402,844)</u>	<u>(669,679)</u>	<u>152,544,255</u>
<b>Held-to-maturity securities</b>								
Federal Government Securities								
Pakistan Investment Bonds	16,765,554	-	-	16,765,554	16,772,088	-	-	16,772,088
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	859,068	(343,068)	-	516,000	859,090	(331,175)	-	527,915
	<u>17,926,565</u>	<u>(420,776)</u>	<u>-</u>	<u>17,505,789</u>	<u>17,933,121</u>	<u>(408,883)</u>	<u>-</u>	<u>17,524,238</u>
<b>Investment in Subsidiary</b>								
Fully paid ordinary shares	750,000	-	-	750,000	750,000	-	-	750,000
<b>Total Investments</b>	<u>234,837,325</u>	<u>(822,696)</u>	<u>(1,229,283)</u>	<u>232,785,346</u>	<u>172,299,899</u>	<u>(811,727)</u>	<u>(669,679)</u>	<u>170,818,493</u>

**March 31, 2021 Un-audited**      **December 31, 2020 Audited**

----- (Rupees '000) -----

**10.2 Investments given as collateral**

**Federal government securities**

Pakistan Investment Bonds	<b>87,695,300</b>	52,185,578
Market Treasury Bills	<b>25,077,660</b>	8,384,972
	<u><b>112,772,960</b></u>	<u>60,570,550</u>

	March 31, 2021 Un-audited	December 31, 2020 Audited
<b>10.3 Provision for diminution in value of investments</b>	----- (Rupees '000) -----	
10.3.1 Opening balance	811,727	504,993
<b>Charge / reversals</b>		
Charge for the period	11,894	306,734
Reversals in the period	-	-
Reversal on disposals	(925)	-
Transfers - net	10,969	306,734
<b>Closing Balance</b>	<b>822,696</b>	<b>811,727</b>

	March 31, 2021 (Un-audited)		December 31, 2020 (Audited)	
	Non performing investments	Provision	Non performing investments	Provision
<b>10.3.2 Particulars of provision against equity / debt investments</b>	----- Rupees in '000 -----			
<b>Category of classification (domestic)</b>				
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	993,972	822,696	994,895	811,727
<b>Total</b>	<b>993,972</b>	<b>822,696</b>	<b>994,895</b>	<b>811,727</b>

10.3.2.1 The Bank has availed the benefit of forced sale value of collateral against non-performing investments on the basis of instructions of the State Bank of Pakistan. Had the benefit not been taken by the Bank, provision against non-performing investments would have been higher by Rs. 171.28 million (2020: Rs. 183.17 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 March 31, 2021 amounted to Rs.17,894.25 million (December 31, 2020: Rs.18,251.19 million).

	Performing		Non Performing		Total	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
<b>11 ADVANCES</b>	----- Rupees in '000 -----					
Loans, cash credits, agriculture, running finances etc.	29,705,218	26,030,306	35,034,217	35,090,263	64,739,435	61,120,569
Commodity finance	8,711,226	10,644,226	-	-	8,711,226	10,644,226
Net investment in finance lease	1,610,183	1,674,341	238,515	240,215	1,848,698	1,914,556
<b>Islamic financing and related assets</b>						
Diminishing musharakah financing	1,649,186	2,218,351	14,801	-	1,663,987	2,218,351
Ijarah financing under IFAS 2	30,636	38,002	-	-	30,636	38,002
	41,706,449	40,605,226	35,287,533	35,330,478	76,993,982	75,935,704
<b>Bills discounted and purchased (excluding market treasury bills)</b>						
Payable in Pakistan	369,118	401,727	-	-	369,118	401,727
Payable outside Pakistan	8,938	15,037	3,405	3,405	12,343	18,442
	378,056	416,764	3,405	3,405	381,461	420,169
<b>Advances - gross</b>	<b>42,084,505</b>	<b>41,021,990</b>	<b>35,290,938</b>	<b>35,333,883</b>	<b>77,375,443</b>	<b>76,355,873</b>
<b>Provision for non-performing advances</b>						
- Specific provision	-	-	18,682,301	18,713,043	18,682,301	18,713,043
- Specific provision on Leasing Portfolio	-	-	822,735	787,367	822,735	787,367
- General provision against consumer and small enterprise advances	2,471	2,208	-	-	2,471	2,208
	2,471	2,208	19,505,036	19,500,410	19,507,507	19,502,618
<b>Advances - Net of Provision</b>	<b>42,082,034</b>	<b>41,019,782</b>	<b>15,785,902</b>	<b>15,833,473</b>	<b>57,867,936</b>	<b>56,853,255</b>

11.1 Particulars of advances (Gross)	March 31, 2021	December 31, 2020
	Un-audited	Audited
	----- (Rupees '000) -----	
In local currency	77,375,443	76,355,873
In foreign currencies	-	-
	<u>77,375,443</u>	<u>76,355,873</u>

11.2 Advances which have been placed under non-performing status are as detailed below:

Category of Classification	March 31, 2021 (Un-audited)		December 31, 2020 (Audited)	
	Non performing Loans	Provision	Non performing Loans	Provision
	----- Rupees in '000 -----			
<b>Domestic</b>				
Other Assets Especially Mentioned	11.2.1 63,412	-	34,523	-
Substandard	26,769	201	31,291	1,851
Doubtful	1,361,079	416,040	1,574,605	520,992
Loss	33,839,678	19,088,795	33,693,464	18,977,567
Total	<u>35,290,938</u>	<u>19,505,036</u>	<u>35,333,883</u>	<u>19,500,410</u>

11.2.1 This represents non-performing portfolio of agricultural and small and medium enterprise financing classified as OEM 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 on the basis of the instructions 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.15,021.17 (2020: Rs. 14,987.57 ) 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

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- Rupees in '000 -----					
Opening balance	19,500,410	2,208	19,502,618	15,297,231	1,812	15,299,043
Exchange adjustments	-	-	-	-	-	-
Charge for the period	72,359	263	72,622	3,970,216	396	3,970,612
Reversals	(68,653)	-	(68,653)	(1,001,443)	-	(1,001,443)
	3,706	263	3,969	2,968,773	396	2,969,169
Amounts charged off - Agriculture loans	920	-	920	447,039	-	447,039
Net charge / (reversal) during the period	4,626	263	4,889	3,415,812	396	3,416,208
Transfer from Sindh Leasing Co. Ltd under amalgamation	-	-	-	787,367	-	787,367
Amounts written off	-	-	-	-	-	-
<b>Closing balance</b>	<u>19,505,036</u>	<u>2,471</u>	<u>19,507,507</u>	<u>19,500,410</u>	<u>2,208</u>	<u>19,502,618</u>

11.2.3.1 General provision against consumer loans represents provision maintained at an amount equal to 1% (2020: 1%) of the fully secured performing portfolio and 4% (2020: 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% (2020: 0%) of the fully secured performing portfolio and 1% of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP.

		March 31, 2021 Un-audited	December 31, 2020 Audited
<b>12</b>	<b>FIXED ASSETS</b>	----- (Rupees '000) -----	
	Capital work-in-progress	33,272	24,900
	Property and equipment	1,359,369	1,420,821
	Right of use assets	1,653,410	1,819,646
		<u>3,046,051</u>	<u>3,265,367</u>

<b>12.1</b>	<b>Capital work-in-progress</b>		
	Equipment	3,639	4,814
	Advance to suppliers	29,633	20,086
		<u>33,272</u>	<u>24,900</u>

		March 31, 2021 Un-audited	March 31, 2020 Audited
<b>12.2</b>	<b>Additions to fixed assets</b>	----- Rupees in '000 -----	

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

**Property and equipment :**

Lease hold improvements	-	6,990
Furniture and fixture	724	3,854
Computer and office equipment	3,635	16,600
Vehicles	5,881	14,619
<b>Total</b>	<u>10,240</u>	<u>42,063</u>

**Disposal of fixed assets**

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

Vehicles	-	256
<b>Total</b>	<u>-</u>	<u>256</u>

		March 31, 2021 Un-audited	December 31, 2020 Audited
<b>13</b>	<b>INTANGIBLE ASSETS</b>	----- (Rupees '000) -----	
	Computer Software	62,061	68,385
	Others	-	-
		<u>62,061</u>	<u>68,385</u>

	March 31, 2021	March 31, 2020
	<b>Un-audited</b>	
	----- Rupees in '000 -----	
<b>Additions to intangible assets</b>		
The following additions have been made to intangible assets during the period:		
Computer Software	-	21,619
<b>Disposal of intangible assets</b>		
The net book value of intangible assets disposed off during the period.	-	-
	<b>March 31, 2021</b>	<b>December 31, 2020</b>
	<b>Un-audited</b>	<b>Audited</b>
	----- (Rupees '000) -----	
<b>14 DEFERRED TAX ASSETS - NET</b>		
<b>Deductible Temporary Differences on</b>		
- Provision against advances - general	6,387,302	6,459,941
- Tax losses carried forward	3,257,325	3,118,099
- Provision for diminution in the value of investments	94,853	94,853
- Deficit on revaluation of investments	479,420	261,175
- Accelerated tax depreciation - right to use assets	-	-
- Others	503,478	427,378
	<b>10,722,378</b>	<b>10,361,446</b>
<b>Taxable Temporary Differences on</b>		
- Accelerated tax depreciation - tangible fixed assets	(34,170)	(39,586)
- Net investment in Lease Finance	(131,859)	(131,859)
- Accelerated tax amortization - intangible assets	(7,060)	(7,674)
	<b>(173,089)</b>	<b>(179,119)</b>
	<b>10,549,289</b>	<b>10,182,327</b>
<b>15 OTHER ASSETS</b>		
Income/ Mark-up accrued in local currency	4,281,730	3,267,656
Accrued commission income	23,346	23,346
Advances, deposits, advance rent and other prepayments	52,441	61,980
Receivable against sale of shares	-	1,573,718
Unrealised gain on forward forex revaluation - net	-	229,271
Insurance premium receivable against agriculture loans	13,577	13,271
Stationery and stamps on hand	12,173	11,445
Dividends receivable	8,168	702
Receivable against 1 Link ATM settlement account	16,255	162,873
Advance Taxation - net	176,085	249,768
Acceptances	14,164	7,671
Insurance claims receivable	745	371
Other receivables	49,172	38,731
	<b>4,647,856</b>	<b>5,640,803</b>
<b>16 BILLS PAYABLE</b>		
In Pakistan	729,648	592,334
Outside Pakistan	-	-
	<b>729,648</b>	<b>592,334</b>

17	BORROWINGS	March 31, 2021	December 31, 2020
		Un-audited	Audited
----- (Rupees '000) -----			
<b>Secured</b>			
<b>Borrowings from State Bank of Pakistan</b>			
	- Under export refinance scheme	1,815,441	1,752,141
	- Under long term finance facility	104,789	119,758
<b>Repurchase agreement borrowings</b>			
	- State Bank of Pakistan (SBP)	113,046,858	57,883,940
	- Other commercial banks / DFIs	-	2,621,809
		<b>113,046,858</b>	<b>60,505,749</b>
		<b>114,967,088</b>	<b>62,377,648</b>
<b>17.1 Particulars of borrowings</b>			
	In local currency	114,967,088	62,377,648
	In foreign currencies	-	-
		<b>114,967,088</b>	<b>62,377,648</b>

**18 DEPOSITS AND OTHER ACCOUNTS**

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
<b>Customers</b>						
Current deposits	44,804,590	230,719	45,035,309	47,602,012	214,880	47,816,892
Savings deposits	81,066,512	868,416	81,934,928	74,259,411	815,417	75,074,828
Term deposits	61,482,067	279,904	61,761,971	58,407,259	353,557	58,760,816
Certificate of investments (COIs)	5,000	-	5,000	16,600	-	16,600
Margin and other deposits	420,287	-	420,287	638,005	-	638,005
	<b>187,778,456</b>	<b>1,379,039</b>	<b>189,157,495</b>	<b>180,923,287</b>	<b>1,383,854</b>	<b>182,307,141</b>
<b>Financial Institutions</b>						
Current deposits	23,589	16	23,605	61,045	17	61,062
Savings deposits	2,170,094	-	2,170,094	1,623,450	-	1,623,450
Term deposits	1,448,000	-	1,448,000	1,489,000	-	1,489,000
Margin and other deposits	90,038	-	90,038	90,036	-	90,036
	<b>3,731,721</b>	<b>16</b>	<b>3,731,737</b>	<b>3,263,531</b>	<b>17</b>	<b>3,263,548</b>
	<b>191,510,177</b>	<b>1,379,055</b>	<b>192,889,232</b>	<b>184,186,818</b>	<b>1,383,871</b>	<b>185,570,689</b>

	March 31, 2021 Un-audited	December 31, 2020 Audited
<b>19 OTHER LIABILITIES</b>	----- (Rupees '000) -----	
Mark-up / return / interest payable in local currency	2,035,652	2,337,713
Mark-up / return / interest payable in foreign currency	1,426	3,539
Accrued expenses	148,643	101,623
Net defined benefit liability	19,792	72,270
Provision for compensated absences	177,076	179,686
Payable against purchase of operating fixed assets	14,841	42,714
Unrealised loss against forward forex revaluation - net	229,266	-
Payable against purchase of shares	-	519,695
Retention money	54,031	56,376
Federal excise duty / sales tax on services payable	5,171	3,351
Lease liability	1,958,008	2,119,589
Withholding tax payable	59,082	32,736
Acceptances	14,164	7,671
Security deposit against lease contracts	399,371	400,237
Others	263,535	218,388
	<u>5,380,058</u>	<u>6,095,588</u>

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

## 20 SHARE CAPITAL

### 20.1 Authorised capital

March 31, 2021 Un-audited	December 31, 2020 Audited		March 31, 2021 Un-audited	December 31, 2020 Audited
<b>Number of Shares</b>				
<u>2,800,000,000</u>	<u>2,000,000,000</u>	Ordinary shares of Rs.10 each	<u>28,000,000</u>	<u>28,000,000</u>

### 20.2 Issued, subscribed and paid-up share capital

		Fully paid in cash		
1,971,013,000	1,971,013,000	Ordinary shares of Rs.10 each	19,710,130	19,710,130
200,000,000	-	Right shares of Rs.10 each issued during the period	2,000,000	-
381,429,817	-	Ordinary shares of Rs.10 issued as consideration of amalgamation	3,814,298	-
<u>2,552,442,817</u>	<u>1,971,013,000</u>		<u>25,524,428</u>	<u>19,710,130</u>

20.3 The Government of Sindh, through its Finance Department, owns 99.95% ordinary shares of the Bank.

## 21 SHARES DEPOSIT MONEY

Opening balance	2,000,000	2,000,000
Received during the period / year	-	-
Right shares issued during the period / year	<u>(2,000,000)</u>	<u>-</u>
	<u>-</u>	<u>2,000,000</u>

		March 31, 2021 Un-audited	December 31, 2020 Audited
<b>22</b>	<b>DEFICIT ON REVALUATION OF ASSETS</b>	----- (Rupees '000) -----	
	<b>Available-for-sale securities</b>		
	Federal government securities	(1,034,984)	(652,382)
	Fully paid ordinary shares - listed	(216,277)	(42,599)
	Units of mutual funds (units / certificates)	22,092	25,618
	Sukuk certificates	(114)	(316)
		(1,229,283)	(669,679)
	Related deferred taxation	479,419	261,174
		<u>(749,864)</u>	<u>(408,505)</u>
<b>23</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
	Guarantees	23.1 3,557,474	3,473,161
	Commitments	23.2 151,205,737	99,865,985
	Other contingent liabilities	-	-
		<u>154,763,211</u>	<u>103,339,146</u>
<b>23.1</b>	<b>Guarantees:</b>		
	Financial guarantees	1,114,793	1,036,910
	Performance guarantees	1,960,708	1,947,878
	Other guarantees	481,973	488,373
		<u>3,557,474</u>	<u>3,473,161</u>
<b>23.2</b>	<b>Commitments:</b>		
	<b>Documentary credits and short-term trade-related transactions</b>		
	- letters of credit	232,310	2,215,675
	<b>Commitments in respect of:</b>		
	- forward foreign exchange contracts	23.2.1 21,523,127	24,357,415
	- forward lending / borrowings	23.2.2 129,450,300	73,292,895
	<b>Other commitments</b>	-	-
		<u>151,205,737</u>	<u>99,865,985</u>
<b>23.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
	Purchase	10,187,077	9,983,985
	Sale	11,336,050	14,373,430
		<u>21,523,127</u>	<u>24,357,415</u>
<b>23.2.2</b>	<b>Commitments in respect of forward lending / borrowing</b>		
	Forward repurchase agreements lending	113,180,605	60,551,083
	Forward resale agreements borrowing	6,241,261	3,980,497
	Undrawn formal standby facilities, credit lines and other commitments to lend	23.2.2.1 10,028,434	8,761,315
		<u>129,450,300</u>	<u>73,292,895</u>
<b>23.2.2.1</b>	<b>Commitments to extend credit</b>		

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.

	Note	For the Quarter ended	
		March 31, 2021	March 31, 2020
		----- Un-audited -----	
		----- Rupees in '000 -----	
<b>24 MARK-UP/RETURN/INTEREST EARNED</b>			
Loans and advances		1,018,717	1,837,335
Investments		3,745,158	1,627,688
Lendings to financial institutions		170,718	223,405
Balances with banks		4,148	7,324
		<u>4,938,741</u>	<u>3,695,752</u>
<b>25 MARK-UP/RETURN/INTEREST EXPENSED</b>			
Deposits		2,373,064	2,709,427
Borrowings		1,533,932	114,269
Cost of swaps against foreign currency deposits / borrowings		16,279	23,131
Lease liability against right of use assets		59,021	66,098
		<u>3,982,296</u>	<u>2,912,925</u>
<b>26 FEE AND COMMISSION INCOME</b>			
Branch banking customer fees		10,090	10,504
Consumer finance related fees		410	205
Card related fees (debit cards)		32,876	33,878
Commission on trade		15,347	10,473
Commission on guarantees		6,939	8,805
Credit related fees		828	2,743
Commission on remittances including home remittances		3,954	2,198
Others		319	108
		<u>70,763</u>	<u>68,914</u>
<b>27 GAIN / (LOSS) ON SECURITIES</b>			
Realised	27.1	9,133	165
Unrealised - held for trading		-	-
		<u>9,133</u>	<u>165</u>
<b>27.1 Realised gain/(loss) on:</b>			
Federal Government Securities		8,101	165
Shares of listed companies		1,032	-
Others investments		-	-
		<u>9,133</u>	<u>165</u>
<b>28 OTHER INCOME</b>			
Gain on sale of operating fixed assets		107	2,942
Rent on premises shared		285	893
Incidental charges		226	245
Others		85	30
		<u>703</u>	<u>4,110</u>

	Note	For the Quarter ended	
		March 31, 2021	March 31, 2020
		----- Un-audited ----- ----- Rupees in '000 -----	
<b>29 OPERATING EXPENSES</b>			
<b>Total compensation expense</b>	29.1	<b>653,936</b>	583,917
<b>Property expenses</b>			
Rent & taxes		6,043	3,277
Insurance		8,353	7,444
Utilities cost		46,185	47,997
Security (including guards)		85,096	76,439
Repair & maintenance		5,330	5,251
Depreciation		16,394	16,106
Depreciation on right of use assets		166,237	160,495
		<b>333,638</b>	317,009
<b>Information technology expenses</b>			
Software maintenance		18,491	17,353
Hardware maintenance		20,558	13,910
Depreciation		5,852	3,498
Amortisation		6,325	5,119
Network charges		2,665	2,567
Others		3,775	3,188
		<b>57,666</b>	45,635
<b>Other operating expenses</b>			
Directors' fees and allowances		4,800	2,150
Fees and allowances to Shariah Board		1,178	1,184
Legal & professional charges		8,970	16,331
Outsourced services costs		29,981	26,903
Travelling & conveyance		6,418	9,457
NIFT clearing charges		6,216	5,992
Depreciation		49,436	57,982
Training & development		128	289
Postage & courier charges		6,862	4,929
Communication		28,455	25,140
Stationery & printing		22,819	17,579
Marketing, advertisement & publicity		4,553	9,564
Donations		-	-
Auditors' Remuneration	29.2	3,447	3,133
Repairs & maintenance		21,871	18,990
Brokerage and commission		2,593	2,482
Entertainment		13,375	11,651
Fees and subscription		39,479	26,702
Insurance expenses		2,496	2,015
Others		10,296	9,930
		<b>263,373</b>	252,403
		<b>1,308,613</b>	1,198,964



	<b>For the Quarter ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	----- Un-audited -----	
	----- Rupees in '000 -----	
<b>32 TAXATION</b>		
Current	76,019	56,583
Deferred	<u>(148,716)</u>	<u>212,085</u>
	<u>(72,697)</u>	<u>268,668</u>
<b>33 BASIC (LOSS) / EARNINGS PER SHARE</b>		
(Loss) / Profit for the period	<u>(116,124)</u>	<u>164,726</u>
Weighted average number of ordinary shares	<u>2,379,363,286</u>	<u>1,971,013,000</u>
Basic (loss) / earnings per share	<u>(0.05)</u>	<u>0.08</u>
<b>34 DILUTED (LOSS) / EARNINGS PER SHARE</b>		
(Loss) / Profit for the period	<u>(116,124)</u>	<u>164,726</u>
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)	<u>2,379,363,286</u>	<u>1,971,013,000</u>
Diluted (loss) / earnings per share	<u>(0.05)</u>	<u>0.08</u>
<b>35 CASH AND CASH EQUIVALENTS</b>		
Cash and Balances with Treasury Banks	14,911,383	10,616,836
Balances with other banks	<u>985,863</u>	<u>1,098,957</u>
	<u>15,897,246</u>	<u>11,715,793</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 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 customers loans and deposits are frequently repriced.

**36.1 Fair value of financial assets**

IFRS 13 requires the Bank to make fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

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.

<b>March 31, 2021 (Un-audited)</b>				
<b>Fair Value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
<b>Available-for-sale securities</b>				
Pakistan Investment Bonds	-	122,750,542	-	122,750,542
Market Treasury Bills	-	87,665,078	-	87,665,078
Shares of listed companies	2,225,876	-	-	2,225,876
Units of mutual funds	113,790	90,360	-	204,150
Ijarah Sukuk - GoP	-	1,505,455	-	1,505,455
Sukuk bonds	-	78,456	-	78,456
	<u>2,339,666</u>	<u>212,089,891</u>	<u>-</u>	<u>214,429,557</u>
<b>Off balance sheet financial instruments</b>				
Foreign exchange contracts (purchase)	-	10,187,077	-	10,187,077
Foreign exchange contracts (sale)	-	11,336,050	-	11,336,050
<b>December 31, 2020 (Audited)</b>				
<b>Fair Value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
<b>Available-for-sale securities</b>				
Pakistan Investment Bonds	-	97,261,439	-	97,261,439
Market Treasury Bills	-	51,354,254	-	51,354,254
Shares of listed companies	2,025,288	-	-	2,025,288
Units of mutual funds	123,254	84,422	-	207,676
Ijarah Sukuk - GoP	-	1,499,486	-	1,499,486
Sukuk bonds	-	96,112	-	96,112
	<u>2,148,542</u>	<u>150,295,713</u>	<u>-</u>	<u>152,444,255</u>
<b>Off balance sheet financial instruments</b>				
Foreign exchange contracts (purchase)	-	9,983,985	-	9,983,985
Foreign exchange contracts (sale)	-	14,373,430	-	14,373,430

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 of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates (Reuters page).
Government of Pakistan (GoP) - Ijarah Sukuks	Fair values 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

	March 31, 2021 (Un-audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
----- Amount Rs. 000 -----					
<b>Profit &amp; Loss</b>					
Net mark-up/return/profit income	2,375,411	5,832	-	(1,424,798)	956,445
Inter segment revenue - net	(3,310,539)	-	-	3,310,539	-
Non mark-up / return / interest income	106,215	155	-	73,760	180,130
Total Income	(828,913)	5,987	-	1,959,501	1,136,575
Segment direct expenses	(32,583)	(3,130)	-	(873,218)	(908,931)
Inter segment expense allocation	(39,937)	(4,374)	-	(355,371)	(399,682)
Total expenses	(72,520)	(7,504)	-	(1,228,589)	(1,308,613)
Provisions	(11,894)	-	-	(4,889)	(16,783)
Profit / (Loss) before tax	(913,327)	(1,517)	-	726,023	(188,821)
<b>Balance Sheet</b>					
Cash & Bank balances	9,407,988	-	-	6,489,258	15,897,246
Investments	232,785,346	-	-	-	232,785,346
Net inter segment lending	-	-	-	139,956,325	139,956,325
Lendings to financial institutions	7,729,879	-	-	-	7,729,879
Advances - performing	39,471	218,381	-	41,824,182	42,082,034
- non-performing (net)	-	-	-	15,785,902	15,785,902
Others	4,288,057	2,970	-	14,014,230	18,305,257
<b>Total Assets</b>	<u>254,250,741</u>	<u>221,351</u>	<u>-</u>	<u>218,069,897</u>	<u>472,541,989</u>

March 31, 2021 (Un-audited)					
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Amount Rs. 000 -----					
Borrowings	113,151,646	-	-	1,815,442	114,967,088
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	-	-	192,889,232	192,889,232
Net inter segment borrowing	139,740,534	215,791	-	-	139,956,325
Others	171,473	5,560	-	5,932,673	6,109,706
<b>Total liabilities</b>	<b>253,063,653</b>	<b>221,351</b>	<b>-</b>	<b>200,637,347</b>	<b>453,922,351</b>
Equity	1,187,088	-	-	17,432,550	18,619,638
<b>Total Equity &amp; liabilities</b>	<b>254,250,741</b>	<b>221,351</b>	<b>-</b>	<b>218,069,897</b>	<b>472,541,989</b>
<b>Contingencies &amp; Commitments</b>	<b>150,962,600</b>	<b>-</b>	<b>-</b>	<b>3,800,611</b>	<b>154,763,211</b>

March 31, 2020 (Un-audited)					
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Amount Rs. 000 -----					
<b>Profit &amp; Loss</b>					
Net mark-up/return/profit income	1,721,563	6,119	-	(943,962)	783,720
Inter segment revenue - net	(1,912,635)	-	-	1,912,635	-
Non mark-up / return / interest income	28,204	50	-	74,932	103,186
Total Income	(162,868)	6,169	-	1,043,605	886,906
Segment direct expenses	(15,025)	(419)	-	(1,008,564)	(1,024,008)
Inter segment expense allocation	(17,496)	(9,569)	-	(147,891)	(174,956)
Total expenses	(32,521)	(9,988)	-	(1,156,455)	(1,198,964)
Provisions	-	-	-	745,452	745,452
Profit / (Loss) before tax	(195,389)	(3,819)	-	632,602	433,394

December 31, 2020 (Audited)					
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Amount Rs. 000 -----					
<b>Balance Sheet</b>					
Cash & Bank balances	6,653,590	-	-	12,018,380	18,671,970
Investments	170,818,493	-	-	-	170,818,493
Net inter segment lending	-	-	-	128,207,417	128,207,417
Lendings to financial institutions	8,212,780	-	-	-	8,212,780
Advances - performing	40,376	245,343	-	40,734,063	41,019,782
- non-performing	-	-	-	15,833,473	15,833,473
Others	5,007,313	2,713	-	14,146,856	19,156,882
<b>Total Assets</b>	<b>190,732,552</b>	<b>248,056</b>	<b>-</b>	<b>210,940,189</b>	<b>401,920,797</b>

	December 31, 2020 (Audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
----- Amount Rs. 000 -----					
Borrowings	60,625,508	-	-	1,752,140	62,377,648
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	-	-	185,570,689	185,570,689
Net inter segment borrowing	127,964,432	242,985	-	-	128,207,417
Others	607,750	5,071	-	6,075,101	6,687,922
Total liabilities	189,197,690	248,056	-	193,397,930	382,843,676
Equity	1,534,862	-	-	17,542,259	19,077,121
Total Equity & liabilities	190,732,552	248,056	-	210,940,189	401,920,797
Contingencies & Commitments	88,888,995	-	-	14,450,151	103,339,146

### 38 RELATED PARTY TRANSACTIONS

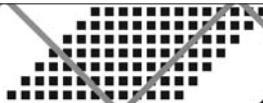
The related parties of the Bank comprise associated undertakings, directors, staff retirement funds and key management personnel (including their associates).

Transactions with related parties includes deposits, advances and other banking services which are carried out on an arm's length basis. Transaction with executives and key management persons 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.

Government of Sindh (GoS) through its Finance Department holds 99.95% 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 GoS.

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

	March 31, 2021 (Un-audited)				December 31, 2020 (Audited)			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
Amount Rs. 000								
<b>Investments</b>								
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	-
<b>Advances</b>								
Opening balance	-	172,054	-	-	-	62,587	-	46,874
Addition during the period / year	-	6,835	-	-	-	130,665	-	-
Repaid during the period / year	-	7,048	-	-	-	18,430	-	46,874
Transfer in / (out) - net	-	5,357	-	-	-	(2,768)	-	-
Closing balance	-	177,198	-	-	-	172,054	-	-
<b>Other Assets</b>								
Interest / mark-up accrued	-	141	-	-	-	150	-	-
Other receivable	-	-	38	285	-	-	-	-
	-	141	38	285	-	150	-	-
<b>Deposits and other accounts</b>								
Opening balance	22,930	68,200	77,313	2,079,063	21,698	67,060	82,373	3,519,086
Received during the period / year	21,767	157,019	264,295	4,775,461	49,633	320,609	1,156,766	9,854,048
Withdrawn during the period / year	32,057	152,181	332,866	4,655,981	48,401	313,181	1,161,826	9,151,255
Transfer in / (out) - net	-	1,460	-	-	-	(6,288)	-	(2,142,816)
Closing balance	12,640	74,498	8,742	2,198,543	22,930	68,200	77,313	2,079,063
<b>Other Liabilities</b>								
Interest / mark-up payable	34	325	93	8,955	215	346	111	82,299



	March 31, 2021 (Un-audited)				March 31, 2020 (Un-audited)			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
	----- Amount Rs. 000 -----							
<b>Income :</b>								
Mark-up / return / interest earned	-	1,832	-	-	-	621	-	1,254
Fee and commission income	-	5	16	6	-	2	11	7
Net gain on sale of securities	-	-	-	208	-	-	-	-
Other income	-	-	-	285	-	-	-	893
<b>Expenses :</b>								
Mark-up / return / interest paid	80	752	338	35,072	156	1,284	1,115	114,226
Remuneration paid	-	47,302	-	-	-	44,023	-	-
Contribution to provident fund	-	2,101	-	-	-	1,761	-	-
Provision for gratuity	-	1,725	-	-	-	1,467	-	-
Other staff benefits	-	824	-	-	-	477	-	-
Directors' meetings fee	4,800	-	-	-	2,150	-	-	-
Other expenses	392	-	-	-	-	-	-	-
Insurance premium paid	-	-	-	80	-	-	-	25,705
<b>Others :</b>								
Sale of Government Securities	-	-	-	1,333,500	-	-	-	-
Purchase of Government Securities	-	-	-	150,000	-	-	-	-
Gratuity paid	-	4,647	-	-	-	-	-	-
Leave encashment paid	-	1,807	-	-	-	-	-	-
Insurance claims settled	-	-	-	621	-	-	-	305
Expenses recovered under agency arrangement	-	-	-	28	-	-	-	28

As at the date of unconsolidated statement of financial position, loans/advances and deposits related to government related entities amounted to Rs.8,711.23 million and Rs.86,765.02 million. The above includes deposits amounting to Rs.26,864.75 (2020: Rs.22,625.33) million received through the Finance Department, Government of Sindh.

	March 31, 2021 Un-audited	December 31, 2020 Audited
----- (Rupees '000) -----		
<b>39 CAPITAL ADEQUACY, LEVERAGE RATIO AND LIQUIDITY REQUIREMENTS</b>		
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	<u>17,898,080</u>	<u>12,199,906</u>
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	8,822,127	9,923,597
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>8,822,127</u>	<u>9,923,597</u>
Eligible Tier 2 Capital	-	2,208
<b>Total Eligible Capital (Tier 1 + Tier 2)</b>	<u>8,822,127</u>	<u>9,925,805</u>
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	39,103,482	40,317,959
Market Risk	16,712,694	17,878,718
Operational Risk	<u>7,107,436</u>	<u>7,107,436</u>
<b>Total Risk Weighted Assets</b>	<u>62,923,612</u>	<u>65,304,113</u>
<b>Common Equity Tier 1 Capital Adequacy ratio</b>	<u>14.02%</u>	<u>15.20%</u>
<b>Tier 1 Capital Adequacy Ratio</b>	<u>14.02%</u>	<u>15.20%</u>
<b>Total Capital Adequacy Ratio</b>	<u>14.02%</u>	<u>15.20%</u>
<b>Notional minimum capital requirements prescribed by SBP</b>		
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%
<b>Approach followed for determining Risk Weighted Assets</b>		
Credit Risk	<b>Comprehensive</b>	<b>Comprehensive</b>
Market Risk	<b>Maturity method</b>	<b>Maturity method</b>
Operational Risk	<b>Basic Indicator</b>	<b>Basic Indicator</b>
	March 31, 2021 Un-audited	December 31, 2020 Audited
	----- (Rupees '000) -----	
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	8,822,127	9,923,597
Total Exposure	<u>270,805,116</u>	<u>269,894,296</u>
Leverage Ratio	<u>3.26%</u>	<u>3.68%</u>
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	105,270,545	74,110,684
Total Net Cash Outflow	<u>24,329,916</u>	<u>20,177,398</u>
Liquidity Coverage Ratio	<u>433%</u>	<u>367%</u>
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	168,145,906	128,910,815
Total Required Stable Funding	<u>55,360,566</u>	<u>49,505,620</u>
Net Stable Funding Ratio	<u>304%</u>	<u>260%</u>

#### 40 ISLAMIC BANKING BUSINESS

The bank is operating with 14 Islamic Banking branches and 13 Islamic Banking Windows in Conventional branches (December 31, 2020 : 14 Islamic Banking branches and 13 Islamic Banking Windows).

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

		March 31, 2021 Un-audited	December 31, 2020 Audited
	Note	----- (Rupees '000) -----	
<b>Assets</b>			
Cash and balances with treasury banks		368,111	321,759
Balances with other banks		72,496	79,225
Due from financial institutions	40.1	1,500,000	1,243,245
Investments	40.2	1,674,271	1,690,998
Islamic financing and related assets	40.3	1,680,333	2,249,168
Fixed assets		173,706	184,141
Intangible assets		-	-
Deferred tax assets		1,286	1,738
Due from head office		-	54,018
Other assets		59,083	54,759
		<u>5,529,286</u>	<u>5,879,051</u>
<b>Liabilities</b>			
Bills payable		30,727	16,210
Due to financial institutions		500,000	-
Deposits and other accounts	40.4	4,244,598	5,078,878
Deferred tax liability		-	-
Due to head office		20,334	-
Other liabilities		207,757	241,590
		<u>5,003,416</u>	<u>5,336,678</u>
<b>Net Assets</b>		<u>525,870</u>	<u>542,373</u>
<b>Represented By</b>			
Islamic banking fund		1,000,000	1,000,000
Reserves		-	-
Deficit on revaluation of investments		(2,012)	(2,718)
Accumulated losses		(472,118)	(454,909)
		<u>525,870</u>	<u>542,373</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	40.5		

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

	Note	For the quarter ended	
		March 31, 2021	March 31, 2020
		----- Un-audited ----- ----- Rupees in '000 -----	
Profit / return on financing, investments and placements earned	40.6	111,413	117,459
Return on deposits and other dues expensed	40.7	80,750	86,225
<b>Net income earned before provisions</b>		<b>30,663</b>	<b>31,234</b>
<b>Other income</b>			
Fee, commission and brokerage income		1,173	1,268
Income from dealing in foreign currencies		(41)	51
Dividend income		2,970	3,150
Gain on sale / redemption of securities		-	-
Other income		16	303
		<b>4,118</b>	<b>4,772</b>
<b>Total Income</b>		<b>34,781</b>	<b>36,006</b>
<b>Other expenses</b>			
Administrative expenses		44,885	46,819
Other charges		-	-
		<b>44,885</b>	<b>46,819</b>
<b>Loss Before Provision</b>		<b>(10,104)</b>	<b>(10,813)</b>
Provisions and write offs - net		7,105	-
<b>Loss before taxation</b>		<b>(17,209)</b>	<b>(10,813)</b>
Taxation		-	-
<b>Loss after taxation</b>		<b>(17,209)</b>	<b>(10,813)</b>

The cash flow statement of the business is as follows:

	For the quarter ended	
	March 31, 2021	March 31, 2020
	----- Un-audited ----- ----- Rupees in '000 -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(17,209)	(10,813)
Less: Dividend income	(2,970)	(3,150)
	<u>(20,179)</u>	<u>(13,963)</u>
<b>Adjustments</b>		
Depreciation	10,435	12,015
Provision and write offs -net	7,105	-
Amortisation	-	137
	<u>17,540</u>	<u>12,152</u>
	<u>(2,639)</u>	<u>(1,811)</u>
<b>(Increase) / decrease in operating assets</b>		
Balances with and due from financial institutions	(256,755)	-
Islamic financing and related assets	561,730	150,237
Due from head office	54,018	41,404
Other assets	(4,323)	(7,887)
	<u>354,670</u>	<u>183,754</u>
<b>(Decrease) / increase in operating liabilities</b>		
Bills payable	14,517	2,826
Due to financial institutions	500,000	(117,947)
Deposits and other accounts	(834,280)	(225,133)
Due to head office	20,334	187,584
Other liabilities	(33,833)	22,770
	<u>(333,262)</u>	<u>(129,900)</u>
	<u>18,769</u>	<u>52,043</u>
Income tax paid	-	-
<b>Net cash flow from / (used in) operating activities</b>	<u>18,769</u>	<u>52,043</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investment in securities	17,884	17,857
Dividend received	2,970	3,150
Investment in operating fixed assets	-	(127)
<b>Net cash flow from / (used in) investing activities</b>	<u>20,854</u>	<u>20,880</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	-	-
<b>Increase in cash and cash equivalents</b>	<u>39,623</u>	<u>72,923</u>
Cash and cash equivalents at beginning of the year	400,984	276,622
<b>Cash and cash equivalents at end of the period</b>	<u>440,607</u>	<u>349,545</u>

40.1 Due from financial institutions	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- Rupees in '000 -----					
Musharaka arrangements	1,500,000	-	1,500,000	660,000	-	660,000
Bai Mujjal	-	-	-	583,245	-	583,245
	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>	<u>1,243,245</u>	<u>-</u>	<u>1,243,245</u>

40.2 Investments	March 31, 2021 (Un-audited)				December 31, 2020 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- Rupees in '000 -----								
<b>Federal Government Securities:</b>								
- Ijarah Sukuks	1,500,000	-	5,455	1,505,455	1,500,026	-	(540)	1,499,486
<b>Islamic Fund:</b>								
- Listed Companies	99,000	-	(8,640)	90,360	99,000	-	(3,600)	95,400
<b>Non Government Debt Securities</b>								
- Unlisted	78,570	-	(114)	78,456	96,428	-	(316)	96,112
<b>Total Investments</b>	<u>1,677,570</u>	<u>-</u>	<u>(3,299)</u>	<u>1,674,271</u>	<u>1,695,454</u>	<u>-</u>	<u>(4,456)</u>	<u>1,690,998</u>

40.3 Islamic financing and related assets	March 31, 2021	December 31, 2020
	Un-audited	Audited
----- (Rupees '000) -----		
Ijarah financing under IFAS 2	30,636	38,002
Diminishing musharakah financing	1,663,987	2,218,351
Advances against Murabaha Financing	-	-
	<u>1,694,623</u>	<u>2,256,353</u>
Less: provision against Islamic financing		
- Specific	14,290	7,185
- General	-	-
	<u>14,290</u>	<u>7,185</u>
<b>Islamic financing and related assets - net of provisions</b>	<u>1,680,333</u>	<u>2,249,168</u>

40.4 Deposits and other accounts	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						

**Customers**

Current deposits	464,345	4,582	468,927	471,108	1,606	472,714
Savings deposits	1,676,433	88,908	1,765,341	1,963,033	91,860	2,054,893
Term deposits	895,936	-	895,936	1,445,863	-	1,445,863
Margin and other deposits	13,089	-	13,089	8,598	-	8,598
	<u>3,049,803</u>	<u>93,490</u>	<u>3,143,293</u>	<u>3,888,602</u>	<u>93,466</u>	<u>3,982,068</u>

**Financial Institutions**

Current deposits	1,371	-	1,371	1,187	-	1,187
Savings deposits	629,904	-	629,904	470,593	-	470,593
Term deposits	470,000	-	470,000	625,000	-	625,000
Margin and other deposits	30	-	30	30	-	30
	<u>1,101,305</u>	<u>-</u>	<u>1,101,305</u>	<u>1,096,810</u>	<u>-</u>	<u>1,096,810</u>
	<u>4,151,108</u>	<u>93,490</u>	<u>4,244,598</u>	<u>4,985,412</u>	<u>93,466</u>	<u>5,078,878</u>

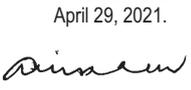
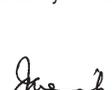
	March 31, 2021 Un-audited	December 31, 2020 Audited
<b>40.5 Contingencies and Commitments</b>	----- (Rupees '000) -----	
Guarantees	153,001	134,441
Letter of Credit	15,244	4,373
Commitments	-	-
	<u>168,245</u>	<u>138,814</u>
	<b>For the Quarter ended</b>	
	March 31, 2021	March 31, 2020
	----- Un-audited -----	
<b>40.6 Profit / Return on Financing, Investments and Placements earned</b>	----- Rupees in '000 -----	
Financing	55,664	103,857
Investments	28,010	13,602
Deposits with financial institutions	27,739	-
	<u>111,413</u>	<u>117,459</u>
<b>40.7 Return on Deposits and other Dues Expensed</b>		
Deposits and other accounts	70,463	67,614
Due to Financial Institutions	6,097	13,523
Amortisation of lease liability against right-of-use assets	4,190	5,088
Others	-	-
	<u>80,750</u>	<u>86,225</u>
	March 31, 2021 Un-audited	December 31, 2020 Audited
<b>40.8 Islamic Banking Business Accumulated Loss</b>	----- (Rupees '000) -----	
Opening Balance	(454,909)	(348,500)
Add: Islamic Banking loss for the period/year	(17,209)	(106,409)
Less: Taxation	-	-
Less: Reserves	-	-
Less: Transferred / Remitted to Head Office	-	-
	<u>(472,118)</u>	<u>(454,909)</u>

**41 GENERAL**

Figures have been rounded off to the nearest thousand Rupees.

**42 DATE OF AUTHORISATION FOR ISSUE**

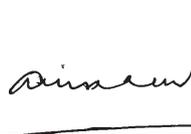
These unconsolidated financial statements were authorised for issue by the Board of Directors on April 29, 2021.

				
Chairman	President and Chief Executive Officer	Director	Director	Chief Financial Officer

## Consolidated Condensed Interim Statement of Financial Position As At March 31, 2021

		<b>March 31, 2021 Un-audited</b>	<b>December 31, 2020 Audited</b>
	<b>Note</b>	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	7	14,920,480	14,505,949
Balances with other banks	8	1,479,242	4,588,528
Lendings to financial institutions	9	7,729,879	8,212,780
Investments	10	232,460,346	170,756,426
Advances	11	58,523,077	57,407,061
Fixed assets	12	3,090,431	3,314,731
Intangible assets	13	64,869	71,154
Deferred tax assets-net	14	10,553,167	10,185,784
Other assets	15	4,759,865	5,745,156
		<b>333,581,356</b>	<b>274,787,569</b>
<b>LIABILITIES</b>			
Bills payable	16	729,648	592,334
Borrowings	17	115,717,088	63,127,648
Deposits and other accounts	18	192,902,052	185,634,979
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	19	5,414,757	6,162,737
		<b>314,763,545</b>	<b>255,517,698</b>
<b>NET ASSETS</b>		<b>18,817,811</b>	<b>19,269,871</b>
<b>REPRESENTED BY</b>			
Share capital - net	20	25,524,428	19,710,130
Reserves		1,520,982	1,519,626
Shares deposit money	21	-	2,000,000
Proposed Ordinary shares to be issued on amalgamation		-	3,814,298
Deficit on revaluation of assets	22	(749,864)	(408,505)
Accumulated Loss		(7,477,735)	(7,365,678)
		<b>18,817,811</b>	<b>19,269,871</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	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 Quarter Ended March 31, 2021

		March 31, 2021	March 31, 2020
	Note	----- (Rupees in '000) -----	
Mark-up / Return / Interest Earned	24	5,018,320	3,801,151
Mark-up / Return / Interest Expensed	25	3,996,566	2,936,289
<b>Net Mark-up / Interest Income</b>		<b>1,021,754</b>	<b>864,862</b>
<b>Non Mark-up / Interest Income</b>			
Fee and Commission Income	26	70,763	68,914
Dividend Income		41,087	23,324
Foreign Exchange Income		58,444	7,566
Income / (loss) from derivatives		-	-
Gain / (Loss) on securities	27	9,133	165
Other Income	28	703	4,110
<b>Total non-markup/interest Income</b>		<b>180,130</b>	<b>104,079</b>
<b>Total Income</b>		<b>1,201,884</b>	<b>968,941</b>
<b>Non Mark-up / Interest Expenses</b>			
Operating expenses	29	1,360,817	1,253,271
Other charges	30	-	-
<b>Total non-markup/interest expenses</b>		<b>1,360,817</b>	<b>1,253,271</b>
<b>Loss Before Provisions</b>		<b>(158,933)</b>	<b>(284,330)</b>
Provisions and write offs - net Extra ordinary / unusual items	31	22,572 -	(737,547) -
<b>Profit / (Loss) before Taxation</b>		<b>(181,505)</b>	<b>453,217</b>
Taxation	32	(70,804)	274,551
<b>Profit / (Loss) after Taxation</b>		<b>(110,701)</b>	<b>178,666</b>
		----- Rupees -----	
<b>Basic (Loss) / Earnings per share</b>	33	<b>(0.05)</b>	<b>0.09</b>
<b>Diluted (Loss) / Earnings per share</b>	34	<b>(0.05)</b>	<b>0.09</b>

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 Quarter Ended March 31, 2021

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
	----- (Rupees in '000) -----	
<b>(Loss) / profit after taxation for the period</b>	(110,701)	178,666
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in (deficit) / surplus on revaluation of investments - net of tax	<u>(341,359)</u>	<u>627,429</u>
	<u>(452,060)</u>	<u>806,095</u>
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>		
Remeasurement gain / (loss) on defined benefit obligations - net of deferred tax	-	-
<b>Total comprehensive (loss) / income</b>	<u><u>(452,060)</u></u>	<u><u>806,095</u></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 Quarter Ended March 31, 2021

	Share Capital	Proposed Ordinary shares to be issued on amalgamation	Shares Deposit Money	Capital Reserves			Depositors protection fund reserve**	Deficit on revaluation of Investments	Accumulated Loss ***	Total
				Reserves on amalgamation	Share Premium	Statutory Reserve *				
Rupees in '000										
Balance as at January 01, 2020	19,710,130	-	2,000,000	-	51	1,479,859	6,982	(1,780,577)	(4,199,658)	17,216,787
Profit after tax for the quarter ended March 31, 2020	-	-	-	-	-	-	-	-	178,666	178,666
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-	627,429	-	627,429
Transfer to statutory reserve	-	-	-	-	-	35,733	-	-	(35,733)	-
Transfer to depositors' protection fund - 5% of the profit after tax for the period	-	-	-	-	-	-	697	-	(697)	-
Balance as at March 31, 2020	19,710,130	-	2,000,000	-	51	1,515,592	7,679	(1,153,148)	(4,057,422)	18,022,882
Loss for the nine months ended December 31, 2020	-	-	-	-	-	-	-	-	(3,338,553)	(3,338,553)
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-	744,643	7,158	751,801
Transfer to statutory reserve	-	-	-	-	-	(25,100)	-	-	25,100	-
Transfer to depositors' protection fund - 5% of the profit after tax for the year	-	-	-	-	-	-	1,961	-	(1,961)	-
Proposed Ordinary shares to be issued on amalgamation of Sindh Leasing Company Ltd	-	3,814,298	-	19,443	-	-	-	-	-	3,833,741
<b>Balance as at December 31, 2020</b>	<b>19,710,130</b>	<b>3,814,298</b>	<b>2,000,000</b>	<b>19,443</b>	<b>51</b>	<b>1,490,492</b>	<b>9,640</b>	<b>(408,505)</b>	<b>(7,365,678)</b>	<b>19,269,871</b>
Profit for the quarter ended March 31, 2021	-	-	-	-	-	-	-	-	(110,701)	(110,701)
Other comprehensive income net of tax	-	-	-	-	-	-	-	(341,359)	-	(341,359)
Issue of Shares during the period	5,814,298	(3,814,298)	(2,000,000)	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	1,085	-	-	(1,085)	-
Transfer to depositors' protection fund - 5% of the profit after tax for the year	-	-	-	-	-	-	271	-	(271)	-
<b>Balance as at March 31, 2021</b>	<b>25,524,428</b>	<b>-</b>	<b>-</b>	<b>19,443</b>	<b>51</b>	<b>1,491,577</b>	<b>9,911</b>	<b>(749,864)</b>	<b>(7,477,735)</b>	<b>18,817,811</b>

\* Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962 in case of the Bank and under Microfinance Institution Ordinance, 2001 and Prudential Regulations "R-4 - Statutory Reserve" in the case of Sindh Microfinance Bank, to create a reserve fund to which shall be credited an amount equal to at least 20% of its profits after taxes.

\*\* The Sindh Microfinance Bank Limited is required under Microfinance Institutions Ordinance, 2001 to contribute 5% of its annual after tax profit to the Depositors' Protection Fund and profit earned on investments of the fund shall also be credited to the fund.

\*\*\* As more fully explained in note 11.2.2 of these consolidated financial statements, unappropriated profit includes an amount of Rs.9,162.91 million net of tax as at March 31, 2021 (December 31, 2020: Rs.9,142.42 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.

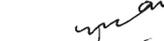
The annexed notes from 1 to 41 form an integral part of these consolidated condensed interim financial statements.



Chairman



President and  
Chief Executive Officer



Director



Director



Chief Financial Officer

## Consolidated Condensed Interim Cash Flow Statement (Un-audited) For The Quarter Ended March 31, 2021

		March 31, 2021	March 31, 2020
		----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
		(181,505)	453,217
		<u>(41,087)</u>	<u>(23,324)</u>
		(222,592)	429,893
<b>Adjustments:</b>			
	29	242,985	243,383
	29	6,599	5,378
	31	10,167	(738,006)
		11,894	-
	28	(107)	(2,942)
		511	-
		<u>272,049</u>	<u>(492,187)</u>
		49,457	(62,294)
<b>(Increase) / decrease in operating assets</b>			
		482,901	461,261
		(1,126,694)	3,170,581
		<u>922,492</u>	<u>(403,672)</u>
		278,699	3,228,170
<b>Increase / (decrease) in operating liabilities</b>			
		137,314	(33,734)
		52,589,440	8,672,750
		7,267,073	2,663,684
		<u>(749,101)</u>	<u>306,652</u>
		59,244,726	11,609,352
		59,572,882	14,775,228
		(7,873)	(27,817)
		<u>59,565,009</u>	<u>14,747,411</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
		(62,543,982)	(17,442,373)
		269,489	105,620
		33,621	19,274
		(18,999)	(73,404)
		107	3,199
		<u>(62,259,764)</u>	<u>(17,387,684)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
		-	-
		-	-
		(2,694,755)	(2,640,273)
		19,094,477	14,647,159
	35	<u>16,399,722</u>	<u>12,006,886</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 For The Quarter Ended March 31, 2021

### 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 (2020: 330) branches including 8 (2020: 8) sub-branches and 14 (2020: 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 99.95% 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 July 06, 2020.

#### 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 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 17 (2020: 17) branches and 58 (2020: 58) services centers. The Bank holds 99.99% shares of the Microfinance Bank and remaining shares are held by the nominees of the Bank.

1.2.2 The credit rating companies PACRA has maintained the long term rating of the Bank (Microfinance Bank) at "A-" and short term rating at "A2" as of April 30, 2020.

#### 1.3 Going Concern

1.3.1 Due to significant losses suffered by the Bank in the years 2018 to 2020 and to address any material uncertainties, the management has been working on a Business Viability Plan approved by its Board of Directors in 73rd meeting held on September 13, 2019. The Plan aims to make the Bank a viable, self-sustaining institution. Important areas of focus where efforts are continuing and significant progress has been made are:

- Strengthening Bank's Capital -As planned, cash injection, of Rs. 11.7 billion and 3.814 billion from amalgamation of Sindh Leasing Company Limited in Bank's Tier 1 Common Equity .
- Improving Business Volumes and Profitability-This involves the Bank taking pro-active measures to:
  - i. increase fee-based income from mainly trade-related business;
  - ii) Improving Net Interest margin i.e.
    - a) mobilizing cost effective (CASA) deposits;
    - b) launching new asset products in the Consumer and SME segments;
  - iii. making concerted efforts for recovery and reduction of Non-Performing Loans.
  - iv. taking cost rationalization measures;
- Strengthening the Bank's Governance, Risk and Control environment.

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 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 Group for the year ended 31 December 2020.

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 Group 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 consolidated 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 Group 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 unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The 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, 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. SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the annual financial information of the Group for the year ended December 31, 2020.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard amendments, or interpretation and are also not early adopted by the Bank:

Standard or Interpretation or Amendments	Effective date (annual periods beginning on or after)
IAS 1 - Classification of Liabilities as Current or Non - Current - (Amendments)	January 01, 2023
IFRS 3 - Business Combination - (Amendments)	January 01, 2022
IAS 37 - Onerous Contracts - Costs of fulfilling a Contract - (Amendments)	January 01, 2022
IFRS 9 - Annual improvement process Financial Instruments	January 01, 2022
IFRS 1 - First time adoption of International Financial Reporting Standards -Subsidiary	January 01, 2022
IFRS 41 - Agriculture- Taxation in fair value measurements	January 01, 2022

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods beginning on or after)
----------	--

IFRS 1 - First time adoption of IFRSs	July 01, 2009
IFRS 17 - Insurance Contracts	January 01, 2023

IFRS 9 - Financial Instruments : has been 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 bank financial statements for the jurisdictions where IFRS 9 has been adopted. As per the SBP's BPRD Circular Letter No. 4 dated October 23, 2019, the applicability of IFRS 9 to banks in Pakistan was deferred to accounting periods beginning on or after January 01, 2021 and detailed guidelines are awaited regarding the same.

#### 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim unconsolidated financial information is the same as that applied in the preparation of the unconsolidated annual audited financial statements for the year ended December 31, 2020.

#### 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, 2020.

	March 31, 2021 Un-audited	December 31, 2020 Audited
Note	----- (Rupees '000) -----	
<b>7 CASH AND BALANCES WITH TREASURY BANKS</b>		
<b>In hand</b>		
Local currency	4,158,771	4,962,914
Foreign currency	149,706	252,331
	4,308,477	5,215,245
<b>With State Bank of Pakistan (SBP) in</b>		
Local currency current accounts	7.1 9,591,053	6,721,080
Foreign currency current accounts	7.2 164,103	153,339
Foreign currency deposit accounts		
- Non Remunerative	7.3 74,930	73,605
- Remunerative	7.4 145,998	141,572
	9,976,084	7,089,596
<b>With National Bank of Pakistan in</b>		
Local currency current accounts	7.5 578,296	2,100,360
Local currency deposit accounts	5,055	15,403
	583,351	2,115,763
<b>Prize bonds</b>		
	35 52,568	85,345
	14,920,480	14,505,949

- 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 Group's FCY deposits.
- 7.4 This represents foreign currency special cash reserve maintained with SBP. The Group is entitled to earn profit which is declared by SBP on a monthly basis. During the period, the SBP has declared Nil profit (2020 :0.51% to 0.76%) per annum.
- 7.5 This includes savings account with National Bank of Pakistan carrying mark-up at 5.50% (2020: 5.50%) per annum.

		March 31, 2021 <u>Un-audited</u>	December 31, 2020 <u>Audited</u>
	Note	----- (Rupees '000) -----	
<b>8 BALANCES WITH OTHER BANKS</b>			
<b>In Pakistan</b>			
In current accounts		30	30
In savings accounts	8.1	496,748	419,213
		<u>496,778</u>	<u>419,243</u>
<b>Outside Pakistan</b>			
In current accounts		982,464	4,169,285
		<u>1,479,242</u>	<u>4,588,528</u>

- 8.1 This includes savings account with commercial banks and microfinance banks carrying mark-up ranging from 5.50% to 10.75% (2020: 5.50% to 10.75%) per annum.

#### 9 LENDINGS TO FINANCIAL INSTITUTIONS

Call money lendings		-	3,000,000
Repurchase agreement lendings (Reverse Repo)	9.2&9.4	6,229,879	3,969,535
Bai Muajjal with financial institutions		-	583,245
Musharaka arrangements	9.3	1,500,000	660,000
		<u>7,729,879</u>	<u>8,212,780</u>

#### 9.1 Particulars of lending

In local currency		7,729,879	8,212,780
In foreign currencies		-	-
		<u>7,729,879</u>	<u>8,212,780</u>

- 9.2 This represents resale agreement lending with commercial banks carrying mark-up in the range of 7.19% to 7.95% (2020 :7.20%) per annum maturing up to April 23, 2021 (2020: March 18, 2021).

9.3 This represents arrangement with an Islamic bank carrying mark-up in the range of 7.10% to 7.25% (2020: 6.50% to 7.20%) per annum maturing up to April 16, 2021 (2020: January 06, 2021).

March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
Held by Bank	Further given as collateral	Total	Held by Bank	Further given as collateral	Total

----- (Rupees '000) -----

9.4 Securities held as collateral against Lendings to financial institutions

Market Treasury Bills	496,429	-	496,429	-	-	-
Pakistan Investment Bonds	5,794,536	-	5,794,536	3,854,420	-	3,854,420
Total	6,290,965	-	6,290,965	3,854,420	-	3,854,420

10 INVESTMENTS

10.1 Investments by type

March 31, 2021 (Un-audited)				December 31, 2020 (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								
Pakistan Investment Bonds	123,766,194	-	(1,015,651)	122,750,543	97,956,376	-	(694,937)	97,261,439
Market Treasury Bills	87,689,867	-	(24,789)	87,665,078	51,311,160	-	43,094	51,354,254
Government of Pakistan - Ijarah Sukuk	1,500,000	-	5,455	1,505,455	1,500,026	-	(540)	1,499,486
Shares								
Listed	2,811,080	(368,929)	(216,276)	2,225,875	2,437,740	(369,853)	(42,599)	2,025,288
Unlisted	100,000	-	-	100,000	100,000	-	-	100,000
Non-government debt securities								
Sukuk certificates	78,570	-	(114)	78,456	96,428	-	(316)	96,112
Mutual funds	215,049	(32,991)	22,092	204,150	215,048	(32,991)	25,619	207,676
<b>Total</b>	<b>216,160,760</b>	<b>(401,920)</b>	<b>(1,229,283)</b>	<b>214,529,557</b>	<b>153,616,778</b>	<b>(402,844)</b>	<b>(669,679)</b>	<b>152,544,255</b>

Held-to-maturity securities

Federal Government Securities								
Pakistan Investment Bonds	16,765,554	-	-	16,765,554	16,772,088	-	-	16,772,088
Market Treasury Bills	-	-	-	-	12,933	-	-	12,933
Preference Shares - Unlisted	77,708	(77,708)	-	-	77,708	(77,708)	-	-
Term Deposits Accounts	425,000	-	-	425,000	675,000	-	-	675,000
Non-government debt securities								
Term finance certificates- Listed	224,235	-	-	224,235	224,235	-	-	224,235
Term finance certificates- Unlisted	859,068	(343,068)	-	516,000	859,090	(331,175)	-	527,915
<b>Total</b>	<b>18,351,565</b>	<b>(420,776)</b>	<b>-</b>	<b>17,930,789</b>	<b>18,621,054</b>	<b>(408,883)</b>	<b>-</b>	<b>18,212,171</b>

Total Investments

<b>234,512,325</b>	<b>(822,696)</b>	<b>(1,229,283)</b>	<b>232,460,346</b>	<b>172,237,832</b>	<b>(811,727)</b>	<b>(669,679)</b>	<b>170,756,426</b>
--------------------	------------------	--------------------	--------------------	--------------------	------------------	------------------	--------------------

	March 31, 2021 Un-audited	December 31, 2020 Audited
	----- (Rupees '000) -----	
<b>10.2 Investments given as collateral</b>		
<b>Federal government securities</b>		
Pakistan Investment Bonds	87,695,300	52,185,578
Market Treasury Bills	25,077,660	8,384,972
	<u>112,772,960</u>	<u>60,570,550</u>
<b>10.3 Provision for diminution in value of investments</b>		
<b>10.3.1</b> Opening balance	811,727	504,993
<b>Charge / reversals</b>		
Charge for the period / year	11,894	306,734
Reversals for the period / year	-	-
Reversal on disposals	(925)	-
Transfers - net	10,969	306,734
Closing Balance	<u>822,696</u>	<u>811,727</u>

**10.3.2 Particulars of provision against equity / debt investments**

Category of classification	March 31, 2021 (Un-audited)		December 31, 2020 (Audited)	
	Non performing investments	Provision	Non performing investments	Provision
	----- Rupees in '000 -----			
<b>Domestic</b>				
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	993,972	822,696	994,895	811,727
<b>Total</b>	<u>993,972</u>	<u>822,696</u>	<u>994,895</u>	<u>811,727</u>

The Group has availed the benefit of forced sale value of collateral against non-performing investments on the basis of instructions of the State Bank of Pakistan. Had the benefit not been taken by the Group, provision against non-performing investments would have been higher by Rs. 171.28 million (2020: Rs.183.17 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 March 31, 2021 amounted to Rs.17,894.25 million (December 31, 2020: Rs.18,251.19 million).

## 11 ADVANCES

	Performing		Non Performing		Total	
	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)	March 31, 2021 (Un-audited)	December 31, 2020 (Audited)
----- Rupees in '000 -----						
Loans, cash credits, agriculture, running finances etc.	30,359,064	26,584,981	35,046,616	35,095,583	65,405,680	61,680,564
Commodity finance	8,711,226	10,644,226	-	-	8,711,226	10,644,226
Net investment in finance lease	1,610,183	1,674,341	238,515	240,215	1,848,698	1,914,556
Islamic financing and related assets						
Diminishing musharakah financing	1,649,186	2,218,351	14,801	-	1,663,987	2,218,351
Ijarah financing under IFAS 2	30,636	38,002	-	-	30,636	38,002
	<u>42,360,295</u>	<u>41,159,901</u>	<u>35,299,932</u>	<u>35,335,798</u>	<u>77,660,227</u>	<u>76,495,699</u>
Bills discounted and purchased (excluding market treasury bills)						
Payable in Pakistan	369,118	401,727	-	-	369,118	401,727
Payable outside Pakistan	8,938	15,037	3,405	3,405	12,343	18,442
	<u>378,056</u>	<u>416,764</u>	<u>3,405</u>	<u>3,405</u>	<u>381,461</u>	<u>420,169</u>
Advances - gross	<u>42,738,351</u>	<u>41,576,665</u>	<u>35,303,337</u>	<u>35,339,203</u>	<u>78,041,688</u>	<u>76,915,868</u>
Provision for non-performing advances						
- Specific provision	-	-	18,687,071	18,713,952	18,687,071	18,713,952
- Specific provision on Leasing portfolio	-	-	822,735	787,367	822,735	787,367
- General provision against consumer and small enterprise advances	8,805	7,488	-	-	8,805	7,488
	<u>8,805</u>	<u>7,488</u>	<u>19,509,806</u>	<u>19,501,319</u>	<u>19,518,611</u>	<u>19,508,807</u>
Advances - Net of Provision	<u>42,729,546</u>	<u>41,569,177</u>	<u>15,793,531</u>	<u>15,837,884</u>	<u>58,523,077</u>	<u>57,407,061</u>

**March 31, 2021**  
**Un-audited**  
 ----- (Rupees '000) -----

**December 31, 2020**  
**Audited**

### 11.1 Particulars of advances (Gross)

In local currency	<b>78,041,688</b>	76,915,868
In foreign currencies	<u>-</u>	<u>-</u>
	<u><b>78,041,688</b></u>	<u>76,915,868</u>

11.2 Advances which have been placed under non-performing status are as detailed below:

Category of Classification	Note	March 31, 2021 (Un-audited)		December 31, 2020 (Audited)	
		Non performing loans	Provision	Non performing loans	Provision
----- Rupees in '000 -----					
<b>Domestic</b>					
Other Assets Especially Mentioned	11.2.1	64,697	-	37,295	-
Substandard		31,222	1,314	32,802	2,229
Doubtful		1,367,087	419,044	1,575,617	521,498
Loss		33,840,331	19,089,448	33,693,489	18,977,592
<b>Total</b>		<b>35,303,337</b>	<b>19,509,806</b>	<b>35,339,203</b>	<b>19,501,319</b>

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 Group has availed the benefit of forced sale value (FSV) on plant and machinery under charge and mortgaged residential and commercial property (land and building only) held as collateral against non-performing advances on the basis of instructions of the State Bank of Pakistan. Had the benefit not been taken by the Group, specific provision against non-performing advances would have been higher by Rs.15,021.17 million (2020: Rs.14,987.57). 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

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Specific	General	Total	Specific	General	Total
----- Rupees in '000 -----						
Opening balance	19,501,319	7,488	19,508,807	15,303,290	10,142	15,313,432
Exchange adjustments	-	-	-	-	-	-
Charge for the year	76,583	1,317	77,900	3,985,927	396	3,986,323
Reversals	(68,653)	-	(68,653)	(1,001,443)	(3,050)	(1,004,493)
	7,930	1,317	9,247	2,984,484	(2,654)	2,981,830
Amounts charged off - Agriculture loans	920	-	920	447,039	-	447,039
Net charge / (reversal) during the period	8,850	1,317	10,167	3,431,523	(2,654)	3,428,869
Amounts written off	(363)	-	(363)	(20,861)	-	(20,861)
Transfer from Sindh Leasing Co. Ltd under amalgamation	-	-	-	787,367	-	787,367
Closing balance	19,509,806	8,805	19,518,611	19,501,319	7,488	19,508,807

11.2.3.1 General provision against consumer loans represents provision maintained at an amount equal to 1% (2020: 1%) of the fully secured performing portfolio and 4% (2020: 4%) of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP. General provision against Small Enterprise Financing represents provision maintained at an amount equal to 0% (2020: 0%) of the fully secured performing portfolio and 1% of the unsecured performing portfolio as required by the Prudential Regulations issued by SBP.

		March 31, 2021 Un-audited	December 31, 2020 Audited
	Note	----- (Rupees '000) -----	
<b>12</b>	<b>FIXED ASSETS</b>		
	Capital work-in-progress	12.1 33,272	24,900
	Property and equipment	1,377,409	1,440,082
	Right of use assets	1,679,750	1,849,749
		<u>3,090,431</u>	<u>3,314,731</u>
<b>12.1</b>	<b>Capital work-in-progress</b>		
	Equipment	3,639	4,814
	Advances to suppliers	29,633	20,086
		<u>33,272</u>	<u>24,900</u>
		<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>12.2</b>	<b>Additions to fixed assets</b>	<b>Un-audited</b> ----- Rupees in '000 -----	
	The following additions have been made to fixed assets during the period:		
	<b>Property and equipment :</b>		
	Lease hold improvements	-	7,124
	Furniture and fixture	724	3,854
	Computer and office equipment	3,930	16,864
	Vehicle	5,881	14,619
	<b>Total</b>	<u>10,535</u>	<u>42,461</u>
	<b>Disposal of fixed assets</b>		
	The net book value of fixed assets disposed off during the period is as follows:		
	Vehicle	-	256
	<b>Total</b>	<u>-</u>	<u>256</u>
		<b>March 31, 2021 Un-audited</b>	<b>December 31, 2020 Audited</b>
<b>13</b>	<b>INTANGIBLE ASSETS</b>	----- (Rupees '000) -----	
	Computer Software	64,869	71,154
	Others	-	-
		<u>64,869</u>	<u>71,154</u>

	March 31, 2021	March 31, 2020
	<b>Un-audited</b>	
	----- Rupees in '000 -----	
<b>Additions to intangible assets</b>		
The following additions have been made to intangible assets during the period:		
Computer Software	100	-
<b>Disposal of intangible assets</b>		
The net book value of intangible assets disposed off during the period.	-	-
	<b>March 31, 2021</b>	<b>December 31, 2020</b>
	<b>Un-audited</b>	<b>Audited</b>
	----- (Rupees '000) -----	
<b>14 DEFERRED TAX ASSETS</b>		
<b>Deductible Temporary Differences on</b>		
- Provision against advances - general	6,391,180	6,461,736
- Tax losses carried forward	3,257,325	3,118,099
- Provision for diminution in the value of investments	94,853	94,853
- Accelerated tax depreciation - right to use assets	-	(8,730)
- Deficit on revaluation of investments	479,420	261,175
- Others	503,478	438,871
	<b>10,726,256</b>	<b>10,366,004</b>
<b>Taxable Temporary Differences on</b>		
- Net investment in Lease Finance	(131,859)	(131,859)
- Accelerated tax depreciation - tangible fixed assets	(34,170)	(40,491)
- Others	-	(197)
- Accelerated tax amortization - intangible assets	(7,060)	(7,673)
	<b>(173,089)</b>	<b>(180,220)</b>
	<b>10,553,167</b>	<b>10,185,784</b>
<b>15 OTHER ASSETS</b>		
Income/ Mark-up accrued in local currency	4,364,587	3,344,767
Accrued commission income	23,346	23,346
Advances, deposits, advance rent and other prepayments	63,751	74,800
Receivable against sale of shares	-	1,573,718
Unrealised gain on forward forex revaluation - net	-	229,271
Insurance premium receivable against agriculture loans	13,577	13,271
Stationery and stamps on hand	12,173	11,445
Dividend receivable	8,168	702
Receivable against 1 Link ATM settlement account	16,255	162,873
Advance Taxation - net	193,926	264,191
Acceptances	14,164	7,671
Insurance claims receivable	745	371
Other receivables	49,173	38,730
	<b>4,759,865</b>	<b>5,745,156</b>
<b>16 BILLS PAYABLE</b>		
In Pakistan	729,648	592,334
Outside Pakistan	-	-
	<b>729,648</b>	<b>592,334</b>

	March 31, 2021 Un-audited	December 31, 2020 Audited
	----- (Rupees '000) -----	
<b>17 BORROWINGS</b>		
<b>Secured</b>		
<b>Borrowings from State Bank of Pakistan</b>		
- Under export refinance scheme	1,815,441	1,752,141
- Under long term finance facility	104,789	119,758
<b>Repurchase agreement borrowings - Secured</b>		
- State Bank of Pakistan(SBP)	113,046,858	57,883,940
- Other commercial banks / DFIs	-	2,621,809
	113,046,858	60,505,749
<b>Unsecured</b>		
- State Bank of Pakistan(SBP)	750,000	750,000
	<u>115,717,088</u>	<u>63,127,648</u>
<b>17.1 Particulars of borrowings</b>		
In local currency	115,717,088	63,127,648
In foreign currencies	-	-
	<u>115,717,088</u>	<u>63,127,648</u>

**18 DEPOSITS AND OTHER ACCOUNTS**

	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----- Rupees in '000 -----					
<b>Customers</b>						
Current deposits	44,807,925	230,719	45,038,644	47,602,311	214,880	47,817,191
Savings deposits	81,070,551	868,416	81,938,967	74,398,452	815,417	75,213,869
Term deposits	61,496,475	279,904	61,776,379	58,407,259	353,557	58,760,816
Certificates of investment (COIs)	5,000	-	5,000	16,600	-	16,600
Margin and other deposits	420,287	-	420,287	638,005	-	638,005
	<u>187,800,238</u>	<u>1,379,039</u>	<u>189,179,277</u>	<u>181,062,627</u>	<u>1,383,854</u>	<u>182,446,481</u>
<b>Financial Institutions</b>						
Current deposits	23,589	16	23,605	45,443	17	45,460
Savings deposits	2,161,132	-	2,161,132	1,564,002	-	1,564,002
Term deposits	1,448,000	-	1,448,000	1,489,000	-	1,489,000
Margin and other deposits	90,038	-	90,038	90,036	-	90,036
	<u>3,722,759</u>	<u>16</u>	<u>3,722,775</u>	<u>3,188,481</u>	<u>17</u>	<u>3,188,498</u>
	<u>191,522,997</u>	<u>1,379,055</u>	<u>192,902,052</u>	<u>184,251,108</u>	<u>1,383,871</u>	<u>185,634,979</u>

19 OTHER LIABILITIES	Note	March 31, 2021	December 31, 2020
		Un-audited	Audited
		----- (Rupees '000) -----	
Mark-up / return / interest payable in local currency		2,048,176	2,361,832
Mark-up / return / interest payable in foreign currency		1,426	3,539
Accrued expenses		152,590	101,973
Net defined benefit liability		20,565	84,851
Unrealised loss against forward forex revaluation - net		229,266	-
Provision for compensated absences		177,076	179,687
Payable to employees' provident fund		1,195	835
Payable against purchase of operating fixed assets		14,841	42,714
Payable against purchase of shares		-	519,695
Retention money		54,031	56,376
Federal excise duty / sales tax on services payable		5,171	3,351
Lease liability		1,974,267	2,141,076
Withholding tax payable		59,082	33,290
Acceptances		14,164	7,671
Security deposit against lease contracts	19.1	399,371	400,237
Others		263,536	225,610
		<u>5,414,757</u>	<u>6,162,737</u>

19.1 These represent interest free security deposits received from lessees against lease contracts of Sindh Leasing Company Limited which has been 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

20.1 Authorised capital	March 31, 2021	December 31, 2020		March 31, 2021	December 31, 2020
	Un-audited	Audited		Un-audited	Audited
	Number of Shares			----- Rupees in '000 -----	
	2,800,000,000	2,800,000,000	Ordinary shares of Rs.10 each	28,000,000	28,000,000

## 20.2 Issued, subscribed and paid-up share capital

	March 31, 2021	December 31, 2020		March 31, 2021	December 31, 2020
	Un-audited	Audited		Un-audited	Audited
	Fully paid in cash				
1,971,013,000	1,971,013,000		Ordinary shares of Rs.10 each	19,710,130	19,710,130
200,000,000	-		Right shares of Rs.10 each issued during the period	2,000,000	-
381,429,817	-		Ordinary shares of Rs.10 issued as consideration of amalgamation	3,814,298	-
<u>2,552,442,817</u>	<u>1,971,013,000</u>			<u>25,524,428</u>	<u>19,710,130</u>

20.3 The Government of Sindh, through its Finance Department, owns 99.95% ordinary shares of the Bank.

## 21 SHARES DEPOSIT MONEY

	March 31, 2021	December 31, 2020
	Un-audited	Audited
Opening balance	2,000,000	2,000,000
Received during the period / year	-	-
Right shares issued during the period / year	(2,000,000)	-
	<u>-</u>	<u>2,000,000</u>

		March 31, 2021 Un-audited	December 31, 2020 Audited
	Note	----- (Rupees '000) -----	
<b>22 DEFICIT ON REVALUATION OF ASSETS</b>			
<b>Available-for-sale securities</b>			
Federal Government securities		(1,034,984)	(652,382)
Fully paid ordinary shares - listed		(216,277)	(42,599)
Units of mutual funds (units / certificates)		22,092	25,618
Sukuk certificates		(114)	(316)
		<u>(1,229,283)</u>	<u>(669,679)</u>
Related deferred taxation		479,419	261,174
		<u>(749,864)</u>	<u>(408,505)</u>
<b>23 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	23.1	3,557,474	3,473,161
Commitments	23.2	151,205,737	99,865,985
Other contingent liabilities		-	-
		<u>154,763,211</u>	<u>103,339,146</u>
<b>23.1 Guarantees:</b>			
Financial guarantees		1,114,793	1,036,910
Performance guarantees		1,960,708	1,947,878
Other guarantees		481,973	488,373
		<u>3,557,474</u>	<u>3,473,161</u>
<b>23.2 Commitments:</b>			
<b>Documentary credits and short-term trade-related transactions</b>			
- letters of credit		232,310	2,215,675
<b>Commitments in respect of:</b>			
- forward foreign exchange contracts	23.2.1	21,523,127	24,357,415
- forward lending	23.2.2	129,450,300	73,292,895
<b>Other commitments</b>		-	-
		<u>151,205,737</u>	<u>99,865,985</u>
<b>23.2.1 Commitments in respect of forward foreign exchange contracts</b>			
Purchase		10,187,077	9,983,985
Sale		11,336,050	14,373,430
		<u>21,523,127</u>	<u>24,357,415</u>
<b>23.2.2 Commitments in respect of forward lending</b>			
Forward repurchase agreement lending		113,180,605	60,551,083
Forward resale agreement lending		6,241,261	3,980,497
Undrawn formal standby facilities, credit lines and other commitments to lend	23.2.2.1	10,028,434	8,761,315
		<u>129,450,300</u>	<u>73,292,895</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.

		<b>For the Quarter ended</b>	
		<b>March 31, 2021</b>	<b>March 31, 2020</b>
		----- Un-audited -----	
		----- Rupees in '000 -----	
<b>24</b>	<b>MARK-UP/RETURN/INTEREST EARNED</b>		
	On Loans and advances	1,070,022	1,914,592
	On Investments	3,760,175	1,646,927
	On Lendings to financial institutions	170,718	223,405
	On Balances with banks	17,405	16,227
		<u>5,018,320</u>	<u>3,801,151</u>
<b>25</b>	<b>MARK-UP/RETURN/INTEREST EXPENSED</b>		
	Deposits	2,374,371	2,709,916
	Borrowings	1,546,384	136,210
	Cost of foreign currency swaps against foreign currency deposits / borrowings	16,279	23,131
	Lease liability against right of use assets	59,532	67,032
		<u>3,996,566</u>	<u>2,936,289</u>
<b>26</b>	<b>FEE AND COMMISSION INCOME</b>		
	Branch banking customer fees	10,090	10,504
	Consumer finance related fees	410	205
	Card related fees (debit cards)	32,876	33,878
	Commission on trade	15,347	10,473
	Commission on guarantees	6,939	8,805
	Credit related fees	828	2,743
	Commission on remittances including home remittances	3,954	2,198
	Others	319	108
		<u>70,763</u>	<u>68,914</u>
<b>27</b>	<b>GAIN / (LOSS) ON SECURITIES</b>		
	Realised	9,133	165
	Unrealised - held for trading	-	-
		<u>9,133</u>	<u>165</u>
<b>27.1</b>	<b>Realised (loss) / gain on:</b>		
	Federal Government Securities	8,101	165
	Shares of listed companies	1,032	-
	Units of mutual funds	-	-
	Others investments	-	-
		<u>9,133</u>	<u>165</u>
<b>28</b>	<b>OTHER INCOME</b>		
	Gain on sale of operating fixed assets	107	2,942
	Rent on property	285	893
	Incidental charges	245	245
	Others	66	30
		<u>703</u>	<u>4,110</u>

	Note	For the Quarter ended	
		March 31, 2021	March 31, 2020
		----- Un-audited -----	
		----- Rupees in '000 -----	
<b>29 OPERATING EXPENSES</b>			
<b>Total compensation expense</b>	29.1	<b>691,410</b>	623,338
<b>Property expense</b>			
Rent & taxes		6,083	3,277
Insurance		9,370	8,540
Utilities cost		46,973	48,611
Security (including guards)		85,096	76,439
Repair & maintenance (including janitorial charges)		5,978	5,791
Depreciation		16,437	16,106
Depreciation right of use assets		169,999	160,495
		<b>339,936</b>	319,259
<b>Information technology expenses</b>			
Software maintenance		19,602	18,129
Hardware maintenance		20,558	13,910
Depreciation		6,762	3,498
Amortisation		6,599	5,378
Network charges		2,665	2,567
Others		3,775	3,188
		<b>59,961</b>	46,670
<b>Other operating expenses</b>			
Directors' fees and allowances		4,860	2,260
Fees and allowances to Shariah Board		1,178	1,184
Legal & professional charges		9,006	16,346
Outsourced services costs		29,981	26,903
Travelling & conveyance		7,826	10,913
NIFT clearing charges		6,216	5,992
Depreciation		49,787	63,284
Training & development		172	431
Postage & courier charges		6,862	4,929
Communication		29,428	26,233
Stationery & printing		23,232	18,552
Marketing, advertisement & publicity		4,631	9,622
Donations		-	-
Auditors Remuneration	29.2	3,447	3,133
Repair & maintenance		21,897	19,070
Brokerage and commission		2,593	2,482
Entertainment		13,866	12,134
Fees and subscription		41,074	27,933
Insurance expenses		2,496	2,015
Others		10,958	10,588
		<b>269,510</b>	264,004
		<b>1,360,817</b>	<b>1,253,271</b>



	<b>For the Quarter ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	----- Un-audited -----	
	----- Rupees in '000 -----	
<b>32 TAXATION</b>		
Current	78,138	62,672
Prior years	-	-
Deferred	<u>(148,942)</u>	<u>211,879</u>
	<u>(70,804)</u>	<u>274,551</u>
<b>33 BASIC (LOSS) / EARNINGS PER SHARE</b>	-	
(Loss) / Profit for the period	<u>(110,701)</u>	<u>178,666</u>
Weighted average number of ordinary shares	<u>2,379,363,286</u>	<u>1,971,013,000</u>
Basic (loss) / earnings per share	<u>(0.05)</u>	<u>0.09</u>
<b>34 DILUTED (LOSS) / EARNINGS PER SHARE</b>		
(Loss) / Profit for the period	<u>(110,701)</u>	<u>178,666</u>
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)	<u>2,379,363,286</u>	<u>1,971,013,000</u>
Diluted (loss) / earnings per share	<u>(0.05)</u>	<u>0.09</u>
<b>35 CASH AND CASH EQUIVALENTS</b>		
Cash and Balance with Treasury Banks	14,920,480	10,630,442
Balance with other banks	<u>1,479,242</u>	<u>1,376,444</u>
	<u>16,399,722</u>	<u>12,006,886</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 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 customers loans and deposits are frequently repriced.

##### 36.1 Fair value of financial assets

IFRS 13 requires the Bank to carry out fair value measurements 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 Group 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.

<b>March 31, 2021 (Un-audited)</b>				
<b>Fair Value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
<b>Available-for-sale securities</b>				
Pakistan Investment Bonds	-	122,750,543	-	122,750,543
Market Treasury Bills	-	87,665,078	-	87,665,078
Shares of listed companies	2,225,875	-	-	2,225,875
Term finance certificates - Listed	-	-	-	-
Units of mutual funds	113,790	90,360	-	204,150
Ijarah Sukuk - GoP	-	1,505,455	-	1,505,455
Sukuk bonds	-	78,456	-	78,456
	<u>2,339,665</u>	<u>212,089,892</u>	<u>-</u>	<u>214,429,557</u>
<b>Off balance sheet financial instruments</b>				
Foreign exchange contracts (purchase)	-	10,187,077	-	10,187,077
Foreign exchange contracts (sale)	-	11,336,050	-	11,336,050
<b>December 31, 2020 (Audited)</b>				
<b>Fair Value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
----- Rupees in '000 -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets measured at fair value</b>				
<b>Available-for-sale securities</b>				
Pakistan Investment Bonds	-	97,261,439	-	97,261,439
Market Treasury Bills	-	51,354,254	-	51,354,254
Shares of listed companies	2,025,288	-	-	2,025,288
Term finance certificates - Listed	-	-	-	-
Units of mutual funds	123,254	84,422	-	207,676
Ijarah Sukuk - GoP	-	1,499,486	-	1,499,486
Sukuk bonds	-	96,112	-	96,112
	<u>2,148,542</u>	<u>150,295,713</u>	<u>-</u>	<u>152,444,255</u>
<b>Off balance sheet financial instruments</b>				
Foreign exchange contracts (purchase)	-	9,983,985	-	9,983,985
Foreign exchange contracts (sale)	-	14,373,430	-	14,373,430

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

	March 31, 2021 (Un-audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
----- Amount Rs. 000 -----					
<b>Profit &amp; Loss</b>					
Net mark-up/return/profit	2,375,411	71,141	-	(1,424,798)	1,021,754
Inter segment revenue - net	(3,310,539)	-	-	3,310,539	-
Non mark-up / return / interest income	106,215	155	-	73,760	180,130
Total Income	(828,913)	71,296	-	1,959,501	1,201,884
Segment direct expenses	(32,583)	(55,334)	-	(873,218)	(961,135)
Inter segment expense allocation	(39,937)	(4,374)	-	(355,371)	(399,682)
Total expenses	(72,520)	(59,708)	-	(1,228,589)	(1,360,817)
Provisions	(11,894)	(5,789)	-	(4,889)	(22,572)
<b>Profit / (loss) before tax</b>	<b>(913,327)</b>	<b>5,799</b>	<b>-</b>	<b>726,023</b>	<b>(181,505)</b>
<b>Balance Sheet</b>					
Cash & Bank balances	9,407,988	502,476	-	6,489,258	16,399,722
Investments	232,035,346	425,000	-	-	232,460,346
Net inter segment lending	-	-	-	139,956,325	139,956,325
Lendings to financial institutions	7,729,879	-	-	-	7,729,879
Advances - performing	39,471	865,893	-	41,824,182	42,729,546
- non-performing	-	7,629	-	15,785,902	15,793,531
Others	4,288,057	166,045	-	14,014,230	18,468,332
<b>Total Assets</b>	<b>253,500,741</b>	<b>1,967,043</b>	<b>-</b>	<b>218,069,897</b>	<b>473,537,681</b>

March 31, 2021 (Un-audited)					
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Amount Rs. 000 -----					
Borrowings	113,151,646	750,000	-	1,815,442	115,717,088
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	12,820	-	192,889,232	192,902,052
Net inter segment borrowing	138,990,534	965,791	-	-	139,956,325
Others	171,473	40,259	-	5,932,673	6,144,405
<b>Total liabilities</b>	<b>252,313,653</b>	<b>1,768,870</b>	<b>-</b>	<b>200,637,347</b>	<b>454,719,870</b>
<b>Equity</b>	<b>1,187,088</b>	<b>198,173</b>	<b>-</b>	<b>17,432,550</b>	<b>18,817,811</b>
<b>Total Equity &amp; liabilities</b>	<b>253,500,741</b>	<b>1,967,043</b>	<b>-</b>	<b>218,069,897</b>	<b>473,537,681</b>
<b>Contingencies &amp; Commitments</b>	<b>150,962,600</b>	<b>-</b>	<b>-</b>	<b>3,800,611</b>	<b>154,763,211</b>

March 31, 2020 (Un-audited)					
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Amount Rs. 000 -----					
<b>Profit &amp; Loss</b>					
Net mark-up/return/profit	1,721,563	88,154	-	(944,855)	864,862
Inter segment revenue - net	(1,912,635)	-	-	1,912,635	-
Non mark-up / return / interest income	28,204	50	-	75,825	104,079
Total Income	(162,868)	88,204	-	1,043,605	968,941
Segment direct expenses	(15,025)	(54,726)	-	(1,008,564)	(1,078,315)
Inter segment expense allocation	(17,496)	(9,569)	-	(147,891)	(174,956)
Total expenses	(32,521)	(64,295)	-	(1,156,455)	(1,253,271)
Provisions	-	(7,905)	-	745,452	737,547
Profit / (loss) before tax	(195,389)	16,004	-	632,602	453,217

December 31, 2020 (Audited)					
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	Total
----- Amount Rs. 000 -----					
<b>Balance Sheet</b>					
Cash & Bank balances	6,653,590	422,507	-	12,018,380	19,094,477
Investments	170,068,493	687,933	-	-	170,756,426
Net inter segment lending	750,000	(750,000)	-	128,207,417	128,207,417
Lendings to financial institutions	8,212,780	-	-	-	8,212,780
Advances - performing	40,376	797,234	-	40,731,567	41,569,177
- non-performing	-	1,915	-	15,835,969	15,837,884
Others	5,007,313	162,656	-	14,146,856	19,316,825
<b>Total Assets</b>	<b>190,732,552</b>	<b>1,322,245</b>	<b>-</b>	<b>210,940,189</b>	<b>402,994,986</b>

	December 31, 2020 (Audited)				Total
	Trading and sales	Retail banking	Corporate finance	Commercial banking and others	
----- Amount Rs. 000 -----					
Borrowings	60,625,508	750,000	-	1,752,140	63,127,648
Subordinated debt	-	-	-	-	-
Deposits & other accounts	-	64,290	-	185,570,689	185,634,979
Net inter segment borrowing	127,964,432	242,985	-	-	128,207,417
Others	607,750	72,220	-	6,075,101	6,755,071
Total liabilities	189,197,690	1,129,495	-	193,397,930	383,725,115
Equity	1,534,862	192,750	-	17,542,259	19,269,871
Total Equity & liabilities	190,732,552	1,322,245	-	210,940,189	402,994,986
Contingencies & Commitments	88,888,995	-	-	14,450,151	103,339,146

### 38 RELATED PARTY TRANSACTIONS

The related parties of the Group 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. Transaction 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 99.95% shareholding in the Group 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 transaction 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:



	March 31, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Director	Key Management Personal	Other Related Parties	Director	Key Management Personal	December 31, 2018 Audited
----- Amount Rs. 000 -----						
<b>Investments</b>						
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>
<b>Advances</b>						
Opening balance	-	201,487	-	-	80,894	46,874
Addition during the period / year	-	6,837	-	-	141,791	-
Repaid during the period / year	-	7,322	-	-	18,430	46,874
Transfer in / (out) - net	-	5,357	-	-	(2,768)	-
Closing balance	<u>-</u>	<u>206,359</u>	<u>-</u>	<u>-</u>	<u>201,487</u>	<u>-</u>
<b>Other Assets</b>						
Interest / mark-up accrued	-	141	-	-	150	-
Other receivable	-	-	285	-	-	-
	<u>-</u>	<u>141</u>	<u>285</u>	<u>-</u>	<u>150</u>	<u>-</u>
<b>Deposits and other accounts</b>						
Opening balance	22,930	68,200	2,079,063	21,698	68,026	3,519,086
Received during the period / year	21,767	157,019	4,775,461	49,633	320,609	9,854,048
Withdrawn during the period / year	32,057	152,181	4,655,981	48,401	314,147	9,151,255
Transfer in / (out) - net	-	1,460	-	-	(6,288)	(2,142,816)
Closing balance	<u>12,640</u>	<u>74,498</u>	<u>2,198,543</u>	<u>22,930</u>	<u>68,200</u>	<u>2,079,063</u>
<b>Other Liabilities</b>						
Provision for gratuity	-	-	-	-	-	1,517
Interest / mark-up payable	34	325	8,955	215	346	82,299
	<u>34</u>	<u>325</u>	<u>8,955</u>	<u>215</u>	<u>346</u>	<u>83,816</u>

	March 31, 2021 (Un-audited)			March 31, 2020 (Un-audited)		
	Director	Key Management Personal	Other Related Parties	Director	Key Management Personal	December 31, 2018 Audited
----- Amount Rs. 000 -----						
<b>Income :</b>						
Mark-up / return / interest earned	-	2,084	-	-	621	1,254
Fee and commission income	-	5	6	-	2	7
Net gain on sale of securities	-	-	208	-	-	-
Other income	-	-	285	-	-	893
<b>Expense :</b>						
Mark-up / return / interest paid	80	752	35,072	156	1,284	114,226
Remuneration paid	-	54,895	-	-	51,432	-
Contribution to provident fund	-	3,373	-	-	2,780	-
Provision for gratuity	-	2,925	-	-	2,667	-
Other staff benefits	-	824	-	-	477	-
Directors' meeting fee	4,860	-	-	2,260	-	-
Other expenses	392	-	-	-	-	-
Insurance premium paid	-	-	1,002	-	-	26,493
<b>Others :</b>						
Sale of Government Securities	-	-	-	-	-	-
Purchase of Government Securities	-	-	1,333,500	-	-	-
Expenses recovered under agency arrangement	-	-	150,000	-	-	28
Gratuity paid	-	4,647	-	-	-	-
Leave encashment paid	-	1,807	-	-	-	-
Insurance claims settled	-	-	28	-	-	305

As at the date of consolidated statement of financial position, loans/advances and deposits related to government related entities amounted to Rs.8,711.23 million and Rs.86,765.02 million. The above includes deposits amounting to Rs.26,864.75 (2020: Rs.22,625.33) million received through the Finance Department, Government of Sindh.

	March 31, 2021 Un-audited	December 31, 2020 Audited
----- (Rupees '000) -----		
<b>39 CAPITAL ADEQUACY, LEVERAGE RATIO &amp; LIQUIDITY REQUIREMENTS</b>		
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	<u>18,046,693</u>	<u>12,344,452</u>
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>9,663,423</u>	10,629,435
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>9,663,423</u>	10,629,435
Eligible Tier 2 Capital	-	7,488
<b>Total Eligible Capital (Tier 1 + Tier 2)</b>	<u><b>9,663,423</b></u>	<u><b>10,636,923</b></u>
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	<u>39,685,808</u>	40,032,455
Market Risk	<u>16,832,756</u>	17,878,718
Operational Risk	<u>7,581,862</u>	7,581,862
<b>Total Risk Weighted Assets</b>	<u><b>64,100,426</b></u>	<u><b>65,493,035</b></u>
<b>Common Equity Tier 1 Capital Adequacy ratio</b>	<u><b>15.08%</b></u>	<u><b>16.23%</b></u>
<b>Tier 1 Capital Adequacy Ratio</b>	<u><b>15.08%</b></u>	<u><b>16.23%</b></u>
<b>Total Capital Adequacy Ratio</b>	<u><b>15.08%</b></u>	<u><b>16.24%</b></u>
<b>Notional minimum capital requirements prescribed by SBP</b>		
CET1 minimum ratio	<u>6.00%</u>	6.00%
Tier 1 minimum ratio	<u>7.50%</u>	7.50%
Total capital minimum ratio	<u>10.00%</u>	10.00%
Total capital minimum ratio plus CCB	<u>11.50%</u>	11.50%
<b>Approach followed for determining Risk Weighted Assets</b>		
Credit Risk	<b>Comprehensive</b>	Comprehensive
Market Risk	<b>Maturity method</b>	Maturity method
Operational Risk	<b>Basic Indicator</b>	Basic Indicator
	March 31, 2021 Un-audited	December 31, 2020 Audited
	----- (Rupees '000) -----	
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	<u>9,663,423</u>	10,629,435
Total Exposures	<u>289,639,541</u>	270,688,592
Leverage Ratio (%)	<u>3.34%</u>	3.93%
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	<u>105,270,545</u>	74,110,684
Total Net Cash Outflow	<u>24,329,916</u>	20,177,398
Liquidity Coverage Ratio (%)	<u>433%</u>	367%
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	<u>168,145,906</u>	128,910,815
Total Required Stable Funding	<u>55,360,566</u>	49,505,620
Net Stable Funding Ratio	<u>304%</u>	260%

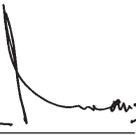
**40 GENERAL**

Figures have been rounded off to the nearest thousand Rupees.

**41 DATE OF AUTHORISATION FOR ISSUE**

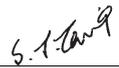
These consolidated financial statements were authorised for issue by the Board of Directors on April 29, 2021.

  
Chairman

  
President and  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

## Branch Network



### SOUT REGION

#### KARACHI AREA

##### Mr. Abdul Rauf Chandio

EVP-I & Group Business Head  
South Region

Tel: 021-35642101-2

Fax: 021-35642104

Email: rauf.chandio@sindhbankltd.com

##### Mr. Shahzad Hussain

SVP-II & Area Manager,

Area I, Karachi

Tel: 021-32415399, 32420672

Email: shahzad.khowaja@sindhbankltd.com

##### Mr. Dilawar Ahmed Dakhan

SVP-I & Area Manager,

Area II, Karachi

Tel: 021-35290331

Email: dilawar.dakhan@sindhbankltd.com

##### Ms. Ghazala Ayaz

SVP-I & Area Manager,

Area III, Karachi

Tel: 021-34535131

Email: ghazala.ayaz@sindhbankltd.com

##### Mr. Ayaz Ahmed Jagirani

VP-II & Area Manager,

Area IV, Karachi

Tel: 021-36646423

Email: ayaz.jagirani@sindhbankltd.com

##### Mr. Aijaz Ali Shaikh

VP-II & Area Manager,

Area V, Karachi

Tel: 021-35130661, 35130662

Email: aijaz.shaikh@sindhbankltd.com

##### Mr. Zahid Noshewani

VP-I & Area Manager,

Area VI, Karachi

Tel: 35680251-2

Email: zahid.noshewani@sindhbankltd.com

##### Mr. Shafique Ahmed

VP-I & Area Manager,

Area VII, Karachi

Tel: 021-34968976-77

Fax: 021-34834583

Email: shafique.chandio@sindhbankltd.com

##### Mr. Aijaz Ali Bugti

AVP-I & Area Manager,

Area VIII, Karachi

Tel: 021-32526863, 32526864

Fax: 021-32526865

Email: aijaz.bugti@sindhbankltd.com

##### Mr. Faisal Haroon Badshah

VP-I & Branch Manager /

Area Manager

Islamic Banking - Karachi

Tel: 021-35316805

Fax: 021-35316807

Email: faisal.haroon@sindhbankltd.com

### BALUCHISTAN AREA

##### Mr. Haq Nawaz

SVP-I & Acting Area Manager,

Balochistan Area I,

Tel: +92-81-2865683

Fax: +92-81-2865682

Email: haq.nawaz@sindhbankltd.com

##### Mr. Wali Muhammad Attar

AVP-I & Acting Area Manager,

Balochistan Area II,

Tel: 0838-710135, 0838-710136

Fax: 0838-710138

Email: wali.attar@sindhbankltd.com

##### Mr. Muhammad Ayaz Tareen

OG-I & Branch Manager / Acting Area Manager

(Islamic Banking) - Balochistan

Tel: 081-2864804-5

Email: ayaz.tareen@sindhbankltd.com

### SINDH RURAL REGION

##### Syed Assad Ali

EVP-I & Group Business Head

Sindh Rural

Tel: 021-35829376

Fax: 021-35870543

Email: assad.ali@sindhbankltd.com

##### Mr. Zeeshan Qureshi

SVP-II & Area Manager, Hyderabad Area I

Tel: 022-9330061

Email: zeeshan.qureshi@sindhbankltd.com

**Mr. Syed Tabish Ali Shah**  
 VP-I & Area Manager,  
 Hyderabad Area II  
 Tel: 022-2653170  
 Email: tabish.shah@sindhbankltd.com

**Mr. Kashif Ahmed Memon**  
 AVP-I & Area Manager,  
 Hyderabad Area III  
 Tel: 0298-760224  
 Email: kashif.memon@sindhbankltd.com

**Mr. Bashir Ahmed Wassan**  
 SVP-II & Area Manager,  
 Hyderabad Area IV  
 Tel: 0298-550528  
 Fax: 0298-550529  
 Email: bashir.wassan@sindhbankltd.com

**Mr. Jamil Ahmed Shaikh**  
 VP-I & Area Manager,  
 Mirpurkhas  
 Tel: 023-3876405  
 Fax: 023-3876406  
 Email: jamil.shaikh@sindhbankltd.com

**Mr. Muhammad Yousif**  
 VP-II & Area Manager,  
 Sukkur Area I  
 Tel: 0243-9280415  
 Email: yousif.kurio@sindhbankltd.com

**Mr. Bashir Ahmed Ghoto**  
 VP-II & Area Manager,  
 Sukkur Area II  
 Tel: 0723-684431  
 Fax: 0723-684432  
 Email: bashir.ghoto@sindhbankltd.com

**Mr. Kazim Hussain Qadri**  
 AVP-I & Acting Area Manager,  
 Larkana Area-I  
 Tel: 074-4040752  
 Fax: 074-4040753  
 Email: kazim.hussain@sindhbankltd.com

**Mr. Abdul Majid Khoso**  
 VP-II & Area Manager,  
 Larkana Area-II  
 Tel: 0722-576325  
 Fax: 0722-576289  
 Email: majid.khoso@sindhbankltd.com

**Mr. Syed Gul Muhammad Shah**  
 VP-II & Area Manager  
 Larkana Area-III  
 Tel: 0254-620523  
 Fax: 0254-620513  
 Email: syed.gul@sindhbankltd.com

**PUNJAB CENTRAL REGION**

**Mr. Farhan Ashraf Khan**  
 SEVP & Group Business Head  
 Central Region  
 Tel: 042-99264343  
 Fax: 042-99264342  
 Email: farhan.khan@sindhbankltd.com

**Mr. Rizwan Mahmood Khan**  
 EVP-II & Area Manager  
 Lahore Area-I & Chief Manager  
 Tel: 042-99264334  
 Fax: 042-99264341  
 Email: rizwan.mahmood@sindhbankltd.com

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

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

**Mr. Shoaib Naseem Khan**  
 VP-I & Area Manager  
 Lahore Area IV  
 Tel: 042-37182146-7  
 Email: shoaib.khan@sindhbankltd.com

**Syed Akram Hussain Zaidi**  
 SVP-I & Area Manager  
 Gujranwala  
 Tel: 055-3840015  
 Fax: 055-9200993  
 Email: akram.zaidi@sindhbankltd.com

**Mr. Syed Sohail Abbas**  
 VP-I & Area Manager - Multan  
 Tel: 061-4585203  
 Fax: 061-4585207  
 Email: sohail.abbas1@sindhbankltd.com

**Mr. Shafqat Ali Raja**  
 SVP-I & Area Manager  
 Islamabad & Rawalpindi  
 Tel: 051-9270151  
 Email: shafqat.raja@sindhbankltd.com

**NORTH REGION  
 KPK & MIR PUR AJK AREA**

**Mr. Rehman Ullah Khatak**  
 EVP1 Group Business Head  
 North Region  
 Tel: 091-5250602  
 Email: rehmanullah.khattak@sindhbankltd.com

**Mr. Farooq Khan**  
 SVP-I & Area Manager, KPK  
 Tel: +92-91-5271951  
 Fax: +92-91-5271949  
 Email: farooq.khan@sindhbankltd.com

**Mr. Intikhab Ashraf**  
 VP-I & Area Manager  
 AJK / Gilgit Baltistan & Branch Manager  
 Tel: 05822-920630, 05822-920620-612  
 Email: intikhab.ashraf@sindhbankltd.com

**ISLAMIC BANKING DIVISION**

**Mr. Alizain Wahab**  
 SVP & Head of Islamic Banking  
 Tel: 021-35316801  
 Fax: 021-35316804  
 Email: alizain.wahab@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	103
5	North Region KPK & Mirpur AJK Area	21
	<b>Total</b>	<b>330</b>

IN MEMORY OF SHAHEED MORTAZAMA BENAZIR BHUTTO  
شاہدہ محترمہ بینظیر بھٹو کی یاد میں

**SINDH BANK**  
**سندھ بینک**

POWER TO THE PEOPLE  
پاکستان کو طاقت

 [www.sindhbank.com.pk](http://www.sindhbank.com.pk)

 /SindhBankLimitedOfficial

 /company/sindh-bank-limited

 /SindhBankLimited

 0800-33322

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

Printed by: SAAMI PRINTERS