

Annual Report 2020

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and the creation of wealth
across Asia, Africa and the
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Futuremakers is our global initiative to tackle inequality and promote greater economic inclusion in our markets.



\$50M IN FUNDRAISING & BANK-MATCHING 2019-2023



LEARN

Empowering the

NEXT GENERATION



EARN



GROW

BENEFICIARIES

Disadvantaged youth with a focus on **Girls &** Visually impaired people



FOCUS AREAS →

Education

Employability

Entrepreneurship

Global reach targets →

500,000 adolescent girls

100,000 youth for work

50,000 micro & small businesses

Delivering across Pakistan

In Pakistan Futuremakers' programmes empower disadvantaged youth to learn new skills and improve the next generation's chances of getting a job or starting their own business.

Education

Goal

Empowering adolescent girls with life skills
16,000+ girls empowered since 2016

Youth to work

Employability:

Youth to Work is our global employability programme. The Bank has recently hired two girls who were part of the Global programme. Employability module.

Employment of the visually impaired

25 Visually impaired employed at the Bank's call centre in Lahore and Karachi

Entrepreneurs for Growth

#SCWomenInTech

Launched in 2019 with the aim to focus on capacity building for women-owned small enterprises. In 2020, in addition to regular proposals the Bank introduced a new category for "COVID-19 relief-based proposals". In addition to the 5 winners, 2 Covid Relief projects were also awarded up to USD 10,000 to scale up their ventures.

Seeing is Believing

- Over 12 million beneficiaries impacted, including
- Conducted 500,000 sight restoration surgeries
- Trained 85,000+ lady healthcare workers on eye health
- Screened 1.5 million children for refractive errors



Get involved



Donate

All funds in Pakistan are directed towards the Bank's Goal Programme, a programme that focuses on empowering adolescent girls by teaching life skills combined with sports. You can make a donation at any Standard Chartered Branch. The account details are as follows:

Account Name: Right to Play – Futuremakers

Account Number: 18-4743873-18



Fundraise

Take part in any of the fundraising activities planned by Standard Chartered Bank (Pakistan) Limited



Contact

Pakistan.Corporate-Affairs@sc.com





Standard Chartered is a leading international banking group

We are a leading international banking group, with a presence in 59 of the world's most dynamic markets and serving clients in a further 85. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, Here for good.

- ▶ **Standard Chartered Pakistan** is proud to be operating in the country as the **largest and oldest international Bank since 1863**.
- ▶ **Standard Chartered Pakistan** employs more than **2,600** people and has a network of **150** touch points (**53 branches, 164 ATMs, 25 CDMs and 8 CDKs**) across 11 cities.
- ▶ **Standard Chartered Pakistan** is the first International Bank to get an Islamic Banking licence and to open the **first Islamic Banking branch in the country**.
- ▶ **Standard Chartered Pakistan** is the leading bank for the **MNCs** operating in Pakistan. The Bank is the market leader for providing USD liquidity for **Corporates** and **Financial Institutions** in the country.
- ▶ **Standard Chartered Pakistan** plays a leading role in providing **FCY liquidity solutions** through innovative client centric structures.
- ▶ **Standard Chartered Pakistan** is a leading partner of **State Bank of Pakistan** in promoting **RMB** and increasing its use in Pakistan, which further strengthens its role as the main bank for **CPEC** led initiatives.
- ▶ **Standard Chartered Pakistan** partnered with **ANT FINANCIAL** in 2019 to launch the first block chain based **24/7**, cross border **wallet-to-wallet remittance** service between Malaysia and Pakistan.

AWARDS



Strong Recognition

Global **Diversity and Inclusion** Benchmark
Awards 2019/2020



- Best Practice Award in Vision category
- Progressive Award in Benefits category
- Progressive Award in Communications category
- Progressive Award in Social Responsibility category

The Banker Magazine
Awards 2019/2020



- Best Islamic Bank

Asset Triple A - **Islamic Finance**
Awards 2019/2020



- Best Investment Bank
- Best Deal in Pakistan
- Best Bank in Treasury, Trade, SSC and Risk

Global Finance
Awards 2019/2020



- Best Digital Islamic Bank
- Best Sub-Custodian Bank 2020

16th Annual Excellence Awards
by CFA Society **Awards 2019/2020**



- Best medium sized Bank
- Best D&I Bank
- Runners up for Islamic Banking Window

Asia Money
Awards 2019



- Best International Bank
- Best Bank for Premium Services

Management Association of Pakistan
Awards 2019



- Best Commercial Bank

Finance Asia
Awards 2018/2019



- Best Foreign Bank in Pakistan

Standard Chartered Bank (Pakistan) Limited

Board of Directors



Mr. Ian Anderson Bryden
Chairperson of the Board
of Directors



Mr. Rehan M. Shaikh
Chief Executive Officer
Member Board Risk
Committee and Board IT
Committee



Mrs. Spenta Kandawalla
Director
Chairperson Board HR &
Remuneration Committee



Mr. Towfiq Habib Chinoy
Director
Chairperson Board Risk
Committee and Member
Board HR & Remuneration
Committee



Mr. Ehsan Ali Malik
Director
Chairperson Board Audit
Committee and Member
Board Risk Committee &
Board IT Committee



**Mr. Mohamed Abdel
Razeq**
Director
Chairperson Board IT
Committee and Member
Board Audit Committee



Mr. Adam Long
Director
Member Board Audit
Committee and Board HR &
Remuneration Committee

Standard Chartered Bank (Pakistan) Limited

Pakistan Executive Committee - 2020



Rehan M. Shaikh
Chief Executive Officer



Syed Mujtaba Abbas
Head - Consumer, Private
and Business Banking



Arslan Nayeem
MD & Country Head CCIB
Coverage



Adil Salahudin
Head Financial Markets



Azhar Aslam
Head Islamic Banking



Kailash Kumar
Head Wealth Management



Shiraz Hyder
Head Transaction Banking



Syed Ejaz Alam
Acting Chief Financial Officer



**Muhammad Mubashir
Yasin**
Head Conduct, Financial
Crime Compliance



Shahzad Salamullah
Head Internal Audit



Khadija Hashimi
Head Corporate Affairs and
Brand & Marketing



Lubna Azam Tiwana
Chief Risk Officer



Muhammad Umer
Head Human Resources



Majid Aziz
Chief Operating Officer



Jehangir Adil Qazi
Head Legal



Khurram Abid
Chief Information Officer

Company Information

Board of Directors

Mr. Ian Anderson Bryden	Chairperson
Mr. Rehan M. Shaikh	Chief Executive Officer
Mrs. Spenta Kandawalla	
Mr. Towfiq Habib Chinoy	
Mr. Ehsan Ali Malik	
Mr. Mohamed Abdel Razek	
Mr. Adam Long	

Company Secretary

Mr. Asif Iqbal Alam

Board Audit Committee

Mr. Ehsan Ali Malik	Chairperson
Mr. Adam Long	Member
Mr. Mohamed Abdel Razek	Member

Board Risk Committee

Mr. Towfiq Habib Chinoy	Chairperson
Mr. Ehsan Ali Malik	Member
Mr. Rehan M. Shaikh	Member

Board Human Resource & Remuneration Committee

Mrs. Spenta Kandawalla	Chairperson
Mr. Towfiq Habib Chinoy	Member
Mr. Adam Long	Member

Board IT Committee

Mr. Mohamed Abdel Razek	Chairperson
Mr. Ehsan Ali Malik	Member
Mr. Rehan M. Shaikh	Member

Shariah Board

Shaikh Nizam Yaqouby	Chairperson
Mufti Muhammad Abdul Mubeen	
Mufti Irshad Ahmad Aijaz	
Mufti Khawaja Noor ul Hassan	(Resident)

Auditors

M/s EY Ford Rhodes
Chartered Accountants

Legal Advisors

HaidermotaBNR & Co
Barristers at Law & Corporate Counselors

Registered/ Main Office

Standard Chartered Bank (Pakistan)
Limited
P.O. Box No. 5556, I.I. Chundrigar Road,
Karachi-74000, Pakistan.
Tel: (021) 32450000

Website

www.sc.com/pk

Registrar/ Share Registration Office

M/s CDC Share Registrar Services Limited
CDC House, 99-B, Block B,
SMCHS, Main Shakra-e-Faisal,
Karachi - 74400

Toll Free: 0800 - 23275
Fax: (021) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

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STANDARD CHARTERED BANK (PAKISTAN) LIMITED NOTICE OF ANNUAL GENERAL MEETING

STANDARD CHARTERED BANK (PAKISTAN) LIMITED NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifteenth Annual General Meeting ('AGM') of the shareholders of Standard Chartered Bank (Pakistan) Limited ("Bank") will be held on Monday, 29 March 2021 at 04:00 pm through online platform/facility to transact the following business:

A. ORDINARY BUSINESS

- To receive, consider and adopt the Audited Accounts of the Bank for the year ended 31 December 2020, along with the Directors' and Auditors' Reports thereon.
- To consider the appointment of external auditors namely of M/s EY Ford Rhodes, Chartered Accountants (who being eligible, have offered themselves for re-appointment), as Statutory Auditors of the Bank for the year 2021. The Board also seeks authority for the Board Audit Committee to negotiate and agree upon Auditors' remuneration subject to concurrence of the Board in the subsequent meeting.
- To consider and approve final cash dividend @ 27.5% (i.e. Rs. 2.75 per share), as recommended by the Board of Directors for the year 2020.

B. SPECIAL BUSINESS

- To approve the remuneration paid to the Independent Directors and Non-Executive Directors (who are not group employees) of the Bank for the year ended 31 December 2020 in accordance with the Articles of Association of the Bank and in that connection to pass the following resolution, as ordinary resolution, with or without modification, addition or deletion:

"RESOLVED THAT the decision of the Board of Directors of Standard Chartered Bank (Pakistan) Limited to pay a fee of Rs. 13,250,000 during the year ended 31 December 2020 to the independent and non-executive members (who are not group employees) of the Board, in terms of their discretion under the Articles of Association of the Bank, be and is hereby confirmed and approved by the shareholders."

A statement of material facts under section 134 (3) of the Companies Act, 2017 relating to the aforesaid special business to be transacted in the said AGM is appended below.

C. OTHER BUSINESS

- To transact any other business as may be placed before the meeting with the permission of the Chair.

By Order of the Board

Asif Iqbal Alam
Company Secretary

Karachi: 8 March 2021

اسٹیٹمنٹ رڈ چارٹرڈ بینک (پاکستان) لمیٹڈ نوٹس برائے سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ اسٹیٹمنٹ رڈ چارٹرڈ بینک (پاکستان) لمیٹڈ ("بینک") کے حصص یافتگان کا پندرہواں سالانہ اجلاس عام 29 مارچ 2021ء بروز پیر، شام 04:00 بجے، بذریعہ آن لائن پلٹ فارم / سہولت درج ذیل کارروائی کیلئے منعقد کیا جائے گا۔

(الف) عمومی کارروائی

- i - 31 دسمبر 2020ء کو ختم ہونے والے مالی سال کیلئے بینک کے آڈیٹڈ اکاؤنٹس اور ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، ان پر غور اور ان کی توثیق۔
- ii - میسرز EY فورڈ رھوڈس، چارٹرڈ اکاؤنٹنٹس (جنہوں نے اہل ہونے کے سبب پھر سے تقرری کی درخواست دی ہے) کی 2021ء کیلئے بطور اسٹیٹوٹری آڈیٹرز تقرری اور ان کے معاوضے کے تعین کیلئے بورڈ آڈٹ کمیٹی کو بات چیت اور فیصلہ کرنے کا اختیار دینا جو آئندہ بورڈ میٹنگ میں بورڈ کی رضامندی سے مشروط ہوگا۔
- iii - سال 2020ء کیلئے بورڈ آف ڈائریکٹرز کی جانب سے تجویز کردہ 27.5% (یعنی 2.75 روپے فی حصص) نقد منافع کی ادائیگی پر غور اور منظور کرنا۔

(ب) خصوصی کارروائی

- iv - 31 دسمبر 2020ء کو ختم ہونے والے سال کیلئے بینک کے آرٹیکلز آف ایسوسی ایشن کے تحت بینک کے خود مختار ڈائریکٹرز اور نان ایگزیکٹو ڈائریکٹرز (جو گروپ ایسپلائی نہیں ہیں) کو ادا کیے گئے معاوضے کی منظوری اور اس سلسلے میں مندرجہ ذیل قرارداد کو ترمیم یا بغیر ترمیم، اضافے یا اخراج بطور عمومی قرارداد منظور کرنا:
- "قرارداد یا کہ آرٹیکلز آف ایسوسی ایشن کے تحت دی گئی صوابدید پر، اسٹیٹمنٹ رڈ چارٹرڈ بینک (پاکستان) لمیٹڈ کے بورڈ آف ڈائریکٹرز کا فیصلہ کہ بورڈ کے خود مختار ڈائریکٹرز اور نان ایگزیکٹو ڈائریکٹرز (جو گروپ ایسپلائی نہیں ہیں) کو 31 دسمبر 2020ء کو ختم ہونے والے سال کیلئے مبلغ -/13,250,000 روپے فیس ادا کرنے کو حصص یافتگان کی جانب سے توثیق اور منظوری دی جاتی ہے۔"

کمپنیز ایکٹ 2017ء کے سیکشن 134(3) کے تحت مذکورہ سالانہ اجلاس عام میں عمل میں لائی جانے والی خصوصی کارروائی سے متعلق ضروری حقائق کی دستاویز درج ذیل منسلک ہے۔

(ج) دیگر کارروائی

- v - چیئر پرسن کی اجازت سے کوئی اور کارروائی عمل میں لانا۔

بجگم بورڈ

آصف اقبال عالم
کمپنی سیکریٹری

کراچی: 8 مارچ 2021ء

NOTICE OF ANNUAL GENERAL MEETING

نوٹس:

1. The Share Transfer Books of the Bank will remain closed from 22 March 2021 to 29 March 2021 (both days inclusive). Transfer received at the Share Registrar by the close of business on 19 March 2021 will be treated in time.

2. Participation in AGM through online platform / facility:

We acknowledge and appreciate the tremendous efforts that everyone is putting in for protecting themselves and others from Covid-19. In view of current Covid-19 situation in the country during the second wave and practical difficulties in maintaining social distancing in public gathering, it is our combined responsibility to further enhance our efforts in fight against the pandemic for the safety of our shareholders, our staff and general public.

Pursuant to Securities and Exchange Commission of Pakistan's Circular No. 6 of 2021 dated 3 March 2021, it has been decided by the Bank to continue with contingency planning measures and hold the 15th AGM through online platform/facility.

Accordingly, following arrangements have been made by the Bank to facilitate the participation of the shareholders in the AGM through online platform/facility, either in-person or through appointed proxies. Shareholders are requested to get themselves registered with the Company Secretary Office, at least 24 hours before the time of AGM (i.e. before 04:00 p.m. on 28 March 2021) by providing following details at cosec.pk@sc.com

Folio/CDC Account No.	Name of Shareholders	CNIC No	Cell No.	Email Address
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Upon receipt of the above information from interested shareholders, the Bank will send the login details at their email addresses. On the AGM day, shareholders will be able to login and participate in the AGM proceedings through their smartphone or computer devices from their home. Login facility will be opened 15 minutes before the meeting time to enable the participants to join the meeting, after identification and verification process.

3. Only those persons whose names appear in the Register of Members of the Bank as at 19 March 2021 will be entitled to attend/participate in/vote at the AGM and be entitled to receive above stated cash dividends.

4. A member entitled to attend and vote at the above meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be valid, must be received by the Bank at its registered office marked for the attention of the office of the Company Secretary, not less than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.

5. Members are requested to notify change in their address, if any, to the Bank's Share Registrars, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi - 74400. Toll Free: 0800-CDCPL (23275), Fax: (021) 34326053, Email: info@cdcsrsl.com.

6. A. For Attending the Meeting:

- In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerised National Identity Card (CNIC) or original passport at the time of attending the Meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the Meeting.

B. For Appointing Proxies:

- In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

1- بینک کی حصص کی منتقلی کی کتابیں 22 مارچ 2021ء سے لے کر 29 مارچ 2021 تک (بشمول دونوں دن) بند رہیں گی۔ 19 مارچ 2021ء کو کاروبار کے اختتام تک رجسٹر ارا کو موصول ہونے والے ٹرانسفرز بروقت تصور کیے جائیں گے۔

2- سالانہ اجلاس عام میں آن لائن پلیٹ فارم/سہولت کے ذریعے شرکت:

کوویڈ 19 سے اپنی اور دوسروں کی حفاظت کے لیے تمام لوگ جو زبردست کوششیں کر رہے ہیں ہم بحیثیت بینک ان تمام کاوشوں کا اعتراف اور تعریف کرتے ہیں۔ تاہم، دوسری اہر کے دوران ملک میں کوویڈ 19 کی صورتحال اور عوامی اجتماعات میں معاشرتی فاصلے کو برقرار رکھنے میں عملی مشکلات کے پیش نظر، ہماری مشترکہ ذمہ داری ہے کہ ہم اپنے حصص یافتگان، اپنے عملے اور عام عوام کی حفاظت کے لئے وبائی امراض کے خلاف جنگ میں اپنی کوششوں کو مزید بڑھائیں۔

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے 2021 کے سرکلر نمبر 6 مورخہ 3 مارچ 2021 کے مطابق بینک نے فیصلہ کیا ہے کہ وہ بجائی مضموبہ بندی کے اقدامات کو جاری رکھے گا اور اس سلسلے میں 15 پندرہویں سالانہ اجلاس عام کو ذریعہ الیکٹرانک طریقہ کار منعقد کرانے کا فیصلہ کیا گیا ہے۔

بینک کی جانب سے سالانہ اجلاس عام میں شیئرز ہولڈرز کی بذریعہ آن لائن پلیٹ فارم شرکت (چاہے ذاتی طور پر یا مقررہ پراسیوں کے ذریعے) کے لیے انتظامات کیے گئے ہیں۔ شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ cosec.pk@sc.com پر مکتبی کی بکٹری آفس میں اجلاس عام کے وقت سے کم از کم 24 گھنٹے قبل (یعنی 28 مارچ 2021 کو شام 04:00 بجے سے پہلے) درج ذیل تفصیلات کے ساتھ رجسٹریشن کروائیں۔

فولیو/سی ڈی ایس اکاؤنٹ نمبر	شیئرز ہولڈر کا نام	سی این آئی نمبر	موبائل نمبر	ای میل ایڈریس
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دیکھی رکھنے والے شیئرز ہولڈرز سے مذکورہ بالا معلومات کی وصولی کے بعد بینک لاگ ان کی تفصیلات ان کے ای میل ایڈریس پر بھیجے گا۔ اجلاس عام کے دن شیئرز ہولڈرز اپنے گھر سے اپنے اسمارٹ فون اور کمپیوٹر یا پوائنٹنگ کے ذریعے لاگ ان ہو سکیں گے اور اجلاس عام کی کارروائی میں حصہ لے سکیں گے۔ لاگ ان کی سہولت مینٹنگ کے وقت سے 15 منٹ قبل کھول دی جائے گی تاکہ شرکت کا آغاز وقت کے مطابق اور تصدیق کے عمل کے بعد اجلاس میں شامل ہو سکیں۔

3- صرف وہ ممبران جن کے نام 19 مارچ 2021ء کو بینک کے ممبران کے رجسٹر میں درج ہوں گے وہی اس سالانہ اجلاس عام میں شرکت کرنے، ووٹ دینے اور ڈیویڈنڈ لینے کے اہل ہوں گے۔

4- ایک ممبر جو اس اجلاس میں شرکت کرنے اور ووٹ دینے کا اہل ہے اپنی جگہ کسی اور ممبر کو بطور نمائندہ اجلاس میں شرکت، بولنے، ووٹ ڈالنے کیلئے مقرر کر سکتا ہے۔ پراسیور کے مؤثر ہونے کیلئے لازم ہے کہ وہ کتنی کے رجسٹرڈ آفس میں بنام مکتبی کی بکٹری آفس میں 48 گھنٹے قبل مکمل طور پر اسٹیپ شدہ، دستخط شدہ اور شاہد کے ساتھ موصول ہو جائیں۔ ایک ممبر ایک سے زیادہ پراسی نامزد کرنے کا مختار نہ ہوگا۔

5- ممبران سے درخواست ہے کہ وہ اپنے رجسٹرڈ پتہ میں ہونے والی کسی تبدیلی سے فوری طور پر بینک کے شیئرز رجسٹرار میسرز CDC شیئرز رجسٹرار سروسز لمیٹڈ، CDC ہاؤس، 99-B بلاک B، SMCHS، مین شاہراہ فیصل، کراچی۔ 74400۔ ٹول فری نمبر: CDCPL(23275) - 0800، فیکس: 34326053 (021)، ای میل ایڈریس: info@cdcsrsl.com پر مطلع کریں۔

6- (الف) اجلاس میں شرکت کیلئے:

i- افرادی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور ایواہ افراد جن کی سیکیورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کر دی گئی ہیں، انہیں اجلاس میں شرکت کے وقت اپنی شناخت کیلئے اصل کمپیوٹرائزڈ شناختی کارڈ (سی این آئی) یا اصل پاسپورٹ دکھانا لازمی ہوگا۔

ii- کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ، نامزد کرنے والے کے دستخط کے ساتھ اجلاس کے وقت پیش کرنا لازمی ہوگا۔

(ب) پراسیور کی نامزدگی کیلئے

i- افرادی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور ایواہ افراد جن کی سیکیورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کر دی گئی ہیں انہیں اپنا پراسیور نام درج بالا قواعد کے مطابق پُر کر کے پیش کرنا ہوگا۔

ii- پراسیور نام کا دو افراد سے تصدیق شدہ ہونا لازمی ہے جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم پر لکھے ہوں۔

iii- پراسیور نام کے ساتھ پراسیور اصل مالک کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپی منسلک کرنا ہوگی۔

NOTICE OF ANNUAL GENERAL MEETING

- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with the proxy form to the Bank.
7. Members may inspect the minutes of the AGM held on 09 April 2020, in terms of Section 52 of the Companies Act, 2017, at the Bank's registered address.
8. In terms of Section 223 (7) of the Companies Act 2017, the Annual Report for the year ended 2020 will also be placed on the Bank's website simultaneously with the dispatch of the same to the members.

Statement under section 134 (3)

Statement for Item (4) to the Agenda

The meeting fee payable to the Independent Directors and Non-Executive Directors (who are not group employees) of the Bank was approved by the Board of Directors in terms of Article 60 of the Articles of Association of the Bank. This meeting fee requires approval of the shareholders in AGM in terms of paragraph C-2 of Regulation G-1 of Prudential Regulations for Corporate/Commercial Banking issued by the State Bank of Pakistan. The Independent Directors and Non-Executive Directors (who are not group employees) of the Bank are interested in the payment of fees and remaining members of the Board have no interest in the matter.

SHAREHOLDERS AWARENESS:

1. **E-Dividend Requirements:** In accordance with the Companies (Distribution of Dividend) Regulation 2017, shareholders are advised to provide their Identification Number/Computerised National Identity Card (CNIC) Number and International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above referred office address or to the respective Participants/Broker (if shares are held through CDS Account) latest by 19 March 2021. **Failing which may result in withholding of dividend payments of respective shareholders.**

2. **Tax Requirements:** The dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 and pursuant to the provisions of Finance Act, 2020, effective from 01 July 2020; the 'Filer' and 'Non-Filer' shareholders will pay tax on dividend income @ 15% and 30% respectively. The Filer status of shareholders will only be determined on the basis of latest available Active Taxpayers List (ATL) uploaded by the Federal Board of Revenue (FBR) on their website <http://www.fbr.gov.pk/>.

In case a Folio/CDS Account is jointly held, each joint-holder will be treated separately as Filer or Non-Filer and tax will be deducted on the gross dividend amount determined by bifurcating the shareholding of each joint-holder on equal proportions, except where shareholding proportion of joint-holders is pre-defined as per the records of Bank's Share Registrar and thus tax rates will be applied in line with respective proportions. Those shareholders, who are holding shares jointly, are requested to update/notify the shareholding proportions of principal and joint-holder(s) in writing to our Share Registrar latest by 19 March 2021 at their above referred office address.

In this regard, all shareholders, whose names are not entered into the ATL despite the fact that they are filers, are advised to make sure that: (i) Their names appear into the ATL before start of closed period (referred above), otherwise they will be treated as non-filers for tax deduction purpose, and (ii) A copy of their National Tax Number is submitted to their relevant Participant/CDC Investor Account Services or to our Share Registrar (in case of physical shareholding only) at their above referred office address.

Corporate shareholders are requested to provide of a copy of valid Income Tax Exemption Certificate issued by the concerned authority to your institution, which is compulsorily required to claim tax exemption in terms of clarification issued by FBR vide their letter C.No.1 (43) DG (WHT)/ 2008-Vol.11-66417-R, dated 12 May 2015. In case you are subject to any special tax rate, please also provide a copy of relevant certificate issued by the concerned authority. Relevant copies should reach our Share Registrar at their above-mentioned office address.

- iv) پر کسی کو اپنا اصل کیپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ اجلاس کے وقت دکھانا ہوگا۔
- v) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد اور اجلاس نامہ، نامزد کرنے والے کے دستخط کے ہمراہ پر کسی فارم کے ساتھ بینک میں جمع کروانا ہوگا۔

- 7- کیپیٹل ایکٹ، 2017 کے سیکشن 52 کے تحت ممبران بینک کے رجسٹرڈ پتے پر 9 اپریل 2020ء کو ہونے والے سالانہ اجلاس عام کی رواد کا معائنہ کر سکتے ہیں۔
- 8- سیکشن 223(7) کے تحت سالانہ 2020ء کی سالانہ رپورٹ ممبرز کو ترسیل کے ساتھ بینک کی ویب سائٹ پر بھی اپ لوڈ کر دی گئی ہے۔

سیکشن 134(3) کے تحت بیان

ایجنڈا برائے آئٹم (4)

بینک کے آرٹیکل آف ایسوسی ایشن کے آرٹیکل 60 کے تحت بورڈ کے خود مختار ڈائریکٹرز اور نان ایگزیکٹو ڈائریکٹرز (جو گروپ ایسوسی ایشن نہیں ہیں) کو ادائیگی کی جانے والی مینٹگ فیس کی بورڈ آف ڈائریکٹرز کی جانب سے منظوری دی گئی۔ اس مینٹگ فیس کی اسٹیٹ بینک آف پاکستان کی جانب سے جاری کیے گئے پروڈیٹنل ریگولیشنز برائے کارپوریٹ/کمرشل بینکنگ کے ریگولیشن G-1 کے حیرانگراف C-2 کے تحت سالانہ اجلاس عام میں شیئر ہولڈرز سے منظوری لینا ضروری ہے۔ بینک کے خود مختار ڈائریکٹرز اور نان ایگزیکٹو ڈائریکٹرز (جو گروپ ایسوسی ایشن نہیں ہیں) فیس کی ادائیگی میں دلچسپی رکھتے ہیں اور بورڈ کے باقی ممبرز کی معاملے میں دلچسپی نہیں ہے۔

حیص فاہنڈگان (ممبران) کی آگاہی:

1- ای-ڈیویڈنڈ کی ضروریات: کیپیٹل (ڈیویڈنڈ کی تقسیم) ریگولیشنز 2017ء کی ہدایات کے تحت شیئر ہولڈرز اپنے شناختی نمبر/کیپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) نمبر اور انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این) کی تفصیلات فراہم کریں۔ اگر انہوں نے تفصیلات فراہم نہیں کی ہیں تو ہمارے شیئر رجسٹرار (اگر شیئرز فزیکل فارم میں رکھے گئے ہیں) کو مذکورہ آفس ایڈریس یا متعلقہ پارٹنیشن/بروکر (اگر شیئرز بذریعہ سی ڈی ایس اکاؤنٹ رکھے گئے ہیں) کو 19 مارچ 2021ء تک مہیا کریں۔ نام کا مئی کی صورت میں متعلقہ شیئر ہولڈرز کے ڈیویڈنڈ کی ادائیگی روک دی جائے گی۔

2- ٹیکس معاملات: انکم ٹیکس آرڈیننس 2001ء کے سیکشن 150 اور فنانس ایکٹ 2018ء کی دفعات (یکم جولائی 2020ء سے مؤثر) کے مطابق ڈیویڈنڈ آمدن پر فائلنگ ممبران کیلئے شرح و ہولڈنگ ٹیکس 15% جبکہ نان فائلنگ ممبران کیلئے 30% ہے۔ شیئر ہولڈرز کے فائلنگ ہونے کا یقین فیڈرل بورڈ آف فوئیو (FBR) کی ویب سائٹ <http://www.fbr.gov.pk/> پر جاری کردہ آخری ایکٹیو ٹیکس لیٹرسٹ (ATL) کی بنیاد پر کیا جائے گا۔ کسی فوئیو/سی ڈی ایس اکاؤنٹ کی مشترکہ ملکیت کی صورت میں ہر شیئر ہولڈر کو فائلنگ یا نان فائلنگ طور پر تصور کیا جائیگا اور ٹیکس کی کوئی ڈیویڈنڈ کی مجموعی رقم پر کی جائے گی جو کہ ممبران میں شیئر ہولڈنگ کے تناسب کو سادہ تقسیم کر کے کی جائیگی سوائے اس کے کہ شیئر ہولڈنگ کے تناسب کی تفصیل پہلے ہی بینک کے شیئر رجسٹرار کے ریکارڈ میں موجود ہو اس صورت میں ٹیکس کی شرح اس تناسب سے لاگو کی جائے گی۔ لہذا ایسے مشترکہ ہولڈرز سے درخواست کی جاتی ہے کہ اپنی ہولڈنگ کا تناسب ہمارے شیئر رجسٹرار کو مندرجہ بالا پتے پر 19 مارچ 2021ء تک فراہم کریں۔

اس سلسلے میں وہ ممبران جن کے نام فائلنگ ہونے کے باوجود ATL میں موجود نہیں، ان سے گزارش کی جاتی ہے کہ اس امر کو یقینی بنائیں کہ (i) ان کے نام مدت اختتام (مذکورہ بالا) سے قبل ATL میں موجود ہوں بصورت دیگر ٹیکس کی کوئی کیلئے نہیں نان فائلنگ سمجھا جائے گا اور (ii) اپنے بینٹل ٹیکس نمبر کی ایک کاپی اپنے متعلقہ پارٹنیشن/سی ڈی ایس اکاؤنٹ ہولڈرز کے ساتھ ہمارے شیئر رجسٹرار (صرف فزیکل شیئر ہولڈنگ کی صورت میں) کو مذکورہ بالا پتے پر جمع کریں۔

کارپوریٹ شیئر ہولڈرز جو ٹیکس سے استثناء کے درجہ دار ہیں ان سے درخواست کی جاتی ہے کہ وہ متعلقہ اتھارٹیز کی جانب سے ان کے ادارے کو جاری کیا گیا ہو ٹیکس ایکٹیشن سرٹیفیکیشن فراہم کریں جو کہ FBR کے لیٹر C.No.1 (43) R-66417-11 (WHT)/ 2008-Vol.11-66417-R کے مطابق 12 مئی 2015ء کے مطابق ٹیکس ایکٹیشن کلیم کیلئے ضروری ہے۔ اگر آپ خصوصی ٹیکس ریٹ کے تابع ہیں براہ مہربانی متعلقہ اتھارٹیز کی جانب سے جاری کیے گئے سرٹیفیکیشن کی نقل ہمارے شیئر رجسٹرار کو درج بالا پتے پر فراہم کریں۔

CHAIRMAN'S REVIEW

For the year ended 31 December 2020

I am pleased to deliver my fourth review as Chairman of the Board of Directors ('the Board') of Standard Chartered Bank (Pakistan) Limited ('the Bank'), in line with the requirements of Section 192 of the Companies Act, 2017.

Standard Chartered Group views high standards of corporate governance as a critical component for the long-term success of all companies and for the economic health and stability of markets across the globe. As part of the Group's approach to corporate governance, the Board fully recognises that the success of the Bank ultimately depends upon the capacity of the directors to provide the vision and direction needed, not only to survive, but also to develop and prosper. The Board endeavours to maintain and strengthen the high level of corporate governance, continuously improving corporate transparency, ensuring the healthy development of the Bank and endeavouring to enhance corporate values.

The Bank's Board of Directors is comprised of seven members and is well composed in terms of skills, competency, knowledge, experience and diversity. The Board performs its statutory role and fulfils its objectives by ensuring that the Bank has a competent leadership and an effective executive management. The Board establishes significant policies, frameworks and the code of conduct, and delegates the authorities and responsibilities down the line for the Bank's smooth operations.

The Board has constituted four Committees namely, Board Audit Committee, Board Human Resource and Remuneration Committee, Board Risk Committee and, most recently, the Board Information Technology Committee. All Committees have a defined scope of work and reporting procedures and such Committees are discharging their function and duties as per their respective terms of reference.

The Board meets frequently enough to discharge adequately its responsibilities and it receives the agenda papers and appropriate supporting materials in sufficient time prior to the Board and its Committee meetings. The Board members have established a very open and candid atmosphere in the boardroom.

During the year under review, six meetings of the Board were held in which the Board received presentations on business strategy, financial performance and business updates covering challenges and opportunities. Besides this, the Board's focus areas were digital strategy, customer service, policies, product performance and reviews, cost discipline, capital adequacy and assessment, information and cyber security risk, regulatory compliance and market updates.

The Board continued performing its statutory role during this unprecedented time of the Covid-19 pandemic. Challenges facing the businesses were discussed and guidance was provided to management. Filling the casual vacancies on the Board that arose during this period was also a challenge which has, however, been successfully concluded.

Overall, performance and effectiveness of the Board remained 'Satisfactory' based on the annual evaluation of the Board which was carried out by external consultants in 2020. The evaluation process covered many aspects including the Board's composition and the Board's understanding of its role, responsibilities and duties as well as the Bank's risk profile and regulatory environment. It also reviewed the directors' induction process and training, the Board's involvement in strategy planning, the quality of information which the Board receives and the effectiveness of the follow up on action points. Surveys of the Board's Sub-Committees also showed 'Satisfactory' ratings. Moreover, survey results of individual directors, including the Chairman and Chief Executive, were noted as 'Satisfactory'. There were no material themes from the survey but some generic areas for improvement are being tracked to conclusion.

On behalf of the Board, I would like to thank all the stakeholders for their continued trust and support. I also take this opportunity to express my gratitude to my fellow Board members for their valuable contribution.



Ian Bryden
Chairman
25 February 2021

DIRECTORS' REPORT - 31 December 2020

On behalf of the Board of Directors, we are pleased to present the Directors' Report of Standard Chartered Bank (Pakistan) Limited (SCBPL or the Bank) along with the audited financial statements and auditors' report thereon for the year ended 31st December 2020.

Economy

The rapid spread of COVID-19 and sharp deterioration in global economic outlook created severe economic and financial shock for many countries around the world. For Pakistan, the current shock transmits mainly through slowdown in economic activity, lower tax revenue and higher Government financing needs relative to pre-COVID-19 levels. Support from the International Monetary Fund (IMF) emergency financing under the Rapid Financing Instrument (USD 1.39bn) in April 2020 provided strong support to the authorities' emergency policy response, preserving fiscal space for essential health spending, shoring up confidence and catalyzing additional donor support. Pakistan has also received approval for its participation in the G-20's Debt Service Suspension Initiative (DSSI), which will materially lower FY21 debt repayments to bilateral creditors.

State Bank of Pakistan (SBP) adopted timely measures, including lowering of the policy rate (625 bps since March 2020) and new refinancing facilities, to support liquidity, credit conditions and safeguard financial stability. Under the SBP relief package, repayments of more than Pakistani Rupee (PKR) 650bn by the borrowers have been deferred along with disbursement of PKR ~238bn in payroll support facilities for Corporate/ SME sector.

On the fiscal side, public finances remain under pressure from the increase in health-related expenditures and decline in tax revenues. Government projects a growth of 2% for GDP in FY21, following a contraction of 0.4% in FY20 resulting from the pandemic.

On the monetary front, average consumer price inflation (new base) in the month of December 2020 was 8.0% as compared to December 2019 average (new base) of 12.6%. At close of December 2020, external conditions showed steady improvement. The country posted a surplus of USD 1.1bn (Jul 20 to Dec 20) as compared to a deficit of USD 2.0bn in the comparative period. Improvement in Balance of Payments was primarily driven by import compression and growth in workers' remittances. The SBP foreign exchange reserves stood at USD 13.4bn at close of December 2020 (December 2019; USD 11.3bn) with PKR depreciating by 3.1% for the year.

Pakistani banks continue to remain well capitalized with an industry wide Capital Adequacy Ratio of 19.5% and remain profitable with a Return on Equity (after tax) of 14.8% for period ending September 2020. While banking sector Non-Performing Loans increased slightly to 9.9% at close of September 2020 (8.6% at the end of 2019), it remains to be seen how the uncertainties surrounding COVID-19 impact the banking sector going forward.

Purpose

At Standard Chartered our purpose is to drive commerce and prosperity through our unique diversity which captures the spirit of Standard Chartered by bringing together the best of what we already have – our incredible diversity of locations, cultures and expertise and ties it to what we do as a Bank – facilitating commerce in the real economy.

Our purpose signifies the way we want to do business with a human aspect as prosperity is not just about financial wealth but contributes towards creating healthier and happier communities. The purpose also embodies a more proactive and high-performance culture.

Our strategic pillars

Progress in 2020 on our strategic pillars is as follows:

- **Deliver our network**

Our network is the key to our ability to compete profitably and remains a differentiator for our clients. We continue to leverage this strength and systematically increase network linked income through innovative solutions, product specialization and structured off-shore offerings. Our focus remains on facilitating our clients in the Belt and Road Initiative and other trade corridors as well as building momentum in Sovereign, Multinational and Local corporates space.

- **Transform and disrupt with digital**

Our digital transaction mix, including "SC Mobile" application customers, continue to increase. SCBPL has recently upgraded core banking system to advanced platform and is also investing in state of the art digital capabilities and solutions to drive enhanced client experience.

DIRECTORS' REPORT

- **Improve productivity**

We are strengthening our digital agenda in line with client needs. The increased focus on productivity resulted in controlled costs coupled with top line growth. We maintained best in class CASA mix in the industry.

- **Grow our affluent business**

Post launch of Premium segment in Q4 2019, we are now focusing on driving Emerging Affluent top-line growth to build a feeder for Priority Banking Segment.

- **Optimise returns**

We continue to optimise returns, focusing on Return on Equity and the Cost to Income Ratio. Financial results are summarised in the next section.

Operating Results and Business Overview

	31 December 2020 (PKR millions)	31 December 2019 (PKR millions)
Balance Sheet		
Paid-up capital	38,716	38,716
Total equity	81,677	72,917
Deposits	556,506	465,629
Advances – gross	199,753	235,269
Advances – net	178,216	218,087
Investments – net	349,445	249,164
	Year ended 31 December 2020 (PKR millions)	Year ended 31 December 2019 (PKR millions)
Profit and Loss		
Revenue	40,940	39,076
Operating expenses	11,879	11,129
Other non mark-up expenses	504	765
Operating profit (before provisions and tax)	28,557	27,182
Recovery / (provisions) and write offs - net	(4,941)	17
Profit before tax	23,616	27,199
Profit after tax	13,133	16,017
Earnings per Share (EPS) – Rupees	3.39	4.14

The Bank delivered resilient financial performance with Profit before tax of PKR 23.6bn compared to PKR 27.2bn in 2019. Despite significant interest rate cuts, overall revenue growth was 5%, whereas client revenue increased by 15% year on year with positive contributions from financial markets, retail products and transaction banking. Operating expenses increased by only 7% year on year on account of spending mainly on the Bank's products, services, digital platforms and people to grow the franchise.

On advances side, momentum was impacted due to the slowdown in economic activity. The Bank is closely monitoring the portfolio given the uncertain economic environment and is maintaining adequate provisions, where required. With diversified product & client base, the Bank will continue its strategy to build a profitable, efficient and sustainable portfolio.

On the liabilities side, the Bank achieved another milestone as total deposits crossed PKR 550bn. At year end, total deposits closed at PKR 557bn with a growth of 20%, whereas current and saving accounts also grew by 19% from the start of the year and are now 93% of the deposit base. The optimal funding structure of the balance sheet continues to support the Bank's performance.

The Bank continues to invest in its digital capabilities and infrastructure to enhance our clients' banking experience through the introduction of innovative solutions. We have made steady progress in further strengthening our control and compliance environment by focusing on our people, culture and systems. We are fully committed to sustained growth by consistently focusing on our clients and product suite along with a prudent approach to building the balance sheet while bringing the best in class services to our customers.

DIRECTORS' REPORT

During 2020, the Bank contributed around PKR 12.9 billion to the national exchequer in lieu of direct income taxes, as an agent of Federal Board of Revenue (FBR) and on account of FED / Provincial Sales Taxes.

Outlook

While the external environment remains challenging, we expect a gradual recovery from the pandemic in 2021. Pace of recovery will be dependent on the efficacy of Government initiatives and policies as well as on the persistence of the COVID-19 virus itself.

Our results demonstrate our strong business fundamentals. We recognise the challenging times ahead and are committed to support our clients and employees whilst ensuring our clients' needs are at the heart of everything we do.

Having strengthened our foundations on controls and conduct we are well equipped to manage our risks, capital and liquidity effectively. The prudent and proactive measures that we are taking now will make us leaner and fitter to take advantage of the opportunities that lie ahead.

External Annual Audit

The financial statements of SCBPL have been audited without any qualification by the auditors of the Bank, namely M/s EY Ford Rhodes, Chartered Accountants.

Credit Rating

Pakistan Credit Rating Agency (PACRA) has maintained the Bank's long-term and short-term ratings of "AAA" (Triple A) and "A1+" (A One Plus) respectively in 2020. These ratings denote the lowest expectation of credit risk emanating from an exceptionally strong capacity for timely payment of financial commitments.

Sustainability

As the largest International Bank in the country, Standard Chartered is an integral part of Pakistan's financial landscape. Through its sustainability and community investment agenda the Bank has demonstrated its commitment to the community. Our sustainability strategy seeks to strengthen relationships between our business, community, Government and clients.

Globally, Standard Chartered has surpassed the USD100 million target for Seeing is Believing (SiB), the Bank's initiative to tackle avoidable blindness and visual impairment, two years early. In Pakistan, the SiB journey is truly inspiring, impacting over 12 million beneficiaries. We have supported over 500,000 sight restoring surgeries, trained over 85,000 lady healthcare workers, and screened over 1.5million children for refractive errors. The Bank also employs 25 Visually Impaired people in its call centres in Karachi and Lahore.

In 2019, the Bank launched its new Community Investment Strategy, Futuremakers by Standard Chartered, empowering the next generation to learn, earn and grow. Futuremakers by Standard Chartered is our global initiative to tackle inequality and promote greater economic inclusion in our communities. We provide young people from low-income households, particularly girls and people with visual impairments, with opportunities to take part in community programmes focused on education, employability and entrepreneurship.

We deliver Futuremakers through three Global Community Programmes:

Education: Goal is our global education programme for girls and young women, teaching life skills through sport. In Pakistan this was launched in 2016. Our young girl focused programme grew in 2020 by empowering over 16,000 girls and is currently actively running across 40 schools in Karachi and Islamabad.

Youth to Work is our global employability programme that creates opportunities to support young people to become job-ready. The Bank has recently hired two girls who were part of the Goal programme employability module.

Entrepreneurs for Growth is our entrepreneurship global programme that builds on our existing financial education training for entrepreneurs and Women in Tech Incubators. We launched the #SCWomenInTech programme in 2019 with the objective of providing a financially inclusive environment for females. This programme aims to support female-led entrepreneurial teams with training, mentorship and seed funding. The programme was developed to address gender disparity in the entrepreneurial sector and to start or scale up their businesses enabled by technology.

DIRECTORS' REPORT

#SCWomenInTech is aimed at helping identify and grow female led businesses by bringing their unique business ideas to the market whilst celebrating women in Pakistan.

In 2020 the programme received more than 250 applications out of which 25 were shortlisted to embark on journey of discovery, learning and development. Last year in addition to regular proposals the Bank introduced a new category for "COVID-19 relief-based proposals". Of the 25 shortlisted businesses, five were COVID-19 related projects.

Standard Chartered has also set a fundraising target for the programmes within Futuremakers. Between 2019 and 2023, our ambition is to globally raise USD50 million (through fundraising and Bank-matching) to empower the next generation to learn, earn and grow. In Pakistan, funds raised locally will be directed towards the Bank's implementing partner for Goal in the country, Right to Play.

The Bank has contributed USD 430,000 for COVID Relief projects in Pakistan in 2020. This amount has worked towards immediate relief for COVID-19 by providing support to leading charities in Pakistan to help our communities in need.

Green Banking Initiatives

Our commitment to sustainability is not only about the economic activity we finance, but also about how we run our business. We invest in our people, promote the right values, behaviours and conduct, support the fight against financial crime and manage our environmental footprint.

As part of our efforts to support the low carbon transition, we continue to minimise our impact on the environment and in 2019, set an ambitious target to reduce emissions from our own operations to net zero by 2030. We have measured and reduced our GHG emissions since 2008 and have adopted science-based targets to significantly reduce our carbon footprint."

We have made a series of commitments which are all geared towards supporting the Paris Agreement on climate change and the transition to a cleaner, greener, fairer economy. We know that the investment required cannot be provided by governments and NGOs alone, so it is critical that investors embrace the Sustainable Development Goals at pace and scale.

The Bank is committed to comply with relevant environmental regulations and adopt best practices for continuous reduction of its carbon footprint. In 2020, Standard Chartered Bank Pakistan has reduced carbon emissions by 38% and minimised its own impact on environment by taking following initiatives:

- Arranging environmental awareness campaigns/sessions for both staff and vendors
- Discouraging single use plastic by encouraging the use of glass water bottles, replacing plastic cutlery in cafeterias and pantries and substituting plastic wastepaper bags with more eco-friendly, re-usable and bio-degradable options
- Encouraging and promoting a paper free environment
- Introduction and implementation of methods which promote water conservationism and reduce water wastage
- Installation of solar panels on selected sites to promote renewable energy
- Testing of Capacitor Storage system in one of our branches to offset diesel generators use. Solution is recyclable with minimal wastage
- Use of aircon monitoring system to centrally control thermostat of Split ACs
- As part of life cycle replacement, all conventional ACs are being replaced with inverter type ACs with ozone friendly refrigerants

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the Code')

All mandatory regulations have been duly complied with and there has been no material departure from the rest of regulations given in the Code. Statement of Compliance with the Code and the Auditors' review report thereon form part of the Annual Report.

Statements on Internal Controls and Risk Management Framework

The management of SCBPL is responsible for establishing and maintaining a system of adequate internal controls and procedures. Management's Statements on Internal Controls and Risk Management Framework form part of the Annual Report.

DIRECTORS' REPORT

The Board is pleased to endorse the management's evaluation on the effectiveness of our overall internal controls including Internal Control over Financial Reporting ('ICFR'), as detailed in the Management's Statements on Internal Controls and Risk Management Framework.

Changes in the Board of Directors since the last report

Mr. Adam Long, who has been appointed as non-executive director in place of Mr. Mohamed Abdel Bary and Mr. Ehsan Ali Malik, who has been appointed as independent non-executive director in place of Mr. Waqar Ahmed Malik, have joined the Board pursuant to their regulatory clearance from SBP.

Meetings of the Board and its Committees

Details of Board and its Committees meetings held and attendance by the directors/ members are as under:

Six meetings of the Board of Directors ('the Board'), five meetings of Board Audit Committee ('BAC'), four meetings of Board Human Resource and Remuneration Committee ('RemCo'), and four meetings of Board Risk Committee ('BRC') were held during 2020. In October 2020, a new Committee, namely Board Information Technology Committee ('BITC') was formed; however, no meeting was held by the year-end. Attendance by each director/ member for 2020 is given as follows:

No.	Name of Director	Board Meetings		BAC Meetings		RemCo Meetings		BRC Meetings	
		Member	Attended ¹	Member	Attended ¹	Member	Attended ¹	Member	Attended ¹
	Meetings held during the year	6		5		4		4	
1	Ian Bryden	✓	6/6	-	-	-	-	-	-
2	Shazad Dada ²	✓	3/3	-	-	-	-	✓	2/2
3	Spenta Kandawalla	✓	6/6	✓	4/4	✓	4/4	-	-
4	Ferdinand Pieterse ³	✓	1/1	✓	1/1	-	-	✓	1/1
5	Mohamed Abdelbary ⁴	✓	0/1	✓	1/1	✓	1/1	-	-
6	Waqar Ahmed Malik ⁵	✓	1/1	✓	1/1	✓	1/1	-	-
7	Towfiq Chinoy	✓	6/6	✓	4/4	✓	3/3	✓	4/4
8	Mohamed Abdel Razek ³	✓	3/3	✓	3/3	-	-	✓	2/2
9	Rehan M. Shaikh ²	✓	3/3	-	-	-	-	✓	2/2
10	Adam Long ⁴	✓	1/1	-	-	-	-	-	-
11	Ehsan Ali Malik ⁵	✓	-	-	-	-	-	-	-

Directors' Remuneration

The bank has a formal policy and transparent procedure for remuneration of directors ("the policy") in accordance with the directives of SBP. Key features of the policy are as under:

- Independent non-executive directors as well as non-executive directors (who are not Group employees) of the Bank are eligible to receive a meeting fee for attending the meetings of the Board, its Committee(s) and Shareholders and for holding the office of Chairperson of the Board or its Committee(s)
- Travelling and lodging expenses for Independent non-executive directors as well as non-executive directors (who are not Group employees) of the Bank to attend meetings of the Board, its Committee(s) and Shareholders will be borne by the Bank.
- The fee structure and the quantum of the fees will be reviewed every two years. Any revisions thereof, shall be approved by the Board as well as by the Shareholders (on pre or post facto basis) and form part of the policy.

¹ Leave of absence was granted to the directors/ members who could not attend some of the meetings

² Mr. Dada stepped down as CEO/Director effective 1 July 2020 and Mr. Shaikh joined in his place effective 5 August 2020

³ Mr. Pieterse resigned as director effective 1 March 2020 and Mr. Abdel Razek joined in his place effective 11 June 2020

⁴ Mr. Abdelbary resigned as director effective 23 April 2020 and Mr. Long joined in his place effective 3 December 2020

⁵ Mr. Waqar Malik resigned as director effective 22 April 2020 and Mr. Ehsan Malik joined in his place effective 28 December 2020

DIRECTORS' REPORT

Board's Evaluation

In order to enhance the overall effectiveness of the Board, its Sub-Committees and individual Directors, the Board has formulated an effective mechanism to undertake the Board Effectiveness Review. The services of an external consultant are engaged to facilitate the Board's annual performance evaluation. All Board members are required to complete their surveys online and the anonymity of the respondents is ensured throughout the process in order to promote an open and frank exchange of views. The consolidated results of the survey are shared with the Chairman and presented to the Board. The outcomes from the review are collated and form the basis of the action plan which is agreed by the Board for implementation.

Dealing in Shares / Stock Brokerage

The Directors, Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary have confirmed that neither they nor their spouses are engaged in the business of stock brokerage. Furthermore, no trading in shares of the Bank was carried out by the directors, key executives and their spouses/ minor children during the year as confirmed by them.

Pattern of Shareholding

The pattern of shareholding forms part of this Annual Report. At 31 December 2020, Standard Chartered Bank, UK (holding company) held 98.99% shares of SCBPL. The directors, chief executive officer and key executives do not hold any interest in the shares of the Bank other than that disclosed in the pattern of shareholding.

Statement of investments of Provident, Gratuity and Pension Funds

The value of investments including accrued income of provident and gratuity funds as at 31st December 2020 on the basis of un-audited accounts are:

	PKR '000
Provident Fund	2,821,592
Management Staff Gratuity Fund	1,821,983
Non-Management Staff Gratuity Fund	99,566
Management Staff Pension Fund	52,151
Non-Management Staff Pension Fund	49,235

Dividend

A final cash dividend of 27.5% (PKR 2.75 per share) has been recommended by the Board of Directors for approval at the 15th Annual General Meeting of the Bank's shareholders. In lieu of the SBP circular, no interim cash dividend was announced during the year.

External Auditors

The Audit Committee has proposed the name of M/s EY Ford Rhodes, Chartered Accountants as external auditors of the Bank for the next term. The Board of Directors, on the suggestion of the Audit Committee recommended the name of retiring auditors M/s EY Ford Rhodes, Chartered Accountants as external auditors for the next term. The retiring auditors, being eligible, offer themselves for re-appointment in the forthcoming Annual General Meeting.

As the audit fee is in the process of being negotiated / finalised, the Board of Directors, on the recommendation of Board Audit Committee (BAC), has also proposed to authorise the BAC to negotiate and agree upon the audit fees for the year 2020, subject to concurrence of the Board in the subsequent meeting.

Appreciation and Acknowledgment

We take this opportunity to express our gratitude to our clients and business partners for their continued support and trust. We offer sincere appreciation to the State Bank of Pakistan for their guidance and cooperation extended to the Bank. Finally, we are also thankful to our associates, staff and colleagues for their committed services provided to our valued clients.

On behalf of the Board



Rehan M. Shaikh
Chief Executive Officer



Ehsan Ali Malik
Director

Karachi: 25 February 2021

ڈائریکٹرز کی رپورٹ

31 دسمبر 2020ء

ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت سے اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ (SCBPL یا بینک) کی ڈائریکٹرز رپورٹ مع 31 دسمبر 2020ء کو ختم ہونے والے سال کے پڑتال شدہ کھاتہ جات اور آڈیٹرز رپورٹ پیش کر رہے ہیں۔

اکانومی (معیشت):

کووڈ-19 کے تیز پھیلاؤ اور عالمی معیشت میں تیزی سے بگاڑنے دنیا کے متعدد ممالک کو شدید معاشی اور مالی بحران سے دوچار کیا ہے۔ پاکستان کیلئے یہ صورتحال بنیادی طور پر معاشی سرگرمیوں میں سست روی، محصولات میں کمی اور سرکاری اخراجات میں کووڈ-19 سے پہلے کی صورتحال کے مقابلے میں اضافے کا باعث ہے۔ انٹرنیشنل مانیٹری فنڈ (IMF) کے ریپڈ فنانسنگ انسٹرومنٹ (1.39 ارب ڈالر) کے تحت اپریل 2020 میں ایمرجنسی فنانسنگ کی فراہمی سے ہمارے حکام کی جانب سے فوری ردعمل کی پالیسی کو مضبوط سہارا ملا، جس سے صحت کے شعبے میں ضروری اخراجات کیلئے مالی گنجائش، اعتماد میں اضافہ اور ڈونر کی اضافی امداد حاصل ہو جائے گی۔ پاکستان کو G-20 کے ڈیپٹ سروں سسپنشن انیشیٹیو (DSSI) میں شرکت کی منظوری حاصل ہو گئی ہے جس سے دو طرفہ قرض دہندگان کی مالی سال 2021 میں قرض کی ادائیگیاں کافی حد تک کم ہو جائیں گی۔

اسٹیٹ بینک آف پاکستان (SBP) نے بروقت اقدامات کئے جن میں پالیسی ریٹ میں کمی (مارچ 2020 کے بعد سے 625 bps) اور نئی ری فنانسنگ سہولیات دینا شامل ہیں جس کی وجہ سے لیکویڈیٹی اور کریڈٹ صورتحال کو تقویت ملی اور مالیاتی استحکام کو تحفظ حاصل ہوا۔ اسٹیٹ بینک آف پاکستان کے ریلیف پیکیج کے تحت 650 ارب روپے کے قرضوں کی واپسی کو موخر کیا گیا اور ساتھ ہی تنخواہ جاتی اخراجات کے لئے کارپوریٹ ایس ای ٹیکس کو 238 ارب روپے سے زائد قرضوں کی سہولت فراہم کی گئی۔

مالیاتی محاذ پر سرکاری اخراجات میں، صحت سے متعلق اخراجات میں اضافے اور ٹیکس وصولیوں میں کمی کی وجہ سے دباؤ متوقع ہے۔ وبائی مرض کے نتیجے میں مالی سال 2020 میں جی ڈی پی کی شرح میں 0.4% کی کمی کے بعد حکومت نے مالی سال 2021 میں جی ڈی پی 2% رہنے کی توقع ظاہر کی ہے۔

زری محاذ پر، دسمبر 2020 کے مہینے میں صارفین کی قیمت میں اوسط افراط زر (نئی اساس) دسمبر 2019 کے 8% کے اوسط (نئی اساس) کے مقابلے میں 12.6% رہا۔ دسمبر 2020 کے اختتام پر بیرونی صورتحال میں تسلسل کے ساتھ بہتری دیکھی گئی۔ مالی سال کی پہلی ششماہی (جولائی 2020 - دسمبر 2020) کے دوران ملکی جاری کھاتہ (کرنٹ اکاؤنٹ) 1.1 ارب ڈالر سے فاضل رہا جبکہ تقابلی مدت میں 2 ارب ڈالر کا خسارہ دیکھا گیا تھا۔ توازن ادائیگی میں بہتری دیکھی گئی جس کی بنیادی وجہ درآمدات میں کمی، محنت کشوں کی ترسیلات زر میں اضافہ ہے۔ ایس بی پی کے فارن ایڈجسٹمنٹ خانہ دسمبر 2020 کے اختتام پر 13.4 ارب ڈالر (دسمبر 2019: 11.3 ارب ڈالر) تک پہنچ گئے اور پاکستانی روپے کی قدر میں 3.1% کمی دیکھی گئی۔

پاکستانی بینکنس شعبہ بینکاری کے موزوں سرمائے (CAR) کی شرح 19.5% کے ساتھ مستحکم رہی اور ستمبر 2020ء کے اختتام پر سرمائے پر منافع کی شرح بعد از ٹیکس (RoE) 14.8% رہی۔ غیر فعال قرضے ستمبر 2020ء کے اختتام پر معمولی اضافے کے ساتھ 9.9% (مالی سال 2019ء کے اختتام پر 8.6%) ہو گئے، یہ دیکھنا باقی ہے کہ کووڈ-19 سے متعلق مزید خدشات کا آئندہ سالوں میں بینکاری کے شعبے پر کیا اثر پڑتا ہے۔

مقصد:

Driving Commerce and Prosperity through our Unique Diversity اسٹینڈرڈ چارٹرڈ کے اساس کا احاطہ کرتی ہے، جسے ہم اپنی بہترین موجودہ صلاحیتوں: ”جداگانہ مقامات پر ہماری موجودگی، تہذیب اور مہارتیں“ شامل ہیں جن کو بروئے کار لاتے ہوئے حقیقی معیشت میں کاروبار کے فروغ کی سہولت بطور بینک باہم پہنچاتے ہیں۔

یہ مقصد ہمارے طرز کار و بار کا عکاس ہے جس میں انسانی پہلو کو ایک خاص اہمیت حاصل ہے۔ ہمارے لیے ترقی کا مقصد صرف مال و دولت کا حصول نہیں بلکہ ایک صحت افزا اور خوشحال معاشرے کے قیام میں معاونت بھی ہے۔ یہ مقصد ایک زیادہ اثر اور فعال ماحول کو بھی تقویت دیتا ہے۔

ڈائریکٹرز کی رپورٹ

ہماری حکمت عملی

2020ء میں ہمارے اسٹریٹجک ستونوں پر پیش رفت درج ذیل ہے:

- اپنے نیٹ ورک کا بہترین استعمال
ہمارا نیٹ ورک منافع بخش کردار ادا کرنے کی صلاحیت کا حامل ہے اور ہمارے صارفین کیلئے باعث امتیاز ہے۔ ہم اپنے نیٹ ورک کو بروئے کار لاتے ہوئے جدت طراز سلوشنز، پروڈکٹ اسپیشلائزیشن اور اسٹریکچرڈ آف شور بیسنگ کے ذریعے نیٹ ورک سے منسلک آمدنی کو منظم طریقے سے بڑھا رہے ہیں۔ ہماری توجہ ہیلتھ اینڈ روڈ اینڈ ایٹو اور دیگر تجارتی راہداریوں میں اپنے کلائنٹس کی سہولت ساتھ ساتھ سوورن، ملٹی نیشنل اور لوکل کارپوریٹ سیکٹرز میں مزید فروغ پر ہے۔
- ڈیجیٹل ارتقاء اور تعمیر
ہمارے ڈیجیٹل ٹرانزیکشنز میں شامل "ایس سی موبائل" اپیلیکیشن سٹریٹجی میں مسلسل اضافہ ہو رہا ہے۔ SCBPL نے حال ہی میں بنیادی بینکنگ سسٹم کو جدید پلٹ فارم میں اپ گریڈ کیا ہے اور کلائنٹ کے تجربے کو بہتر بنانے کیلئے ڈیجیٹل استعداد اور سلوشنز میں بھی سرمایہ کاری کر رہا ہے۔
- پیداواری صلاحیت میں بہتری
ہم اپنے رینج فٹ پرنٹ (نقش پانچ) کو منظم کرتے ہوئے کلائنٹس کی ضروریات کے مطابق ڈیجیٹل صلاحیتوں میں سرمایہ کاری کر رہے ہیں۔ پیداواری صلاحیت میں اضافے کے بڑھتے رجحان کی وجہ سے بلند شرح نمو اور لاگت میں کمی کا حصول ممکن ہو سکا اور ہم نے انڈسٹری میں بہترین CASA کس حاصل کیا ہے۔
- متمول کاروبار میں اضافہ
ہم نے 2019ء کی چوتھی سہ ماہی میں پریم سیکمنٹ کا آغاز کیا تاکہ ابھرتے ہوئے متمول طبقے سے حاصل آمدنی کو متحرک کریں جو کہ مستقبل میں پرائیوریٹی بینکنگ سیکمنٹ کی بنیاد بنے۔
- منافع جات میں بہتری:
ہم سرمائے پر منافع میں اضافے کے ساتھ اخراجات بتناسب آمدن (cost to income ratio) میں بہتری لارہے ہیں۔ مالیاتی نتائج اگلے حصے میں تفصیل سے درج ہیں۔

عملی نتائج اور کاروباری جائزہ:

31 دسمبر 2019 (ملین روپے)	31 دسمبر 2020 (ملین روپے)	بیلبنس شیٹ
38,716	38,716	ادا کردہ سرمایہ
72,917	81,677	کل ایکویٹی
465,629	556,506	ڈپازٹس (جمع شدہ رقم)
235,269	199,753	قرضہ جات - مجموعی
218,087	178,216	قرضہ جات - خالص
249,164	349,445	سرمایہ کاری - خالص
		نفع و نقصان
39,076	40,940	آمدنی
11,129	11,879	انتظامی اخراجات
765	504	دیگر نان مارک آپ اخراجات
27,182	28,557	کاروباری منافع (غیر فعال مالیات اور سرمایہ کاری کے عوض نقصان اور قبل از ٹیکس)
17	(4,941)	خالص وصولیات / قرضہ جات پر ممکنہ خسارہ
27,199	23,616	قبل از ٹیکس منافع
16,017	13,133	بعد از ٹیکس منافع
4.14	3.39	نی چھس آمدن (EPS) - روپیہ

ڈائریکٹرز کی رپورٹ

بینک نے مستحکم مالی کارکردگی کا مظاہرہ کیا اور سال 2019 کے 27.2 ارب روپے کے مقابلے میں 23.6 ارب روپے منافع قبل از ٹیکس حاصل کیا۔ شرع سود میں نمایاں کمی کے باوجود مجموعی آمدنی میں 5% کا اضافہ ہوا جبکہ مالیاتی مارکیٹس، ریٹیل پروڈکٹس اور ٹرانزیکشن بینکنگ کی مثبت شراکت سے کلائنٹ کی آمدنی میں سالانہ کی بنیاد پر 15% کا اضافہ ہوا۔ انتظامی اخراجات میں 7% سالانہ اضافہ ہوا جو بینک کی پروڈکٹس، خدمات، افراد اور فرنیچر میں سرمایہ کاری کا مظہر ہے۔

معاشی سرگرمیوں میں سست روی کی وجہ سے ایڈوانسز میں کمی آئی ہے۔ موجودہ غیر یقینی صورتحال کے پیش نظر بینک نے اپنے پورٹ فولیو پر گہری نظر رکھی ہوئی ہے اور حسب ضرورت ممکنہ قرضہ جاتی خسارے کا احاطہ کیا ہوا ہے۔ متنوع پروڈکٹ اور کلائنٹ بیس کے ساتھ، بینک منافع بخش، موثر اور پائیدار پورٹ فولیو کی تعمیر کیلئے اپنی حکمت عملی جاری رکھے گا۔

لائسنس (واجبات) کے پہلو پر، بینک نے ایک اور سنگ میل حاصل کر لیا ہے۔ کل ڈپازٹس اب 550 ارب روپے سے بھی زیادہ ہو چکے ہیں۔ اس عرصے کے اختتام پر، ڈپازٹس 20% کے اضافے کے ساتھ 557 ارب روپے تک جا پہنچے ہیں، جبکہ اس سال کے آغاز سے کرنٹ اور سیونگ اکاؤنٹس بھی 19% بڑھ چکے ہیں جو کہ ڈپازٹس میں 93% ہیں۔ بیلنس شیٹ کا آپٹیمل فنڈنگ اسٹرکچر بینک کی کارکردگی کو مسلسل مدد فراہم کر رہا ہے۔

بینک اپنے صارفین کو جدید سہولیات سے متعارف کروانے کیلئے اپنی ڈیجیٹل صلاحیتوں اور بنیادی ڈھانچے میں مسلسل سرمایہ کاری کر رہا ہے۔ ہم نے نظام کی بہتری کیلئے اپنے لوگوں کی تربیت، اقدار اور انضباط کی مضبوطی پر خصوصی توجہ دی ہے۔ ہم نے بیلنس شیٹ کے استحکام کیلئے دانشمندانہ حکمت عملی اپنائی ہے۔ ہم نے اپنی خصوصی توجہ صارفین کیلئے اعلیٰ معیار کی خدمات فراہم کرنے اور اپنی پروڈکٹ پورٹ فولیو کو بہتر بنانے پر مرکوز کر رکھی ہے۔

2020ء کے دوران، بینک نے ڈائریکٹ انکم ٹیکس، بطور فیڈرل بورڈ آف ریونیو (FBR) کے ایجنٹ اور FED / صوبائی سٹیک ہولڈنگ کی مد میں قومی خزانے میں 12.9 ارب روپے جمع کروائے۔

معاشی منظر نامہ:

اگرچہ بیرونی منظر نامہ دشوار ہے، تاہم 2021 میں ہم توقع رکھتے ہیں کہ کووڈ-19 کی عالمی وبا اور اس کے اثرات میں بندرتج کمی آئے گی۔ بحالی کی رفتار کا دار و مدار حکومتی اقدامات اور پالیسیز کی موثریت اور پابندیوں میں نرمی سے ہوگا۔

نتیجہ ہمارے مضبوط اور مستحکم کاروباری اثاثہ کو ظاہر کرتے ہیں۔ ہم جانتے ہیں کہ آنے والے وقتوں میں چیلنجز کا سامنا رہے گا اور ہم اپنے صارفین اور ملازمین کی مدد کیلئے پُر عزم ہیں اور ہم یقین دلاتے ہیں کہ ہمارے صارفین کی ضروریات کو مزید بہتر حاصل رہے گی۔

انضباط اور کردار پر بنیادوں کو مستحکم کرنے کے بعد ہم سرمائے اور قوم کی مؤثر نظم کاری کیلئے پوری طرح تیار ہیں۔ بیچناط اور فعال اقدامات، بینک کو مزید توانا کر رہے ہیں تاکہ آنے والے مواقعوں سے بھرپور فائدہ حاصل کیا جاسکے۔

سالانہ بیرونی آڈٹ:

اسٹینڈرڈ چارٹرڈ بینک پاکستان لمیٹڈ کے کھاتہ جات کا آڈٹ بینک کے آڈیٹر میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس نے کیا اور بغیر کسی اختلاف پٹنی رپورٹ پیش کی۔

گریڈ ریٹنگ:

2020ء میں پاکستان گریڈ ریٹنگ ایجنسی (PACRA) نے بینک کی بائرتیب 'AAA' (ٹرپل اے) اور 'A1+' (اے ون پلس) طویل مدتی اور قلیل مدتی درجہ بندی کو برقرار رکھا ہے۔ یہ درجہ بندیوں کو بروقت ادائیگی کیلئے مستحکم صلاحیت کا اظہار کرتی ہیں۔

سماجی استحکام:

ملک کے سب سے بڑے بین الاقوامی بینک کی حیثیت سے اسٹینڈرڈ چارٹرڈ، پاکستان کے مالی منظر نامے میں ایک لازمی جزو کی حیثیت رکھتا ہے۔ اپنے اسی استحکام اور معاشی امور میں سرمائے کے استعمال کے ذریعے بینک نے معاشی حوالے سے اپنے پُر خلوص عزم کا اظہار کیا ہے۔ ہم بہتر حکمت عملی کی مدد سے اپنے برنس، سماج، حکومت اور صارفین کے ساتھ مضبوط تعلقات استوار کرنے کے خواہاں ہیں۔

ڈائریکٹرز کی رپورٹ

عالمی طور پر اسٹینڈرڈ چارٹرڈ بینک 'سیننگ از بلیوگ' (SiB) کیلئے قابل گریز ناپیما پن اور بصارت کی معذوری کے ازالے کی غرض سے 100 ملین ڈالر کا ٹارگٹ دو سال پہلے ہی حاصل کر لیا ہے۔ پاکستان میں SiB کا سنو واتی مٹا کرکن ہے جس سے 12 ملین سے زائد افراد مستفید ہو رہے ہیں۔ ہم نے 500,000 سے زائد بینائی کی بحالی کی سرچیز میں مدد کی ہے، 85,000 لیڈی ہیلتھ ورکرز کو تربیت دی ہے اور آنکھوں کی انعطافی غلطیوں کیلئے پندرہ لاکھ سے زائد نیچوں کی اسکریننگ کر چکے ہیں۔ بینک نے کراچی اور لاہور میں موجود اپنے کال سینٹرز میں بصارت سے محروم 25 لوگوں کو ملازمت بھی فراہم کی ہے۔

2019ء میں بینک نے اپنے نئی کمیونٹی انویشنٹ اسٹریٹیجی 'فیوچر بینکرز بائی اسٹینڈرڈ چارٹرڈ' کا آغاز کر دیا ہے جس کے ذریعے آئندہ نسل کو سیکھنے، کمانے اور آگے بڑھنے کیلئے بااختیار بنایا جا رہا ہے۔ فیوچر بینکرز کو عالمی سطح پر متعارف کرانے کا مقصد عدم مساوات و برابری کے مسئلے کا ازالہ کرنا ہے اور وسیع تر معاشی شمولیت کو فروغ دینا ہے۔ ہم کم آمدنی والے گھرانوں سے تعلق رکھنے والے نوجوانوں، خصوصاً لڑکیوں اور بصارت سے محروم افراد کو تعلیم کے حصول، قابل ملازمت ہونے اور کاروباری فرد بننے کے پروگرامز میں حصہ لینے کے مواقع فراہم کرتے ہیں۔

ہم تین گلوبل کمیونٹی پروگرامز کے ذریعے فیوچر بینکرز فراہم کرتے ہیں۔

ایجوکیشن، گولڈ لڑکیوں اور نوجوان خواتین کیلئے بڑی کھیل زندگی کی مہارت کی تعلیم دینے والا ہمارا عالمی تعلیمی پروگرام ہے۔ پاکستان میں اس کی شروعات 2016ء میں کی گئی تھی اور یہ 2020 میں 16,000 سے زائد لڑکیوں کو بااختیار بنا چکا ہے اور اس وقت یہ کراچی اور اسلام آباد کے 140 سکولز میں پوری سرگرمی سے چلایا جا رہا ہے۔

یوتھ ٹورک ہمارا عالمی روزگار پروگرام ہے جو نوجوانوں کو ملازمت کیلئے تیار ہونے میں مدد فراہم کرتا ہے۔ بینک نے حال ہی میں ڈولز کیوں کی خدمات حاصل کی ہیں جو گولڈ پروگرام کے ملازمت کے ماڈیول کا حصہ ہیں۔

انٹرا پرائیوٹ فار گرڈھ ہمارا فروغ کاروبار کا عالمی پروگرام ہے جو ٹیک انکیوبیٹرز میں کاروباری افراد اور خواتین کیلئے ہماری موجودہ مالی تعلیم کی تربیت پر استوار ہے۔ 2019 میں ہم نے #SCWomenInTech پروگرام کا آغاز کیا جس کا مقصد خواتین کو معاشی شمولیت پر مبنی ماحول فراہم کرنا ہے۔ اس پروگرام کا مقصد خواتین کے زیر قیادت کاروباری ٹیم کی تربیت، سرپرستی اور نئے مواقع کیلئے مالی اعانت فراہم کرنا ہے۔ یہ پروگرام کاروباری شعبے میں صنفی امتیاز کے خاتمے اور ٹیکنالوجی کے ذریعے کاروبار کا آغاز کرنے یا فروغ دینے کیلئے تیار کیا گیا ہے۔

#SCWomenInTech کا مقصد پاکستان میں خواتین کو ان کے منفرد برنس آئیڈیاز کو مارکیٹ میں لاکر خواتین کی سربراہی میں کاروبار کی نشاندہی اور فروغ میں مدد فراہم کرنا ہے۔

2020 میں اس پروگرام کیلئے 250 سے زائد درخواستیں موصول ہوئیں جن میں سے 25 کو در یافت، سیکھے اور ترقی کے سفر میں شامل ہونے کیلئے مختصر فہرست میں شامل کیا گیا ہے۔ گزشتہ سال ان تجاویز کے علاوہ بینک نے 'کووڈ-19 امداد پرائیوٹ' کیلئے ایک نئی کیٹیگری متعارف کروائی۔ مختصر فہرست 25 کاروباری تجاویز میں سے 5 کووڈ-19 سے متعلق تھیں۔

2019 سے 2023 کے درمیان عالمی سطح پر بیرونی عطیات اور عطیات بذریعہ بینک 5 کروڑ ڈالر اکٹھا کرنے کا ہدف مقرر کیا ہے جس کا مقصد، ہماری اگلی نسل کو سیکھنے، کمانے اور بڑھنے کے لئے بااختیار بنانا ہے۔ پاکستان میں مقامی طور پر اکٹھا کی جانے والی رقم گولڈ پروگرام کے عمل درآمد کنندہ، 'رائٹ ٹوپلے' کو فراہم کیے جائیں گے۔

بینک نے 2020 میں پاکستان میں کووڈ ریلیف پروجیکٹس کے لئے 1430,000 امریکی ڈالر کی امداد فراہم کی ہے۔ اس رقم نے کووڈ-19 کے فوری تدارک کے لئے کام کیا ہے جو پاکستان میں سرکردہ خیراتی اداروں کو مدد فراہم کر رہے ہیں تاکہ وہ ضرورت مند افراد کی مدد کر سکیں۔

گرین بینکاری اقدامات

استقامت کے لئے ہماری وابستگی نہ صرف اس معاشی سرگرمی کے بارے میں ہے جس کی ہم مالی اعانت کرتے ہیں، بلکہ اس بارے میں بھی ہے کہ ہم اپنا کاروبار کیسے چلاتے ہیں۔ ہم اپنے لوگوں میں سرمایہ کاری کرتے ہیں، صحیح اقدار، عمل کو فروغ دیتے ہیں، مالی جرائم کے خلاف جدوجہد کی حمایت کرتے ہیں اور اپنے ماحولیاتی نقوش کا نظم اختیار کرتے ہیں۔

کاربن کے کم اخراج کیلئے ہماری کوششوں سے ہم ماحولیات پر اپنے اثرات کو کم کرنا جاری رکھے ہوئے ہیں اور 2019 میں ہم نے، اپنے آپریشنز سے اخراج کو 2030 تک صفر تک کم کرنے کا ایک پروجیکٹ ہدف مقرر کیا ہے۔ ہم نے 2008 سے اپنے گرین ہاؤس گیسز (GHG) کے اخراج کی پیمائش کی ہے اور اسے کم کیا ہے اور اپنے کاربن کے اثرات کو نمایاں طور پر کم کرنے کے لئے سائنس پر مبنی اہداف کو اپنایا ہے۔

ہم نے عزائم کا ایک سلسلہ متعین کیا ہے جو پیرس معاہدے کے تحت موسمیاتی تبدیلی، نشاندہی سے پاک سرسبز اور عمدہ معیشت کے قیام سے متعلق ہے۔ ہم جانتے ہیں کہ مطلوبہ سرمایہ کاری صرف حکومتوں اور غیر

ڈائریکٹرز کی رپورٹ

سرکاری تنظیموں کے ذریعے فراہم نہیں کی جاسکتی ہے، لہذا یہ بات اہم ہے کہ سرمایہ کار پائیدار ترقی کے اہداف کو موجودہ رفتار اور پیمانے پر قبول کریں۔

بینک متعلقہ تمام ماحولیاتی ضوابط کی پاسداری کیلئے پُر عزم ہے اور اپنے کاربن فٹ پرنٹ میں مسلسل کمی کیلئے بہترین طور طریقے اپناتا رہا ہے۔ 2020 میں اسٹینڈرڈ چارٹرڈ بینک پاکستان لمیٹڈ نے درج ذیل اقدامات کے ذریعے کاربن کے اخراج میں 38% کی کمی کو ممکن بنایا ہے اور ماحول پر اپنے اثرات کو کم کیا ہے:

- عملے اور فروخت کنندہ دونوں کے لئے ماحولیاتی آگاہی مہم/سینشن کا انتظام کرنا
- شیشے کے بوتل کے استعمال سے ایک بار استعمال ہونے والے پلاسٹک بوتل کی حوصلہ شکنی کرنا، پلاسٹک کے برتنوں کو تبدیل کرنا اور پلاسٹک کے تھیلوں کو ماحول دوست، دوبارہ قابل استعمال اور حیاتیاتی طور پر تحلیل ہونے والی اشیاء سے تبدیل کرنا
- کاغذ سے پاک ماحول کی حوصلہ افزائی اور فروغ
- پانی کے تحفظ کو فروغ دینے اور پانی کے ضیاع کو کم کرنے والے طریقوں کا تعارف اور ان پر عمل درآمد
- منتخب مقامات پر سولر پینلز کی تنصیب تاکہ قابل تجدید توانائی کو فروغ دیا جائے
- ڈیزل جنریٹرز کے استعمال کو کم کرنے کے لئے ہماری ایک شاخ میں کپی پیٹر اسٹورج سسٹم کی جانچ۔ کم سے کم ضیاع کے ساتھ قابل تجدید طریقہ
- ایئر کونڈیشننگ سسٹم کا استعمال تاکہ اسپلٹ اے سیز کا تھر مو اسٹیٹ مرکزی طور پر کنٹرول ہو سکے
- اختتام مدت پر تمام روایتی اے سیز کو ازون دوست ریفریجریٹس والے انورٹراے سیز سے تبدیل کیا جا رہا ہے

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019ء (دی کوڈ) کے ساتھ مطابقت کا بیان:

تمام لازمی قواعد کی مکمل پاسداری کی جا رہی ہے اور اس کوڈ (ضابطے) میں دیے گئے باقی تمام قواعد سے مجموعی طور پر انحراف نہیں کیا گیا۔ کوڈ کے ساتھ کمپلائنس کا اسٹیٹمنٹ (بیان) اور اس پر آڈیٹرز ریویو رپورٹ اس سالانہ رپورٹ کا حصہ ہے۔

اسٹیٹمنٹس برائے اندرونی انضباط اور خطرات سے نمٹنے کا ڈھانچہ:

اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ کی انتظامیہ موزوں انٹرنل کنٹرول اور طریقہ کار کے نظام کو قائم کرنے اور برقرار رکھنے کی ذمہ داری ہے۔ انٹرنل کنٹرول اور رسک مینجمنٹ فریم ورک سے متعلق انتظامیہ کے بیانات سالانہ رپورٹ کا حصہ ہیں۔

مجموعی انٹرنل کنٹرول، بشمول انٹرنل کنٹرول اور فنانشل رپورٹنگ (آئی سی ایف آر) جیسا کہ انٹرنل کنٹرولز اور رسک مینجمنٹ کی تشخیص واندازے کی تصدیق بینک کا بورڈ کرتا ہے۔

بورڈ آف ڈائریکٹرز میں تبدیلیاں:

جناب آدم لونگ جو کہ جناب محمد عبدالباری کی جگہ نان ایگزیکٹو ڈائریکٹر اور جناب احسان علی ملک جو کہ جناب وقار احمد ملک کی جگہ خود مختار نان ایگزیکٹو ڈائریکٹر منتخب ہوئے تھے، اسٹیٹ بینک آف پاکستان کی جانب سے ریگولیٹری کلیئرنس کے بعد بورڈ جوائن کر لیا ہے۔

بورڈ اور اس کی کمیٹی کے اجلاس:

بورڈ اور اس کی کمیٹی کے اجلاس کے انعقاد اور حاضری کی تفصیلات جس میں ڈائریکٹرز/ممبرز نے شرکت کی وہ درج ذیل ہے:

2020 کے دوران بورڈ آف ڈائریکٹرز ("بورڈ") کے چھ، بورڈ آڈٹ کمیٹی ("BAC") کے پانچ، بورڈ ہیومن ریسورس اینڈ ریمو نیویشن کمیٹی ("RemCo") کے چار اور بورڈ رسک کمیٹی ("BRC") کے چار اجلاس منعقد کیے گئے۔ اکتوبر 2020 میں بورڈ انفارمیشن ٹیکنالوجی کمیٹی ("BITC") قائم کی گئی تاہم سال کے اختتام تک کوئی اجلاس منعقد نہیں ہوا۔ سال 2020 میں ہر ڈائریکٹر/ممبر کی حاضری درج ذیل رہی:

ڈائریکٹرز کی رپورٹ

نمبر شمار	ڈائریکٹر کا نام		بورڈ کے اجلاس		بی اے سی کے اجلاس		ریٹیکو کے اجلاس		بی آر سی کے اجلاس	
	حاضر	غائب	حاضر	غائب	حاضر	غائب	حاضر	غائب	حاضر	غائب
	سال کے دوران منعقد ہونے والے اجلاس		6		5		4		4	
1	✓	6/6	-	-	-	-	-	-	-	-
2	✓	3/3	-	-	-	-	-	-	✓	2/2
3	✓	6/6	✓	4/4	✓	4/4	✓	4/4	-	-
4	✓	1/1	✓	1/1	✓	1/1	-	-	✓	1/1
5	✓	0/1	✓	1/1	✓	1/1	✓	1/1	-	-
6	✓	1/1	✓	1/1	✓	1/1	✓	1/1	-	-
7	✓	6/6	✓	4/4	✓	4/4	✓	3/3	✓	4/4
8	✓	3/3	✓	3/3	✓	3/3	-	-	✓	2/2
9	✓	3/3	✓	-	-	-	-	-	✓	2/2
10	✓	1/1	✓	-	-	-	-	-	-	-
11	✓	-	✓	-	-	-	-	-	-	-

1 غیر حاضری کی رخصت ان ڈائریکٹرز کو دی گئی جو کچھ اجلاس میں شریک نہیں ہو سکتے تھے۔

2 جناب دادا نے یکم جولائی 2020ء کو سی ای او ڈائریکٹر کے عہدے سے استعفیٰ دیا اور جناب شیخ نے 5 اگست 2020ء کو ان کا عہدہ سنبھالا

3 جناب پیٹرس نے یکم مارچ 2020ء کو ڈائریکٹر کے عہدے سے استعفیٰ دیا اور جناب عبدالرازق نے 11 جون 2020ء کو ان کا عہدہ سنبھالا

4 جناب عبدالباری نے 123 اپریل 2020ء کو ڈائریکٹر کے عہدے سے استعفیٰ دیا اور جناب لوگ نے 3 دسمبر 2020ء کو ان کا عہدہ سنبھالا

5 جناب وقار ملک نے 22 اپریل 2020ء کو ڈائریکٹر کے عہدے سے استعفیٰ دیا اور جناب احسان ملک نے 28 دسمبر 2020ء کو ان کا عہدہ سنبھالا

ڈائریکٹرز کی مراعات:

بینک کے پاس اسٹیٹ بینک آف پاکستان کی ہدایات کے مطابق ڈائریکٹرز کے معاوضے ("پالیسی") کیلئے باقاعدہ نظام اور شفاف طریقہ کار ہے۔ پالیسی کی کلیدی خصوصیات یہ ہیں:

- بینک کے آزادانہ ایگزیکٹو ڈائریکٹرز کے ساتھ ساتھ نان ایگزیکٹو ڈائریکٹرز (جو گروپ کے ملازمین نہیں ہیں) وہ بورڈ کے اجلاس میں حاضری کیلئے میٹنگ فیس حاصل کرنے کیلئے اہل ہوں گے۔ اس کی کمیٹی (ز) اور شیئر ہولڈرز اور بورڈ کے چیئر پرسن کا آفس رکھنے کیلئے اور اس کی کمیٹی (ز) کے بھی اہل ہوں گے۔
- آزادانہ ایگزیکٹو ڈائریکٹرز کے ساتھ ساتھ نان ایگزیکٹو ڈائریکٹرز (جو گروپ کے ملازمین نہیں ہیں) کیلئے ٹریولنگ اور لاگت اخراجات جو بورڈ کے اجلاس میں شریک ہوتے ہیں یا اس کی کمیٹی (ز) یا شیئر ہولڈرز کے اجلاس میں شریک ہوتے ہیں بینک کی جانب سے برداشت کیے جائیں گے۔
- فیس اسٹرکچر اور فیس کی مقدار کا ہر دو سال بعد جائزہ لیا جائے گا۔ اس کی کوئی ترمیم، بورڈ کے ساتھ ساتھ شیئر ہولڈرز کی جانب سے بھی منظور کی جائے گی (پہلے یا بعد کی بنیاد پر) اور اس پالیسی کے جزو کی تشکیل کرے گا۔

بورڈ کی جانچ اور تجزیہ:

بورڈ نے اپنی سب کمیٹیز اور انفرادی ڈائریکٹرز کی مجموعی موثریت میں اضافے کی غرض سے ایک موثر مکینزم وضع کیا ہے تاکہ بورڈ کی موثریت کا جائزہ لیا جائے۔ ایک ایکسٹرنل کنسلٹنٹ کی خدمات بورڈ کی سالانہ کارکردگی کی جانچ کیلئے حاصل کی گئی ہیں۔ تمام بورڈ ممبرز سے ان کے سرویز آن لائن مکمل کرنا مطلوب ہے اور جواب دہندہ کی گمنامی اس پورے پروسس کے دوران یقینی بنائی جائے گی تاکہ خیالات کے آزادانہ اور بے تکلف تبادلے کا فروغ ہو۔ سروے کے جامع نتائج چیئر مین کے ساتھ شیئر کیے جائیں گے اور بورڈ کے سامنے رکھے جائیں گے۔ جائزے سے اخذ ہونے والے نتائج بشمول ایکشن پلان بورڈ کی منظوری سے نافذ العمل ہوں گے۔

ڈائریکٹرز کی رپورٹ

شیرز/اسٹاک بروکرینج میں لین دین:

ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ اور کمپنی سیکریٹری تصدیق کر چکے ہیں کہ نہ وہ اور نہ ہی ان کے شریک حیات اسٹاک بروکرینج کے کاروبار میں ملوث رہے ہیں۔ مزید یہ کہ ڈائریکٹرز، اہم ایگزیکٹوز اور ان کے شریک حیات/چھوٹے بچوں کی جانب سے اس سال کے دوران جیسا کہ ان کی جانب سے تصدیق کر دی گئی ہے بینک کے شیرز میں کوئی لین دین نہیں کیا گیا ہے۔

شیرز ہولڈنگ کا انداز:

پٹرن آف شیرز ہولڈنگ سالانہ رپورٹ کا حصہ ہے۔ 31 دسمبر 2020ء کو، اسٹینڈرڈ چارٹرڈ بینک، UK (ہولڈنگ کمپنی) کے پاس SCBPL کے 98.99% شیرز تھے۔ ڈائریکٹرز، چیف ایگزیکٹو آفیسر، اور دیگر اہم ایگزیکٹوز بینک کے شیرز (حصص) میں کوئی دلچسپی نہیں رکھتے، سوائے اس کے جو اس پٹرن آف شیرز ہولڈنگ میں ظاہر کر دیے گئے ہیں۔

پروویڈنٹ، گریجویٹ اور پنشن فنڈز کی انویسٹمنٹس کا بیان:

انویسٹمنٹس کی مالیت بشمول پروویڈنٹ اور گریجویٹ فنڈز کی جمع شدہ آمدن 31 دسمبر 2020ء کے غیر آڈٹ شدہ اکاؤنٹس کی بنیاد پر درج ذیل ہیں:

000 روپے	پروویڈنٹ فنڈ
2,821,592	بینجمنٹ اسٹاف گریجویٹ فنڈ
1,821,983	نان۔ بینجمنٹ اسٹاف گریجویٹ فنڈ
99,566	بینجمنٹ اسٹاف پنشن فنڈ
52,151	نان۔ بینجمنٹ اسٹاف پنشن فنڈ
49,235	بینجمنٹ اسٹاف پنشن فنڈ

ڈیویڈنڈ (منافع منقسمہ):

27.5% کا حتمی نقد ڈیویڈنڈ (2.75 روپے فی شیر) بورڈ آف ڈائریکٹرز کی جانب سے بینک کے شیر ہولڈرز کے 15 ویں سالانہ اجلاس عام میں منظوری کیلئے تجویز کیا گیا ہے۔ ایس بی پی کے سرکلر کے مطابق سال کے دوران عبوری نقد منافع منقسمہ کا اعلان نہیں کیا گیا تھا۔

ایکسٹرنل آڈٹرز

آڈٹ کمپنی نے میسرز ای وائی فورڈر ہوڈز، چارٹرڈ اکاؤنٹنٹس کے نام کو آئندہ مدت کیلئے بینک کے بیرونی آڈیٹر کے طور پر تجویز کیا ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی تجویز پر ریٹائر ہونے والے آڈیٹرز میسرز ای وائی فورڈر ہوڈز، چارٹرڈ اکاؤنٹنٹس کے نام کو اگلی مدت کیلئے بیرونی آڈیٹر کے طور پر تجویز کیا ہے۔ ریٹائر ہونے والے آڈیٹرز اہل ہونے کے ناطے، آئندہ سالانہ اجلاس عام میں دوبارہ تقرری کیلئے خود کو پیش کرتے ہیں۔

جیسا کہ آڈٹ فیس کا تعین منظوری کے مراحل میں ہے بورڈ آف ڈائریکٹرز نے بورڈ آڈٹ کمیٹی کی سفارش پر بورڈ آڈٹ کمیٹی کو اختیار دیا ہے کہ سال 2021 آڈٹ فیس کے تعین کیلئے مذاکرات کریں۔ آڈٹ فیس کا اطلاق آئندہ اجلاس میں بورڈ کی منظوری سے مشروط ہوگا۔

سپانیش و اعتراف

ہم اس موقع پر اپنے صارفین اور کاروباری رفقاء کے کار سے ان کے مسلسل تعاون اور اعتماد کیلئے بھرپور اظہار تشکر کرتے ہیں۔ ہم بینک دولت پاکستان کو ان کی جانب سے اس بینک کی طرف فراہم کی گئی رہنمائی اور اعانت کیلئے اپنا پورا خلوص اعتراف پیش کرتے ہیں۔ آخر میں ہم اپنے تمام وابستگان، عملے اور ساتھیوں کے شکر گزار ہیں جنہوں نے ہمارے معزز صارفین کیلئے گراں قدر خدمات انجام دیں۔



احسان علی ملک

ڈائریکٹر

منجانب بورڈ



ریمان محمد شیخ

چیف ایگزیکٹو آفیسر

کراچی: 25 فروری 2021ء

Management's Statements on Internal Controls and Risk Management Framework

The following statements are made by the management to meet the requirements of the State Bank of Pakistan ("SBP") BSD Circular Letter No. 2 of 2005 and BSD Circular Letter No. 3 of 2005.

Internal Controls

1. Management of Standard Chartered Bank (Pakistan) Limited (the Bank or SCBPL) is responsible for establishing and maintaining a sound system of internal controls aimed at achieving the following objectives of the Bank:
 - Efficiency and effectiveness of operations
 - Compliance with applicable laws and regulations
 - Reliability of financial reporting
2. Management has adopted different strategies to ensure effective monitoring and improvement of internal controls. These include Enterprise Risk Management Framework (ERMF) and Internal Audit in which assurance responsibilities are divided into three lines of defense i.e. the business function, control functions independent of the business function and Group Internal Audit.
3. The policies and procedures in all significant areas, and as per the directives of the regulators, have been duly approved by the Board.
4. The Board ensures that the external auditors interact with the Audit Committee and present their Management Letter to the Board directly.
5. An organization structure has been established which supports clear lines of communication and tiered levels of authority with accountability.
6. The Bank has an effective Internal Audit function, which reports directly to the Audit Committee of the Board. The function periodically carries out detailed reviews / audits of its branches and various departments / units based on a yearly plan which is approved by the Audit Committee.
7. Internal control policies, tools and reporting structures have been enhanced to provide greater clarity over roles and responsibilities. Relevant training materials are updated on a going basis and staff members are provided training commensurate to their job roles and responsibilities.
8. Management gives due consideration to the recommendations made by the internal and external auditors for improvements in the internal control system and act to implement such recommendations.
9. Management has also put in place evaluation and approval procedures for major capital expenditure and other transactions.
10. There is an annual budgeting and strategic planning process. Financial forecasts are reviewed during the year on a periodic basis to reflect significant changes in business environment. Regular reporting and monitoring of financial performance of the departments and the Bank as a whole, using operating statistics and monthly management accounts which highlight key performance indicators and variance from budgets and forecasts is in place.
11. Review and implementation of health, safety, environment and contingency management processes and other significant policies are carried out and reporting mechanism is in place.
12. SCBPL maintains a system of Internal Controls over Financial Reporting (ICFR), which is designed to provide reasonable assurance to the Bank's management and Board of Directors regarding the preparation of reliable published financial statements. The system contains robust mechanisms, and corrective actions are taken to remediate deficiencies as these are identified. Management acknowledges that an effective internal control system, no matter how well designed, has inherent limitations and therefore can provide only reasonable assurance with respect to achievement of the system's objectives. The Bank has documented a comprehensive ICFR Governance Framework which has been approved by the Board of Directors.

Update and review of ICFR system for the year 2020 as per SBP Guidelines on Internal Controls has been successfully completed and the Annual Assessment Report for the year 2020 will be submitted to the SBP within the stipulated time. SCBPL is fully committed to making continuous efforts to improve the internal control system during 2021.

Management's Statements on Internal Controls and Risk Management Framework

Enterprise Risk Management Framework

The Bank has put in place an Enterprise Risk Management Framework (ERMF), to implement the guidelines and regulations, related to Risk Management. The ERMF sets out the principles and standards for risk management across the Bank which include:

- Risk Culture: A healthy risk culture to identify and assess current and future risks, to openly discuss and take prompt actions.
- Strategic Risk Management: The approach followed by the Bank ensures that the strategy and corporate plans are aligned with the Bank's risk framework and risk appetite.
- Principal Risks: There are ten principal risks which are managed through distinct Risk Type Frameworks ('RPTs'). These include Credit, Traded, Capital & Liquidity, Operational, Country, Reputational, Compliance, Conduct, Information & Cyber Security and Financial Crime risk. These risks are embedded in the bank's strategy and business models. Recently, the Bank has also categorized Model Risk as a principal risk, and the framework is being developed.
- Risk Appetite: The Bank reviews and sets its risk appetite annually through a structured process. Risk appetite determines the maximum amount of risk the Bank is willing to assume in pursuit of its strategy while remaining within its risk capacity.
- Role and Responsibilities: The framework also defines the responsibilities of the first line, second line and the third line for effective internal control.

The ultimate responsibility for the oversight of risk management function rests with the Bank's Board of Directors and the Board Risk Committee (BRC). Acting within the authority delegated by the Board, the Executive Committee (EXCO) has appointed the Executive Risk Committee (ERC) and the Asset and Liability Committee (ALCO), for effective Risk Management. There are various other risk related committees and forums at the management level. These include Approvals Committee, Country Financial Crime Risk Committee, Credit Issue Committee, Compliance and Conduct Management Committee ('CCMC'), IT Steering Committee etc.

ERC is chaired by the Country Chief Risk Officer ('CCRO'), through authority delegated by the Board via the Bank's EXCO.

The overall responsibility to ensure that the risks are managed adequately, rests with the CCRO through the oversight function. The CCRO is supported by a team of competent and experienced managers, including Senior Credit Officer responsible for credit risk in Corporate/ Commercial and Investment Banking ('CCIB') businesses, Country Credit Head – Retail Banking responsible for credit risk management of Retail Banking including Collections and Recoveries, Head of Group Special Assets Management in charge for management of non-performing accounts, Head of Fraud Risk Management Unit responsible for fraud detection and management of Retail Portfolio, Head of Market and Liquidity Risk unit responsible for risks associated with price movements, changes in interest rates, exchange rate movements, capital adequacy, overseeing the liquidity position etc. CCRO also holds the role of Country Head of Operational Risk and is responsible for the overseeing the operational risk from second line perspective through a dedicated Operational Risk team.

The Bank has established policies, procedures, standards, product programs etc. and has provided the Risk team adequate support by way of systems and tools for identification, measurement, monitoring, controlling and reporting of all types of risks.

*Some changes in the EMRF took effect from January 2021 and will be reflected in next year's annual report.

Following are the important areas of the risk management function within the Bank:

Credit Risk

Credit Risk is defined as the "potential for loss due to the failure of a counterparty to meet its agreed obligations to pay the Bank". The credit risk management process is driven by the Bank's Enterprise Risk Management Framework including two credit risk type frameworks covering CCIB and Retail Credit.

The Credit Risk Frameworks are built on a risk-based approach, meaning the risk management plans, processes, activities, and resource allocations are in accordance to the level of risk. The frameworks consider processes and tools that are

Management's Statements on Internal Controls and Risk Management Framework

forward-looking – which are repeatable, sustainable and anticipate future needs. The First Line, which are the lines of business and functions engaged in or supporting revenue generating activities, gives due consideration to the apparent Credit Risk at the point of the strategic choices and/or decision making.

Individual credit authorities are delegated by Board to relevant approvers while any approvals beyond individual delegated authority are approved by Approvals Committee chaired by the CCRO.

The BRC and ERC are responsible to oversee the implementation of the Bank's credit risk management frameworks and approve Risk Appetite Mandate of the bank. The committees ensure that the risk exposures for all types of risk across the Bank remain within the overall risk appetite and mandate.

Lending to counterparties is subject to a robust credit assessment that includes (but not limited to) evaluation of the client's credit quality including willingness, ability and capacity to pay. A suitability and appropriateness assessment is completed for all counterparties to ensure only credit products / facilities which are appropriate to the nature and scale of the counterparty's business are provided.

For Retail Credit Risk, the approach is to support the delivery of optimum risk adjusted returns, with controlled volatility, and within overall risk appetite. Furthermore, the scores cards are used to support the balanced growth of the Unsecured Portfolio.

The Credit Risk Framework reinforces clear accountability and roles for managing risk through the Three Lines of Defense model. The business lines and functions engaged in or supporting revenue generating activities constitute the first line of defense who are accountable for embedding the credit risk approach. The Credit Risk function is the second line control function that approves credit and performs independent challenge, monitoring and oversight of the credit risk management practices. The first and second lines of defense are supported by the organization structure, job descriptions and delegated authorities.

There is a clearly articulated policy with established procedures for taking adequate Loan Impairments, Settlements, Waivers and Write offs of portfolio when the delinquencies are identified. The account managers closely watch the downgraded portfolio and initially try to recover through cash flows. As a last resort the sale of collateral through judicial process is exercised.

Credit Documentation Team is responsible to carry out Business Credit Application (BCA) Review, Documentation Preparation and Checking, Issuance of Security Compliance Certificate (SCC), Monitoring of Documents and Circulation of credit related reports including Early Alert Accounts.

Traded Risk

The Bank has adopted the Traded Risk Type Framework which sets out the overall risk management approach for Traded Risk. Traded Risk is defined as: "Potential for loss resulting from activities undertaken by the Group in financial markets".

Under the Traded Risk Type Framework, the Bank recognizes three risk subtypes:

- 1) Market risk, as the "Potential for loss of economic value due to adverse changes in the financial markets rates or prices". Market Risk exposures arise primarily from interest rate movements and foreign exchange related contracts. The Bank does not have significant exposure to equity and commodity price risk.
- 2) Counterparty Credit Risk as "Potential for loss in the event of the default of a derivative counterparty, after taking into account the value of eligible collaterals and risk mitigation techniques".
- 3) Issuer Risk as "Potential for loss in the event of the default of an issuer of marketable securities, including underwriting risk."

Traded Risk Management (TRM) performs market risk management activities for the bank. Market risk limits are proposed by TRM after discussion with relevant businesses and are reviewed twice a year. Under the framework, authority for setting market risk limits is delegated to the local risk committee(s) i.e. ERC, Approvals Committee and the CCRO. Overall risk appetite is set by the Board in terms of Value at Risk (VaR) and Stress Loss Trigger.

Bank measures the risk of losses arising from future potential adverse movements in market rates, prices and volatilities using a VaR methodology. The bank uses historic simulation to measure VaR which is complemented by weekly stress testing of Market Risk exposures to highlight the potential risk that may arise from extreme market events that are deemed

Management's Statements on Internal Controls and Risk Management Framework

rare but plausible. Sensitivity measures are also used in addition to VaR and stress testing as risk management tools.

Any excess results in escalation to senior management, with the level of escalation depending upon nature of excess. These limits are monitored daily as part of daily risk reporting. The Board Risk Committee and the Executive Risk Committee provides primary oversight for Traded Risk.

Capital and Liquidity Risk

Capital risk is the potential for insufficient level or composition of capital to support bank's activities. Capital risk appetite is split into stress risk appetite and business-as-usual risk appetite metrics. The Bank manages its demand for capital by regular monitoring of capital requirements and asset exposures. The Bank's ALCO monitors Risk Weighted Assets (RWA) growth and provides guidance for RWA management, capital structure and maintenance of capital adequacy ratio.

Liquidity and Funding Risk is the risk that Bank may not have sufficient stable or diverse sources of funding or financial resources to meet obligations as they fall due.

A range of tools are used for the management of liquidity. Tools for structural liquidity comprise of commitment and wholesale borrowing guidelines, key balance sheet ratios, and medium-term funding requirements whereas short-term liquidity tools include day to day monitoring of future cash flows and liquidity stress tests using various behavioral and rollover assumptions. The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

In addition, the Bank has prepared a Country Recovery Plan which is a live document by which the Country ensures that it can recover its financial position in the event of an extreme but plausible liquidity and/or solvency stress. The Bank has set Recovery Indicators ('RIs') capable of acting as early warning indicators of a liquidity and/or solvency stress which meet applicable regulations (where relevant). The RIs are designed to cover all aspects of the Country's business model and incorporate capital, liquidity, market, profitability, asset quality, macroeconomic indicators and reputational risk.

"Interest Rate Risk in the Banking Book" is the potential for a reduction in earnings or economic value due to movements in interest rates on banking book assets, liabilities and off-balance sheet items. This risk arises from differences in the repricing profile, interest rate basis, and optionality of these exposures.

Liquidity, Capital and Interest Rate Risk in the banking book is governed by Capital and Liquidity Risk Type Framework. ALCO, chaired by CEO, is responsible for ensuring that all these risks are managed effectively.

Operational Risk

Operational risk is the potential for loss resulting from inadequate or failed internal processes and systems, human error, or from impact of external events (including legal risks). Operational risk is inherent in the Bank's activities and as with the other risk types is managed through an overall framework with checks and balances that includes recognized ownership of the risk by the businesses, independent risk management oversight and an independent review by the Group Internal Audit.

The Operational Risk Type Framework (ORTF) sets out the approach for management of operational risk as well as the roles and responsibilities of the various stakeholders. In accordance with the framework, business segments and functions are accountable for the day to day management of business activities and to manage the operational risks that arises from these activities. The independent risk management and Subject Matter Experts challenge, guide, and provide oversight over the business activities. Existing and future levels of Operational Risk must be maintained within the approved Risk Appetite of the Bank.

The bank has a system in place, namely Enterprise Operational Risk Platform (EORP), that is utilized for the recording of operational losses, monitoring of controls, risks and associated mitigating actions pertinent to operational risk.

The ERC has oversight function over operational risk. The committee has the authority to take a view on the significance of risks and to direct appropriate actions. Depending on the significance of risks, the issues are tabled at ERC.

Disaster recovery procedures, business contingency planning and internal audits also form an integral part of the operational risk management process.

Additionally, the ORTF sets out approach for managing models to mitigate Pension risk. Pension risk is the potential for loss that surfaces from having to meet an actuarially-assessed shortfall in the Bank's defined-benefit pension schemes. The

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pension obligation risk to a bank arises from its contractual or other liabilities to, or related to, an occupational pension scheme. In other words, it represents the risk that additional contributions will need to be made to a pension scheme because of a future shortfall in the funding of the scheme.

The Bank assesses and monitors the assets and liabilities within the defined-benefit scheme, with support from independent actuarial advisers. Actuarial methodologies are used for determining the present values of the assets and liabilities of the defined-benefit scheme. The assumptions used account for the projected trends in the salaries, turnover and mortality of the membership.

Reputational Risk

Reputational Risk is defined as the “potential for damage to the franchise, resulting in loss of earnings or adverse impact on market capitalization, because of stakeholders taking a negative view of the organization, its actions or inactions – leading stakeholders to change their behavior”.

The CEO or relevant Business Head along with relationship managers, process owners and credit approvers are responsible to ensure that reputational risks identified in relation to clients, transactions, products and strategic coverage are assessed and accepted in line with Reputational Risk Framework.

Where the Reputational Risk derives mostly as an outcome of another Principal Risk, the respective Framework Owners are responsible for the management of Reputational Risk.

At the country level, the CCRO provides independent oversight and challenge on matters related to Reputational Risk.

Country Risk

Country Risk is the “potential for losses due to political or economic events in a country”. There are three parts to this as follows:

1. Country Limits and Exposures

- i. Transfer and Convertibility Risk (“TCR”): Potential losses on cross-border or foreign currency obligations arising from the possibility that a government is unable or unwilling to make foreign currency available for remittance out of the country.
- ii. Local Currency Risk (“LCR”): Potential losses on local currency obligations arising from operating in a volatile domestic economic and political environment.
- iii. Gross Country Risk is the aggregation of TCR and LCR and captures Country Risk at a gross level.

2. Risk Ratings

- a. Sovereign Default Risk: Risk that a sovereign will fail to honor its obligations in a timely manner.
- b. Transfer Risk: The risk that a government is unable or unwilling to make foreign currency available for remittance out of the country, preventing private sector obligors from servicing their foreign currency debt in a timely manner.

These risks are appropriately identified and monitored within the country. At the country level, Executive Risk Committee (“ERC”) provides primary oversight for Country Risk. Within first line, the CEO is responsible for monitoring country exposure. The CCRO is responsible for reporting Country Risk exposures to the ERC.

Compliance Risk

Compliance Risk refers the risk of legal or regulatory sanctions, material financial loss, or loss to reputation a Financial Institute may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organization standards, and codes of conduct applicable to its banking activities. Compliance with applicable laws and regulations and related policies and standards is the responsibility of all bank staff. Compliance Risk Type Framework (CRF) outlines the overall Compliance risk management approach for the Group, internal and external stakeholders. The CRF sets out the overall risk management approach for Compliance Risk with a specific focus on areas of laws and regulations for which Compliance is the Second Line of Defence. Locally, we have also adopted the SBP Guidelines on Compliance Risk Management to ensure adherence with the regulatory obligations. Management has established Compliance and Conduct Management Committee established to maintain the robust governance and oversight on the relevant risks

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in line with regulatory requirements and priorities of the franchise. Further, all the material risks, issues and findings from regulator, GIA and external auditors are tracked and addressed on priority by the management and a detailed update is presented to the Board Audit, Risk Committees as well as Board of Directors, who ensured that management has taken the appropriate actions and has put in place a system to minimize repetition with an aim to build sustainable controls environment.

Conduct Risk

The Conduct Risk Type Framework ('CoRTF') sets out the overall end to end risk management approach for Conduct Risk and defined as the "Risk of detriment to Standard Chartered's clients, investors, shareholders, market integrity, competition and counter-parties or from the inappropriate supply of financial services, including instances of willful or negligent misconduct". CoRTF sets out minimum standards to deliver fair customer outcomes and to protect the integrity of the markets to safeguard bank from any regulatory sanctions, financial loss and reputational damage. Conduct Risk is governed and monitored through the CCMC and tracked via Country Conduct Plan. This Plan is developed post extensive deliberations and discussions as guided by the Conduct Risk Management guidelines. The objective is to formulate a plan that should highlight the key Conduct Risks that are inherent in business and for each of the risks identified, appropriate remediation action, enhancements to the control environment, responsible action owners and timeframes for resolution be clearly identified and agreed upon. An update on Conduct Risk is part of the agenda for Board Audit and Risk Committee as well as to Board of Directors to ensure management has taken required actions to drive the conduct agenda in country's business.

Financial Crime Compliance Risk

The Financial Crime Risk Type Framework ('FCRTF') sets out the overall risk management approach to FCRTF as a Principal Risk Type ('PRT'). Financial Crime Risk is defined as the "potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to International Sanctions, Anti-Money Laundering and Anti-Bribery and Corruption, and Fraud. This has been designed to set minimum standards to adhere to the local and international regulatory authorities' related Guidelines. The Bank has established Financial Crime Risk Committee, management forum to maintain rigorous oversight and monitoring of financial crimes related risks in the business. Further, all the material risks, issues and findings from regulator, GIA and external auditors are tracked and addressed on priority by the management and a detailed update is presented to the Board Audit, Risk Committees as well as Board of Directors, who ensured that management has taken the appropriate actions and has put in place a system to minimize repetition with an aim to build sustainable controls environment.

Information and Cyber Security Risk

The Bank defines Information and Cyber Security Risk as potential for loss from a breach of confidentiality, integrity or availability of bank's information system and assets through cyber-attack, insider activity, error or control failure. The Bank seeks to avoid risk and uncertainty for its information assets and systems and has a low appetite for material incidents affecting wider operations and reputation of the bank. Information and Cyber Security Risk is managed through a structured framework (i.e. Information and Cyber Security Risk Type Framework – also referred as 'ICS RFT') comprising of a risk assessment methodology and supporting policies, procedures including threat led assessment and standards which are aligned to industry and global best practice models, and roles and responsibilities for first, second and third lines of defense are defined under the framework. The ICS RTF sets out the overall risk management approach for ICS within the Bank and at the heart of the ICS RTF is the Group Information and Cyber Security Policy (ICS Policy) which defines the controls which must be embedded into all parts of the business. ICS Policy and Standards define control requirements for the management of ICS Risk by the first line and the ICS Risk Categories (risk sub types) have been defined to help articulate the impact of ICS risks to the business and control requirements for the management of ICS Risk. The Bank has also established a mechanism to monitor and report Risk Appetite and the adherence to ICS RA is monitored and reported monthly through the RA Monitoring Information ("RAMI") and Risk Information Report ("RIR"). Stress Testing of technical controls relating to Information and Cyber Security risk are performed annually by an external independent party. The bank also has Information and Cyber Security Awareness program that ensures staff is aware of how to work with the policy responsibilities. The program includes the bank's mandatory information and Cyber Security e-learning course, Information Security Champions initiatives and targeted awareness campaigns. This is monitored through governance committee such as ERC and IT Steering Committee.

By order of the Board



Rehan M. Shaikh
Chief Executive Officer

Karachi: 25 February 2021

Report of Shari'ah Board

For the year ended 31 December 2020

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الحمد لله رب العالمين، والصلاة والسلام على سيدنا محمد وعلى آله وصحبه أجمعين، وبعد

ALL PRAISE BE TO ALLAH, THE LORD OF ALL THE WORLDS AND BLESSINGS ON OUR MASTER, PROPHET MUHAMMAD (PEACE BE UPON HIM) AND ALL HIS HOUSEHOLD AND ALL HIS COMPANIONS.

By the grace of Allah Almighty, Saadiq, Standard Chartered Bank (Pakistan) Limited (the Bank) has completed its seventeenth year of the successful Islamic banking operation. As a requirement of the Shariah Governance Framework (SGF) of Islamic Banking Department, State Bank of Pakistan (IBD SBP), the purpose of this report is to provide opinion of the Shariah Board (SB) on the overall Shariah compliance environment of the Bank's Islamic banking business and operations.

During the year and as per the regulatory requirements, the SB held four meetings and has reviewed, provided opinions and approved different products, country addendums, department operating instructions, transactions, process notes, Shariah compliance review reports and Shariah audit reports. As required under the SGF, the SB and BOD also met twice this year to have a detailed briefing on Shariah compliance environment and provided some recommendations for further improvement where required.

The SB appreciates the vision of the BOD and management for Islamic banking products and services.

Following is an overview for the year 2020:

Islamic Business Review

During the year under review, the Bank primarily used Islamic financings modes of Musharakah, Diminishing Musharakah, Murabahah & Musawamah to meet the customers' financial need in a Shariah compliant manner. At the close of the year ended December 31, 2020, the Bank had Islamic financing and investment/ placement of Rs 75.880 billion.

On the liability side, the Bank had total Islamic deposits of Rs 57.742 billion in Saving Accounts, Term Accounts, Current and other Accounts by end of the year.

Islamic Banking Products

During the year, Islamic product team in collaboration with the Shariah compliance department has launched three new products personal finance, Istisna & Commodity Murabaha (Corporate clients for COVID relief only) to provide a comprehensive suite of Shariah compliant products and services to the customers.

With regards to COVID relief measures and as per the regulatory guidelines, the Bank has also initiated and offered different relief programs for its retail and corporate/commercial customers.

Shariah Compliance Department

The Bank has qualified professionals in the Shariah Compliance Department (SCD) working under the guidance of the Resident Shariah Board Member and SB to perform its roles and responsibilities as covered in the SGF.

During the year under review, Shariah compliance team conducted Islamic Banking reviews of different businesses and functions on a sample basis. The review included Islamic Retail Banking, Islamic Corporate Commercial & Institutional Banking (CCIB), Financial Market and Islamic Treasury Operations, Islamic Finance, Profit & Loss Distribution, Islamic Branches & Islamic Banking Windows.

Report of Shari'ah Board

For the year ended 31 December 2020

Further, SCD was also engaged in facilitating Learning Department and other stakeholders in Islamic banking trainings and development of learning modules.

Shariah Audit

During the year, internal Shariah Audit Unit (ISAU) has conducted Shariah Audits of the profit and loss distribution, Qard and Mudarabah based deposits (Islamic commercial, corporate, investment and retail banking).

Charity Amounts

The opening balance of the charity fund on January 01, 2020 was PKR 12.985/- million. During the year, an amount of Rs. 8.651/- million has been added to charity account on the basis of Shariah non-compliant sources, income purification, delayed payment received from customers in default or overdue cases etc. Further, charity amount of Rs.11.085 /- million has been disbursed to different approved charitable and social welfare institutions.

Training and Capacity Building

During the year, the Bank has extensively worked on capacity building and launched the Islamic Banking Digital Learning Platform. It is a self-study platform to help staff to be certified in basic concept of Shariah & Islamic products. These learning modules highlight the Islamic banking products & practices, introduction of Shariah principles, Islamic law of contract & sale, Islamic products & modes of financing, pool management, Islamic wealth management (investment & Takaful) and regulatory compliance.

During the year, staff completed multiple trainings on Islamic banking through classroom & webinars (e-learnings & virtual) and approximately 2700 staff were trained. In addition, different sessions were also arranged for the Board of Directors, Shariah Board and Executive Committee of the Bank.

Shariah Board's Opinion:

As per the Shariah Governance Framework, the Board of Directors and Executive Management are solely responsible to ensure that the operations of the Bank are conducted in a manner that comply with Shariah principles at all times, while, we are required to submit a report on the overall Shariah compliance environment of the Bank.

To establish our opinion as expressed in this report, we have reviewed the reports of Shariah compliance department and internal Shariah audit.

Based on the above, we are of the view that:

1. The Bank has by and in large complied with the Shariah rules and principles provided in light of the fatawa, rulings and guidelines issued by the Shariah Board.
2. The Bank has complied with the directives, regulations, instructions and guidelines related to Shariah compliance issued by State Bank of Pakistan (SBP) in accordance with the rulings of SBP's Shariah advisory committee.
3. During the review period, any matter requiring corrective measures has been noted and resolved by the management and/or ensured to be rectified in future. Subject to the foregoing, the Bank has a comprehensive mechanism in place to ensure Shariah compliance in their overall Islamic operations.
4. The Bank has a well-defined system in place which is sound enough to ensure that any earnings realized from sources or by means prohibited by Shariah have been credited to charity account and are being properly utilized for charitable purposes.

Report of Shari'ah Board

For the year ended 31 December 2020

5. The Bank has adequately complied with the SBP instructions on profit and loss distribution and pool management.
6. Learning & Development department in coordination with Shariah compliance department and other stakeholders have arranged various Islamic Banking training and development sessions for capacity building of staff and is in continuous process to enhance and develop Islamic banking learning environment and to build the importance of Shariah compliance in the products and processes of the Bank.
7. The Shariah Board has been provided resources enabling it to discharge its duties. However, considering the increase in volume of the work, additional resource in Shariah department will further strengthen the Shariah compliance function in the Bank.

Recommendations:

Based on the above, we recommend that:

1. The Bank should continue to make arrangements for their key executives, Islamic banking staff and concerned stakeholders for Islamic banking courses and refresher training sessions.
2. The Bank should continue to enhance the promotion and marketing of Islamic Banking products and services at all available forums and to continue Islamic banking awareness programs for general public and customers.
3. The Bank should continue its efforts for the sustainable development goals that are aligned with Shariah.
4. The BOD should encourage the stakeholders and management on focusing the importance of Shariah compliance at all levels.

And Allah Subhanah wa Ta'ala knows the Best.

May Allah Subhanah wa Ta'ala accept our endeavours and grant us devotion to accomplish His cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes. Ameen



Dr. Nizam Yaqouby
Chairman Shariah Board



Mufti Muhammad Abdul Mubeen
Member Shariah Board



Mufti Irshad Ahmad Aijaz
Member Shariah Board



Mufti Khawaja Noor ul Hassan
Resident Shariah Board Member

Dated: February 10, 2021 | Jumad al Saniyah 27, 1442 A.H.

شریعی بورڈ رپورٹ

برائے سال 31 دسمبر 2020

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ

الحمد للہ رب العالمین، والصلوة والسلام علی سیدنا محمد وعلی آلہ وصحبہ اجمعین، وبعد

الحمد للہ! صادق، اسٹیٹرز چارٹرڈ بینک (پاکستان) لمیٹڈ نے کامیاب اسلامی بینکنگ آپریشنز کا سترہواں سال مکمل کر لیا ہے۔ اسٹیٹ بینک آف پاکستان کے اسلامی بینکنگ ڈپارٹمنٹ (IBD SBP) کے شریعی گورننس فریم ورک (SGF) کی شرائط کے مطابق، اس رپورٹ کا مقصد بینک کے اسلامی بینکنگ اور آپریشنز کی شریعی کمپلائنس انوائرنمنٹ پر شریعی بورڈ (SB) کی رائے فراہم کرنا ہے۔

سال کے دوران شریعی بورڈ نے ریگولیری ضروریات کے تحت مختلف پروڈکٹس، ضمیموں، ڈپارٹمنٹ آپریشنز، سٹرکچرل ٹرانزیکشنز، پروسس ٹولز، شریعی کمپلائنس اور شریعی آڈٹ رپورٹس کا جائزہ لینے ان پر اپنی رائے دینے اور ان کی منظوری کیلئے چار اجلاس منعقد کئے۔ اس سال شریعی بورڈ نے شریعی گورننس فریم ورک کے تحت شریعی کمپلائنس انوائرنمنٹ کی تفصیلی وضاحت اور جہاں ضروری ہو، شریعی کمپلائنس انوائرنمنٹ میں بہتری لانے کی تجاویز پیش کرنے کیلئے بورڈ آف ڈائریکٹرز کے ساتھ دو ملاقاتیں بھی کیں۔

شریعی بورڈ اسلامک بینکنگ پروڈکٹس اور سروسز کیلئے بورڈ آف ڈائریکٹرز اور مینجمنٹ کی کاوشوں کو سراہتا ہے۔

سال 2020 کا جائزہ مندرجہ ذیل ہے:

اسلامی کاروبار کا جائزہ

زیر جائزہ سال کے دوران بینک نے اپنے صارفین کی مالی ضروریات کو شریعی کمپلائنس کے مطابق انجام دینے کیلئے اپنے مجموعی کاروبار کو فنانسنگ اور انویسٹمنٹ کے مختلف اسلامی طریقوں جس میں مشارکہ، شرکت، متاقصہ، مرابحہ اور مسامدہ شامل ہیں، کے ذریعے وسعت دی۔ 31 دسمبر 2020 کو سال کے اختتام پر بینک کی مجموعی فنانسنگ اور انویسٹمنٹ/پلیٹفم 75,880 ملین روپے تھی۔

ڈپازٹ کی سائیڈ پی بینک کے سیونگز اکاؤنٹس، ٹرم اکاؤنٹس، کرنٹ اور دیگر اکاؤنٹس میں مجموعی اسلامک ڈپازٹس کی رقم 57,742 ملین روپے تھی۔

اسلامی بینکنگ پروڈکٹس

سال کے دوران اسلامک پروڈکٹ ٹیم نے شریعی کمپلائنس ڈپارٹمنٹ کے تعاون سے صارفین کو شریعی کمپلائنس پروڈکٹس اور سروسز کی فراہمی کیلئے تین نئی پروڈکٹس، پرنٹ فنانس، اسٹھناغ اور کموڈٹی مرابحہ (کوڈر بیلیف کے ضمن میں کارپوریٹ کلائنٹس کیلئے) اجراء کیا۔

کوڈر بیلیف اور ریگولیری ہدایات کے تحت بینک نے اپنے ریٹیل اور کارپوریٹ اکسٹرنل صارفین کیلئے مختلف رعایتی پروگرامز شروع کئے ہیں۔

شریعی کمپلائنس ڈپارٹمنٹ

بینک کے شریعی کمپلائنس ڈپارٹمنٹ (SCD) میں پیشہ ورافراد موجود ہیں جو ریڈیٹ شریعی بورڈ ممبر اور شریعی بورڈ کی رہنمائی میں اپنی ذمہ داریاں نبھاتے ہیں۔

زیر جائزہ سال کے دوران شریعی کمپلائنس ٹیم نے آزمائشی چارج کی بنیادوں پر اسلامک بینکنگ کے کئی شعبوں کا جائزہ لیا۔ اس جائزے میں اسلامک ریٹیل بینکنگ، اسلامک کارپوریٹ کمرشل اور انسٹیٹیوٹیل بینکنگ (CCIB)، فنانشیل مارکیٹ اور اسلامک ٹریڈری آپریشنز، اسلامک فنانس، نفع و نقصان کی تقسیم، اسلامک برانچز اور اسلامک بینکنگ وٹڈوز شامل تھے۔

مزید برآں، شریعی کمپلائنس ڈپارٹمنٹ نے اسلامک بینکنگ ٹریڈنگ اور آرٹنگ ماڈیولز بنانے میں لرننگ ڈپارٹمنٹ اور دیگر اسٹیک ہولڈرز کی بھی مدد کی۔

شریعی آڈٹ

رواں سال انٹرنل شریعی آڈٹ ایونٹ (ISAU) نے نفع و نقصان کی تقسیم، قرض اور مضاربہ پر پنی ڈپازٹس (اسلامک کمرشل، کارپوریٹ، انویسٹمنٹ اور ریٹیل بینکنگ) کا شریعی آڈٹ کیا ہے۔

چیرٹی ماڈٹنس (خیراتی رقوم)

یکم جنوری 2020 کو چیرٹی فنڈ کا ابتدائی بیلنس 12,985 ملین روپے تھا۔ سال کے دوران 8,651 ملین روپے چیرٹی اکاؤنٹ میں جمع ہوئے جو کہ شریعت کی جانب سے منع کردہ یا کسٹرمی کوتاہی کے باعث تاخیر سے ادائیگی کے چارجز وغیرہ کے باعث تھے۔ مزید یہ کہ مختلف منظور شدہ خیراتی اور سماجی بہبود کے اداروں کو 11,085 ملین روپے کی خیراتی رقم فراہم کی گئی۔

شریعتی بورڈ رپورٹ

ٹریڈنگ اور صلاحیت کی تعمیر

سال کے دوران، بینک نے بڑے پیمانے پر صلاحیت کی تعمیر سازی پر کام کیا ہے اور اسلامک بینکنگ ڈیجیٹل لرننگ پلیٹ فارم کا آغاز کیا ہے۔ یہ عمل کو شریعت اور اسلامک پروڈکٹس کے بنیادی تصور کی فراہمی کیلئے مؤثر طریقہ ہے۔ یہ لرننگ ماڈیولز اسلامک بینکنگ پروڈکٹس اور طریقہ کار، شرعی اصولوں کا تعارف، معاہدے و فروخت کا اسلامی قانون، اسلامی مصنوعات اور فنانسنگ کے طریقوں، پول ٹیجمنٹ، اسلامک ویلیو ٹیجمنٹ (انویسٹمنٹ اور ٹیکافل) اور ریگولیٹری کمپلائنس پر روشنی ڈالتے ہیں۔

سال کے دوران اسلامک بینکنگ کی بذریعہ کلاس روم اور ویب نارز (ای لرننگ اور رپورٹنگ) تربیتی پروگرام منعقد کئے گئے جن میں تقریباً 2700 اسٹاف کو تربیت دی گئی۔ اس کے علاوہ بورڈ آف ڈائریکٹرز، شریعتی بورڈ اور ایگزیکٹو کمیٹی کیلئے مختلف سیشنز بھی منعقد کئے گئے۔

شریعتی بورڈ کی رائے:

شریعتی بورڈ نے فریم ورک کے مطابق بینک کے آپریشنز کو شرعی قوانین کے مطابق چلانا اور بورڈ آف ڈائریکٹرز اور ایگزیکٹو ٹیجمنٹ کی ذمہ داری ہے جبکہ ہمارے لئے بینک کے مجموعی شرعی اصولوں کے مطابق ہونے پر ایک رپورٹ پیش کرنا مطلوب ہے۔

اس رپورٹ میں بیان کی گئی اپنی رائے کو قائم کرنے کیلئے ہم نے شریعتی کمپلائنس ڈپارٹمنٹ اور اندرونی شریعتی آڈٹ کی رپورٹس کا جائزہ لیا۔

مذکورہ بالا تفصیل کی بنیاد پر ہماری رائے درج ذیل ہے:

- 1- بینک نے شریعتی بورڈ کی جانب سے جاری کردہ فتاویٰ، احکام اور اصولوں کی روشنی میں فراہم کردہ شرعی قوانین اور اصولوں کی مجموعی طور پر پاسداری کی ہے۔
- 2- بینک نے انٹیٹ بینک آف پاکستان کی شریعتی ڈائریکٹری کمیٹی کے احکام کے مطابق انٹیٹ بینک کی جانب سے جاری کردہ شریعتی کمپلائنس سے متعلق احکام، ضوابط، ہدایات اور اصولوں کی پاسداری کی ہے۔
- 3- جائزے کے دوران، کسی ایسے معاملے جس میں اصلاحی اقدام کی ضرورت ہو، ریفر کیا گیا اور ٹیجمنٹ کی جانب سے قابل اصلاح امور کا ازالہ کیا گیا ہے اور یا مستقبل میں ان کی درستگی کی یقین دہانی کروائی گئی ہے۔ مذکورہ بالا تفصیل کی بنیاد پر، بینک کے پاس اس کے تمام معاملات میں شریعتی کمپلائنس کو یقینی بنانے کی غرض سے ایک جامع نظام موجود ہے۔
- 4- بینک کے پاس ایک واضح نظام موجود ہے جو تمام تر غیر شرعی ذرائع سے حاصل شدہ رقم چیرینی اکاؤنٹ میں جمع کئے جانے اور اسے مناسب طور پر خیراتی اداروں میں بروئے کار لانے کے لئے کوٹھنی بناتا ہے۔
- 5- بینک نے نفع و نقصان کی تقسیم اور پول ٹیجمنٹ کے سلسلے میں انٹیٹ بینک کی ہدایات کی مناسب طور پر پاسداری کی ہے۔
- 6- لرننگ اینڈ ویلیو ٹیجمنٹ ڈپارٹمنٹ نے شریعتی کمپلائنس ڈپارٹمنٹ کے تعاون سے ملازمین کی صلاحیت میں اضافے کیلئے مختلف اسلامک بینکنگ ٹریڈنگ سیشنز کا اہتمام کیا ہے اور بینک کی مصنوعات اور عمل میں شرعی تعمیل کی اہمیت کو بڑھانے اور اسلامک بینکنگ کے سیکٹے کے ماحول کو فروغ اور ترقی دینے کیلئے مستقل عمل میں ہے۔
- 7- شریعتی بورڈ کو اس کی ذمہ داریوں کی ادائیگی کیلئے وسائل فراہم کئے گئے ہیں تاہم کام کے حجم میں اضافے کو مد نظر رکھتے ہوئے شریعتی ٹیم میں اضافی افرادی قوت، بینک میں شریعتی کمپلائنس کے فنکشن کو مزید مستحکم کرے گی۔

تجاویز:

درج بالا کی بنیاد پر ہم تجویز کرتے ہیں کہ:

- 1- بینک کو اسلامک بینکنگ اینڈ فنانس کورسز اور ریفرنڈیشن ٹریڈنگ سیشنز کیلئے اہم ایگزیکٹوز، اسلامک بینکنگ اسٹاف اور متعلقہ افرادی نامزدگی جاری رکھنی چاہئے۔
- 2- اسلامک بینکنگ پروڈکٹس اور سروسز کی پرموشن اور مارکیٹنگ تمام دستیاب فورمز پر بڑھانی چاہئے اور کسٹمرز اور عام لوگوں کیلئے اسلامک بینکنگ آگہی پروگرام کا سلسلہ بھی جاری رکھنا چاہئے۔
- 3- بینک کو شریعت کے مطابق سسٹمز، اینٹیل ڈیولپمنٹ گولڈ (SDG) حاصل کرنے کیلئے اپنا کردار جاری رکھنا چاہئے۔
- 4- بورڈ آف ڈائریکٹرز کو تمام سطحوں پر شریعتی کمپلائنس کی اہمیت پر توجہ دلانے کیلئے متعلقہ افراد اور انتظامیہ کی حوصلہ افزائی جاری رکھنی چاہئے۔

اور اللہ سبحانہ و تعالیٰ سب سے بہتر جانے والا ہے۔

اللہ سبحانہ و تعالیٰ ہماری کوششوں کو قبول فرمائے، ہمیں توفیق عطا فرمائے کہ ہم اس کے مطلوب امور کی تکمیل کر سکیں، ہمیں دنیا و آخرت میں کامیابیوں سے سرفراز فرمائے اور ہماری خطاؤں کو معاف کر دے۔ آمین

محمد عبدالمبین

مفتی محمد عبدالمبین

ممبر شریعتی بورڈ

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مفتی خواجہ نور الحسن

ریزیڈنٹ شریعتی بورڈ ممبر

محمد عبدالمبین

ڈائریکٹر نظام یقینی

چیرمین شریعتی بورڈ

محمد عبدالمبین

مفتی ارشاد احمد اعجاز

ممبر شریعتی بورڈ

Independent Auditor's Report

To the members of Standard Chartered Bank (Pakistan) Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Standard Chartered Bank (Pakistan) Limited (the Bank) for the year ended 31 December 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Bank. Our responsibility is to review whether the Statement of Compliance reflects the status of the Bank's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Bank's personnel and review of various documents prepared by the Bank to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Bank's corporate governance procedures and risks.

The Regulations require the Bank to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Bank's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Bank for the year ended 31 December 2020.



**M/s EY Ford Rhodes
Chartered Accountants**

Place: Karachi

Date: 2 March 2021

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Standard Chartered Bank Pakistan Limited

For the year ended 31 December 2020

The Bank has complied with the requirements of the Regulations in the following manner:

1. The total number of directors as at year-end is seven as per the following:
 - a) Male: Six
 - b) Female: One
2. The composition of the Board as at year end is as follows:
 - a) Independent Non Executive Director(s):
 - Male Director(s): Mr. Ehsan Ali Malik
 - Female Director(s): Ms. Spenta Kandawalla
 - b) Non Executive Director(s):
 - Mr. Ian Anderson Bryden (Chairperson)
 - Mr. Mohamed Abdel Razek
 - Mr. Adam Long
 - Mr. Towfiq Habib Chinoy
 - c) Executive Director(s): Mr. Rehan M. Shaikh
3. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Bank.
4. The Bank has adopted Group's 'Code of Conduct', which has been approved by the Board and is disseminated to all the directors and employees of the Bank along with its supporting policies and procedures.
5. The Board has developed and approved a vision/ mission statement and overall corporate strategy. The Board has also approved significant policies and adopted certain Standard Chartered Group policies as far as they are in accordance with the local laws and regulations. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board as empowered by the relevant provisions of the Companies Act, 2017 ('the Act') and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulation with respect to frequency, recording and circulating minutes of the Board meetings.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. All directors are provided with an Orientation Pack on their appointment. Majority of the directors on the Board have already completed SECP's approved Directors' Training Programme. During the year under review, a number of in-house orientation sessions were also attended by the directors.
10. The Board approves the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment; and complies with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

12. The Board has formed following Board Committees and their composition as at year end is given below:

a) Board Audit Committee:	Ms. Spenta Kandawalla Mr. Mohamed Abdel Razek Mr. Towfiq Habib Chinoy	(Chairperson) (Member) (Member)
b) Board Human Resource & Remuneration Committee:	Ms. Spenta Kandawalla Mr. Towfiq Habib Chinoy	(Chairperson) (Member)
c) Board Risk Committee:	Mr. Towfiq Habib Chinoy Mr. Rehan M Shaikh Mr. Mohamed Abdel Razek	(Chairperson) (Member) (Member)
d) Board Information & Technology Committee:	Mr. Mohamed Abdel Razek Mr. Rehan M Shaikh	(Member) (Member)

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.

14. The frequency of meetings of the aforesaid Committees as per the respective Terms of References are as follows:

a) Board Audit Committee:	At least once in a quarter
b) Board Human Resource & Remuneration Committee:	At least twice in a year
c) Board Risk Committee:	At least once in a quarter
d) Board Information & Technology Committee:	At least twice in a year

15. The Board has set up an effective Internal Audit ('IA') function. Head of IA reports directly to the Chairperson of the Board Audit Committee. Personnel of internal audit function are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Bank.

16. The statutory auditors of the Bank have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan ('ICAP') and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants ('IFAC') guidelines on code of ethics as adopted by ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Bank.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulation or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation on regulation 28 is given below:

The composition of Board Human Resource and Remuneration Committee as disclosed under para 12 (b) above was an interim arrangement due to the casual vacancy on the Committee. The Board subsequently re-composed the membership for all Committees in 2021 in line with applicable regulatory requirements.

By Order of the Board



Rehan M. Shaikh
Chief Executive Officer



Ehsan Ali Malik
Director

Karachi: 25 February 2021

Six Years Key Financial Data

Key Financial Data	2015	2016	2017	2018	2019	2020
Profit and Loss						
Net mark-up income	22,308	19,385	16,498	18,830	27,788	28,140
Non funded income	7,097	7,163	8,982	9,688	11,289	12,800
Total income	29,405	26,548	25,480	28,518	39,076	40,940
Non mark-up expenses	12,463	12,344	11,743	11,290	11,894	12,383
Provisions / (recovery) & write-offs	1,557	(1,141)	284	(1,218)	(17)	4,941
Profit before Tax	15,385	15,345	13,453	18,447	27,199	23,616
Profit after Tax	9,288	9,618	8,245	11,239	16,017	13,133
Profitability ratios						
Return on equity	15.1%	15.6%	13.3%	17.3%	22.9%	17.0%
Return on assets	2.2%	2.1%	1.7%	2.1%	2.7%	2.0%
Expense / Income ratio	42%	46%	46%	40%	30%	30%
Balance Sheet						
Total assets	447,348	474,752	519,832	576,081	619,971	721,905
Advances - gross	130,370	133,631	157,259	187,162	235,269	199,753
Advances - net	108,853	113,951	137,635	169,544	218,087	178,216
Non performing loans	24,018	21,873	19,587	17,403	17,738	22,695
Investments - net	231,837	245,850	272,488	279,066	249,164	349,445
Deposits	327,238	365,562	377,576	424,899	465,629	556,506
Shareholder's equity	61,950	61,282	62,937	67,238	72,917	81,678
Asset quality & other ratios						
Advances / deposits ratio	33%	31%	36%	40%	47%	32%
NPL to gross advances	18%	16%	12%	9%	8%	11%
Coverage ratio - specific	87%	87%	97%	97%	92%	84%
CASA mix	93%	94%	92%	94%	93%	93%
Capital adequacy ratio (CAR)	21.04%	20.19%	19.27%	19.09%	16.94%	19.12%
Share information						
Earning per share	2.40	2.48	2.13	2.90	4.14	3.39
Dividend pay-out ratio	20.00%	20.00%	17.50%	22.50%	30.00%	27.50%
Touchpoints (Numbers)						
Branches	101	101	93	77	61	53
ATMs / CDM / CDK	262	274	276	247	217	197

Standard Chartered Bank (Pakistan) Limited

Financial Statements

For the year ended
31 December 2020

Independent Auditor's Report

To the members of Standard Chartered Bank (Pakistan) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Standard Chartered Bank (Pakistan) Limited (the Bank), which comprise the statement of financial position as at 31 December 2020, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flows statement for the year then ended, along with unaudited certified returns received from the branches except for 12 branches which have been audited by us and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, profit and loss account, the statement of comprehensive income, statement of changes in equity and cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan, and give the information required by the Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Bank's affairs as at 31 December 2020 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key Audit Matters	How the matter was addressed in our audit
1. Provision against Non-Performing Credit Exposure (Refer note 8.3 to the financial statements)	
<p>The Bank's net advances portfolio represents 24.7% of its total assets as of 31 December 2020. A substantial portion of the advances portfolio include corporate finances to public sector entities and large to small size businesses operating in diverse sectors of the economy.</p> <p>Covid-19 pandemic which emerged during the year impacted the global economy and caused disruption to economic activities and businesses operating across a variety of sectors in Pakistan. Such circumstances potentially require the Bank to evaluate its credit risk exposure which may have been impacted due to the current economic conditions.</p> <p>As per the Bank's accounting policy (refer note 3.6 to the financial statements), the Bank periodically assesses</p>	<p>We applied a range of audit procedures including the following:</p> <ul style="list-style-type: none">- We reviewed the Bank's process for identification and classification of non-performing loans including the quality of underlying data and systems. As part of such review we performed an analysis of the changes within the different categories of classified non-performing accounts from last year to the current reporting date. This analysis was used to gather audit evidence regarding downgrading of impaired loans and declassification of accounts from non-performing to regular, as the case may be;

<p>the adequacy of its provisions against non-performing credit exposures in accordance with the requirements of Prudential Regulations of State Bank of Pakistan. Such regulations require specific provisioning against loan losses on the basis of an age-based criteria which should be supplemented by a subjective evaluation of Bank's credit portfolio. The determination of loan loss provision against certain vulnerable corporate loans, therefore, involves use of management judgment, on a case to case basis, taking into account factors such as the economic and business conditions, borrowers repayment behaviors and realizability of collateral held by the Bank.</p> <p>In view of the significance of this area in terms of its impact on the financial statements and the level of involvement of management's judgment, we identified adequacy and completeness of loan loss provision as a significant area of audit judgment and a key audit matter.</p>	<ul style="list-style-type: none"> - We performed independent checks for the computations of provisions in line with the requirements of the applicable Prudential Regulations; - In addition, we selected a representative sample of borrowers from the advances portfolios including individually significant credit facilities and performed tests and procedures such as review of credit documentation, repayment history and past due status, financial condition as depicted by the borrowers' financial statements, nature of collateral held by the Bank and status of litigation, if any, with the borrower; - Based on the said credit reviews, we identified and discussed with the management the loan accounts where the credit risk appears to have increased. We reviewed the adequacy of provisions against such accounts on the basis of our independent objective evaluation of the risk mitigating factors that exist in such cases; - In respect of the level of general provision maintained by the Bank, we discussed the approach and policy followed by the Bank with the management; and <p>We also assessed adequacy of disclosures as included in note 8.2 and 8.4 to the financial statements regarding the non-performing loans and provisions made for the same in the financial statements in accordance with the requirements of the applicable financial reporting framework.</p>
<p>2. Goodwill Impairment (Refer note 10.1 to the financial statements)</p>	
<p>As at 31 December 2020, the Bank's intangible assets includes goodwill of Rs. 26,095 million on account of acquisition of Union Bank Limited in 2006.</p> <p>Goodwill is required to be annually assessed for impairment under IAS 36 "Impairment of Assets". Accordingly, management performed an impairment test of the goodwill which is subjective in nature due to assumptions made about future performance.</p> <p>As disclosed in note 10.1, the Bank uses a discounted cashflow model to determine value in use, based on certain key assumptions.</p> <p>Due to the significance and impact of the assumptions and judgements involved, the impairment test of goodwill is considered to be a key audit matter.</p>	<p>We applied a range of audit procedures including the following:</p> <ul style="list-style-type: none"> - We assessed the reasonableness of cash flow projections and compared key inputs to externally available industry, economic and financial data and performance; - We evaluated whether the assumptions, on which valuation is based, are realistic and consistent with the general economic environment, the economic environment of specific industry, existing market information and the entity's economic circumstances; - We involved our internal valuation specialist to review and evaluate discount rate and long-term growth rate used in impairment calculations; - Performed break even analysis around the key assumptions and the discount rate used in the model; and <p>We assessed the adequacy of the related disclosures in the financial statements.</p>

3. User Access Management

Information Technology General Controls (ITGCs) support continuous operation of the automated controls within the business processes related to financial reporting. Effective Information Technology general controls are needed to ensure that Information Technology applications process business data as expected and that changes are made in an appropriate manner.

The possibility of users gaining access privileges beyond those necessary to perform their assigned duties may result in breaches in segregation of duties, including inappropriate manual intervention, unauthorised changes to systems or programmes.

User access management is identified as a key audit matter because of the complexity of the Bank's Information Technology structure and environment, the quantum of transactions processed through the Bank's Information Technology systems and the high degree of reliance placed by the Bank on such systems for the purpose of financial reporting.

We applied a range of audit procedures including the following:

- We obtained an understanding of the Bank's Information Technology environment, structure and complexity; and identified the Bank's key Information Technology systems and applications that affect the business and other processes related to financial reporting;
- We evaluated the design and tested the operating effectiveness of the controls for such systems and applications including ITGCs involving access management, change management and Information Technology operations;
- We tested Information Technology compensating controls and where these compensating controls were not effective, we performed additional Information Technology substantive procedures to confirm whether risks associated with the Identified deficiencies materialised during the audit period. Where required, we tested business compensating controls and performed additional business substantive procedures.

Information Other than the Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, the requirements of Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. Based on our audit, we further report that in our opinion:
 - a) proper books of account have been kept by the Bank as required by the Companies Act, 2017 (XIX of 2017) and the returns referred above from the branches have been found adequate for the purpose of our audit;
 - b) the statement of financial position, the profit or loss account, the statement of comprehensive income, statement of changes in equity and statement of cash flow (together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
 - c) investments made, expenditure incurred and guarantees extended during the year were in accordance with the objects and powers of the Bank and the transactions of the Bank which have come to our notice have been

within the powers of the Bank; and

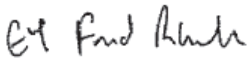
d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Bank and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

2. We confirm that for the purpose of our audit we have covered more than sixty per cent of the total loans and advances of the Bank.

Other Matters:

The financial statements of the Bank for the year ended 31 December 2019 were audited by another firm of chartered accountants who expressed an unmodified opinion thereon in the audit report dated 27 February 2020.

The engagement partner on the audit resulting in this independent auditor's report is Omer Chughtai.



**M/s EY Ford Rhodes
Chartered Accountants**

Place: Karachi

Date: 01 March 2021

Statement of Financial Position

As at 31 December 2020

	Note	2020	2019
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks	4	54,366,569	61,290,428
Balances with other banks	5	11,271,237	3,484,265
Lendings to financial institutions	6	69,551,802	17,012,089
Investments	7	349,444,772	249,164,030
Advances	8	178,216,374	218,087,193
Fixed assets	9	11,910,762	10,563,451
Intangible assets	10	26,095,324	26,095,375
Deferred tax assets - net		-	-
Other assets	11	21,047,905	34,273,754
		721,904,745	619,970,585
LIABILITIES			
Bills payable	12	10,712,040	12,375,271
Borrowings	13	23,293,381	20,256,731
Deposits and other accounts	14	556,505,923	465,628,985
Liabilities against assets subject to finance lease		-	-
Sub-ordinated debt		-	-
Deferred tax liabilities - net	15	2,624,986	3,707,964
Other liabilities	16	47,090,605	45,085,131
		640,226,935	547,054,082
NET ASSETS		81,677,810	72,916,503
REPRESENTED BY:			
Share capital	17	38,715,850	38,715,850
Reserves	18	22,497,551	19,870,955
Surplus on revaluation of assets	19	7,755,848	5,382,841
Unappropriated profit		12,708,561	8,946,857
		81,677,810	72,916,503
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 43 and Annexure I and II form an integral part of these annual financial statements.



Ian Bryden
Chairman



Rehan M. Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Mohamed Abdel Razek
Director

Profit and Loss Account

For the year ended 31 December 2020

	Note	2020	2019
(Rupees in '000)			
Mark-up / return / interest earned	21	52,221,970	52,240,154
Mark-up / return / interest expensed	22	(24,082,373)	(24,452,524)
Net mark-up / interest income		28,139,597	27,787,630
NON MARK-UP / INTEREST INCOME			
Fee and commission income	23	4,087,281	4,001,341
Dividend income		-	-
Foreign exchange income	24	3,967,308	4,197,403
Income / (loss) from derivatives		1,165,568	1,177,969
Gain / (loss) on securities	25	3,380,515	1,799,304
Other income	26	199,534	112,668
Total non mark-up / interest income		12,800,206	11,288,685
Total income		40,939,803	39,076,315
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	27	(11,878,809)	(11,128,663)
Workers welfare fund		(492,035)	(732,699)
Other charges	28	(11,765)	(32,560)
Total non mark-up / interest expenses		(12,382,609)	(11,893,922)
Profit before provisions		28,557,194	27,182,393
Provisions and write offs - net	29	(4,940,714)	16,810
Extra-ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		23,616,480	27,199,203
Taxation	30	(10,483,498)	(11,181,756)
PROFIT AFTER TAXATION		13,132,982	16,017,447
(Rupees)			
BASIC / DILUTED EARNINGS PER SHARE	31	3.39	4.14

The annexed notes 1 to 43 and Annexure I and II form an integral part of these annual financial statements.



Ian Bryden
Chairman



Rehan M. Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Mohamed Abdel Razek
Director

Statement of Comprehensive Income

For the year ended 31 December 2020

Note	2020	2019
(Rupees in '000)		
Profit after taxation for the year	13,132,982	16,017,447
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of investments - net of tax	329,467	27,489
Items that will not be reclassified to profit and loss account in subsequent periods:		
Remeasurement (loss) / gain on defined benefit obligations - net of tax	(6,237)	8,878
Movement in surplus on revaluation of operating fixed assets - net of tax 19.1	2,097,416	30,383
	2,091,179	39,261
Total comprehensive income	15,553,628	16,084,197

The annexed notes 1 to 43 and Annexure I and II form an integral part of these annual financial statements.



Ian Bryden
Chairman



Rehan M. Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director




Mohamed Abdel Razek
Director


Statement of Changes in Equity

For the year ended 31 December 2020

	Share Capital	Share Premium	Statutory Reserve	Surplus / (Deficit) on revaluation of		Unappropriated Profit	Total
				Investments	Fixed Assets		
(Rupees in '000)							
Balance as at 01 January 2019	38,715,850	1,036,090	15,631,376	(92,271)	5,620,942	6,326,382	67,238,369
Total comprehensive income for the year							
Profit after tax for the year ended 31 December 2019	-	-	-	-	-	16,017,447	16,017,447
Other comprehensive income							
Movement in surplus / (deficit) on revaluation of investments - net of tax	-	-	-	27,489	-	-	27,489
Remeasurement of post employment obligations - net of tax	-	-	-	-	-	8,878	8,878
Surplus on revaluation - net of deferred tax	-	-	-	-	30,383	-	30,383
	-	-	-	27,489	30,383	16,026,325	16,084,197
Transactions with owners, recorded directly in equity							
Share based payment transactions (contribution from holding company)	-	-	-	-	-	72,007	72,007
Reversal of liability (to holding company) for share based payment transaction recorded in earlier years	-	-	-	-	-	168,789	168,789
Cash dividend (Final 2018) at Rs. 1.50 per share	-	-	-	-	-	(5,807,378)	(5,807,378)
Cash dividend (Interim 2019) at Rs. 1.25 per share	-	-	-	-	-	(4,839,481)	(4,839,481)
	-	-	-	-	-	(10,406,063)	(10,406,063)
Transfer to statutory reserve	-	-	3,203,489	-	-	(3,203,489)	-
Realised on disposals during the year - net of deferred tax	-	-	-	-	(181,432)	181,432	-
Transferred from surplus on revaluation of fixed asset - net of deferred tax	-	-	-	-	(22,270)	22,270	-
Balance as at 31 December 2019 - Audited	38,715,850	1,036,090	18,834,865	(64,782)	5,447,623	8,946,857	72,916,503
Total comprehensive income for the year							
Profit after tax for the year ended 31 December 2020	-	-	-	-	-	13,132,982	13,132,982
Other comprehensive income							
Movement in surplus on revaluation of investments - net of tax	-	-	-	329,467	-	-	329,467
Remeasurement of post employment obligations - net of tax	-	-	-	-	-	(6,237)	(6,237)
Surplus on revaluation of fixed assets - net of deferred tax	-	-	-	-	2,097,416	-	2,097,416
	-	-	-	329,467	2,097,416	13,126,745	15,553,628
Transactions with owners, recorded directly in equity							
Share based payment transactions (Contribution from holding Company)	-	-	-	-	-	(17,047)	(17,047)
Cash dividend (Final 2019) at Rs. 1.75 per share	-	-	-	-	-	(6,775,274)	(6,775,274)
	-	-	-	-	-	(6,792,321)	(6,792,321)
Transfer to statutory reserve	-	-	2,626,596	-	-	(2,626,596)	-
Realised on disposal during the year - net of deferred tax	-	-	-	-	(37,810)	37,810	-
Transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	-	-	(16,066)	16,066	-
Balance as at 31 December 2020 - Audited	38,715,850	1,036,090	21,461,461	264,685	7,491,163	12,708,561	81,677,810

The annexed notes 1 to 43 and Annexure I and II form an integral part of these annual financial statements.


Ian Bryden
Chairman


Rehan M. Shaikh
Chief Executive Officer


Syed Ejaz Alam
Chief Financial Officer


Ehsan Ali Malik
Director


Mohamed Abdel Razek
Director

Cash Flow Statement

For the year ended 31 December 2020

	Note	2020	2019
(Rupees in '000)			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation for the year		23,616,480	27,199,203
Less: Dividend income		-	-
		23,616,480	27,199,203
Adjustments for:			
Depreciation	9.2	1,166,561	1,007,718
Amortization	10	51	101
Gain on sale of fixed assets	26	(10,109)	(51,502)
Gain on sale of asset held for sale	26	(94,158)	-
Unrealized gain on revaluation of investments classified as held for trading - net	25	(78,166)	(297,850)
Finance cost against lease	22	352,234	220,267
Gain on lease termination	26	(32,969)	(3,882)
Provisions / (reversal of provision) and write offs - net	29	4,940,714	(16,810)
		6,244,158	858,042
		29,860,638	28,057,245
(Increase) / decrease in operating assets			
Lendings to financial institutions		(52,539,713)	(10,546,581)
Held-for-trading securities		(14,918,649)	(9,417,383)
Advances		34,993,131	(48,429,695)
Other assets (excluding advance taxation)		6,653,229	(1,902,061)
		(25,812,002)	(70,295,720)
Increase / (decrease) in operating liabilities			
Bills payable		(1,663,231)	(4,568,356)
Borrowings from financial institutions		3,645,752	(2,425,402)
Deposits		90,876,938	40,730,049
Other liabilities		2,181,974	2,841,955
		95,041,433	36,578,246
Cash inflow before taxation		99,090,069	(5,660,229)
Income tax paid		(4,988,225)	(9,138,958)
Net cash flow from (used in) / operating activities		94,101,844	(14,799,187)
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available for sale securities		(84,777,054)	39,607,491
Investments in fixed assets - net		(492,011)	(399,611)
Proceeds from sale of fixed assets		13,096	247,908
Proceeds from sale of asset held for sale		179,631	-
Net cash flow (used in) / from investing activities		(85,076,338)	39,455,788
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(6,765,790)	(10,630,906)
Payment in respect of lease liability		(787,501)	(547,232)
Net cash flow used in financing activities		(7,553,291)	(11,178,138)
Increase in cash and cash equivalents for the year		1,472,215	13,478,463
Cash and cash equivalents at beginning of the year		60,921,115	49,001,641
Effect of exchange rate changes on cash and cash equivalents		3,185,884	1,626,895
		64,106,999	50,628,536
Cash and cash equivalents at end of the year	33	65,579,214	64,106,999

The annexed notes 1 to 43 and Annexure I and II form an integral part of these annual financial statements.



Ian Bryden
Chairman



Rehan M. Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Mohamed Abdel Razek
Director

Notes to the Financial Statements

For the year ended 31 December 2020

1. STATUS AND NATURE OF BUSINESS

Standard Chartered Bank (Pakistan) Limited (“the Bank”) was incorporated in Pakistan on 19 July 2006 and was granted approval for commencement of banking business by State Bank of Pakistan, with effect from 30 December 2006. The ultimate holding company of the Bank is Standard Chartered PLC. (Group), incorporated in England. The registered office is at Standard Chartered Bank Building, I.I. Chundrigar Road, Karachi.

The Bank commenced formal operations on 30 December 2006 through amalgamation of entire undertaking of Union Bank Limited and the business carried on by the branches in Pakistan of Standard Chartered Bank, a bank incorporated by Royal Charter and existing under the laws of England. The scheme of amalgamation was sanctioned by State Bank of Pakistan vide its order dated 4 December 2006. The Bank’s shares are listed on Pakistan Stock Exchange.

The Bank is engaged in the banking business as defined in the Banking Companies Ordinance, 1962 and has a total number of 53 branches in Pakistan including 3 Islamic branches (31 December 2019: 61 branches in Pakistan including 4 Islamic branches) in operation at 31 December 2020.

2. BASIS OF PREPARATION

2.1 Basis of presentation

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. One permissible form of trade related mode of financing comprises of purchase of goods by the customer on behalf of the Bank and immediate sale to the customer at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon.

These financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BSD Circular No. 02, dated January 25, 2018.

Key financial figures of the Islamic banking branches are disclosed in Annexure II to these financial statements.

2.2 Statement of compliance

These 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 and the Securities and Exchange Commission of Pakistan.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by SBP and SECP differ with the requirements of the IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, ‘Financial Instruments: Recognition and Measurement’ and International Accounting Standard (IAS) 40, ‘Investment Property’ for Banking Companies in Pakistan through BSD Circular Letter 10 dated 26 August 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 ‘Financial Instruments: Disclosures’ through its notification S.R.O 411(I)/2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

Notes to the Financial Statements

For the year ended 31 December 2020

The Securities and Exchange Commission of Pakistan (SECP) has notified Islamic Financial Accounting Standard (IFAS) 3, 'Profit and Loss Sharing on Deposits' issued by the Institute of Chartered Accountants of Pakistan. IFAS 3 shall be followed with effect from the financial periods beginning after 1 January 2014 in respect of accounting for transactions relating to 'Profit and Loss Sharing on Deposits' as defined by the said standard. The standard has resulted in certain new disclosures in these financial statements of the Bank. The SBP through BPRD Circular Letter No. 4 dated 25 February 2015, has deferred the applicability of IFAS 3 till further instructions and prescribed the Banks to prepare their annual and periodical financial statements as per existing prescribed formats issued vide BSD Circular 04 of 2006 and BPRD Circular Letter No. 05 of 2019, as amended from time to time.

IFRS10 Consolidated Financial Statements was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I) /2016 dated January 28, 2016, that the requirements of consolidation under section 237 of the repealed Companies Ordinance 1984 (Section 228 of Companies Act 2017) and IFRS-10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements.

2.3 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current year

The Bank has adopted the following accounting standards, interpretations and amendments of IFRSs and the improvements to accounting standards which became effective for the current year:

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments were intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with IFRS Standards.
- Amendment to IFRS 3 'Business Combinations' – Definition of a Business. IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test.
- IFRS 14 'Regulatory Deferral Accounts' permits an entity to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous reporting framework, both on initial adoption of standard and in subsequent financial statements. Regulatory deferral account balances, and movements in them, are presented separately in the statement of financial position and profit and loss account and statement of other comprehensive income, and specific disclosures are required.
- IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which became effective during the year for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The above mentioned accounting standards and amendments of IFRSs did not have any material impact on the financial statements of the Bank.

2.4 Standards, interpretations and amendments to published accounting and reporting standards as applicable in Pakistan that are not yet effective

The following IFRS as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2021:

- IFRS 9 'Financial Instruments' - SBP vide its BPRD Circular No. 04 of 2019 dated 23 October 2019 directed the banks in Pakistan to implement IFRS 9 with effect from 01 January 2021. IFRS 9 replaced the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial

Notes to the Financial Statements

For the year ended 31 December 2020

assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Bank has been complying with the requirement of BPRD Circular Letter No. 15 of 2020 to have parallel run of IFRS 9 from July 01, 2020.

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) – the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the OTHER terms and conditions of the lease.
- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.

 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Notes to the Financial Statements

For the year ended 31 December 2020

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) - The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

Further, following new standards have been issued by IASB which are yet to be notified by 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
IFRS 17 – Insurance Contracts

01 January 2004
01 January 2023

2.5 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that effect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following:

- Note 7 Classification, valuation and provision of investments
- Note 8.2 Classification and provisioning against non-performing advances
- Note 9 & 10 Valuation, useful-life and depreciation / amortisation rates for fixed / intangible assets
- Note 9 & 10 Impairment of non-financial assets including goodwill and other intangibles
- Note 9,16 & 22 Leases - Term and discount rates

Notes to the Financial Statements

For the year ended 31 December 2020

- Note 15	Deferred taxation
- Note 16.2	Provision against off balance sheet obligations
- Note 20.7	Derivative instruments
- Note 30	Income taxes
- Note 34	Employees' retirement defined benefit plans and related assumptions
- Note 35	Share based payments

2.6 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain available for sale, trading and derivative financial instruments have been measured at fair value. Certain fixed assets are stated at revalued amounts less accumulated depreciation and accumulated impairment losses, where applicable. Net obligations in respect of defined benefit schemes are measured at their present values

2.7 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Bank's functional currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

3.1 Business combinations

Acquisitions from entities under common control

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented. For this purpose comparatives are restated, where required. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the combining entity's financial statements.

Other acquisitions

Other business combinations are accounted for using the acquisition method. For acquisition prior to 1 January 2009, the cost of acquisition is measured at the fair value of the asset given, equity instruments issued and the liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identified assets acquired are fair valued at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of cost of acquisition over the fair value of identifiable net assets acquired is recorded as goodwill.

If this is less than the fair value of the net assets acquired in the case of a bargain purchase, the difference is recognized directly in the profit and loss account as directed by the SBP.

3.2 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents comprise of cash and balances with treasury banks, balances with other banks and overdrawn nostros.

3.3 Lending and Borrowing

Securities sold subject to repurchase agreements ('repos') remain on the balance sheet; the counterparty liability is included in borrowings from financial institutions. Securities purchased under agreements to resell ('reverse repos') are recorded as lendings to financial institutions. The difference between sale and repurchase price is treated as mark-up / return / interest earned and accrued over the life of the underlying agreement using the effective interest method.

3.4 Bai Muajjal

Bai Muajjal transactions represent sales of Sukuks on a deferred payment basis and are shown in lendings to financial

Notes to the Financial Statements

For the year ended 31 December 2020

institutions except for transactions undertaken directly with the Government of Pakistan which are disclosed as investments. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the life of the transaction.

3.5 Investments

The Bank classifies its investments as follows:

a) Held for trading

These are securities, which are acquired with the intention to trade by taking advantage of short term market / interest rate movements and are carried at market value. The surplus / deficit arising as a result of revaluation at market value is recognised in the profit and loss account. These securities are to be sold within 90 days from the date of their classification as 'Held for trading' under normal circumstances, in accordance with the requirements specified by BSD Circular 10 dated 13 July 2004 issued by the State Bank of Pakistan. Market value of investment in Government securities is determined based on the relevant PKRV, PKFRV and PKISRV rates / price.

b) Held to maturity

These are securities with fixed or determinable payments and fixed maturity that are held with the intention and ability to hold to maturity. These are carried at amortised cost.

c) Available for sale

These are investments that do not fall under the held for trading or held to maturity categories and are carried at market value. The surplus / deficit arising as a result of revaluation at market value is included in equity and is taken to the profit and loss account when realized upon disposal or when the investment is considered to be impaired. Market value of investment in Government securities is determined based on the relevant PKRV, PKFRV and PKISRV rates / price.

All 'regular way' purchases and sales of investments are recognised on the trade date i.e. the date that the bank commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of investments that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Unquoted equity securities are valued at the lower of cost and break-up value. The break-up value of these securities is calculated with reference to the net assets of the investee company as per the latest available financial statements.

Impairment

Impairment loss in respect of equity securities classified as available for sale is recognised based on management's assessment of objective evidence of impairment as a result of one or more events that may have an impact on the estimated future cash flows of the investments. A significant or prolonged decline in fair value of an equity investment below its cost is also considered an objective evidence of impairment and charged to the profit and loss account. A subsequent increase in the carrying value, upto the cost of the investment, is credited to the profit and loss account.

Provision for diminution in the value of debt securities is made as per the Prudential Regulations issued by the State Bank of Pakistan. In case of impairment of available for sale securities, the cumulative loss that has been recognised directly in surplus / (deficit) on revaluation of securities on the statement of financial position is removed therefrom and recognised in the profit and loss account.

3.6 Advances

Advances are stated net of provision against non-performing advances. Specific and general provisions are made based on an appraisal of the loan portfolio that takes into account Prudential Regulations issued by the State Bank of Pakistan from time to time. Specific provisions are made where the repayment of identified loans is in doubt and reflect an estimate of the amount of loss expected. The general provision is for the inherent risk of losses which, although not separately identified, are known from experience to be present in any loan portfolio. Provision made / reversed during the year is charged to the profit and loss account and accumulated provision is netted off against

Notes to the Financial Statements

For the year ended 31 December 2020

advances. Advances are written-off when there is no realistic prospect of recovery.

When the Bank is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the arrangement is presented within loans and advances. A receivable is recognized at an amount equal to the present value of the minimum lease payments including guaranteed residual value, if any. Finance lease receivables are included in advances.

Islamic financing

In Murabaha transactions, the Bank purchases the goods and after taking the possession, sells them to the customer on cost plus profit basis either in a spot or credit transaction. Markup income is recognized on a straight line basis over the period of the installments.

In Diminishing Musharakah financing, the Bank enters into Musharakah based on Shirkat-ul-milk for financing an agreed share of fixed asset (e.g. house, plant or machinery) with its customers. The customers pay periodic profit as per the agreement for the utilisation of the Bank's Musharakah share and also periodically purchase the Bank's share over the tenure of the transaction.

In Musharakah financing, the Bank enters into financing with the customer in his operating business based on Shirkat-ul-Aqd. The customer pays provisional profit as per the desired profit rate which is subject to final settlement based on the annual accounts of the customer.

3.7 Operating fixed assets - tangible

Owned

Operating fixed assets, other than land and buildings, are stated at cost less accumulated depreciation and accumulated impairment losses thereon. Cost includes expenditure that is directly attributable to the acquisition of fixed assets. Land and buildings are stated at revalued amounts less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to profit and loss account during the financial period in which they are incurred.

Land and buildings are revalued by independent professionally qualified valuer(s). Surplus arising on revaluation is credited to the 'surplus on revaluation of fixed assets' account (net of deferred tax). The revaluation is carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would have been determined using fair value at the balance sheet date. A decrease arising on revaluation of fixed assets is adjusted against the surplus of that asset to the extent of any previous surplus recognized with respect to that asset and if no surplus exists, it is charged to the profit and loss account as an impairment.

Depreciation is calculated over the expected useful life of the asset at the rates specified in note 9.2 to the financial statements. The depreciation charge for the year is calculated on a straight line basis after taking into account the residual value, if any. Accumulated depreciation on owned buildings, at the date of revaluation, is eliminated against the gross carrying amount of buildings. The net amount is then restated to the revalued amount.

Surplus on revaluation of fixed assets (net of deferred tax) is transferred to unappropriated profit to the extent of incremental depreciation charged on related assets.

Land is not depreciated. Depreciation on all other fixed assets is calculated using the straight line method to allocate their depreciable cost or revalued amount to their residual values over their estimated useful lives.

The residual values and useful lives of fixed assets are reviewed, and adjusted (if appropriate) at each balance sheet date.

Gains and losses on disposal of fixed assets are included in profit and loss account currently, except that the related surplus on revaluation of fixed assets (net of deferred tax) is transferred directly to unappropriated profit.

Notes to the Financial Statements

For the year ended 31 December 2020

Capital work in progress

Capital work in progress is stated at cost less accumulated impairment losses, if any.

3.8 Leases

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period in exchange for consideration. The Bank mainly leases properties for its operations. The Bank recognizes a right-of-use asset and lease liability at the lease commencement date.

The right-of-use asset is initially measured at the amount of initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses. The right of use asset is depreciated on a straight-line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. The lease liability is subsequently increased by the finance cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The lease modification is accounted for as a separate lease if modification increase the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured, and corresponding adjustment is made to right-of-use asset.

The Bank has elected not to recognize right-of-use assets and lease liabilities for short term and low value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. The right-of-use assets are presented in the same line items as it presents underlying assets of the same nature that it owns.

Up to 31 December 2018, assets held under property leases, not equivalent to ownership rights, were classified as operating leases and were not recognized as assets in the statement of financial position. Payments under operating leases were recognized in profit and loss on a straight-line basis over the term of the lease

3.9 Intangible assets

Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of net identifiable assets acquired at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment loss if any is recognized in statement of profit and loss

Computer software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their expected useful lives using the straight line method. Intangibles are amortized on a straight line basis.

Acquired intangibles in business combination

Acquired intangibles in business combination that have finite lives are amortised over their economic useful life based on the manner that benefits of the relevant assets are consumed.

Notes to the Financial Statements

For the year ended 31 December 2020

3.10 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised in profit and loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated pre-tax future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

3.11 Non-banking assets acquired in satisfaction of claims

Non-banking assets acquired in satisfaction of claims are carried at revalued amounts less accumulated depreciation. These assets are revalued by professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. A surplus arising on revaluation of property is credited to the 'surplus on revaluation of non-banking assets' account and any deficit arising on revaluation is taken to profit and loss account directly. Legal fees, transfer costs and direct costs of acquiring title to property are charged to the profit and loss account and not capitalised. Depreciation on these assets is charged based on the Bank depreciation policy.

3.12 Borrowings / deposits and their cost

- Borrowings / deposits are recorded at the time when the proceeds are received.
- Borrowing / deposit costs are recognised as an expense in the period in which these are incurred using effective mark-up / interest rate method.

3.13 Staff retirement benefits

Defined benefit plan

The Bank operates approved funded management / non-management pension scheme only for its existing pensioners and un-funded lump sum scheme on cessation for unionised staff.

For defined benefit plans, the net defined benefit liability / asset recognised in the balance sheet is the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The deficit or surplus is:

- (a) the present value of the defined benefit obligation; less
- (b) the fair value of plan assets (if any).

Annual contributions towards defined benefit schemes are made on the basis of actuarial advice using the Projected Unit Credit Method. The present value of defined benefit obligation is calculated annually by independent actuaries by discounting the estimated future cash flows using an interest rate equal to the yield on high-quality corporate bonds.

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment. The Bank recognises past service cost as an expense when the plan is amended.

Actuarial gains or losses that arise are recognised in other comprehensive income in the period they arise. Service costs and Net interest on net defined benefit liability / asset are recognised in profit and loss account.

Defined contribution plan

The Bank also operates a defined contribution gratuity scheme for all its management and non management staff, and a provident fund scheme for all its permanent staff, contributing at 8.33 percent, 16.66 percent and 10 percent of basic salary respectively.

Notes to the Financial Statements

For the year ended 31 December 2020

3.14 Foreign currency transactions

Transactions in foreign currencies are translated to Pakistan Rupees at exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Pakistan Rupees at the exchange rate prevailing at the reporting date. Foreign currency differences arising on retranslation are recognised in profit or loss.

3.15 Revenue recognition

Mark-up / return on advances and investments are recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

Mark-up recoverable on classified loans, advances and investments is recognised on a receipt basis in accordance with the requirements of Prudential Regulations issued by the State Bank of Pakistan. Mark-up on rescheduled / restructured loans, advances and investments is also recognised in accordance with the requirements of these Prudential Regulations.

Where debt securities are purchased at a premium or discount, those premiums / discounts are amortized through profit and loss account over the remaining maturity, using the effective yield method.

Fees, commission and brokerage income is recognised on an accrual basis except where in the opinion of the management, it would not be prudent to do so. Fees and commission which in substance amount to an additional interest charge, are recognised over the life of the underlying transaction on a level yield basis.

Dividend income is recognised when the right to receive income is established.

Gains and losses on sale of investments are recognized in the profit and loss account.

A portion of income is deferred for loyalty reward credits awarded to customers for usage of the Bank's credit card and are measured by reference to their fair value. Upon expiry / redemption of the reward credits, the income previously deferred will be recognized.

Profit on Murabaha transactions from the date of disbursement to the date of culmination of Murabaha (offer and acceptance) is recognised immediately on the date of culmination and thereafter, profit on Murabaha is recognised on accrual basis.

Profit on Diminishing Musharakah financings is recognised on an accrual basis.

Profit on Musharakah financing is booked on an accrual basis and is subject to adjustment upon declaration of profit by Musharakah partners.

3.16 Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income for the year (using tax rates enacted or substantively enacted at the balance sheet date), and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided for using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured using tax rates enacted or substantively enacted at the reporting date.

Notes to the Financial Statements

For the year ended 31 December 2020

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.17 Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative financial instruments is taken to profit and loss account.

3.18 Provisions

Provisions, including restructuring costs and legal claims are recognised when: (i) the Bank has a present legal or constructive obligation as a result of past events; (ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and (iii) the amount has been reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

3.19 Fiduciary activities

The Bank commonly acts in fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions for which it earns a fee. These assets and its related income arising thereon are excluded from these financial statements, as they are not assets of the Bank. The assets under custody amount to Rs. 373 billion as at 31 December 2020.

3.20 Segment reporting

A segment is a component of the Bank that engages in business activities for which it may earn revenues and incur expenses (including revenue and expense relating to transactions with other component), whose results are regularly reviewed by the management to make decisions about resources to be allocated to the segment and assess its performance and for which financial information is available.

Business Segment

A brief description of the products and services offered by different segments of the Bank is given in note 39 to these financial statements.

Geographical Segment

The Bank operates only in Pakistan.

3.21 Offsetting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when, the Bank has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.22 Subordinated debt

Subordinated debt is initially measured at fair value plus transaction costs, and subsequently measured at their amortised cost using the effective interest method.

3.23 Share-based compensation

The Group operates various share-based compensation plans which are accounted for as equity settled share based payment transactions, regardless of inter group repayment arrangements. For equity-settled awards, the total amount to be expensed over the vesting period is determined by reference to the fair value of the options at the date of grant, which excludes the impact of any non-market vesting conditions (for example, profitability and growth targets). The fair value of equity instruments granted is based on market prices, if available, at the date of grant. In the absence of market prices, the fair value of the instruments is estimated using an appropriate valuation technique, such as a binomial option pricing model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The obligation is charged to profit and loss account and credited to equity as a contribution from parent. The liability for these transactions which is based on the fair value of these options at the settlement date is settled through debiting equity when the remittance is made to the Group.

Notes to the Financial Statements

For the year ended 31 December 2020

3.24 Acceptances

Acceptances comprise of undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be simultaneously settled with the reimbursement from the customers. Acceptances are accounted for as on-balance sheet transactions. Therefore, commitments in respect of acceptances have been accounted for as financial assets and financial liabilities

3.25 Basic and diluted earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period / year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any. There were no convertible dilutive potential ordinary shares in issue at 31 December 2020.

3.26 Non-current assets held for sale

Non-current assets (or disposal group) held for sale comprises of assets whose carrying amount is expected to be recovered primarily through sale rather than continuing use. The assets are measured at the lower of their carrying values and fair values less cost to sell. Subsequent gains in fair value less costs to sell are recognised in profit and loss to the extent they do not exceed the cumulative impairment losses previously recorded. A non-current asset is not depreciated while classified as held for sale or while part of a disposal group classified as held for sale.

3.27 Dividend and appropriation to reserves

Dividend and appropriation to reserves, except appropriation which are required by law after the balance sheet date, are recognised as liability in the Bank's financial statements in the year in which these are approved.

3.28 Financial assets and liabilities

Financial instruments carried on the balance sheet include cash and balances with treasury banks, balances with other banks, lendings to financial and other institutions, investments, advances, certain receivables, bills payable, borrowings from financial institutions, deposit accounts and other payables. The particular recognition methods adopted for significant financial assets and financial liabilities are disclosed in the individual policy statements associated with them.

3.29 Contingencies and commitments

Commitments for outstanding forward foreign exchange contracts are disclosed in these unconsolidated financial statements at contracted rates. Contingent liabilities / commitments denominated in foreign currencies are expressed in rupee terms at the rates of exchange prevailing at the statement of financial position date.

3.30 Provision for guarantee claims and other off balance sheet obligations

Provision for guarantee claims and other off balance sheet obligations are recognised when intimated and reasonable certainty exists for the Bank to settle the obligation. Charge to profit and loss account is stated net of expected recoveries.

Notes to the Financial Statements

For the year ended 31 December 2020

4 CASH AND BALANCES WITH TREASURY BANKS	Note	2020	2019
(Rupees in '000)			
In hand			
- Local currency		5,528,174	4,372,414
- Foreign currencies		9,501,145	3,957,268
With State Bank of Pakistan in:			
- Local currency current account	4.1	22,213,407	28,246,958
- Local currency current account-Islamic Banking	4.1	2,433,653	7,074,948
- Foreign currency deposit account			
Cash reserve account	4.2	4,625,037	4,470,826
Special cash reserve account	4.2	8,892,238	12,422,663
Local US Dollar collection account		241,009	27,063
With National Bank of Pakistan in:			
- Local currency current account		729,256	679,642
Prize Bonds		202,650	38,646
		54,366,569	61,290,428

4.1 The local currency current account is maintained with the State Bank of Pakistan (SBP) as per the requirements of Section 22 of the Banking Companies Ordinance, 1962. This section requires banking companies to maintain a local currency cash reserve in the current account opened with the SBP at a sum not less than such percentage of its demand and time liabilities in Pakistan as may be prescribed by SBP.

4.2 As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% and special cash reserve of 15% (for Islamic 6%) are required to be maintained with SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). However due to the COVID - 19 pandemic the State Bank of Pakistan (SBP) has responded to the crisis by giving relaxation. As per DMMD Circular No. 08 of 2020, dated 17 April 2020, cash reserve of 5% and special cash reserve of 10% (for Islamic 6%) are required to be maintained with SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits).

5 BALANCES WITH OTHER BANKS	Note	2020	2019
(Rupees in '000)			
Outside Pakistan			
- In current accounts	5.1	11,271,237	3,484,265
5.1			
This includes balances of Rs. 11,217.368 million (2019: Rs. 3,434.676 million) held with other branches and subsidiaries of Standard Chartered Group outside Pakistan.			

6 LENDINGS TO FINANCIAL INSTITUTIONS	Note	2020	2019
(Rupees in '000)			
Repurchase agreement lendings (Reverse Repo)	6.1	7,424,924	1,968,136
Bai Muajjal receivable from State Bank of Pakistan	6.2	1,845,421	4,117,655
Placements	6.3	60,281,457	10,926,298
		69,551,802	17,012,089

6.1 These carry mark-up rate ranging from 6.2 percent to 7.0 percent per annum (2019: 13.1 percent) payable at maturity, and are due to mature in January 2021. These arrangements are governed under Master Repurchase Agreements.

6.2 These represent placements to State Bank of Pakistan by Islamic Banking Business under Bai Muajjal agreements at 10.09 percent per annum with maturities upto February 2021.

6.3 This represents placements with other branches and subsidiaries of Standard Chartered Group outside Pakistan at mark-up rates ranging from 0.05 percent to 0.10 percent per annum (2019: 0.60 percent to 1.55 percent per annum), and are due to mature in January 2021.

Notes to the Financial Statements

For the year ended 31 December 2020

6.4 Particulars of lending

	Note	2020	2019
		(Rupees in '000)	
In local currency		9,270,345	6,085,791
In foreign currencies		60,281,457	10,926,298
	6.6	<u>69,551,802</u>	<u>17,012,089</u>

6.5 Securities held as collateral against lendings to financial institutions

	2020			2019		
	Held by bank	Further given as collateral	Total	Held by bank	Further given as collateral	Total
	----- (Rupees in '000) -----					
Market Treasury Bills	5,924,924	-	5,924,924	1,968,136	-	1,968,136
Pakistan Investment Bonds	1,500,000	-	1,500,000	-	-	-
	<u>7,424,924</u>	<u>-</u>	<u>7,424,924</u>	<u>1,968,136</u>	<u>-</u>	<u>1,968,136</u>

6.5.1 The market value of securities held as collateral against lendings to financial institutions amounted to Rs. 7,450.697 million (2019: Rs. 1,968.150 million).

6.6 None of the lendings to financial institutions were classified at year end.

7 INVESTMENTS

	Note	2020				2019			
		Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
7.1 Investments by type									
----- (Rupees in '000) -----									
Held for trading securities									
Federal Government Securities		36,463,642	-	78,166	36,541,808	21,544,993	-	297,850	21,842,843
		<u>36,463,642</u>	<u>-</u>	<u>78,166</u>	<u>36,541,808</u>	<u>21,544,993</u>	<u>-</u>	<u>297,850</u>	<u>21,842,843</u>
Available for sale securities									
Federal Government Securities	7.6.1	312,194,073	-	343,198	312,537,271	226,969,169	-	(145,771)	226,823,398
Shares	7.2	836,081	(734,398)	62,646	164,329	786,081	(734,398)	42,958	94,641
Non Government Debt Securities	7.6.3	485,025	(285,025)	1,364	201,364	685,025	(285,025)	3,148	403,148
		<u>313,515,179</u>	<u>(1,019,423)</u>	<u>407,208</u>	<u>312,902,964</u>	<u>228,440,275</u>	<u>(1,019,423)</u>	<u>(99,665)</u>	<u>227,321,187</u>
Total Investments		<u>349,978,821</u>	<u>(1,019,423)</u>	<u>485,374</u>	<u>349,444,772</u>	<u>249,985,268</u>	<u>(1,019,423)</u>	<u>198,185</u>	<u>249,164,030</u>

Notes to the Financial Statements

For the year ended 31 December 2020

7.2 Investments by segment	Note	2020				2019			
		Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----									
Federal Government Securities									
Market Treasury Bills		166,202,823	-	142,494	166,345,317	230,155,712	-	174,244	230,329,956
Pakistan Investment Bonds		154,623,032	-	365,344	154,988,376	15,141,712	-	(42,656)	15,099,056
GoP Ijarah Sukuk		25,910,344	-	(86,475)	25,823,869	1,825,760	-	20,491	1,846,251
Bai Muajjal with GoP		1,390,978	-	-	1,390,978	1,390,978	-	-	1,390,978
Naya Pakistan certificates		530,538	-	-	530,538	-	-	-	-
		348,657,715	-	421,363	349,079,078	248,514,162	-	152,079	248,666,241
Shares									
	7.6.2								
Listed Companies		783,077	(731,394)	62,647	114,330	783,077	(731,394)	42,958	94,641
Unlisted Companies		53,004	(3,004)	-	50,000	3,004	(3,004)	-	-
		836,081	(734,398)	62,647	164,330	786,081	(734,398)	42,958	94,641
Non Government Debt Securities									
Listed		200,000	-	1,364	201,364	400,000	-	3,148	403,148
Unlisted		285,025	(285,025)	-	-	285,025	(285,025)	-	-
		485,025	(285,025)	1,364	201,364	685,025	(285,025)	3,148	403,148
Total investment		349,978,821	(1,019,423)	485,374	349,444,772	249,985,268	(1,019,423)	198,185	249,164,030

7.3 Provision for diminution in the value of investments	2020	2019
	(Rupees in '000)	
Opening balance	1,019,423	967,517
Charge for the year	-	51,906
Closing balance	1,019,423	1,019,423

7.3.1 Particulars of provision against debt securities

Category of classification

Loss

	2020		2019	
	Non Performing Investment	Provision	Non Performing Investment	Provision
	----- (Rupees in '000) -----			
	285,025	285,025	285,025	285,025
	285,025	285,025	285,025	285,025

7.4 Investments include securities having book value of Rs. 18.346 million (2019: Rs. 17.546 million) pledged with the State Bank of Pakistan as security to facilitate T.T. discounting facility to the Bank, including an amount earmarked against the facilities allocated to branches now in Bangladesh.

7.5 Market Treasury Bills, Pakistan Investment Bonds and GoP Ijarah Sukuks are eligible for discounting with the State Bank of Pakistan.

7.6 Quality of 'Available for Sale' securities

Details regarding quality of Available for Sale (AFS) securities are as follows:

Notes to the Financial Statements

For the year ended 31 December 2020

7.6.1 Federal Government Securities - Government guaranteed

Market Treasury Bills
GoP Ijarah Sukuk
Pakistan Investment Bonds
Naya Pakistan certificates*

	2020	2019
	Cost	
	(Rupees in '000)	
	142,356,686	212,543,244
	25,910,344	1,825,760
	142,005,527	11,209,187
	530,538	-
	310,803,095	225,578,191
	Federal Government Securities - Non Government guaranteed	
	Bai Muajjal with GoP	
	1,390,978	1,390,978
	312,194,073	226,969,169

*This represent initial investment made for the establishment of modaraba pools in Naya Pakistan Company Limited in accordance with S.R.O. 964 (1) / 2020 dated October 05, 2020.

7.6.2 Shares

Listed Companies

Agriotech Limited Fertilizer

	2020	2019
	Cost	
	(Rupees in '000)	
	783,077	783,077
	783,077	783,077

All shares are ordinary shares of Rs. 10 each except otherwise mentioned.

Unlisted Companies

1LINK (Private) Limited
Pakistan Export Finance Guarantee Agency Limited *

	2020		2019	
	Cost	Breakup value	Cost	Breakup value
	(Rupees in '000)		(Rupees in '000)	
	50,000	230,850	-	-
	3,004	-	3,004	-
	53,004	230,850	3,004	-

* The company is under liquidation and the last accounts were audited in 2014. Hence, the breakup value of the entity is considered to be nil.

7.6.3 Non Government Debt Securities

Listed

Sukuk Bonds

Fatima Fertilizer Sukuk Bonds

Note	2020		2019	
	Rating		Rating	Cost
		(Rupees in '000)		
7.6.3.1	AA-	AA-	200,000	400,000

Unlisted

Bonds and Term Finance Certificates - unlisted

Term Finance Certificates of Rs. 5,000 each

Agriotech Limited
Azgard Nine Limited

	2020		2019	
	Rating		Rating	Cost
		(Rupees in '000)		
	Unrated	Unrated	147,000	147,000
	Unrated	Unrated	138,025	138,025
			285,025	285,025

7.6.3.1 Fatima Fertilizer Sukuk bonds carry mark-up rates at 1.1% above 6 months KIBOR. The principal and profit is payable semi-annually with maturity in November 2021.

Notes to the Financial Statements

For the year ended 31 December 2020

8	ADVANCES	Note	Performing		Non Performing		Total	
			2020	2019	2020	2019	2020	2019
----- (Rupees in '000) -----								
	Loans, cash credits, running finances, etc.		136,151,416	165,469,857	20,804,684	16,315,864	156,956,100	181,785,721
	Islamic financing and related assets		38,258,659	41,295,830	1,890,294	1,422,079	40,148,953	42,717,909
	Bills discounted and purchased (excluding treasury bills)		2,647,524	10,764,990	-	-	2,647,524	10,764,990
	Advances - gross	8.1	177,057,599	217,530,677	22,694,978	17,737,943	199,752,577	235,268,620
	Provision for non-performing advances	8.3	-	-	(18,965,250)	(16,375,109)	(18,965,250)	(16,375,109)
	- Specific		(2,570,953)	(806,318)	-	-	(2,570,953)	(806,318)
	- General		(2,570,953)	(806,318)	(18,965,250)	(16,375,109)	(21,536,203)	(17,181,427)
	Advances - net of provision		174,486,646	216,724,359	3,729,728	1,362,834	178,216,374	218,087,193

8.1 Particulars of advances - gross

		2020	2019
----- (Rupees in '000) -----			
8.1.1	In local currency	197,517,154	227,723,865
	In foreign currencies	2,235,423	7,544,755
		199,752,577	235,268,620

8.2 Advances include Rs. 22,694.978 million (31 December 2019: Rs. 17,737.943 million) which have been placed under non-performing status as detailed below:

Category of classification	2020		2019	
	Non Performing Loans	Provision	Non Performing Loans	Provision
----- (Rupees in '000) -----				
Domestic				
Other Assets Especially Mentioned	182,214	-	129,362	-
Substandard	1,653,142	338,528	1,116,851	257,494
Doubtful	3,953,291	1,872,838	533,567	264,565
Loss	16,906,331	16,753,884	15,958,163	15,853,050
	22,694,978	18,965,250	17,737,943	16,375,109

8.2.1 At 31 December 2020, the provision requirement has been reduced by Rs. 229.642 million (31 December 2019: Rs. 34.682 million) being benefit of Forced Sale Value (FSV) of commercial, residential and industrial properties (land and building only) held as collateral, in accordance with the State Bank of Pakistan Prudential Regulations (PR) and SBP Circular 10 dated 21 October 2011. Increase in accumulated profits amounting to Rs. 149.267 million due to the said FSV benefit is not available for distribution of cash and stock dividend / bonus to employees.

8.3 Particulars of provision against advances

Note	2020			2019		
	Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----						
	16,375,109	806,318	17,181,427	16,841,631	776,856	17,618,487
	3,367,205	1,778,760	5,145,965	850,740	35,059	885,799
	(361,460)	(14,125)	(375,585)	(829,588)	(5,597)	(835,185)
	3,005,745	1,764,635	4,770,380	21,152	29,462	50,614
	(449,474)	-	(449,474)	(565,808)	-	(565,808)
	33,870	-	33,870	78,134	-	78,134
	18,965,250	2,570,953	21,536,203	16,375,109	806,318	17,181,427

8.4 Particulars of provision against advances

		2020			2019		
		Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----							
	In local currency	17,993,038	2,570,953	20,563,991	15,433,227	806,318	16,239,545
	In foreign currencies	972,212	-	972,212	941,882	-	941,882
		18,965,250	2,570,953	21,536,203	16,375,109	806,318	17,181,427

Notes to the Financial Statements

For the year ended 31 December 2020

- 8.4.1** General provision includes provision amounting to Rs 797.212 million (31 December 2019: Rs 794.758 million) against the consumer finance portfolio. It also includes Rs 1.025 million (31 December 2019: Rs 11.560 million) pertaining to Small Enterprise (SE) portfolio in accordance with SBP Prudential Regulations.

Given the uncertain economic environment, the management believes it is appropriate to maintain a general provision of up to 1% of the performing credit portfolio on prudent basis. This general provision is in addition to the requirements of Prudential Regulations. Based on management's best estimate a provision of Rs 1,773 million has been recognised in the profit and loss account in the current period.

- 8.4.2** The State Bank of Pakistan (the SBP), vide BPRD Circular letter 13 of 2020 dated 26 March 2020, has relaxed certain criteria for classification of the SBP Prudential Regulations R-8 (Classification and Provisioning of Assets) to mitigate the impact of COVID-19 as disclosed in note 42. The Bank has not taken any benefit of this relaxation and continue to apply Prudential Regulations.

8.5 Particulars of write-offs	Note	2020	2019
		(Rupees in '000)	
8.5.1 Against provisions	8.3	449,474	565,808
Directly charged to profit & loss account	29	351,997	186,804
	8.5.2 & 8.7	801,471	752,612
8.5.2 Write-offs of Rs. 500,000 and above - Domestic		394,615	489,216
Write-offs of below Rs. 500,000		406,856	263,396
		801,471	752,612

8.6 Details of loans written-off of Rs. 500,000 and above

In terms of sub-section (3) of section 33A of the Banking Companies Ordinance, 1962, the statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above allowed to a person(s) during the year ended 31 December 2020 is given in Annexure 1.

- 8.7** This includes loans charged off as per Bank's policy. Recovery efforts on the amount charged off are ongoing, as the Bank continues to have the legal right of recovery.

9 FIXED ASSETS	Note	2020	2019
		(Rupees in '000)	
Capital work-in-progress	9.1	76,340	248,599
Property and equipment	9.2 & 9.6	11,834,422	10,314,852
		11,910,762	10,563,451
9.1 Capital work-in-progress			
Civil works		18,112	6,776
Equipment		58,228	241,823
		76,340	248,599

Notes to the Financial Statements

For the year ended 31 December 2020

9.2 Property and equipment

	2020									
	Freehold Land	Leasehold Land	Buildings on Freehold land	Buildings on Leasehold land		Furniture and Fixtures	Electrical, Office and Computer Equipment	Vehicles	Leasehold improvements	Total
			Owned	Right-of-Use Assets						
----- (Rupees in '000) -----										
At January 1, 2020										
Cost / Revalued amount	515,330	5,055,977	116,795	713,478	3,870,116	256,738	2,483,430	122,869	990,027	14,124,760
Accumulated depreciation	-	-	(23,170)	(115,738)	(561,465)	(249,942)	(1,980,579)	(87,676)	(791,338)	(3,809,908)
Net book value	515,330	5,055,977	93,625	597,740	3,308,651	6,796	502,851	35,193	198,689	10,314,852
Year ended December 2020										
Opening net book value	515,330	5,055,977	93,625	597,740	3,308,651	6,796	502,851	35,193	198,689	10,314,852
Additions	-	-	4,627	-	5,042	-	651,697	-	2,904	664,270
Movement in surplus on assets revalued during the year	135,970	1,796,740	51,044	202,350	-	-	-	-	-	2,186,104
Revaluation adjustment	-	-	(34,000)	(173,313)	-	-	-	-	-	(207,313)
Revaluation adjustment - Accumulated Depreciation	-	-	34,000	173,313	-	-	-	-	-	207,313
Disposals - cost	-	-	-	-	(321,635)	(9,737)	(37,074)	-	(28,761)	(397,207)
Disposals - Accumulated Depreciation	-	-	-	-	93,678	9,737	36,652	-	26,195	166,262
Depreciation charge	-	-	(10,830)	(57,575)	(683,526)	(3,316)	(322,391)	(19,951)	(68,972)	(1,166,561)
Other adjustments / transfers - Cost	-	-	-	-	77,446	(843)	(64,478)	-	(77,029)	(64,904)
Other adjustments / transfers - Accumulated Depreciation	-	-	-	-	-	843	64,168	-	66,595	131,606
Closing net book value	651,300	6,852,717	138,466	742,515	2,479,656	3,480	831,425	15,242	119,621	11,834,422
At December 31, 2020										
Cost / Revalued amount	651,300	6,852,717	138,466	742,515	3,630,969	246,158	3,033,575	122,869	887,141	16,305,710
Accumulated depreciation	-	-	-	-	(1,151,313)	(242,678)	(2,202,150)	(107,627)	(767,520)	(4,471,288)
Net book value	651,300	6,852,717	138,466	742,515	2,479,656	3,480	831,425	15,242	119,621	11,834,422
Rate of depreciation (percentage)	-	-	2.86% - 6.67%	2.86% - 6.67%	7.7% - 100%	33.33%	14.28% - 33.33%	33.33%	6.67% - 10%	
----- (Rupees in '000) -----										
	2019									
	Freehold Land	Leasehold Land	Buildings on Freehold land	Buildings on Leasehold Land		Furniture and Fixtures	Electrical, Office and Computer Equipment	Vehicles	Leasehold improvements	Total
			Owned	Right of Use Assets						
At January 1, 2019										
Cost / Revalued amount	660,098	5,237,282	223,714	806,633	-	264,131	2,900,523	143,195	1,153,585	11,389,161
Accumulated depreciation	-	-	(14,710)	(62,049)	-	(253,343)	(2,242,775)	(100,597)	(889,911)	(3,563,385)
Net book value	660,098	5,237,282	209,004	744,584	-	10,788	657,748	42,598	263,674	7,825,776
Year ended December 2019										
Opening net book value	660,098	5,237,282	209,004	744,584	-	10,788	657,748	42,598	263,674	7,825,776
Adjustment on adoption of IFRS 16	-	-	-	-	2,289,868	-	-	-	-	2,289,868
Opening net book value - restated	660,098	5,237,282	209,004	744,584	2,289,868	10,788	657,748	42,598	263,674	10,115,644
Additions	-	-	-	15,907	1,580,248	3,589	115,319	13,586	14,814	1,743,463
Revaluation adjustment	-	22,510	5,595	6,518	-	-	-	-	-	34,623
Impairment loss recognised in the profit and loss account - net	-	(22,510)	(1,341)	(6,099)	-	-	-	-	-	(29,950)
Disposals - Cost	-	(181,305)	-	(16,382)	-	(7,833)	(25,761)	(33,912)	-	(265,193)
Disposals - Accumulated Depreciation	-	-	-	1,281	-	7,833	25,761	33,912	-	68,787
Depreciation charge	-	-	(20,139)	(62,597)	(561,465)	(7,581)	(269,139)	(20,991)	(65,806)	(1,007,718)
Other adjustments / transfers - Cost	(144,768)	-	(111,173)	(93,100)	-	(3,149)	(506,651)	-	(178,372)	(1,037,213)
Other adjustments / transfers - Accumulated Depreciation	-	-	11,679	7,627	-	3,149	505,574	-	164,379	692,408
Closing net book value	515,330	5,055,977	93,625	597,739	3,308,651	6,796	502,851	35,193	198,689	10,314,852
At December 31, 2019										
Cost / Revalued amount	515,330	5,055,977	116,795	713,477	3,870,116	256,738	2,483,430	122,869	990,027	14,124,760
Accumulated depreciation	-	-	(23,170)	(115,738)	(561,465)	(249,942)	(1,980,579)	(87,676)	(791,338)	(3,809,908)
Net book value	515,330	5,055,977	93,625	597,739	3,308,651	6,796	502,851	35,193	198,689	10,314,852
Rate of depreciation (percentage)	-	-	2.86% - 6.67%	2.86% - 6.67%	-	33.33%	14.28% - 33.33%	33.33%	6.67% - 10%	

Notes to the Financial Statements

For the year ended 31 December 2020

- 9.3** In year 2020 the Bank's owned land and buildings were revalued by independent accredited professional valuers, Iqbal A. Nanjee & Co. (Private) Limited and Colliers International (Level 3 measurements).

Both valuers appointed by the Bank are also on the panel of Pakistan Banks Association. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market based approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the nature, current condition and location of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these financial statements.

If the owned land and buildings were measured using the cost model, the carrying amounts would have been as follows:

Carrying amount	2020	2019
	(Rupees in '000)	
Freehold land	42,425	42,425
Leasehold land	518,112	518,112
Buildings on freehold land	37,616	40,558
Buildings on leasehold land	167,140	203,259
	765,293	804,354

The movement in surplus on revaluation of fixed assets is given in note 19.1 to the financial statements.

- 9.4** During the year, no disposals of fixed assets were made to the Chief Executive or to a director or to executives or to a shareholder holding not less than 10 percent of the voting shares of the Bank or to any related party.
- 9.5** Details of particulars of disposed off assets with book value of Rs 500,000 or more are given below:

	Cost / Revalued amount	Accumulated depreciation	Book value	Sale Proceeds	Gain / (Loss) on Sale	Mode of Disposal	Particulars of Purchaser
(Rupees in '000)							
Leasehold Improvements	28,760	26,195	2,565	162	(2,403)	Tender	M/S Adsell's Advertising (Pvt) Ltd

10 INTANGIBLE ASSETS

	2020				
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Total
(Rupees in '000)					
At January 1, 2020					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,615)	(389,400)	(3,146,428)
Net book value	<u>26,095,310</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>26,095,375</u>
Year ended December 2020					
Opening net book value	26,095,310	-	65	-	26,095,375
Amortisation charge	-	-	(51)	-	(51)
Closing net book value	-	-	14	-	26,095,324
At December 31, 2020	26,095,310	-	14	-	26,095,324
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,666)	(389,400)	(3,146,479)
Net book value	<u>26,095,310</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>26,095,324</u>
Rate of amortisation (percentage)	-	-	-	-	-
Useful life (months)	-	-	12	-	-

Notes to the Financial Statements

For the year ended 31 December 2020

	2019				
	Goodwill	Core deposits intangible	Customer relationships intangible	Brand names	Total
	----- (Rupees in '000) -----				
At January 1, 2019					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,514)	(389,400)	(3,146,327)
Net book value	<u>26,095,310</u>	<u>-</u>	<u>166</u>	<u>-</u>	<u>26,095,476</u>
Year ended December 2019					
Opening net book value	26,095,310	-	166	-	26,095,476
Amortisation charge	-	-	(101)	-	(101)
Closing net book value	26,095,310	-	65	-	26,095,375
At December 31, 2019					
Cost	26,095,310	1,982,413	774,680	389,400	29,241,803
Accumulated amortisation and impairment	-	(1,982,413)	(774,615)	(389,400)	(3,146,428)
Net book value	<u>26,095,310</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>26,095,375</u>
Rate of amortisation (percentage)	-	-	-	-	-
Useful life (months)	-	-	24	-	-

10.1 At 31 December 2020, accumulated goodwill (less impairment losses – if any) amounted to Rs. 26,095 million (2019: Rs. 26,095 million).

An annual assessment is made as to whether the current carrying value of goodwill is impaired. For the purposes of impairment testing, goodwill has been allocated to the CGUs that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those CGUs. At 31 December 2020, recoverable amount of all CGUs exceeded the carrying amount.

The recoverable amount for the purpose of assessing impairment of goodwill on acquisition of Union Bank Limited was based on value in use. The calculations are based on the five year forecast approved by the management and a terminal value determined using Gordon Growth Model (using long term GDP growth rate of 3.92%). The cash flows are discounted using a discount rate (17.34%) which reflects the current market rate appropriate for the business, computed using Capital Asset Pricing Model. The allocation of goodwill to CGUs for the purpose of impairment testing is given below:

	2020	2019
	(Rupees in '000)	
Cash generating unit		
Corporate & Institutional Business	6,841,098	6,841,098
Commercial Business	5,801,256	5,801,256
Retail Business	13,452,956	13,452,956
Total Goodwill	<u>26,095,310</u>	<u>26,095,310</u>

The management believes that any reasonable possible changes to the key assumptions on which calculation of recoverable amount is based, would not cause the carrying amount to exceed the recoverable amount. The Bank has performed sensitivity analysis on the key assumptions for recoverable amount. These include a 1 per cent increase in the discount rate, a 1 per cent reduction in long-term GDP growth rate and a 10 per cent reduction in estimated cash flows. In all the three scenarios mentioned above, the recoverable values in all the CGUs exceed their carrying values and hence no impairment is deemed to exist.

Notes to the Financial Statements

For the year ended 31 December 2020

11 OTHER ASSETS	Note	2020	2019
(Rupees in '000)			
Income / mark-up accrued in local currency		5,340,668	5,640,392
Income / mark-up accrued in foreign currencies		5,173	28,096
Advances, deposits, advance rent and other prepayments		297,129	358,824
Defined benefit plans	34.4	8,726	31,542
Advance taxation (payments less provisions)		3,922,690	11,861,988
Branch adjustment account		-	8
Mark to market gain on forward foreign exchange contracts		3,709,568	3,755,586
Interest rate derivatives and currency options - positive fair value		294,883	256,896
Receivable from SBP / Government of Pakistan		224,580	364,927
Receivable from associated undertakings		12,522	257,654
Assets Held for Sale	11.1	244,261	329,735
Receivable from Standard Chartered Bank, Sri Lanka operations	11.2	38,281	37,713
Advance Federal Excise Duty		188,443	188,443
Cards Settlement account		1,599,145	776,988
Acceptances		4,934,015	5,344,566
Unsettled trades		-	4,244,466
Sundry receivables		208,468	703,082
Others		107,129	128,343
		21,135,681	34,309,249
Less: Provision held against other assets	11.3	(87,776)	(35,495)
Other Assets - net of provisions		21,047,905	34,273,754

11.1 These represents carrying value of vacant owned properties which the Bank intends to dispose-off. The management considered these property to meet the criteria to be classified as held for sale at the date of classification. These assets are available for immediate sale and can be sold in it's current condition. During the year the Bank disposed a property with a carrying value of Rs 85.47 million. Following the classification as held for sale, no impairment loss was recognized as fair value less cost to sell of the property exceeds its carrying value.

11.2 Consequent to Sale and Purchase Agreement (SPA) signed between Standard Chartered Bank, Sri Lanka (SCBSL) and Standard Chartered Bank (Pakistan) Limited (SCBPL), the Sri Lanka branch operations of SCBPL were amalgamated with SCBSL with effect from close of business on 10 October 2008. According to the terms of SPA, unproductive debts, staff loans of SCBPL who are not retained by the purchaser, their corresponding housing loans and assets arising from litigation which cannot be assigned are held in trust with SCBSL. The recoveries made (net of expenses) from such assets are taken to income from Sri Lanka branch operations along with foreign exchange translation impacts as disclosed in note 26 to these financial statements, and consequently recorded as receivable. Moreover, loans which were fully provided and deemed non recoverable were written-off after necessary approvals.

11.3 Provision held against other assets	2020	2019
(Rupees in '000)		
Others - Trade related	35,495	35,495
Others - Fee related	52,281	-
	87,776	35,495
11.3.1 Movement in provision against other assets		
Opening balance	35,495	35,495
Charge for the year	52,281	-
Closing balance	87,776	35,495
12 BILLS PAYABLE		
In Pakistan	10,318,201	11,944,994
Outside Pakistan	393,839	430,277
	10,712,040	12,375,271

Notes to the Financial Statements

For the year ended 31 December 2020

		2020		2019	
		(Rupees in '000)			
13	BORROWINGS				
	In Pakistan	23,234,789		19,589,433	
	Outside Pakistan	58,592		667,298	
		23,293,381		20,256,731	
		2020		2019	
		(Rupees in '000)			
13.1	Details of borrowings secured / unsecured				
	Secured				
	Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	13.1	18,022,855	19,533,921	
	Refinance scheme for payment of wages and salaries		4,864,434	-	
	Repurchase agreement borrowings (Repo)		-	-	
	State Bank of Pakistan - LTFF	13.1.2	203,500	55,116	
	Financing facility for renewable energy plants	13.1.3	144,000	-	
			23,234,789	19,589,037	
	Unsecured				
	Overdrawn nostro accounts	13.1.4	58,592	667,694	
			23,293,381	20,256,731	

13.1.1 Mark-up on Export Refinance (ERF) from State Bank of Pakistan is charged at 2 percent (2019: 2 percent) per annum and are due to mature latest by June 2021. ERF borrowings also include borrowings under Islamic Export Refinance scheme amounting to Rs. 3,634 million (2019: Rs. 4,050 million). These borrowings are secured against demand promissory notes executed by the Bank in favour of State Bank of Pakistan.

13.1.2 Mark-up on Long Term Finance Facility (LTFF) from State Bank of Pakistan is charged at 2.5 percent (2019: 2.5 percent to 5.0 percent) per annum and is due to mature latest by July 2025. The loan is secured against promissory notes executed by the Bank in favour of State Bank of Pakistan.

13.1.3 These borrowings have been obtained from the SBP under a scheme for financing the renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at rates ranging from 2.00 percent to 3.00 percent per annum (2019: Nil) and are due to mature latest by October, 2032.

13.1.4 These include overdrawn nostro accounts with other branches and subsidiaries of Standard Chartered Group outside Pakistan amounting to Rs. 58 million (2019: Rs. 667 million).

		2020		2019	
		(Rupees in '000)			
13.2	Particulars of borrowings with respect to currencies				
	In local currency	23,234,789		19,589,433	
	In foreign currencies	58,592		667,298	
		23,293,381		20,256,731	

14	DEPOSITS AND OTHER ACCOUNTS	Note	2020			2019		
			In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
Customers								
(Rupees in '000)								
	- Fixed / Term deposits		40,940,204	337,325	41,277,529	30,909,511	472,936	31,382,447
	- Savings deposits		237,296,916	23,905,772	261,202,688	194,710,890	24,072,229	218,783,119
	- Current accounts		149,571,073	62,515,663	212,086,736	119,521,063	56,357,019	175,878,082
	- Margin accounts		4,943,460	169,424	5,112,884	3,381,984	175,170	3,557,154
	- Special exporters' account		6,158,718	-	6,158,718	6,255,671	-	6,255,671
			438,910,371	86,928,184	525,838,555	354,779,119	81,077,354	435,856,473
Financial Institutions								
	- Fixed / Term deposits		443,044	8,246	451,290	434,427	124,462	558,889
	- Savings deposits		10,243,113	2,200,498	12,443,611	7,593,833	1,794,542	9,388,375
	- Current accounts	14.1	11,479,668	6,200,526	17,680,194	12,685,930	7,088,396	19,774,326
	- Margin accounts		18,078	74,195	92,273	15,797	35,125	50,922
			22,183,903	8,483,465	30,667,368	20,729,987	9,042,525	29,772,512
			461,094,274	95,411,649	556,505,923	375,509,106	90,119,879	465,628,985

Notes to the Financial Statements

For the year ended 31 December 2020

14.1 This includes Rs. 568.665 million (2019: Rs. 597.736 million) against balances of other branches and subsidiaries of Standard Chartered Group.

	Note	2020	2019
(Rupees in '000)			
14.2 Composition of deposits			
- Individuals		293,654,705	241,575,513
- Government (Federal and Provincial)		319,872	1,044,012
- Public Sector Entities		3,088,895	6,721,245
- Banking Companies		18,514,399	18,974,628
- Non-Banking Financial Institutions		3,347,984	2,424,116
- Private Sector		183,861,645	154,783,342
- Embassies		8,804,985	8,373,768
- Non residents (Corporate & Individual)		33,780,490	21,960,141
- Trusts		11,132,948	9,772,220
	14.3	556,505,923	465,628,985

14.3 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 324,985 million (2019: Rs. 267,795 million)

15 DEFERRED TAX ASSETS / (LIABILITIES)

The following are major deferred tax assets / (liabilities) recognised and movement thereon:

Note	2020			
	At 1 January 2020	Recognised in profit and loss	Recognised in OCI	At 31 December 2020
----- (Rupees in '000) -----				
	Deductible Temporary Differences on			
	Post retirement employee benefits	2,476	578	3,054
	Deficit on revaluation of investments	34,883	(177,406)	(142,523)
	Accelerated tax depreciation	71,424	(3,938)	67,486
	Worker Welfare Fund	-	876,342	876,342
	Provision against advances, off balance sheet etc.	1,805,362	1,109,499	2,914,861
	Unpaid liabilities	2,403,306	639,953	3,043,259
		4,317,451	(176,828)	6,762,479
	Taxable Temporary Differences on			
	Surplus on revaluation of fixed assets	(194,429)	8,651	(254,107)
	Goodwill	(7,830,986)	(1,302,372)	(9,133,358)
		(8,025,415)	(1,293,721)	(9,387,465)
		(3,707,964)	1,328,135	(2,624,986)
----- (Rupees in '000) -----				
2019				
	At 1 January 2019	Recognised in profit and loss	Recognised in OCI	At 31 December 2019
	Deductible Temporary Differences on			
	Post retirement employee benefits	7,256	(4,780)	2,476
	Deficit on revaluation of investments	49,685	(14,802)	34,883
	Provision against advances, off balance sheet etc.	2,485,817	(680,455)	1,805,362
	Unpaid liabilities	1,902,215	501,091	2,403,306
		4,444,973	(179,364)	4,246,027
	Taxable Temporary Differences on			
	Surplus on revaluation of fixed assets	(202,903)	8,474	(194,429)
	Goodwill	(7,830,986)	-	(7,830,986)
	Accelerated tax depreciation	(42,293)	113,717	71,424
		(8,076,182)	122,191	(7,953,991)
		(3,631,209)	(57,173)	(3,707,964)

Notes to the Financial Statements

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15.1 In terms of the Seventh Schedule to the Income Tax Law, the claim of provision for advances and off balance sheet items in respect of Corporate and Consumer (including SME) advances has been restricted to 1% and 5% of gross advances respectively. As such deferred tax asset has been recognised. The management based on projection of taxable profits, considers that the Bank would be able to claim deductions in future years within the prescribed limits in seventh schedule. It also includes deferred tax asset on pre seventh schedule provision against loans and advances disallowed, which only become tax allowable upon being written off.

16 OTHER LIABILITIES	Note	2020	2019
(Rupees in '000)			
Mark-up / return / interest payable in local currency		502,125	447,174
Mark-up / return / interest payable in foreign currencies		-	248
Accrued expenses		3,095,978	3,058,823
Advance payments		435,564	523,345
Sundry creditors		7,644,474	4,082,939
Mark to market loss on forward foreign exchange contracts		4,602,999	6,147,974
Unrealized loss on interest rate derivatives and currency options		3,746,037	3,992,870
Due to Holding Company	16.1	10,279,247	10,835,325
Charity fund balance		10,557	12,985
Dividend payable		111,004	101,520
Branch adjustment account		815	-
Provision against off balance sheet obligations	16.2 & 16.3	226,638	235,130
Worker's Welfare Fund (WWF) payable	16.4	2,374,120	2,997,975
Lease liability		2,866,994	3,477,995
Short sell - Federal Government Securities		5,974,790	3,684,152
Acceptances		4,934,015	5,344,566
Others		285,248	142,110
		47,090,605	45,085,131
16.1 Due to holding company			
On account of reimbursement of executive and general administrative expenses		10,250,476	10,250,476
Dividend and other payable		28,771	584,849
		10,279,247	10,835,325
16.2 These primarily represents provision against off balance sheet exposures such as bank guarantees.			
16.3 Provision against off-balance sheet obligations			
Opening balance		235,130	283,541
Charge for the year		55,690	51,987
Reversals		(64,182)	(100,398)
Closing balance		226,638	235,130
16.4 The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government by Finance Act 2008 for the levy of Worker's Welfare Funds (WWF) on banks were not lawful. The Federal Board of Revenue has filed review petitions against this order, which are currently pending. Legal advice obtained on the matter indicates that consequent to filing of these review petitions the judgment may not currently be treated as conclusive until the review petition is decided. Accordingly, the amount charged for WWF since 2008 has not been reversed and advance payment made against WWF is netted off with WWF liabilities.			

Notes to the Financial Statements

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Further, as a consequence of passage of 18th Amendment to the Constitution, levy for Worker's Welfare fund was also introduced by the Government of Sindh (Sindh WWF) which was effective from 1 January 2014. The definition of industrial undertakings under the aforesaid Sindh WWF law includes banks and financial institutions as well. The Bank along with the other banks has challenged applicability of the said law on Banks before the Sindh High Court.

17 SHARE CAPITAL

17.1 Authorized Capital

2020	2019	Note	2020	2019
(Number of shares)			(Rupees in '000)	
4,000,000,000	4,000,000,000		40,000,000	40,000,000
Ordinary shares of Rs.10 each				

17.2 Issued, subscribed and paid-up Capital

2020	2019		2020	2019
(Number of shares)			(Rupees in '000)	
2,939,785,018	2,939,785,018	Ordinary shares of Rs. 10 each Fully paid in cash	29,397,850	29,397,850
931,800,003	931,800,003	Issued in terms of scheme of amalgamation	9,318,000	9,318,000
		17.3		
3,871,585,021	3,871,585,021		38,715,850	38,715,850

17.3 These represent 892,554,151 shares of Rs. 10/- each issued and allotted at par to Standard Chartered Bank (UK) against transfer of entire undertaking of SCB Branch Business by SCB to the Bank, and 39,245,852 shares issued and allotted at par credited as fully paid up to persons who were registered shareholders of Union Bank. These shares have been issued in accordance with the scheme of amalgamation duly approved by State Bank of Pakistan on 4 December 2006.

17.4 At 31 December 2020, Standard Chartered Bank (UK), held 98.99% shares of the Bank.

	Note	2020	2019
18 Reserves			
(Rupees in '000)			
Share premium	18.1	1,036,090	1,036,090
Statutory reserve	18.2	21,461,461	18,834,865
		22,497,551	19,870,955

18.1 This represents excess of fair value of the shares over par value of shares issued to registered shareholders of Union Bank in terms of the amalgamation scheme.

18.2 In accordance with the Banking Companies Ordinance, 1962, the Bank is required to transfer twenty percent of its profit of each year to a reserve fund until the amount in such fund equals the paid-up capital of the Bank.

18.3 The Board of Directors in their meeting held on 25 February 2021 have announced a cash dividend of 27.50% (Rs. 2.75/- per share) in respect of the year ended 31 December 2020 (2019: Rs. 3.00 per share). The financial statements for the year ended 31 December 2020 do not include the effect of final dividend appropriations which will be accounted for subsequent to the year end.

Notes to the Financial Statements

For the year ended 31 December 2020

19 SURPLUS ON REVALUATION OF ASSETS - NET OF DEFERRED TAX	Note	2020	2019
(Rupees in '000)			
Surplus / (deficit) arising on revaluation of:			
Fixed assets	19.1	7,745,270	5,642,052
Available for sale securities	19.2	407,208	(99,665)
		8,152,478	5,542,387
Deferred tax on surplus / (deficit) on revaluation of:			
Fixed assets	19.1	(254,107)	(194,429)
Available for sale securities	19.2	(142,523)	34,883
		(396,630)	(159,546)
		7,755,848	5,382,841
19.1 Surplus on revaluation of fixed assets - net of tax			
Surplus on revaluation of fixed assets as at 1 January		5,642,052	5,823,845
Recognised during the year		2,186,104	34,623
Realised on disposal during the year		(58,169)	(182,154)
Transferred to unappropriated profit in respect of incremental depreciation charged during the year		(24,717)	(34,262)
Surplus on revaluation of fixed assets as at 31 December - Gross		7,745,270	5,642,052
Less: Related deferred tax liability on:			
Revaluation surplus as at 1 January		(194,429)	(202,903)
Revaluation surplus recognised during the year		(88,688)	(4,240)
Surplus realized on disposal during the year		20,359	722
Incremental depreciation charged during the year		8,651	11,992
		(254,107)	(194,429)
Surplus on revaluation of fixed assets as at 31 December - net of tax		7,491,163	5,447,623
19.2 Surplus on revaluation of Available for Sale securities - net of tax			
Market Treasury Bills		107,296	(106,334)
Pakistan Investment Bonds		322,377	(59,926)
Sukuk and Ijarah Bonds		(85,111)	23,638
Listed shares		62,646	42,957
		407,208	(99,665)
Related deferred tax liability		(142,523)	34,883
		264,685	(64,782)
20 CONTINGENCIES AND COMMITMENTS			
Guarantees	20.1	122,977,374	126,880,752
Commitments	20.2	437,684,085	504,664,408
Other contingent liabilities	20.3	10,858,932	10,988,197
		571,520,390	642,533,356
20.1 Guarantees:			
Guarantees issued favouring:			
Financial guarantees		15,716,609	19,018,743
Performance guarantees		75,028,239	78,572,604
Other guarantees		32,232,527	29,289,405
		122,977,374	126,880,752
20.2 Commitments:			
Documentary credits and short-term trade-related transactions			
Letters of credit		30,432,016	26,644,590
Commitments in respect of:			
Forward foreign exchange contracts			
- Purchase	20.4	198,686,967	262,611,678
- Sale	20.4	171,348,315	186,080,095
Commitment in respect of derivatives			
- Interest rate swaps	20.6	8,991,700	464,542
- Cross currency swaps	20.6	28,171,806	28,561,180
Commitment for acquisition of fixed assets		50,854	229,792
Commitment in respect of operating leases	20.7	2,427	72,530
		437,684,085	504,664,408
20.3 Other contingent liabilities			
		10,858,932	10,988,197

Notes to the Financial Statements

For the year ended 31 December 2020

20.3.1 The Bank has a case before the Court on the land where an office building is constructed and the Bank owns a portion of that premises. A request for clearance of its premises from the competent court has been filed based on the fact that the Bank is a bonafide purchaser of the premises having no relevance with the principal case. Considering the facts of the case, the management expects a favourable decision in this case from the competent court. The Bank is also in litigation with various tenants for repossessing its office space in one of its other owned properties. These cases are now being adjudicated before the Court of Rent Controller. Based on the facts of the case and the opinion of legal counsel, the management expects a favourable decision from the dealing court in remaining cases.

20.3.2 Further, an order for income year 2011 levying Federal Excise Duty of Rs. 515.6 million has been issued. The demand has been stayed by the Sindh High Court.

20.3.3 The tax department amended the assessments for income years 2007 to 2018 (tax years 2008 to 2019 respectively) under the related provisions of the Income Tax Law, determining additional tax liability amounting to Rs. 4,696 million on account of various issues such as disallowances relating to provision against loans and advances and Rs. 3,607 million on account of goodwill amortization (for which deferred tax is also booked) which have been paid by the Bank. Appeals against the amended assessment orders are pending before different appellate forums. The management considers that a significant amount of the additional tax liability is the result of timing differences and is confident that the issues in the above mentioned tax years will be decided in favour of the Bank at appellate forums. Accordingly, no additional provision is required. The Sindh High Court has decided the issue of goodwill amortisation in favour of the Bank for the tax years 2008 and 2012. A tax refund order of Rs. 893 million has been issued by the Federal Board of Revenue in respect of tax year 2008. The Federal Board of Revenue has filed leave to appeal before the Supreme Court of Pakistan.

20.4 Commitments in respect of forward foreign exchange contracts

	2020	2019
	(Rupees in '000)	
Purchase from:		
State Bank of Pakistan	47,420,648	102,632,973
Other banks	148,275,310	149,755,699
Customers	2,991,009	10,223,007
	198,686,967	262,611,678
Sale to:		
State Bank of Pakistan	-	32,014,212
Other banks	153,276,067	140,125,724
Customers	18,072,249	13,940,158
	171,348,315	186,080,095

The maturities of the above contracts are spread over a period of one year.

20.5 Commitments to extend credit

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

20.6 Commitments in respect of derivatives

	2020	2019
	(Rupees in '000)	
Interest rate Swaps		
- Purchase	4,995,850	232,271
- Sale	3,995,850	232,271
	8,991,700	464,542
Cross currency Swaps		
- Purchase	7,778,114	5,419,666
- Sale	20,393,692	23,141,514
	28,171,806	28,561,180

20.7 Commitments in respect of operating leases

Not later than one year	1,553	15,868
Later than one year and not later than five years	874	56,662
Later than five years	-	-
	2,427	72,530

Notes to the Financial Statements

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20.8 Derivative instruments

20.8.1 Product analysis

		2020					
		(Rupees in '000)					
Counterparties		Interest Rate Swaps		Cross Currency Swaps		FX Options	
		Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss
With Banks for	Hedging	-	-	-	-	-	-
	Market Making	3,995,850	(18,492)	7,717,974	(393,430)	-	-
With FIs other than banks	Hedging	-	-	-	-	-	-
	Market Making	-	-	-	-	-	-
With other entities for	Hedging	-	-	-	-	-	-
	Market Making	4,995,850	42,578	20,453,832	(3,081,810)	-	-
Total	Hedging	-	-	-	-	-	-
	Market Making	8,991,700	24,086	28,171,806	(3,475,240)	-	-

		2019					
		(Rupees in '000)					
Counterparties		Interest Rate Swaps		Cross Currency Swaps		FX Options	
		Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss	Notional Principal *	Mark to market gain / loss
With Banks for	Hedging	-	-	-	-	-	-
	Market Making	232,271	185	15,593,813	(1,173,504)	-	-
With FIs other than banks	Hedging	-	-	-	-	-	-
	Market Making	-	-	-	-	-	-
With other entities for	Hedging	-	-	-	-	-	-
	Market Making	232,271	(185)	12,967,367	(2,562,470)	-	-
Total	Hedging	-	-	-	-	-	-
	Market Making	464,542	-	28,561,180	(3,735,974)	-	-

* At the exchange rate prevailing at year end.

Notes to the Financial Statements

For the year ended 31 December 2020

20.8.2 Maturity analysis

Remaining Maturity	2020				
	No. of Contracts	Notional Principal	Mark to Market		Net
			Negative	Positive	
----- (Rupees in '000) -----					
Upto 1 month	-	-	-	-	-
1 to 3 months	-	-	-	-	-
3 to 6 months	2	210,505	(71,519)	-	(71,519)
6 months to 1 year	1	87,318	(85,641)	-	(85,641)
1 to 2 years	3	946,650	(227,108)	394	(226,714)
2 to 3 years	7	3,358,001	(289,515)	109,287	(180,228)
3 to 5 years	39	32,561,033	(3,072,254)	185,202	(2,887,052)
5 to 10 years	-	-	-	-	-
Above 10 years	-	-	-	-	-
	52	37,163,507	(3,746,037)	294,883	(3,451,154)

Remaining Maturity	2019				
	No. of Contracts	Notional Principal	Mark to Market		Net
			Negative	Positive	
----- (Rupees in '000) -----					
Upto 1 month	-	-	-	-	-
1 to 3 months	1	459,897	(150,962)	-	(150,962)
3 to 6 months	-	-	-	-	-
6 months to 1 year	4	1,047,761	(190,883)	185	(190,698)
1 to 2 years	3	1,061,222	(235,061)	-	(235,061)
2 to 3 years	2	1,147,531	(350,618)	-	(350,618)
3 to 5 years	7	8,021,462	(304,939)	256,711	(48,228)
5 to 10 years	24	17,287,849	(2,760,407)	-	(2,760,407)
Above 10 years	-	-	-	-	-
	41	29,025,722	(3,992,870)	256,896	(3,735,974)

For derivate risk management policy refer note 42.

21 MARK-UP / RETURN / INTEREST EARNED

Note **2020** **2019**
(Rupees in '000)

On loans and advances to customers	21,886,294	21,989,687
On loans and advances to financial institutions	19,246	33,952
On investments in: i) Held for trading securities	1,226,233	82,259
ii) Available for sale securities	27,547,303	27,200,264
On deposits with financial institutions / State Bank of Pakistan	27,222	158,878
On securities purchased under resale agreements	1,018,747	1,708,663
On call money lendings / placements	496,925	1,066,451
	52,221,970	52,240,154

22 MARK-UP / RETURN / INTEREST EXPENSED

Deposits	20,522,419	20,678,635
Securities sold under repurchase agreements	694,487	720,523
Call borrowings	18,296	87,754
Borrowings from State Bank of Pakistan under Export Refinance (ERF) scheme	390,331	348,738
Cost of foreign currency swaps against foreign currency deposits / borrowings	1,676,132	1,997,696
Deposit protection premium	428,474	398,911
Finance cost against leases	352,234	220,267
	24,082,373	24,452,524

22.1 As per State Bank of Pakistan DPC Circular No. 04 of 2018, dated 22nd June 2018, all member banks are required to pay deposits protection premium at the rate of 0.16% on eligible deposits as defined in the aforesaid circular.

Notes to the Financial Statements

For the year ended 31 December 2020

Note	2020	2019
	(Rupees in '000)	
23 FEE & COMMISSION INCOME		
Branch banking customer fees	320,552	362,244
Consumer finance related fees	54,789	39,272
Card related fees (debit and credit cards)	1,928,678	1,110,077
Credit related fees	239,407	283,479
Investment banking fees	104,940	99,602
Brokerage charges	(76,480)	(62,637)
Commission on trade and cash management	567,659	1,247,637
Commission on guarantees	494,886	511,852
Commission on remittances including home remittances	186,023	170,831
Commission on bancassurance	77,181	47,037
Custody fees	189,646	191,947
	4,087,281	4,001,341
24 FOREIGN EXCHANGE INCOME		
Gain / (loss) realised from dealing in:		
Foreign currencies	4,073,152	4,480,085
Derivative financial instruments	(105,844)	(282,682)
	3,967,308	4,197,403
25 GAIN / (LOSS) ON SALE OF SECURITIES		
Realised	25.1 3,302,349	1,501,454
Unrealised - held for trading	7.1 78,166	297,850
	3,380,515	1,799,304
25.1 Realised gain on:		
Federal Government Securities		
Market Treasury Bills	2,950,247	1,057,683
Pakistan Investment Bonds	337,089	443,771
Ijarah Sukuks	15,013	-
	3,302,349	1,501,454
26 OTHER INCOME		
Rent on property	27,928	24,318
Gain on sale of fixed assets - net	10,109	51,502
Gain on sale of asset held for sale	94,158	-
Sri Lanka branch operations recovery / (cost) & exchange translation	11.2 568	2,513
Recoveries against assets at acquisition of Union Bank Limited	-	30,453
Gain / (loss) on lease termination	32,969	3,882
Gain on acquisition of assets	33,802	-
	199,534	112,668

Notes to the Financial Statements

For the year ended 31 December 2020

27 OPERATING EXPENSES	Note	2020	2019
(Rupees in '000)			
Total compensation expense	27.1	6,394,485	6,071,340
Property expense			
Rent & taxes		119,559	302,588
Insurance		9,028	13,028
Utilities cost		261,612	263,568
Security (including guards)		216,288	207,353
Repair & maintenance		197,581	211,808
Civil works		173,570	167,030
Facilities management cost		137,084	137,426
Depreciation (Property related)		154,222	169,521
Depreciation (Right of use assets)	9.2	683,526	561,465
Cleaning and Janitorial		386,973	405,987
Minor improvements and others		267,660	91,960
		2,607,103	2,531,734
Information technology expenses			
Software maintenance		290,362	161,432
Hardware maintenance		353,344	275,410
Depreciation (IT related)		249,412	189,907
Amortisation		51	101
Network charges		8,920	22,348
		902,089	649,198
Other operating expenses			
Directors' fees and allowances		13,250	6,650
Fees and allowances to Shariah Board		12,036	11,044
Legal & professional charges		180,874	148,534
Outsourced services costs	27.2	128,648	120,310
Travelling & conveyance		58,857	126,511
Depreciation (Other operating exp)		79,401	86,825
Training & development		6,077	11,347
Postage & courier charges		135,681	167,145
Communication		325,026	270,250
Stationery & printing		152,652	313,915
Marketing, advertisement & publicity		315,276	280,279
Donations	27.4	27,743	11,981
Auditors remuneration	27.5	25,673	23,240
Cash transportation services		69,684	58,326
Documentation and processing charges		151,913	149,025
Insurance		20,677	18,801
Others		271,664	72,208
		1,975,132	1,876,391
		11,878,809	11,128,663
27.1 Total compensation expense			
Managerial Remuneration			
i) Fixed		3,257,681	3,037,640
ii) Variable of which;			
a) Cash Bonus / Awards etc.	27.1.1	897,628	1,114,616
b) Bonus & Awards in Shares etc.	27.1.1	(17,056)	72,007
Fees and allowances etc		1,195,973	994,166
Charge for defined benefit plan		19,103	(1,584)
Contribution to defined contribution plan		425,309	370,880
Rent & house maintenance		22,554	24,000
Conveyance		366,336	319,780
Others;			
a) Redundancy / severance		89,506	20,243
b) Staff entertainment		27,219	20,130
c) Temporary staff cost		60	120
d) Staff insurance		110,172	99,342
		6,394,485	6,071,340

Notes to the Financial Statements

For the year ended 31 December 2020

27.1.1 This includes reversal against lapsed cash & share awards for out-going employees.

27.2 Total cost for the year included in other operating expenses relating to outsourced activities is Rs. 129 million (2019: Rs. 120 million). The total amount pertains to the payment to companies incorporated in Pakistan. The material outsourcing arrangement along with their nature of services are as follows;

Supplier name	Services	2020	2019
(Rupees in '000)			
CMS Company	Cash Sorting at Cash Houses and Branches	29,100	27,417
DWP Techonologies (Private) Ltd	Network Management Support Services	10,000	9,217
DWP Techonologies (Private) Ltd	Printing of Customer Statement	5,854	4,663
TCS (Private) Ltd	Printing of Customer Statement	-	5,710
Infotel Pakistan (Private) Ltd.	Credit and Debit Card Personalization	25,414	13,344
Apex Printry (Private) Ltd	Secured Printing i.e.Cheque books, Pay orders	9,219	30,174
Inbox Business Technologies Ltd	Desktop & End User Support Services	49,061	29,785
		128,648	120,310

27.3 Bank is awaiting approval from State Bank of Pakistan (SBP) for payment of group executive and general administration expenses for prior years. In concurrence with SCB UK, no expenses have been charged since 2018.

27.4 Details of the donations given in excess of Rs. 500,000 are given below:

	2020	2019
(Rupees in '000)		
Donee		
Right to Play International - Goal Programme	7,985	7,746
Patient's Aid Foundation	2,258	1,335
Indus Hospital	13,200	1,500
Hunar Foundation	-	1,400
Orange Tree Foundation	4,300	-

Donations were not made to any donee in which directors or their spouse had any interest except for Patient's Aid Foundation where common directorship exist.

Moreover, as part of COVID-19 relief initiative the SCB Group directly sponsored donation amounting to PKR 39.84 million during the year which was routed through SCBPL. These donation was made to Orange Tree Foundation and National Institute of Child Health.

	Note	2020	2019
(Rupees in '000)			
27.5 Auditors' remuneration			
Statutory audit fee		15,751	15,751
IFRS reporting fee		5,641	3,208
Special certifications and sundry other reporting		2,962	2,962
Fee for audit of employee funds		319	319
Out-of-pocket expenses		1,000	1,000
		25,673	23,240

28 OTHER CHARGES

Net charge against fines and penalties imposed by SBP		11,765	32,560
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29 PROVISIONS AND WRITE OFFS - NET

Provision against loans and advances - net	8.3	(4,770,380)	(50,614)
Provision against off-balance sheet obligations - net	16.3	8,492	48,411
Recovery of amounts written off		236,197	302,743
Provision for diminution in the value of investments	7.1	-	(51,907)
Bad debts written off directly	8.5.1	(351,997)	(186,804)
Fixed assets write offs		(10,744)	(15,069)
Impairment against fixed assets	9.2	-	(29,950)
Provision against other assets		(52,282)	-
		(4,940,714)	16,810

Notes to the Financial Statements

For the year ended 31 December 2020

30 TAXATION

- Current
- Prior years
- Deferred

Note	2020	2019
	(Rupees in '000)	
30.1	11,034,202	10,517,384
	777,431	607,199
	(1,328,135)	57,173
	<u>10,483,498</u>	<u>11,181,756</u>

30.1 Relationship between tax expense and accounting profit

Profit before taxation	23,616,480	27,199,203
Tax at the applicable tax rate of 35% (2019: 35%)	8,265,768	9,519,721
Expenses that are not deductible in determining taxable income	4,118	21,879
Super tax	1,121,273	1,080,376
Prior year provision - Super Tax for 2017	-	607,199
Prior year provision	1,008,049	-
Tax rebate on additional loans given to SME	-	(16,278)
Additional Tax on Government Securities	101,794	-
Others	(17,504)	(31,141)
	<u>10,483,498</u>	<u>11,181,756</u>

30.2 The return for income year 2020 (Tax Year 2021) is due for filing by 30 September 2021.

31 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the year

2020	2019
13,132,982	16,017,447

(Number of shares)

Weighted average number of ordinary shares

3,871,585,021	3,871,585,021
---------------	---------------

(Rupees)

Earnings per share - basic and diluted

3.39	4.14
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There were no convertible dilutive potential ordinary shares outstanding as at December 31, 2020 and 2019.

32 STAFF STRENGTH

Permanent
Temporary / on contractual basis / direct contracts
Bank's own staff at the end of year

2020	2019
(Number)	
2,634	2,822
13	1
<u>2,647</u>	<u>2,823</u>
-	-
<u>2,647</u>	<u>2,823</u>

Outsourced

Total staff strength

33 CASH AND CASH EQUIVALENTS

Cash and balances with treasury banks
Balances with other banks
Overdrawn nostros

2020	2019
(Rupees in '000)	
54,366,569	61,290,428
11,271,237	3,484,265
(58,592)	(667,694)
<u>65,579,214</u>	<u>64,106,999</u>

Notes to the Financial Statements

For the year ended 31 December 2020

33.1 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2020							Total		
	Liabilities			Equity						
	Bills payable	Borrowings	Deposits and other accounts	Deferred tax liabilities	Other liabilities	Share capital	Reserves	Surplus on revaluation of assets	Unappropriated profit	
Balance as at 1 January 2020	12,375,271	20,256,731	445,628,985	3,707,964	45,085,131	38,715,850	19,870,955	5,382,841	8,946,857	619,970,585
Changes from financing cash flows	-	-	-	-	(6,765,790)	-	-	-	-	(6,765,790)
Dividend paid	-	-	-	-	(787,501)	-	-	-	-	(787,501)
Payment in respect of lease liability	-	-	-	-	(7,553,291)	-	-	-	-	(7,553,291)
Total changes from financing cash flows	-	-	-	-	(14,106,582)	-	-	-	-	(14,106,582)
Other changes	-	-	-	-	-	-	-	-	6,350,490	6,350,490
Liability-related	(1,663,231)	3,036,650	90,876,938	(1,082,978)	9,549,170	-	-	-	-	(1,663,231)
Changes in bills payable	-	-	-	-	-	-	-	-	-	3,036,650
Changes in borrowings	-	-	-	-	-	-	-	-	-	90,876,938
Changes in deposits and other accounts	-	-	-	-	-	-	-	-	-	(1,082,978)
Changes in deferred tax liabilities	-	-	-	-	9,549,170	-	-	-	-	9,549,170
Changes in other liabilities	-	-	-	-	-	-	-	-	-	-
- Cash based	-	-	-	-	-	-	-	-	-	-
- Non-cash based - Actuarial loss on remeasurements of defined benefit plan	-	-	-	-	9,595	-	-	-	-	9,595
Transfer of profit to reserve	-	-	-	-	-	-	2,626,596	-	(2,626,596)	-
Realised on disposal during the year - net of deferred tax	-	-	-	-	-	-	-	37,810	37,810	37,810
Changes in surplus on revaluation of assets	(1,663,231)	3,036,650	90,876,938	(1,082,978)	9,558,765	-	2,626,596	2,373,007	(2,588,786)	2,373,007
Balance as at 31 December 2020	10,712,040	23,293,381	556,505,923	2,624,986	47,090,605	38,715,850	22,497,551	7,755,848	12,708,561	721,904,745

Notes to the Financial Statements

For the year ended 31 December 2020

Reconciliation of movement of liabilities to cash flows arising from financing activities

	2019							Total		
	Liabilities			Equity						
	Bills payable	Borrowings	Deposits and other accounts	Deferred tax liabilities	Other liabilities	Share capital	Reserves	Surplus on revaluation of assets	Unappropriated profit	
Balance as at 1 January 2019	16,943,627	24,023,697	424,898,936	3,631,209	39,345,498	38,715,850	16,667,466	5,528,671	6,326,382	576,081,336
Changes from financing cash flows										
Dividend paid	-	-	-	-	(10,630,906)	-	-	-	-	(10,630,906)
Payment in respect of lease liability	-	-	-	-	(547,232)	-	-	-	-	(547,232)
Total changes from financing cash flows	-	-	-	-	(11,178,138)	-	-	-	-	(11,178,138)
Other changes	-	-	-	-	-	-	-	-	5,642,532	5,642,532
Liability-related										
Changes in bills payable	(4,568,356)	-	-	-	-	-	-	-	-	(4,568,356)
Changes in borrowings	-	(3,766,966)	-	-	-	-	-	-	-	(3,766,966)
Changes in deposits and other accounts	-	-	40,730,049	-	-	-	-	-	-	40,730,049
Changes in deferred tax liabilities	-	-	-	76,755	-	-	-	-	-	76,755
Changes in other liabilities	-	-	-	-	16,931,429	-	-	-	-	16,931,429
- Cash based	-	-	-	-	-	-	-	-	-	-
- Non-cash based - Actuarial loss on remeasurements of defined benefit plan	-	-	-	-	(13,658)	-	-	-	-	(13,658)
Transfer of profit to reserve	-	-	-	-	-	-	3,203,489	-	(3,203,489)	-
Realised on disposal during the year - net of deferred tax	-	-	-	-	-	-	-	-	181,432	181,432
Changes in surplus on revaluation of assets	-	-	-	-	-	-	-	(145,830)	-	(145,830)
	(4,568,356)	(3,766,966)	40,730,049	76,755	16,917,771	-	3,203,489	(145,830)	(3,022,057)	49,424,855
Balance as at 31 December 2019	12,375,271	20,256,731	465,628,985	3,707,964	45,085,131	38,715,850	19,870,955	5,382,841	8,946,857	619,970,585

Notes to the Financial Statements

For the year ended 31 December 2020

34 DEFINED BENEFIT PLANS

34.1 General description

Non Management Staff Pension Fund

The plan provides pension calculated at 50% of the average pensionable salary after completing 30 years of service. The employees of the Bank are entitled to either pension or gratuity, but not both. However, the employees of ANZ Grindlays Bank transferred to the bank are entitled to both pension and gratuity and the minimum number of years required for entitlement of pension is 25 years for these employees. Pension is calculated as 1/120 times the last drawn merged salary for each year of service. The plan is closed to active employees. The entire liability is in respect of existing pensioners.

Management Staff Pension Fund

The plan is closed to active employees. The entire liability is in respect of existing pensioners.

Additional Lump Sum on cessation scheme

This scheme covers ununionized employees of the Bank, where they are entitled to 12 basic salaries as of January 1, 2017, payable upon retirement or in case of death or permanent disability leading to cessation of employment during the service. This is an unfunded defined benefit scheme.

34.2 Number of Employees under the scheme

	2020	2019
SCB Non Management Pension Fund	29	31
SCB Management Pension Fund	40	42
Additional Lump Sum on cessation scheme	14	-

34.3 Principal Actuarial Assumptions

The last actuarial valuation of the scheme was carried out for 31 December 2020 and the key assumptions used for actuarial valuation were as follows:

	2020	2019
Discount rate	9.80% p.a.	12.70% p.a.
Expected rate of increase in salary in future years	N/A	N/A
Expected rate of return on plan assets	9.80% p.a.	12.70% p.a.
Expected long term rate of increase in pension	3.5% p.a.	3.5% p.a.
Mortality rate	SLIC (2001-05) ultimate mortality table rated down one year Light	SLIC (2001-05) ultimate mortality table rated down one year Light
Withdrawal rate		

	SCB Non Management Pension Fund		SCB Management Pension Fund		Additional Lump Sum on cessation scheme		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
----- (Rupees in '000) -----								
34.4 Reconciliation of (receivable from) / payable to defined benefit plan								
Present value of obligations	38,866	36,155	46,253	42,463	18,039	-	103,158	78,618
Fair value of plan assets	(56,441)	(55,263)	(55,443)	(54,897)	-	-	(111,884)	(110,160)
(Receivable from) / payable to defined benefit plan	(17,575)	(19,108)	(9,190)	(12,434)	18,039	-	(8,726)	(31,542)
34.5 Movement in defined benefit obligation								
Obligation as at 1 January	36,155	41,010	42,463	46,844	-	-	78,618	87,854
Interest cost	4,273	3,909	5,005	4,489	22,876	-	32,154	8,398
Benefits paid	(3,489)	(4,538)	(5,989)	(6,071)	(5,882)	-	(15,360)	(10,609)
Re measurement: Actuarial (gain) / loss on obligation	1,927	(4,226)	4,774	(2,799)	1,045	-	7,746	(7,025)
Obligation as at 31 December	38,866	36,155	46,253	42,463	18,039	-	103,158	78,618
34.6 Movement in fair value of plan assets								
Fair value as at 1 January	55,263	52,912	54,897	51,242	-	-	110,160	104,154
Interest income on plan assets	6,559	5,066	6,492	4,916	-	-	13,051	9,982
Benefits paid	(3,489)	(4,538)	(5,989)	(6,071)	-	-	(9,478)	(10,609)
Re measurement: Actuarial gain / (loss) on plan assets	(1,892)	1,823	43	4,810	-	-	(1,849)	6,633
Fair value as at 31 December	56,441	55,263	55,443	54,897	-	-	111,884	110,160

Notes to the Financial Statements

For the year ended 31 December 2020

	SCB Non Management Pension Fund		SCB Management Pension Fund		Additional Lump Sum on cessation scheme		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
(Rupees in '000)								
34.7 Movement in (receivable) / payable from / to defined benefit plan								
Balance as at 1 January	(19,108)	(11,902)	(12,434)	(4,398)	-	-	(31,542)	(16,300)
Net benefit cost/(income) for the year ended	(2,286)	(1,157)	(1,487)	(427)	2,119	-	(1,654)	(1,584)
Current service cost	-	-	-	-	20,757	-	20,757	-
Benefits paid	-	-	-	-	(5,882)	-	(5,882)	-
Total amount of remeasurements recognised in OCI during the year	3,819	(6,049)	4,731	(7,609)	1,045	-	9,595	(13,658)
Balance as at 31 December	(17,575)	(19,108)	(9,190)	(12,434)	18,039	-	(8,726)	(31,542)
34.8 Actual return on plan assets								
Expected return on plan assets	6,559	5,066	6,492	4,916	-	-	13,051	9,982
Actuarial gain / (loss) on plan assets	(1,892)	1,823	43	4,810	-	-	(1,849)	6,633
	4,667	6,889	6,535	9,726	-	-	11,202	16,615
Amount recognized in total comprehensive income								
The following amounts have been charged in respect of these benefits to profit and loss account and other comprehensive income:								
Components of defined benefit costs recognized in profit and loss account.								
Interest cost	4,273	3,909	5,005	4,489	22,876	-	32,154	8,398
Expected return on plan assets	(6,559)	(5,066)	(6,492)	(4,916)	-	-	(13,051)	(9,982)
	(2,286)	(1,157)	(1,487)	(427)	22,876	-	19,103	(1,584)
Components of defined benefit costs (re-measurement) recognised in other comprehensive income								
Re-measurement : Actuarial gain / loss on obligation								
- (Gain) / Loss due to change in financial assumptions	5,860	(5,559)	6,516	(6,022)	1,476	-	13,852	(11,581)
- (Gain) / Loss due to change in experience adjustments	(3,933)	1,333	(1,742)	3,223	(431)	-	(6,106)	4,556
	1,927	(4,226)	4,774	(2,799)	1,045	-	7,746	(7,025)
Re-measurement : interest income net of return on plan assets								
Actual net return on plan assets	5,481	5,778	6,230	5,803	-	-	11,711	11,581
Interest income on plan assets	6,559	5,066	6,492	4,916	-	-	13,051	9,982
Opening difference	(814)	1,111	305	3,923	-	-	(509)	5,034
	1,892	(1,823)	(43)	(4,810)	-	-	1,849	(6,633)
Net re-measurement recognised in other comprehensive income	3,819	(6,049)	4,731	(7,609)	1,045	-	9,595	(13,658)
34.8.1 Components of plan assets								
Bonds	49,235	44,067	52,151	45,979	-	-	101,386	90,046
Cash and net current assets	7,206	11,196	3,292	8,918	-	-	10,498	20,114
34.8.2 Sensitivity Analysis on defined benefit obligations								
	+1% Discount rate	-1% Discount rate	+1% Pension increase	-1% Pension increase				
	(Rupees in '000)							
Non Management Pension Fund	36,631	41,375	41,511	36,482				
Management Pension Fund	43,789	48,990	49,137	43,623				
Additional Lump Sum on cessation scheme	17,499	18,614	-	-				

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34.8.3 Five year data on surplus/ (deficit) of the plans and experience adjustments

	2020	2019	2018	2017	2016
	(Rupees in '000)				
Present value of defined benefit obligation	103,158	78,618	87,854	112,126	108,829
Fair value of plan assets	111,884	110,160	104,154	107,145	114,464
Deficit / (Surplus)	(8,726)	(31,542)	(16,300)	4,981	(5,635)
Experience adjustments on plan liabilities - loss / (gain)	(6,106)	4,556	(4,025)	1,810	1,531
Experience adjustments on plan assets - loss / (gain)	1,849	(6,632)	(405)	875	(2,519)

34.8.4 Expected contributions to be paid to the funds in the next financial year **(2,503)**

34.8.5 Expected charge / (reversal) for the next financial year **(4,531)**

34.9 Funding Policy

The administration of defined benefit pension scheme is governed under provision of trust deeds established in 2002. Trustees at the request of the Bank agreed to act in accordance with the terms and conditions of these deeds including investment. Funding levels are monitored on annual basis based on actuarial recommendations.

Following are the significant risks associated with the define benefit plan / scheme

Asset Volatility

The Defined Benefit Pension Fund is almost entirely invested in Government Bonds with mostly fixed income bonds. For Management Pension Fund, 94.06% of the Investment (Rs. 52.151 million) is invested in Special Saving Certificates.

For Non-Management Pension Fund, 70.87% of the Investment (Rs. 40.000 million) and 16.36% of the investment (Rs 9.235 million) is invested in Treasury Bills and Special Saving Certificates respectively. This gives rise to significant reinvestment risk. The asset class is volatile with reference to the yield on this class. This risk should be viewed together with change in the bond yield risk. There is no equity or corporate bond exposure. Thus, no equity or settlement risk.

Changes in Bond Yields

There are two dimensions to the changes in Bond yields: first, as described above; second, the valuation of the Defined Benefit Liabilities is discounted with reference to these bond yields. So any increase in Bond yields will lower the Defined Benefit Liabilities and vice versa, but, it will also lower the Asset values.

Life expectancy / Withdrawal rate

The Life expectancy is in almost minimal range and is quite predictable in the ages when the employee is in the accredited employment of the Bank for the purpose of the pension. Thus, the risk of life expectancy is almost negligible. The withdrawal risk is dependent upon the: benefit structure; age and retention profile of the staff; the valuation methodology; and long-term valuation assumptions. In this case, it is not a significant risk.

35 DEFINED CONTRIBUTION PLAN

The Bank operates a contributory provident and gratuity fund scheme for permanent employees. For provident fund, the employer and employee both contribute 10% of the basic salaries to the funded scheme every month. For gratuity fund scheme, the employer contributes 8.33% and 16.66% of the basic salaries to the funded scheme every month and the payment is made subject to completion of vesting period. Equal monthly contribution by the employer for both the schemes during the year amounted to Rs. 425.309 million (2019: Rs. 370.880 million).

36 SHARE BASED PAYMENTS

The Bank's employees participate in the following share compensation plans operated globally by the ultimate holding company, Standard Chartered PLC (SCPLC). Under these equity settled plans, employees in Pakistan are issued shares of SCPLC upon meeting the vesting conditions. The market value of shares is denominated in pounds sterling at the time of grant. The (total income) / expense recognised in respect of above schemes on equity settled basis amounts to Rs. (17.056) million. The main features of each plan are as follows:

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2011 Standard Chartered Share Plan (the '2011 Plan')

The 2011 Plan was approved by Group shareholders in May 2011 and is the Group's main share plan. Since approval, it has been used to deliver various types of share awards. Share awards applicable for Pakistan are as under.

A) Long Term Incentive Plan (LTIP) awards

Granted with vesting subject to performance measures such as total shareholder return (TSR); return on equity (RoE) with a common equity tier (CET1) underpin; strategic measures; earnings per share (EPS) growth; and return on risk-weighted assets (RoRWA). Each measure is assessed independently over a three-year period. Awards granted from 2016 have an individual conduct gateway requirement that results in the award lapsing if not met.

B) Deferred / Restricted shares

Deferred awards are used to deliver the deferred portion of variable remuneration, in line with both market practice and regulatory requirements. These awards vest in installments on anniversaries of the awards date specified at the time of grant. Deferred awards are not subject to any plan limit. This enables the Group to meet regulatory requirements relating to deferral levels and is in line with market practice.

Restricted share awards, made outside of the annual performance process as replacement buy-out awards to new joiners who forfeit awards on leaving their previous employers, vest in installments on the anniversaries of the award date specified at the time of grant. This enables the Group to meet regulatory requirements relating to buy-outs, and is in line with market practice.

All Employee Sharesave Plans - (AESP) 2013 Sharesave Plan

The 2013 Sharesave Plan was approved by Group shareholders in May 2013. Under the 2013 Sharesave Plan, employees may open a savings contract. Within a maturity period of six months after the third anniversary, employees may purchase ordinary shares in the Company at a discount of up to 20 per cent on the share price at the date of invitation (this is known as the 'option exercise price'). There are no performance measures attached to options granted under the 2013 Sharesave Plan and no grant price is payable to receive an option. In Pakistan the Plan operate as Equity Settled Scheme.

Movements in the number of share options held by the Bank's employees are as follows:

	2020				2019			
	2011 Plan ¹		AESP 2013 Plan		2011 Plan 1		AESP 2013 Plan	
	LTIP	Deferred / Restricted shares	Sharesave	Weighted average exercise price £ per share	LTIP	Deferred / Restricted shares	Sharesave	Weighted average exercise price £ per share
	------(Number in '000)-----				------(Number in '000)-----			
At 1 January	62	78	37	5.23	94	71	32	5.56
Granted during the year	-	52	39	3.14	-	27	19	4.98
Exercised during the year	-	(38)	(1)	5.3	(26)	(21)	(7)	5.53
Lapsed during the year	(62)	(46)	(13)	4.51	(7)	-	(7)	5.69
Notional dividend	-	1	-	-	1	1	-	-
At 31 December	-	47	62	4.08	62	78	37	5.23

Scheme	2020					2019				
	Range of exercise price	Weighted average exercise price	No. of options ('000)	Expected years	Contractual years	Range of exercise price	Weighted average exercise price	No. of options ('000)	Expected years	Contractual years
LTIP ^{1&2}	-	-	-	-	-	-	-	62	3	6.2
Deferred / Restricted shares ^{1&3}	-	-	47	10	0.35/8.18	-	-	78	10	2.75/7.52
Sharesave ⁴	£3.14/£6.20	4.08	62	3.33/5.33	2.69	£4.98/£6.20	5.23	37	3.33/5.33	1.35/7.52

1) Employees do not contribute towards the cost of these awards, hence the weighted average exercise price of these plans are nil.

2) As of 31 December 2020, total number of options exercisable for Long-Term Incentive Plan (LTIP) awards were nil.

3) As of 31 December 2020 total number of options for Deferred / Restricted Shares Plan awards exercisable were 7,208.

4) As of 31 December 2020 total number of options exercisable for Sharesave Plan awards were 3,388.

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37 COMPENSATION OF CHIEF EXECUTIVE AND EXECUTIVES

	2020						
	Directors			Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers / Controllers
	Chairman	Executives (other than CEO)	Non- Executives				
	------(Rupees in '000)-----						
Fees and Allowances etc.	-	-	13,250	3,635	-	-	-
Managerial remuneration							
i) Fixed	-	-	-	4,132	63,028	218,384	172,190
ii) Total Variable of which	-	-	-	-	-	-	-
a) Cash Bonus / Awards	-	-	-	1,000	21,894	121,988	74,373
b) Bonus & Awards in Shares	-	-	-	-	15,168	14,885	4,885
Charge for defined benefit plan	-	-	-	-	-	-	-
Contribution to defined contribution plan	-	-	-	505	7,702	26,687	21,042
Rent and house allowance	-	-	-	-	22,554	-	-
Utilities	-	-	-	-	-	-	-
Medical	-	-	-	24	-	363	486
Conveyance	-	-	-	663	-	29,346	26,833
Others	-	-	-	2,078	11,697	46,597	57,852
Total	-	-	13,250	12,036	142,042	458,250	357,661
Number of persons	1	0	5	4	2	17	20

	2019						
	Directors			Members Shariah Board	President / CEO	Key Management Personnel	Other Material Risk Takers / Controllers
	Chairman	Executives (other than CEO)	Non- Executives				
	------(Rupees in '000)-----						
Fees and Allowances etc.	-	-	6,650	3,400	-	-	-
Managerial Remuneration							
i) Fixed	-	-	-	3,600	53,333	190,796	146,950
ii) Total Variable of which	-	-	-	-	-	-	-
a) Cash Bonus / Awards	-	-	-	1,199	26,565	132,361	83,840
b) Bonus & Awards in Shares	-	-	-	-	47,905	12,666	4,487
Contribution to defined contribution plan	-	-	-	440	6,517	23,315	17,928
Rent and house allowance	-	-	-	-	24,000	-	-
Medical	-	-	-	24	-	340	453
Conveyance	-	-	-	663	-	27,618	23,716
Others	-	-	-	1,718	13,226	40,577	48,889
Total	-	-	6,650	11,044	171,546	427,673	326,263
Number of persons	1	0	5	4	1	15	19

- 37.1** Chief Executive Officer (CEO) and the Key management personnel (KMP) are part of the Bank's MRT / MRC. In addition, certain staff meeting the criteria for MRT / MRC but not classified as KMP are separately disclosed as 'Other MRT / MRC'
- 37.2** Others include allowances in lieu of loans and relocations as per Bank policy and terms of employment for executives including the Chief Executive Officer.
- 37.3** The Chief Executive is also entitled for a Bank maintained car, reimbursements for cost of medical expense and other benefits like club subscription, utilities, etc as per the terms of employment

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37.4 In addition, reversal on account of lapsed cash and share awards for out-going CEO amounted to Rs. 75.78 million.

37.5 Remuneration paid to Directors for participation in Board and Committee Meetings

		2020					
		Meeting Fees and Allowances Paid					
Sr. No.	Name of Director	For Board Meetings	For Board Committees			Share holders meeting	Total Amount Paid
			Board Audit Committee	Board HR Committee	Board Risk Committee		
------(Rupees in '000)-----							
1	Waqar Ahmed Malik	400	400	350	-	-	1,150
2	Spenta Kandawalla	2,400	1,600	1,600	-	25	5,625
3	Towfiq Habib Chinoy	2,400	1,400	1,050	1,600	25	6,475
4	Ehsan Ali Malik	-	-	-	-	-	-
		5,200	3,400	3,000	1,600	50	13,250

		2019					
		Meeting Fees and Allowances Paid					
Sr. No.	Name of Director	For Board Meetings	For Board Committees			Share holders meeting	Total Amount Paid
			Board Audit Committee	Board HR Committee	Board Risk Committee		
------(Rupees in '000)-----							
1	Waqar Ahmed Malik	1,250	1,250	1,000	-	-	3,500
2	Spenta Kandawalla	1,250	-	1,250	-	-	2,500
3	Towfiq Habib Chinoy	400	-	-	250	-	650
		2,900	1,250	2,250	250	-	6,650

37.6 Remuneration paid to Shariah Board Members

Items	2020			2019		
	Chairman	Resident Member	Non-Resident Member(s)	Chairman	Resident Member	Non-Resident Member(s)
------(Rupees in '000)-----						
Meeting Fees and Allowances	810	-	2,825	-	-	3,400
Salaries and allowances	-	8,401	-	-	7,644	-
Total amount	810	8,401	2,825	-	7,644	3,400
Number of persons	1	1	2	1	1	2

38 FAIR VALUE

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

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

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 these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

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38.1 Fair value of financial instruments

On balance sheet financial instruments

		2020									
		Carrying value					Fair value				
Note	Held for trading	Available for sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
(Rupees in '000)											
Financial assets measured at fair value											
- Investments											
	Federal Government Securities (Tbills + PIBs + Sukuks + Naya Pakistan Certificates)	36,541,808	312,537,271	-	-	-	349,079,079	-	349,079,079	-	349,079,079
	Sukuk Bonds (other than government)		201,364	-	-	-	201,364	-	201,364	-	201,364
	Equity securities traded (Shares)		114,330	-	-	-	114,330	114,330	-	-	114,330
- Other assets											
	- Unrealized gain on Forward foreign exchange contracts	3,709,568	-	-	-	-	3,709,568	-	3,709,568	-	3,709,568
	- Unrealized gain on Interest rate derivatives & currency options	294,883	-	-	-	-	294,883	-	294,883	-	294,883
Financial assets not measured at fair value											
	- Cash and bank balances with SBP and NBP	38.2	-	-	-	54,366,569				54,366,569	
	- Balances with other banks	38.2	-	-	-	11,271,237				11,271,237	
	- Lending to financial institutions	38.2	-	-	-	69,551,802				69,551,802	
	- Bai Muajjal with GOP	38.2	-	-	-	1,390,978				1,390,978	
	- Advances	38.2	-	-	178,216,374					178,216,374	
	- Investments - ordinary shares				50,000					50,000	
	- Other assets	38.2	-	-	-	12,832,462				12,832,462	
			40,546,259	312,902,965	178,216,374	149,413,048				681,078,646	
Financial liabilities measured at fair value											
- Other liabilities											
	- Unrealized loss on Forward foreign exchange contracts	38.2	4,602,999	-	-	-	-	4,602,999		4,602,999	
	- Unrealized loss on Interest rate derivatives & currency options	38.2	3,746,037	-	-	-	-	3,746,037		3,746,037	
Financial liabilities not measured at fair value											
	- Bills Payable	38.2	-	-	-	-	10,712,040			10,712,040	
	- Deposits and other accounts	38.2	-	-	-	-	556,505,923			556,505,923	
	- Borrowings	38.2	-	-	-	-	23,293,381			23,293,381	
	- Other liabilities (excluding Liabilities against assets subject to finance lease)	38.2	-	-	-	-	37,070,106			37,070,106	
			8,349,036	-	-	-	627,581,450			635,930,486	
Off-balance sheet financial instruments											
	Interest Rate swaps / Foreign currency options / Forward purchase contracts		-	-	-	211,460,930	-	211,460,930	-	215,465,381	
	Interest Rate swaps / Foreign currency options / Forward sale contracts		-	-	-	195,737,860	-	195,737,860	-	204,086,896	

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On balance sheet financial instruments	Note	2019									
		Carrying value					Fair value				
		Held for Trading	Available for sale	Loans and receivables	Other financial assets	Other financial liabilities (Rupees in '000)	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value											
- Investments											
Federal Government Securities (Tbills + PIBs + Sukuks)		21,842,843	226,823,398	-	-	-	248,666,241	-	248,666,241	-	248,666,241
Sukuk Bonds (other than government)		-	403,148	-	-	-	403,148	-	403,148	-	403,148
Equity securities traded (Shares)		-	94,641	-	-	-	94,641	94,641	-	-	94,641
- Other assets											
- Unrealized gain on Forward foreign exchange contracts		3,755,586	-	-	-	-	3,755,586	-	3,755,586	-	3,755,586
- Unrealized gain on Interest rate derivatives & currency options		256,896	-	-	-	-	256,896	-	256,896	-	256,896
Financial assets not measured at fair value											
- Cash and bank balances with SBP and NBP	38.2	-	-	-	61,290,428	-	61,290,428	-	-	-	61,290,428
- Balances with other banks	38.2	-	-	-	3,484,265	-	3,484,265	-	-	-	3,484,265
- Lending to financial institutions	38.2	-	-	-	17,012,089	-	17,012,089	-	-	-	17,012,089
- Bai Muajjal with GOP	38.2	-	-	-	1,390,978	-	1,390,978	-	-	-	1,390,978
- Advances	38.2	-	-	218,087,193	-	-	218,087,193	-	-	-	218,087,193
- Other assets	38.2	-	-	-	18,085,704	-	18,085,704	-	-	-	18,085,704
		25,855,325	227,321,187	218,087,193	101,263,464	-	572,527,169	-	-	-	572,527,169
Financial liabilities measured at fair value											
- Other Liabilities											
- Unrealized loss on Forward foreign exchange contracts		6,147,974	-	-	-	-	6,147,974	-	6,147,974	-	6,147,974
- Unrealized loss on Interest rate derivatives & currency options		3,992,870	-	-	-	-	3,992,870	-	3,992,870	-	3,992,870
Financial liabilities not measured at fair value											
- Bills Payable		-	-	-	-	12,375,271	12,375,271	-	-	-	12,375,271
- Deposits and other accounts	38.2	-	-	-	-	465,628,985	465,628,985	-	-	-	465,628,985
- Borrowings	38.2	-	-	-	-	20,256,731	20,256,731	-	-	-	20,256,731
- Other liabilities (excluding Liabilities against assets subject to finance lease)	38.2	-	-	-	-	33,325,313	33,325,313	-	-	-	33,325,313
		10,140,844	-	-	-	531,586,300	541,727,144	-	-	-	541,727,144
Off-balance sheet financial instruments											
Interest Rate swaps / Foreign currency options / Forward purchase contracts		-	-	-	285,992,315	-	285,992,315	-	290,004,797	-	290,004,797
Interest Rate swaps / Foreign currency options / Forward sale contracts		-	-	-	191,725,182	-	191,725,182	-	201,866,026	-	201,866,026

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

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

38.2 These financial assets and liabilities are for short term or repriced over short term. Therefore their carrying amounts are reasonable approximation of fair value.

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38.3 Valuation techniques used in determination of fair values within level 2 and level 3

Federal Government Securities (T-bills + PIBs + Sukuk)	The fair values of Federal Government securities are determined on the basis of rates/prices sourced from Reuters.
Non-Government debt securities (Sukuk Bonds (other than government))	Investment in non-Government debt securities denominated in Rupees are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP).
Derivatives	The Group enters in to derivatives contracts with various counter parties. Derivatives that are valued using valuation techniques based on market observable inputs are mainly interest rate swaps and cross currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations.
Forward foreign exchange contracts	The fair values of forward foreign exchange contracts are determined using forward pricing calculations.

38.4 Fair value of non-financial assets

	2020				2019				
	Carrying value	Fair value			Carrying value	Fair value			
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
	----- Rupees in '000 -----								
Fixed assets	11,910,762	-	-	11,910,762	10,563,451	-	-	10,563,451	

Valuation techniques used in determination of fair values within level 2 and level 3

Fixed assets	Land, buildings are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets.
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39 SEGMENT INFORMATION

39.1 Segment Details with respect to Business Activities

	2020				
	Corporate and Institutional Banking	Commercial Banking	Retail Banking	Central and Other Items	Total
	----- (Rupees in '000) -----				
Profit & Loss					
Inter segment revenue - net	4,406,505	(3,283,606)	24,292,282	(25,415,181)	-
Net mark-up/return/profit	(363,154)	6,719,710	(7,118,781)	28,901,822	28,139,597
Non mark-up / return / interest income	7,663,944	922,872	4,086,924	126,466	12,800,206
Total Income	11,707,295	4,358,976	21,260,425	3,613,107	40,939,803
Segment direct expenses	2,271,182	1,423,153	7,597,346	1,090,928	12,382,609
Inter segment expense allocation	-	-	-	-	-
Total expenses	2,271,182	1,423,153	7,597,346	1,090,928	12,382,609
Provisions	764,686	3,504,083	661,201	10,744	4,940,714
Profit before taxation	8,671,427	(568,260)	13,001,878	2,511,435	23,616,480
Balance Sheet					
Cash & Bank balances	-	-	-	65,637,806	65,637,806
Investments	36,541,808	-	50,000	312,852,964	349,444,772
Net inter segment lending	86,445,892	-	319,698,594	(406,144,486)	-
Lendings to financial institutions	1,500,000	-	-	68,051,802	69,551,802
Advances - performing	77,801,429	66,997,314	29,687,905	-	174,486,648
- Non performing	-	2,922,259	807,467	-	3,729,726
Others	15,478,905	7,839,600	15,016,989	20,718,497	59,053,991
Total Assets	217,768,034	77,759,173	365,260,955	61,116,583	721,904,745
Borrowings	-	-	-	23,293,381	23,293,381
Deposits & other accounts	170,782,994	21,734,181	363,970,864	17,884	556,505,923
Net inter segment borrowing	-	49,556,850	-	(49,556,850)	-
Others	46,985,041	6,468,141	1,290,090	5,684,359	60,427,631
Total liabilities	217,768,035	77,759,172	365,260,954	(20,561,226)	640,226,935
Equity	-	-	-	81,677,810	81,677,810
Total Equity & liabilities	217,768,035	77,759,172	365,260,954	61,116,584	721,904,745
Contingencies & Commitments	160,680,476	29,209,053	683,368	380,947,493	571,520,390

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Profit & Loss	2019				
Inter segment revenue - net	4,566,305	(5,370,620)	22,324,290	(21,499,621)	20,354
Net mark-up/return/profit	(404,252)	7,718,188	(7,758,332)	28,232,026	27,787,630
Non mark-up / return / interest income	7,233,429	1,407,489	2,853,988	(206,221)	11,288,685
Total Income	11,395,482	3,755,057	17,419,946	6,526,184	39,096,669
Segment direct expenses	2,002,289	1,273,347	7,425,570	1,192,716	11,893,922
Inter segment expense allocation	1,917	669	12,647	5,121	20,354
Total expenses	2,004,206	1,274,016	7,438,217	1,197,837	11,914,276
Provisions	-	(84,661)	(29,074)	96,925	(16,810)
Profit before taxation	9,391,276	2,565,702	10,010,803	5,231,422	27,199,203
Balance Sheet					
Cash & Bank balances	-	-	-	64,774,693	64,774,693
Investments	21,840,129	162,473	-	227,161,428	249,164,030
Net inter segment lending	24,685,627	-	271,707,942	(296,393,569)	-
Lendings to financial institutions	-	-	-	17,012,089	17,012,089
Advances - performing	102,270,033	86,237,243	28,217,083	-	216,724,359
- Non performing	-	1,099,871	262,963	-	1,362,834
Others	17,795,562	9,572,889	14,917,897	28,646,232	70,932,580
Total Assets	166,591,351	97,072,476	315,105,885	41,200,873	619,970,585
Borrowings	-	-	-	20,256,731	20,256,731
Deposits & other accounts	132,430,823	19,448,027	313,744,741	5,394	465,628,985
Net inter segment borrowing	-	69,096,408	-	(69,096,408)	-
Others	34,160,528	8,528,041	1,361,144	17,118,653	61,168,366
Total liabilities	166,591,351	97,072,476	315,105,885	(31,715,630)	547,054,082
Equity	-	-	-	72,916,503	72,916,503
Total Equity & liabilities	166,591,351	97,072,476	315,105,885	41,200,873	619,970,585
Contingencies & Commitments	154,694,751	27,503,902	352,411	459,982,292	642,533,356

Corporate and Institutional Banking

Corporate & Institutional Banking comprises Global Subsidiaries, International Corporates, Financial Institutions and Sovereign clients. The product and services offered include deposits & cash management, trade, advisory services, secured lending, structured financing, FX forwards and derivatives.

Commercial Banking

Commercial Banking serves local corporates and small & medium sized clients. The product and services offered include deposits & cash management, trade, advisory services, secured lending, structured financing, FX forwards and derivatives.

Retail Banking

Retail Banking serves priority, premium, personal and business banking clients. The product and service offering include wealth management, deposits, secured lending (mortgages, auto loans, overdrafts etc.) and unsecured lending (credit cards, personal loans etc.).

Central & Other Items

Activities not directly related to a client segment are included in Central & other Items. This mainly includes Treasury-Markets (Asset and Liability Management), specific strategic investments (if any) and certain central costs of the Bank such as workers welfare fund and property management unit.

All segments offer a complete suite of Islamic Banking products and services under Standard Chartered Saadiq brand and state of the art digital banking solutions. Refer Annexure II for Islamic Banking Business.

Notes to the Financial Statements

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40 RELATED PARTY TRANSACTIONS

Related parties comprise of Standard Chartered Plc., ultimate parent company, its other subsidiaries and branches, key management personnel, employees' retirement benefit funds and other associated undertakings. The transactions with related parties are conducted at commercial / agreed terms. The Bank also provides advances to employees at reduced rates in accordance with their terms of employment.

The transactions and balances with related parties are summarised as follows:

	2020				2019			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
----- (Rupees in '000) -----								
Balances with other banks								
In current accounts	11,217,368	-	-	-	3,434,676	-	-	-
In deposit accounts	-	-	-	-	-	-	-	-
	11,217,368	-	-	-	3,434,676	-	-	-
Lendings to financial institutions								
Opening balance	10,926,298	-	-	-	6,465,508	-	-	-
Addition during the year	5,599,059,302	-	-	-	5,351,639,963	-	-	-
Repaid during the year	(5,549,704,143)	-	-	-	(5,347,179,173)	-	-	-
Closing balance	60,281,457	-	-	-	10,926,298	-	-	-
Advances								
Opening balance	-	129	210,371	-	-	5,269	198,459	-
Addition during the year	-	357	55,524	-	-	1,814	134,566	-
Repaid during the year	-	(383)	(92,093)	-	-	(6,954)	(93,362)	-
Transfer in / (out) - net	-	-	26,159	-	-	-	(29,292)	-
Closing balance	-	103	199,961	-	-	129	210,371	-
Provision held against advances	-	-	-	-	-	-	-	-
----- (Rupees in '000) -----								
Other Assets								
Interest / mark-up accrued	274	-	708	-	1,533	-	663	-
Receivable from staff retirement fund	-	-	-	8,726	-	-	-	31,542
Due from associated undertakings	50,803	-	-	-	295,367	-	-	-
Other receivable	-	-	-	-	-	-	1,354	-
Closing balance	51,077	-	708	8,726	296,900	-	2,017	31,542
Borrowings								
Opening balance	666,612	-	-	-	6,174,771	-	-	-
Borrowings during the year	58,592	-	-	-	70,102	-	-	-
Settled during the year	(666,612)	-	-	-	(5,578,261)	-	-	-
Closing balance	58,592	-	-	-	666,612	-	-	-
Deposits and other accounts								
Opening balance	597,736	190,190	94,863	176,457	964,772	403,272	80,143	122,721
Received during the year	23,284	386,922	779,925	1,495,593	37,951	859,863	802,255	17,375,169
Withdrawn during the year	(52,354)	(273,895)	(849,511)	(1,524,380)	(404,987)	(1,072,945)	(787,535)	(17,321,433)
Transfer in / (out) - net	-	(139,973)	76,465	-	-	-	-	-
Closing balance	568,666	163,244	101,742	147,670	597,736	190,190	94,863	176,457

Notes to the Financial Statements

For the year ended 31 December 2020

	2020				2019			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	----- (Rupees in '000) -----							
Other Liabilities								
Interest / mark-up payable	-	-	-	-	-	-	-	-
Due to holding company	10,279,247	-	-	-	10,835,325	-	-	-
Other liabilities (to be specified separately if > Rs 5 million)	-	2,424	-	-	-	-	-	-
Closing balance	10,279,247	2,424	-	-	10,835,325	-	-	-

Contingencies and Commitments

Transaction-related contingent liabilities - guarantees	52,344,101	-	-	-	55,067,647	-	-	-
Commitments in respect of forward foreign exchange contracts	7,249,968	-	-	-	3,286,846	-	-	-

Derivatives

Derivative instruments- Interest rate swaps - notional	10,078,450	-	-	-	6,070,617	-	-	-
Derivative instruments- FX options - notional	-	-	-	-	-	-	-	-
Derivative assets	170,140	-	-	-	18,413	-	-	-
Derivative liabilities	83,468	-	-	-	495,681	-	-	-

RELATED PARTY TRANSACTIONS

Income

Mark-up / return / interest earned	105,325	49	30,694	-	512,363	387	23,923	-
Fee and commission income	76,955	28	57	-	652,417	-	-	-
Income / (loss) from derivatives	(112,489)	-	-	-	(43,392)	-	-	-
Expense								
Mark-up / return / interest paid	1,192	8,128	4,127	13,132	77,710	25,051	2,715	32,413
Fee and commission expense	116,160	-	-	-	42,056	-	-	-
Operating expenses	17,701	13,250	524,512	-	(33,216)	6,050	599,219	-
Rent expense	-	-	1,761	-	-	-	3,456	-

Other transactions

Dividend paid	6,706,594	-	-	-	10,538,900	-	-	-
Contribution to defined contribution plans	-	-	-	425,309	-	-	-	370,880
Net charge for defined contribution plans	-	-	-	425,309	-	-	-	370,880
Net charge for defined Benefit plans	-	-	-	19,103	-	-	-	(1,584)

The term 'related party' shall have the same meaning as specified under IAS 24 - Related party disclosures.

Notes to the Financial Statements

For the year ended 31 December 2020

41 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	2020	2019
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	38,715,850	38,715,850
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	55,741,395	49,172,949
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	55,741,395	49,172,949
Eligible Tier 2 Capital	10,326,801	6,253,941
Total Eligible Capital (Tier 1 + Tier 2)	66,068,196	55,426,890
Risk Weighted Assets (RWAs):		
Credit Risk	244,630,751	239,728,627
Market Risk	35,690,543	31,719,263
Operational Risk	65,193,246	55,836,821
Total	345,514,540	327,284,711
Common Equity Tier 1 Capital Adequacy ratio	16.13%	15.02%
Tier 1 Capital Adequacy Ratio	16.13%	15.02%
Total Capital Adequacy Ratio	19.12%	16.94%
Minimum CAR (including Capital Conservation Buffer)	11.50%	12.50%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	55,741,395	49,172,949
Total Exposures	890,457,988	784,627,968
Leverage Ratio	6.26%	6.27%
Minimum SBP Requirement	3.00%	3.00%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	373,606,111	287,918,837
Total Net Cash Outflow	71,997,249	70,433,462
Liquidity Coverage Ratio	518.9%	408.8%
Minimum SBP Requirement	100.0%	100.0%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	525,536,317	444,118,240
Total Required Stable Funding	203,256,573	226,386,744
Net Stable Funding Ratio	259%	196%
Minimum SBP Requirement	100%	100%

The SBP has relaxed the Capital Conversion Buffer (CCB) requirements for the Banks to 1.5%, resulting in an overall CAR requirement of 11.5%. The reduced CCB has also provided an additional limit to the Bank for its tier 2 capital. The Bank also believes that it has sufficient buffer in its CAR requirement to meet any adverse movements in credit, market or operational risks.

41.1 The full disclosure on the capital adequacy, leverage ratio & liquidity requirements, along with the specifications of credit ratings used to determine the capital requirements in respect of credit risk & mapping of credit rating to SBP grades, as per SBP prevailing guidelines shall be placed at <https://www.sc.com/pk/about-us/financial-statements.html>

Notes to the Financial Statements

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42. RISK MANAGEMENT

The Bank has put in place an Enterprise Risk Management Framework (ERMF), to implement the guidelines and regulations, related to Risk Management. The ERMF sets out the principles and standards for risk management across the Bank and covers principal risks types of Credit, Traded, Capital & Liquidity, Operational, Country, Reputational, Compliance, Conduct, Information & Cyber Security and Financial Crime risk. These principle risks are managed through distinct Risk Type Frameworks (RTFs). A dynamic risk scanning process is also in place to periodically scan for emerging risks and uncertainties. The ERMF and RTFs define the formal definition of each risk type. The RTFs also define the risk management principles and approach for the management of these risks. In line with ERMF the bank has in place a governance structure for management of risk.

The ultimate responsibility for the oversight of risk management function rests with the Bank's Board of Directors. Acting within the authority delegated by the Board, the Executive Committee (EXCO) has appointed the Executive Risk Committee (ERC) and the Asset and Liability Committee (ALCO), for effective Risk Management. There are various other risk related committees and forums at the management level. These include Approvals Committee, Country Financial Crime Risk Committee, Credit Issue Committee, Compliance and Conduct Management Committee ('CCMC'), IT Steering Committee etc. The ultimate responsibility for the oversight of risk management function rests with the Bank's Board of Directors and the Board Risk Committee (BRC).

The Bank has a Risk Appetite Mandate in place which defines the maximum level of risk that the bank can undertake. This is approved annually by the Board.

The Bank follows the three Lines of Defence ("LOD") as part of its risk management and control framework. Under this, the businesses and functions being the first line of defense are engaged in or support revenue generating activities, own and manage the risks. Second line are the control functions that are independent of the First Line, and that provide oversight and challenge of risk management. Lastly, the internal audit function provides independent assurance.

The COVID - 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The State Bank of Pakistan (SBP) has responded to the crisis by cutting the policy rate by 625 basis points to 7 percent and by introducing regulatory measures to maintain banking system soundness and to sustain economic activity. These include (i) reducing the capital conservation buffer by 100 basis points to 1.5 percent; (ii) increasing the regulatory limit on extension of credit to SMEs to Rs 180 million; (iii) relaxing the debt burden ratio for consumer loans from 50 percent to 60 percent; (iv) allowing banks to defer clients' payment of principal on loan obligations by one year; (v) relaxing regulatory criteria for restructured/rescheduled loans for borrowers who require relief beyond the extension of principal repayment for one year and (vi) introduction of refinancing schemes for payment of wages and salaries.

COVID-19 will impact banks in Pakistan on a number of areas including increase in overall credit risk pertaining to the loans and advances portfolio, reduced fee income due to overall slowdown in economic activity, continuity of business operations and managing cybersecurity threat as a significant number of the Bank's staff is working from home and an ever increasing number of customers are being encouraged to use digital channels.

42.1 Credit risk

Credit Risk is defined as the "potential for loss due to the failure of a counterparty to meet its agreed obligations to pay the Bank" and further divided into following sub-types:

- Credit concentration risk is the risk of material losses arising from sub-optimally diversified exposures. This may be due to the portfolio's sizeable single name exposure or high correlation across geographies and sectors. The risk arises that, due to a change in circumstances, having a concentration may give rise to potential losses.
- FX lending risk relates to the relationship between credit risk and market risk, where volatility in exchange rate movements may have adverse consequences on a borrower's debt servicing capacity should they lack natural or financial hedges. FX lending risk may also be present through currency concentration and where there is a collateral currency mismatch.

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- Credit residual risk is the risk of partial performance or failure of credit risk mitigation techniques (e.g. collateral, derivative based hedging, insurance), owing to undervaluation or ineffective enforceability. Credit residual risk can occur due to the imperfect matching profile between credit exposures and collaterals / hedging instruments.
- Securitisation risk considers whether risk mitigation benefit may change through assets coming back on balance sheet or otherwise. Securitisation activities are undertaken by the Group for a variety of purposes including risk mitigation, funding and capital management (as originator) and may be categorised as either traditional or synthetic securitisations.
- Refinancing risk is the risk that a borrower cannot refinance by borrowing further to repay existing debt potentially leading to the borrower facing liquidity pressures.

A Risk Appetite metrics is setup considering the inherent risks, control effectiveness and residual risk. A careful consideration is given to strategy and infrastructure, concentration risk, risk-adjusted profitability and efficient use of the Group's capital resources while reviewing new credit exposures and monitoring existing credit exposures. This is predominantly done through setting up thresholds at client-level, portfolio-level. Portfolio or underwriting guidelines set the target portfolio shape around sector, product, industry, tenor, collateral, risk acceptance criteria and credit risk profile. Periodic deep dives to identify vulnerable clients or portfolio segments; and application of derisking or mitigating actions.

The overall credit portfolio is monitored against risk appetite and any breach is highlighted and discussed at the appropriate governance forum / authority levels and appropriate mitigation actions determined by the appropriate committees / delegated authorities.

Stress testing tool is used for credit risk identification assessment, monitoring and mitigation and contribute to risk appetite calibration. Periodic stress tests are performed on the credit portfolio/segment to anticipate vulnerabilities from stressed conditions and initiate timely de-risking and mitigation plans.

Other monitoring processes include Excess and Past-due Management, Accounts subject To Additional Review (ASTAR), Early Alert (EA), and Group Special Assets Management (GSAM).

The effects of credit risk mitigation techniques, including collateral, guarantees, and legally enforceable netting agreement (if any).

Quantitative and qualitative information about its securitization activities and contractual obligations with respect to recourse arrangements and the expected losses under those arrangements.

The overall credit portfolio is well collateralized. This includes all major types of collaterals such as hypothecation charge over current assets, charge over fixed assets, mortgage over property, lien on cash deposit, pledge of shares, SBLCs, pledge of stock etc.

The Risk Management function of the Bank is regularly conducting assessments of the credit portfolio to identify borrowers most likely to get affected due to changes in the business and economic environment. The Bank has further strengthened its credit review procedures in the light of COVID-19. The Bank is continuously reviewing the portfolio, to identify customers susceptible to higher risk, resulting from the pandemic. The Bank has granted deferment / restructuring / rescheduling to customers under schemes announced by SBP. The full potential impact of economic stress is difficult to predict given the uncertain economic environment. Hence, the management believes it is appropriate to maintain a general provision of up to 1% of the performing credit portfolio on prudent basis. This general provision is in addition to the requirements of Prudential Regulations. Based on management's best estimate a provision of Rs 1,773 million has been recognised in the profit and loss account in the current period.

42.1.1 Lendings to financial institutions

Credit risk by public / private sector

	Gross lendings		Non-performing lendings		Provision held	
	2020	2019	2020	2019	2020	2019
	----- (Rupees in '000) -----					
Public / Government	9,270,345	6,085,791	-	-	-	-
Private	60,281,457	10,926,298	-	-	-	-
	69,551,802	17,012,089	-	-	-	-

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42.1.2 Investment in debt securities

Credit risk by industry sector

	Gross Investments		Non-performing Investments		Provision held	
	2020	2019	2020	2019	2020	2019
----- (Rupees in '000) -----						
Financial	349,079,079	248,666,241	-	-	-	-
Textile	138,025	138,025	138,025	138,025	138,025	138,025
Chemical and Pharmaceuticals	347,000	547,000	147,000	147,000	147,000	147,000
	349,564,104	249,351,266	285,025	285,025	285,025	285,025

Credit risk by public / private sector

	Gross Investments		Non-performing Investments		Provision held	
	2020	2019	2020	2019	2020	2019
----- (Rupees in '000) -----						
Public / Government	349,079,079	248,666,241	-	-	-	-
Private	485,025	685,025	285,025	285,025	285,025	285,025
	349,564,104	249,351,266	285,025	285,025	285,025	285,025

42.1.3 Advances

Credit risk by industry sector

	Gross Advances		Non-performing Advances		Provision held	
	2020	2019	2020	2019	2020	2019
----- (Rupees in '000) -----						
Agriculture, Forestry, Hunting and Fishing	1,668,994	1,570,401	-	-	-	-
Mining and Quarrying	91,213	120,137	-	-	-	-
Food, tobacco and beverages	24,412,684	28,737,625	-	-	-	-
Metal and allied	689,968	1,334,135	-	-	-	-
Oil and gas	18,519	8,015,694	-	-	-	-
Textile	28,559,948	32,151,693	5,978,320	6,204,971	5,978,320	6,204,969
Chemical and Pharmaceuticals	16,267,406	16,183,574	2,225,293	2,445,703	1,891,960	1,797,420
Cement	3,799,012	4,409,988	2,991,010	-	1,495,505	-
Sugar	2,781,746	1,887,293	124,591	443,139	124,591	443,139
Footwear and Leather garments	561,523	1,075,159	-	-	-	-
Automobile and transportation equipment	2,053,662	25,672,736	278,428	166,567	194,532	166,567
Electronics and electrical appliances	7,153,432	7,694,036	23,771	28,771	23,771	28,771
Construction	1,207,461	1,208,657	735,638	735,638	735,638	735,638
Power (electricity), Gas, Water, Sanitary	15,991,492	18,337,925	639,688	662,888	639,688	446,576
Wholesale and Retail Trade	5,380,806	6,384,460	660,869	146,239	600,895	146,239
Exports/Imports	61,926	78,911	-	-	-	-
Transport, Storage and Communication	42,368,883	38,239,888	2,729,995	2,729,995	2,729,995	2,729,995
Financial	57,507	972,711	-	-	-	-
Services	5,997,237	5,023,216	1,260,971	1,299,692	1,188,869	1,151,289
Individuals	31,676,066	29,535,782	2,585,093	2,216,734	1,777,626	1,953,772
Others	8,953,092	6,634,599	2,461,311	657,606	1,583,860	570,734
	199,752,577	235,268,620	22,694,978	17,737,943	18,965,250	16,375,109

Credit risk by public / private sector

	Gross Advances		Non-performing Advances		Provision held	
	2020	2019	2020	2019	2020	2019
----- (Rupees in '000) -----						
Public / Government	999,170	7,996,190	-	-	-	-
Private	198,753,407	227,272,430	22,694,978	17,737,943	18,965,250	16,375,109
	199,752,577	235,268,620	22,694,978	17,737,943	18,965,250	16,375,109

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42.1.4 Contingencies and Commitments

Credit risk by industry sector

	2020	2019
	----- (Rupees in '000) -----	
Mining and Quarrying	448,461	537,630
Food and Beverages	2,424,601	9,579,330
Engineering	998,238	1,154,506
Energy	-	-
Textile	1,035,600	3,444,831
Chemical and Pharmaceuticals	9,409,254	7,988,649
Cement	1,766,098	1,513,725
Sugar	1,170,514	2,400
Footwear and Leather garments	240,533	119,643
Automobile and transportation equipment	9,969,003	10,407,312
Electronics and electrical appliances	13,799,046	12,279,611
Power (electricity), Gas, Water, Sanitary	4,589,927	4,044,836
Wholesale and Retail Trade	10,622,609	9,315,259
Exports/Imports	475	49,756
Transport, Storage and Communication	9,739,944	12,908,617
Financial	73,181,195	74,954,304
Services	2,694,419	2,716,866
Others	1,350,470	2,508,067
	153,409,390	153,525,342

Credit risk by public / private sector

Public/ Government	7,319,160	6,195,953
Private	146,090,230	147,329,389
	153,409,390	153,525,342

42.1.5 Concentration of Advances

The bank top 10 exposures on the basis of total (funded and non-funded exposures) aggregated to Rs 93.588 billion (2019: 106.757 billion) are as following:

	2020	2019
	----- (Rupees in '000) -----	
Funded	63,223,651	77,523,835
Non Funded	30,364,838	29,232,851
Total Exposure	93,588,489	106,756,686

The sanctioned limits against these top 10 exposures aggregated to Rs 141.946 billion (2019: 153.722 billion). None of the above are non-performing.

42.1.6 Advances - Province/Region-wise Disbursement & Utilization

Province/Region	2020						
	----- (Rupees in '000) -----						
	Disbursements	Utilization					
Punjab		Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan	
Punjab	779,087,801	779,087,801	-	-	-	-	-
Sindh	1,198,268,578	-	1,198,268,578	-	-	-	-
KPK including FATA	1,427,616	-	-	1,427,616	-	-	-
Balochistan	48,537	-	-	-	48,537	-	-
Islamabad	191,316,451	-	-	-	-	191,316,451	-
AJK including Gilgit-Baltistan	-	-	-	-	-	-	-
Total	2,170,148,983	779,087,801	1,198,268,578	1,427,616	48,537	191,316,451	-

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Province/Region	2019						
	(Rupees in '000)						
	Disbursements	Utilization					
Punjab		Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan	
Punjab	895,554,348	-	-	-	-	-	-
Sindh	1,338,857,009	-	1,338,857,009	-	-	-	-
KPK including FATA	57,729	-	-	57,729	-	-	-
Balochistan	12,091	-	-	-	12,091	-	-
Islamabad	174,301,504	-	-	-	-	174,301,504	-
AJK including Gilgit-Baltistan	3,335	-	-	-	-	-	3,335
Total	2,408,786,016	895,554,348	1,338,857,009	57,729	12,091	174,301,504	3,335

42.2 Market Risk

The Bank has adopted the Traded Risk Type Framework under which the bank recognizes market risk as the 'Potential for loss of economic value due to adverse changes in the financial markets rates or prices.' The Traded Risk Framework is built on a risk-based approach and the framework considers processes and tools to be forward-looking, repeatable, sustainable and anticipate future needs. Market Risk exposures arise primarily from interest rate and foreign exchange related contracts. The Bank has no significant exposure to equity and commodity price risk.

Traded Risk Management (TRM) performs market risk management activities for the bank. Market risk limits are proposed by TRM after discussion with relevant businesses and are reviewed twice a year. Under the framework, authority for setting market risk limits is delegated to the local risk committee i.e, ERC and Approvals committee and the CCRO. Overall risk appetite is set by the BOD in terms of Value at risk (VaR) as a percentage of CET1. Market risk exposures are reported to country ALCO on a monthly basis.

In addition to VaR and other market risk limits, independent stress testing of portfolios, factor sensitivity measures and derivatives are also employed as additional risk management tools to manage and hedge market risk exposures. VaR is the main limit that is being applied by the bank along with other supporting price risk limits. Interest Rate Risk is controlled via PVO1 limits which are set on Net as well as Gross basis across various tenors and at currency level. Additionally curve tenor limits are applied to contain the interest rate risk exposure going beyond certain tenors. PVO1 strip is then applied to the historical scenarios i.e. Risk factors over the last 260 days to derive the NPV distribution which is then used to determine VaR and Stress VaR.

All limits are hard limits and any excess results in escalation to senior management, with the level of escalation depending upon nature of excess. These limits are monitored on a daily basis as part of daily risk reporting.

42.2.1 Balance sheet split by trading and banking books

	2020			2019		
	Banking book	Trading book	Total	Banking book	Trading book	Total
(Rupees in '000)						
Cash and balances with treasury banks	54,366,569	-	54,366,569	61,290,428	-	61,290,428
Balances with other banks	11,271,237	-	11,271,237	3,484,265	-	3,484,265
Lendings to financial institutions	69,551,802	-	69,551,802	17,012,089	-	17,012,089
Investments	312,902,964	36,541,808	349,444,772	227,321,187	21,842,843	249,164,030
Advances	178,216,374	-	178,216,374	218,087,193	-	218,087,193
Fixed assets	11,910,762	-	11,910,762	10,563,451	-	10,563,451
Intangible assets	26,095,324	-	26,095,324	26,095,375	-	26,095,375
Other assets	17,043,454	4,004,451	21,047,905	30,261,272	4,012,482	34,273,754
Total	681,358,486	40,546,259	721,904,745	594,115,260	25,855,325	619,970,585

42.2.2 Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank manages this risk by setting and monitoring currency-wise limits. The Bank's assets in a particular currency are typically funded in the same currency to minimize foreign currency exposure. However, the Bank maintains an open position in various currencies resulting from its transactions. Foreign exchange risk is controlled and monitored through the limits approved by ALCO within the overall limit advised by the SBP.

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	2020				2019			
	Foreign Currency Assets	Foreign Currency Liabilities	Off-balance sheet items	Net foreign currency exposure	Foreign Currency Assets	Foreign Currency Liabilities	Off-balance sheet items	Net foreign currency exposure
	----- (Rupees in '000) -----							
United States Dollar	84,864,797	86,391,807	(60,075,060)	(61,602,070)	34,787,816	84,593,832	(11,973,935)	(61,779,951)
Great Britain Pound Sterling	7,414,902	7,414,972	(601,217)	(601,287)	6,407,575	6,407,619	(671,540)	(671,584)
Euro	6,978,632	4,378,697	(5,964,784)	(3,364,849)	3,423,829	3,353,601	(6,244,388)	(6,174,160)
Swiss Franc	38,287	37,939	(44,240)	(43,892)	33,452	44	(43,028)	(9,620)
Japanese Yen	122,776	73,295	(2,155,512)	(2,106,031)	100,211	44,523	(2,167,907)	(2,112,219)
Other currencies	1,582,118	1,537,483	(3,954,484)	(3,909,849)	671,579	663,895	(4,127,423)	(4,119,739)
	101,001,512	99,834,193	(72,795,297)	(71,627,978)	45,424,462	95,063,514	(25,228,221)	(74,867,273)

	2020		2019	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
	(+/-)	(+/-)	(+/-)	(+/-)
Impact of 1% change in foreign exchange rates on				
- Profit and loss account	N/A	15,330	N/A	3,225
- Other comprehensive income	N/A	N/A	N/A	N/A

42.2.3 Equity position Risk

Since the exposure of the Bank in equity is insignificant, the effect of changes in equity prices have not been disclosed.

42.2.4 Yield / Interest Rate Risk in the Banking Book (IRRBB)-Basel Specific

Yield/ Interest rate sensitivity position for on-balance sheet instruments is based on the earlier of contractual re-pricing or maturity date and for off-balance sheet instruments is based on settlement date. This also refers to the non-trading market risk.

- Interest Rate Risk in the Banking Book (IRRBB) is defined as a potential reduction on the Bank's earnings or economic value due to an adverse movement in interest rates arising from its Banking Book exposures.
- IRRBB arises from 1) Repricing Risk (arises from timing mismatch in the re-pricing profile of assets, liabilities and off-balance sheet positions), 2) Basis Risk (arises from the imperfect correlation of rates on different instruments with otherwise similar re-pricing characteristics) and 3) Option Risk (result from clients exercising their right to alter the cash-flow of an instrument)

The bank assumes a constant balance sheet (balances, duration, product mix etc) with maturing balances being replenished with instruments of similar characteristics; this also assumes that contingent exposures are not drawn in order to maintain a constant balance sheet. A parallel shock is applied to the yield curve across all currencies for a forecasted horizon of 12 months. The economic life and re-pricing tenors for maturing products is assumed to be the contractual profile whereas for non-maturing products it is taken to be the FTP profile.

When modelling floating rate products; or instruments with short term tenors or high spreads, the prepayment behavior will be assumed independent from interest rate scenarios.

When modelling long term fixed rate products with low spreads the prepayment behaviour will be assumed interest rate dependent. Pass through rates (proportion of change in market rates passed on to customers) and Pass through lags (time difference between market interest rate change and its pass through to a customer) are determined by businesses once a year and reviewed and approved by the ALCO.

- IRRBB is a risk sub type covered under the Capital & Liquidity Risk Type Framework. The framework and its policies require the interest rate risk exposures in the banking book are presented to the ALCO monthly.
- The increase (decline) in earnings for upward shocks according to Bank's method for measuring IRRBB, translated into Rupees is presented below:

	2020		2019	
	Banking book	Trading book	Banking book	Trading book
	----- (Rupees in '000) -----			
	(+/-)	(+/-)	(+/-)	(+/-)
Impact of 1% change in interest rates on				
- Profit and loss account	973,529	(328,251)	1,639,992	(165,974)
- Other comprehensive income	(725,650)	-	356,829	-

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42.2.5 MISMATCH OF INTEREST RATE SENSITIVE ASSETS AND LIABILITIES

Effective yield / interest rate	Total	2020									Non interest bearing financial instruments	
		Exposed to yield / interest rate risk										
		Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years		
----- (Rupees in '000) -----												
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	-	54,366,569	8,892,238	-	-	-	-	-	-	-	-	45,474,331
Balances with other banks	-	11,271,237	-	-	-	-	-	-	-	-	-	11,271,237
Lendings to financial institutions	2.54%	69,551,802	67,706,381	1,845,421	-	-	-	-	-	-	-	-
Investments	9.12%	349,444,772	38,725,521	133,441,378	13,236,279	18,355,606	-	119,697,790	25,823,869	-	-	164,329
Advances	10.69%	178,216,374	94,291,782	38,790,764	25,453,926	7,713,741	4,999,040	4,388,212	2,527,054	51,855	-	-
Other assets	-	16,836,913	-	-	-	-	-	-	-	-	-	16,836,913
		679,687,667	209,615,922	174,077,563	38,690,205	26,069,347	4,999,040	124,086,002	28,350,923	51,855	-	73,746,810
Liabilities												
Bills payable	-	10,712,040	-	-	-	-	-	-	-	-	-	10,712,040
Borrowings	3.73%	23,293,381	2,591,757	12,290,941	4,099,960	971,109	3,014,853	59,622	107,939	72,000	26,608	58,592
Deposits and other accounts	3.90%	556,505,923	280,821,471	7,119,582	23,658,398	1,613,249	1,815,391	439,300	-	-	-	241,038,532
Sub-ordinated loans	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	45,419,142	-	-	-	-	-	-	-	-	-	45,419,142
		635,930,486	283,413,228	19,410,523	27,758,358	2,584,358	4,830,244	498,922	107,939	72,000	26,608	297,228,306
On-balance sheet gap		43,757,181	(73,797,306)	154,667,040	10,931,847	23,484,989	168,796	123,587,080	28,242,984	(20,145)	(26,608)	(223,481,496)
Off-balance sheet financial instruments												
Forward Lending												
Interest Rate Swap / Cross Currency Swaps		12,773,964	-	-	-	-	399,378	1,829,490	10,545,096	-	-	-
Foreign Currency option		-	-	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		198,686,966	66,267,665	96,495,058	35,358,574	565,669	-	-	-	-	-	-
		211,460,930	66,267,665	96,495,058	35,358,574	565,669	399,378	1,829,490	10,545,096	-	-	-
Forward Borrowing												
Interest Rate Swap / Cross Currency Swaps		24,389,543	-	-	210,505	87,318	547,272	1,528,511	22,015,937	-	-	-
Foreign Currency option		-	-	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		171,348,316	65,894,080	47,805,319	56,631,850	1,017,067	-	-	-	-	-	-
		195,737,859	65,894,080	47,805,319	56,842,355	1,104,385	547,272	1,528,511	22,015,937	-	-	-
Off-balance sheet gap		15,723,071	373,585	48,689,739	(21,483,781)	(538,716)	(147,894)	300,979	(11,470,841)	-	-	-
Total yield / interest risk sensitivity gap		59,480,252	(73,423,721)	203,356,779	(10,551,934)	22,946,273	20,902	123,888,059	16,772,143	(20,145)	(26,608)	(223,481,496)
Cumulative yield / interest risk sensitivity gap				129,933,058	119,381,124	142,327,397	142,348,299	266,236,358	283,008,501	282,988,356	282,961,748	

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Effective yield / interest rate	Total	2019									Non interest bearing financial instruments	
		Exposed to yield / interest rate risk										
		Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years		
(Rupees in '000)												
On-balance sheet financial instruments												
Assets												
Cash and balances with treasury banks	-	61,290,428	12,422,663	-	-	-	-	-	-	-	-	48,867,765
Balances with other banks	-	3,484,265	-	-	-	-	-	-	-	-	-	3,484,265
Lendings to financial institutions	8.51%	17,012,089	12,894,434	4,117,655	-	-	-	-	-	-	-	-
Investments	10.33%	249,164,030	150,856,846	62,235,130	22,860,002	550,406	11,176,027	1,390,978	-	-	-	94,641
Advances	11.35%	218,087,193	124,457,438	55,895,349	21,204,575	5,793,281	4,755,494	3,996,887	1,761,641	222,528	-	-
Other assets	-	22,098,186	-	-	-	-	-	-	-	-	-	22,098,186
		571,136,191	300,631,381	122,248,134	44,064,577	6,343,687	15,931,521	5,387,865	1,761,641	222,528	-	74,544,857
Liabilities												
Bills payable	-	12,375,271	-	-	-	-	-	-	-	-	-	12,375,271
Borrowings	5.23%	20,256,731	300,700	15,647,880	3,588,591	51,866	-	-	-	-	-	667,694
Deposits and other accounts	5.09%	465,628,985	229,824,849	6,228,391	16,551,942	5,260,305	790,543	1,456,800	-	-	-	205,516,155
Sub-ordinated loans	0.00%	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	43,466,157	-	-	-	-	-	-	-	-	-	43,466,157
		541,727,144	230,125,549	21,876,271	20,140,533	5,312,171	790,543	1,456,800	-	-	-	262,025,277
On-balance sheet gap		29,409,047	70,505,832	100,371,863	23,924,044	1,031,516	15,140,978	3,931,065	1,761,641	222,528	-	(187,480,420)
Off-balance sheet financial instruments												
Forward Lending												
Interest Rate Swap / Cross Currency Swaps		23,380,637	-	459,897	-	815,489	1,061,222	1,147,531	7,264,604	12,631,894	-	-
Foreign Currency option		-	-	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		262,611,678	89,487,659	83,642,180	88,118,626	1,363,213	-	-	-	-	-	-
		285,992,315	89,487,659	84,102,077	88,118,626	2,178,702	1,061,222	1,147,531	7,264,604	12,631,894	-	-
Forward Borrowing												
Interest Rate Swap / Cross Currency Swaps		5,645,085	-	-	-	232,271	-	-	756,858	4,655,956	-	-
Foreign Currency option		-	-	-	-	-	-	-	-	-	-	-
Forward Foreign Exchange Contracts		186,080,096	71,410,581	61,166,995	51,880,014	1,622,506	-	-	-	-	-	-
		191,725,181	71,410,581	61,166,995	51,880,014	1,854,777	-	-	756,858	4,655,956	-	-
Off-balance sheet gap		94,267,134	18,077,078	22,935,082	36,238,612	323,925	1,061,222	1,147,531	6,507,746	7,975,938	-	-
Total yield / interest risk sensitivity gap		123,676,181	88,582,910	123,306,945	60,162,656	1,355,441	16,202,200	5,078,596	8,269,387	8,198,466	-	(187,480,420)
Cumulative yield / interest risk sensitivity gap				211,889,855	272,052,511	273,407,952	289,610,152	294,688,748	302,958,135	311,156,601	311,156,601	

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The Bank is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Bank manages this risk by matching the re-pricing of assets and liabilities and off-balance sheet instruments.

42.3 Operational Risk

Operational risk is the potential for loss resulting from inadequate or failed internal processes and systems, human error, or from impact of external events (including legal risks). Operational risk is inherent in the Bank's activities and as with the other risk types is managed through an overall framework with checks and balances that includes recognized ownership of the risk by the businesses, independent risk management oversight and an independent review by the Group Internal Audit.

The Operational Risk Type Framework (ORTF), sets out the approach for management of operational risk as well as the roles and responsibilities of the various stakeholders. The ORTF is built on a risk-based approach meaning that risk management plans, processes, activities, and resource allocations are determined in accordance with the level of risk. In accordance with the framework, business segments and functions are accountable for the day to day management of business activities and to manage the operational risks that arises from these activities. The independent risk management function and Subject Matter Experts provide, challenge, guidance, and oversight over the business activities. Existing and future levels of Operational Risk must be maintained within the approved Risk Appetite of the Bank.

The bank has a system in place, namely Enterprise Operational Risk Platform (EORP), that is utilized for the recording of operational losses, monitoring of controls, risks and associated mitigating actions, pertinent to operational risk.

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The Bank is closely monitoring the situation and has taken necessary actions to ensure safety and security of Bank staff and uninterrupted services to our customers. The senior management of the Bank is continuously monitoring the situation and is taking timely decisions to resolve any concerns. Business Continuity Plans (BCP) for respective areas are in place and tested. The Bank has enhanced monitoring for all cyber security risks. The remote work capabilities were enabled for staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections.

The Bank is communicating with its customers on how they can connect with the Bank through its full suite of channels including digital and online channels. The Bank has taken all measures to ensure that service levels are maintained, customer complaints are resolved and the Bank continues to meet the expectations of their clients.

The Executive Risk Committee (ERC) has oversight function over Operational risk and other non-financial risks in addition to Compliance risk, Financial Crime risk, Conduct risk, Information & Cyber Security risk, and Reputational risk. The committee has the authority to take a view on the significance of risks and to direct appropriate actions. The ERC is chaired by the CCRO, with CEO as the alternate Chairperson. Depending on the significance of risks, the issues are tabled at ERC. Disaster recovery procedures, business contingency planning and internal audits also form an integral part of the operational risk management process.

42.3.1 Operational Risk-Disclosures Basel Specific

The bank uses The Standardized Approach (TSA) for assessing capital charge for Operational Risk. Under the TSA approach the business activities of the banks are divided into eight business lines, namely corporate finance, trading & sales, retail banking, commercial banking, payment & settlement, agency services, asset management, and retail brokerage. Within each business line, the gross income is a broad indicator that serves as a proxy for the scale of business operations and thus the likely scale of operational risk exposure within each of these business lines. The capital charge for each business line is calculated by multiplying the gross income by a factor (denoted beta) that is assigned to that business line.

Events leading to potential or actual operational losses are known as Operational Risk Events (OREs). Appropriate procedures are in place for the identification, classification, capture, approval and analysis of OREs. OREs must be identified by the First Line of Defence. Prompt actions are to be taken to remediate the impact to our clients and to the Bank. All identified ORE are categorized in terms of Basel business line and event types, and are duly logged on the EORP system. Furthermore, all OREs are reviewed to assess the need for risk treatment actions which include remediation and mitigation actions. Remediation actions seek to rectify the specific outcomes of the event where possible and mitigation actions seek to sustainably prevent the reoccurrence of the ORE. If required, detailed Root Cause Reviews (RCR) are performed to have a detailed analysis of the ORE and to embed lessons learnt through the redesign of processes or controls.

42.4 Liquidity Risk

Liquidity Risk is the potential for loss to an institution arising from either its inability to meet its obligations or to fund increase in assets as they fall due without incurring unacceptable cost or losses. Funding Risk is the potential for actual or opportunity loss because the bank does not have stable or diversified sources of funding in the medium and long term to enable it to meet its financial obligations in pursuit of its desired business strategy or growth objectives.

Liquidity Risk, both short term and structural, and Funding Risk is monitored through the Bank's Capital & Liquidity Risk Type Framework and covered under the Liquidity and Funding Risk policy, and is managed by the Asset and Liability Committee ("ALCO"). This committee, chaired by the CEO, is responsible for both the statutory and prudential liquidity. The ALCO prudently monitors the Bank's balance sheet and ensures that the bank remains liquid at all times.

A range of tools are used for the management of liquidity. Tools for structural liquidity comprise of commitment and wholesale borrowing guidelines, key balance sheet ratios, and medium term funding requirements whereas short-term liquidity tools include day to day monitoring of future cash flows and liquidity stress tests using various behavioral and rollover assumptions. The Bank also maintains significant levels of marketable securities either for compliance with local statutory requirements or as prudential investments of surplus funds.

Bank has received applications for deferral of principal and mark-up. These applications were being reviewed and granted by the Bank as per its established policies. The Asset and Liability Committee (ALCO) of the Bank is continuously monitoring the liquidity position and is taking due precautionary measures where needed. The Bank has conducted various stress testings on its liquidity ratios and is confident that the liquidity buffer maintained by the Bank is sufficient to cater any adverse movement in cash flow maturity profile.

Stress Testing and scenario analyses are used to assess the financial and management capability to continue to operate effectively under extreme, but plausible, operating conditions and to understand the potential threats to the bank's liquidity and other financial resources. Routine stress tests under the Liquidity and Funding Risk Policy comprises of Name specific stress, market wide stress and a combined scenario. In addition, the Bank has prepared a Country Recovery Plan which is a live document by which the Country ensures that it has the ability to recover its financial position in the event of an extreme but plausible liquidity and/or solvency stress. The Bank has set Recovery Indicators capable of acting as early warning indicators of a liquidity and/or solvency stress which meet applicable regulations (where relevant).

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42.4.1 MATURITIES OF ASSETS AND LIABILITIES - based on contractual maturity of assets and liabilities of the bank

In accordance with the guidelines issued by SBP through BSD Circular Letter No. 3 of 2011 and BSD Circular Letter No. 2 of 2013, Banks are required to disclose maturities of assets and liabilities separately for 'contractual maturities' and 'expected maturities'. The expected maturities are calculated using three (3) years historical balances and identifying "Core" and "Non-Core" balances using monthly volatility analysis. Fixed / intangible assets are presented on the basis of their depreciation / amortisation schedule.

	2020									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
Assets										
Cash and balances with treasury banks	54,366,569	54,366,569	-	-	-	-	-	-	-	-
Balances with other banks	11,271,237	11,271,237	-	-	-	-	-	-	-	-
Lendings to financial institutions	69,551,802	67,706,381	1,845,421	-	-	-	-	-	-	-
Investments	349,444,772	38,725,520	133,441,378	13,236,279	18,355,606	-	119,697,790	25,823,869	164,330	-
Advances	178,216,374	60,231,411	29,143,742	21,304,589	5,431,014	8,326,010	7,641,039	34,944,486	6,512,589	4,681,494
Other assets	21,047,905	10,245,574	4,150,684	1,999,876	425,473	141,493	3,899,603	185,202	-	-
Fixed assets	11,910,762	67,306	133,566	204,461	431,094	979,543	1,019,512	2,618,784	4,505,955	1,950,541
Intangible assets	26,095,324	1	2	4	7	-	-	-	-	26,095,310
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
	721,904,745	242,613,999	168,714,793	36,745,209	24,643,194	9,447,046	132,257,944	63,572,341	11,182,874	32,727,345
Liabilities										
Bills payable	10,712,040	10,712,040	-	-	-	-	-	-	-	-
Borrowings	23,293,381	2,650,349	12,290,941	4,099,960	971,109	3,014,853	59,622	107,939	72,000	26,608
Deposits and other accounts	556,505,923	544,472,475	7,119,582	1,045,926	1,613,249	1,815,391	439,300	-	-	-
Sub-ordinated loans	-	-	-	-	-	-	-	-	-	-
Other liabilities	47,090,605	16,818,731	6,492,038	3,525,979	16,662,156	227,225	289,777	3,073,419	776	504
Deferred tax liabilities	2,624,986	-	-	-	-	-	-	2,624,986	-	-
	640,226,935	574,653,595	25,902,561	8,671,865	19,246,514	5,057,469	788,699	5,806,344	72,776	27,112
	81,677,810	(332,039,596)	142,812,232	28,073,344	5,396,680	4,389,577	131,469,245	57,765,997	11,110,098	32,700,233
Net assets										
Share capital	38,715,850									
Reserves	22,497,551									
Unappropriated profit	12,708,561									
Surplus on revaluation of assets - net	7,755,848									
	81,677,810									

	2019									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
Assets										
Cash and balances with treasury banks	61,290,428	61,290,428	-	-	-	-	-	-	-	-
Balances with other banks	3,484,265	3,484,265	-	-	-	-	-	-	-	-
Lendings to financial institutions	17,012,089	12,894,434	4,117,655	-	-	-	-	-	-	-
Investments	249,164,030	150,856,846	62,235,130	22,860,002	550,406	11,176,027	1,390,978	-	94,641	-
Advances	218,087,193	93,989,303	45,480,789	17,983,955	5,718,193	5,687,012	4,444,587	34,032,062	6,574,289	4,177,003
Other assets	34,273,754	9,704,977	10,536,402	1,573,236	308,898	1,575,919	10,317,611	256,711	-	-
Fixed assets	10,563,451	80,460	93,991	141,919	283,144	869,810	836,354	1,733,046	4,401,299	2,123,428
Intangible assets	26,095,375	8	17	25	15	-	-	-	-	26,095,310
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
	619,970,585	332,300,721	122,463,984	42,559,137	6,860,656	19,308,768	16,989,530	36,021,819	11,070,229	32,395,741
Liabilities										
Bills payable	12,375,271	12,375,271	-	-	-	-	-	-	-	-
Borrowings	20,256,731	968,394	15,647,880	3,588,591	51,866	-	-	-	-	-
Deposits and other accounts	465,628,985	450,844,666	6,228,391	1,048,280	5,260,305	790,543	1,456,800	-	-	-
Other liabilities	45,085,131	11,120,679	7,791,433	4,443,654	14,640,153	297,488	636,737	966,758	4,430,289	757,940
Deferred tax liabilities	3,707,964	-	-	-	-	-	-	3,707,964	-	-
	547,054,082	475,309,010	29,667,704	9,080,525	19,952,324	1,088,031	2,093,537	4,674,722	4,430,289	757,940
	72,916,503	(143,008,289)	92,796,280	33,478,612	(13,091,668)	18,220,737	14,895,993	31,347,097	6,639,940	31,637,801
Net assets										
Share capital	38,715,850									
Reserves	19,870,955									
Unappropriated profit	8,946,857									
Deficit on revaluation of assets - net	5,382,841									
	72,916,503									

Notes to the Financial Statements

For the year ended 31 December 2020

42.4.2 MATURITIES OF ASSETS AND LIABILITIES - based on expected maturity of assets and liabilities of the bank

	2020									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
Assets										
Cash and balances with treasury banks	54,366,569	54,366,569	-	-	-	-	-	-	-	-
Balances with other banks	11,271,237	11,271,237	-	-	-	-	-	-	-	-
Lendings to financial institutions	69,551,802	67,706,381	1,845,421	-	-	-	-	-	-	-
Investments	349,444,772	38,725,520	133,441,378	13,236,279	18,355,606	-	119,697,790	25,823,869	164,330	-
Advances	178,216,374	16,400,755	32,717,702	26,746,627	16,419,133	32,154,568	7,641,039	34,942,466	6,512,589	4,681,494
Other assets	21,047,905	10,245,574	4,150,684	1,999,876	425,473	141,493	3,899,603	185,202	-	-
Fixed assets	11,910,762	67,306	133,566	204,461	431,094	979,543	1,019,512	2,618,784	4,505,955	1,950,541
Intangible assets	26,095,324	1	2	4	7	-	-	-	-	26,095,310
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
	721,904,745	198,783,343	172,288,753	42,187,247	35,631,313	33,275,604	132,257,944	63,570,321	11,182,874	32,727,345
Liabilities										
Bills payable	10,712,040	10,712,040	-	-	-	-	-	-	-	-
Borrowings	23,293,381	2,650,349	12,290,941	4,099,960	971,109	3,014,853	59,622	107,939	72,000	26,608
Deposits and other accounts	556,505,923	87,266,777	28,492,938	33,105,959	65,733,315	341,467,634	439,300	-	-	-
Sub-ordinated loans	-	-	-	-	-	-	-	-	-	-
Other liabilities	47,090,605	16,818,731	6,492,038	3,525,979	16,662,156	227,225	289,777	3,073,419	776	504
Deferred tax liabilities	2,624,986	-	-	-	-	-	-	2,624,986	-	-
	640,226,935	117,447,897	47,275,917	40,731,898	83,366,580	344,709,712	788,699	5,806,344	72,776	27,112
	81,677,810	81,335,446	125,012,836	1,455,349	(47,735,267)	(311,434,108)	131,469,245	57,763,977	11,110,098	32,700,233
Net assets										
Share capital	38,715,850									
Reserves	22,497,551									
Unappropriated profit	12,708,561									
Surplus on revaluation of assets - net	7,755,848									
	81,677,810									
	2019									
	Total	Upto one month	Over one month to three months	Over three months to six months	Over six months to one year	Over one year to two years	Over two years to three years	Over three years to five years	Over five years to ten years	Over ten years
	(Rupees in '000)									
Assets										
Cash and balances with treasury banks	61,290,428	61,290,428	-	-	-	-	-	-	-	-
Balances with other banks	3,484,265	3,484,265	-	-	-	-	-	-	-	-
Lendings to financial institutions	17,012,089	12,894,434	4,117,655	-	-	-	-	-	-	-
Investments	249,164,030	150,856,846	62,235,130	22,860,002	550,406	11,176,027	1,390,978	-	94,641	-
Advances	218,087,193	32,814,400	50,532,603	26,269,568	22,423,010	36,819,670	4,444,587	34,032,062	6,574,289	4,177,003
Other assets	34,273,754	9,704,977	10,536,402	1,573,236	308,898	1,575,919	10,317,611	256,711	-	-
Fixed assets	10,563,451	80,460	93,991	141,919	283,144	869,810	836,354	1,733,046	4,401,299	2,123,428
Intangible assets	26,095,375	8	17	25	15	-	-	-	-	26,095,310
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
	619,970,585	271,125,818	127,515,798	50,844,750	23,565,473	50,441,426	16,989,530	36,021,819	11,070,229	32,395,741
Liabilities										
Bills payable	12,375,271	12,375,271	-	-	-	-	-	-	-	-
Borrowings	20,256,731	968,394	15,647,880	3,588,591	51,866	-	-	-	-	-
Deposits and other accounts	465,628,985	66,793,532	24,099,484	27,854,920	58,873,584	286,550,665	1,456,800	-	-	-
Other liabilities	45,085,131	11,120,679	7,791,433	4,443,654	14,640,153	297,488	636,737	966,758	4,430,289	757,940
Deferred tax liabilities	3,707,964	-	-	-	-	-	-	3,707,964	-	-
	547,054,082	91,257,876	47,538,797	35,887,165	73,565,603	286,848,153	2,093,537	4,674,722	4,430,289	757,940
	72,916,503	179,867,942	79,977,001	14,957,585	(50,000,130)	(236,406,727)	14,895,993	31,347,097	6,639,940	31,637,801
Net assets										
Share capital	38,715,850									
Reserves	19,870,955									
Unappropriated profit	8,946,857									
Deficit on revaluation of assets - net	5,382,841									
	72,916,503									

Notes to the Financial Statements

For the year ended 31 December 2020

42.5 Derivative Risk

The Bank has adopted the Traded Risk Type Framework which sets out the overall risk management approach for Traded Risk, which covers potential for loss resulting from derivative activities undertaken by the financial markets. Traded Risk Management (TRM) performs market risk management activities for the Bank. Derivative risk limits are proposed by TRM after discussion with relevant businesses and are reviewed twice a year. Under the framework, authority for setting derivative risk limits is delegated to the local Executive Risk Committee, Approvals Committee and the Country Chief Risk Officer.

The Executive Risk Committee and the Board Risk Committee have primary oversight responsibility for Derivative Risk.

43. GENERAL

43.1 CORRESPONDING FIGURES

Certain Corresponding figures have been re-arranged / reclassified to reflect more appropriate presentation that are not material in nature.

Financial information presented in Pakistan Rupees has been rounded off to the nearest thousands.

43.2 DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on 25 February 2021.



Ian Bryden
Chairman



Rehan M. Shaikh
Chief Executive Officer



Syed Ejaz Alam
Chief Financial Officer



Ehsan Ali Malik
Director



Mohamed Abdel Razek
Director

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - I

Statement in respect of written-off loans or any other financial relief of five hundred thousand rupees or above as required under sub-section (3) of section 33A of the Banking Companies Ordinance, 1962 during the year ended 31 December, 2020

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
1	Fazleesons Private Limited	F-42 Hub River Road, Site Karachi	Saleemuddin 42201-9115584-7 Fazal-E-Azeem 42201-8514923-5 Tarique Rehman 42201-3215399-1 Zarina Begum 42201-0231331-2 Zarina Khatoon 42201-0271999-8 Jamil Ahmed 42101-0203283-7	Fazal Ellahi Fazalur Rehman Fazalur Rehman Fazalur Rehman Fazalur Rehman Naqeeb Ahmed	-	92,410,389	92,410,389	-	92,410,388	92,410,388
2	Unique Enterprises	H No 167/A-1 Adamjee Road Rawalpindi Cantt Rawalpindi	37405-2894906-1 Aslam Pervaiz	Abdul Rasheed	-	41,442,162	41,442,162	-	41,442,162	41,442,162
3	New Light Hosiery (Pvt) Ltd	P-212 Street No.5 Afghan Abad No.2 Faisalabad	Muhammad Shahid 33100-0643188-9 Muhammad Azhar 33100-6188792-1 Tanveer Ahmed 33100-0512383-9 Aqel Ahmed 33100-7981451-3	Muhammad Anwar Muhammad Anwar Shahabud Din Shahabud Din	5,506,675	28,207,156	33,713,830	5,506,675	28,253,685	33,760,360
4	Al Abid Silk Mills Limited	A-39 S.I.T.E. A-39 Manghoper Road Karachi	Syed Raza Abbas Jaffari 42201-0215685-1 Adia Naseem 42301-0783384-4 Asra Amir 42301-0785813-2 Zarina Naseem 42301-0829619-0 Reena Azim 42301-0831483-6 Naseem A. Sattar 42301-0840043-1 Sadaf Nadeem 42301-0878886-8 Azim Ahmed 42301-0912143-9	Syed Raza Abbas Jaffari Adia Naseem Asra Amir Zarina Naseem Reena Azim Naseem A. Sattar Sadaf Nadeem Azim Ahmed	26,280,349	6,784,756	33,065,105	26,281,259	6,784,756	33,066,015
5	Murzook International	2-C Garden Block New Garden Town Lahore	Asif Ali 35202-7145909-3	Sheikh Rustam Ali	29,844,550	41,882,112	71,726,662	-	17,460,711	17,460,711
6	Ishrat Swaleh	M 1 Saima Palace Plot No 4 Block 3 BMCHS Main Road Karachi	42101-4484274-1	Syed Mohammad Swelah	-	10,284,768	10,284,768	-	10,284,768	10,284,768
7	Muazzam Mushtaq	Street No Jattan Wali House A 409 Mohallah Jattan Lahore	34101-1790211-3	Mushtaq Ahmed	3,300,000	5,753,978	9,053,978	3,300,000	5,753,978	9,053,978
8	Mohammad Yasin	Ghalla Mandi, Sheikhpura	297-78-041264	Abdul Razzak	19,264,810	7,229,844	26,494,654	5,764,810	1,748,084	7,512,894
9	Muhammad Tasneem	House No 21-S Huma Block Allama Iqbal Town Lahore	35202-6796136-5	Muhammad Nazir	9,039,923	6,876,778	15,916,701	964,982	4,296,698	5,261,680
10	Amir Aman	House No 229 St No 76 F-11/1 Islamabad	61101-1777845-7	Raja Aman Ullah Khan	7,305,770	3,105,877	10,411,647	1,188,767	3,105,877	4,294,644
11	Amir Mahmood	Street No 04 Millat Colony Pul Coriyaan Sumun Lahore	33100-1437033-9	Malik Muhammad Aslam	948,870	2,884,393	3,833,263	948,870	2,884,393	3,833,263
12	Arshad Ali	Main Bazar, Shah Jamal District	32304-8486923-1	Liaquat Ali	7,781,758	2,888,497	10,670,255	1,781,758	793,177	2,574,935
13	Sohail Riaz	332 Phase 1 D.O.H.S Gujranwala Cantt	285-85-071645	Riaz Mehmood Bajwa	1,189,680	1,186,550	2,376,230	1,189,680	1,186,550	2,376,230
14	Mr Muhammad A Atiq Durrani	House No 06 Jehlam Block Green Ford-II Lahore	36302-3874246-1	Sardar Abdul Hameed Khan Durrani	1,685,288	499,354	2,184,642	1,685,288	680,952	2,366,240
15	Naveed A Siddiqui	Oasis Travels Ltd 17-Hotel Metropole Abdullah Haroon Road Karachi	42301-771869-5	Jameel Ahmed Siddiqui	1,970,502	326,938	2,297,440	1,970,502	352,828	2,323,330
16	Mr Ali Khan	FMHCollege Of Medicine & Dentistry 4th Floor Shadman Near Fatima Memorial Hospital Lahore	54400-1280766-9	Aftab Ashraf	1,256,374	926,396	2,182,770	1,256,374	931,429	2,187,803
17	Ghulam Murtaza Khuuro	C-33 2nd Floor Defence View Phase I Iqra University Karachi	42301-5705431-5	Noor Muhammad Khuuro	1,896,369	259,155	2,155,524	1,896,369	259,155	2,155,524
18	Syed Asim Ali	Plot No. 166-B Sonia Apartments Ment Flat. No. B-104 Khalid Margala Show Room Khalid Bin Walid Rd Blk-3 Karachi	42201-5211299-3	Syed Zulfiqar Ali	1,926,097	214,212	2,140,309	1,926,097	214,213	2,140,310
19	Madiha Sarim Alvi	PSDC 21-A-Block H Dr Mateen Fatima Rd Gulberg 2 Home Economics College Lahore	42301-1697575-0	Sarim Alvi	1,783,136	271,207	2,054,343	1,783,136	271,207	2,054,343
20	Nasir Mehmood	Kamal Limited 3.5 Km Rohi Nalla 22Km Ferozpur Road Opp Stylo Shop Lahore	33100-1028110-1	Sardar Muhammad Bhatti	1,800,000	162,478	1,962,478	1,800,000	183,122	1,983,122
21	Hafiz Mohammad Ishaq	House No 25 Street 5 Mohallah Muradpura Hospital Road Fatah Garh Town Tehsil & Distt Lahore	35201-7132077-7	Mohammad Rafi	2,941,182	3,753,350	6,694,532	626,591	1,353,457	1,980,048
22	Aamer Hussain	Clarity Communications Al Rehman Building I.I Chundrigar Road Karachi	42301-5299045-3	Shaikh Liaquat Hussain	1,681,443	243,285	1,924,728	1,681,444	296,939	1,978,383
23	Zia Ur Rehman	House No.54 Circular Road East Phase 1 Pakistan Town Pwd Islamabad	61101-1816117-3	Abdul Rashid	1,933,647	25,359	1,959,006	1,933,647	25,357	1,959,004
24	Syed Noman Ahmed	1st Floor AWT Plaza I.I Chundrigar Shaheen Complex Road Karachi	42201-6617605-1	Syed Mukhtar Ahmed	1,763,877	168,574	1,932,451	1,763,877	168,574	1,932,451
25	Muhammad Akram	Flat-2 Block 10-D Street No.22-A Sector G-10/2 Farooq-E-Azam Masjid Islamabad	42501-4128570-3	Nazar Muhammad	1,700,000	202,462	1,902,462	1,700,000	227,903	1,927,903
26	Mr Muhammad Kashif Shamsi	House No.B-7,Circular Avenue Street DHA Phase 2 Abubakar Masjid Karachi	42301-2478227-7	Abdul Samad Shamsi	1,563,794	306,171	1,869,965	1,563,794	355,548	1,919,342

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
27	Mr Kosar Mahmood	Myson 13 Malik Complex-80 West Blue Area Islamabad	37405-0432391-9	Muhammad Sadiq	1,362,894	524,090	1,886,984	1,362,894	549,287	1,912,181
28	Mr Khaled Saeed Malik	R2V Pvt Ltd House No. 13-B Main Valley Road Westridge Raw Near CSD	37405-5900105-3	Jah Andad Malik	1,653,939	202,116	1,856,055	1,653,940	233,270	1,887,210
29	Qurat Ul Ain Zahid	Friedrich Ebert Stiftung 1st Floor 66 W Junaid Plaza Jahangir Jinnah Avenue Blue Area Islamabad	13503-1472824-2	Zahid Aziz	1,786,758	79,042	1,865,800	1,786,758	79,042	1,865,800
30	Babar Ali	DK-4 Khayaban-E-Bukhari Street 34 Arif Medical Centre Phase VII DHA Karachi	42301-3947929-3	Jabbar Ali Qureshi	1,703,724	137,782	1,841,506	1,703,724	153,693	1,857,417
31	Ghulam Rasool Sabir	Kissan Heriyali Centre Dunya Pur Road Basti Malook Distt Multan	326-62-462983	Ch. Umer Din	1,851,400	2,820,480	4,671,880	1,851,400	-	1,851,400
32	Naeem Ullah Malik	House 438 Street No. 15 Sector No. 3 Air Port Housing Society Civil Center Rawalpindi	42000-1691778-9	Aman Ullah Malik	1,697,324	153,062	1,850,386	1,697,324	153,062	1,850,386
33	Shaheryar Ahmed	Flat No. D-38 Gulshan E Amin Towers Block-15 Johar Chorangi Gulistan-e-Johar Karachi	42501-8383636-7	Safir Ahmed Siddiqui	1,523,585	229,660	1,753,245	1,523,585	253,388	1,776,973
34	Sohrab Afgan	163 A New Muslim Town Ayubia Market Lahore	35202-4051102-9	Jaffar Ali Khan	1,492,852	239,478	1,732,330	1,492,852	273,740	1,766,592
35	Sheikh Atta Basit	House 9 Simly Valley-2 Simli Simli Dam Dam Road Islamabad	61101-7893179-5	Sheikh Atta Ullah	1,542,396	183,503	1,725,899	1,542,396	202,720	1,745,116
36	Nadeem Ahmed Mazari	House No. G-17 Cantt Bazar Malir Cantt Malir Bazar Karachi	42201-5648775-9	Ghulam Qadir Mazari	1,555,099	135,856	1,690,955	1,555,099	135,856	1,690,955
37	Saif Ur Rehman	4th Flr Din Pavilion Blue Nadra Area Islamabad	35202-2538832-7	Habib Ur Rehman Shakir	1,578,342	107,364	1,685,706	1,578,342	107,364	1,685,706
38	Syed Saqib Ahmed	Generation Pvt Ltd 20 Km Ferozepur Road Lahore Maktab Lahore	35202-3164350-5	Syed Moussoof Ahmed	1,508,905	160,532	1,669,437	1,508,905	160,532	1,669,437
39	Mr Zeeshan Mustafa	Educational Systems E-31 Miran Mohammad Shah Road Mohammad Ali Society Near Nadra Head Office Karachi	41306-5207883-9	Ghulam Mustafa Lashari	1,399,534	232,479	1,632,013	1,399,534	263,350	1,662,884
40	Muhammad Arif	House No.9, Street No.9 Block No.B Eden Value Homes Near Thokar Niaz Baig Lahore	36302-0465075-9	Irshad Muhammad	1,509,180	139,178	1,648,358	1,509,180	153,280	1,662,460
41	Irfan Ashraf	KE Ltd 3rd Floor Bahria Complex IV Gizri Near Gizri Bridge Karachi	45304-2408006-5	Muhammad Ashraf	1,538,811	132,422	1,671,233	1,538,811	123,260	1,662,071
42	Syed Khalid Hassan	148/35 Apartment 2 Ground Floor Fatima Terrace Block No.7/8 UBL Branch CP Berar Society Karachi	42201-8913065-5	Syed Sarwat Hassan	1,617,566	43,961	1,661,527	1,617,566	43,961	1,661,527
43	Malik Asrar Ellahi	Room No. 18 Office Of The Attorney General For Accadmy High Court Lahore Pakistan Judicial Lahore	35202-3915065-7	Malik Noor Ellahi	1,464,422	171,175	1,635,597	1,464,422	190,341	1,654,763
44	Muhammad Akhtar	ENI 5th Floor The Forum G-20 Block 9 Khayaban-e-Jami Schon Circle Clifton Karachi	32303-0771531-3	Ghulam Haider	1,353,684	178,364	1,532,048	1,353,684	178,364	1,532,048
45	Mohammad Jawwad Qazi	Basic Needs Plot No.333 Pakistan Refinery Korangi Town Ship Karachi	42201-7313763-1	Qazi Muhammad Yaqoob	1,411,072	76,880	1,487,952	1,411,072	87,719	1,498,791
46	Muhammad Yousaf	House No. B-138/3 Khurram Colony NNP Muslim Town Lahore	37405-6148633-7	Mirza Muhammad Younas	1,469,783	25,700	1,495,483	1,469,783	25,700	1,495,483
47	Khalid Aziz	Plot 208-209-210 Service East Road I-10/3 Markaz I-10/3 Islamabad	37406-2978340-7	Aziz Khan	1,361,202	109,612	1,470,814	1,361,202	109,607	1,470,809
48	Shehzad Ali Shad	Serene Air Engineering Room 1126 New Motorway No 01 Tool Plaza Airport Islamabad	37405-0228293-3	Shamshad Ali Shad	1,352,582	100,004	1,452,586	1,352,582	100,623	1,453,205
49	Asma Taimoor	House No 507 Street 20 Sector B Wateen DHA Phase 5 Lahore	35201-8020917-4	Taimoor Tariq Khawaja	1,351,067	92,751	1,443,818	1,351,067	98,240	1,449,307
50	Imran	D-120 Site Area Karachi ARY Hino Pak Office Karachi	42101-1879723-3	Manzoor Ahmed	1,309,703	124,498	1,434,201	1,309,703	138,170	1,447,873
51	Adil Yousufzai	135-Block No E-1 Stadium Road Gulberg III Nr Kadafi Lahore	41303-1534614-7	Atai Khan Yousufzai	1,399,237	34,616	1,433,853	1,399,237	34,616	1,433,853
52	Azhar Ahmad Herl	H No 44-A Rajpot Town 17-Km Multan Road Lahore	42301-4217291-7	Muhammad Anwar Herl	1,338,579	59,513	1,398,092	1,338,579	81,957	1,420,536
53	Al Faqir Azhar Islam	GBSS Malir Colony Double Story School Urdu Nager Karachi	42501-2195408-9	Sofi Muhammad Ilyas	1,272,217	148,109	1,420,326	1,272,217	148,109	1,420,326
54	Jamal Ahmed Qureshi	Flat No. C 7th Floor Building 83 Askari V Malir Cantt Bank Al Habib Karachi	42201-1752945-1	Wilayat Ahmed Qureshi	1,250,730	164,447	1,415,177	1,250,730	164,447	1,415,177
55	Muhammad Amanullah	15 Khayaban-e-Suharwardi Main Aabpara Market Allied Bank Islamabad	37405-0344981-9	Muhammad Zafarullah	1,256,000	146,885	1,402,885	1,256,000	146,885	1,402,885
56	Nauman Jamil Chishti	TPS Tower Block 7/8 Kchs Shabbirabad Block Bridge Karachi	42101-1485130-3	Mohammad Jamil Chishti	1,275,236	126,361	1,401,597	1,275,236	126,361	1,401,597
57	Muhammad Afzal	Century Papers And Board Mills Ltd 14 Ali Block Garden Town Near Kalma Chowk Lahore	35302-1205240-7	Chaudhry Muhammad Aslam	1,306,048	94,549	1,400,597	1,306,048	94,549	1,400,597
58	Muhammad Salman Baig	5-E-11 Gulberg -III Liberty Roundabout Lahore	33100-7039045-1	Salman Mirza	1,188,491	177,663	1,366,154	1,188,491	204,939	1,393,430
59	Sajid Ahmad	21-Davis Road Agriculture UBL Office Gop Lahore	35201-1393541-7	Chaudhry Fazal Dad	1,275,613	106,509	1,382,122	1,275,613	117,729	1,393,342
60	Khushi Muhammad Masroor	MAK Office No.809 8Th Flr Kawish Crown Plaza Pso Petrol Pump Main Shakra-e-Faisal Karachi	42201-0530732-1	Masroor Ahmed Khan	1,294,157	97,582	1,391,739	1,294,157	97,582	1,391,739

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
61	Ibrahim Patel	Consulate General Qatar Ghizri Clifton Saudi Embassy Karachi	52101-3677068-5	Niaz Ahmed	1,226,091	144,352	1,370,443	1,226,091	160,715	1,386,806
62	Saifuddin Saifuddin	Office Mezzanine Floor Rehman Business Centre Fardous Market 32-B-III Gulberg III Lahore	15202-0842961-9	Saif Ul Malook	1,288,171	97,939	1,386,110	1,288,171	97,939	1,386,110
63	Mr Faisal Mushtaq	Al Raheem Estate Office No.2 Eden Chowk Military Account Society College Road & Missile Chowk Lahore	35202-1691704-5	Malik Mushtaq Ali	1,070,416	213,457	1,283,873	1,070,416	311,046	1,381,462
64	Mr Malik Bilal	FAO Office WFP Compound H No.10A Sahibzada Abdul Qayum Road Johar Khatoon Hospital Peshawar	17301-5211350-3	Malik Taj	1,178,954	127,664	1,306,618	1,178,954	183,983	1,362,937
65	Khazerkeel Hussain Madni	1st 4 Connect Pvt Ltd 5-B Block Abu Bakar New Garden Hameed Latif Hospital Town Lahore	61101-6234545-5	Shahid Hussain Madni	1,217,981	142,215	1,360,196	1,217,981	142,215	1,360,196
66	Imran Khan	Travel Consortium Pvt Ltd Office No. G-3 Al Hafeez Al Hafeez 65-D/1 Ghalib Road Gulberg-3 Lahore	35202-0504595-7	Sana Ulla Khan	1,226,714	113,508	1,340,222	1,226,714	113,508	1,340,222
67	Arif Raza	House No.40/42 K Block Ghosia Colony Model Town Park Mariyan Lahore	38102-0316102-7	Saqlain Raza	1,183,200	125,037	1,308,237	1,183,200	125,037	1,308,237
68	Muhammad Aslam	House No. A-6 Ashraf Colony Street No. DH Mosque Camp Chakeri	61101-6955285-7	Rehmat Ullah Khan	1,167,600	136,885	1,304,485	1,167,600	136,885	1,304,485
69	Khurram Khan	Ground Floor Co-Operative Insurance Building No. 23 Mall Spicy Hotel Road Lahore	35202-5589603-7	Muhammad Asif Khan	1,253,316	42,975	1,296,291	1,253,316	42,975	1,296,291
70	Zeenat	A-704 Saima Bridge View Apartments Block-B North Dilpasand Nazimabad Karachi	42101-1366699-4	Muhammad Abdul Kader	1,163,346	108,857	1,272,203	1,163,346	109,507	1,272,853
71	Mr Waqar Ali	BSV Ground Floor Building No.43-C15th Commercial Street Phase 2 Ext DHA Karachi	42401-6878598-9	Ghulam Ali Memon	1,070,779	182,733	1,253,512	1,070,779	200,674	1,271,453
72	Haris Qadeer	Askari 4 Apartments Flat 155/C 1st Flr Main Rashid Minhas Road Opposite Millenium Shopping Mall Karachi	42201-9153078-5	Qadeer Uddin	995,891	236,111	1,232,002	995,890	267,193	1,263,083
73	Haris Qadeer	House No. B-10 Block-13-D1 Gulshan-E-Iqbal Karachi	42201-9153078-5	Qadeer Uddin	974,128	245,906	1,220,034	974,128	279,779	1,253,907
74	Muhammad Ikram Siddiqui	Flat No.H102 Chapal Super Luxury Apartment Block 13 Rabia City Gulistan-E-Johar Karachi	42201-0495142-9	Muhammad Hamid Siddiqui	1,151,357	95,616	1,246,973	1,151,357	95,616	1,246,973
75	Abdul Hamid	Alma Trading Co Pvt Ltd H No 238 Block-AA Phase-4 LCCHA Lahore	35201-8431281-3	Muhammad Sharif	1,058,910	164,518	1,223,428	1,058,910	183,781	1,242,691
76	Mr Nusrat Ullah Khan	E-15 Sheet No.25 Model Colony Near Pizza Max Karachi	42201-2733499-5	Farhat Ullah Khan	1,083,274	144,119	1,227,393	1,083,274	144,119	1,227,393
77	Syed Raza Abbas	House No. 6-C Moh Block-20 Moh Ancholi Society Mi Hospital F B Area Karachi	42201-4203214-7	Syed Qamar Hussain Rizvi	1,142,667	63,279	1,205,946	1,142,667	72,640	1,215,307
78	Awais Rasool	House No.68 Street No. 7C Judicial Colony Gulzar E Quaid Parco Pump Near Gulberg Green Lahore	37405-6552781-1	Ghulam Rasool	1,052,633	139,205	1,191,838	1,052,633	139,205	1,191,838
79	Ghulam Hussain	House No 229 Qadir Street Kemari Masson Road Bhata HBL Village Dhakhana Kimari Karachi	42401-1989389-3	Sher Zaman	1,072,000	105,943	1,177,943	1,072,000	105,943	1,177,943
80	Mian Adeel Ahmad	Virtual University Of Pak M-A Jinnah Campus Defence Comsetes University Road Off Raiwind Road Lahore	33100-0947284-3	Mian Faqir Ahmad	1,103,572	61,999	1,165,571	1,103,572	73,123	1,176,695
81	Waseem Ahmed	Flat No B1 Ruffi Apartments Gulshan-e-Iqbal Block Waseem Bagh 13-D-2 Karachi	45202-8244751-3	Ali Ahmed Shaikh	1,073,434	101,553	1,174,987	1,073,434	101,553	1,174,987
82	Mumtaz Ali Lashari	3rd Floor Judicial Block Off AAG Sindh Passport Office Karachi	42301-9102283-1	Gul Muhammad Lashari	1,078,616	94,862	1,173,478	1,078,616	94,862	1,173,478
83	Waseem Abbas	139/B Abparah Housing Society Raiwind Road Lahore	35202-9497108-7	Abbas Ali Mahar	1,067,219	103,490	1,170,709	1,067,219	103,490	1,170,709
84	Muhammad Ashraf Pervaiz	House No. 216 Sector No. 15-C Moh Orangi Town Near Madina Masjid Karachi	42401-4876529-9	Muhammad Shamim	1,058,910	103,009	1,161,919	1,058,910	108,441	1,167,351
85	Syed Noman Azim	IBM 1st & 2nd Floor NTO Building Plot No.44-A&B PECHS Block 6 Mobilink Office Shara-e-Faisal Karachi	42301-0390183-3	Syed Maqsood Ahmed	1,096,925	69,345	1,166,270	1,096,925	69,345	1,166,270
86	Mr Muhammad Naveed	Suit No.805 5th Floor Uni Plaza II Chundrigar Road Karachi	42301-2791685-9	Abdul Razzaq	949,839	181,700	1,131,539	949,838	213,759	1,163,597
87	Syed Jamal Ahmed Sheerazi	MCB Ground Floor Plot No.52 Block No.7/8 Darul Amman Housing Shell Pump/ Silk Bank Society Main Shakra-e-Faisal Karachi	42101-7626084-3	Syed Iqbal Ahmed Sheerazi	1,097,165	61,338	1,158,503	1,097,165	65,033	1,162,198
88	Tamoor Sultan	Summit Bank 1st Floor 323-2 Block SCB Branch DHA Phase-III Lahore	35402-3925162-9	Amjad Perviaz Maan	1,000,000	148,357	1,148,357	1,000,000	149,147	1,149,147
89	Mr Hassan Mehmood	House No 225 St 29 Safari Homes Sector B Phase 8 Bahria Town DHA Mall Rawalpindi	37405-1935918-3	Asif Mehmood	984,428	151,360	1,135,788	984,428	161,311	1,145,739
90	Abid Farooq	682 D Johar Town Lahore	35201-0205527-7	Muhammad Ismail Zabih	1,044,626	100,308	1,144,934	1,044,626	100,308	1,144,934
91	Zafar Hasan	A-21, Row-2, Block-B National Cement Housing Society Aladin Park Gulshan-e-Iqbal Block 10-A Karachi	42201-6802526-7	Ibn E Hasan	960,259	160,096	1,120,355	960,259	182,135	1,142,394
92	Mr Muhammad Fayyaz Khan	H 4 A Ahbab Park Mumtaz Street Habib Ullah Road Gari Shahu Near Crown Cinema Lahore	35202-3529983-7	Ilam Din Khan	836,454	286,784	1,123,238	836,454	294,714	1,131,168

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For the year ended 31 December 2020

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
93	Mr Omer Asad	House No. 31- M Johar Town Near Euro Store Lahore	35202-6247956-3	Mian Muhammad Asad	824,025	292,384	1,116,409	824,025	306,776	1,130,801
94	Naveed Ahmed	HT 4/8 Landhi Industrial Area Gul Ahmed Chorangi Karachi	42301-6713632-7	Rukan Ud Din	1,097,127	26,366	1,123,493	1,097,127	26,366	1,123,493
95	Nadra Huma Ahmar	FF-1, Block 41 Sea View Apartments DHA Phase 5 Ext Near Mubarak Masjid Karachi	42101-1769618-8	Syed Farhan Reza Hussain	1,036,447	79,726	1,116,173	1,036,447	79,726	1,116,173
96	Syed Amjad Jamshaid	A-121 Block-3 Gulistan-e-Kamran Churangi Johar Karachi	42201-7037433-9	Syed Jamshaid Akhter	1,074,435	40,575	1,115,010	1,074,435	40,575	1,115,010
97	Mohammad Askari	Arabian Sea Int D-2, 2nd Floor Westland Trade Centre, C-5-Blk 7/8 6, Gulistan-e-Jauhar, Karachi Scheme Shaheed E Millat Road	42101-1669906-9	Syed Taqi Mohammad Naqvi	2,800,524	1,737,171	4,537,695	289,763	824,876	1,114,639
98	Ahmed Imran	Vacational Training Institute 266-A New Shah Jamal Colony Opposite Packages Mall LDA Quarters Colony Walton Road Lahore	35202-0178912-3	Mian Nazir Ahmad	1,013,185	94,865	1,108,050	1,013,185	94,865	1,108,050
99	Dilawer Hussain	N & H School PNS Bahadur Dalmia Millinium Mall Road Karachi	37405-0354181-1	Nazir Ahmed	1,037,285	64,347	1,101,632	1,037,285	70,016	1,107,301
100	Syed Tahseen Ahmed	House No. A-18 Amar Villas Block 2 Gulistan-e-Johar Near Shadi Qila Karachi	42101-8568347-7	Syed Muhammad Fareed	1,091,111	15,403	1,106,514	1,091,111	15,403	1,106,514
101	Mr Syed Fahad Subhan	IGI The Forum Suite 701-713 G-20 Block 9 Khayaban-e-Jami Clifton Karachi	42101-1900305-3	Syed Subhan Beyabani	952,901	127,323	1,080,224	952,901	145,965	1,098,866
102	Munazza Khush Bakht	Rah-e-Sakoon Road House No Cb 103 Mahala Habib Allah Colony Abbotabad	13101-6208175-2	Zahid Abid	1,000,000	97,767	1,097,767	1,000,000	97,767	1,097,767
103	Maaz Jawed	TCS House Saqib Hamdani Building Iqbal Avenue Jinnah International Airport Near Ramada Hotel Karachi	42301-0610354-5	Jawed Munawwar	1,024,111	65,281	1,089,392	1,024,111	73,482	1,097,593
104	Mrs Humera Ejaz	Sentient Office 8 3rd Floor Rb-5 Awami Complex New Garden Town Lahore	35202-2686280-4	Ejaz Ahmad	932,845	138,960	1,071,805	932,846	157,290	1,090,136
105	Mr Mohammad Mustafa Brohi	Protocol Office Sindh High Court Saddar Karachi	42301-1114997-7	Ghulam Sarwar Brohi	905,908	170,240	1,076,148	905,907	174,788	1,080,695
106	Mohammad Zaki Jaffer	Banglow 113-A-SMCHS Sharah-e-Faisal Karachi NLM Mehdi Tower Karachi	42201-2453289-7	Abdul Wahab Jaffer	1,010,328	70,025	1,080,353	1,010,328	70,025	1,080,353
107	Wasif Baloch Ashrafi	Office No. 502-Madina Shopping Mall Zainab State Life Building Market Saddar Karachi	35202-2796665-7	Khalid Perviz Baloch Ashrafi	991,808	86,614	1,078,422	991,808	86,614	1,078,422
108	Inam Khaliq	The University Of Lahore 2nd Floor 592-G Bundu Khan Johar Town Lahore	42301-3253715-9	Abdul Khaliq	1,005,336	70,937	1,076,273	1,005,336	70,937	1,076,273
109	Syed Muhammad Amir Altaf	House No. 433 Street No. 21 Block-G Phase-4 Land Mark Plaza Lahore	35202-6100744-3	Syed Altaf Hussain	990,958	78,346	1,069,304	990,958	83,742	1,074,700
110	Ahmed Adnan Anwer	Dunya TV 8A Abbot Road Near Ptv Lahore	35202-2967624-9	Muhammed Anwer Ameen	971,442	89,395	1,060,837	971,442	100,659	1,072,101
111	Malik Muhammad Ajmal	18-K.M Feruz Pur Road Descon HBL Engineering Lahore	37302-1157727-3	Malik Muhammad Ashraf	940,539	123,604	1,064,143	940,539	123,604	1,064,143
112	Athar Ali Awan	Home Department Ground Floor Sindh Secretariate Thuglaq House Building 2 Karachi	42201-5591907-5	Anwar Ali Awan	1,007,936	50,838	1,058,774	1,007,936	50,838	1,058,774
113	Jawaid Hussain	AGP Limited B-23 Sit Insaf Kanta Karachi	42201-0734418-3	Syed Muhammad Hussain	928,916	119,164	1,048,080	928,916	119,164	1,048,080
114	Rubina Maria	Flat No. 32, 2nd Floor Block A-18 Rabia City Habib University Gulistan-e-Jauhar Karachi	45504-2198230-0	Zahid Gill	943,759	89,104	1,032,863	943,759	101,490	1,045,249
115	Mr Muhammad Salman Baig	House No. 29 Canal Road Muhallah Toyota Colony Faisalabad Tehsil Faisalabad Near Toyota Colony Multan Road	33100-7039045-1	Suleman Mirza	877,406	166,327	1,043,733	877,406	166,327	1,043,733
116	Farkhanda Yasmeen	Medical 4 2nd Floor Emergency Jinnah Hospital Allama Iqbal Medical College Lahore	34403-1871832-2	Tahir Iqbal	927,742	108,684	1,036,426	927,742	108,684	1,036,426
117	Mumtaz Metal Works	Mumtaz Metal Works Nowshehra Sansi Road Gujranwala	Mumtaz Ahmed 34101-2252202-5	Haji Muhammad Abdullah	1,031,640		1,031,640	1,031,640	-	1,031,640
118	Abdul Razzak	Artistic Denim Mills Ltd Plot No. 25,26 Sector KFC 16 Korangi Industrial Area Karachi	42101-0130764-7	Abdul Waheed	901,569	127,812	1,029,381	901,569	127,812	1,029,381
119	Mr Muhammad Hassan Junejo	Junejo International Travel 2nd Floor 66-C 21st Commercial St Phase 2 Ext DHA Karachi	41203-5237087-9	Muhammad Yamin Junejo	703,648	321,094	1,024,742	703,648	324,757	1,028,405
120	Tabish Ul Rehman Khan	House No 1008 Street No 56 G-11/2 Markaz Islamabad	42501-1586096-1	Muhammad Abid Khan Khattak	921,437	105,504	1,026,941	921,437	105,504	1,026,941
121	Muhammad Saeed	House No. B30 Jamia Millia Campus Gulshan-e-Malir Jamia Millia Graveyard Karachi	41302-6145690-5	Abdul Gafoor	1,001,795	20,293	1,022,088	1,001,795	24,329	1,026,124
122	Mr Khurram Khan	Ground Floor Co-Operative Insurance Building 23 Mall Road Lahore	35202-5589603-7	Muhammad Asif Khan	843,571	180,532	1,024,103	843,571	180,532	1,024,103
123	Muhammad Razzoq	Agriculture Dept Old Pnd Building Bop Civil Secretariat Lahore	33101-3099464-3	Muhammad Shafi	900,000	122,750	1,022,750	900,000	122,750	1,022,750
124	Talha Shahabuddin	Khayaban-e-Shamshir Branch Plot No. 2-3 Stadium Lane No. 4 Phase No. V Dha Near HBL Karachi	42301-1089721-9	Shahabuddin	976,242	45,634	1,021,876	976,242	45,634	1,021,876
125	Bilal Ali Zafar	ABL Asset Management Plot No 14 Brain Boulevard DHA Phase VI Near Sumit Bank Lahore	42201-9484092-7	Zafar Akhter Shah	955,584	59,676	1,015,260	955,584	59,676	1,015,260

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					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
126	Ghulam Qasim	Kc Flight Catering Opp Eden Avenue Extension Toyota Show Room Airport Road Cantt Lahore	35202-8602671-7	Mulazam Hussain	971,469	43,065	1,014,534	971,469	43,065	1,014,534
127	Abdur Rehman	Cma Pro ISPR Head Quarters No.5 Corps Main Shara-e-Faisal Near Askari Bank Karachi	37405-0325676-3	Ghulam Moin Ud Din	937,134	73,717	1,010,851	937,134	73,717	1,010,851
128	Umer Saleem	Office 501/502 5th Floor Al Hafeez Shopping Mall Pace Shopping Mall Main Boulevard Gulberg 3 Lahore	35202-6930755-5	Muhammad Saleem	927,927	80,264	1,008,191	927,927	80,264	1,008,191
129	Muhammad Faisal Rasheed	Shoot At Sight Plot No 9, 21 Street Khayaba-e-Tanzeem DHA Phase No V Zamzama Park Karachi	42101-2103511-1	Abdul Rasheed Khan	927,465	68,443	995,908	927,465	76,453	1,003,918
130	Muhammad Mahmood	The Punjab Provincial Cooperative Bank Ltd Square Shahrah-e-Quaid-e-Azam The Mall Near SCBPL Lahore	35202-5593857-9	Mumtaz Ahmed	1,013,344	23,554	1,036,898	996,158	-	996,158
131	Abid Khan	Flat No. A-104 1st Floor Phase 2 Country Tower Nagan Chorangi North Karachi Sector 15-B Karachi	42101-7284427-9	Mazhar Khan	929,221	55,071	984,292	929,221	64,845	994,066
132	Sameer Muhammad Javed	C-Square 2-D Mohammad Ali Society Tipu Habib Metro Bank Sultan Road Karachi	42101-2030532-7	Muhammad Tasleem Javed	903,084	78,133	981,217	903,084	86,649	989,733
133	Ansar Waheed Shah	House No. 6 Street No. 27 Abdul Kareem Road Rehmania Masjid Qila Gujjar Singh Lahore	35202-9749777-7	Abdul Waheed Shah	919,807	61,578	981,385	919,807	61,578	981,385
134	Ejaz Ahmed Rahi	380 Street No 6 Sector No DD DHA Phase No 4 Near Nadra Office Lahore	61101-1904189-1	Rana Taj Mohammad	941,692	37,168	978,860	941,692	37,168	978,860
135	Abdul Sattar	Banglow No. F-192/1 Park Lane Block No. 5 Kehkashan Clifton Near Emerald Tower	542101-7292867-9	Haji Ismail	936,374	40,153	976,527	936,374	40,153	976,527
136	Zia Ul Islam	163-G Ground Flr Masjid Chowk Phase 1 Dha	35202-4759571-9	Khalil Ahmed Janjua	900,882	70,915	971,797	900,882	74,730	975,612
137	Absar Akram	12-Pak Block Allama Iqbal Iqbal Town Lahore	36302-7427007-7	Muhammad Akram	897,190	77,810	975,000	897,190	77,810	975,000
138	Mr Syed Muhammad Amir Altaf	House No. 433 Street No. 21 Block-G Phase 4 Lahore	35202-6100744-3	Syed Altaf Hussain	803,725	148,760	952,485	946,247	26,265	972,512
139	Syed Muhammad Faraz Zaidi	Flat No. B-18 3rd Floor Shelo Zone Centre Block-15 Expo Center Gulshan-e-Iqbal Karachi	42201-6153257-9	Syed Safdar Hussain Zaidi	865,157	106,040	971,197	865,157	106,040	971,197
140	Zeeshan Ahmed Siddiqui	House No. B 453 Sector 35/A Zaman Town Jamil Masjid Korangi No. 4 Karachi	42201-6870483-9	Israr Ahmed	875,619	83,083	958,702	875,619	93,341	968,960
141	Ghulam Mustafa Qureshi	House No. R156 Sec 5 C2 North Bilal Public School Karachi	42101-8735414-9	Allah Dino Qureshi	861,403	106,928	968,331	861,403	106,928	968,331
142	Saqib Bashir	Izhar Construction 37/55 Sec 28 DG Cement Korangi Industrial Area Karachi	34402-8511293-1	Bashir Ahmed	874,327	93,034	967,361	874,327	93,580	967,907
143	Ihsan Ahmed Zaheer	25 Westwood Colony Thokar Niaz Baig Near Metro Cash And Carry Lahore	35403-5214812-9	Zaheer Ud Din Wains	894,991	67,487	962,478	894,991	67,487	962,478
144	Mr Muhammad Yousaf	Zones PL Pvt Ltd Plot-177 Industrial Area Sector-1/10/3 Near Market Islamabad	37405-6148633-7	Mirza Muhammad Younas	748,172	192,793	940,965	748,172	213,741	961,913
145	Hamid Ali	6-D Commercial Architect Engineering Housing Society UCP Global Business Corporation Lahore	33201-6318638-9	Ijaz Ahmad	897,756	62,512	960,268	897,756	62,512	960,268
146	Ibrar Abdul Khaliq	Adamjee Life Assurance Plot No. 14-A Jail Road Main Gulberg MCB House Lahore	35202-3388753-3	Mirza Abdul Khaliq	859,494	100,145	959,639	859,494	100,145	959,639
147	Badaruddin Badaruddin	State life Buliding No.9 1st Floor Dr Zia Uddin Rd Near Opposite CM House Karachi	42101-5979822-1	Shams Uddin	876,012	82,517	958,529	876,012	82,517	958,529
148	Gohar Iqbal	House No 197 Street 4 Shahzad Town Market Chak Shahzad Islamabad	15602-3385613-7	Fazal Rahim	937,859	17,312	955,171	937,859	20,235	958,094
149	Bisharat Ali Rajput	House No. B-365 Block 1 Motvall Site Karachi Mustafa Masjid Shell Pump Main Khyber Gate Karachi	41409-6243788-5	Osaf Ali	905,059	52,185	957,244	905,059	52,185	957,244
150	Yasir Ashraf	Al Baraka Bank 1st Floor Trade Center Branch Hum TV Jang Press I Chudrigar Road Karachi	42201-0773277-7	Ashraf Jamil	893,928	64,523	958,451	893,928	60,480	954,408
151	Muhammad Imran Rafiq	1-A Dane Pur Road Back Side Race Course Park Gor-1 Lahore	35202-1740482-1	Muhammad Rafiq	905,762	35,041	940,803	905,762	38,047	943,809
152	Hiba Usaf Siddiqui	House No. 2-B Street 37 F-6/1 Farooqia Market Islamabad	42201-7941925-6	Sadiq Ul Zaman Siddiqui	872,173	64,361	936,534	872,173	68,275	940,448
153	Iftikhar Ali	87 Aurangzeb Block New Garden Total Pump Town Fintaxs Lahore	35201-7931067-7	Rehmat Ali	887,839	50,547	938,386	887,839	50,547	938,386
154	Aftab A Sheikh	19-L Gulberg 11 Lahore	35202-2565606-7	Sheikh Fakhruddin	733,979	176,509	910,488	733,979	201,721	935,700
155	Raja Tayyab Hussain Khan	Bio Ways Health Care Al Kamar Plaza Phase No 3 Gori Town Near Main Road Islamabad	37405-0635349-3	Raja Noor Hussain Khan	909,372	25,525	934,897	909,372	25,525	934,897
156	Mr Syed Fahad Subhan	IGI The Forum Suite 701-713 G-20 Block 9 Khayaban-e-Jami Clifton Karachi	42101-1900305-3	Syed Subhan Beyabani	727,702	178,022	905,724	727,703	203,755	931,458
157	Muhammad Kashif Ishaq	The Service Group 26-A Johar Town Expo Center Lahore	32304-0140103-1	Muhammad Ishaq	879,923	41,434	921,357	879,923	41,434	921,357
158	Syed Ali Asghar Zaidi	House No R 315 Sector 16 A Moh Gulshan-e-Waseem Buffer Zone NLM Naheed Medical New Karachi	42101-0974196-5	Syed Muhammad Hashim Zaidi	838,131	80,920	919,051	838,131	80,920	919,051

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For the year ended 31 December 2020

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
159	Umair Shahid Khokhar	Director General Health Services Punjab Cooper Road HBL 24-Cooper Road Lahore	37405-6618027-3	Shahid Hussain Kokhar	794,366	108,475	902,841	794,366	119,197	913,563
160	Abdus Samad Khan	Nadra D-29 Tipu Sultan Road Nadra Site Office Attached Head Office 29E Mir Pir Pagara House Muhammad Shah Road KDA Scheme 1 Karachi	42000-0234364-3	Quwat Khan	888,695	23,471	912,166	888,695	23,471	912,166
161	Ms Madeeha Noor	Interflow Communication 11-B Old FCC Road Feroz Pur Road Lahore Near 12 C Office	35202-0951468-6	Shah Mardan Ghumman	742,564	147,913	890,477	742,565	167,599	910,164
162	Umer Farooq Qureshi	Flat No. 2, Sasi Boat View Block No. 2 Clifton Karachi	42301-8243152-1	Atta Mohammad Qurashi	1,999,166	3,190,851	5,190,017	-	909,057	909,057
163	Usama Asghar	Avani Hotel (Avani Xpress Mall Road Lahore Food & Wapda House Beverage Dept) Lahore	35201-6298016-1	Waliam Asghar	800,000	98,926	898,926	800,000	108,717	908,717
164	Arif Munir	1-H/6 Falcon Complex Gulberg III 17 Bank Square Marketmodel Town Lahore	35202-8259414-3	Mohammad Munir	757,272	127,293	884,565	757,272	144,053	901,325
165	Khurram Nawaz	Adinfinity 86-H Gulberg 3 Near Firdous Market Lahore	35202-8335047-5	Muhammad Nawaz	857,030	38,639	895,669	857,030	43,893	900,923
166	Asim Jawaid	Greenstar Social Marketing 8th Floor Do Talwar Ocean Tower Clifton Karachi	42201-5584228-1	Masood Jawaid Khan	880,946	19,496	900,442	880,946	19,496	900,442
167	Parveen Mubashar	House No. 34 Mohallah Kashmir Block Allama Iqbal Kashmir Bakery Town Lahore	33301-1341156-2	Mubashar Bosharat	806,018	94,424	900,442	806,018	94,424	900,442
168	Musarrat Haroon	Social Security Hospital Rehmatul Lil Alameen Institute Multan Chungi Of Cardiology Multan Road Lahore	35201-1239822-6	Haroon Taj	836,694	59,166	895,860	836,694	59,166	895,860
169	Haseeb Un Nabi	House No. A-43 Amar Villas Block 2 Gulistan-e-Johar Johar Cricket Academy Karachi	42101-3188141-3	Haseeb Un Nabikhan	790,435	89,964	880,399	790,435	101,195	891,630
170	Javvad Ali Qureshi	B-45 CGECHS, Block No 10-A Gulshan-e-Iqbal Near Lasania Karachi	42201-0902037-7	Shahid Ali Qureshi	812,255	78,366	890,621	812,255	78,366	890,621
171	Hassan Ashraf Khawaja	2523/F.2 District Jail Road Mobilink House Multan arcade Kutchery Roadmultan Multan	35200-7680157-3	Ashraf Ali Khawaja	751,299	121,610	872,909	751,299	138,853	890,152
172	Muhammad Luqmaan Raees	22-Km Ferozpur Road Rohi Nala Near Jamia Mosque Lahore	35201-8192059-5	Raees Ahmad	869,254	16,050	885,304	869,254	18,852	888,106
173	Adnan Malik	House No. 37 J-1 Street No. 01 Tulsa Road Lalazar Askari Bank Rawalpindi	13503-0627210-3	Muhammad Zaman	848,056	32,795	880,851	848,056	38,709	886,765
174	Nasir Mahmood Khan	Verification CEL PMDC 1st Floor High Court G-10 Islamabad	37405-2967006-3	Ghulam Hussain Khan	809,907	76,266	886,173	809,907	76,672	886,579
175	Muhammad Jamil	Essa House No.32-1/C Block No.6 PECHS Pakistan Near Al Tijarah Building Karachi	42000-0738817-3	Muhammad Ismail	834,808	50,855	885,663	834,808	50,855	885,663
176	Samina Ali	4th Floor 2-B Sector B Phase 5 DHA Bismillah Department Store Lahore	41306-7479458-6	Syed Ali Abbas	776,590	106,916	883,506	776,590	106,916	883,506
177	Shoab Ahmed Khan	SSGC Credit Dept Plot No. 30/423 Malir Kala Bord Township Lahore	42201-0684868-9	Aqeel Ahmed Khan	803,978	78,332	882,310	803,978	78,332	882,310
178	Mohammad Mustafa Brohi	Protocol Office Sindh High Court Passport Office Saddar Karachi	42301-1114997-7	Ghulam Sarwar Brohi	831,508	48,816	880,324	831,508	48,816	880,324
179	Matiullah Jan	Nawai Waqat Building 5th Floor Waqat News TV Zero Point Zero Point Islamabad	61101-9314566-5	Abdul Razzaq Khan Abbasi	821,635	56,905	878,540	821,635	56,905	878,540
180	Mr Tariq Mahboob	Tariq Cars 19-L Model Town Ext Main Faisal Town Chowk Lahore	35202-1860925-3	Mahboob Alam Sheikh	735,812	132,076	867,888	735,811	139,440	875,251
181	Muhammad Sarfraz	Flat No. 200 G/F Glamour Heights 6/13-C Waris Road Lahore	34603-2222756-3	Muhammad Sharif	834,786	38,028	872,814	834,786	38,028	872,814
182	Wahab Ashraf	House No. 385-B Par Arab Housing Society Imam Bargah Feroz Pur Road Lahore	45504-6352515-1	Muhammad Ashraf	808,948	55,211	864,159	808,948	62,760	871,708
183	Rizwan Ullah Saeed	Osmani & Company Pvt Ltd 245/2-K Block 37101-6151954-3 6 Baloch House PECHS Karachi	37101-6151954-3	Saeed Ahmed	795,093	74,156	869,249	795,093	74,156	869,249
184	Mr Muhammad Ashraf Zahid	People / Ground Floor Executive Business Centre Saudi Pak Tower Islamabad	35202-2465186-9	Muhammad Ashiq Chauhn	754,674	95,342	850,016	754,674	110,071	864,745
185	Muhammad Imran	Ebrahim Manzil Jodia Bazar Darya Lal Street Karachi	42201-9430543-3	Muhammad Anwer	750,000	114,220	864,220	750,000	114,220	864,220
186	Mr Arshad Mehmood Arshy	Room No.1920 Hotel Flashman The Mall Rawalpindi	37405-0631274-3	Muhammad Hussain	632,116	207,945	840,061	632,116	226,782	858,898
187	Usman Siddiq	House No.24 Street No.3-A Jinnah Garden Phase I Bilal Masjid Upper Partion Islamabad	61101-7669223-1	Muhammad Siddiq	802,775	49,942	852,717	802,775	55,776	858,551
188	Syed Shah Zahid Qadri	Shop No 8 Plot No Mr 2/13 Rambharti Boltom Mkt Street Marriot Road Karachi	42101-3489138-3	Syed Shah Aslam Qadri	789,103	67,341	856,444	789,103	67,341	856,444
189	Syed Hasan Raza Jafri	Dunya TV West Canal Road Near TCS Office Main Bazar Faisalabad	36302-9049292-5	Syed Bosharat Hussain Jafri	744,845	103,743	848,588	744,845	109,017	853,862
190	Raja Shahab Younis	Haris Enterprises E-272 Fancy Park Near Super Town Street 1 Korra Store Near Walton Road Lahore	37201-5178749-1	Raja Muhammad Younis	814,298	29,696	843,994	814,298	37,092	851,390
191	Sajjad Hammer Works	Galai Hamaran Wala Sohawa Stop Daska Sialkot	Mohammad Sajjad Mughal 34601-9593943-9	Muhammad Nazir Mughal	346,849	504,246	851,095	346,849	504,246	851,095

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For the year ended 31 December 2020

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Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
192	Tariq Ali	Flat No. D-14 Safari Blessing Block-12 Gulistan-e-Johar Ashraf Ul Madars Karachi	44103-0299148-1	Shaukat Ali	744,784	98,220	843,004	744,783	101,865	846,648
193	Chaudhary Muhammad Irfan	Comsat Virtual Campus Plot No. 166 Street No. 9 Markaz I/10 Sector I-10/3 Islamabad	61101-7190467-9	Chaudhary Muhammad Zman Tarar	833,277	21,840	855,117	833,277	13,154	846,431
194	Mr Syed Zafar Abbas Shah	House No.C-16 Block-B Gulshan-e-Jamal Near Millinium Mall Karachi	12101-4438789-5	Syed Sibtul Hassan Shah	670,641	161,876	832,517	670,642	175,515	846,157
195	Shamim	61-L Al Hashmat Kalma Chowk Superior Low College Gulberg-3 Lahore	35202-6126368-2	Pervez Masih	757,143	88,518	845,661	757,143	88,518	845,661
196	Syed Ovais Hai Rizvi	Malir Ext Govt Degree Science College Malir Sabir Colony Khokrapar Karachi	42401-1551951-7	Syed Qamar Ul Hai	757,873	86,904	844,777	757,873	86,904	844,777
197	Farah Naz Hashmani	Flat No.B-16 Noorani View Apartments 203/3 Gold St Fatmid Foundation Garden East Karachi	42201-0438681-8	Feroz Ali Abdul Rehman	775,139	68,387	843,526	775,139	68,387	843,526
198	Fatima Shahid Jiwani	C-11 Al-Amin Apartment Near Adamjee Science Adam Jee Science College College Garden East Karachi	42201-0378440-4	Shahid Jiwani	750,253	88,029	838,282	750,253	88,029	838,282
199	Usman Zafar	Matrix Sourcing 75 Km Main Raiwind Govt Technical College Lahore	35202-2901784-9	Zafar Ali	829,377	4,808	834,185	829,377	4,808	834,185
200	Sajid Hussain Abbasi	House No. 353 Survey No. 208 Millat Town Dak Khana Mashood CNG Station Rafae-Aam Malir Halt Karachi	42501-2204879-3	Imdad Hussain Abbasi	775,400	49,386	824,786	775,400	55,936	831,336
201	Muhammad Khawer Hayat	House No R-46 Gul Houses Gulistan-e-Johar Block No 7 Near Safoura Chowrangi Karachi	42201-3675155-7	Ghulam Qadir	774,184	54,839	829,023	774,184	54,839	829,023
202	Syed Ajaz Qamar	House No A-51 Block 03 Gulistan-E-Jauhar Karachi	42201-8587675-9	Haider Zaman	697,930	114,501	812,431	697,930	130,519	828,449
203	Muhammad Shakir Ali Siddiqui	KPT Berth No.10 CME Department Wireless Section Kemari Near Nagina Stop Karachi	42101-1548032-7	Muhammad Sher Ali Siddiqui	768,992	51,105	820,097	768,992	58,087	827,079
204	Kashif Saeed Sattar	41 Muslimabad Street No 7 78400 Karachi	42000-5177233-5	Saeed A Sattar	675,598	126,161	801,759	675,599	149,497	825,096
205	Shahzad Ahmad	1-C Shahrah Nazriah-e-Pakistan Expo Centre Lahore	35202-2889340-7	Chaudhry Nazar Ahmad	792,185	28,928	821,113	792,185	25,148	817,333
206	Muhammad Usman	Ijaz Towel Near Madina Medical Centre Kausarabad Jhang Road Faisalabad	33100-0989029-7	Ijaz Ahmed Sajjid	606,441	189,243	795,684	606,441	210,371	816,812
207	Munawar Sabir	Room No 356, 2nd Floor Geography Dept Gate No 2 Punjab University Near Shaikh Zaid Hospital Lahore	35202-6831486-5	Muhammad Sabir	727,552	83,293	810,845	727,552	86,871	814,423
208	Naveed Sarwar	Summit Bank 163 Block No Y Phase No III Dha Cantt Nr KFC Lahore	33100-6149749-9	Muhammad Sarwar	781,457	32,525	813,982	781,457	32,525	813,982
209	Azam Khurshid	Wasiq Motors 17-Jail Road Opp Ali Motors	35202-7654911-5	Khurshid Ahmed	568,121	243,513	811,634	568,122	243,512	811,634
210	Mr Muhammad Maqsood Ali	PSO Plot 7A/7B Kia Korangi Near National Refinery Karachi	42201-1319949-7	Mumtaz Ali	781,116	13,359	794,475	781,116	29,643	810,759
211	Ejaz Ahmed Siddiqui	Soneri Bank Ltd 9th Floor PNSC Building M.T Khan Road PRC Tower Karachi	42501-7570819-7	Irfan Ahmed	764,344	40,543	804,887	764,344	44,300	808,644
212	Azmat Ullah	Sadiq Group Of Companies 25-C Chandni Chowk Sattelite Town Near SCB Branch Rawalpindi	37405-0556369-9	Atta Ullah Durrani	783,334	15,636	798,970	783,334	22,306	805,640
213	Ubaid Ullah Siddiqui	House No. 270 R1 Block Johar Town Near Apple Store	42201-4613807-5	Abdul Karim Siddiqui	762,854	38,537	801,391	762,854	38,537	801,391
214	Khalid Aftab	House No.A-690, Block No.12, 1st Floor F.B Area Gulberg Aziz National Govt Girls School Town Block No.12 Karachi	42101-7321421-9	Aftab Ahmed Siddiqui	745,444	54,951	800,395	745,444	55,304	800,748
215	Mr Syed Khalid Hassan	Suite 507 5th Floor Horizon Tower - Block 342201-8913065-5 Scheme No 5 Clifton Karachi	42201-8913065-5	Syed Sarwat Hassan	660,164	119,057	779,221	660,164	140,232	800,396
216	Tahir Abbas	House No A-130/5 2nd Floor Rafeeq Aam Society UBL Malir Halt Karachi	42501-6551164-3	Khan Muhammad	778,434	19,041	797,475	778,434	19,413	797,847
217	Muhammad Nafees	House No G 343 Block 15 FB Area Water Pump Karachi	42101-2694913-3	Muhammad Nazeer	695,140	97,208	792,348	695,140	102,134	797,274
218	Muhkumddin	PMDC 3rd Floor G-10/4 High Court Mouve Area Islamabad	45203-1347246-7	Nazamuddin	731,609	63,719	795,328	731,609	63,719	795,328
219	Mr Salman Mumtaz Rao	House No.350 Block-C Street No.7 Askari-10 Airport Road Near Airport Lahore	33100-7665843-5	Naimat Naeem Rao	646,441	123,313	769,754	646,442	144,763	791,205
220	Ali Fayyaz	29/B Q Street Phase VI DHA Karachi	42301-9497611-1	Fayyaz Ahmed	620,692	147,625	768,317	620,692	169,823	790,515
221	Muhammad Atif Jamal	House No.A-1-26 Mashriq Copperative Housig Gulshan-e-Maymar Society 52A Karachi	42101-3616043-5	Muhammad Naqi	761,263	24,482	785,745	761,263	24,482	785,745
222	Zahid Munir Qureshi	CBD Central Askari Bank Ltd 10-E-2 Main Liberty Chowk Boulevard Gulberg-3 Lahore	35202-0282795-7	Muhammad Muneer Ud Din Qureshi	762,514	14,021	776,535	762,514	20,296	782,810
223	Syed Muhammad Sajjad Haider Shah	EFO 9th Floor Jail Road Near Land Mark Plaza Lahore	37405-0635574-9	Syed Muhammad Naseem Azhar	720,661	61,489	782,150	720,661	61,489	782,150
224	Tajammul Hussain Khan	KPT Head Office Ground Floor Traffic Deptt Eduljee Din Shaw Road Near EFU House Karachi	42401-4666697-1	Muhammad Ayub Khan	730,334	48,348	778,682	730,334	50,688	781,022
225	Jawaid Ahmed	House No B 24 Sector 50/A Ghouspak Road Korangi No 4 Near 17K Bus Stop Karachi	42201-0268568-9	Abdul Jabbar Khan	723,500	52,627	776,127	723,500	55,755	779,255

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Annexure - I

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					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
226	Tayaba Naim Khan	The Agha Khan 1st Floor Juma Building near Liaquat National Hospital National Stadium Road Karachi	42101-8210724-4	Muhammad Naim Khan	716,150	60,691	776,841	716,150	60,691	776,841
227	Amjad Iqbal	Cina Star Canima Plot No 13/2 Civic Center Riphah University Township Lahore	35301-2716061-9	Muhammad Anwar	701,068	69,795	770,863	701,068	73,247	774,315
228	Umair Ayaz Siddiqui	35 B Sector XX AAA Complex Main Market Khyabon-e-Iqbal DHA Phase 3	36302-8110597-9	Tanveer Ahmed Siddiqui	700,064	74,187	774,251	700,064	74,187	774,251
229	Zohaib Saleem	Netsol Technologies Ltd Ring Road Ghazi Road Airport Interchange Lahore	35202-9174545-9	Muhammad Saleem	712,120	53,640	765,760	712,120	60,931	773,051
230	Mr Irfan Ashraf	KE Ltd 3rd Floor Bahria Complex IV Gizri Near Gizri Bridge Karachi	45304-2408006-5	Muhammad Ashraf	730,456	37,708	768,164	730,456	39,829	770,285
231	Mr Husham Yousaf	Waqf News 23 Queens Road Near Total Pump Lahore	35202-5452986-3	Muhammad Naeem	608,965	136,034	744,999	739,043	26,264	765,307
232	Nosheena Riaz	Bank Alfalah Sharfabad Branch Aqila Corner Block 3 Kmchs Near Family Super Mart Karachi	42101-0925924-2	Riaz Uddin	720,810	43,265	764,075	720,810	43,265	764,075
233	Syed Zafar Mehdi Taqvi	House No R-57 Amroha Society Rimjim Tower Scheme 33 Karachi	42201-8104678-9	Syed Musayyab Hussain Taqvi	692,938	70,868	763,806	692,938	70,868	763,806
234	Muhammad Imran	Flat No C-14 1st Floor Abdullah Heights Near Continental Bakery Block 16 Gulistan-e-Johar Karachi	38302-0911303-3	Malik Muhammad Ramzan	698,127	60,727	758,854	698,127	64,161	762,288
235	Muhammad Tanweer	Soco Engineer 1st Floor 106 Salar Centre Barkat Market New Garden Town Lahore	32301-0907988-7	Peeran Ditta	745,814	9,734	755,548	745,814	13,741	759,555
236	Ghulam Mustafa	House No 72, 3rd Floor sector No 8-A Gulistan-e-Zahoor Room No 16, 1st Floorwest Wharf Roadnagani Chamber Karachi	42301-4982858-1	Mohammad Shafiq	635,674	105,643	741,317	635,674	119,711	755,385
237	Ahmad Ali Khan	251/3-Delta Quetta Lines Malir Cantt Near Sports Complex Karachi	14301-2533990-1	Abdul Ghafoor Khan	713,522	40,894	754,416	713,522	40,894	754,416
238	Syed Maqsood Hyder Naqvi	Flat No. A-4 Rabia Duplex Main Soneri Bank Ltd University Road Karachi	42201-0561107-7	Syed Munawar Hussain Naqvi	676,302	78,069	754,371	676,302	78,069	754,371
239	Syed Zafar Abbas Shah	House No. C-16 Block-B Gulshan-e-Jamal Millenium Mall Karachi	12101-4438789-5	Syed Sibtul Hassan Shah	672,794	79,449	752,243	672,794	79,449	752,243
240	Hafiz Muhammad Abdul Saboor Khan	I2C Pak 4-Old FCC Ferozpur Road Near Pcsir Lahore	35202-9305709-5	Tahir Anwar Khan	708,355	32,588	740,943	708,355	38,452	746,807
241	Mian Khalid Yousaf	House No 20 Dha V Lahore	35201-0488939-7	Mian Muhammad Yousaf	598,928	147,687	746,615	598,929	147,686	746,615
242	Syed Hassan Ali	House No 13-A, Revenew Socity Johar Town Near UCP Lahore	61101-6269965-5	Syed Safdar Mehdi	734,951	10,822	745,773	734,951	11,209	746,160
243	Wajid Mumtaz	DGS Pvt Ltd 13-A Aichison Street 1Km Raiwind Road Thokar Fatima Masjid Niaz Baig Lahore	35401-8912759-3	Mumtaz Hussain	686,264	58,290	744,554	686,264	58,290	744,554
244	Kashif Ali	Burma Oil Mills Ltd V.M Plaza 13 Hashmi Restaurant And Fishri Dockyard Road West Wharf Karachi	42401-1725961-5	Mushtaque Ali	682,723	57,458	740,181	682,723	60,826	743,549
245	Haris Ullah Khan	Flat No.01 First Floor Razia Manzil A-58/1042101-9952648-5 Lane 03 Delhi Nawab Pakwan Colony No. 01 Clifton Cantoment Karachi	42101-9952648-5	Berkat Ullah Khan	655,602	82,925	738,527	655,602	82,925	738,527
246	Mr Sabir Hussain	House No.255-E Block Johar Town Lah Near Caltex Pump Lahore	31301-5641186-7	Wahid Buksh	589,686	141,011	730,697	589,686	147,766	737,452
247	Shahid Nawaz Khan	Pak Tourism Development Corp PTDC MOI3503-7663985-3 Flashmans Hotel Saddar Rawalpindi	35201-7663985-3	Muhammad Nawaz Khan	722,797	13,871	736,668	722,797	13,871	736,668
248	Ali Awais Bhatti	Ali Awais Traders Defence Road Near Mohalanwal Chowk Multan Road Multan	35202-6241155-7	Ghulam Rasool Bhatti	607,063	111,338	718,401	607,063	126,664	733,727
249	Sami Ullah Khan Niazi	Office38 Baber Block New Garden Dream Barket Market Team Lahore	35201-1225869-3	Muzaffar Khan Niazi	662,867	70,370	733,237	662,867	70,370	733,237
250	Saqib Imran	House No 494 Muslim Bin Osja Street Chok Abbas Zong Tower Imamia Colony Shahdra Lahore	35202-2733444-9	Musharaf Hussain	650,185	78,339	728,524	650,185	81,730	731,915
251	Mrs Amina Waheed Qureshi	Bridge Colony Sher Pao Bridge Branch 0700-Br Code Lahore	35201-2834760-4	Sheikh Muhammad Saleem Hasan	548,436	181,068	729,504	548,436	182,808	731,244
252	Hafiz Muhammad Noman Ejaz	Sayyed Writing Instruments Office No.7 A-2 Township Cinestar Cinema Block No.1 Lahore	35202-1749657-3	Ejaz Ul Hassan	700,971	27,478	728,449	700,971	29,493	730,464
253	Nasir Mahmood	Graana.Com 4th Floor Beverly Centery Blue PSO Pump Area Islamabad	34403-2912967-5	Malik Nazir Ahmad	640,419	89,984	730,403	640,419	89,984	730,403
254	Syed Adnan Ul Hassan	Pre: House 3rd Mouve Area G-10/4 Near G-10 Markaz Islamabad	61101-3255439-3	Syed Ishtiaq Ul Hassan	666,661	63,741	730,402	666,661	63,741	730,402
255	Abdul Rehman	Travel House Top Floor Plot No. 26-D 3Rd Floor West Prade Lane Metro Station Plaza Blue Area Islamabad	61101-1844053-7	Abdul Majeed Farooq	689,218	37,547	726,765	689,218	39,739	728,957
256	Mr Usman Naseem	Unique Taj Manzil Plot No.309/3 Dehli Cit Society Lahore	42201-4317114-1	Naseem Ahmed	537,776	171,398	709,174	537,776	190,857	728,633
257	Mr Shehzad Haleem	House No.68 Sreett No.81 Sector G-13/1 Near Al Falah Bank Islamabad	17301-1568966-3	Abdul Haleem	592,379	122,858	715,237	592,378	135,688	728,066
258	Noor Ur Rehman	House No. A-36 Sector R-1 Gulshan-e-Maymar Near Abdul Aziz Noor Masjid Karachi	42101-8873203-1	Zia Ur Rehman	712,640	12,072	724,712	712,640	11,832	724,472
259	Anwaar Hussain	Pakistan Kidney & Liver Institute Salaar Centre, 13 Babar Block Laal Qilah Main Boulevard, New Garden Town Lahore	38403-2111193-9	Zawar Hussain	652,554	68,365	720,919	652,554	68,365	720,919

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For the year ended 31 December 2020

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
260	Zahid Hussain	P 147D H A Cantt 10 Abbott Road carper chamber Lahore	35201-7067912-3	Ishtiaq Hussain	600,896	99,334	700,230	600,896	112,633	713,529
261	Mr Ahmad Ali Khan Yousuf Zai	House No.808 Street No.08 Phase 6 Hill Road Bahria Town Near Shaheen Medical Store Islamabad	54400-5906729-1	Afzaish Ali Khan Yousuf Zai	630,461	69,758	700,219	630,461	76,804	707,265
262	Mudassar Anwar	118-G-5 Wapda Town Main Mosque Lahore	35202-2308686-3	Muhammad Anwar Ul Haq	678,786	30,797	709,583	678,786	26,821	705,607
263	Mr Nadeem Ahmed Mazari	House No. G-17 Cantt Bazar Malir Cantt Karachi	42201-5648775-9	Ghulam Qadir Mazari	653,858	46,978	700,836	653,857	50,613	704,470
264	Sufiyan Khalid	Building No. 192 Peco Rd Kot Lakhpot Bulls Eye Near Noeem Electronics Lahore	35202-2601632-1	Khalid Kabeer	642,613	58,333	700,946	642,613	61,194	703,807
265	Mr Mubashar Saeed	House No.6 D Building 19 Block B Askari 11 Lahore	35202-6207413-3	Mohsin Saeed Shahzad	497,626	188,688	686,314	497,626	205,601	703,227
266	Mr Nawman Ahmed	House No.59/1 Street No.34 Khayaban-e-Sehar Phase 5 DHA Ext Near Floating Ship Karachi	42301-4568587-7	Siddique Ahmed	688,298	13,253	701,551	688,299	13,252	701,551
267	Khurshed Sahar Siddiqui	Nazimabad Campus C-6 Nazimabad Hadi Market No-4 Karachi	42201-9691878-8	Syed Hasan Maaz Tahir	622,562	71,386	693,948	622,562	78,291	700,853
268	Sadika Farouk Hameed	House No 16-Q Street No 01 PSO Petrol Pump Phase II DHA Lahore	35201-1293284-0	Farouk Hameed	683,559	14,781	698,340	683,559	14,781	698,340
269	Irfan Rauf	Banglow 09 Street No. 21 Khyaban Zam Zama-e-Tanzeem DHA Phase 5 Karachi	42301-1580666-1	Abdul Rauf	689,894	16,114	706,008	689,894	8,328	698,222
270	Mr Mouzam Abbas	Nabila C-33-E-Street Block-04-Clifton near Afridi Inn Karachi	34301-6546599-7	Tasawar Hussain	589,138	100,820	689,958	589,139	108,140	697,279
271	Mr Syed Mohsin Wali	HBL Khyaban-e-Ittehad Branch 31-C Commercial Lane No.10 Ph-VI DHA Ayasya Masjid Karachi	42000-0390560-5	Syed Shahanshah Wali	548,164	130,662	678,826	548,164	149,071	697,235
272	Mushtaq Ahmed	Room G-225 NIB Building NARC Park Road HBL NARC Branch Chak Shehzad Islamabad	12101-0962435-9	Ghulam Rasool	677,403	18,793	696,196	677,403	18,793	696,196
273	Mr Muhammad Jawad Raees	Flat No.303 3rd Floor Five Star Tower Block-A Main Chakiwara Road Old Kumar Wara Karachi	42301-6766531-1	Mohammad Ishaq Raees	535,908	141,331	677,239	535,908	159,367	695,275
274	Muhammad Saleem	Embroidry Dep Loft Commercial (Outfitter) 1/2, Kilometer Boobtan Chowk Raiwind Road Near The University Of Lahore	35202-5282318-1	Ghulam Nabi Khan	673,614	21,590	695,204	673,614	21,590	695,204
275	Shoaib Masood	HNM Business Solution B228 Commercial KFC Market Road Satellite Town Lahore	37405-6050248-1	Tairq Masood	634,519	60,571	695,090	634,519	60,571	695,090
276	Mr Syed Adeel Aftab	House No. R-15 Gulshan Banglows Block 19 42201-3229657-9 Gulistan-E-Jauhar Karachi	42201-3229657-9	Syed Aftab Ahmed	552,444	139,013	691,457	552,443	141,460	693,903
277	Muhammad Waris Malik	Askari Guards Zonal Office Tajbagh Harbans PSP Pump Pura Road Cantt Lahore	35201-3064275-7	Malik Muhammad Nawaz	650,410	29,963	680,373	650,410	33,170	683,580
278	Rao Muhammad Amir Ahad	177 Street-10 Extension Cavalry Ground 97/10-Anisar Roadnisar Colony Lahore	35201-2819459-3	Abdul Ahad Khan Rao	572,705	95,794	668,499	572,705	108,938	681,643
279	Muhammad Maqsood Ali	Pakistan State Oil Company Ltd / Plot No. 7A/7B Indl Area National Refinery Korangi Karachi	42201-1319949-7	Mumtaz Ali	650,537	28,845	679,382	650,537	26,452	676,989
280	S Manzar Alam	Plot No. 20 Sec 27 Korangi Industrial Area Near Masjid E Hamza Karachi	42301-8070436-3	S.M.Sadiq	550,910	114,149	665,059	550,910	125,757	676,667
281	Syed Tausif Muhammad Ali	Flat No.C-2/5, 2nd Floor Al Ahram Square Block No. G Hyderi Market North Nazimabad Karachi	42101-9750518-5	Syed Muhammad Asia Ali	655,111	20,443	675,554	655,111	20,443	675,554
282	Afshan Rashid	M&P Express Logistics Pvt Ltd C-17 Korangi Rd Petrol Pump Caltex DHA Phase 2 Ext Karachi	42201-4546335-2	Abdul Rashid	610,850	57,471	668,321	610,850	63,802	674,652
283	Nazir Hussain	H-B-19 Aisha Garden Plot 276 Garden East Karachi	42201-0476353-5	Muhammad Aqeel	-	672,620	672,620	-	672,620	672,620
284	Macmillan Das	Flat No. F-17 Rajput Heights Al Haider Al Noor Biryani Society Drigh Road Karachi	42201-9928051-9	Emmanuel Winton Das	597,642	66,321	663,963	597,642	73,627	671,269
285	Farrukh Jamil	5th Floor Electric Wing Civic Centre Near Expo Centre Karachi	42101-7138829-5	Muhammad Jamil Ahmed	612,008	52,022	664,030	612,008	57,724	669,732
286	Nadeem Ghani	House No. 2/52, Sarfraz Colony Market Post Office Hyderabad	41303-0412397-3	Abdul Ghani	593,456	70,838	664,294	593,455	76,170	669,625
287	Mr Rashid Mahmood	Harvey Travel & Tours Office No. M3-10 Empress Tower No. 46 Empress Road Near Shimla Pahari Lahore	34201-5268904-7	Gul Zaman	537,553	112,397	649,950	537,553	131,321	668,874
288	Amir Pervaiz	Cedar Financial 3rd Floor Enterprise Uni Foam Building Multan Road Lahore	34602-1569331-5	Pervaiz Sahotra	647,152	18,667	665,819	647,152	18,667	665,819
289	Abu Sufyan Awan	7-A-K Main Boulevard Gulberg II City Tower Sappire Textile Mills Lahore	35200-1541594-1	Abdul Jalil Awan	614,756	43,421	658,177	614,756	49,342	664,098
290	Muhammad Usman Saeed	House No.920/B Street No.01 Shabnam Colony Chotti Pahrey Khalid General Store Koatlakhpot Lahore	35202-9586857-9	Muhammad Saeed	622,658	40,797	663,455	622,658	40,797	663,455
291	Atif Jahangir	Punjab College For Women F-828 Satellite 61101-1787951-7 Town Near Holy Family Lahore	61101-1787951-7	Jahangir Gull	625,211	36,437	661,648	625,211	36,437	661,648
292	Sheharyar Khan	Tariq Plaza 84 Allama Iqbal Road Garhi Shahu Near PSO Pump Garhi Shahu Lahore	35201-4255041-5	Ali Asghar	621,491	37,549	659,040	621,491	40,068	661,559

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Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
293	Asif Khan	House No.Y-661, St.No.66, Toheedi Rd Dhoke Ratta Near Mohallah Haji Abbas Rawalpindi	37405-8206479-7	Musharaf Khan	603,192	57,720	660,912	603,192	57,720	660,912
294	Syed Hassan Abbas Rizvi	House No.B-237 Area Gulshan-e-Iqbal Block No.10 Masjid-e-Tayyaba Karachi	42201-3887562-3	Syed Muhammad Hasnain	608,023	46,836	654,859	608,023	51,977	660,000
295	Azam Ali	Plot No.10 Commercial Market Bank Alfiah33106-1393486-1 Tech Society Lahore		Ashiq Ali	620,956	36,797	657,753	620,956	36,797	657,753
296	Imtiaz Ahmad Gul	Office of The Director Fisheries Research & Training Batapur Gt Road PO Off Batapur Manawa Karachi	35202-2483261-7	Gul Muhammad Mirza	594,969	57,414	652,383	594,969	57,414	652,383
297	Nauman Ahmed	H No. BB-128 2nd Floor Defence View Phase No.3 Near Iqra University Karachi	61101-2004893-9	Mushtaq Ahmed	612,019	38,884	650,903	612,019	38,884	650,903
298	Mr Naeem Ahmed Tahir	Intl Advertising (Pvt) Ltd 705 Al Hafeez Heights Ghalib Rd Gulberg 3 D-1 Lahore	35202-2192054-9	Muhammad Aslam	499,001	133,451	632,452	499,001	151,674	650,675
299	Mr Ajaz Ul Haq	House No.7 Street No.1 St Mah Muslim Town Near Maja Riga Restrunt Akbari Mandi Gate Salkot	42301-2871194-9	Allah Ditta	498,905	134,134	633,039	498,904	151,087	649,991
300	Mr Muhammad Amer Saeed	Faisal Granites IT Links 1st Floor New Liberty Tower Model Town Link Road Lahore	35202-0204309-1	Muzaffar Saeed Naz	428,401	219,768	648,169	427,614	221,508	649,122
301	Khalid Bashir	SSGC Contact Center SSGC Head Office Sir Shah Civic Cntr Suleman Road Gulshan Elqbal Karachi	42201-3819481-1	Muhammad Bashir Khan	605,897	42,104	648,001	605,897	42,104	648,001
302	Mr Mahad Qaiser Butt	Paragon City Burki Road Aziz Bhatti Town Lahore	35202-8920725-9	Qaiser Amin Butt	555,423	86,831	642,254	621,517	26,264	647,781
303	Samuel Javed	High Court Mall Road Telephone Exchange Department Near State Bank Lahore	35202-9358717-1	William Anthony	596,854	46,724	643,578	596,854	46,724	643,578
304	Umair Alam	Islamic Chamber Of Commerce Building Ground Ocean Mall Floor St 2/A Blk-9 Clifton Karachi	42201-0468736-3	Alam Zia	586,876	56,417	643,293	586,876	56,417	643,293
305	Mr Zeeshan Mustafa	Educational Systems E-31 Miran Mohammad Shah Rd Mohammad Ali Society Near Nadra Head Off Karachi	41306-5207883-9	Ghulam Mustafa Lashari	496,963	126,119	623,082	496,962	143,701	640,663
306	Muddasir Hafeez	A-11 Al Karim Square FB Area Block No.7 NLM Arshi Shopping Mall Karachi	42301-2319919-9	Abdul Hafeez Bhatti	623,352	11,978	635,330	623,352	17,280	640,632
307	Faizaan Munim	32-1-A 5th Floor Al Tjarah Building HBL PECHS Main Sharah-e-Faisal Block-6 Karachi	42201-5243556-1	Muhammad Abdul Sami Munim	598,695	36,816	635,511	598,695	41,713	640,408
308	Marium Asher	Fun Infotainment Pvt. Ltd 4na Gulberg III Ice Cream Factory Lahore	42201-8493302-4	Mirza Ismail Baig	618,071	20,094	638,165	618,071	20,094	638,165
309	Mr Humayoon Manzoor	Flat No.C-3 3rd Floor AMH Square17- B SMCHS Allah Wali Chowrangji Karachi	41203-6413097-7	Manzoor Ahmed Solagi	499,772	120,027	619,799	499,773	136,960	636,733
310	Mr Saifuddin Saifuddin	University Of Bristol Office No. 12 Mezanine Flor 32 B-III Gulberg III Rehman Center Lahore	15202-0842961-9	Saiful Malook	635,704	-	635,704	635,704	-	635,704
311	Mahmood Alam Hashmi	Ground Floor Central Hotel Building Metropole Merewether Road Karachi	42101-2789910-7	Syed Muhammad Sultan Alam	593,599	44,962	638,561	593,599	42,009	635,608
312	Waseem Khan	Omv Pakistan Exploration 18th Floor ISE Towers 55 B Ufone Tower Jinnah Avenue Blue Area Islamabad	17301-9733640-9	Sardar Ali	523,482	97,194	620,676	523,482	110,229	633,711
313	Mr Zaid Bin Waheed	A-490 2nd Floor Block-1 Gulshan Iqbal Near Continental Bakery Karachi	42101-9776995-7	Abdul Waheed	553,838	68,947	622,785	553,837	79,722	633,559
314	Mr Waheed Shahzad	MSF Plot No.1-A Street No.111 Sector No.G-11/3 Near G-11 Markaz Islamabad	17301-9825846-9	Dilawar Shah	545,184	76,785	621,969	545,184	87,909	633,093
315	Mr Kamran Raiysat	DBE Finance St.mary Acadmy Tulsa Road Lalazar Opposite Meezan Bank Karachi	37405-1207947-9	Raiysat Ferooz	496,075	119,054	615,129	496,074	135,921	631,995
316	Amir Sohail	ALM Professional Services Pvt Ltd Suite No 9 2nd Floor UBL Commercial Centre PCSIR Lahore	35202-2183104-3	Muhammad Sharif	614,543	16,866	631,409	614,543	16,866	631,409
317	Mr Abdul Rauf	Quick Link Electronics Shop No.33 Haroon Electronics Centre Abdullah Haroon Road Saddar Karachi	42301-0980596-3	Haji Abu Bakar	521,856	99,312	621,168	521,856	108,356	630,212
318	Qaseem Ahmed	JS (J.A.S) Bank Service And Sales Center AWT Plaza 2nd Floor I.I Chundrigar Road Near G.P.O Office Karachi	42000-9558891-9	Niaz Ahmed	595,818	32,148	627,966	595,818	32,148	627,966
319	Mr Sohaib Ahmed	Cng Solutions / 23/A Molana Shoukat Ali Rd Nr Gas Point Cng Iqra Medical Lahore	35202-2524804-5	Hanef Ahmed	485,512	121,896	607,408	485,513	139,155	624,668
320	Mr Mohammad Ali Shah	Events Office No.7 1st Floor Ratta Mansion Fazal E-11 Aq Road Blue Area Islamabad	37405-1777451-9	Syed Tahir Hussain Shah	490,695	114,935	605,630	490,695	132,884	623,579
321	Mr Muhammad Danish	House No.18/17 Kacchi Memon Buildg Imam Bara Street Saddar Near KBC Karachi	42301-4908019-9	Muhammad Ayub	497,007	108,824	605,831	497,006	126,408	623,414
322	Kafil Ahmad	Bahria Complex-1 6th Fir MT Khan Road PNSC Building Karachi	42101-2595929-3	Abdul Moid Khan	567,401	55,122	622,523	567,401	55,122	622,523
323	Syed Zulfiqar Rehman	JS Bank Ltd Tariq Rd Branch Jheel Park Karachi	42101-6967248-5	Razia Sultana	541,494	80,914	622,408	541,494	80,914	622,408
324	Rajib Ali	1-A Muhafiz Town Valencia Town Phase 2 Lahore	61101-4053865-1	Abdul Majeed	593,880	26,629	620,509	593,880	26,629	620,509
325	Mudassar Tanveer	Buraq Plaza 3rd Floor 6th Road Aladin Fun House Rawalpindi	61101-4293703-1	Tanveer Ajmal	559,591	59,400	618,991	559,591	59,400	618,991

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Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
326	Mr Muhammad Sajid Raza Khan	Flat No.B2 Farhan Tower Block 10A Gulistan-e-Jauhar Near Eastern Motors Lasania Restaurant Karachi	42201-3879060-7	Muhammad Saeed Khan Sabri	489,265	113,513	602,778	489,264	129,646	618,910
327	Azhar Bashir	House No. 224 Street 7 Phase 1 Check Post 5 DOHS Malir Cantt Karachi	35201-1637709-9	Muhammad Bashir	574,107	38,012	612,119	574,107	42,883	616,990
328	Fawwad Mazhary	Apartment No 306 Hamza Tower Sec F-II/1 Near F-11 Markaz Islamabad	42101-8707196-3	Iqbal Ahmad Mazhary	527,898	98,563	626,461	520,504	95,258	615,762
329	Syed Wajid Ali	H-07 Block-28 G-10-3 Shiraz Market Islamabad	61101-4319750-5	Syed Jawad Hussain	593,771	20,344	614,115	593,771	20,344	614,115
330	Mr Muhammad Mustafa Durrani	2nd Floor City View Tower Main Shaheed-e-Millat Road Near Naheed Super Market Karachi	54400-2625091-3	Muhammad Anwar Khan Durrani	510,718	84,579	595,297	510,719	102,055	612,774
331	Rouhan Shakir	Hilton Group of Marketing Office No 6 & 7 2nd Floor Mc Donalds M.M Alam Ali Tower M.M Alam Road Gulberg 3 Lahore	35202-0527138-3	Ihsan Shakir	567,738	42,524	610,262	567,738	44,891	612,629
332	Adnan Ghulam Muhammad Abbasi	Flat No. X-104 Al-Habib Arcade Block 07 Clifton Karachi	42301-9733285-5	Ghulam Muhammad Abbasi	476,947	120,060	597,007	476,947	134,239	611,186
333	Ali Abid Zaidi	House No. B 134 Rizvia Society Phase 2 Scheme 33 Gulzar-e-Hijri Near Kiran Hospital Karachi	45203-6984317-5	Sagheer Abid Zaidi	562,538	51,632	614,170	562,538	47,574	610,112
334	Faisal Mehboob	79-M, Quaid E Azam Industrial Estate Kot Morgan Bread Factory Lakhpat Lahore	35202-0364594-1	Muhammad Nazim	557,030	53,030	610,060	557,030	53,030	610,060
335	Shariq Majeed Khan	D-1 Block-A Kazimabad Model Colony Near Hira Masjid Karachi	42201-5559183-9	Muhammad Abdul Qadeer Khan	570,101	38,745	608,846	570,101	38,745	608,846
336	Mr Syed Shahzad Hussain Naqvi	C A A / Head Quarters Terminal 01 Old Air Port Near Billys Homes Karachi	42501-1935107-9	Syed Hashim Hussain Naqvi	480,848	110,966	591,814	480,848	124,484	605,332
337	Afzaal Hussain Hamdani	Dept Mechanical Eng Pleas P.O Nilore Near Mosque Islamabad	61101-6213744-9	Iqbal Hussain Hamdani	633,156	8,151	641,307	605,322	-	605,322
338	Ms Ukasha Iqbal	Nestle Pakistan Ltd 2nd Floor 308-Upper Mall Near Shair Pao Bridge Lahore	54400-2530092-6	Muhammad Iqbal	512,181	74,398	586,579	512,181	93,012	605,193
339	Kashif Iqbal	House No J 18 Gulnar Colony Peshawar Road Rawalpindi	37405-6336404-5	Mohammad Iqbal	1,424,980	603,784	2,028,764	-	603,784	603,784
340	Asif Tahir	F-11 Block No 9 Clifton Near Vence Mall Karachi	42201-4038961-3	Tahir John	544,991	51,647	596,638	544,991	57,316	602,307
341	Mr Syed Waseem Shah	Office No. 3 2nd Floor IT Tower Halli Road Gulberg 3 Near Hafeez Centre Karachi	42201-1517145-9	Syed Manzoor Hussain Shah	437,725	147,607	585,332	437,724	163,807	601,531
342	Abid Majeed Khawar	4th Floor Areej Plaza E-11/3 Markaz Human Masjid Touba E-11/3 Appeal Pakistan Country Office Islamabad	71501-0726862-7	Abdul Waheed	582,297	17,054	599,351	582,297	17,054	599,351
343	Binnat E Rasool	House No 2 Street No 20 Mohallah Chaudari Colony Shareef Pura Cantt District Lahore	34502-1460974-6	Asif Shehzad Jathool	552,931	45,479	598,410	552,931	45,479	598,410
344	Kamran Badar	Flat B -55 Block 15 Abdullah Terrace Gulistan Johar Karachi	42201-3432149-1	Muhammad Badar	597,770	4,771	602,541	597,770	-	597,770
345	Rashid Mahmood	Office No Mz 10 Empress Tower 46 Empress Road Lahore	34201-5268904-7	Gul Zaman	499,786	84,752	584,538	499,786	97,370	597,156
346	Mr Mohammad Taimur Longi	Perseus Solution Plot No.6-B F-10 Markaz Near Allied Bank Islamabad	42301-4082849-9	Arshad Mahmood Longi	488,499	90,943	579,442	488,499	108,254	596,753
347	Muhammad Saleem	Sabri House House No F II-702 Sajjad Rubbani Nazim House Johar Town Lahore	35202-9474347-3	Shahid Mahmood	494,698	89,686	584,384	494,698	101,729	596,427
348	Mr Arif Aziz Panhwar	Flat No. A-215 Hina Garden Gulistan-e-Johar Blk 19 Nr Johar More Karachi	42201-7442953-1	Aziz Uddin Panhwar	561,412	32,313	593,725	561,412	34,008	595,420
349	Muhammad Akhlaq Khan	Office 1-2 Raza Plaza Opposite Hameed Medical Centre Asghar Mall Chowk Rawalpindi	37405-6112498-3	Muhammad Ishaq Khan	499,618	81,823	581,441	499,618	94,886	594,504
350	Malik Jahangir Ahmad	H.No.1173 Gali No.451-10/2 Plot No.193 Industrial Area-10/3 Islamabad	61101-0828159-9	Malik Khan	500,798	81,823	582,621	500,798	93,317	594,115
351	Amir Hameed	147-C Tech Society canal Bank Shop No 4 Main Commercial Zone Alpha Society Lahore	35202-8632816-9	Abdul Hameed Khan	499,957	82,059	582,016	499,957	93,943	593,900
352	Zainab Usman	Office No.8, 3rd Rb-5 Awami Complex New KFC Garden Town Lahore	37405-7342626-4	Usman Khaliq	587,385	6,211	593,596	587,385	6,211	593,596
353	Abid Hussain	2-C, Mezzanine Flr 7th Lane 26 Street BAHIL Badar Comm Phase 5 DHA Karachi	42201-8064371-9	Ghulam Ali	536,518	54,897	591,415	536,518	54,897	591,415
354	Aamir Khan Afridi	A-35, Block No R North Nazimabad Near Ship Owner College Karachi	42101-3847954-3	Sabir Ali Khan	544,755	46,548	591,303	544,755	46,548	591,303
355	Syed Fahim Mahmoodshah	Fahim Hammad Brothers P-30, 7 Al Hamd Plaza, Yarn Market Montgam Ery Bazar Karachi	33100-0978368-3	Syed Mahmood Alam Shah	478,618	94,888	573,506	478,618	112,439	591,057
356	Mr Syed Asim Ali	House No. 71 BMCHS Shaheed-e-Millat Rd Block 7/8 Near Faysal Bank Margala Show Room Karachi	42201-5211299-3	Syed Zulfiqar Ali	490,230	90,282	580,512	490,230	100,018	590,248
357	Mr Muhammad Khalid Lakhani	Suite No. 1404 14th Floor K.S Trade Tower New Challi Shahrah-e-Liaquat Karachi	42201-9495933-1	Muhammad Khalid	553,065	33,328	586,393	553,065	35,054	588,119
358	Mr Sultan Ghazi	Flat No.3&4 First Floor Imran Apartments 825/C Block 2 PECHS Near Jheel Park United King Bakers Karachi	42201-0574561-7	Muhammad Iqbal Ghazi	521,247	62,123	583,370	521,247	65,839	587,086
359	Mr Muhammad Kamran	Schlumberger I-9/3 Near Jawa Chowk Islamabad	37405-5070464-1	Muhammad Rajasib	492,834	83,377	576,211	492,834	94,052	586,886

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - I

Amount in PKR Rupees

Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
360	Saad Navaid	R-39 White House Garden Scheem 33 Gulzar-E-Hijri PCSIR Fuel Research Center Sector-24-A Karachi	42101-6102624-3	Shahid Navaid Siddiqui	530,294	56,218	586,512	530,294	56,218	586,512
361	Adnan Nabi	Twenty 3 House 16 Street 56 Super Market F-6/4 Islamabad	42301-6807897-5	Ghulam Nabiar	565,115	19,897	585,012	565,115	19,897	585,012
362	Jawaid Arshad	M-11 Umair Terrace Gk 1/114 Mezzanine Floor Near Punjabi Club Noor Jamat Khana Karachi	42301-1049625-1	Mohammad Sadiq	468,818	104,661	573,479	468,819	116,102	584,921
363	Sadia Shamaail Masud	House No No. 136/2 Street 31 Phase 6 Chhota Bukhari Khayaban-e-Mahfiz DHA Karachi	42301-1064722-6	Muhammad Ayub Tabassum	566,895	12,305	579,200	566,895	17,634	584,529
364	Muhamad Ismail Farrukh	DHA Lahore Global Haly Joint Netw 83-Y Block Commercial Area D.H.A Lahore Cantt.	35202-5462356-5	Muhammad Hanif Khan	478,088	88,996	567,084	478,087	106,020	584,107
365	Abdul Khaliq	LESCO RO Baghbanpura Division Room No.4 2nd Floor Sultan Mehmood Petrol Pump Road Bijli Ghar Shalimar Bagh Lahore	35201-4459989-9	Fateh Muhammad	539,422	37,997	577,419	539,422	44,561	583,983
366	Javaid Qadir	House No A/56 Street No 104 Asifabad Green Town Near Airport Jinnah Terminal Near Faisalabad Bakery Karachi	45101-8074742-9	Abdul Qadir Soomro	557,105	26,816	583,921	557,105	26,816	583,921
367	Muhammad Zohaib Shahzad	Zohaib Traders 9-Ghalib Street Quaid e Azam Park Awami Sasta Store Kot Lakhpat Lahore	35201-7352460-5	Mohammad Nazir Shahzad	484,292	85,513	569,805	484,292	98,176	582,468
368	Muhammad Javed	51-Q Blockmodel Townlahore 14 Liaqat Ali Parkbeadon Road Lahore	35202-2899667-5	Muhammad Hussain	489,895	81,383	571,278	489,895	92,225	582,120
369	Mrs Hiba Usaf Siddiqui	IIO Country Office IIO Building Sector G-5/2 Near State Bank Islamabad	42201-7941925-6	Usaf Shariq	528,180	53,644	581,824	528,180	53,644	581,824
370	Waheed Ur Rehman	Plot No 8-C Flat No 21st Floor 19th Comm Street DHA Plot No 2-C Shop No 215th Commercial Street phase No II Karachi	42301-5897611-7	Abdur Rehman	490,359	79,505	569,864	490,359	90,358	580,717
371	Mr Sohaib Khan	H No. C-199/17 Gulistan-E Johar Blk-14 Nr Darul Sehat Hospital Schon Circle	42101-2627441-1	Masood Ahmed Khan	532,206	35,787	567,993	532,206	46,493	578,699
372	Mr Matiullah Jan	House No.104 Street No.40 G-6-1/3 Near Market Islamabad	61101-9314566-5	Abdul Razzak Khan Abbasi	520,484	57,573	578,057	534,696	43,361	578,057
373	Naeem Ahmed Qureshi	Plot No.17-C Commercial Lane 4 Dha Phase 5 Opp Bank Al Habib Karachi	42101-6414518-9	Abdul Majeed Qureshi	521,761	55,717	577,478	521,761	55,717	577,478
374	Afsheen Zubair Ahmed	54/2, B-2 Street D.H.A Phase 5 9-C, 18th Commercial Street D.H.A Phase 2 Extension Karachi	42301-0552335-2	Abbas Ahmad	491,940	74,151	566,091	491,940	85,038	576,978
375	Khalid Sadiq	House-2/2 Street-40-A Infantry Road Infantry Road Lahore	35201-3943179-9	Muhammad Sadiq	532,643	38,178	570,821	532,643	43,220	575,863
376	Muhammad Fahad Sultan	Commercial 204-Y Block DHA Zeans Phase-3 Lahore	37405-5212038-5	Muhammad Latif	551,884	17,087	568,971	551,884	21,755	573,639
377	Mr Syed Zubir Ali Abbasi	64/2B Q Street Khayaban-E-Shahbaz Phase 7 Dha Near Pizza Hut	35202-2812820-3	Afzal Ali Abbasi	494,314	60,661	554,975	494,315	78,684	572,999
378	Mr Usman Zahid	House No.54 Y Mohallah Phase 03 Defence Housing Authority Near Y Block Market Lahore	35201-9700750-9	Zahid Mahmood	479,640	76,850	556,490	479,640	90,384	570,024
379	Muhammad Mubeen Malik	117 Awaisia Society College Road Lahore	35202-3283759-5	Mohammad Nawaz Malik	476,875	81,993	558,868	476,875	92,938	569,813
380	Mr Haider Iqbal	Pakistan Tobacco Company Ltd Office No.9C3 9th Floor Emerald Tower Plot No.G19 Main Clifton Karachi	35202-4726314-5	Javed Iqbal	472,082	81,075	553,157	472,081	97,210	569,291
381	Ghulam Hussain Shah	Ghulam Hussain Shah A-28 Kahkashan Society Qasimabad Hyderabad	41104-3840648-1	Shah	518,226	47,939	566,165	518,226	50,719	568,945
382	Amjad Bashir	Y-135 Street No.11 Y Block Market Phase 3 DHA	35202-9849006-3	Muhammad Bashir	551,064	14,872	565,936	551,064	17,417	568,481
383	Mr Rouhan Shakir	Hilton Group Of Marketing Office No 6& 7 2nd Floor Ali Tower M.M Alam Road Gulberg 3 Lahore	35202-0527138-3	Ihsan Shakir	494,454	73,908	568,362	494,453	73,909	568,362
384	Syed Muzammil Hussain	House No 299 / 2 Jaffar Bagh Bhai Bhai General Store Model Colony Karachi Malir	42501-8474517-7	Syed Mehdi Hussain	520,552	42,588	563,140	520,552	47,111	567,663
385	Ahsan Allahe	285 L Block Model Town Lahore	36502-9811765-3	Abbas Ali	495,890	70,803	566,693	495,890	70,803	566,693
386	Muhammad Saeed	Samad Apparel Division Rubber Works Pvt Ltd Plot No 2 Fiaz Street 21Km Ferozepur Road Near Masjid Ibrahim Lahore	35201-6847596-7	Inayat Ali	516,944	48,801	565,745	516,944	48,801	565,745
387	Mr Usman Zafar	Matrix Sourcing 75 Km Main Raiwind Road Lahore Near Govt Technical College	35202-2901784-9	Zafar Ali	485,322	69,368	554,690	485,321	79,740	565,061
388	Muhammad Naveed Sharif	18 Km, Ferozepur Road Near Juice Shop Descon Bank Alfalah Engineering Lahore	31102-1798052-5	Muhammad Sharif	522,673	37,002	559,675	522,673	41,965	564,638
389	Mr Muhammad Kashif Shamsi	4th Floor Plot No.36-C Lane No.13 Bukhari Commercial Phase VI DHA Karachi	42301-2478227-7	Abdul Samad Shamsi	464,691	83,051	547,742	464,691	99,601	564,292
390	Sajid Anwar	Jhpiego D-66 Block No 02 Bilawal House Khekashan Clifton Karachi	41306-4709041-3	Ali Anwar Mir Bahar	522,490	37,147	559,637	522,490	41,550	564,040
391	Mr Naveed Mirza	Haier Pak 4-B Q Block Old Colg Road M.M Alam Road Gulberg 2 Near U Phone Office Lahore	35202-1107406-5	Mubarak Ali Mirza	505,112	54,968	560,080	505,112	58,353	563,465
392	Tariq Mehmood	House No 1 Block 75 Sector 11C New Karachi Near Gulzar Hotel	31304-1050227-3	Mohammad Sharif Naz	508,731	53,144	561,875	508,731	53,144	561,875

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Annexure - I

Amount in PKR Rupees

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					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
393	Atif Jameel	Flat No. 201 Falak Naz Plaza Main Shakra-e-Faisal Near Natha Khan Bridge Karachi	42201-5174985-9	Abdul Jameel	520,114	39,285	559,399	520,114	41,601	561,715
394	Asad Ali Khan	B-68/1, Street No 13 Gulshan-e-Faisal Bath Island Clifton Karachi	42301-7396771-1	Ali Mubaak Khan	432,454	111,119	543,573	432,454	126,003	558,457
395	Mr Iftikhar Hasan	House No.57-C/1 27th Street Off To Khayaban-e-Mujahid Phase 5 DHA Rado Showroom Karachi	42101-9499173-9	Sheikh Irshad Hasan	499,090	57,647	556,737	499,090	59,342	558,432
396	Junaid Hasan Dawood	HRS Outsourcing Sheel House 6th Chudhry Khaliq Shell Pump Uz Zaman Road Clifton Karachi	42101-3702217-9	Dawood Abdul Karim Ghansar	504,533	53,226	557,759	504,533	53,226	557,759
397	Ms Mahwish Ahmed	Summit Bank / Plot-21-C-Main Khayaban-e-Shahbaz Phase-6 DHA Karachi	42201-0444760-2	Shabbir Ahmed	520,329	33,446	553,775	520,329	36,644	556,973
398	Mr Syed Muddassir Saleem	Ad infinity 86 H Gulberg III Lahore	35202-6726474-1	Muhammad Saleem Akhtar	487,597	58,886	546,483	487,597	69,018	556,615
399	Fazal Mehmood	House No. P-623 Bilalabad North Nazimabad Block-5 Near Ship Owner College Karachi	42000-4880965-9	Abdullah Madorkhail	438,054	102,217	540,271	438,054	118,382	556,436
400	Muhammad Saad	Kcfc Staff Residence Plot No.850 Bhatta Chowk Bhatta Chowk Airport Rd Lah Cantt	33301-5740706-3	Sohail Babar	512,530	38,886	551,416	512,530	43,069	555,599
401	Zohaib Hasan	H 4 Block 5 Facing Park Sodiwal Colony Multan Road Niazi Building Lahore	36601-0614534-1	Bashiran Bibi	496,528	51,691	548,219	496,528	58,904	555,432
402	Faisal Arshad	Carefour Fortress Stadium Fortress Stadium Lahore	42101-1760229-7	Arshad Ali Khan Durrani	505,724	48,934	554,658	505,724	48,934	554,658
403	Sohail Irfan	HBL Aram Bagh Branch Shara-e-Liaquat Road Karachi Near Fresco Bakery Karachi	42201-4785836-3	Muhammad Irfan	534,376	16,891	551,267	534,376	18,701	553,077
404	Mr Muhammad Aslam	House No. 71 Street No. A-6 Ashraf Colony Street No. Dhamiyal Camp Chakeri Road Rawalpindi	61101-6955285-7	Rehmat Ullah Khan	458,499	92,962	551,461	458,498	92,963	551,461
405	Mr Usman Ali Baloch	The Help Desk 1st Floor Building C-3 D-Block Commercial Market Velancia Bank Islami Lahore	32304-4723377-9	Nazir Ahmed	433,302	106,514	539,816	433,302	116,778	550,080
406	Muhammad Saqib	House No 38/1 Lane No 21 Phase No 7, Dha Khayaban-e-Badban Near Axtact Karachi	42201-2669930-3	Muhammad Boota Ghuman	496,322	52,738	549,060	496,322	52,738	549,060
407	Asad Rashid	D-41 Block 4 Clifton KDA Scheme No 5 Karachi 75600 Karachi	42000-0514188-1	Afzal Rashid	464,379	67,151	531,530	464,379	84,186	548,565
408	Muzammil Ali	Wj-Tribe18 Avenue Hussain Chowk Near HBL Lahore	35201-0373386-7	Liaqat Ali	504,078	43,907	547,985	504,078	43,907	547,985
409	Asma Asghar	House No.1957 4th Floor Street No.28 Farooq Masjid Azam Basti Karachi	42000-0478550-4	Asgher Ali	530,769	16,869	547,638	530,769	16,869	547,638
410	Muhammad Yousaf	Service Sales Corp 6-D 3rd Floor EFU House Askari Bank Jail Road Karachi	35202-5459592-1	Muhammad Munir Fazal	458,231	78,401	536,632	458,231	88,542	546,773
411	Aamir Hanif	D/7 Block 6 Gulshan-e-Iqbal E-50 S I T E Karachi	42201-5745500-3	Mohammad Hanif Khan	458,035	78,014	536,049	458,035	88,526	546,561
412	Jamshaid Mirza	M. Communications Pvt Ltd House No 22-A Stock Exchange Building Main Nazimuddin Road F-7/1 Islamabad	37405-0490951-9	Amir Ul Muslimin	528,286	11,536	539,822	528,286	16,679	544,965
413	Mr Syed Asim Ali	Plot No. 166-B Sonia Apartments Flat. No. B-104 Khalid Bin Walid Rd Block 3 Karachi	42201-5211299-3	Syed Zulfiqar Ali	515,995	26,330	542,325	515,995	28,122	544,117
414	Mr Hassan Waqas	Navitus Travels & Tours Pvt Ltd Office No.78 Mezzanine Floor 30-West ATS Center Fazal-E Haq Road Blue Area Islamabad	32202-7921434-9	Muhammad Khalid Latif	432,203	95,285	527,488	432,203	110,204	542,407
415	Usman Jawed	Shoot At Sight H No. 9 21St Street Khyayaban-e-Zam Zama Tanzeem DHA Ph No. V Karachi	42101-9097286-5	Jawed Toor	482,530	58,241	540,771	482,530	58,241	540,771
416	Farrukh Ehsan	Vinikson Travel Pvt Ltd Commercial Market Tech Bank Al Falah Society Lahore	35202-4206479-3	Muhammad Ehsan	497,252	43,112	540,364	497,252	43,112	540,364
417	Sajid Hussain	Ssgc Plot. No.21/1 Sec 22 Karangi Ind Area Brooks Chowrangi Khi	36302-3835554-7	Amanat Ali	482,269	57,434	539,703	482,269	57,434	539,703
418	Nazir Ahmed	Flat No E-402 Chapal Garden Abul Haspani Road Scheme No.33 Karachi	42000-0483059-3	Muhammad Ismail	440,859	82,452	523,311	440,860	98,709	539,569
419	Muhammad Shoaib Mughal	NETSOL IT Village Ring Road Ghazi Road Near Ring Road Lahore	35201-8297063-9	Ghulam Muhammad	508,332	30,220	538,552	508,332	30,220	538,552
420	Abdul Ghaffar	258-B New Defence Road Nespak Housing Society Sadhoki Village Phase 3 Lahore	35201-3543094-9	Abdul Ghani	515,062	19,591	534,653	515,062	23,107	538,169
421	Mr Syed Amir Hassan Naqvi	Denim Clothing 01 Sc.7 Street No.1 Sec-19 Korangi Ind Opp Sna Motors Karachi	42101-2664812-7	Syed Sib Hashim Naqvi	441,909	79,634	521,543	441,909	95,926	537,835
422	Emanuel Sarfraz	The Nation 23 Fatima Jinnah Medical College Queens Road Lahore	35202-9126126-7	Anayat Masih	513,005	24,534	537,539	513,005	24,534	537,539
423	Syed Rashid Ali Shah Kazmi	Giz Support For Capacity Development Regency Height Plot No.3-A/3 Diplomatic Enclave Near U.S Embassy Islamabad	61101-5773734-9	Syed Mehboob Shah Kazmi	527,956	8,844	536,800	527,956	8,844	536,800
424	Syed Kashif Hashmi	Orix Leasing Pakistan 76-B E-1 Main Boulevard Hafeez Centre Gulberg 3 Lahore	90406-0127009-9	Syed Mohy Uddin Hashmi	525,020	6,678	531,698	525,020	9,719	534,739
425	Waseem Sohail	Lth JV Bawa Park Uper Mall JS Bank Lahore	35202-2335826-5	Muhammad Sharif	467,799	66,884	534,683	467,799	66,884	534,683

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					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
426	Hilal Mustafa	House No R-3, Row 3 Block D.N.C.H.S Gulshan-E-Iqbal Shop No E-08 Engineering Dept.P.I.A Airport Karachi	38403-2120951-7	Ghulam Mustafa	449,627	74,580	524,207	449,627	84,531	534,158
427	Shahnaz Kousar	H.No.121/C, B-Block New Muslim Town Opp Bilal Masjid Punjab Food Authority Lahore	35202-2140502-2	Chaudhary Muhammad Moazzam Sohail	517,218	15,769	532,987	517,218	15,769	532,987
428	Mr Kevin Roy	Leo Communications Pvt Ltd/ Suite No.201 2nd Floor Plot No.40/42 C 26th Street Phase 5 Ext DHA Near Ideal Bakery Karachi	90406-0152911-1	Kenneth Manmouan Roy	359,523	169,460	528,983	359,523	173,103	532,626
429	Tahir Masood Khan	TDCP 151 Abu Bakar Block New Muslim Town Garden Town Lahore	35200-1577133-5	Abdul Majeed Khan	494,358	37,210	531,568	494,358	37,513	531,871
430	Mr Sheikh Ghulam Farid	Fatima Memorial Hospital 2nd Floor Fatima Memorial Hospital Shadman Lahore	36302-9012856-3	Sheikh Abdul Latif	471,686	60,142	531,828	471,686	60,142	531,828
431	Syed Muhammad Farooq Shah	House No. 121 Mohallah Neelam Block Allma Moob Market Iqbal Town Lahore	35202-2602166-3	Syed Muhammad Atta Ullah Shah	485,154	41,984	527,138	485,154	46,604	531,758
432	Genial Anwar	House No 49 Street No 1 Dilkusha Colony Near S Block 5 Model Town Model Town Ext Kotlakhah Lahore	35201-8701048-5	Anwar Michael	467,240	64,175	531,415	467,240	64,175	531,415
433	Muhammad Azam	616-New Shaheen Block Sector B More Chowk Bahria Town Lahore	35200-9671847-3	Muhammad Hayat	439,845	79,236	519,081	439,845	90,340	530,185
434	Mr Muhammad Usman	Flyone Travel & Tours LGF-03 Empress Tower Empress Road Near Shimla Hills Lahore	35200-1508960-5	Ali Muhammad	330,315	188,757	519,072	329,679	199,188	528,867
435	Mr Shoaib Ahmed	Flat No. D-4 4th Floor Sky Residency SE-8 Block N North Nazimabad Karachi	42101-1548962-1	Iftikhar Ahmed	434,803	80,158	514,961	434,804	92,098	526,902
436	Zafar Siddiq Moti	House No 13/1 Area 1st Street Phase 4 Defence Gizri Street Karachi	42201-0798974-1	Muhammad Siddiq Moti	414,857	96,598	511,455	414,857	111,997	526,854
437	Zeeshan Ali	457 H1 Johar Town Near Expo Centre Lahore	35202-5663567-3	Muhammad Younas	480,238	45,830	526,068	480,238	45,830	526,068
438	Ghulam Farwa	Kashf Foundation Yakki Gate Bm Plot No.19, Street No.13 Nabi Nawaz Shareef Park Yakki Gate Park Ahbab HPTL Near Hijaz Hospital Lahore	35401-9716948-4	Syed Sajjad Ali Shah	508,871	13,080	521,951	508,871	13,256	522,127
439	Sheba Emmanuel	Ufone/ Pak Telecom Mobile Limite 1-E Ali Plaza Attaturk Road Blue Area Near SCB Bank Islamabad	37405-0346465-0	Emmanuel Khurshid Alam	409,791	96,599	506,390	409,791	111,439	521,230
440	Mr Ajaz Ul Haq	House No.7 Street No.1 Saik St Muslim Town Near Maja Riga Restrunt Akbari Mandi Gate Lahore	42301-2871194-9	Allah Ditta	420,469	85,971	506,440	420,469	100,704	521,173
441	Asad Ali Khan	House No 9-A St No 17-A Kafia Road Defence Colony Cant Peshawar	17301-1427050-7	Nawab Ali Khan	435,343	78,082	513,425	435,343	85,493	520,836
442	Manayal Ejaz	Sentient-8 3rd Floor Rb-5 Awami Complex Mugal Fort New Garden Town Lahore	35202-8637424-4	Ejaz Ahmad	498,487	20,955	519,442	498,487	20,955	519,442
443	Rehmatullah Jakhro	SSGCL Karachi Terminal Office Credit Dept Main University Road Near Safari Park Karachi	41409-4993701-7	Allahdino Khan	487,167	31,690	518,857	487,167	31,690	518,857
444	Mr Mujeeb Ur Rehman	Petroleum General Gas Office 1st Floor Sector G-5/2 Islamabad	42201-8155500-5	Muhammad Usman	438,254	77,739	515,993	438,254	79,479	517,733
445	Tariq Mehmood Abbasi	House No.333/B Street 13 Sec G-6/2 Near Markaz Islamabad	61101-1831830-1	Muhammad Ameen Abbasi	472,362	40,452	512,814	472,362	44,854	517,216
446	Muhammad Saeed Butt	House No 3 Block 1 Karim Park Ravi Road Shop No 10-11 Khanam Bazarankali Lahore	35202-5462898-5	Muhammad Sharif Butt	434,911	70,413	505,324	434,911	80,751	515,662
447	Mr Syed Noman Azim	IBM 1st& 2nd Floor Nice Trade Orbit Building Plot No.44-A PECHS Block 6 Shakra-e-Faisal Mobilink Office Karachi	42301-0390183-3	Syed Maqsood Ahmed	435,282	64,087	499,369	435,281	80,161	515,442
448	Mr Muhammad Farhan Khan Zai	SCBPL Head Office 2nd Flr I.I.Chundrigarh Road Near HBL Plaza Karachi	42201-2114446-1	Muhammad Saleem Khan	328,945	178,728	507,673	328,946	186,167	515,113
449	Tariq Mahmood	Union Fabrics E 20/B Central Avenue Site Near Ghani Chowranghi Karachi	33104-8483389-3	M Muneer Khalid	484,944	30,094	515,038	484,944	30,094	515,038
450	Mr Abdul Rashid	PARC BUILDING Room No.219 2nd Floor G-5/1 Near Nadra Head Quarter Islamabad	61101-4655376-9	Abdul Karim	397,793	106,534	504,327	397,793	116,701	514,494
451	Rajoo Rajoo	Fazal-e-Rabbi Pvt Ltd Shop No.4G Court View Apt Court Road Near Sind Assembly Karachi	42401-1879662-5	Parshutam	480,526	29,244	509,770	480,526	33,706	514,232
452	Muhammad Zakriya Khalid	First Floor Waheed Plaza Plot 52 West Ab Tak News Blue Area Islamabad	38403-6695087-7	Khalid Mahmood	475,362	41,424	516,786	475,362	38,851	514,213
453	Mirza Mazhar Hussain	House No. E-436/2 Street No. 4 Mahalla Gulistan Colony Bazar Ghazi Road Bullah-e-Shah Road Lahore	35201-6075472-1	Ghulam Nabi	450,000	60,812	510,812	450,000	64,131	514,131
454	Nasir Naeem	House No. 27 Street No. 59 Sector G-13/2 G-13 Markaz Islamabad	33100-0631990-7	Bashir Ahmed Naeem	475,736	38,077	513,813	475,736	38,077	513,813
455	Muhammad Athar Khurshaidi	House No N-383 Block 12 Gulistan-e-Johar Rado Bakery Karachi	42401-7074749-1	Muhammad Arif Khurshaidi	486,356	22,591	508,947	486,356	26,613	512,969
456	Shaukat Sher Muhammad	Velocity Marketing 69/4 FCC Green Villa Syed Ali Road Bol Channel TV Gulberg Lahore	35202-8801331-5	Sher Muhammad	451,168	61,297	512,465	451,168	61,297	512,465
457	Faisal Ali	Plot No 495 Deh Main National Highway Orient Textile Landhi Karachi	42401-4804149-9	Mohammad Ali	473,453	33,558	507,011	473,453	37,179	510,632

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Sr. No.	Name	Address	Name of Partners / Directors NIC / CNIC	Father / Husband Name	Outstanding Liabilities at Beginning of Year			Amount Written off / Concession		
					Principle	Interest/ Markup	Total	Principle	Interest/ Markup	Total Balance (Gross)
458	Jawaid Shah	House No.27 Street 12 Block C-3 Nazimabad No 3 Abbasi Shaheed Hospital Karachi	42301-5754412-9	Mehmood Shah	496,726	8,523	505,249	496,726	12,715	509,441
459	Mr Salman Hameed	T-13 3rd Floor Khan Plaza 112-H Gulberg No. 3 Lahore	36302-6747107-7	Hameed Akhtar	355,385	146,620	502,005	354,304	154,285	508,589
460	Muhammad Abdul Aziz	KMC Finance Account Department 1st Floor Internal Audit Light House M.A Jinnah Road Karachi	42201-2530707-5	Muhammad Abdul Rasheed	488,639	14,718	503,357	488,639	19,666	508,305
461	Adeel Ahmad	University Of Managment Tehnolocgh (Umt) C-2 Umt / PSO Pump Johar Town Lahore	31202-0258305-5	Zahid Latif	449,819	57,767	507,586	449,819	57,767	507,586
462	Syed Naveed Iqbal	House No.200 Street No. 4 Sector B Askari31303-7627499-5 X Sector B Park Lahore Cantt	42101-3852761-1	Abu Saad Muzaffar Zaidi	454,079	50,127	504,206	454,079	53,014	507,093
463	Mr Syed Mustafa Hussain Abbas	Group M Suite No.204-208 2nd Floor The Forum Block 9 Clifton Karachi	31202-4797792-5	Syed Mazhar Abbas	395,576	101,263	496,839	395,575	109,994	505,569
464	Mr Muhammad Rehan Azhar	Redap 145 Ali Blk Park Wali Street New Garden Town Lahore	42201-0568282-9	Muhammad Azhar Hassan	433,903	62,611	496,514	433,904	71,399	505,303
465	Mr Danish Danish	Jubilee Life Insurance G-5 Adenwella Apartments GRE 325 /2 Britto Rd Garden East Karachi	37405-9283182-7	Abdul Sultan	390,347	99,939	490,286	390,347	113,696	504,043
466	Adeel Ahmed	PMDC 3rd Floor Inspection Section G-10/4 Mouve Area Near High Court Islamabad	42201-8954880-3	Muhammad	480,490	23,187	503,677	480,490	23,187	503,677
467	Uzair Ahmed	House No. 618 Street No. 09 Sector No. 01 Airport Root School Housing Society Karachi	35200-1346092-6	Muhammad Anwar Naveed	471,880	31,750	503,630	471,880	31,750	503,630
468	Talha Hussain	ICPL 17th Floor The Harbour Front Clifton Blk 4 Near Dolmen Mall Karachi	42301-5754412-9	Hussain Ahmed	464,537	32,152	496,689	464,537	36,520	501,057
469	Ms Meera Shafqat	Apartment No.27D Askari V Gulberg Kalma Chowk Lahore	31202-4797792-5	Shafqat Ali Khan	386,191	102,894	489,085	386,191	114,446	500,637
					466,103,049	303,137,638	769,240,687	394,615,953	262,775,925	657,391,877

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - II

ISLAMIC BANKING BUSINESS

The bank is operating 3 (Dec 2019: 4) Islamic banking branches and 50 (Dec 2019: 57) Islamic banking windows at the end of the year.

	Note	2020	2019
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		3,503,921	8,028,214
Due from financial institutions	1	7,783,318	6,944,460
Investments	2	27,946,749	3,640,376
Islamic financing and related assets - net	3	38,838,529	41,985,594
Fixed assets		129,024	185,135
Other assets		2,041,447	1,566,815
Total Assets		80,242,988	62,350,594
LIABILITIES			
Bills payable		129,053	139,575
Due to financial institutions		3,634,000	4,050,000
Deposits and other accounts	4	57,741,816	48,471,603
Due to Head Office	5	8,426,720	674,733
Other liabilities		1,625,525	879,377
		71,557,114	54,215,288
NET ASSETS		8,685,874	8,135,306
REPRESENTED BY			
Islamic Banking Fund		200,000	200,000
Surplus/ (Deficit) on revaluation of assets		(85,111)	23,638
Unappropriated/ Unremitted profit	7	8,570,985	7,911,668
		8,685,874	8,135,306

CONTINGENCIES AND COMMITMENTS

8

The profit and loss account of the Bank's Islamic banking branches for the year ended 31 December 2020 is as follows:

	Note	2020	2019
(Rupees in '000)			
Profit / return earned	9	6,506,100	6,561,117
Profit / return expensed	10	(1,959,371)	(1,462,677)
Net profit / return		4,546,729	5,098,440
Other income			
Fee and commission income		514,177	412,345
Foreign exchange income		218,626	668,423
Gain / (loss) on securities		16,545	-
Other income		5,368	158
Total other income		754,716	1,080,926
Total income		5,301,445	6,179,366
Other expenses			
Operating expenses		(2,052,870)	(1,843,832)
Total other expenses		(2,052,870)	(1,843,832)
Profit / (loss) before provisions		3,248,575	4,335,534
Provisions and write offs - net		(589,258)	(182,380)
Profit / (loss) before taxation		2,659,317	4,153,154

The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the revised format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional tax charge for Islamic Banking is expected to be Rs. 1.037 billion (2019:Rs. 1.612 billion).

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - II

	2020			2019		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
1 Due from Financial Institutions						
Unsecured	-	5,937,897	5,937,897	-	2,826,805	2,826,805
Bai Muajjal Receiveable from State Bank of Pakistan	1,845,421	-	1,845,421	4,117,655	-	4,117,655
	1,845,421	5,937,897	7,783,318	4,117,655	2,826,805	6,944,460

	2020				2019			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Market Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Market Value
2 Investments by segments:								
Federal Government Securities:								
-Ijarah Sukuks	25,910,344	-	(86,475)	25,823,869	1,825,760	-	20,490	1,846,250
-Islamic Naya Pakistan Certificates	530,538	-	-	530,538	-	-	-	-
-Bai Muajjal with GOP	1,390,978	-	-	1,390,978	1,390,978	-	-	1,390,978
	27,831,860	-	(86,475)	27,745,385	3,216,738	-	20,490	3,237,228
Non Government Debt Securities								
- Listed	-	-	-	-	400,000	-	3,148	403,148
- Unlisted	200,000	-	1,364	201,364	-	-	-	-
	200,000	-	1,364	201,364	400,000	-	3,148	403,148
Total Investments	28,031,860	-	(85,111)	27,946,749	3,616,738	-	23,638	3,640,376

	Note	2020	2019
		(Rupees in '000)	
3 Islamic financing and related assets			
Murabaha	3.1	3,035,967	1,726,466
Musharaka		4,687,163	18,182,094
Diminishing Musharaka		24,831,187	20,134,278
Istisna		1,940,000	-
Musawammah		1,952,332	588,791
Ujrah (Saadiq Credit Cards)		381,515	444,345
Advances against Islamic assets - Murabaha		452,215	68,261
Advances against Islamic assets - Diminishing Musharakah		678,013	25,531
Inventory related to Islamic financing - Murabaha		2,190,561	1,548,143
Gross Islamic financing and related assets		40,148,953	42,717,909
Less: provision against Islamic financings			
- Specific		(756,904)	(626,693)
- General		(553,520)	(105,622)
		(1,310,424)	(732,315)
Islamic financing and related assets - net of provision		38,838,529	41,985,594

	Note	2020	2019
		(Rupees in '000)	
3.1 Murabaha			
Murabaha financing	3.1.1	3,035,967	1,726,466
Inventory for Murabaha		2,190,561	1,548,143
Advances for Murabaha		452,215	68,261
		5,678,743	3,342,870
3.1.1 Murabaha receivable - gross	3.1.2	3,127,310	1,796,053
Less: Deferred murabaha income	3.1.4	(67,667)	(35,596)
Profit receivable shown in other assets		(23,676)	(33,991)
Murabaha financings		3,035,967	1,726,466
3.1.2 The movement in Murabaha financing during the year is as follows:			
Opening balance		1,796,053	3,531,925
Sales during the year		7,405,514	5,523,963
Adjusted during the year		(6,074,257)	(7,259,835)
Closing balance		3,127,310	1,796,053

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - II

	2020	2019
	(Rupees in '000)	
3.1.3 Murabaha sale price	3,127,310	1,796,053
Murabaha purchase price	(3,035,967)	(1,726,466)
	<u>91,343</u>	<u>69,587</u>
3.1.4 Deferred murabaha income		
Opening balance	35,596	71,388
Arising during the year	464,601	348,996
Less: Recognised during the year	(432,530)	(384,788)
Closing balance	<u>67,667</u>	<u>35,596</u>

4	Deposits	2020			2019		
		In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
							(Rupees in '000)
Customers							
	Current deposits	25,377,928	7,950,136	33,328,064	21,262,863	6,745,544	28,008,407
	Savings deposits	22,612,472	-	22,612,472	19,058,151	-	19,058,151
	Term deposits	907,203	-	907,203	710,367	-	710,367
	Margin accounts	6,620	-	6,620	120,468	-	120,468
		<u>48,904,223</u>	<u>7,950,136</u>	<u>56,854,359</u>	<u>41,151,849</u>	<u>6,745,544</u>	<u>47,897,393</u>
Financial Institutions							
	Current deposits	124,173	-	124,173	12,006	-	12,006
	Savings deposits	763,284	-	763,284	562,204	-	562,204
		<u>887,457</u>	<u>-</u>	<u>887,457</u>	<u>574,210</u>	<u>-</u>	<u>574,210</u>
		<u>49,791,680</u>	<u>7,950,136</u>	<u>57,741,816</u>	<u>41,726,059</u>	<u>6,745,544</u>	<u>48,471,603</u>

	2020	2019
	(Rupees in '000)	
4.1 Composition of deposits		
- Individuals	44,852,866	37,749,910
- Government (Federal and Provincial)	108,681	147
- Banking Companies	7,195	1,351
- Non-Banking Financial Institutions	206,356	318,665
- Private Sector	9,149,629	9,211,956
- Non residents (Corporate & Individual)	3,359,915	1,156,043
- Trusts	57,174	33,531
	<u>57,741,816</u>	<u>48,471,603</u>

4.2 This includes deposits eligible to be covered under insurance arrangements amounting to Rs 43,026 million (2019: Rs. 35,199 million).

	2020	2019
	(Rupees in '000)	
5 Due to Head Office	<u>8,426,720</u>	<u>674,733</u>
6 Charity Fund		
Opening balance	12,985	7,932
Additions during the period		
Received from customers on account of delayed payment	2,884	6,295
Other Non-Shariah compliant income	5,767	6,690
	<u>8,651</u>	<u>12,985</u>
Payments / utilization during the period		
Education	(1,323)	(6,002)
Health	(9,762)	(1,930)
	<u>(11,085)</u>	<u>(7,932)</u>
Closing balance	<u>10,551</u>	<u>12,985</u>

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - II

	2020	2019
	(Rupees in '000)	
Details of charity payments		
The Lahore University of Management Science	-	2,000
The Indus Hospital	3,200	1,000
Jinnah Foundation	-	1,000
Patient's Aid Foundation	3,262	930
Professional Education Foundation	-	500
The SOS Children's Villages of Pakistan	-	2,000
The Hunar Foundation	-	502
National Institute of Child Health HOPE	3,300 1,323	- -
	11,085	7,932
7 Islamic Banking Business Unappropriated Profit		
Opening Balance	7,911,668	6,258,514
Add: Islamic Banking profit for the period	2,659,317	4,153,154
Less: Transferred / Remitted to Head Office	(2,000,000)	(2,500,000)
Closing Balance	8,570,985	7,911,668
8 Contingencies And Commitments		
-Guarantees	1,506,579	380,254
-Commitments	22,809,028	17,726,029
-Other contingent liabilities	5,943,508	2,329,305
	30,259,115	20,435,588
9 Profit/Return Earned of Financing, Investments and Placement		
Profit earned on:	5,275,464	5,804,277
Financing	1,224,861	668,994
Investments	5,775	87,846
Placements	6,506,100	6,561,117
10 Profit on Deposits and other Dues Expensed		
Deposits and other accounts	(1,862,214)	(1,385,425)
Due to Financial Institutions	(80,139)	(66,230)
Finance cost of lease liability	(17,018)	(11,022)
	(1,959,371)	(1,462,677)
11 Profit & Loss distribution and Pool Management		
The Bank manages following assets pools for profit and loss distribution:		
a) Islamic Export Refinance Scheme (IERS) Musharakah Pool; and		
b) Mudarabah Pool		
a) Islamic Export Refinance Scheme (IERS) Musharakah Pool		
Banks create Musharakah Pool as advised by SBP, consisting of financing to a minimum of 10 blue chip companies on Islamic modes with diversification in multiple sectors. Banks's investment in Musharakah Pool is at least equal to the amount of export refinance availed from SBP. Key features, risks, rewards and calculation of profit / loss of IERS pool is as per SBP IER Scheme and the relevant circulars issued by SBP from time to time.		
The relevant details are mentioned hereunder:		

Notes to the Financial Statements

For the year ended 31 December 2020

Annexure - II

Type of Pool	Profit rate and weightage announcement period	Average return on Pool Assets	Bank Profit	SBP Profit	Bank Profit (%)	SBP Profit (%)
IERS Pool	Monthly	6.74%	495,639	78,689	86.30%	13.70%

B) Mudarabah Depositors Pool

The profit and loss sharing between the depositor (Rabb-ul-Maal) and Bank (Mudarib) is based upon the underlying principles of Mudaraba. In this regard, following pools are managed by the Bank :

1. General Pool
2. Special Pool
3. High Yield Pool
4. Special Term Deposit Pool
5. Special Pool - CCIB

i) Key features and risk & reward characteristics

Saadiq Savings accounts & Term Deposit Account (Mudarabah based remunerative deposits) are Shariah compliant accounts based on the Islamic principle of "Mudarabah". Mudarabah is a partnership where one party provides funds to other for investing in a business. The partner who is investing the funds is "Rabb-ul-Mal (Depositor) and the partner who manages the investment is "Mudarib" (Working Partner). The Bank (Mudarib) invests the funds in Shariah compliant avenues to generate return/profit. This return & profit is shared on the basis of profit & loss sharing as per the pre-agreed mechanism between the Bank and the customer.

In case of loss, the same is borne by the depositor in proportion to their investments, and the Bank (Mudarib) bears the loss of its efforts/services in managing Mudarabah.

ii) Parameters used for allocation of profit, charging expenses and provisions

The profit is calculated from income earned on the remunerative assets tagged to the pool and is distributed between Mudarib (Bank) and Rabb-ul-Maal (Depositor) based on the declared sharing ratios and weightages before the beginning of the concerned period.

iii) Deployment of Mudaraba based deposits

The applications of the Mudarabah based remunerative deposits are Islamic Advances, Investments, and Placements for generating profits to be shared among the depositors as per the agreed and approved weightage mechanism. The deposits and funds are invested in different sectors and avenues including Sukuk, Bai Muajjal (backed by Government of Pakistan), Sugar, Textile, Fertilizer, Cement, Power, Packaging, Fast-moving consumer goods (FMCG) , Edible Oil, Steel, Logistics , Automobile. etc.

iv) Other information

	Type of Pool				
	General	Special	High Yield	Special Term Deposit	Special Term Deposit
Profit rate and weightage announcement frequency	Monthly	Monthly	Monthly	Monthly	Monthly
Mudarib share (amount in '000)	470,907	130,265	159,335	5,009	32,406
Mudarib share (%)	45.8%	23.1%	18.4%	22.4%	21.3%
Mudarib Share transferred through Hiba (Amount in '000)	43,585	47,893	75,242	1,961	5,608
Mudarib Share transferred through Hiba (%)	8.5%	26.9%	32.1%	28.1%	14.8%
Average return on pool assets	9.6%	10.1%	9.9%	12.0%	7.4%
Average return on deposits	5.2%	7.9%	8.2%	8.8%	5.8%

PATTERN OF SHAREHOLDING

As at 31 December 2020

No. of Shareholders	Shareholdings' Slab			Total Shares Held
1166	1	to	100	43,452
1732	101	to	500	529,465
957	501	to	1000	733,670
2122	1001	to	5000	5,366,221
698	5001	to	10000	4,273,995
86	10001	to	15000	1,066,707
66	15001	to	20000	1,156,106
37	20001	to	25000	856,625
21	25001	to	30000	588,428
20	30001	to	35000	645,061
11	35001	to	40000	410,197
4	40001	to	45000	172,784
6	45001	to	50000	294,553
2	50001	to	55000	100,664
5	55001	to	60000	283,572
1	60001	to	65000	62,100
3	65001	to	70000	205,927
3	70001	to	75000	220,000
3	75001	to	80000	235,817
1	85001	to	90000	90,000
1	90001	to	95000	91,500
5	95001	to	100000	500,000
3	100001	to	105000	308,239
1	105001	to	110000	110,000
1	115001	to	120000	118,900
1	125001	to	130000	127,900
1	145001	to	150000	150,000
1	160001	to	165000	165,000
1	175001	to	180000	178,000
3	195001	to	200000	600,000
1	210001	to	215000	212,000
1	220001	to	225000	220,200
1	225001	to	230000	229,000
1	235001	to	240000	238,900
2	245001	to	250000	497,232
1	265001	to	270000	270,000
1	295001	to	300000	300,000
1	415001	to	420000	417,000
2	420001	to	425000	841,500
1	440001	to	445000	440,179
2	495001	to	500000	1,000,000
1	505001	to	510000	507,500
1	710001	to	715000	712,500
1	880001	to	885000	880,295
1	910001	to	915000	914,570
1	920001	to	925000	923,500
1	1240001	to	1245000	1,243,100
1	1340001	to	1345000	1,341,500
1	1630001	to	1635000	1,634,500
1	2055001	to	2060000	2,056,000
1	2095001		2100000	2,100,000
1	2580001		2585000	2,581,500
1	3832335001		3832340000	3,832,339,162
6988				3,871,585,021

CATEGORY WISE LIST OF SHAREHOLDERS

As at 31 December 2020

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
Mrs. Spenta Kandawalla	1	1	0.00
Mr. Ian Anderson Bryden	1	1	0.00
Mr. Towfiq Habib Chinoy	1	1	0.00
Mr. Mohamed Salah Abdel Hamid Abdel Razek	1	1	0.00
Mr. Rehan Muhammad Shaikh	1	1	0.00
Mr. Adam Long	1	1	0.00
Mr. Ehsan Ali Malik	1	1	0.00
Associated Companies, undertakings and related parties			
Standard Chartered Bank (UK)	1	3,832,339,162	98.99
Public Sector Companies and Corporations	5	87,951	0.00
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds	10	183,373	0.00
Mutual Funds			
CDC - Trustee PICIC Investment Fund	1	1,634,500	0.04
CDC - Trustee PICIC Growth Fund	1	2,100,000	0.05
CDC - Trustee AKD Index Tracker Fund	1	47,348	0.00
CDC - Trustee HBL - Stock Fund	1	2,581,500	0.07
CDC - Trustee HBL Multi - Asset Fund	1	71,000	0.00
CDC - Trustee HBL Equity Fund	1	2,056,000	0.05
General Public			
a. Local	6,878	28,146,697	0.73
b. Foreign	2	6,305	0.00
Foreign Companies	-	-	-
Others	79	2,331,178	0.06
Totals	6,988	3,871,585,021	100.00

Share holders holding 10% or more	Shares Held	Percentage
Standard Chartered Bank (UK)	3,832,339,162	98.99

FORM OF PROXY
15TH ANNUAL GENERAL MEETING
STANDARD CHARTERED BANK (PAKISTAN) LIMITED

نمائندگی کا فارم (پراکسی فارم)
پندرہویں سالانہ اجلاس
اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ

I/We of being member(s) of Standard Chartered Bank (Pakistan) Limited holding Ordinary shares hereby appoint.....of or failing him/her of who is/are also member(s) of Standard Chartered Bank (Pakistan) Limited as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Bank to be held on 29 March 2021 and/or any adjournment thereof.

میں/ہم کا/کی بحیثیت رکن اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ اور حامل عام حصص، کے/کی کا یا ان کی غیر موجودگی میں کے/کی جو اسٹینڈرڈ چارٹرڈ بینک (پاکستان) لمیٹڈ کے رکن ہیں، کو اپنی غیر حاضری میں بینک کے سالانہ اجلاس عام جو 29 مارچ 2021 کو منعقد ہونا ہے یا اس کے التواء کی صورت میں حاضری اور حق رائے دہی کے استعمال کے لئے اپنا نمائندہ (پراکسی) تقرر کرتا/کرتی ہوں۔

Signed this _____ day of _____ 2021.

آج بروز بتاریخ 2021 کو
دستخط کئے گئے۔

Folio/ CDC No.
فولیو/سی ڈی سی

Signature
دستخط

WITNESSES:

گواہ :

1. Signature: _____
Name: _____
CNIC/Passport No.: _____
Address: _____

1. دستخط _____
نام _____
سی این آئی سی / پاسپورٹ نمبر _____
پتہ _____

2. Signature: _____
Name: _____
CNIC/Passport No.: _____
Address: _____

دستخط _____
نام _____
سی این آئی سی / پاسپورٹ نمبر _____
پتہ _____

Note:

- The Proxy Form should be deposited at the registered office of the Bank, as soon as possible but not later than 48 hours before the time of holding the meeting, failing which, Proxy Form will not be treated as valid.
- No person shall act as proxy unless he/she is a member of the Bank.

- نمائندگی کا فارم (پراکسی فارم) جلد از جلد بینک کے رجسٹرڈ پتے پر جمعہ کرانیں، سالانہ اجلاس عام کی ابتداء سے 48 گھنٹے پہلے تک موصول ہونے والے فارم موثر تصور کئے جائیں گے بعد ازاں موصول ہونے والا کوئی بھی فارم قابل قبول نہیں ہوگا۔
- کسی بھی غیر رکن شخص کا تقرر بطور نمائندہ (پراکسی) نہیں کیا جا سکتا۔

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Company Secretary
Standard Chartered Bank (Pakistan) Limited
P.O.Box No. 5556,
I.I.Chundrigar Road,
Karachi 74000, Pakistan

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Disclosures on Governance and Remuneration

Qualitative disclosures in line with State Bank of Pakistan's BPRD Circular No. 1 of 2017 (effective 31 December 2019) are as under;

A. CORPORATE GOVERNANCE DISCLOSURE

Corporate Governance culture and values

This has been separately covered under Chairman's review report.

Composition of the Board and its Committees

The Board has constituted four Committees i.e. Board Audit Committee ('BAC'), Board Human Resource and Remuneration Committee ('RemCo'), Board Risk Committee ('BRC') and most recently, Board Information Technology Committee ('BITC'). The composition of the Board at the year-end is disclosed under the para one and two of the Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the SoC') whereas composition of the Board's Sub-Committees is available under para 12 of the SoC.

Terms of references of the Board's Committees

The terms of reference of Board's Committees have been formed, documented and advised to the Committees for compliance. A brief on terms of reference for each Sub-Committee is provided as below:

- BAC is primarily responsible for reviewing the financial statements and related controls, monitoring the effectiveness of the internal audit function, reviewing independence and objectivity of audit process, recommending appointment/removal of external auditors and their remuneration, governing external auditors' engagement on non-audit services, and monitoring the effectiveness of compliance controls for conduct, regulatory reporting and financial crime compliance.
- RemCo acknowledges that the Bank is part of Group and follows Group company's remuneration framework and policies, subject to applicable laws and regulations in Pakistan. RemCo also maintains high levels of good governance on all remuneration related matters, in line with prevailing international best practice, as well as any specific regulatory directives in Pakistan.
- BRC is broadly responsible for monitoring Bank's risk profile and its consistency with risk appetite, identifying and monitoring existing or new risks relating to the Bank, reviewing the appropriateness and effectiveness of risk management systems and controls, overseeing implementation of risk management framework, and reviewing stress testing.
- BITC is broadly responsible for advising and reporting to the board on the status of technology activities and digital initiatives; and to review IT and Digital strategies with relevant policies, to ensure technology risk management strategies are designed and implemented as per Bank's Enterprises Risk Management Framework, to ensure technology procurements are aligned with the IT strategy, to receive periodic updates from IT Steering Committee to monitor technology-related projects, to ensure technology outsourcing arrangement are supported by the Committee before submission to Board for approval, and to ensure that all cloud based arrangements (domestic/off-shore) are in line with the policy approved by the Board.

Board and Committee's oversight on Islamic Banking Branches

There is a mechanism in place for Board's oversight on Shariah Compliance environment of Islamic Banking Operations through half yearly meetings between Shariah Board members and the Board of Directors (BoD) and the annual Shariah Board report presented to BoD. Furthermore, external Shariah Audit report is presented to BoD and Board Audit Committee.

Directors Appointment Process

The Bank has a formal process for the appointment of directors which has been approved by the Board. A succession plan for the Board is in place and same is reviewed from time to time to ensure that the required skills, knowledge, diversity and experience continue to be maintained on the Board. With respect to independent directors, a list of prospective candidates with relevant skills and experience is maintained by the Board. When a casual vacancy arises the list is reviewed to identify the best available candidates who meet the selection criteria. Candidates are interviewed by the Chairman on behalf of the Board before seeking endorsement from the Group as the majority shareholder. In case of appointment of non-executive directors, the Group in consultation with the Chairman nominates a senior executive from the Group with responsibility for businesses/functions that bear relevance to the activities of the Bank. Upon completion of due diligence and screening

Disclosures on Governance and Remuneration

checks, the Board finally approves director appointments subject to necessary regulatory approvals. Appointment of executive director(s) is governed under the human resource policies of the Bank.

Profile of Directors

The profiles of all seven directors are available at the Bank's website under About-us page. URL is <https://www.sc.com/pk/about-us/>.

B – DISCLOSURE RELATING TO SHARIAH BOARD

Shariah Board Appointment Process

The Bank has a formal framework for the appointment of Shariah Board Members which has been approved by the Board of Directors ("BoD"). The Shariah Board Members are appointed by BoD for a term of three (3) years as per the Fit and Proper Criteria notified under the Shariah Governance Framework. Appointments of Shariah Board members shall be subject to prior written clearance of SBP.

Composition of the Shariah Board

Shariah Board of Standard Chartered Bank of Pakistan comprises of following four Shariah Scholars including an international scholar:

- **Sheikh Nizam Yaquby (Chairman)**
- **Mufti Muhammad Abdul Mubeen (Member Shariah Board)**
- **Mufti Irshad Ahmad Aijaz (Member Shariah Board)**
- **Mufti Khawaja Noor ul Hassan (Resident Shariah Board Member)**

Profile of Shariah Board Members

The profiles of all Shariah Board Members are available at the Bank's website under URL <https://www.sc.com/pk/saadiq/shariah-consultants.html>

Terms of References

The terms of reference of Shariah Board have been formed and documented as per Shariah Governance Framework and advised to the Shariah Board for compliance. Key points of Shariah Board Term of reference are as follows.

- The SB shall be empowered to consider, decide and supervise all Shariah related matters of the Bank. All decisions, rulings, fatawa of the SB shall be binding on the Bank whereas SB shall be responsible and accountable for all its Shariah related decisions.
- The SB shall review and approve all the procedure manuals, product programs/structures, process flows, related agreements, marketing advertisements, sales illustrations and brochures so that they are in conformity with the rules and principles of Shariah.
- All decisions and rulings of the SB of the Bank shall be in conformity with the directives, regulations, instructions and guidelines issued by State Bank of Pakistan (SBP) in accordance with the rulings of Shariah Advisory Committee of SBP.

Shariah Board Meetings

The details of the meetings held during the year, 2020 are as follows:

S.No.	Period/Year (2020)	Meeting Held (Yes / No)	Meeting No.	Date of Meeting	Meeting Attended (Yes / No)			
					Chairman	Member	Member	RSBM
1	Q1'20	yes	19 th	26.02.20	No	Yes	Yes	Yes
2	Q2'20	yes	20 th	22.06.20 & 29.06.20	Yes	Yes	Yes	Yes
3	Q3'20	yes	21 st	24.09.20	Yes	Yes	Yes	Yes
4	Q4'20	yes	22 nd	14.12.20	Yes	Yes	Yes	Yes

Disclosures on Governance and Remuneration

C - DISCLOSURE RELATING TO REMUNERATING POLICY

In order to align the remuneration practices in Pakistan with the international standards and best practices, the SBP issued Guidelines on Remuneration Practices through its BPRD circular no. 02 dated March 03, 2016, which were subsequently revised through BPRD Circular No. 01 dated January 25, 2017.

In accordance with these guidelines, the Bank has developed a comprehensive Remuneration Framework. The aim of this framework is to promote an effective risk management culture, and to ensure that the remuneration practice at the Bank is in line with the Bank's objectives taking into consideration all risks that the Bank may face. As a result, a fair, objective, transparent and sound remuneration policy, aligned with risks and responsibilities of Financial Intermediation has been put in place. The framework was reviewed and recommended by the Board's Human Resource & Remuneration Committee (REMCO) and approved by the Board of Directors (BoD).

Under the policy, all employees across the Bank who are materially responsible for risk taking - Material Risk Takers (MRTs), or risk controlling activities - Material Risk Controllers (MRCs) are identified. The remuneration of these MRTs and MRCs is dependent upon the achievement of performance measured through risk-adjusted balance scorecards which include financial and non-financial/ qualitative performance indicators including compliance with internal policies/ procedures/ controls, customer experience, as well as certain risk-adjusting factors (negative earners) such as regulatory compliance, frauds, disciplinary matters etc. All other individuals who do not fall within the criteria of MRTs and MRCs continue to be governed through the Bank's existing HR policy.

A certain portion of the variable compensation of the MRTs and MRCs in excess of threshold as per the policy; shall now be made subject to mandatory deferrals for a defined period, thus creating alignment between the employees' and stakeholders' interests and reinforcing that compensation is appropriately linked to longer-term sustainable performance. Deferred remuneration, especially with risk adjustments, improves risk-taking incentives because the amount ultimately received by employees can be made to depend on risk outcomes, and shall vest proportionately over the deferral period following the year of variable remuneration award, subject to any malus trigger adjustments.

The payouts for variable compensation for the performance year 2020 for MRTs and MRCs shall be based on the revised mechanism. The accounting for shares and deferred cash is in line with the relevant accounting standards. The disclosures required under the SBP's Guidelines on Remuneration Practices are included as part of these financial statements.

Disclosure on Complaint Handling 2020

Client experience has taken on a new definition and dimension in the wake of COVID-19. The Bank continues to focus on servicing clients in these unprecedented times. Enhancing our proposition to facilitate client convenience and a seamless banking experience, remains a priority. A key focus during this time has been on encouraging clients to use digital channels and providing them with a safe banking experience.

Our valued behaviour – Think Client, resonates directly with effective grievance management, complaint handling and listening to voice of clients to enhance the overall client experience. Delivering fair outcomes to clients through effective complaint resolution is an integral part of our commitment to reinforce our core values.

The Bank continues to increase client awareness around communicating the touchpoints for lodging complaints.

Client touch points for lodging complaints are as follows:

- Standard Chartered Bank
 - SC Branch: Visit any branch
 - SC Client Centre: 24/7 assistance on 021 111 002 002 or 042 111 002 002
 - SC Email: Complaints.Pakistan@sc.com
 - SC Website: www.sc.com/pk
 - SC Postal Address: SCBPL Client Care Unit, 1st Floor Jubilee Insurance Building, I.I.Chundrigar Road, Saddar, Karachi
 - SC Social Media: www.facebook.com/standardcharteredpk
- State Bank of Pakistan
- Banking Mohtasib Pakistan
- Insurance Ombudsmen
- Federal Ombudsmen
- Securities and Exchange Commission of Pakistan



standard
chartered

◆ Progress doesn't have to cost our planet ◆

From financing innovations that build sustainable cities
to powering millions of people through clean energy –
find out all the ways we're using money as a force for good
at sc.com/hereforgood

here for
good™



17TH Annual Excellence Awards
by CFA Society Awards 2020



The Banker Magazine
2020



Asset Triple A - Islamic Finance
Awards 2020



Global Finance 2020



Management Association of
Pakistan Awards 2019



Asia Money 2019



Global Diversity and Inclusion
Benchmark Awards 2020



Finance Asia 2018/2019

▶ Every accolade proves that we are here for good ◀

At Standard Chartered, we always aim to deliver the best to our clients. It is this belief that has earned us our clients' trust that we are forever grateful for, and one which we strive to surpass year after year.

Over the years, we have enabled our partners to do more, build more and grow more because after all, we're here for good.



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