Contents

Governor's Review			1
Governance Structure			
1	Enhancing Effectiveness of Monetary Policy		
	1.1	Monetary Policy Formulation	13
	1.2	Exchange Markets and Reserve Management	14
	1.3	Home Remittances	15
	1.4	Research	15
	1.5	Economic Analysis / Publications	17
	1.6	Data Management System	17
2	Payments Systems		
	2.1	Large Value Payment System (PRISM)	19
	2.2	Development of Retail Payments Infrastructure	20
	2.3	Improving efficiency of Government Receipts and Payments	23
	2.4	Regional/International Cooperation in Payment Systems	23
	2.5	Implementation of Currency Management Strategy	24
3	Strengthening Financial System Stability and Effectiveness		
	3.1	Regulatory Initiatives for Enhancing Financial Stability and Efficiency	27
	3.2	Progress towards Risk Based Supervision Framework	27
	3.3	Institutionalization of Financial Stability Framework	29
	3.4	Implementation of Deposit Insurance Scheme	30
	3.5	Strengthening of Corporate Governance Regime	30
	3.6	Improvement in AML/CFT Framework	31
	3.7	On-Site Inspections	31
	3.8	Strengthening of Regime for Fair Treatment to Consumers (FTC)	31
	3.9	International Cooperation in Banking Supervision	33
4	Broadening Access to Financial Services		
	4.1	National Financial Inclusion Strategy (NFIS)	35
	4.2	Agricultural Finance	36
	4.3	Microfinance	37
	4.4	Small and Medium Enterprises (SMEs) Finance	38
	4.5	SBP Refinance Facilities	40
	4.6	House Finance Market	41
	4.7	Infrastructure Finance	41
5	Islamic Banking		
	5.1	Overview	45
	5.2	Steering Committee for Promotion of Islamic Banking	45
	5.3	Liquidity Management Solutions for Islamic Banking Industry	46
	5.4	Implementation of Shariah Governance Framework	46
	5.5	Initiation of Islamic Microfinance Operations by Microfinance Bank	46

	A-3	Financial Market/Reserve Management Group	2
	A-2	Development Finance Group	2
	A-1	Banking Policy & Supervision Group	1
A	Chron	nology of Important Policy Announcements	1
Ann	exure		
12		Financial Statements of NIBAF	183
11		Financial Statements of SBP-BSC (Bank)	159
10		Unconsolidated Financial Statements of SBP	113
9		Consolidated Financial Statements of SBP and its Subsidiaries	67
	8.5	Balance Sheet Summary	64
	8.4	Net Profit	64
	8.3	Expenditure	63
	8.2	Income	61
J	8.1	Overview	61
8	Financial Performance		61
	7.1	National Institute of Banking and Finance (NIBAF)	59
,	7.1	SBP Banking Services Corporation (SBP-BSC)	57
7		Subsidiaries	57
	6.9	Museum & Art Gallery	55
	6.8	Strengthening External Relations	55
	6.6 6.7	Legal Services Function Enhancing Knowledge-base of the Organization	54 54
	6.5	Risk Based Audit Function	53
	6.4	Business Continuity Management	53
	6.3	Risk Management	52
	6.2	Strengthening IT Systems	51
	6.1	HR Developments	49
6		ntional Strengthening	49
	5.9	Global Participation	47
	5.8	Strengthening of Shariah Compliance Inspection	47
	5.7	Tax Neutrality	47
	5.6	Banking Industry	46
	<i>- (</i>	Awareness Creation and Capacity Building Programs for Islamic	4.0