



PRADESHIYA SANWARDHANA BANK

"A" Negative
ICRA Lanka

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2021

INCOME STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2021

Rupees Thousands	Bank	
	Current Period 31/03/2021 (Unaudited)	Previous Period 31/03/2020 (Unaudited)
Interest income	5,813,372	5,948,912
Interest expenses	(2,489,882)	(3,145,067)
Net interest income	3,323,491	2,803,846
Fee and commission income	250,865	243,430
Fee and commission expenses	(81,779)	(75,595)
Net fee and commission income	169,086	167,835
Net gains/(losses) from trading	-	-
Net fair value gains/(losses) on:	-	-
financial assets at fair value through profit or loss	-	-
financial liabilities at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets:	-	-
at fair value through profit or loss	-	-
at amortised cost	-	-
at fair value through other comprehensive income	-	-
Net other operating income	6,882	2,100
Total operating income	3,499,459	2,973,781
Impairment charges	(342,744)	(722,685)
Net operating income	3,156,715	2,251,096
Personnel expenses	(1,745,918)	(1,426,043)
Depreciation and amortization expenses	(130,552)	(133,516)
Other expenses	(341,755)	(251,284)
Operating profit/(loss) before VAT on financial services	938,490	440,253
Value Added Tax (VAT) on financial services	(340,956)	(240,304)
Debt repayment levy	-	-
Nation Building Tax (NBT) on financial services	-	-
Operating profit/(loss) after VAT on financial services	597,534	199,950
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	597,534	199,950
Income tax expenses	(298,816)	(156,169)
Profit/(loss) for the period	298,718	43,781
Profit attributable to:		
Equity holders of the parent	298,718	43,781
Non-controlling interests	-	-
Earnings per share on profit		
Basic earnings per ordinary share	0.55	0.08
Diluted earnings per ordinary share	-	-

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST MARCH 2021

Rupees Thousands	Bank	
	Current Period 31/03/2021 (Unaudited)	Previous Period 31/03/2020 (Unaudited)
Profit/(loss) for the period	298,718	43,781
Items that will be reclassified to income statement		
Exchange differences on translation of foreign operations	-	-
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-
Items that will not be reclassified to income statement		
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-
Re-measurement of post-employment benefit obligations	-	-
Changes in revaluation surplus	-	-
Share of profits of associates and joint ventures	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	-	-
Other Comprehensive Income (OCI) for the period, net of taxes		
Total comprehensive income for the period	298,718	43,781
Attributable to:		
Equity holders of the parent	298,718	43,781
Non-controlling interest	-	-

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS AS AT 31ST MARCH 2021

a. Bank - Current period				
Rupees Thousands	AC	FVPL	FVOCI	TOTAL
ASSETS				
Cash and cash equivalents	1,753,437	-	-	1,753,437
Balances with central bank	-	-	-	-
Placements with banks	8,694,741	-	-	8,694,741
Equity Instruments at fair value through profit or loss	-	157	-	157
Loans and advances	162,742,793	-	-	162,742,793
Debt instruments	49,699,471	-	-	49,699,471
Equity instruments	-	-	2,290	2,290
Other Assets	2,517,256	-	-	2,517,256
Total Financial Assets	225,407,699	157	2,290	225,410,147
LIABILITIES				
Due to banks	-	-	27,422,369	27,422,369
Derivative financial instruments	-	-	-	-
Financial liabilities	-	-	176,489,724	176,489,724
- due to depositors	-	-	-	-
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	-	2,077,875	2,077,875
Other Liabilities	-	-	2,685,223	2,685,223
Total Financial Liabilities			208,675,192	208,675,192
b. Bank - Previous year (Unaudited)				
ASSETS				
Cash and cash equivalents	3,758,858	-	-	3,758,858
Balances with Central Bank	-	-	-	-
Placements with banks	8,436,353	-	-	8,436,353
Equity Instruments at fair value through profit or loss	-	145	-	145
Loans and advances	157,021,536	-	-	157,021,536
Debt instruments	46,962,354	-	-	46,962,354
Equity instruments	-	-	2,290	2,290
Other Assets	2,760,587	-	-	2,760,587
Total Financial Assets	218,939,688	145	2,290	218,942,123
LIABILITIES				
Due to banks	-	-	21,796,679	21,796,679
Derivative financial instruments	-	-	-	-
Financial liabilities	-	-	172,882,607	172,882,607
- due to depositors	-	-	-	-
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	-	2,000,000	2,000,000
Other Liabilities	-	-	6,155,212	6,155,212
Total Financial Liabilities			202,834,498	202,834,498

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH 2021

Rupees Thousands	Bank	
	Current Period 31/03/2021 (Unaudited)	Previous Period 31/03/2020 (Unaudited)
Cash flow from operating activities		
Profit before tax	938,490	440,253
Adjustment for:		
Non cash items included in profit before tax	543,070	881,899
Changes in operating assets	(8,127,089)	(1,155,851)
Changes in operating liabilities	407,459	4,911,212
Net gain from investment activities	-	-
Share of profits in associates and joint ventures	-	-
Dividend income from subsidiaries and associates	-	-
Net gain/(loss) from financial instruments at fair value through profit or loss	-	-
Others reclassification	-	-
Contribution paid to defined benefit plans	(141,295)	(22,372)
Taxes on financial services	(340,956)	(238,080)
Tax Paid	(492,667)	(321,182)
Net cash generated from/(used in) operating activities	(7,212,988)	4,495,879
Cash flows from investing activities		
Purchase of Property, plant and equipment	(18,798)	(7,655)
Net purchase of intangible assets	0	(23)
Investment in Fixed deposits (more than three months)	12,106,309	8,033,763
Proceeds from the sale of property, plant and equipment	23	9
Net proceeds from sales of investment share market	-	-
Net cash (used in)/from investing activities	12,087,534	8,026,094
Cash flows from financing activities		
Net proceeds from the issue of ordinary share capital	-	-
Operating Lease Interest expense	-	(35,847)
Payment of principal of operating lease	(179,673)	(66,819)
Net proceeds from the other borrowings	-	-
Interest paid & repayment of debentures	(77,875)	(2,595,080)
Net cash from financing activities	(257,548)	(2,697,746)
Net increase/(decrease) in cash & cash equivalents	4,616,998	9,824,226
Cash & cash equivalents at the beginning of the Year	44,408,968	34,584,741
Cash and cash at the end of the Period	49,025,966	44,408,968
Reconciliation of Cash & Cash Equivalents		
Cash and cash equivalent	1,753,437	1,442,758
Favorable balances with banks		
Placements with Banks	8,694,741	10,769,242
Fixed deposits less than three months	38,683,279	34,151,410
Unfavorable balances with banks	(105,492)	(1,954,443)
	49,025,966	44,408,968

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2021

Rupees Thousands	Bank	
	Current Period 31/03/2021 (Unaudited)	Previous Year 31/12/2020 (Unaudited)
Assets		
Cash and cash equivalents	1,753,437	3,758,858
Balances with central bank	-	-
Placements with banks	8,694,741	8,436,353
Derivative financial instruments	-	-
Financial assets recognized through profit or loss	-	-
- measured at fair value	157	145
- designated at fair value	-	-
Financial assets at amortized cost	-	-
- loans and advances	162,742,793	157,021,536
- debt and other instruments	49,699,471	46,962,354
Financial assets measured at fair value through other comprehensive income	2,290	2,290
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	946,481	970,539
Right of use assets	559,771	598,979
Goodwill and intangible assets	20,907	21,273
Deferred tax assets	874,300	874,300
Other assets	4,988,442	2,760,587
Total assets	230,282,792	221,407,213
Liabilities		
Due to banks	27,422,369	21,796,679
Derivative financial instruments	-	-
Financial liabilities recognized through profit or loss	-	-
- measured at fair value	-	-
- designated at fair value	-	-
Financial liabilities at amortized cost	-	-
- due to depositors	176,489,724	172,882,607
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	2,077,875	2,000,000
Retirement benefit obligations	2,743,900	2,782,875
Current tax liabilities	36,985	402,295
Deferred tax liabilities	-	-
Other liabilities	5,825,675	6,155,212
Due to subsidiaries	-	-
Total liabilities	214,596,529	206,019,668
Equity		
Stated capital/Assigned capital	8,047,230	8,047,230
Statutory reserve fund	776,124	776,124
OCI reserve	-	-
Retained earnings	2,939,297	2,640,579
Other reserves	3,923,612	3,923,612
Total shareholders' equity	15,686,263	15,387,545
Non-controlling interests	-	-
Total equity	15,686,263	15,387,545
Total equity and liabilities	230,282,792	221,407,213
Contingent liabilities and commitments	235,681	202,187
Memorandum Information		
Number of Employees	2,640	2,657
Number of Branches	276	276
Explanatory Notes: (1) There were no changes to the Accounting Policies and methods of computation since last financial year.		

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2021

Rupees Thousands	Stated capital/Assigned Capital		Reserves					Total	Non Controlling Interest	Total Equity	
	Ordinary Voting Share	Ordinary Non Voting Share	Assigned Capital	Statutory Reserve Fund	OCI Reserve	Revaluation Reserve	Retained Earnings				Other Reserve
Balance as at 01/01/2021 (Opening balance)	-	-	8,047,230	776,124	-	-	2,640,579	3,923,612	15,387,545	-	15,387,545
Total comprehensive income for the period	-	-	-	-	-	-	998,718	-	998,718	-	998,718
Profit/(loss) for the period (net of tax)	-	-	-	-	-	-	998,718	-	998,718	-	998,718
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	998,718	-	998,718	-	998,718
Transactions with equity holders, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Share repurchase of assigned capital	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-
Contribution to the National Insurance Trust Fund	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31/03/2021	-	-	8,047,230	776,124	-	-	2,939,297	3,923,612	15,686,263	-	15,686,263

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 31ST MARCH 2021

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current period 31/03/2021 (Unaudited)	Previous Year 31/12/2020 (Unaudited)		Current period 31/03/2021 (Unaudited)	Previous Year 31/12/2020 (Unaudited)
Product-wise Gross loans & advances			Sub total		
By product - Domestic currency			Total	235,681	204,377
Term loans	121,581,076	114,330,114	Stage-wise impairment on loans & advances, commitments and contingencies		
Leasing	1,169,236	961,274	Gross loans and advances, commitments and contingencies	173,492,968	167,303,354
Pawning	15,631,105	15,431,733	Less: Accumulated impairment under stage 1	1,536,641	1,960,419
Refinance	23,309,349	25,636,719	Accumulated impairment under stage 2	844,101	1,493,274
Liya Isura	40,998	41,620	Accumulated impairment under stage 3	7,313,159	5,897,426