



**GROWTH**  
**Our Vision,**  
**Our Mission.**

Excellence in banking is only the beginning of  
our journey. Destination is rational prosperity.

Banking on Principles



THE BANK OF PUNJAB  
BANKING ON PRINCIPLES 111 200 100

# CORPORATE BRIEFING SESSION

## DECEMBER 22, 2020





# Contents

**Introduction**

**Regulatory Compliance**

**Key Financials : Financial Performance Year 2020**

**Key Developments / Initiatives during Year 2020**

**Growth Trends**

**Future Strategy**



# Introduction





# Introduction

The Bank of Punjab was constituted pursuant to The Bank of Punjab Act, 1989.

The Bank was given the status of a Scheduled Bank by State Bank of Pakistan on September 19, 1994.

The Bank is listed on Pakistan Stock Exchange Limited since year 1991.



# Introduction Contd...

Rs. in Billion

## Authorized Capital

50.000

## Paidup Capital:

|        |                |               |   |
|--------|----------------|---------------|---|
| GOPb   | 57.47%         | 15.193        |  |
| Others | 42.53%         | 11.244        |  |
|        | <u>100.00%</u> | <u>26.437</u> |  |



# Branch Network 30.09.2020



## PAKISTAN



|                    |            |
|--------------------|------------|
| Punjab             | 510        |
| KPK                | 52         |
| Federal Capital    | 19         |
| Sindh              | 19         |
| Balochistan        | 14         |
| Gilgit / Baltistan | 6          |
| Azad Kashmir       | 4          |
| <b>Total*</b>      | <b>624</b> |

\*includes 100 Islamic Banking Branches.

# Regulatory Compliance





## Regulatory Compliance

- Compliant with Provisioning requirements under Prudential Regulations of SBP.
- Compliant with Minimum Capital (MCR) and Capital Adequacy Ratio (CAR) requirements.
- Compliant with LR, NSFR & LCR requirements





## Development on Regulatory Front

|                                 | 30-Sep-2020 | 31-Dec-2019 |
|---------------------------------|-------------|-------------|
| Capital Adequacy Ratio (CAR)    | 17.18%      | 14.80%      |
| Leverage Ratio (LR)             | 3.30%       | 3.57%       |
| Liquidity Coverage Ratio (LCR)  | 130.70%     | 117.91%     |
| Net Stable Funding Ratio (NSFR) | 125.04%     | 107.33%     |



# Key Financials : September 30, 2020





## Key Financial Highlights : Jan-Sep 2020

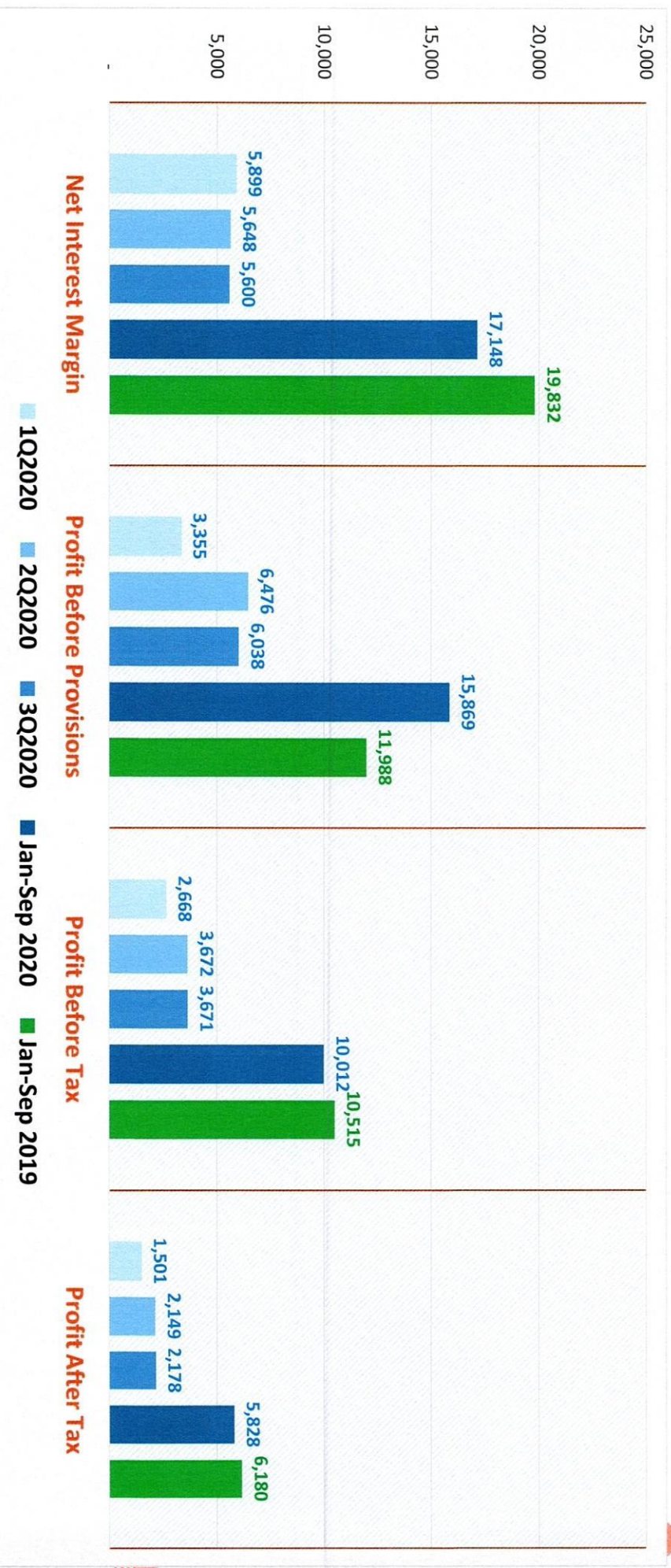
|                          | Rs. In Billion |        |          |
|--------------------------|----------------|--------|----------|
|                          | Sep-20         | Dec-19 | Variance |
| ➤ Deposits               | 791.4          | 691.0  | 100.4 ↑  |
| ➤ Borrowings             | 157.2          | 77.0   | 80.2 ↑   |
| ➤ Advances (Gross)       | 429.4          | 428.8  | 0.6 ↑    |
| ➤ Investments & Lendings | 561.6          | 365.5  | 196.1 ↑  |
| ➤ Total Assets           | 1,050.6        | 868.9  | 181.7 ↑  |
| ➤ Net Assets             | 51.3           | 46.7   | 4.6 ↑    |



# Key Financial Highlights : Jan-Sep 2020 Contd...

## Quarterly Profitability Trends : Jan-Sep 2020

Rs. In Million





# Key Developments / Initiatives during 2020



## Key Developments / Initiatives during 2020

- Balance Sheet size crossed Rs. 1.0 Trillion.
- Organizational structure has been revamped in light of current business requirements and to attain sustainable growth.
- Measures for Strengthening of internal control and KYC/AML framework to ensure strict compliance with regulatory requirement.
- Improvement in Bank's internal processes & controls in line with requirement of governing COSO regime.
- Initiation of a comprehensive exercise for cleansing & enrichment of accounts' data after migration to new Core Banking System.





## Key Developments / Initiatives during 2020 contd...

- Opening of 13 new Branches in year 2020.
- Decision taken to launch Islamic Banking Windows.
- Active participation in financing scheme for low cost housing under Naya Pakistan Housing Program.
- Financing under Kamyab Jawan Scheme of Prime Minister of Pakistan.
- Appointment as Primary Dealer by SBP.
- The Bank became market maker for debt securities on PSX.
- Introduced subjective assessment & classification of Assets.

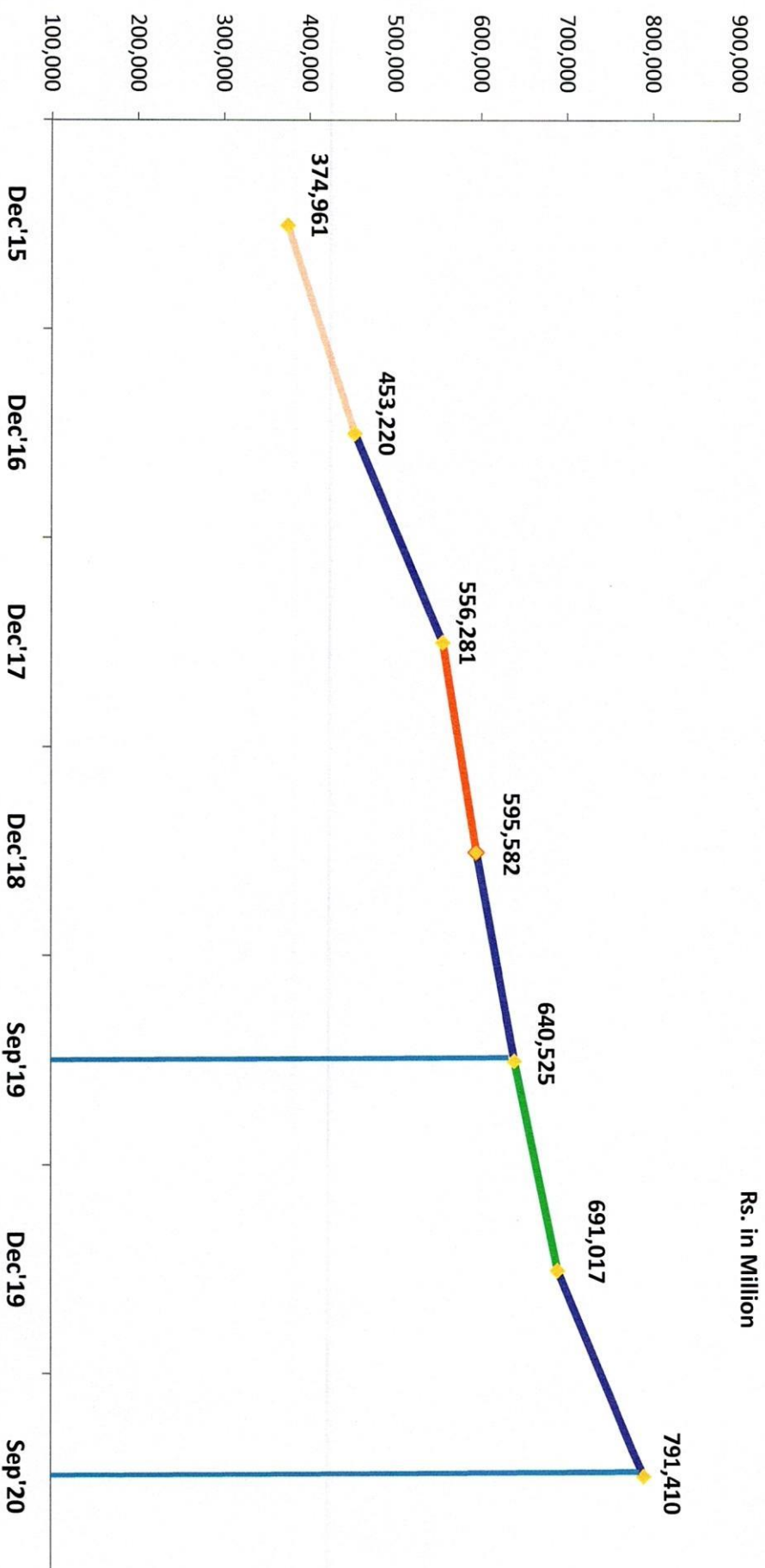


# Growth Trends



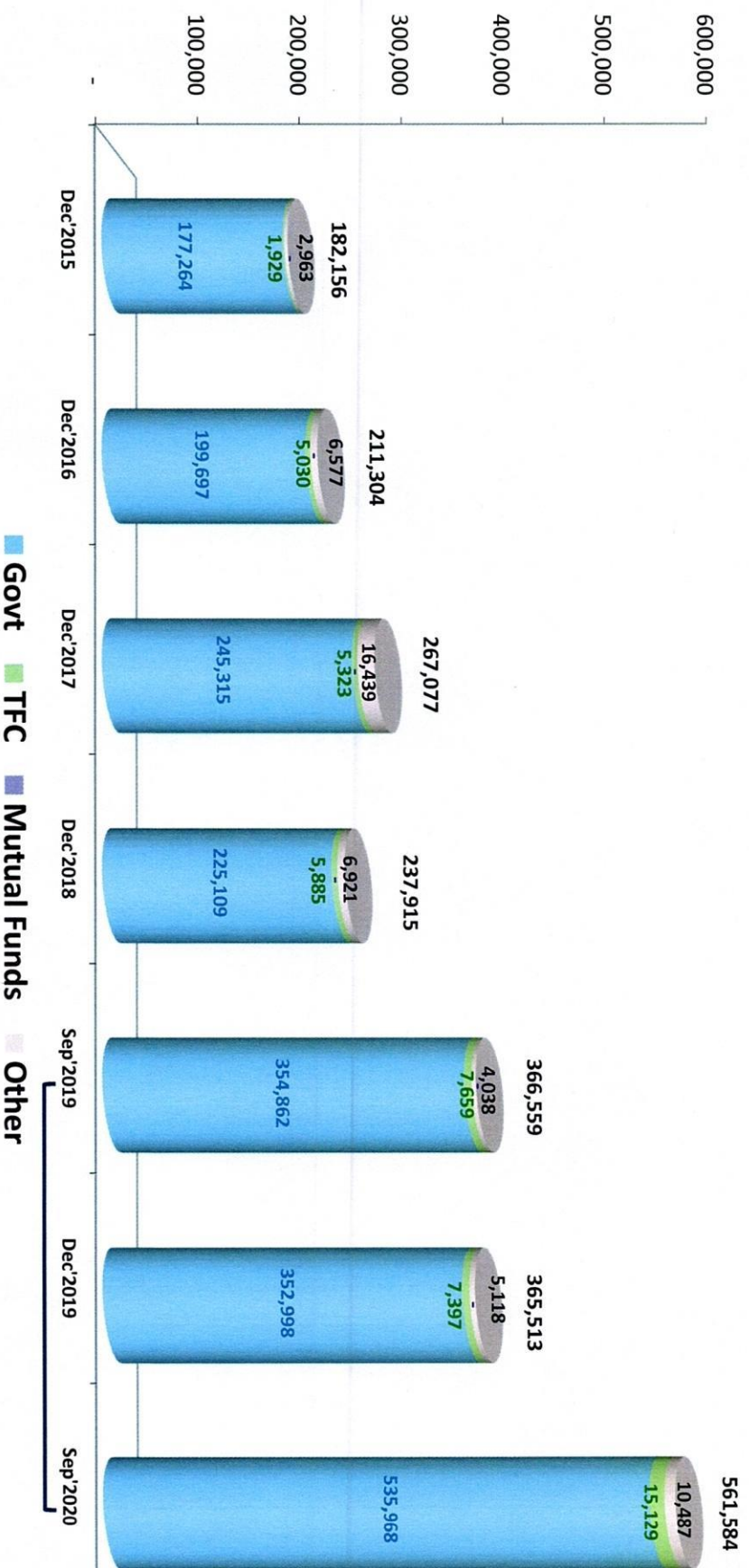


# Deposits



# Investments (including Lending to FIs)

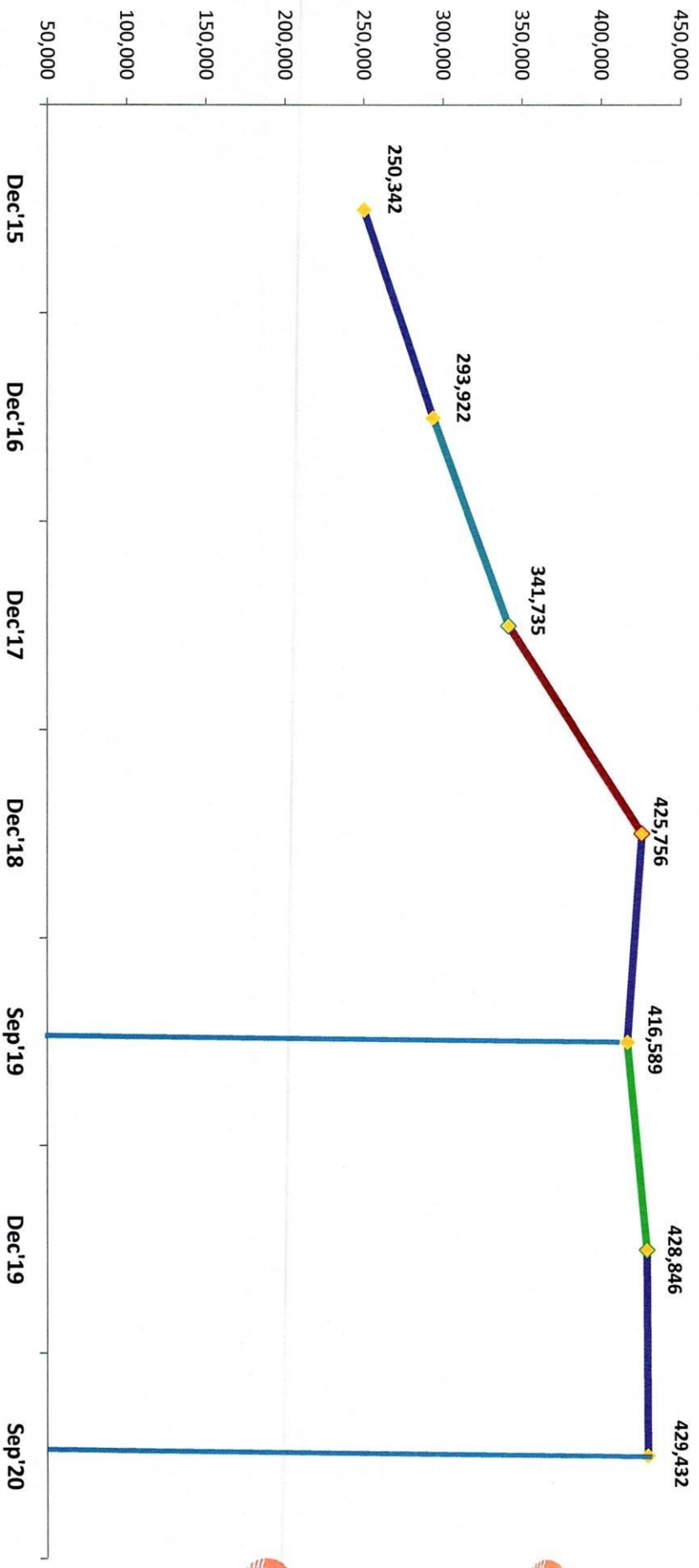
Rs. in Million





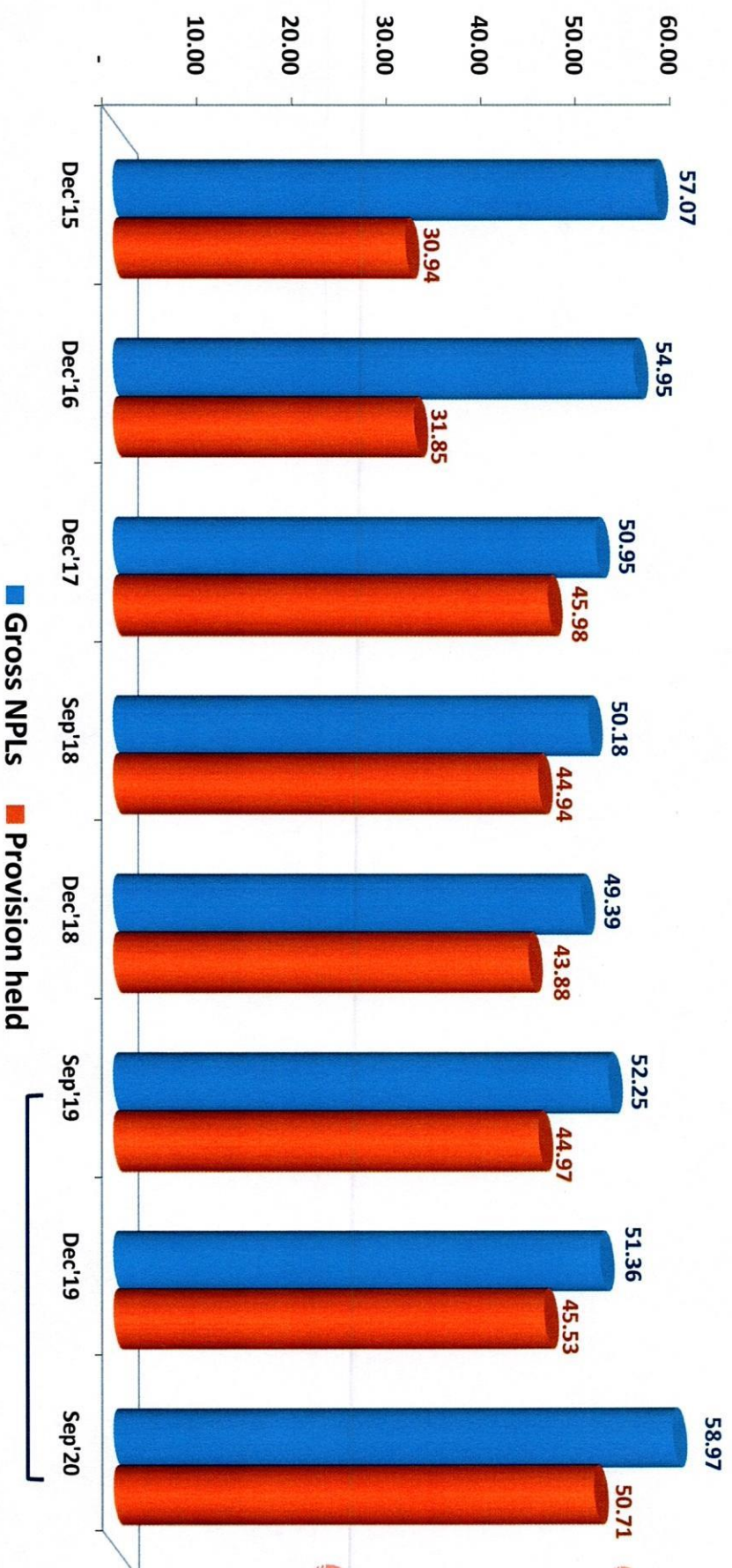
# Advances (Gross)

Rs. in Million



# Non-Performing Loans

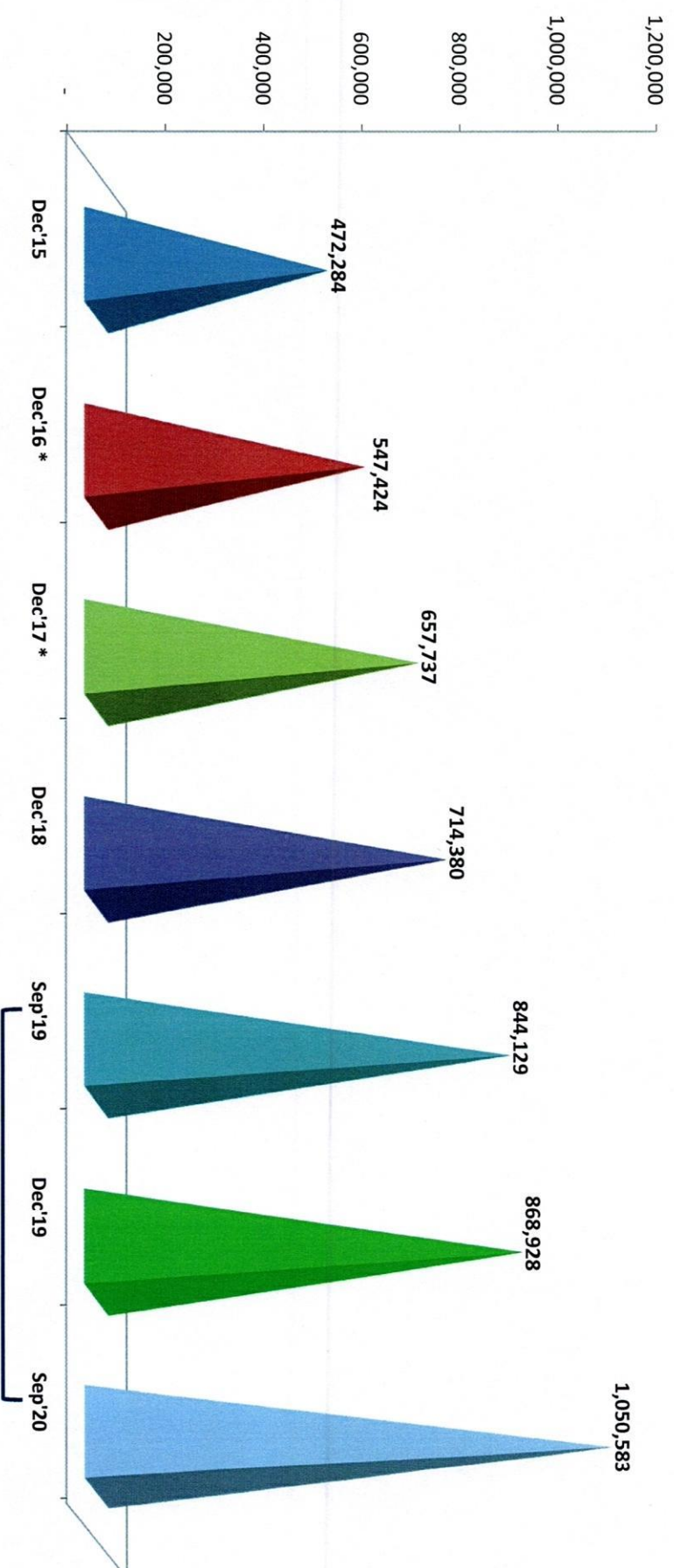
Rs. in Billion





# Total Assets

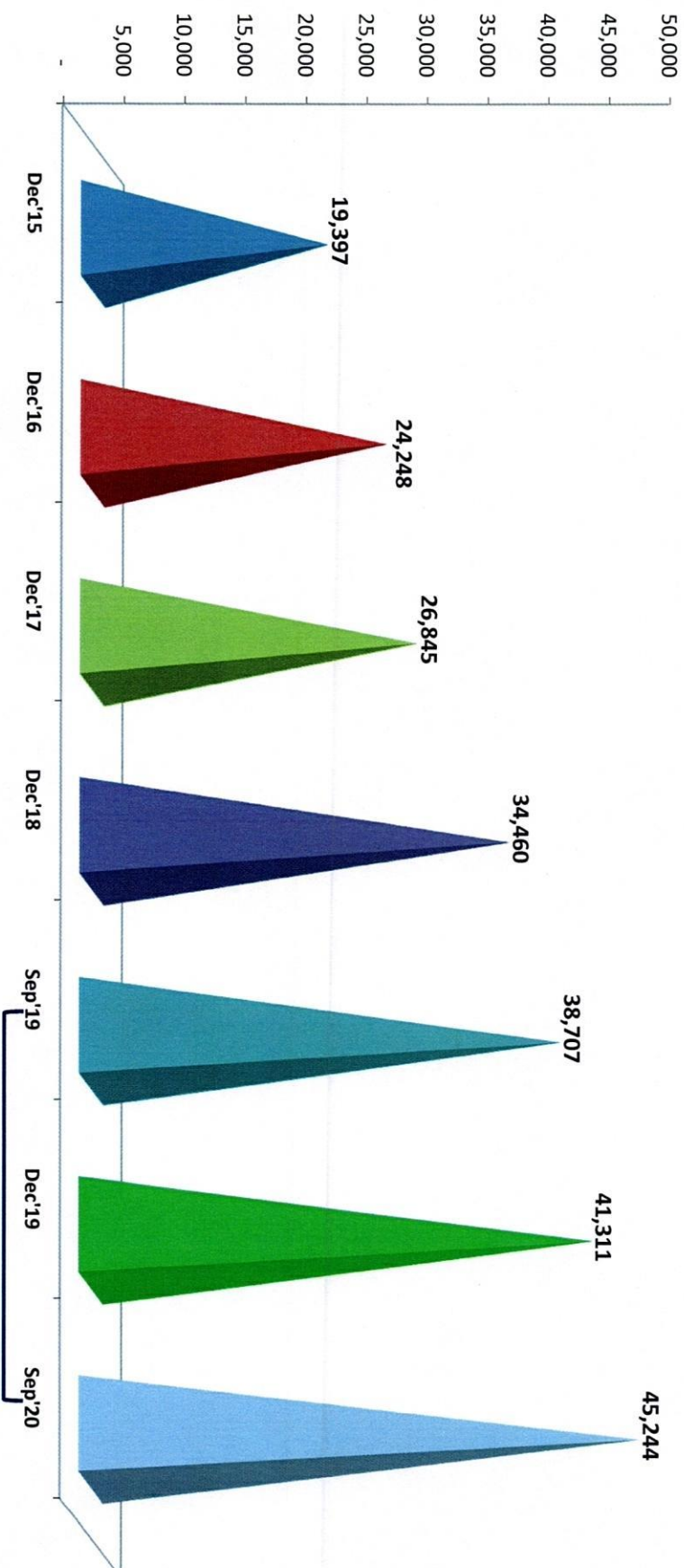
Rs. in Million



\* Restated on account of reclassification of acceptances from off-balance sheet item to on-balance sheet.

# Tier-I Equity

Rs. in Million







# Future Strategy



# Future Strategy

- Aggressive growth on the business side while ensuring **robust compliance, risk and audit environment.**

- Increase concentration in **SME, Agri & Housing** (especially low cost Housing) Sectors. To be the number ONE Bank in these sectors in next 3 years.

- **Commercial business will be launched** and will remain main focus for the next three years, particularly in Central Punjab.

- **Improve Consumer Finance** portfolio to 15% of assets' portfolio, from current 2.5%, in the next three years.



## Future Strategy Contd....

- **Geographically**, Karachi/ South and Islamabad/ Peshawar/ North will remain the growth area and double Bank's corporate assets in these regions in a cautious way.
- Focus on **trade, cash management and investment banking business** and leading the transactions in these areas. To remain ahead of the market in non-funded income in relative terms within the next three years.
- Restructuring of **Islamic Banking Business** to make it more meaningful and impactful on our bottom-line.
- **Home Remittances** will be another growth and focus area based on robust both pull and push channels. To evaluate the possibility of launching a Digital Bank in the next 3-5 years to remain cut above in the industry.

## Future Strategy Contd....

- To improve mix of **private sector deposits** with decrease in cost of deposits.

- To be a “**technology based bank in five years**” with combination of optimal brick and mortar and technology mix and match.

- **HR policies and procedures**, compensations to be made inline with the market with the philosophy of pay for performance to attract and retain the best talent.



**Thank You**

