

STATEMENT OF CORPORATE INTENT (2024-26)

1. **Name of SOE:** Zarai Taraqiati Bank Limited
2. **Incorporated/established on:** 2002
3. **Subsidiaries included in this SCI:** M/s Kissan Support Services (Private) Limited
4. **Description of the main business of the SOE:** To provide finance and credit facilities primarily to small farmers and low income households especially women.
5. **Summary of business goals of SOE:** While maintaining a steadfast commitment to the small & subsistence farming community, ZTBL's business goals are centric towards continuous expansion and growth including;
 - Prudent lending
 - Effective Repayment/Recovery operations
 - Diversification through treasury operations
 - Expansion of Islamic banking
 - Digitization of operations.
 - Regulatory compliance.
 - Introduction of new lending and liability products.
 - Increased deposit base particularly current/saving accounts through financial inclusion
6. **Summary of performance measures and benchmark against the SOE business goals and its primary objective:** Bank has a robust performance based mechanism. Each Business Division/Department/Unit has distinctive KPIs aiming to achieve organizational goals. These KPIs are measurable with regular monitoring to achieve primary objectives of the entity.
7. **Summary of the strategies of state-owned enterprise for achieving its business goals and primary objective:** The business model of ZTBL revolves around a holistic approach that integrates credit disbursement, repayment/recovery of loan, deposit mobilization, treasury operations and Islamic banking. ZTBL has devised comprehensive strategies to enhance outreach, promote financial inclusion, strengthen financial discipline, broaden its deposit base, and diversify its product offerings. The target market of ZTBL is primarily small/subsistence farmers of the country and accordingly 90% of ZTBL branches are operating in rural, underserved and unbanked areas. These agri., loans are extended under supervised schemes where our Mobile Credit Officers and branch managers visit the farmer place of business not only for credit extension/recovery but also for extending agri., advisory services. This is strongly backed by Bank's initiatives of "ZTBL Zarai Baithak" and "ZTBL Mobile Van service" at villages level. As a major part of business strategy, Bank is adopting digital channels for optimizing growth in business and customer convenience.
8. **The current or anticipated borrowing of the SOE, including borrowing by a subsidiary:** NIL

- 9. The accounting policies that the SOE will apply for financial records and reporting:** The financial year of the bank is from January 01 to December 31 in accordance with the requirements of State Bank of Pakistan (SBP). The financial statements of the Bank are prepared in accordance with the approved accounting standards as applicable in Pakistan. These comprise of; - International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board as are notified under the Companies Act, 2017; - International Accounting Standards (IAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017, Islamic Financial Accounting Standards (IFAS); - Provisions of and directives issued under the Banking Companies Ordinance, 1962; - Provisions of and directives issued under the Companies Act, 2017; and - directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the SBP. In case requirements of the Companies Act, 2017, the Banking Companies Ordinance, 1962, or the provisions of and directives issued by the SBP and the SECP differ with the requirements of IFRS, IAS or IFAS, the requirements of the Companies Act, 2017, Banking Companies Ordinance, 1962, and the said directives shall prevail.
- 10. Summary indicative balance sheet and profit and loss statement for the SOE:** ZTBL has prepared detailed three-year financial projections (2024–26), covering the entity-level and consolidated balance sheets, profit and loss statements, and key financial indicators which have been incorporated in Business Plan 2024-26 and submitted to the line ministry and Central Monitoring Unit. Since the SCI is a public document, publishing detailed financial forecasts of ZTBL could create market sensitivity and reputation risk etc.
- 11. Consolidated summary indicative balance sheet and profit and loss statement for SOE and its subsidiaries as a group:** ZTBL has prepared detailed three-year financial projections (2024–26), covering the entity-level and consolidated balance sheets, profit and loss statements, and key financial indicators which have been incorporated in Business Plan 2024-26 and submitted to the line ministry and Central Monitoring Unit. Since the SCI is a public document, publishing detailed financial forecasts of ZTBL could create market sensitivity and reputation risk etc.
- 12. The proposed dividend declaration and distribution policy of the SOE:** ZTBL is a non-listed SOE with Government of Pakistan as major shareholder.
- 13. Description of any public service obligations and their impact on the forecasted financial outcomes of SOE:** ZTBL will comply with the SOP/PSO framework outlined in SOE Act & Policy and as per SBP/line ministry's direction.
- 14. Any other matter directed to be included in this statement by federal government:** NIL