

# BUILDING TODAY SHAPING TOMORROW

QUARTERLY REPORT SEPTEMBER 2018



*Summit* **S** *Bank*  
Committed to you



# CONTENTS

Corporate Information	02
Vision Statement	04
Mission Statement	05
Directors' Review	06
Unconsolidated Condensed Interim Financial Statements (Un-audited)	
Unconsolidated Condensed Interim Statement of Financial Position	16
Unconsolidated Condensed Interim Profit and Loss Account	17
Unconsolidated Condensed Interim Statement of Comprehensive Income	18
Unconsolidated Condensed Interim Cash Flow Statement	19
Unconsolidated Condensed Interim Statement of Changes in Equity	20
Notes to the Unconsolidated Condensed Interim Financial Statements	21
Consolidated Condensed Interim Financial Statement (Un-audited)	
Consolidated Condensed Interim Statement of Financial Position	41
Consolidated Condensed Interim Profit and Loss Account	42
Consolidated Condensed Interim Statement of Comprehensive Income	43
Consolidated Condensed Interim Cash Flow Statement	44
Consolidated Condensed Interim Statement of Changes in Equity	45
Notes to the Consolidated Condensed Interim Financial Statements	46
Branch Network	65

# CORPORATE INFORMATION

## Board of Directors

Mr. Waseem Mehdi Syed  
Chairman

Mr. Ahsan Raza Durrani  
President & CEO (Acting)

Mr. Wajahat Ahmed Baqai  
Director

Mr. Zafar Iqbal Siddiqi  
Director

Ms. Fauzia Hasnain  
Director

Mr. Aziz Morris  
Director

## Board Audit Committee

Ms. Fauzia Hasnain  
Chairperson

Mr. Wajahat Ahmed Baqai  
Member

Mr. Zafar Iqbal Siddiqi  
Member

## Board Risk Management Committee

Mr. Wajahat Ahmed Baqai  
Chairman

Ms. Fauzia Hasnain  
Member

Mr. Aziz Morris  
Member

Mr. Zafar Iqbal Siddiqi  
Member

## Board Human Resource & Remuneration Committee

Mr. Waseem Mehdi Syed  
Chairman

Ms. Fauzia Hasnain  
Member

Mr. Zafar Iqbal Siddiqi  
Member

Mr. Wajahat Ahmed Baqai  
Member

Mr. Ahsan Raza Durrani  
Member

## Board Information Technology Committee

Mr. Zafar Iqbal Siddiqi  
Chairman

Mr. Aziz Morris  
Member

Mr. Waseem Mehdi Syed  
Member



Board Compliance Committee

Mr. Wajahat Ahmed Baqai  
Chairman

Mr. Waseem Mehdi Syed  
Member

Mr. Aziz Morris  
Member

Mr. Zafar Iqbal Siddiqi  
Member

Chief Financial Officer

Mr. Muhammad Amin Bhoori

Company Secretary

Syed Muhammad Talib Raza

Auditors

Baker Tilly Mehmood Idrees Qamar  
Chartered Accountants

Legal Advisors

Hyat & Meerjees

Share Registrar

THK Associates (Private) Limited  
1st Floor, 40-C, Block-6,  
P.E.C.H.S, Karachi

Tel : 021-111-000-322

Ext : 107-111-115

Fax : 021-34168271

Email : secretariat@thk.com.pk

Website : www.thk.com.pk

Head Office

Summit Tower

Plot No. G-2, Block-2, Clifton, Karachi

UAN : (021) 1111-24365

Fax : (021) 32463553

Registered Office

Plot No. 9-C, F-6 Markaz, Supermarket,  
Islamabad, Pakistan

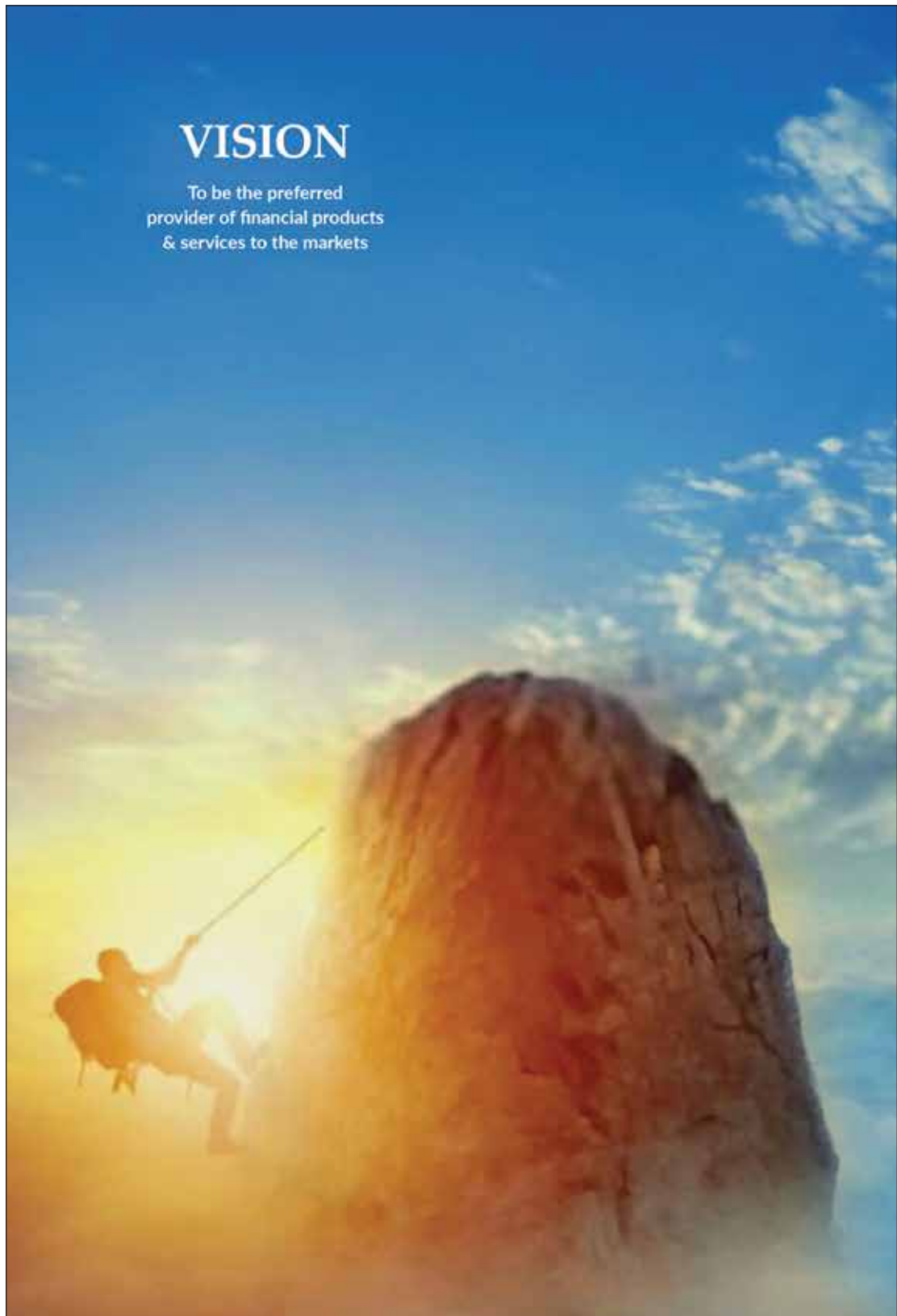
Email : info@summitbank.com.pk

companysecretary@summitbank.com.pk

Website : www.summitbank.com.pk

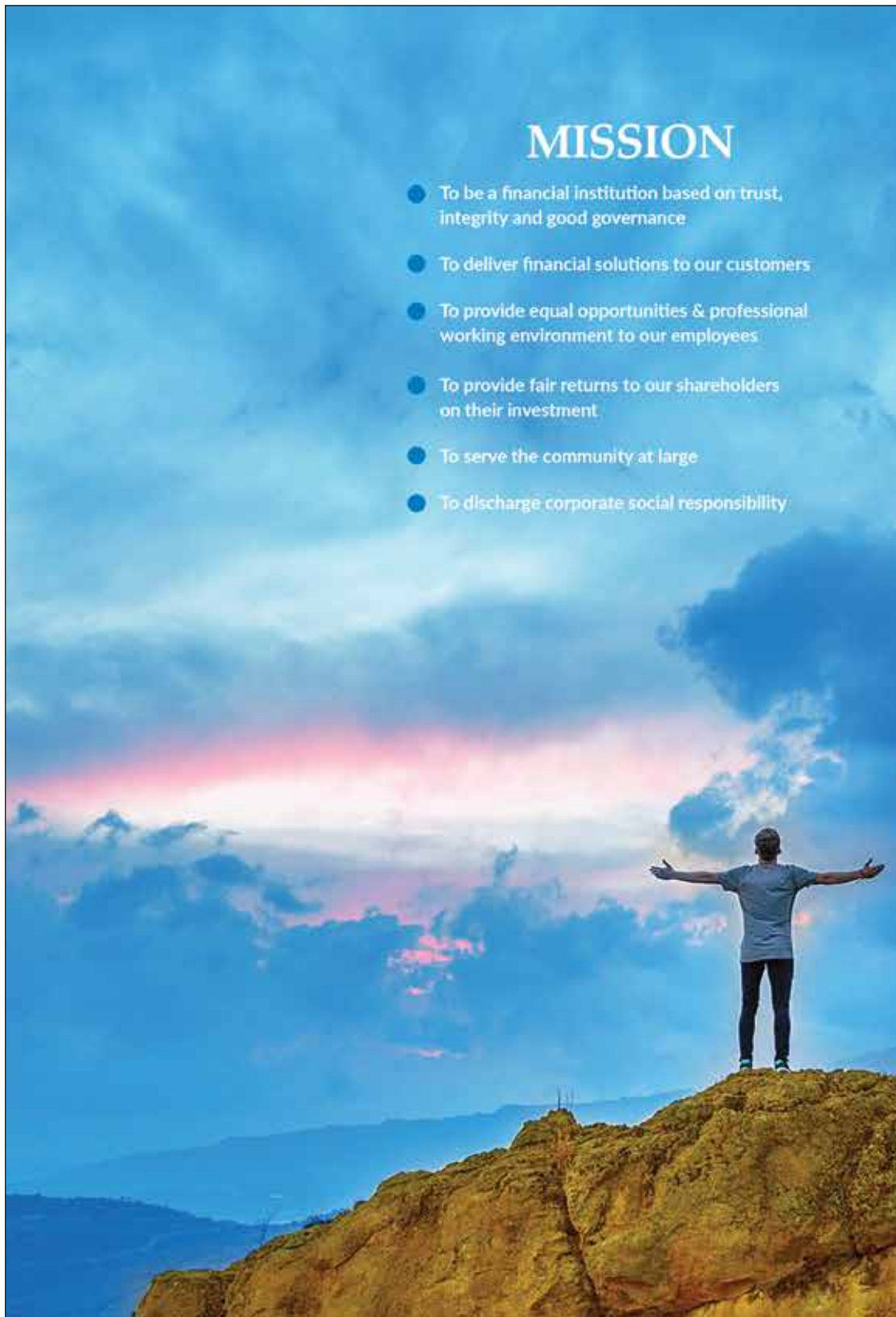
# VISION

To be the preferred  
provider of financial products  
& services to the markets



# MISSION

- To be a financial institution based on trust, integrity and good governance
- To deliver financial solutions to our customers
- To provide equal opportunities & professional working environment to our employees
- To provide fair returns to our shareholders on their investment
- To serve the community at large
- To discharge corporate social responsibility



**DIRECTORS' REVIEW**

On behalf of the Board of Directors' of Summit Bank Limited (the Bank), we present the unconsolidated condensed interim financial statements of the Bank for quarter and nine months' period ended September 30, 2018.

**REVIEW OF BANK'S PERFORMANCE**

The summarized operating results of the Bank for the nine months' period under review are as follows:

	For the nine month period ended	
	September 30, 2018	September 30, 2017
	----- (Rupees in '000) -----	
Loss before provisions and direct write-offs	(2,107,981)	(346,496)
Provision against non-performing loans and advances-net	(4,220,589)	(40,043)
(Provision) / reversal of provision for diminution in the value of investments-net	(1,008,060)	105,579
Bad debts written off directly	(3,676)	(12,120)
Loss before taxation	(7,340,306)	(293,080)
Tax income / (expense)	2,443,686	(134,704)
Loss after taxation	(4,896,620)	(427,784)
Basic loss per share – Rupees	(1.86)	(0.20)
Diluted loss per share – Rupees	(1.86)	(0.20)

During the nine months' period under review, the Bank posted a loss after tax of Rs. 4,896.621 620 million as compared to loss after tax of Rs. 427.784 million recognized during the same period last year. This comparative increase in loss during is primarily attributable to a significant increase in the provision expense for non-performing loans (NPLs) along with recognition of net provision expense for investments as against the net reversal of provisions that was recognized during the corresponding period last year.

The Bank recognized net provision expense against non-performing advances amounting to Rs. 4,220.590 589 million as compared to Rs. 40.043 million during the same period last year. Apart from the negative impact of provision arising due to fresh classifications of certain NPLs, additional provision was recognized for existing NPLs to comply with regulatory requirements and downgrading of existing NPLs in line with applicable regulatory benchmarks. As of September 30, 2018, Bank's NPLs ratio (Gross NPLs to Gross Loans) stood at 33.23% as against 17.15% as of December 31, 2017, wherein gross NPLs of the Bank increased to Rs. 30,094.906 905 million from Rs. 17,995.065.398 584 million as of December 31, 2017. The management is making strenuous recovery efforts and is in constant negotiation with the defaulted borrowers and hopeful that they would soon start paying their due amounts, which should help in reduction of NPLs and related provisions.

During the nine months' period under review, the provision for diminution in value of investments amounted to Rs. 1,008.060 million as against the reversal of provision of Rs. 105.579 million that was recognized during the same period last year. The provision during the current period mainly pertains to impairment on certain AFS shares prudently recognized based on the guidance given in the applicable accounting standards. This impairment primarily arose due to the challenging stock market conditions attributable mainly to the political uncertainty in the recent past. However, management feels that most of these impaired shares have potential of price recovery once the market conditions improve. In addition to that, provision was recognized on a non-performing debt investment held by the Bank due to reduction in the available benefit of the collateral held against that investment.



During the current period, net markup income of the Bank decreased to Rs. 1,805.646 million as against the income of Rs. 2,347.647 million earned during the same period last year, translating into a decline of 23.09%. This decline was mainly due to suspension of markup on fresh classification of certain non-performing loans.

Non-markup income amounted to Rs. 1,574.119 million, decreasing by 11.06% in comparison with the same period last year (9M2017: Rs. 1,769.914 million). This primarily include income from dealing in foreign currencies which registered a sizable growth of 33.50% and stood at Rs. 613.086 million as against Rs. 459.257 million during the same period last year. The major reduction is on account of net loss on sale of securities which amounted to Rs. 30.251 million as against a net gain of Rs. 322.964 million realized during the same period last year.

Non-markup expenses during the current period increased to Rs. 5,487.746 million as against expenses of Rs. 4,464.057 million during 9M2017 primarily due to prudently recording of provisions of Rs. 1,063.606 million against certain advance payments against capital work in progress.

The total assets of the Bank stood at Rs. 137,490,231,233 million as at September 30, 2018 as against Rs. 232,256,525 million as of December 31, 2017, reflecting a decline of 40.80% primarily due to reduction of short-term investments in Treasury Bills (T-Bills). Consequently, net investments of the Bank stood at Rs. 34,255,646 million as against Rs. 94,940,245 million as of December 31, 2017.

Net advances of the Bank stood at Rs. 71,437,413,414 million (December 31, 2017: Rs. 84,592,056 million) registering a decline of 15.55% during 9M2018. Furthermore, as at September 30, 2018, deposits of the Bank closed at Rs. 86,824,082 million (December 31, 2017: Rs. 145,729,707 million).

At the end of third quarter, the Bank has recognized deferred tax assets (net) of Rs. 8,319,145,146 million. This represents management's best estimate of tax benefits expected to be realized in future. We are hopeful that the Bank will be able to realize these benefits.

### **STRATEGIC INITIATIVES**

The Bank is making sincere efforts for achieving compliance with the applicable minimum capital requirements. The Bank's paid-up capital (net of losses), Capital Adequacy Ratio and Leverage Ratio were below the levels prescribed by SBP. In this respect, the Bank has put in place a business plan, which aims to improve the Bank's capital base and risk absorption capacity and provide impetus to the growth initiative of the Bank.

The management has prepared a business plan, which has been approved by the Board. This plan aims to improve the Bank's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Bank will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Bank;
- Rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Bank to support the business plan; and
- Income generation through avenues for mark-up income and non-markup income.

The management and the board of directors is hopeful that if the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve the projected improvement in business results and compliance with applicable capital requirements.

### **ISLAMIC BANKING**

In line with its strategy, the Bank continued to increase its Islamic Banking portfolio during the period under review. Total deposits of the Islamic Banking (IB) operations as of September 30, 2018 stood at Rs. 15,502,846 million as against Rs. 22,549,245 million as of December 31, 2017 reflecting a decline of 31.25% during 9M2018. Similarly, net Islamic financing and related assets have decreased to Rs. 7,510,605 million at the period-end as against Rs. 10,779,551 million as of December 31, 2017, thereby registering a decline of 30.33% during the nine months' period under review.

The Bank's Islamic Banking network constitutes 14 full-fledged Islamic Banking branches and 35 Islamic Banking windows. The Bank is offering a wide range of Shariah compliant products and services both on liability and on asset side to meet the requirements of its existing and potential customers. Moreover, the Bank remained persistent with its investment in the human resource development and equipped more staff with the required Islamic Banking skills set to enrich their Islamic Banking knowledge.

## GROUP PERFORMANCE

The annexed consolidated condensed interim financial statements of the Group comprise of consolidated results of the Bank and its wholly owned subsidiary Summit Capital (Pvt.) Limited for the nine months' ended September 30, 2018. On a consolidated basis, the Group posted a loss after tax of Rs. 4,932.137 135 million as compared to loss after tax of Rs. 409.820 million posted during the same period last year. Moreover, total assets of the Group as of September 30, 2018 stood at Rs. 137,468.459 462 million as against Rs. 232,233.380 million as of December 31, 2017.

## ECONOMIC REVIEW

At the start of FY19, the country witnessed prominent changes on the political side that had a positive impact on the business and consumer confidence, with the smooth transition between democratic governments. However, concerns on the economic front remained; fueled by rising inflation, rupee adjustment, the large twin deficits (fiscal and current account deficits), growing external debt and circular debt in the power sector. In the short to medium term, these are likely to reduce real economic growth. The macroeconomic policy focus has shifted to stabilization.

Following a healthy annual GDP growth of 5.8 percent in FY18, economic activity is expected to slowdown in FY19. To soften pressure on the external front, measures to stimulate exports and contain non-essential imports have been taken. As a result, domestic demand is projected to decelerate in FY19. Additionally, the lagged impact of SBP's policy rate hikes since January 2018 will curb demand in FY19. In September's Monetary Policy Statement (MPS) (effective October 01, 2018), the policy rate was increased by 100 bps, bringing the cumulative rate hike for the year to 275 bps and revising the policy rate upwards to 8.5 percent.

On the fiscal side, the government is targeting increased tax revenues through improved administrative measures and oversight, and additional revenue generation. Significant amendments have been made to the Federal Budget 2018-19. Additionally, the government is looking to curb expenditure by slashing development spending.

The significant current account deficit (CAD) continues to pose a challenge. Despite a 13.4 percent growth in workers' remittances and a 4.5 percent increase in exports in the first two months of FY19, a prominent increase in the value of oil imports drove overall imports up by 11.0 percent and kept the CAD at US\$2.7 billion, as compared to US\$2.5 billion in the corresponding period last year. The increase was registered despite contracting non-oil imports. As a result, import cover dropped to 8 weeks in August 2018 as compared to 14 weeks in same period last year. Financing the gap has depleted SBP's net liquid FX reserves which stood at US\$ 8.4 billion as of 28th September, 2018, down from US\$ 9.8 billion at the end of FY18. To bridge the current account gap, the government plans to reach out to the International Monetary Fund (IMF). Besides providing immediate relief to the low FX reserves, entry into an IMF program is likely to enhance the credibility of Pakistan in the eyes of global financial community and pave the way for fetching flows from multilateral agencies and improved access to international capital markets.

During the first quarter of FY19, YoY headline CPI inflation averaged 5.6 percent as compared to 3.4 percent during the same period last year. SBP's inflation projections show that the average headline inflation is expected to be in the revised forecast range of 6.5 - 7.5 percent in FY19.

Government borrowing from commercial banks was also subdued with PKR 1.4 trillion retired during the quarter.

## CREDIT RATING

In November 2018, VIS Credit Rating Company Limited assigned an entity rating of "BBB-" (Triple B Minus) for the long term and 'A-3' (A-Three) for the short term to the Bank, with outlook assigned as 'Rating Watch- Negative' (June 2018: A- [A Minus] for long term and A-1 [A One] for short term with a 'Rating watch Developing' outlook). The unsecured subordinated debt (Term Finance Certificate) of the Bank was assigned an instrument rating 'D' (Default) (June 2018: 'BBB- (SO)' [Triple B Minus (Structured Obligation)] with a 'Rating Watch - Negative' outlook). Subsequently, due to non-availability of updated information, VIS has suspended the entity rating of the Bank.

## **FUTURE OUTLOOK**

The Bank is fully prepared to capitalize on the business opportunities available in the market and will continue to focus on its strategy for long-term sustainable growth. To achieve its objectives, the Bank has a well-managed infrastructure, technology platform and trained human resource.

Going forward, the Bank will continue to focus on all the key areas for improvement in results, some of which are as follows:

- Improvement in return on assets and overall quality of portfolio;
- Reduction in Cost of Deposits (CoD) and improvement in current account and saving account (CASA) ratio;
- Improvement in markup and non-markup income stream;
- Continuous improvement and strengthening of capital base;
- Recoveries from non-performing loans and advances;
- Rationalization and reduction of non-earning assets; and
- Identification of areas for cost savings and rationalization.

## **EVENTS AFTER THE BALANCE SHEET DATE**

The Bank has received a letter dated March 27, 2020 from H.E. Nasser Abdulla Hussain Lootah (Potential Investor) pursuant to which the Potential Investor has communicated his intention to acquire at least controlling stake in the Bank by subscribing to fresh equity in the Bank and investing such amounts as may be necessary (subject to satisfactory due-diligence) to ensure that the Bank meets its Minimum Capital Requirements (MCR) and Capital Adequacy Ratio (CAR) requirement as prescribed by State Bank of Pakistan (SBP). Moreover, in compliance with the requirements of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 applicable to such transactions, this was followed by a public announcement by the Potential Investor of the intention to acquire at least 51% of the issued and paid up capital of the Bank together with the management control. The execution of the proposed transaction is subject to due-diligence and all Regulatory and corporate approvals. Furthermore, the Bank has entered into an Exclusivity Agreement with the Potential Investor for the proposed transaction.

## **ACKNOWLEDGMENT**

We take this opportunity to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan, and the Ministry of Finance for their support throughout. We would also like to thank our valued customers for their continued patronage and appreciate our employees for their dedication, hard work and commitment.

On Behalf of the Board of Directors.

---

**Ahsan Raza Durrani**  
Acting President and Chief Executive Officer

---

**Fauzia Hasnain**  
Director

Date: September 18, 2020  
Place: Karachi

### مستقبل کا منظر نامہ

بینک مارکیٹ میں موجود کاروباری مواقع سے استفادے کے لیے پوری طرح تیار ہے اور طویل مدتی پائیدار نمو کے لیے اپنی حکمت عملی پر توجہ مرکوز کیے رکھے گا۔ اپنے مقاصد کے حصول کے لیے بینک کے پاس بہترین انفراسٹرکچر، ٹیکنالوجی کا پلیٹ فارم اور تربیت یافتہ افرادی وسائل موجود ہیں۔ مستقبل میں، بینک نتائج میں بہتری کے لیے تمام کلیدی شعبوں پر توجہ مرکوز رکھے گا جن میں سے چند حسب ذیل ہیں:

- اثاثوں پر منافع اور مجموعی معیاری جزو ان کی بہتری؛
- اثاثوں پر لاگت (سی او ڈی) میں کمی اور جاری کھاتے اور بچت کھاتے (سی اے ایس اے) کی شرحوں میں بہتری؛
- سودی وغیر سودی آمدنی کے بہاؤ میں بہتری؛
- سرمائے کی اساس میں مسلسل بہتری و تقویت؛
- غیر فعال قرضوں اور بیگانوں کی بازیابی؛
- غیر نفع آور اثاثوں کی عقلی تنظیم اور ان میں کمی؛ اور
- لاگتی بچت اور عقلی تنظیم کے شعبوں کی نشاندہی

### تاریخ فرواصلات کے بعد ہونے والے واقعات

27 مارچ 2020ء کو ایچ ای نھر عبداللہ حسین لوطہ (مکنہ سرمایہ کار) کی جانب سے بینک کو ایک راسلہ موصول ہوا جس کی پیروی کرنے پر مکنہ سرمایہ کار نے بینک میں تنازعہ اکیویٹی سبسکرائب کرنے اور اس رقم کی جہاں ضروری ہو (قابل اطمینان ضروری مستعدی سے مشروط) سرمایہ کاری کرنے کے ذریعے بینک کے کنٹرولنگ اختیار حاصل کرنے کے ارادے کا اظہار کیا تاکہ بینک اسٹیٹ بینک کے مجوزہ کم سے کم سرمائے کے تقاضے (ایم سی آر) اور شرح کفایت سرمایہ (سی اے آر) کے تقاضوں پر پورا اتر سکے۔ مزید یہ کہ اس طرح کے لین دین کے لیے سیکیورٹیز ایکٹ، 2015ء اور فہرستی کمپنیز (ڈوئنگ شیئرز اور ٹیک اوورز) کا کافی حصول) ریگولیشنز کے قابل اطلاق تقاضوں کی تعمیل کرتے ہوئے، مکنہ سرمایہ کار کی جانب سے انتظامی کنٹرول کے ساتھ بینک کے کم از کم 51 فیصد جاری کردہ اور ادا شدہ سرمائے کے بارے میں عوامی اعلان کیا گیا۔ مجوزہ لین دین پر عمل درآمد ضروری مستعدی اور تمام ضوابط اور کارپوریٹ منظور یوں سے مشروط ہے۔ مزید برآں، بینک نے مجوزہ لین دین کے لیے مکنہ سرمایہ کار کے ساتھ ایک استثنائی معاہدہ کیا ہے۔

### اقرار نامہ

ہم مسلسل حمایت کے لیے اسٹیٹ بینک آف پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن پاکستان اور وزارت مالیات کے شکر گزار ہیں۔ ہم مسلسل سرپرستی کے لیے اپنے قیمتی صارفین اور مسلسل نگیں، محنت اور ذمہ داری کے لیے اپنے ملازمین کا بھی شکریہ ادا کرنا چاہیں گے

بورڈ آف ڈائریکٹرز کی جانب سے

**نوزیہ حسنین**

ڈائریکٹر

**احسن رضا درانی**

قائم مقام صدر اور چیف ایگزیکٹو

بتاریخ: ستمبر 18، 2020

مقام: کراچی

مالی سال 18ء میں جی ڈی پی کی 5.8 فیصد کی بھرپور نمو کے بعد مالی سال 19ء میں معاشی سرگرمی میں سست روی متوقع ہے۔ بیرونی سطح پر دباؤ میں کمی کے لیے برآمدات کو ترغیب دینے اور غیر ضروری درآمدات کو محدود کرنے کے متعدد اقدامات کیے گئے ہیں۔ نتیجتاً مالی سال 19ء میں ملکی طلب میں کمی متوقع ہے۔ نیز، جنوری 2018ء سے اسٹیٹ بینک کے پالیسی ریٹ میں اضافے کے تاخیری اثرات مالی سال 19ء میں طلب کو محدود رکھیں گے۔ ستمبر کے زری پالیسی بیان (کیم اکتوبر 2018ء سے نافذ شدہ) میں پالیسی ریٹ میں 100 بی پی ایس اضافے سے، سال بھر میں پالیسی ریٹ میں مجموعی 275 بی پی ایس کا اضافہ ہوا اور پالیسی ریٹ بڑھ کر 8.5 فیصد ہو گیا۔

مالیاتی لحاظ سے، حکومت بہتر انتظامی اقدامات اور نگرانی سے ٹیکس جماعی میں اضافہ اور نیا ٹیکس جزیٹ کرنے پر توجہ مرکوز کر رہی ہے۔ 19-2018ء کے بجٹ میں نمایاں ترامیم کی گئی ہیں۔ مزید برآں، حکومت ترقیاتی اخراجات میں کمی سے اخراجات قابو میں کرنے کے امکان کو دیکھ رہی ہے۔

جاری کھاتے کے نمایاں خسارے نے ایک چیلنج کی صورت اختیار کیے رکھی۔ کارکنان کی ترسیلات زر میں 13.4 فیصد نمو اور مالی سال 19ء کے پہلے دو مہینوں میں برآمدات میں 4.5 فیصد اضافے کے باوجود آئل کی درآمدی مالیت میں نمایاں اضافے سے مجموعی درآمدات 11.0 فیصد بڑھ گئیں اور جاری کھاتے کا خسارہ 2.7 ارب ڈالر تک چلا گیا جبکہ گزشتہ برس کی اسی مدت کے دوران یہ 2.5 ارب ڈالر تھا۔ نان آئل درآمدات میں تخفیف کے باوجود یہ اضافہ درج کیا گیا۔ نتیجتاً، درآمدی کفالت اگست 2018ء میں 8 مہینوں تک رہ گئی جبکہ گزشتہ برس کی اسی مدت میں یہ 14 مہینوں تک تھی۔ اس فرق کی مالکاری نے اسٹیٹ بینک کے زری مبادلہ کے خالص سیال ذخائر کو ختم کر دیا، جو 28 ستمبر، 2018ء تک 8.4 ارب امریکی ڈالر رہ گئے، جبکہ مالی سال 18ء کے اختتام پر یہ 9.8 ارب امریکی ڈالر تھے۔ جاری کھاتے کے فرق کو پورا کرنے کے لیے، حکومت بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) تک رسائی کا ارادہ رکھتی ہے۔ زری مبادلہ کے پست ذخائر کو فوری ریلیف دینے کے علاوہ، آئی ایم ایف پروگرام میں داخلے سے عالمی مالیاتی برادری کی نظر میں پاکستان کی سادھ میں بہتری اور کثیر فریقی ایجنسیوں سے رقوم کے بہاؤ اور بین الاقوامی سرمایہ منڈیوں تک رسائی میں بہتری کا امکان ہے۔

مالی سال 19ء کی پہلی سہ ماہی کے دوران، سال بسال صارف اشاریہ قیمت مہنگائی کی اوسط 5.6 فیصد رہی جبکہ گزشتہ برس کی اسی مدت میں یہ 3.4 فیصد تھی۔ اسٹیٹ بینک کے مہنگائی کے تخمینے واضح کرتے ہیں کہ مالی سال 19ء کے دوران اوسط عمومی مہنگائی کے تخمینے نظر ثانی شدہ پیش گوئی کے مطابق 7.5 تا 6.5 فیصد تک رہنے کا امکان ہے۔

دوران سہ ماہی 1.4 ٹریلین روپے کے قرضوں کی واپسی کے ساتھ کمرشل بینکوں سے حکومتی قرض گیری بھی پست رہی۔

### کریڈٹ رہنمائی

نومبر 2018ء میں وی آئی ایس کریڈٹ رہنمائی کمیٹی لمیٹڈ نے بینک کو ریٹنگ وائچ منفی کے منظر نامے کے ساتھ طویل مدتی لحاظ سے کاروباری ادارے کی "بی بی بی۔" (ٹرپل بی مائنس) اور قلیل مدتی لحاظ سے "اے-3" ریٹنگ دی (جون 2018ء: ریٹنگ وائچ ڈیولپمنٹ منظر نامے کے ساتھ طویل مدتی لحاظ سے اے منفی اور قلیل مدتی لحاظ سے اے ون)۔ بینک کے غیر محفوظ ماحول تحت قرضے (خرم فنانس سرٹیفکیٹ) کو ڈی ڈی (ڈیفالٹ) کی انسٹرومنٹ ریٹنگ (جون 2018ء: ریٹنگ وائچ منفی کے منظر نامے کے ساتھ بی بی بی۔) (ایس او) [ٹرپل بی مائنس (ساتھی ذمہ داری)] تفویض کی۔ ازاں بعد، تازہ معلومات کی عدم دستیابی کی وجہ سے وی آئی ایس نے بینک کی کاروباری ادارے کی ریٹنگ منسوخ کر دی۔



- سرمائے کا ادخال؛
- پاکستان میں اسلامی مالکاری کی متوقع نمو سے حاصل ہونے والے فوائد جب بینک اپنے مکمل طور پر ایک اسلامی بینک میں تبدیل ہونے کے ابتدائی فیصلے کے نفاذ کے عمل کو تیز کر دے گا؛
- بازیابی کی سرگرم اور مرکز کو زکوتوں کے ذریعے غیر فعال قرضوں کی بازیابی؛
- بینک کی جانب سے غیر منفعت بخش اثاثوں کی مجموعی سطح میں کمی؛
- لاگت کے ڈھانچے کی عقلی تنظیم؛
- کاروباری منصوبے کی معاونت کے لیے بینک کے انتظام خطر اور ٹیکنالوجی کے انفراسٹرکچر میں بہتری؛ اور
- سودی آمدنی اور غیر سودی آمدنی کے ذرائع سے آمدنی کا حصول

انتظامیہ اور بورڈ آف ڈائریکٹرز پر امید ہیں کہ اگر کاروباری منصوبے میں طے شدہ نمو کے عوامل اور دیگر اہم مفروضے پورے ہو جاتے ہیں تو، بینک کاروباری نتائج میں متوقع بہتری اور سرمائے کے قابل اطلاق تقاضوں کی تعمیل کر سکے گا۔

### اسلامی بینکاری

اپنی حکمت عملی کے عین مطابق، بینک نے زیر جائزہ مدت کے دوران اپنے اسلامی بینکاری جزدان میں اضافہ جاری رکھا۔ 30 ستمبر، 2018ء کو اسلامی بینکاری (آئی بی) کے آپریشنز کے مجموعی ذخائر 15,502.846 ملین روپے تھے جبکہ 31 دسمبر 2017ء میں یہ 22,549.245 ملین روپے تھے جو 2018ء کی 9 مہینوں میں 31.25 فیصد کمی کی عکاسی کرتا ہے۔ اسی طرح، خالص اسلامی مالی مالکاری اور منسلک اثاثے مدت کے اختتام پر کم ہو کر 7,510.605 ملین روپے ہو گئے جبکہ 31 دسمبر 2017ء تک یہ 10,779.551 ملین روپے تھے، اس طرح زیر جائزہ نو مہینوں کی مدت کے دوران 30.33 فیصد کمی درج کی گئی۔

بینک کا اسلامی بینکاری نیٹ ورک 14 مکمل اسلامی بینکاری برانچوں اور 135 اسلامی بینکاری ونڈوز پر مشتمل ہے۔ بینک اپنے موجودہ اور مکمل صارفین کی ضروریات کو پورا کرنے کے لیے واجبات اور اثاثہ جات دونوں پر شریعت سے ہم آہنگ مصنوعات اور خدمات کی پیش کش کر رہا ہے۔ مزید برآں، بینک افرادی وسائل کی تربیت و پرداخت میں اپنی سرمایہ کاری پر قائم ہے اور مزید عملہ کو اسلامی بینکاری کی مطلوبہ مہارتوں سے آراستہ کیا گیا ہے تاکہ ان کے اسلامی بینکاری کے علم کو مزید تقویت دی جائے۔

### گروپ کی کارکردگی

گروپ کے منسلک جامع عبوری مالی بیانات 30 ستمبر، 2018ء کو اختتام پذیر ہونے والے نو مہینوں کے لیے بینک اور مکمل طور پر اس کے زیر ملکیت ذیلی کمپنی سنٹ کیپٹل (پرائیویٹ) لمیٹڈ کے یکجا نتائج پر مشتمل ہیں۔ یکجا بنیاد پر، گروپ نے 4,932.135 ملین روپے کا خسارہ بعد از ٹیکس درج کیا جبکہ گذشتہ برس کی اسی مدت کے دوران 409.820 ملین روپے کا خسارہ بعد از ٹیکس درج کیا گیا تھا۔ مزید برآں، 30 ستمبر، 2018ء تک اس گروپ کے کل اثاثوں کی مالیت 137,468.462 ملین روپے تھی جبکہ 31 دسمبر 2017ء میں یہ 232,233.380 ملین روپے تھی۔

### اقتصادی جائزہ

مالی سال 19ء کے آغاز پر ملک میں سیاسی اعتبار سے نمایاں تبدیلیاں دکھائی دیں جنہوں نے جمہوری حکومتوں کی ہموار تبدیلی سے کاروبار اور صارف پر مثبت اثر ڈالا۔ تاہم بڑھتی ہوئی مہنگائی، روپے کی قدر میں ردوبدل، وسیع دوچند خسارہ (مالیاتی اور جاری کھاتے کا خسارہ)، بڑھتا ہوا بیرونی قرضہ، اور توانائی کے شعبے میں گردش قرضے کی وجہ سے معاشی سطح پر خدشات لاحق رہے۔ قلیل تاوسط مدتی لحاظ سے، امکان ہے کہ ان سے حقیقی معاشی نمو میں کمی آئے گی۔ کلی معاشی پالیسی کی توجہ استحکام کی جانب منتقل ہو چکی ہے۔

قابل اطلاق اکاؤنٹنگ معیارات میں دی گئی ہدایات کی بنیاد پر محتاطیہ طور پر تسلیم کی گئی تھی۔ یہ معضرت بنیادی طور پر بازار حصص کی دشوار صورت حال کی وجہ سے ابھری جس کی وجہ ماضی قریب میں غیر یقینی صورت حال کو قرار دیا جاسکتا ہے۔ تاہم، انتظامیہ سمجھتی ہے کہ منڈی کی صورت حال بہتر ہونے کے بعد ان معضرت حصص میں سے بیشتر قیمت کے بازیاب ہونے کا امکان رکھتے ہیں۔ اس کے علاوہ، سرمایہ کاری کے متبادل موجود ضمانت کے دستیاب فائدے میں کمی کی باعث بینک کے پاس موجود غیر فعال قرضے کی سرمایہ کاری پر توہین تسلیم کی گئی تھی۔

موجودہ مدت کے دوران بینک کی خالص سودی (مارک اپ) آمدنی 23.09 فیصد کی کے ساتھ گھٹ کر 1,805.646 ملین روپے رہ گئی جبکہ گذشتہ برس کی اسی مدت میں 2,347.647 ملین روپے کی آمدنی ہوئی تھی۔ بعض غیر فعال قرضوں کی از سر نو درجہ بندی پر سود کی معطلی اس کی بنیادی وجہ تھی۔

غیر سودی آمدنی گذشتہ برس کی اسی مدت کے مقابلے میں 11.06 فیصد اضافے کے ساتھ 1,574.119 ملین روپے ہو گئی (9 مئی 2017ء: 1,769.914 ملین روپے)۔ یہ بنیادی طور پر فارن کرنسیوں میں لین دین سے ہونے والی آمدنی پر مشتمل ہوتی ہے جو 33.50 فیصد کی ضخیم نمو کے ساتھ 613.086 ملین روپے تھے جبکہ گذشتہ برس کی اسی مدت کے دوران یہ 459.257 ملین روپے تھے۔ اس میں بیشتر کی تسکات کی فروخت پر خالص نفع میں کمی کی وجہ سے آئی جو گھٹ کر 30.251 ملین روپے رہ گئے جبکہ گذشتہ برس کی اسی مدت میں 322.964 ملین روپے تھے۔

موجودہ مدت کے دوران غیر سودی اخراجات میں 5,487.746 ملین روپے کا اضافہ ہوا جبکہ 2017ء کے 9 مہینوں میں 4,464.057 ملین روپے کا اضافہ ہوا تھا، جس کی بنیادی وجہ جاری سرمائے میں نمو کے متبادل بعض پیٹنگی ادائیگیوں پر 1,063.606 ملین روپے کی محتاطیہ توہین تھی۔

30 ستمبر 2018ء پر بینک کے مجموعی اثاثے 137,490,233 ملین روپے تھے جبکہ 31 دسمبر 2017ء میں یہ 232,256,525 ملین روپے تھے، جو 40.80 فیصد کمی کی عکاسی کرتے ہیں، جس کی بنیادی وجہ ڈریزیبل بلز (ٹی بلز) میں قلیل مدتی سرمایہ کاریوں میں تخفیف تھی۔ نتیجتاً، بینک کی خالص سرمایہ کاریاں 34,255.646 ملین روپے ہو گئیں جبکہ 31 دسمبر 2017ء تک یہ 94,940,245 ملین روپے تھیں۔

2018ء کے 9 مہینوں کے دوران خالص بیعانے 15.55 فیصد نمو درج کرتے ہوئے 71,437.414 ملین روپے (31 دسمبر 2017ء: 84,592.056 ملین روپے) ہو گئے۔ مزید برآں، 30 ستمبر 2018ء کو بینک کی لاپتہ 86,824.082 ملین روپے (31 دسمبر 2017ء: 145,729.707 ملین روپے) کے صحت مند اعداد و شمار پر بند ہو گئے۔

تیسری سہ ماہی کے اختتام پر، بینک نے 8,319.146 ملین روپے کے مؤخر ٹیکس اثاثے تسلیم کیے ہیں۔ اس سے مستقبل میں وصول کیے جانے والے متوقع ٹیکس فوائد کے انتظامیہ کے بہترین تخمینے کی نمائندگی ہوتی ہے۔ ہمیں امید ہے کہ بینک ان فوائد سے استفادہ کر سکے گا۔

### تذویراتی (اسٹریٹیجک) اقدامات

بینک کم از کم سرمائے کے قابل اطلاق تقاضوں سے ہم آہنگ ہونے کی مخلصانہ کوششیں کر رہا ہے۔ بینک کا ادراشندہ سرمایہ (خالص خسارہ)، شرح کفایت سرمایہ اور لیوراجیہ تناسب اسٹیٹ بینک کی مقررہ سطح سے کم تھے۔ اس ضمن میں، بینک نے اپنے سرمائے کی اساس اور انجذاب خطر کی استعداد کو بہتر بنانے اور بینک کی نمو کو فروغ دینے والے اقدام کو تحریک فراہم کرنے کے مقصد سے ایک کاروباری منصوبہ تیار کیا ہے۔

انتظامیہ نے ایک کاروباری منصوبہ تیار کیا ہے جسے بورڈ کی جانب سے منظور کیا جا چکا ہے۔ اس منصوبے کا مقصد بینک کی سرمائے کی اساس اور انجذاب خطر کی استعداد کو بہتر بنانا اور بینک کی نمو کو فروغ دینے والے مستقبل کے اقدامات کو تحریک فراہم کرنا ہے۔ کاروباری منصوبے میں درج ذیل کلیدی مفروضوں پر غور کیا گیا ہے:

### ڈائریکٹر زکا جائزہ

سٹ پیٹک لیمنڈ (پبک) کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم پبک کی 30 ستمبر 2018ء کو اختتام پذیر ہونے والی سہ ماہی اور نو مہینوں کے لیے غیر یکجا جامع عبوری مالی گوشوارے پیش کرتے ہیں:

### کارکردگی کا جائزہ

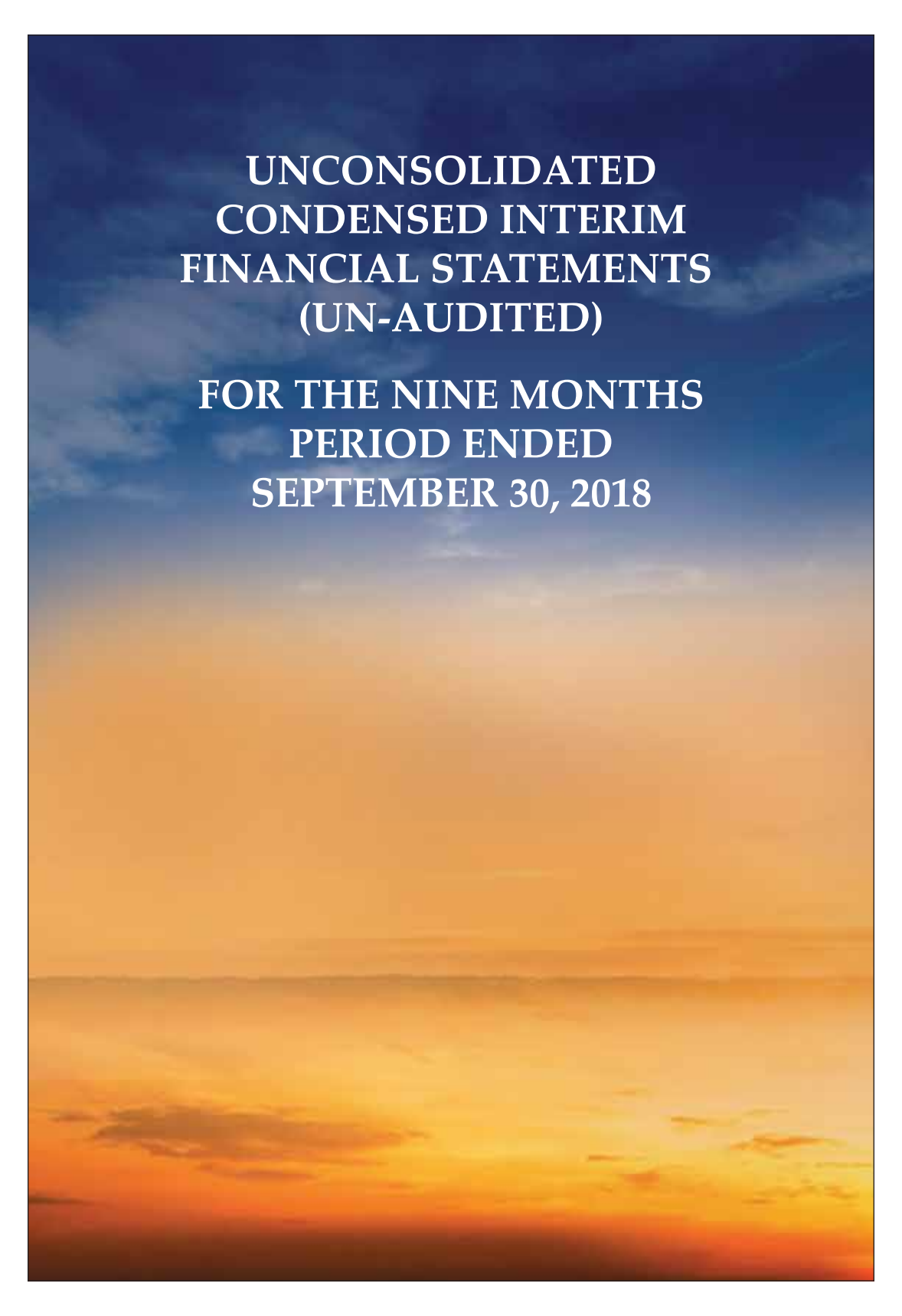
زیر جائزہ نو مہینوں کی مدت کے لیے پبک کے عملی نتائج کا خلاصہ مندرجہ ذیل ہے:

اختتام پذیر ہونے والی نو مہینوں کی مدت		
30 ستمبر 2018ء	30 ستمبر 2017ء	
.....(روپے ہزاروں میں).....		
(2,107,981)	(346,496)	نقصان قبل از تموین اور براہ راست تنسیخ
(4,220,589)	(40,043)	غیر فعال قرضوں اور خالص قرضوں کے لیے تموین
		خالص سرمایہ کاریوں کی مالیت میں تخفیف کے لیے تموین / تموین کا استرداد
(1,008,060)	105,579	دیگر (تموین) / (تنسیخ) / استرداد
(3,676)	(12,120)	براہ راست منسوخ کیا گیا برائے قرضہ
(7,340,306)	(293,080)	خسارہ قبل از ٹیکس
2,443,686	(134,704)	ٹیکس آمدنی / (خرچا)
(4,896,620)	(427,784)	نقصان بعد از ٹیکس
(1.86)	(0.20)	بنیادی خسارہ فی حصہ - روپے
(1.86)	(0.20)	سیال خسارہ فی حصہ - روپے

زیر جائزہ نو مہینوں کے دوران، پبک نے 4,896,620 ملین روپے کا خسارہ بعد از ٹیکس درج کیا جبکہ گزشتہ برس کی اسی مدت کے دوران 427,784 ملین روپے کا خسارہ بعد از ٹیکس درج کیا گیا تھا۔ 2018ء کے پہلے نو مہینوں کے دوران خسارے میں اضافے کی بنیادی وجہ غیر فعال قرضوں (این ایل بی) کے لیے تموین کے خرچا میں نمایاں اضافے کے ساتھ ساتھ تموین کے خالص استرداد کے خلاف سرمایہ کاریوں کے لیے خالص تموینی خرچا کے طور پر تسلیم کیے جانے کو قرار دیا جاسکتا ہے، جو گزشتہ برس کی اسی مدت کے دوران تسلیم کیے گئے تھے۔

پبک نے 4,220,589 ملین روپے کے خالص تموینی خرچا کو غیر فعال قرضوں کے مقابل تسلیم کیا جبکہ گزشتہ برس کی اسی مدت میں 40,043 ملین روپے درج کیے گئے تھے۔ بعض غیر فعال قرضوں کی از سر نو درج بندی کی وجہ سے پیدا ہونے والے تموین کے منفی اثر کے علاوہ، ضوابطی تقاضوں کی تعمیل اور قابل اطلاق ضوابطی نشانیوں کے مطابق، موجودہ غیر فعال قرضوں میں بتدریج کمی کے لیے بھی اضافی تموین کو تسلیم کیا گیا تھا۔ 30 ستمبر، 2018ء تک، پبک کا غیر فعال قرضوں کا تناسب (مجموعی غیر فعال قرضے تا مجموعی قرضے) 33.23 فیصد تھا جبکہ 31 دسمبر 2017ء میں یہ 17.15 فیصد تھا، جس میں پبک کے مجموعی غیر فعال قرضے پر بڑھ کر 30,094,905 ملین روپے ہو گئے جبکہ 31 دسمبر، 2017ء تک 17,065,584 ملین روپے تھے۔ انتظامیہ ان قرضوں کی بازیابی کے لیے کوششیں کر رہی ہے اور نادمہ قرض گیروں سے مستقل مذاکرات کر رہی ہے تاکہ غیر فعال قرضوں اور ان کی متعلقہ تموین میں کمی کو یقینی بنایا جاسکے۔

زیر جائزہ نو مہینوں کی مدت کے دوران، سرمایہ کاریوں کی مالیت میں تخفیف کے لیے تموین 1,008,060 ملین روپے ہو گئی جبکہ گزشتہ برس کی اسی مدت کے دوران 105,579 ملین روپے کی تموین کا استرداد کیا گیا تھا۔ موجودہ مدت کے دوران تموین بنیادی طور پر بعض اے ایف ایس شیئرز پر مضرت سے متعلق تھی جو



**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE NINE MONTHS  
PERIOD ENDED  
SEPTEMBER 30, 2018**

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2018**

		(Un-audited) September 30, 2018	(Audited) December 31, 2017 (Restated)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks		4,378,502	13,556,723
Balances with other banks		1,029,521	2,440,333
Lendings to financial institutions		-	10,671,003
Investments-net	8	34,255,646	94,940,245
Advances-net	9	71,437,414	84,592,056
Operating fixed assets	10	11,560,502	12,664,584
Deferred tax assets-net	11	8,319,146	5,804,191
Other assets	12	6,509,502	7,587,390
		<b>137,490,233</b>	<b>232,256,525</b>
<b>LIABILITIES</b>			
Bills payable		1,991,696	3,065,379
Borrowings		37,758,451	67,307,766
Deposits and other accounts	13	86,824,082	145,729,707
Sub-ordinated loans		1,495,515	1,495,860
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		3,923,422	4,416,699
		<b>131,993,166</b>	<b>222,015,411</b>
<b>NET ASSETS</b>		<b>5,497,067</b>	<b>10,241,114</b>
<b>REPRESENTED BY</b>			
Share capital		26,381,510	26,381,510
Reserves		(6,306,359)	(6,306,359)
Accumulated losses		(16,140,450)	(11,328,979)
		<b>3,934,701</b>	<b>8,746,172</b>
Surplus on revaluation of assets - net of tax		1,562,366	1,494,942
		<b>5,497,067</b>	<b>10,241,114</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	14		

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director



**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018**

Note	Quarter ended		Nine months period ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
----- (Rupees in '000) -----				
Mark-up / return / interest earned	1,853,077	2,807,511	7,188,753	8,112,145
Mark-up / return / interest expensed	(1,639,270)	(2,074,062)	(5,383,107)	(5,764,498)
Net mark-up / interest income	213,807	733,449	1,805,646	2,347,647
(Provision) / reversal of provision against non-performing loans and advances - net	(2,763,183)	15,538	(4,220,589)	(40,043)
(Provision) / reversal of provision for diminution in the value of investments - net	(180,077)	1,541	(1,008,060)	105,579
Bad debts written off directly	(41)	(8,229)	(3,676)	(12,120)
	(2,943,301)	8,850	(5,232,325)	53,416
Net mark-up / interest (expense) / income after provisions	(2,729,494)	742,299	(3,426,679)	2,401,063
<b>NON MARK-UP / INTEREST INCOME</b>				
Fee, commission and brokerage income	220,147	296,775	753,927	863,582
Dividend income	1,611	24,316	6,815	38,495
Income from dealing in foreign currencies	200,481	180,266	613,086	459,257
(Loss) / gain on sale of securities - net	(51,392)	146,804	(30,251)	322,964
(Loss) / gain on disposal of operating fixed assets - net	(52)	4,765	2,274	32,030
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading - net	19,446	(14,693)	-	(28,386)
Other income	30,317	26,305	228,268	81,972
Total non mark-up / interest income	420,558	664,538	1,574,119	1,769,914
	(2,308,936)	1,406,837	(1,852,560)	4,170,977
<b>NON MARK-UP / INTEREST EXPENSES</b>				
Administrative expenses	(1,481,900)	(1,490,802)	(4,296,948)	(4,445,400)
Other (provisions) / (write-offs)	(398)	(1,345)	(1,161,052)	(1,343)
Other charges	(5,913)	(6,435)	(29,746)	(17,314)
Total non mark-up / interest expenses	(1,488,211)	(1,498,582)	(5,487,746)	(4,464,057)
	(3,797,147)	(91,745)	(7,340,306)	(293,080)
Extra ordinary / unusual items	-	-	-	-
<b>LOSS BEFORE TAXATION</b>	(3,797,147)	(91,745)	(7,340,306)	(293,080)
<b>Taxation</b>				
Current	(28,629)	(41,606)	(107,575)	(118,939)
Prior years	-	-	-	-
Deferred	2,737,293	(2,261)	2,551,261	(15,765)
	2,708,664	(43,867)	2,443,686	(134,704)
<b>LOSS AFTER TAXATION</b>	(1,088,483)	(135,612)	(4,896,620)	(427,784)
----- (Rupees) -----				
<b>Basic loss per share</b>	(0.41)	(0.07)	(1.86)	(0.20)
<b>Diluted loss per share</b>	(0.41)	(0.07)	(1.86)	(0.20)

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018**

	Quarter ended		Nine months period ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	----- (Rupees in '000) -----			
<b>Loss after taxation for the period</b>	<b>(1,088,483)</b>	<b>(135,612)</b>	<b>(4,896,620)</b>	<b>(427,784)</b>
<b>Other comprehensive income</b>	-	-	-	-
<b>Comprehensive loss transferred to unconsolidated condensed interim statement of changes in equity</b>	<b>(1,088,483)</b>	<b>(135,612)</b>	<b>(4,896,620)</b>	<b>(427,784)</b>
<b>Components of comprehensive (loss) / income not reflected in equity</b>				
(Deficit) / surplus on revaluation of available for-sale securities - net of tax	<b>(95,365)</b>	<b>(332,339)</b>	<b>175,814</b>	<b>(377,049)</b>
<b>Total comprehensive loss for the period</b>	<b><u>(1,183,848)</u></b>	<b><u>(467,951)</u></b>	<b><u>(4,720,806)</u></b>	<b><u>(804,833)</u></b>

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018**

	Nine months period ended	
	September 30, 2018	September 30, 2017
	Note ----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(7,340,306)	(293,080)
Less: Dividend income	(6,815)	(38,495)
	<u>(7,347,121)</u>	<u>(331,575)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	517,195	526,711
Depreciation on non banking assets	33,214	21,600
Amortization	45,732	46,428
Provision against non-performing loans and advances - net	4,220,589	40,043
Bad debts written off directly	3,676	12,120
Other provisions / write offs made	1,161,052	1,343
Provision / (reversal of provision) for diminution in the value of investments - net	1,008,059	(105,579)
Unrealised loss on revaluation of investments classified as held-for-trading - net	-	28,386
Gain on sale of operating fixed assets - net	(2,274)	(32,030)
Gain on sale of non banking assets - net	(151,084)	(350)
	<u>6,836,159</u>	<u>538,672</u>
	<u>(510,962)</u>	<u>207,097</u>
<b>Increase / (decrease) in operating assets</b>		
Lendings to financial institutions	10,671,003	(5,446,741)
Held-for-trading securities	59,486	177,373
Advances - net	8,930,377	(7,924,785)
Other assets (excluding taxation) - net	161,971	2,116,735
	<u>19,822,837</u>	<u>(11,077,418)</u>
<b>(Decrease) / increase in operating liabilities</b>		
Bills payable	(1,073,683)	(2,245,346)
Borrowings	(29,758,130)	2,578,887
Deposits and other accounts	(58,905,625)	(5,280,153)
Other liabilities	(493,277)	544,778
	<u>(90,230,715)</u>	<u>(4,401,834)</u>
	<u>(70,918,840)</u>	<u>(15,272,155)</u>
	<u>(122,877)</u>	<u>(130,315)</u>
Income tax paid		
<b>Net cash (outflow) / inflow from operating activities</b>	<u>(71,041,717)</u>	<u>(15,402,470)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investment in available-for-sale securities	59,887,536	14,345,631
Dividend received	11,883	37,094
Investment in operating fixed assets	(529,090)	(763,245)
Sale proceeds from disposal of operating fixed assets	5,852	50,474
Sale proceeds from disposal of non banking assets	868,033	4,550
<b>Net cash inflow from investing activities</b>	<u>60,244,214</u>	<u>13,674,504</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of sub-ordinated loans	(345)	(345)
<b>Net cash outflow from financing activities</b>	<u>(345)</u>	<u>(345)</u>
<b>Decrease in cash and cash equivalents</b>	<u>(10,797,848)</u>	<u>(1,728,311)</u>
Cash and cash equivalents at beginning of the period	15,963,745	15,365,291
<b>Cash and cash equivalents at end of the period</b>	<u>17 5,165,897</u>	<u>13,636,980</u>

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018**

	Share Capital	Convertible preference shares	Advance against subscription of shares	Share premium	Capital reserves		Reserve arising on amalgamation	Revenue reserve	Total Reserves	Total
					Discount on issue of shares	Statutory reserve				
<b>Note</b>										
	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,315,201)	(11,227,542)	10,559,950
<b>Balance as at January 01, 2017 (Audited)</b>										
Changes in equity for the Nine month period ended September 30, 2017										
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	-	(427,784)	(427,784)	(427,784)
Loss after taxation for the nine months period ended September 30, 2017										
Other comprehensive income - net of tax										
Transfer to Statutory Reserve										
Transfer from surplus on revaluation of fixed assets								85,006	85,006	85,006
<b>Balance as at September 30, 2017 (Un-audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,357,979)	(11,580,520)	10,217,172
Changes in equity for the quarter ended December 31, 2017										
<b>Total comprehensive loss for the quarter</b>	-	-	-	-	-	-	-	(1,512,066)	(1,512,066)	(1,512,066)
Loss after taxation for the period ended December 31, 2017 - Restated										
Other comprehensive income for the quarter ended December 31, 2017										
Transfer from statutory reserve										
Transfer from surplus on revaluation of fixed assets										
Transactions with owners recorded directly in equity										
Issue of shares upon conversion of preference shares	6,739,977	(2,155,959)	-	-	(4,584,018)	-	-	-	(4,584,018)	-
Shares issued during the nine months period ended December 31, 2017	1,854,870	-	(1,854,870)	-	-	-	-	-	-	-
<b>Balance as at December 31, 2017 (Audited)-Restated</b>	26,381,510	-	-	1,000,000	(5,881,316)	154,162	(1,579,205)	(11,328,979)	(17,635,338)	8,746,172
Changes in equity for the Nine month period ended September 30, 2018										
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	-	(4,896,620)	(4,896,620)	(4,896,620)
Loss after taxation for the nine months period ended September 30, 2018										
Other comprehensive income - net of tax										
Transfer to statutory reserve										
Transfer from surplus on revaluation of fixed assets										
<b>Balance as at September 30, 2018 (Un-audited)</b>	26,381,510	-	-	1,000,000	(5,881,316)	154,162	(1,579,205)	(16,140,450)	(22,446,809)	3,934,701

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018**

**I. STATUS AND NATURE OF BUSINESS**

Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan. The Bank is a subsidiary of Suroor Investments Limited, a company incorporated in Mauritius, holding 66.77% of the issued, subscribed and paid up capital of the Bank as at September 30, 2018.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (2017: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

- I.1 In June 2018, VIS Credit Rating Company Limited assigned the Bank an entity rating of 'A-' (Single A minus) for the long term and 'A-1' (A-one) for the short term with outlook assigned as 'Rating Watch-Developing' status and the Bank's TFC was assigned a rating of 'A- (SO)' (Single A minus (Structured Obligation)). Subsequently, in November 2018, the Bank was assigned a medium to long-term rating of 'BBB- (Triple B minus) and short term rating of 'A-3' (A-three). While the Bank's TFC was assigned rating of 'BBB- (SO) (Triple B minus (Structured Obligation)). These ratings have been placed on 'Rating Watch- Negative' status. Furthermore, in February 2019, VIS Credit Rating Company Limited suspended the entity ratings of the Bank due to non-availability of updated information while the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark up payment on account of lock-in-clause invoked by the Bank under the applicable regulations of the State Bank of Pakistan (SBP). However, subsequently the TFC holders have approved extension in the maturity date of the TFC issue along with payment of all the instalments (mark-up and principal) till October 27, 2020, subject to applicable regulatory approvals and compliances. Moreover, VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials is made available.
- I.2 During the period, the Bank has incurred net loss of Rs. 4896.620 million resulting in accumulated loss of Rs. 16,140.450 million and net equity of Rs. 5,497.067 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.275% (inclusive of Capital Conservation Buffer of 1.275%) and Leverage Ratio (LR) at 3.00% as of September 30, 2018. However, the paid up capital of the Bank (net of losses), is below 10 billion and CAR and LR are negative as at September 30, 2018.

The Bank has been taking various steps to comply with the applicable capital requirements. In this respect, earlier in November 2016, the Board of Directors of the Bank had decided to evaluate the potential merger/amalgamation option with Sindh Bank Limited. After completion of the due diligence exercise and decision of the Board of Directors of the Bank on this matter, the requisite majority of the shareholders of the Bank in their extraordinary general meeting held on November 07, 2017 had given approval for proposed amalgamation of the Bank with and into Sindh Bank Limited, subject to regulatory approvals and compliances. However, proposed merger transaction could not be completed within the anticipated timeline and therefore both the banks decided to carry out a fresh due diligence exercise based on their audited financial statements of December 31, 2017. After completion of the fresh due diligence exercise based on the audited financial statement of December 31, 2017 and a fresh decision of the board of directors on this matter, the shareholders of the Bank in their extraordinary general meeting held on August 31, 2018 accorded their fresh approval for the proposed merger of the Bank with and into Sindh Bank Limited, subject to necessary regulatory approval and compliances, including but not limited to the permission of the Honourable Supreme Court of Pakistan. However, the proposed merger transaction could not proceed further and finally has been called-off during 1HY 2019.



In light of the above, the Bank is making best efforts to comply with applicable capital requirements through increase in capital / capital injection at the earliest. For this, the management has prepared a business plan, which has been approved by the Board.

This plan aims to improve the Bank's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Bank will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank.
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Bank;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Bank to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark up income

In this respect, the Bank has received a letter dated March 27, 2020 from H.E. Nasser Abdulla Hussain Lootah (Potential Investor) pursuant to which Potential Investor has communicated his intention to acquire at least a controlling stake in the Bank by subscribing to fresh equity in the Bank and investing amounts as may be necessary (subject to satisfactory due-diligence) to ensure that the Bank meets its Minimum Capital Requirements and Capital Adequacy Ratio requirement as prescribed by SBP. Moreover, in compliance with the requirements of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 applicable to such transaction, this was followed by a public announcement of potential investor of the intention to acquire at least 51% of the issued and paid up capital of the Bank together with the management control. The execution of proposed transaction is subject to due diligence and all regulatory and corporate approvals. Furthermore, the Bank has entered into an Exclusivity Agreement with the potential investor for the proposed transaction.

The management and the Board of Directors are of the view that once this capital injection transaction is successfully completed and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve the projected improvement in business results and compliance with all the applicable capital requirements.

## **2. BASIS OF PRESENTATION**

- 2.1** These unconsolidated condensed interim financial statements represent separate financial information of Summit Bank Limited in which investment in subsidiaries are accounted on the basis of direct equity interest rather than on the basis of reported results. Accordingly, the consolidated condensed interim financial statements have been presented separately.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing comprise of purchase of goods by banks from their customers and resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sale arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon. The Islamic Banking branches of the Bank have complied with the requirements set out under the Islamic Financial Accounting Standards issued by The Institute of Chartered Accountants of Pakistan (ICAP) and notified under the provisions of the Companies Act, 2017.

Key financial figures of the Islamic banking branches are disclosed in note 21 to the unconsolidated condensed interim financial statements.

### **3. STATEMENT OF COMPLIANCE**

**3.1** These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as 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 Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Wherever the requirement of provisions of Companies Act, 2017, Banking Companies Ordinance, 1962 and directives issued by the SBP and the SECP differ with the requirements of IAS-34 or IFAS, the requirement of the Companies Act, 2017, Banking Companies Ordinance, 1962 and the directives issued by SBP and SECP have been followed.

**3.2** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular Letter No.2 dated May 12, 2004 and the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. They do not include all of the information required for the full annual financial statements and these unconsolidated condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2017.

### **4. BASIS OF MEASUREMENT**

#### **4.1 Accounting Convention**

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except that certain operating fixed assets and certain non-banking assets have been stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value. Further, staff retirement benefits have been carried at present values as determined under the International Accounting Standards (IAS-19) (revised) 'Employee Benefits'.

#### **4.2 Functional and Presentation Currency**

These unconsolidated condensed interim financial statements have been presented in Pakistani Rupee, which is the Bank's functional and presentation currency.

### **5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**5.1** The principal accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of the unconsolidated condensed interim financial statements of the Bank for the year ended December 31, 2017 except for the following:

#### **Surplus / Deficit on Revaluation of Operating Fixed Assets**

The Companies Ordinance, 1984 (the repealed Ordinance) was repealed through the enactment of the Companies Act, 2017 dated October 04, 2017, the financial reporting requirements of the Companies Act, 2017 were only made applicable for reporting periods starting from January 01, 2018.

The repealed Ordinance specified the accounting treatment for the surplus on revaluation of fixed assets, where in, a deficit arising on revaluation of a particular property was to be adjusted against the total balance in the surplus account or, if no surplus existed, was to be charged to the profit and loss accounts as an impairment of the asset. However, the Companies Act, 2017 removed the specific provision allowing the above treatment and hence, a deficit arising on revaluation of a particular property is now to be accounted for in accordance with IAS-16, which required that such deficit is to be taken to the profit and loss account as an impairment.

Consequently, the Bank has changed its policy for accounting for a deficit arising on revaluation of fixed assets and accordingly, any surplus/deficit arising on revaluation of owned property and non-banking assets acquired in satisfaction of claims is accounted for at individual level.

The effect of this change in accounting policy, which is applied with retrospective effect, has no impact on these unconsolidated condensed interim financial statements.

## **5.2 New / Revised Standards, Interpretations and Amendments**

These are certain new and amended standards and interpretations that are mandatory for accounting periods beginning on or after January 01, 2018 but are considered not to be relevant or do not have any significant effect on the Bank's operations and therefore not detailed in these unconsolidated condensed interim financial statements.

## **6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The basis and methods used for critical accounting estimates and judgements adopted in these unconsolidated condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2017.

## **7. FINANCIAL RISK MANAGEMENT**

The Bank's Financial Risk Management objectives and policies are consistent with those disclosed in the annual financial statements of the Bank for the year ended December 31, 2017.

## 8. INVESTMENTS - NET

### Investments by types:

#### Held-for-trading securities

Ordinary shares - Listed	-	-	-	75,371	-	75,371
--------------------------	---	---	---	--------	---	--------

#### Available-for-sale securities

	September 30, 2018 (Un-audited)	Given as collateral	Total	December 31, 2017 (Audited) (Restated)	Given as collateral	Total
Market Treasury Bills	571,923	12,865,826	13,437,749	22,230,144	49,608,440	71,838,584
Pakistan Investment Bonds	1,734,248	12,314,537	14,048,785	2,787,576	10,574,058	13,361,634
GoP Ijarah Sukuks	84,000	4,150,000	4,234,000	4,793,854	-	4,793,854
Ordinary shares - Listed	391,767	3,755,914	4,147,681	4,189,781	52,510	4,242,291
Ordinary shares - Unlisted	2,830	-	2,830	2,830	-	2,830
Units of open end mutual funds-Listed	-	-	-	87,861	-	87,861
Preference shares - Unlisted	46,035	-	46,035	37,056	-	37,056
Term finance certificates - Listed	17,266	-	17,266	17,266	-	17,266
Term finance certificates - Unlisted	1,594,732	-	1,594,732	1,594,732	-	1,594,732
Sukuks	465,437	-	465,437	1,905,943	-	1,905,943
	<b>4,908,238</b>	<b>33,086,277</b>	<b>37,994,515</b>	<b>37,647,043</b>	<b>60,235,008</b>	<b>97,882,051</b>

#### Subsidiary

Ordinary shares - Unlisted	396,942	-	396,942	396,942	-	396,942
----------------------------	---------	---	---------	---------	---	---------

#### Investments at cost

	<b>5,305,180</b>	<b>33,086,277</b>	<b>38,391,457</b>	<b>38,119,356</b>	<b>60,235,008</b>	<b>98,354,364</b>
--	------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Provision held for diminution in the value of investments-net (note no. 8.1, 8.2 and 23)

	<b>(1,610,924)</b>	<b>(1,575,101)</b>	<b>(3,186,025)</b>	<b>(2,177,965)</b>	<b>-</b>	<b>(2,177,965)</b>
--	--------------------	--------------------	--------------------	--------------------	----------	--------------------

#### Investments - net of provisions

	<b>3,694,256</b>	<b>31,511,176</b>	<b>35,205,432</b>	<b>35,941,391</b>	<b>60,235,008</b>	<b>96,176,399</b>
--	------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Deficit on revaluation of held-for-trading securities-net

	-	-	-	(15,885)	-	(15,885)
--	---	---	---	----------	---	----------

Deficit on revaluation of available-for-sale securities-net

	<b>(63,914)</b>	<b>(885,872)</b>	<b>(949,786)</b>	<b>(1,071,134)</b>	<b>(149,135)</b>	<b>(1,220,269)</b>
--	-----------------	------------------	------------------	--------------------	------------------	--------------------

#### Total Investments at market value

	<b>3,630,342</b>	<b>30,625,304</b>	<b>34,255,646</b>	<b>34,854,372</b>	<b>60,085,873</b>	<b>94,940,245</b>
--	------------------	-------------------	-------------------	-------------------	-------------------	-------------------

(Un-audited) (Audited)  
September 30, December 31,  
2018 2017  
(Restated)

Note ----- (Rupees in '000) -----

### 8.1 Particulars of provision for diminution in the value of investments-net

Opening balance		2,177,965	1,922,043
Add: Charge for the period / year	23	1,035,052	558,752
Less: Reversals during the period / year		(26,992)	(253,279)
		<b>1,008,060</b>	<b>305,473</b>
Amounts written off		-	(49,551)
Closing balance		<b>3,186,025</b>	<b>2,177,965</b>

		(Un-audited) September 30, 2018	(Audited) December 31, 2017 (Restated)
	Note	----- (Rupees in '000) -----	
<b>8.2 Particulars of provision held for diminution in the value of investment respect of type and segment</b>			
<b>Available-for-sale securities</b>			
Ordinary shares - Listed		1,861,582	1,025,818
Ordinary shares - Unlisted		1,000	1,000
Term finance certificates - Listed		17,266	17,266
Term finance certificates - Unlisted	23	991,234	791,946
Sukuks		200,000	200,000
		<b>3,071,082</b>	<b>2,036,030</b>
<b>Subsidiary</b>		<b>114,943</b>	<b>141,935</b>
		<b><u>3,186,025</u></b>	<b><u>2,177,965</u></b>

## 9. ADVANCES - NET

Loans, cash credits, running finances, etc.- in Pakistan		79,329,109	84,228,224
Net investment in finance lease - in Pakistan		1,448,348	1,625,499
Islamic financing and related assets (Gross)	9.1 & 21.5	7,519,737	10,786,088
<b>Bills discounted and purchased</b>			
- Payable in Pakistan		145,293	181,146
- Payable outside Pakistan		2,126,377	2,710,353
		<b>2,271,670</b>	<b>2,891,499</b>
<b>Gross Advances</b>		<b>90,568,864</b>	<b>99,531,320</b>
<b>Provision against advances</b>			
- Specific Provision	9.2.1 & 23	(19,096,674)	(14,909,014)
- General Provision	9.2.1	(34,776)	(30,250)
		<b>(19,131,450)</b>	<b>(14,939,264)</b>
<b>Advances - Net of provision</b>		<b><u>71,437,414</u></b>	<b><u>84,592,056</u></b>

9.1 These represent Islamic financing and related assets placed under shariah permissible modes and presented in note 21 of these unconsolidated condensed interim financial statements.

9.2 Advances include Rs. 30,094.905 million (December 31, 2017 Rs.17,065.584 million) which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2018 (Un-audited)			December 31, 2017 (Audited) (Restated)		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
----- (Rupees in '000) -----						
Other Assets Especially Mentioned (OAE)	4,308	49	49	1,499	150	150
Substandard	6,564,522	1,718,132	1,718,132	38,112	2,519	2,519
Doubtful	5,872,506	1,667,561	1,667,561	960,566	265,840	265,840
Loss (note no. 23)	17,653,569	15,710,932	15,710,932	16,065,407	14,640,505	14,640,505
	<b><u>30,094,905</u></b>	<b><u>19,096,674</u></b>	<b><u>19,096,674</u></b>	<b><u>17,065,584</u></b>	<b><u>14,909,014</u></b>	<b><u>14,909,014</u></b>

**9.2.1 Particulars of provision against non-performing advances**

	Nine months period ended September 30, 2018 (Un-audited)			Year ended December 31, 2017 (Audited) (Restated)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	14,909,014	30,250	14,939,264	14,362,626	49,075	14,411,701
Charge for the period / year	4,517,416	4,526	4,521,942	1,840,713	-	1,840,713
Reversal during the period / year	(301,353)	-	(301,353)	(1,069,659)	(18,825)	(1,088,484)
	4,216,063	4,526	4,220,589	771,054	(18,825)	752,229
Amount written off	(28,403)	-	(28,403)	(224,666)	-	(224,666)
Closing balance	<b>19,096,674</b>	<b>34,776</b>	<b>19,131,450</b>	14,909,014	30,250	14,939,264

**9.2.2** The Bank has availed the Forced Sale Value (FSV) benefit of pledged stocks, mortgaged properties, plant and machinery, shares and Cash Margin/TDRs held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 3,808.654 million (2017: Rs. 1,440.852 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 2,475.625 million (2017: Rs. 936.553 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

The SBP has granted relaxation in provisioning requirements in respect of exposure in Dewan Group. Had this relaxation not been available, provision against loans and advances would have been higher by Rs. 205.502 million (2017: Rs. 205.502 million).

**9.2.3** As per the revised 'Prudential Regulations for Small and Medium Enterprises' Financing' issued by SBP vide IH & SMEFD Circular No 9 dated December 22, 2017 the requirement to maintain general reserve at 1% of secured small enterprises (SE) performing portfolio has been abolished while requirement for unsecured SE performing portfolio has been reduced from 2% to 1%. Moreover, for consumer financing performing portfolio, general reserve at 1% of secured and 4% of unsecured has been maintained pursuant to the revised 'Prudential Regulations for Consumer Financing' issued by the State Bank of Pakistan vide BPRD Circular No. 10 dated August 03, 2016. Moreover, 10% specific provision has been held against the SE financing falling in OAEM category i.e., where the principal / mark-up is over due by 90 days.

**10. OPERATING FIXED ASSETS**

	Note	(Un-audited) September 30, 2018	(Audited) December 31, 2017
		----- (Rupees in '000) -----	
Capital work-in-progress	10.1	4,313,530	4,933,281
Property and equipment	10.2	7,088,090	7,533,663
Intangible assets	10.3	158,882	197,640
		<b>11,560,502</b>	<b>12,664,584</b>

**10.1 Capital work-in-progress**

Civil works and related payments / progress billings	10.1.1	4,240,937	4,891,357
Advances to suppliers and contractors		72,593	41,924
Advances against capital work in progress - considered doubtful		1,204,830	141,224
Less: Provision there against		(1,204,830)	(141,224)
		-	-
		<b>4,313,530</b>	<b>4,933,281</b>

10.1.1 This includes costs incurred by the Bank on its self constructed multipurpose building. A portion of this building has been allocated to the Bank's head office and branch premises, while the rest has been earmarked for onward disposal in due course. Accordingly, on December 31, 2018, after completion of the project of construction cost allocated to head office and branch premises will be transferred to the building and equipment categories as per applicable accounting standards, while rest of the construction costs allocated to saleable portion together with allocable carrying value of land has been transferred to 'Other Assets' category.

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>10.2 Property and equipment</b>		
Book value at beginning of the period / year	7,533,663	7,533,938
Surplus on revaluation of fixed assets	-	140,614
Cost of additions / transfers during the period / year	78,259	598,723
Book value of deletions / write off during the period / year	(6,637)	(30,829)
Depreciation charge for the period / year	(517,195)	(703,113)
Impairment for the period / year	-	(5,670)
<b>Book value at end of the period / year</b>	<u>7,088,090</u>	<u>7,533,663</u>

**10.3 Intangible assets**

Book value at beginning of the period / year	197,640	244,725
Cost of additions during the period / year	6,974	14,593
Amortization charge for the period / year	(45,732)	(61,678)
<b>Book value at end of the period / year</b>	<u>158,882</u>	<u>197,640</u>

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	(Restated)	

Note ----- (Rupees in '000) -----

**11. DEFERRED TAX ASSETS-NET**

**Deferred debits arising in respect of:**

Provision against non performing loans	2,369,418	1,309,930
Provision for compensated absences	35,643	36,558
Provision against other assets	149,657	149,656
Provision against capital work in progress	43,107	43,107
Unrealised loss on held-for-trading securities	-	5,560
Unused tax losses	5,149,568	4,103,554
Provision for diminution in the value of investments	1,115,109	762,288
Deficit on revaluation of available-for-sale securities - net	332,424	427,094
	<u>9,194,926</u>	<u>6,837,747</u>

**Deferred credits arising in respect of:**

Surplus on revaluation of fixed assets	(422,583)	(452,385)
Surplus on revaluation of non-banking assets	(123,410)	(151,972)
Unrealized gain on forward exchange contracts	(3,557)	(30,429)
Operating fixed assets	(326,230)	(398,770)
	<u>(875,780)</u>	<u>(1,033,556)</u>

<b>11.1 &amp; 23</b>	<u>8,319,146</u>	<u>5,804,191</u>
----------------------	------------------	------------------



11.1 The net deferred tax asset has been recognized in accordance with the Bank's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the recognized deferred tax asset could be realized. The projections include certain key assumptions underlying managements' estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. Management believes that it is probable that the Bank would be able to achieve the profits and consequently, the recognized deferred tax asset will be fully realized in future.

## 12. OTHER ASSETS

Other assets includes non-banking assets acquired in satisfaction of claims (NBAs) amounting to Rs. 3,439.170 million as at September 30, 2018. These assets were acquired by the Bank from time to time for settlement of claim to safeguard the interest of the bank for ensuring maximum recoveries from the defaulting borrowers. To achieve reduction in the overall exposure in NBAs, Bank's sincere efforts are underway.

## 13. DEPOSITS AND OTHER ACCOUNTS

### Customers

Fixed deposits  
Savings deposits  
Current accounts - non-remunerative  
Margin accounts

### Financial institutions

Non-remunerative deposits  
Remunerative deposits

(Un-audited) (Audited)  
September 30, December 31,  
2018 2017  
----- (Rupees in '000) -----

11,116,326	32,124,431
36,930,126	51,529,761
28,801,467	43,977,485
4,974,131	5,518,752
<b>81,822,050</b>	<b>133,150,429</b>
1,413,055	1,541,778
3,588,977	11,037,500
<b>5,002,032</b>	<b>12,579,278</b>
<b>86,824,082</b>	<b>145,729,707</b>

## 14. CONTINGENCIES AND COMMITMENTS

### 14.1 Direct credit substitutes

Including guarantees and standby letters of credit serving as financial guarantees for loans and securities:

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
Government	-	-
Financial institutions	-	-
Others	<b>315,688</b>	288,532
	<b>315,688</b>	<b>288,532</b>

### 14.2 Transaction-related contingent liabilities / commitments / guarantees issued

Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit favouring:

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
Government	<b>14,896,676</b>	14,608,761
Banking companies and other financial institutions	<b>1,556,947</b>	1,605,724
Others	<b>5,677,219</b>	5,853,923
	<b>22,130,842</b>	<b>22,068,408</b>

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>14.3 Trade-related contingent liabilities</b>		
Letters of credit	8,425,249	14,839,940
Acceptances	1,080,593	1,276,921
	<u>9,505,842</u>	<u>16,116,861</u>
<b>14.4 Other contingencies - claims against Bank not acknowledged as debts</b>	<u>7,566,747</u>	<u>7,464,043</u>
<b>14.5 Contingent asset</b>		
There was no contingent asset as at September 30, 2018 (December 31, 2017: Nil).		
	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>14.6 Commitments in respect of forward lending</b>		
Forward documentary bills	3,001,652	3,639,137
Commitments to extend credit	8,733,238	17,792,426
	<u>11,734,890</u>	<u>21,431,563</u>
<b>14.7 Commitments in respect of forward exchange contracts</b>		
Purchase	6,072,820	5,484,447
Sale	4,075,548	4,303,310
	<u>10,148,368</u>	<u>9,787,757</u>
<b>14.8 Commitments for capital expenditure</b>		
Civil works and others	<u>241,794</u>	<u>455,583</u>
<b>14.9 Commitments in respect of repo transactions</b>		
Repurchase of securities	<u>10,977,155</u>	<u>40,243,259</u>

**14.10** Subsequent to the period end, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appointed a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently subjudice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.

## 15. TAXATION

The income tax returns of the Bank have been submitted up to and including the financial year ended December 31, 2016 i.e. tax year 2017.

In respect of assessments of Summit Bank Limited from tax year 2008 to tax year 2013, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand (net of rectification) of Rs. 230.52 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2011, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2010, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark-up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these unconsolidated condensed interim financial statements.

	Note	(Un-audited) September 30, 2018	(Un-audited) September 30, 2017
<b>16. BASIC AND DILUTED LOSS PER SHARE</b>	-----	(Rupees in '000)	-----
Loss for the period		<u>(4,896,620)</u>	<u>(427,784)</u>
		----- (Number of shares) -----	-----
<b>16.1 Weighted average number of ordinary shares - basic</b>		<u>2,638,151,060</u>	<u>2,168,966,870</u>
		----- (Rupees) -----	-----
Basic loss per share		<u>(1.86)</u>	<u>(0.20)</u>
		----- (Number of shares) -----	-----
<b>16.2 Weighted average number of ordinary shares - diluted</b>	<b>16.2.1</b>	<u>2,638,151,060</u>	<u>2,627,765,288</u>
		----- (Rupees) -----	-----
Diluted loss per share		<u>(1.86)</u>	<u>(0.20)</u>

**16.2.1** There are no potential ordinary shares outstanding as of September 30, 2018. Due to the anti dilutive effect of potential ordinary shares during last year, the diluted loss per share was reported same as basic loss per share.

	(Un-audited) September 30, 2018	(Un-audited) September 30, 2017
<b>17. CASH AND CASH EQUIVALENTS</b>	-----	(Rupees in '000) -----
Cash and Balance with Treasury Banks	<u>4,378,502</u>	<u>14,205,297</u>
Balance with other banks	<u>1,029,521</u>	<u>2,413,878</u>
Overdrawn nostro accounts	<u>(242,126)</u>	<u>(23,686)</u>
	<u><b>5,165,897</b></u>	<u><b>16,595,489</b></u>

## 18. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The basis for determination of fair values of various assets and liabilities and their hierarchies as disclosed in note 18.1 below are the same as those adopted in the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2017.

In the opinion of management, the fair value of the remaining financial assets and liabilities are either not significantly different from their carrying values and repriced periodically or cannot be calculated with sufficient reliability. Moreover, provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy.

### 18.1 Fair value hierarchy

September 30, 2018 (Un-audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

#### On balance sheet financial instruments

##### Financial assets-measured at fair value

##### Investments

Market treasury bills	-	13,426,182	-	13,426,182
Pakistan investment bonds	-	13,458,341	-	13,458,341
GOP ijarah sukus	-	4,132,556	-	4,132,556
Ordinary shares - Listed	2,039,837	-	-	2,039,837
Ordinary shares - Unlisted	-	-	1,834	1,834
Units of open end mutual funds - Listed	-	-	-	-
Preference shares - Unlisted	-	46,035	-	46,035
Term Finance Certificates and Sukus	-	868,866	-	868,866

##### Non-financial assets-measured at fair value

Operating fixed assets	-	-	6,434,607	6,434,607
Other assets	-	-	3,729,717	3,729,717
	-	-	10,164,324	10,164,324

##### Off balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	6,113,372	-	6,113,372
Forward sale of foreign exchange	-	4,105,936	-	4,105,936

December 31, 2017 (Audited) (Restated)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**On balance sheet financial instruments**

**Financial assets-measured at fair value**

**Investments**

Market treasury bills	-	71,840,364	-	71,840,364
Pakistan investment bonds	-	13,218,246	-	13,218,246
GOP ijarah sukuks	-	4,810,812	-	4,810,812
Ordinary shares - Listed	2,171,093	-	-	2,171,093
Ordinary shares - Unlisted	-	-	1,834	1,834
Units of open end mutual funds - Listed	68,806	-	-	68,806
Preference shares - Unlisted	-	37,056	-	37,056
Term Finance Certificates and Sukuks	1,089,632	1,447,399	-	2,537,031

**Non-financial assets-measured at fair value**

Operating fixed assets	-	-	6,744,652	6,744,652
Other assets	-	-	4,521,487	4,521,487
	-	-	11,266,139	11,266,139

**Off balance sheet financial instruments - measured at fair value**

Forward purchase of foreign exchange	-	5,672,541	-	5,672,541
Forward sale of foreign exchange	-	4,404,467	-	4,404,467

**Valuation techniques used in determination of fair value**

Item	Valuation approach and input used
Federal Government Securities	The fair values of Federal Government securities are determined using the PKRV rates.
Units of mutual funds	The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments as per latest available financial statements.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Operating fixed assets (land and building) and Non Banking Assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.

## 19. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:

	Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement /others	Total
----- (Rupees in '000) -----						
<b>For the period ended</b>						
<b>September 30, 2018 (Un-audited)</b>						
Total income	5,155	2,865,442	795,386	4,965,927	130,962	8,762,872
Total expenses	2,218	4,799,685	8,517,646	2,727,368	56,263	16,103,178
Net income / (loss) before tax	<u>2,937</u>	<u>(1,934,243)</u>	<u>(7,722,260)</u>	<u>2,238,559</u>	<u>74,699</u>	<u>(7,340,306)</u>
Segment return on assets (ROA) (%)	<u>26.10</u>	<u>-6.26</u>	<u>-98.08</u>	<u>3.54</u>	<u>6.65</u>	
Segment cost of funds (%)	<u>135.72</u>	<u>28.43</u>	<u>763.73</u>	<u>3.44</u>	<u>3.18</u>	
<b>For the period ended</b>						
<b>September 30, 2017 (Un-audited)</b>						
Total income	41,191	4,466,052	669,000	4,597,812	108,004	9,882,059
Total expenses	17,784	2,870,228	4,728,213	2,515,121	43,793	10,175,139
Net income / (loss) before tax	<u>23,407</u>	<u>1,595,824</u>	<u>(4,059,213)</u>	<u>2,082,691</u>	<u>64,211</u>	<u>(293,080)</u>
Segment return on assets (ROA) (%)	<u>29.22</u>	<u>2.38</u>	<u>-23.80</u>	<u>2.85</u>	<u>25.60</u>	
Segment cost of funds (%)	<u>195.08</u>	<u>9.83</u>	<u>383.49</u>	<u>2.17</u>	<u>1.84</u>	
<b>As at September 30, 2018 (Un-audited)</b>						
Segment assets (gross)	<u>15,005</u>	<u>44,388,823</u>	<u>11,429,568</u>	<u>103,060,424</u>	<u>2,701,444</u>	<u>161,595,264</u>
Segment non performing loans	-	-	<u>947,979</u>	<u>29,146,926</u>	-	<u>30,094,905</u>
Segment provision	-	<u>3,186,025</u>	<u>931,199</u>	<u>18,782,977</u>	<u>1,204,830</u>	<u>24,105,031</u>
Segment assets (net)	<u>15,005</u>	<u>41,202,798</u>	<u>10,498,369</u>	<u>84,277,447</u>	<u>1,496,614</u>	<u>137,490,233</u>
Segment liabilities	<u>2,179</u>	<u>22,512,107</u>	<u>1,487,024</u>	<u>105,632,731</u>	<u>2,359,125</u>	<u>131,993,166</u>
<b>As at December 31, 2017 (Audited) (Restated)</b>						
Segment assets (gross)	<u>98,370</u>	<u>112,601,523</u>	<u>22,422,441</u>	<u>113,931,843</u>	<u>808,013</u>	<u>249,862,190</u>
Segment non performing loans	-	-	<u>1,025,761</u>	<u>16,039,823</u>	-	<u>17,065,584</u>
Segment provision	-	<u>2,177,965</u>	<u>837,818</u>	<u>14,589,882</u>	-	<u>17,605,665</u>
Segment assets (net)	<u>98,370</u>	<u>110,423,558</u>	<u>21,584,623</u>	<u>99,341,961</u>	<u>808,013</u>	<u>232,256,525</u>
Segment liabilities	<u>10,879</u>	<u>48,613,085</u>	<u>1,933,551</u>	<u>167,858,238</u>	<u>3,599,658</u>	<u>222,015,411</u>

For the purpose of segmental reporting, unallocated items of income and expenses have been allocated to the above segments in proportion to segment revenue.

## 20. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent company, subsidiary company, entities having directors in common with the Bank, employee benefit plans and its directors and executive officers.

Details of transactions with the related parties, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

	September 30, 2018 (Un-audited)				December 31, 2017 (Audited)			
	Key management personnel	Directors	Parent company	Other related parties	Key management personnel	Directors	Parent company	Other related parties
	(Rupees in '000)							
<b>Advances</b>								
Balance at beginning of the year	409,534	-	-	1,213,053	374,233	-	-	1,078,078
Disbursements / granted during the period / year	40,474	-	-	3,259,889	293,128	-	-	3,889,335
Payments received / adjustments during the period / year	(171,126)	-	-	(3,629,394)	(207,827)	-	-	(3,754,360)
Balance at end of the period / year	278,882	-	-	843,548	409,534	-	-	1,213,053
<b>Deposits</b>								
Balance at beginning of the year	67,291	32,259	-	128,456	20,770	45,147	-	144,472
Deposits during the period / year	434,739	22,421	-	5,158,077	595,492	82,026	-	7,383,680
Withdrawals / adjustments during the period / year	(483,796)	(34,885)	-	(5,215,853)	(548,971)	(94,914)	-	(9,383,755)
Balance at end of the period / year	18,234	19,795	-	70,680	67,291	32,259	-	128,456
<b>Other balances</b>								
Shares issued during the period / year	-	-	-	-	-	137,541	5,060,450	-
Investment in shares / TFCs / Mutual Fund	-	-	-	281,999	-	-	-	255,007
Other receivable	2,533	-	579	5,897	4,821	-	488	6,271
Other payable	-	-	-	221	-	-	-	7,956
Mark-up receivable	524	-	-	33,547	825	-	-	2,939
Mark-up payable	126	79	-	7,655	168	85	-	876
<b>Contingencies and Commitments</b>								
Guarantees, letters of credit and acceptances	-	-	-	883,780	-	-	-	869,683
Commitments to extend credit	924	-	-	400,000	548	-	-	400,000



	September 30, 2018 (Un-audited)				September 30, 2017 (Un-audited)			
	Key management personnel	Directors	Parent company	Other related parties	Key management personnel	Directors	Parent company	Other related parties
(Rupees in '000)								
<b>Transactions, income and expenses</b>								
Purchase of investments	-	-	-	54,983	-	-	-	48,786
Disposal of investments	-	-	-	79,905	-	-	-	123,101
Brokerage expenses	-	-	-	-	-	-	-	3,781
Advertisement and Publicity	2,133	-	-	2,853	-	-	-	14,230
Subscription paid	-	-	-	205	-	-	-	50
Education and training	-	-	-	750	2,367	-	-	6,991
Capital (loss) / gain	-	-	-	2,193	-	-	-	3,102
Dividend income	-	-	-	(15,505)	-	-	-	1,315
Contribution to the provident fund	-	-	-	612	-	-	-	975
Contribution to the gratuity fund	-	-	-	52,465	-	-	-	59,139
Remuneration paid	140,348	-	-	45,967	-	-	-	44,572
Post employment benefits	4,573	-	-	-	171,347	-	-	-
Rental income	-	-	-	-	5,147	-	-	-
Mark-up earned	13,212	-	2,174	-	-	-	2,108	-
Mark-up expensed	509	667	-	67,930	11,635	-	-	49,556
Other income	-	-	-	30,461	188	644	-	23,197
Rental expense	-	-	-	26,857	-	-	-	84
(Reversal of provision)/provision for diminution in the value of investment	-	-	-	8,247	-	-	-	22,571
Fees paid	-	2,000	-	(26,992)	-	-	-	132,080
Professional charges	-	-	-	265	-	3,300	-	-

## 21. ISLAMIC BANKING OPERATIONS

- 21.1 The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 Islamic Banking Branches (IBBs) (December 31, 2017: 14 IBBs) and 35 Islamic Banking Windows (IBWs) (December 31, 2017: 35 IBWs) as at September 30, 2018.

BSD Circular letter No. 03 dated January 22, 2013 and BPRD circular letter no. 05 dated February 29, 2016 require all Islamic Banks / Other Banks with Islamic Banking Branches to present all financing and advances under Islamic modes of financing and any other related assets pertaining to Islamic mode of financing under the caption 'Islamic Financing and Related Assets' in the statement of financial position.

- 21.2 The condensed interim statement of financial position of Islamic Banking Operations as at September 30, 2018 is as follows:

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
ASSETS	----- (Rupees in '000) -----	
Cash and balances with treasury banks	104,839	1,293,159
Balances with other banks	97,825	435,524
Due from financial institutions	10,094,601	5,936,023
Investments	3,986	5,860,690
Islamic financing and related assets	21.5 7,510,605	10,779,551
Operating fixed assets	133,195	150,740
Deferred tax assets - net	4	-
Other assets	252,053	520,975
<b>TOTAL ASSETS</b>	<b>18,197,108</b>	<b>24,976,662</b>
	<b>LIABILITIES</b>	
Bills payable	155,016	212,856
Due to financial institutions	250,000	250,000
Deposits and other accounts		
- Current accounts	5,193,614	7,792,141
- Saving accounts	7,471,083	10,366,610
- Term deposits	1,182,170	2,132,391
- Others	559,409	633,563
- Deposits from financial institutions - remunerative	1,020,031	1,513,382
- Deposits from financial institutions - non - remunerative	76,539	111,158
Deferred tax liabilities - net	-	12,261
Other liabilities	480,011	387,758
	<b>16,387,873</b>	<b>23,412,120</b>
<b>NET ASSETS</b>	<b>1,809,235</b>	<b>1,564,542</b>
	<b>REPRESENTED BY :</b>	
Islamic banking fund	1,000,000	1,000,000
Reserves	-	-
Unappropriated profit	809,246	541,772
	<b>1,809,246</b>	<b>1,541,772</b>
(Deficit) / surplus on revaluation of assets - net of tax	(11)	22,770
	<b>1,809,235</b>	<b>1,564,542</b>

	(Un-audited) September 30, 2018	(Un-audited) September 30, 2017
	----- (Rupees in '000) -----	
<b>21.3 Remuneration to Shariah Advisor (RSBM) / Board for the period</b>	<b>9,034</b>	<b>8,372</b>
<b>21.4 Charitable fund</b>		
Opening balance	63	-
Addition during the period / year	924	121
Payment / utilization during the period / year	-	(58)
Closing balance	<b>987</b>	<b>63</b>
<b>21.5 Islamic financing and related assets</b>		
<b>Financings / investments / receivables</b>		
- Murabaha	276,530	697,323
- Ijarah	977,231	856,163
- Diminishing Musharakah	4,242,737	4,467,802
- Istisna	22,286	2,703
- Tijarah	874,645	2,613,090
- Running Musharakah	996,828	338,304
- Term Musharakah	-	520,000
- Other Islamic modes	-	-
	<b>7,390,257</b>	<b>9,495,385</b>
<b>Advances</b>		
- Advance against Murabaha	-	322,580
- Advance against Diminishing Musharakah	22,300	84,671
- Advance against Ijarah	23,063	74,074
	<b>45,363</b>	<b>481,325</b>
<b>Inventories</b>		
- Tijarah inventories	-	698,552
- Istisna inventories	84,117	110,836
	<b>84,117</b>	<b>809,388</b>
	<b>7,519,737</b>	<b>10,786,098</b>
Less: Provision against financing and advances - Specific	-	-
Less: Provision against financing and advances - General	(9,132)	(6,547)
	<b>7,510,605</b>	<b>10,779,551</b>

## 22. LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO

The SBP has introduced two liquidity standards through its guidelines on Basel III: Liquidity Standards. These are the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). The objective of LCR is to ensure that Banks have an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant stress scenario. The objective of NSFR is to reduce funding risk over a longer time horizon by requiring Banks to fund their activities with sufficiently stable sources of funding on an ongoing basis.

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>22.1 Liquidity Coverage Ratio</b>		
Total High quality liquid assets	33,237,823	45,312,100
Total Net cash outflows	34,907,394	40,041,207
Liquidity Coverage Ratio (%)	<u>95.22%</u>	<u>113.16%</u>
Minimum Requirement %	<u>90.00%</u>	<u>90.00%</u>
<b>22.2 Net Stable Funding Ratio</b>		
Total Available stable funding	75,797,942	108,281,876
Total Required stable funding	73,773,860	87,257,481
Net Stable funding Ratio (%)	<u>102.74%</u>	<u>124.09%</u>
Minimum Requirement %	<u>100.00%</u>	<u>100.00%</u>

## 23. RESTATEMENT

During the nine months period ended September 30, 2018, the Bank has identified an additional provision charge against a non-performing loan and an investment amounting to Rs. 929.814 million (net of tax Rs. 604.379 million) and Rs. 290.819 million (net of tax Rs.189.032 million) respectively that needs to be incorporated in the annual results for the financial year ended December 31, 2017 for better presentation. Accordingly, in compliance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', this amount has been accounted for by restating the comparative unconsolidated financial statements as at December 31, 2017. Had this provision not been accounted for by the Bank, investments and advances as at December 31, 2017 would have been higher by Rs. 290.819 million and Rs. 929.814 million respectively while accumulated losses and deferred tax assets as at December 31, 2017 would have been lower by Rs. 793.411 million and Rs. 427.222 million respectively.

## 24. GENERAL

- 24.1** The figures in the unconsolidated condensed interim financial statements have been rounded off to the nearest thousand.
- 24.2** Figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation.

## 25. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on September 18, 2020 by the Board of Directors of the Bank.

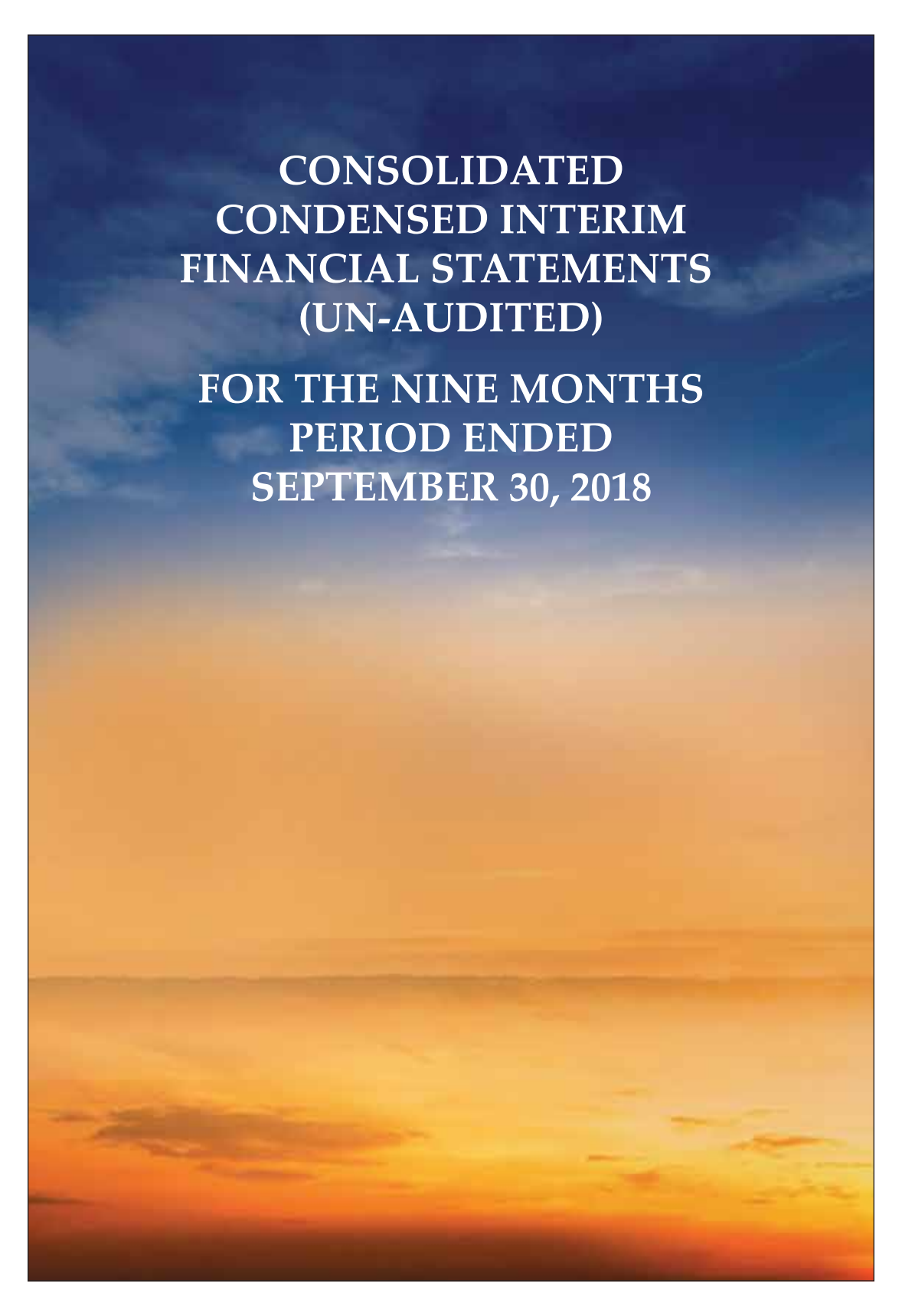
Acting President &  
Chief Executive

Chief Financial  
Officer

Director

Director

Director



**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE NINE MONTHS  
PERIOD ENDED  
SEPTEMBER 30, 2018**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2018**

		(Un-audited) September 30, 2018	(Audited) December 31, 2017 (Restated)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks		4,378,532	13,556,734
Balances with other banks		1,044,101	2,440,437
Lendings to financial institutions		-	10,671,003
Investments-net	8	34,013,529	94,732,789
Advances-net	9	71,438,612	84,592,830
Operating fixed assets-net	10	11,608,372	12,714,481
Deferred tax assets-net	11	8,284,280	5,759,878
Other assets	12	6,701,036	7,765,228
		<b>137,468,462</b>	<b>232,233,380</b>
<b>LIABILITIES</b>			
Bills payable		1,991,696	3,065,379
Borrowings		37,758,451	67,307,766
Deposits and other accounts	13	86,750,672	145,606,731
Sub-ordinated loans		1,495,515	1,495,860
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		3,998,181	4,494,151
		<b>131,994,515</b>	<b>221,969,887</b>
<b>NET ASSETS</b>		<b>5,473,947</b>	<b>10,263,493</b>
<b>REPRESENTED BY</b>			
Share capital		26,381,510	26,381,510
Reserves		(6,306,359)	(6,306,359)
Accumulated losses		(16,184,824)	(11,337,838)
		<b>3,890,327</b>	<b>8,737,313</b>
Surplus on revaluation of assets - net of tax		1,583,620	1,526,180
		<b>5,473,947</b>	<b>10,263,493</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	14		

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2018**

	Quarter ended		Nine months period ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	(Rupees in '000)			
<b>Note</b>				
Mark-up / return / interest earned	1,854,148	2,803,558	7,191,190	8,101,766
Mark-up / return / interest expensed	(1,638,891)	(2,074,038)	(5,381,757)	(5,764,361)
Net mark-up / interest income	215,257	729,520	1,809,433	2,337,405
(Provision) / reversal of provision against non-performing loans and advances - net	9.2.1 (2,763,183)	15,538	(4,220,589)	(40,043)
(Provision) / reversal of provision for diminution in the value of investments - net	8.1 (180,077)	1,541	(1,035,052)	105,579
Bad debts written off directly	(41)	(8,229)	(3,676)	(12,120)
	(2,943,301)	8,850	(5,259,317)	53,416
Net mark-up / interest (expense) / income after provisions	(2,728,044)	738,370	(3,449,884)	2,390,821
<b>NON MARK-UP / INTEREST INCOME</b>				
Fee, commission and brokerage income	233,905	317,297	803,788	934,558
Dividend income	1,626	24,316	7,050	38,869
Income from dealing in foreign currencies	200,481	180,266	613,086	459,257
(Loss) / gain on sale of securities - net	(51,486)	153,654	(25,839)	383,478
(Loss) / gain on disposal of operating fixed assets - net	(52)	5,322	2,274	32,697
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading - net	19,266	(15,577)	(460)	(48,856)
Other income	30,029	30,844	227,613	85,771
Total non-mark-up / interest income	433,769	696,122	1,627,512	1,885,774
	(2,294,275)	1,434,492	(1,822,372)	4,276,595
<b>NON MARK-UP / INTEREST EXPENSES</b>				
Administrative expenses	(1,505,540)	(1,515,520)	(4,368,787)	(4,519,369)
Other provisions / write-offs	(398)	(1,345)	(1,161,052)	(1,343)
Other charges	(5,921)	(6,437)	(29,761)	(17,322)
Total non-mark-up / interest expenses	(1,511,859)	(1,523,302)	(5,559,600)	(4,538,034)
	(3,806,134)	(88,810)	(7,381,972)	(261,439)
Extra ordinary / unusual items	-	-	-	-
<b>LOSS BEFORE TAXATION</b>	(3,806,134)	(88,810)	(7,381,972)	(261,439)
<b>Taxation</b>				
Current	15 (29,509)	(41,989)	(110,871)	(132,616)
Prior years	-	-	-	-
Deferred	2,737,293	(2,261)	2,560,708	(15,765)
	2,707,784	(44,250)	2,449,837	(148,381)
<b>LOSS AFTER TAXATION</b>	(1,098,350)	(133,060)	(4,932,135)	(409,820)
	(Rupees)			
<b>Basic loss per share</b>	16.1 (0.42)	(0.06)	(1.87)	(0.19)
<b>Diluted loss per share</b>	16.2 (0.42)	(0.06)	(1.87)	(0.19)

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director



**CONSOLIDATED CONDENSED INTERIM COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2018**

	Quarter ended		Nine months period ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	----- (Rupees in '000) -----			
<b>Loss after taxation for the period</b>	<b>(1,098,350)</b>	<b>(133,060)</b>	<b>(4,932,135)</b>	<b>(409,820)</b>
<b>Other comprehensive (loss) / income</b>	-	-	-	-
<b>Comprehensive loss transferred to consolidated condensed interim statement of changes in equity</b>	<b>(1,098,350)</b>	<b>(133,060)</b>	<b>(4,932,135)</b>	<b>(409,820)</b>
<b>Components of comprehensive (loss) / income not reflected in equity</b>				
(Deficit) / surplus on revaluation of available for-sale securities - net of tax	<b>(101,103)</b>	<b>(332,339)</b>	<b>165,830</b>	<b>(377,049)</b>
<b>Total comprehensive loss for the period</b>	<b>(1,199,453)</b>	<b>(465,399)</b>	<b>(4,766,305)</b>	<b>(786,869)</b>

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018**

	Nine months period ended	
	September 30, 2018	September 30, 2017
	Note	----- (Rupees in '000) -----
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(7,381,972)	(261,439)
Less: Dividend income	(7,050)	(38,869)
	<u>(7,389,022)</u>	<u>(300,308)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	519,730	529,475
Depreciation on non banking assets	33,572	21,902
Amortization	45,771	46,483
Provision against non-performing loans and advances - net	4,220,589	40,043
Bad debts written off directly	3,676	12,120
Other provisions / write offs made	1,161,052	1,343
Provision / (reversal of provision) for diminution in the value of investments - net	1,035,052	(105,579)
Unrealised loss on revaluation of investments classified as held-for-trading - net	460	48,856
Gain on sale of operating fixed assets - net	(2,274)	(32,697)
Gain on sale of non banking assets - net	(151,084)	(350)
	<u>6,866,544</u>	<u>561,596</u>
	<u>(522,478)</u>	<u>261,288</u>
<b>Increase / (decrease) in operating assets</b>		
Lendings to financial institutions	10,671,003	(5,446,741)
Held-for-trading securities	56,709	43,301
Advances - net	8,929,953	(7,833,480)
Other assets (excluding taxation) - net	176,372	2,078,856
	<u>19,834,037</u>	<u>(11,158,064)</u>
<b>(Decrease) / increase in operating liabilities</b>		
Bills payable	(1,073,683)	(2,245,346)
Borrowings	(29,758,130)	2,578,887
Deposits and other accounts	(58,856,059)	(5,235,107)
Other liabilities	(495,970)	533,333
	<u>(90,183,842)</u>	<u>(4,368,233)</u>
	<u>(70,872,283)</u>	<u>(15,265,009)</u>
	<u>(154,629)</u>	<u>(141,989)</u>
Income tax paid	(71,026,912)	(15,406,998)
<b>Net cash outflow from operating activities</b>		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investment in available-for-sale securities	59,887,538	14,352,630
Dividend received	12,118	37,468
Investment in operating fixed assets	(529,637)	(768,479)
Sale proceeds from disposal of operating fixed assets	5,852	52,885
Sale proceeds from disposal of non banking assets	868,033	4,550
<b>Net cash inflow from investing activities</b>	<u>60,243,904</u>	<u>13,679,054</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of sub-ordinated loans	(345)	(345)
<b>Net cash outflow from financing activities</b>	<u>(345)</u>	<u>(345)</u>
<b>Decrease in cash and cash equivalents</b>	<u>(10,783,353)</u>	<u>(1,728,289)</u>
Cash and cash equivalents at beginning of the period	15,963,860	15,365,467
<b>Cash and cash equivalents at end of the period</b>	<b>17</b>	<u>5,180,507</u>
		<u>13,637,178</u>

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2018**

	Share Capital	Convertible preference shares	Advance against subscription of shares	Capital reserves			Reserve arising on amalgamation	Revenue reserve	Total Reserves	Total
				Share premium	Discount on issue of shares	Statutory reserve				
Note	(Rupees in '000)									
<b>Balance as at January 01, 2017 (Audited)</b>	17,786,663	2,155,959	1,854,870	1,000,000	(1,297,298)	154,162	(1,579,205)	(9,541,930)	(11,264,271)	10,533,221
<b>Changes in equity for the Nine month period ended September 30, 2017</b>										
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	-	(409,820)	(409,820)	(409,820)
Loss after taxation for the nine months period ended September 30, 2017	-	-	-	-	-	-	-	(409,820)	(409,820)	(409,820)
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve	-	-	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	-
<b>Balance as at September 30, 2017 (Un-audited)</b>	<b>17,786,663</b>	<b>2,155,959</b>	<b>1,854,870</b>	<b>1,000,000</b>	<b>(1,297,298)</b>	<b>154,162</b>	<b>(1,579,205)</b>	<b>(9,866,744)</b>	<b>(11,589,085)</b>	<b>10,208,407</b>
<b>Changes in equity for the quarter ended December 31, 2017</b>										
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	-	(1,510,946)	(1,510,946)	(1,510,946)
Loss after taxation for the period ended December 31, 2017 - Restated	-	-	-	-	-	-	-	(1,510,946)	(1,510,946)	(1,510,946)
Other comprehensive income for the quarter ended December 31, 2017	-	-	-	-	-	-	-	11,469	11,469	11,469
Transfer from statutory reserve	-	-	-	-	-	-	-	(1,499,477)	(1,499,477)	(1,499,477)
Transfer from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	-
<b>Balance as at December 31, 2017 (Audited) - Restated</b>	<b>17,786,663</b>	<b>2,155,959</b>	<b>1,854,870</b>	<b>1,000,000</b>	<b>(5,881,316)</b>	<b>154,162</b>	<b>(1,579,205)</b>	<b>(11,337,838)</b>	<b>(17,644,197)</b>	<b>8,737,313</b>
<b>Changes in equity for the quarter ended September 30, 2018</b>										
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	-	(4,932,135)	(4,932,135)	(4,932,135)
Loss after taxation for the period ended September 30, 2018	-	-	-	-	-	-	-	(4,932,135)	(4,932,135)	(4,932,135)
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	-
<b>Balance as at September 30, 2018 (Un-audited)</b>	<b>17,786,663</b>	<b>2,155,959</b>	<b>1,854,870</b>	<b>1,000,000</b>	<b>(5,881,316)</b>	<b>154,162</b>	<b>(1,579,205)</b>	<b>(16,184,824)</b>	<b>(22,491,182)</b>	<b>3,890,327</b>

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.

Acting President &  
Chief Executive

Chief Financial Officer

Director

Director

Director

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018**

**I. STATUS AND NATURE OF BUSINESS**

**I.1 The Group comprises of:**

**I.1.1 Holding Company: Summit Bank Limited**

Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan. The Bank is a subsidiary of Suroor Investments Limited, a company incorporated in Mauritius, holding 66.77% of the issued, subscribed and paid up capital of the Bank as at September 30, 2018.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (2017: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

In June 2018, VIS Credit Rating Company Limited assigned the Group an entity rating of 'A-' (Single A minus) for the long term and 'A-1' (A-one) for the short term with outlook assigned as 'Rating Watch-Developing' status and the Group's TFC was assigned a rating of 'A- (SO)' (Single A minus (Structured Obligation)). Subsequently, in November 2018, the Bank was assigned a medium to long-term rating of 'BBB-' (Triple B minus) and short term rating of 'A-3' (A-three). While the Group's TFC was assigned rating of BBB- (SO) (Triple B minus (Structured Obligation)). These ratings have been placed on 'Rating Watch- Negative' status. Furthermore, in February 2019, VIS Credit Rating Company Limited suspended the entity ratings of the Group due to non-availability of updated information while the Group's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark up payment on account of lock-in-clause invoked by the Group under the applicable regulations of the State Bank of Pakistan (SBP). However, subsequently the TFC holders have approved extension in the maturity date of the TFC issue along with payment of all the instalments (mark-up and principal) till October 27, 2020, subject to applicable regulatory approvals and compliances. Moreover, VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials is made available.

**I.1.2 Subsidiary**

**Summit Capital Private Limited - 100 % Shareholding**

SCPL, the subsidiary company was incorporated in Pakistan on March 08, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The subsidiary company is a corporate member / TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the subsidiary company are equity and money market brokerage, interbank foreign exchange brokerage, commodity brokerage and research. The registered office of the Subsidiary is situated at 701-702, 7th Floor, Business and Finance Centre, opposite State Bank of Pakistan, I.I. Chundrigar Road, Karachi. The Group acquired interest in SCPL by virtue of amalgamation of Atlas Bank Limited.

- I.2** During the period, the Group has incurred net loss of Rs. 4,932.135 million resulting in accumulated loss of Rs. 16,184.824 million and net equity of Rs. 5,473.947 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.275% (inclusive of Capital Conservation Buffer of 1.275%) and Leverage Ratio (LR) at 3.00% as of June 30, 2018. However, the paid up capital of the Holding Company (net of losses), is below 10 billion and CAR and LR are negative as at September 30, 2018.

The Group has been taking various steps to comply with the applicable capital requirements. In this respect, earlier in November 2016, the Board of Directors of the Group had decided to evaluate the potential merger/amalgamation option with Sindh Bank Limited. After completion of the due diligence exercise and decision of the Board of Directors of the Group on this matter, the requisite majority of the shareholders of the Group in their extraordinary general meeting held on November 07, 2017 had given approval for proposed amalgamation of the Group with and into Sindh Bank Limited, subject to regulatory approvals and compliances. However, proposed merger transaction could not be completed within the anticipated timeline and therefore both the banks decided to carry out a fresh due diligence exercise based on their audited financial statements of December 31, 2017. After completion of the fresh due diligence exercise based on the audited financial statement of December 31, 2017 and a fresh decision of the board of directors on this matter, the shareholders of the Bank in their extraordinary general meeting held on August 31, 2018 accorded their fresh approval for the proposed merger of the Bank with and into Sindh Bank Limited, subject to necessary regulatory approval and compliances, including but not limited to the permission of the Honourable Supreme Court of Pakistan. However, the proposed merger transaction could not proceed further and finally has been called-off during 1H 2019.

In light of the above, the Group is making best efforts to comply with applicable capital requirements through increase in capital / capital injection at the earliest. For this, the management has prepared a business plan, which has been approved by the Board.

This plan aims to improve the Group's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Holding Company will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Group;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Holding Company to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark up income.

In this respect, the Group has received a letter dated March 27, 2020 from H.E. Nasser Abdulla Hussain Lootah (Potential Investor) pursuant to which Potential Investor has communicated his intention to acquire at least a controlling stake in the Group by subscribing to fresh equity in the Group and investing amounts as may be necessary (subject to satisfactory due-diligence) to ensure that the Group meets its Minimum Capital Requirements and Capital Adequacy Ratio requirement as prescribed by SBP. Moreover, in compliance with the requirements of Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 applicable to such transaction, this was followed by a public announcement of potential investor of the intention to acquire at least 51% of the issued and paid up capital of the Group together with the management control. The execution of proposed transaction is subject to due diligence and all regulatory and corporate approvals. Furthermore, the Group has entered into an Exclusivity Agreement with the potential investor for the proposed transaction.

The management and the Board of Directors are of the view that once this capital injection transaction is successfully completed and other key assumptions stipulated in the business plan materialize, the Group will be able to achieve the projected improvement in business results and compliance with all the applicable capital requirements.

## **2. BASIS OF PRESENTATION**

**2.1** These consolidated condensed interim financial statements represent financial statements of the Group-Summit Bank Limited and its subsidiary. The assets and liabilities of the subsidiary have been consolidated on a line-by-line basis and the investment held by the holding company is eliminated against the corresponding share capital of the subsidiary in these consolidated condensed interim financial statements.

**2.2** In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing comprise of purchase of goods by banks from their customers and resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sale arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon. The Islamic Banking branches of the Holding Company have complied with the requirements set out under the Islamic Financial Accounting Standards issued by The Institute of Chartered Accountants of Pakistan (ICAP) and notified under the provisions of the Companies Act, 2017.

**2.3** Key financial figures of the Islamic banking branches are disclosed in note 21 to the unconsolidated condensed interim financial statements.

### **2.4 Basis of Consolidation**

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed or has rights, to variable returns from its investment with investee and has the ability to offer those returns through its power over the investee.

These consolidated condensed interim financial statements incorporate the financial statement of the subsidiary from the date that control commences until the date that control ceases.

Non-controlling interests are that part of the net results of operations and of net assets of subsidiary attributable to the interest which are not owned by the Holding company. Material intra-group balances and transactions are eliminated.

## **3. STATEMENT OF COMPLIANCE**

**3.1** These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard IAS - 34 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB), as notified under 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 Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Wherever the requirement of provisions of Companies Act, 2017, Banking Companies Ordinance, 1962 or directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirement of the Companies Act, 2017, Banking Companies Ordinance, 1962 and the directives issued by SBP and SECP have been followed.

**3.2** The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular Letter no.2 dated May 12, 2004 and the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. They do not include all of the information required for the full annual financial statements and these consolidated condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2017.

#### **4. BASIS OF MEASUREMENT**

##### **4.1 Accounting Convention**

These consolidated condensed interim financial statements have been prepared under the historical cost convention, except that certain operating fixed assets and certain non-banking assets have been stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value. Further, staff retirement benefits have been carried at present values as determined under the International Accounting Standards (IAS-19) (revised) 'Employees Benefits'.

##### **4.2 Functional and Presentation Currency**

These consolidated condensed interim financial statements have been presented in Pakistani Rupee, which is the Group's functional and presentation currency.

#### **5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**5.1** The principal accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are same as those applied in the preparation of the financial statements of the Group for the year ended December 31, 2017 except for the following:

##### **Surplus / Deficit on Revaluation of Operating Fixed Assets**

The Companies Ordinance, 1984 (the repealed Ordinance) was repealed through the enactment of the Companies Act 2017 dated October 04, 2017, the financial reporting requirements of the Companies Act, 2017 were only made applicable for reporting periods starting from January 01, 2018.

The repealed Ordinance specified the accounting treatment for the surplus on revaluation of fixed assets, where in, a deficit arising on revaluation of a particular property was to be adjusted against the total balance in the surplus account or, if no surplus existed, was to be charged to the profit and loss accounts as an impairment of the asset. However, the Companies Act, 2017 removed the specific provision allowing the above treatment and hence, a deficit arising on revaluation of a particular property is now to be accounted for in accordance with IAS-16, which required that such deficit is to be taken to the profit and loss account as an impairment.

Consequently, the Group has changed its policy for accounting for a deficit arising on revaluation of fixed assets and accordingly, any surplus/deficit arising on revaluation of owned property and non-banking assets acquired in satisfaction of claims is accounted for at individual level,

The effect of this change in accounting policy, which is applied with retrospective effect, has no impact on these consolidated condensed interim financial statements.

##### **5.2 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards and interpretations that are mandatory for accounting periods beginning on or after January 01, 2018 but are considered not to be relevant or do not have any significant effect on the bank's operations and therefore not detailed in these consolidated condensed interim financial statements.



## 6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis and methods used for critical accounting estimates and judgements adopted in these consolidated condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Group for the year ended December 31, 2017

## 7. FINANCIAL RISK MANAGEMENT

The Bank's Financial Risk Management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2017.

## 8. INVESTMENTS-NET

September 30, 2018 (Un-audited)			December 31, 2017 (Audited) (Restated)		
Held by bank	Given as collateral	Total	Held by bank	Given as collateral	Total
----- (Rupees in '000) -----					

Investments by types:

### Held-for-trading securities

Ordinary shares - Listed	2,777	-	2,777	75,371	-	75,371
--------------------------	-------	---	-------	--------	---	--------

### Available-for-sale securities

Market Treasury Bills	571,923	12,865,826	13,437,749	22,230,144	49,608,440	71,838,584
Pakistan Investment Bonds	1,734,248	12,314,537	14,048,785	2,787,576	10,574,058	13,361,634
GoP Ijarah Sukuks	84,000	4,150,000	4,234,000	4,793,854	-	4,793,854
Ordinary shares - Listed	396,433	3,755,914	4,152,347	4,194,449	52,510	4,246,959
Ordinary shares - Unlisted	14,475	-	14,475	14,475	-	14,475
Units of open end mutual funds-Listed	-	-	-	87,861	-	87,861
Preference shares - Unlisted	46,035	-	46,035	37,056	-	37,056
Term finance certificates - Listed	17,266	-	17,266	17,266	-	17,266
Term finance certificates - Unlisted	1,594,732	-	1,594,732	1,594,732	-	1,594,732
Sukuks	465,437	-	465,437	1,905,943	-	1,905,943
	<b>4,924,549</b>	<b>33,086,277</b>	<b>38,010,826</b>	<b>37,663,356</b>	<b>60,235,008</b>	<b>97,898,364</b>

<b>Investments at cost</b>	<b>4,927,326</b>	<b>33,086,277</b>	<b>38,013,603</b>	<b>37,738,727</b>	<b>60,235,008</b>	<b>97,973,735</b>
----------------------------	------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Less: Provision held for diminution in the value of investments

(note no. 8.1, 8.2 and 23)	(1,495,981)	(1,575,101)	(3,071,082)	(2,036,030)	-	(2,036,030)
----------------------------	-------------	-------------	-------------	-------------	---	-------------

<b>Investments - net of provisions</b>	<b>3,431,345</b>	<b>31,511,176</b>	<b>34,942,521</b>	<b>35,702,697</b>	<b>60,235,008</b>	<b>95,937,705</b>
--	------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Deficit on revaluation of held-for-trading securities	(460)	-	(460)	(15,885)	-	(15,885)
---	-------	---	-------	----------	---	----------

Surplus / (deficit) on revaluation of available-for-sale securities	(42,660)	(885,872)	(928,532)	(1,039,896)	(149,135)	(1,189,031)
---	----------	-----------	-----------	-------------	-----------	-------------

<b>Total Investments at market value</b>	<b>3,388,225</b>	<b>30,625,304</b>	<b>34,013,529</b>	<b>34,646,916</b>	<b>60,085,873</b>	<b>94,732,789</b>
--	------------------	-------------------	-------------------	-------------------	-------------------	-------------------

		(Un-audited) September 30, 2018	(Audited) December 31, 2017 (Restated)
		----- (Rupees in '000) -----	
<b>8.1 Particulars of provision for diminution in the value of investments</b>	<b>Note</b>		
Opening balance		2,036,030	1,764,488
Add: Charge for the period / year	23	1,035,052	558,752
Less: Reversals during the period / year		-	(237,659)
		1,035,052	321,093
Amounts written off		-	(49,551)
Closing balance		3,071,082	2,036,030
 <b>8.2 Particulars of provision held for diminution in the value of investment in respect of type and segment</b>			
<b>Available-for-sale securities</b>			
Ordinary shares - Listed		1,861,582	1,025,818
Ordinary shares - Unlisted		1,000	1,000
Term finance certificates - Listed		17,266	17,266
Term finance certificates - Unlisted	23	991,234	501,127
Sukuks		200,000	200,000
		3,071,082	1,745,211

## 9. ADVANCES-NET

Loans, cash credits, running finances, etc.- in Pakistan		79,330,307	84,228,998
Islamic financing and related assets (Gross)	9.1 & 21.5	7,519,737	10,786,098
Net investment in finance lease - in Pakistan		1,448,348	1,625,499
Bills discounted and purchased (excluding Treasury Bills)			
- Payable in Pakistan		145,293	181,146
- Payable outside Pakistan		2,126,377	2,710,353
		2,271,670	2,891,499
Advances - gross		90,570,062	99,532,094
Provision against non-performing advances			
- Specific Provision	9.2.1 & 23	(19,096,674)	(14,909,014)
- General Provision	9.2.1	(34,776)	(30,250)
		(19,131,450)	(14,939,264)
<b>Advances - net of provision</b>		<b>71,438,612</b>	<b>84,592,830</b>

9.1 These represent Islamic financing and related assets placed under shariah permissible modes.

9.2 Advances include Rs. 30,094.905 million (December 31, 2017 Rs. 17,065.584 million) which have been placed under non-performing status as detailed below:

Category of classification	September 30, 2018 (Un-audited)			December 31, 2017 (Audited) (Restated)		
	Classified advances	Provision required	Provision held	Classified advances	Provision required	Provision held
----- (Rupees in '000) -----						
Other Assets Especially Mentioned (OAEM)	4,308	49	49	1,499	150	150
Substandard	6,564,522	1,718,132	1,718,132	38,112	2,519	2,519
Doubtful	5,872,506	1,667,561	1,667,561	960,566	265,840	265,840
Loss (note no. 23)	17,653,569	15,710,932	15,710,932	16,065,407	14,640,505	14,640,505
	<b>30,094,905</b>	<b>19,096,674</b>	<b>19,096,674</b>	<b>17,065,584</b>	<b>14,909,014</b>	<b>14,909,014</b>

### 9.2.1 Particulars of provision against non-performing advances

	Nine months period ended September 30, 2018 (Un-audited)			Year ended December 31, 2017 (Audited) (Restated)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	14,909,014	30,250	14,939,264	14,362,626	49,075	14,411,701
Charge for the period / year	4,517,416	4,526	4,521,942	1,840,713	-	1,840,713
Reversals during the period / year	(301,353)	-	(301,353)	(1,069,659)	(18,825)	(1,088,484)
	4,216,063	4,526	4,220,589	771,054	(18,825)	752,229
Amount written off	(28,403)	-	(28,403)	(224,666)	-	(224,666)
Closing balance	<b>19,096,674</b>	<b>34,776</b>	<b>19,131,450</b>	14,909,014	30,250	14,939,264

**9.2.2** The Bank has availed the Forced Sale Value (FSV) benefit of pledged stocks, mortgaged properties, plant and machinery, shares and Cash Margin/TDRs held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 3,808.654 million (2017: Rs. 1,440.852 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 2,475.625 million (2017: Rs. 936.553 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

The SBP has granted relaxation in provisioning requirements in respect of exposure in Dewan Group. Had this relaxation not been available, provision against loans and advances would have been higher by Rs. 205.502 million (2017: Rs. 205.502 million).

**9.2.3** As per the revised 'Prudential Regulations for Small and Medium Enterprises' Financing' issued by SBP vide IH & SMEFD Circular No 9 dated December 22, 2017 the requirement to maintain general reserve at 1% of secured small enterprises (SE) performing portfolio has been abolished while requirement for unsecured SE performing portfolio has been reduced from 2% to 1%. Moreover, for consumer financing performing portfolio, general reserve at 1% of secured and 4% of unsecured has been maintained pursuant to the revised 'Prudential Regulations for Consumer Financing' issued by the State Bank of Pakistan vide BPRD Circular No. 10 dated August 03, 2016. Moreover, 10% specific provision has been held against the SE financing falling in OAEM category i.e., where the principal / mark-up is over due by 90 days.

## 10. OPERATING FIXED ASSETS

	Note	(Un-audited) September 30, 2018	(Audited) December 31, 2017
		----- (Rupees in '000) -----	
Capital work-in-progress	10.1	4,316,030	4,937,534
Property and equipment	10.2	7,128,941	7,574,750
Intangible assets	10.3	163,401	202,197
		<b>11,608,372</b>	<b>12,714,481</b>

### 10.1 Capital work-in-progress

Civil works and related payments / progress billings	4,243,437	4,893,857
Advances to suppliers and contractors	72,593	43,677
Advances against capital work in progress - considered doubtful	1,204,830	141,224
Less: Provision there against	(1,204,830)	(141,224)
	<b>4,316,030</b>	<b>4,937,534</b>

10.1.1 This includes costs incurred by the Group on its self constructed multipurpose building. A portion of this building has been allocated to the Bank's head office and branch premises, while the rest has been earmarked for onward disposal in due course. Accordingly, on December 31, 2018, after completion of the project of construction cost allocated to head office and branch premises will be transferred to the building and equipment categories as per applicable accounting standards, while rest of the construction costs allocated to saleable portion together with allocable carrying value of land has been transferred to 'Other Assets' category.

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>10.2 Property and equipment</b>		
Book value at beginning of the period / year	7,574,750	7,575,163
Surplus on revaluation of fixed assets	-	140,614
Cost of additions / transfers during the period / year	80,561	604,109
Book value of deletions / write off during the period / year	(6,640)	(32,643)
Depreciation charge for the period / year	(519,730)	(706,823)
Impairment for the period / year	-	(5,670)
<b>Book value at end of the period / year</b>	<b>7,128,941</b>	<b>7,574,750</b>

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>10.3 Intangible assets</b>		
Book value at beginning of the period / year	202,197	252,711
Cost of additions during the period / year	6,975	14,593
Book value of deletions / write off during the period / year	-	(3,355)
Amortization charge for the period / year	(45,771)	(61,752)
<b>Book value at end of the period / year</b>	<b>163,401</b>	<b>202,197</b>

	(Un-audited) September 30, 2018	(Audited) December 31, 2017 (Restated)
	Note ----- (Rupees in '000) -----	
<b>II. DEFERRED TAX ASSETS-NET</b>		

**Deferred debits arising in respect of:**

Provision against non performing loans	2,369,418	1,309,930
Provision for compensated absences	35,643	36,592
Provision against other assets	149,657	149,656
Provision against capital work in progress	43,107	43,107
Unrealised loss on held-for-trading securities	-	5,560
Minimum tax	827	827
Alternative Corporate tax	4,539	4,512
Unused tax losses	5,149,568	4,103,555
Provision for diminution in the value of investments	1,074,877	712,611
Deficit on revaluation of available-for-sale securities - net	332,424	427,093
	<b>9,160,060</b>	<b>6,793,443</b>

**Deferred credits arising in respect of:**

Surplus on revaluation of fixed assets	(422,583)	(452,385)
Surplus on revaluation of non-banking assets	(123,410)	(151,972)
Unrealized gain on forward exchange contracts	(3,557)	(30,429)
Operating fixed assets	(326,230)	(398,779)
	<b>(875,780)</b>	<b>(1,033,565)</b>

<b>11.1 &amp; 23</b>	<b>8,284,280</b>	<b>5,759,878</b>
----------------------	------------------	------------------

11.1 The net deferred tax asset has been recognized in accordance with the Group's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the recognized deferred tax asset could be realized. The projections include certain key assumptions underlying managements' estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. Management believes that it is probable that the Group would be able to achieve the profits and consequently, the recognized deferred tax asset will be fully realized in future.

## 12. OTHER ASSETS

The aggregate carrying value of non-banking assets acquired in satisfaction of claims (NBAs) amounts to Rs. 3,458.535 million as at September 30, 2018. These assets were acquired by the Bank from time to time for settlement of claim to safeguard the interest of the bank for ensuring maximum recoveries from the defaulting borrowers. To achieve reduction in the overall exposure in NBAs, the Bank's sincere efforts are underway.

## 13. DEPOSITS AND OTHER ACCOUNTS

### Customers

Fixed deposits  
Savings deposits  
Current accounts - non-remunerative  
Margin accounts

### Financial institutions

Non-remunerative deposits  
Remunerative deposits

(Un-audited) (Audited)  
September 30, December 31,  
2018 2017

----- (Rupees in '000) -----

11,116,326	32,124,431
36,930,126	51,529,761
28,801,467	43,977,485
4,974,131	5,518,752
<b>81,822,050</b>	<b>133,150,429</b>
<b>1,371,083</b>	<b>1,476,093</b>
<b>3,557,539</b>	<b>10,980,209</b>
<b>4,928,622</b>	<b>12,456,302</b>
<b>86,750,672</b>	<b>145,606,731</b>

## 14. CONTINGENCIES AND COMMITMENTS

### 14.1 Direct credit substitutes

Including guarantees and standby letters of credit serving as financial guarantees for loans and securities:

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
Government	-	-
Financial institutions	-	-
Others	315,688	288,532
	<b>315,688</b>	<b>288,532</b>

### 14.2 Transaction-related contingent liabilities / commitments / guarantees issued

Contingent liability in respect of performance bonds, bid bonds, shipping guarantees and standby letters of credit favouring:

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
Government	14,896,676	14,608,761
Banking companies and other financial institutions	1,556,947	1,605,724
Others	5,677,219	5,853,923
	<b>22,130,842</b>	<b>22,068,408</b>

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>14.3 Trade-related contingent liabilities</b>		
Letters of credit	8,425,249	14,839,940
Acceptances	1,080,593	1,276,921
	<u>9,505,842</u>	<u>16,116,861</u>
<b>14.4 Other contingencies - claims against Group not acknowledged as debts</b>	<u>7,566,747</u>	<u>7,464,043</u>

**14.5 Contingent asset**

There was no contingent asset as at September 30, 2018 (December 31, 2017: Nil).

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>14.6 Commitments in respect of forward lending</b>		
Forward documentary bills	3,001,652	3,639,137
Commitments to extend credit	8,333,238	17,392,426
	<u>11,334,890</u>	<u>21,031,563</u>

**14.7 Commitments in respect of forward exchange contracts**

Purchase	6,072,820	5,484,447
Sale	4,075,548	4,303,310
	<u>10,148,368</u>	<u>9,787,757</u>

**14.8 Commitments for capital expenditure**

Civil works and others	<u>241,794</u>	<u>455,583</u>
------------------------	----------------	----------------

**14.9 Commitments in respect of repo transactions**

Repurchase of securities	<u>10,977,155</u>	<u>40,243,259</u>
--------------------------	-------------------	-------------------

**14.10** Subsequent to the period end, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appoint a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Group has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible. The matter is currently subjudice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Group.

**15. Taxation**

The income tax returns of the Bank have been submitted up to and including the financial year ended December 31, 2016 i.e. tax year 2017.

In respect of assessments of Summit Bank Limited from tax year 2008 to tax year 2013, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand (net of rectification) of Rs.230.52 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2011, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2010, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs.89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark-up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favorable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these unconsolidated condensed interim financial statements.

	Note	(Un-audited) September 30, 2018	(Un-audited) September 30, 2017
		----- (Rupees in '000) -----	
<b>16. BASIC AND DILUTED LOSS PER SHARE</b>			
Loss for the period		<u>(4,932,135)</u>	<u>(409,820)</u>
		----- (Number of shares) -----	
<b>16.1 Weighted average number of ordinary shares - basic</b>		<u>2,638,151,060</u>	<u>2,168,966,870</u>
		----- (Rupees) -----	
Basic loss per share		<u>(1.87)</u>	<u>(0.19)</u>
		----- (Number of shares) -----	
<b>16.2 Weighted average number of ordinary shares - diluted</b>	<b>16.2.1</b>	<u>2,638,151,060</u>	<u>2,627,765,288</u>
		----- (Rupees) -----	
Diluted loss per share		<u>(1.87)</u>	<u>(0.19)</u>

**16.2.1** There are no potential ordinary shares outstanding as of September 30, 2018. Due to the anti dilutive effect of potential ordinary shares during last year, the diluted loss per share was reported same as basic loss per share.

	(Un-audited) September 30, 2018	(Un-audited) September 30, 2017
	----- (Rupees in '000) -----	
<b>17. CASH AND CASH EQUIVALENTS</b>		
Cash and Balance with Treasury Banks	<u>4,378,532</u>	<u>12,394,988</u>
Balance with other banks	<u>1,044,101</u>	<u>1,482,166</u>
Overdrawn nostro accounts	<u>(242,126)</u>	<u>(239,976)</u>
	<u>5,180,507</u>	<u>13,637,178</u>

## 18. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The basis for determination of fair values of various assets and liabilities and their hierarchies as disclosed in note 18.1 below are the same as those adopted in the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2017.

In the opinion of management, the fair value of the remaining financial assets and liabilities are either not significantly different from their carrying values and repriced periodically or cannot be calculated with sufficient reliability. Moreover, provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy.

### 18.1 Fair value hierarchy

September 30, 2018 (Un-audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

#### On balance sheet financial instruments

##### Financial assets-measured at fair value

##### Investments

Market treasury bills	-	13,426,182	-	13,426,182
Pakistan investment bonds	-	13,458,341	-	13,458,341
GOP ijarah sukuk	-	4,132,556	-	4,132,556
Ordinary shares - Listed	2,068,073	-	-	2,068,073
Ordinary shares - Unlisted	-	-	62,917	62,917
Units of open end mutual funds - Listed	-	-	-	-
Preference shares - Unlisted	-	46,035	-	46,035
Term Finance Certificates and Sukuks	-	868,866	-	868,866

##### Non-financial assets-measured at fair value

Operating fixed assets	-	6,459,203	-	6,459,203
Other assets	-	3,749,082	-	3,749,082

##### Off-balance sheet financial instruments-measured at fair value

Forward purchase of foreign exchange	-	6,113,372	-	6,113,372
Forward sale of foreign exchange	-	4,105,936	-	4,105,936



December 31, 2017 (Audited) (Restated)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

**On balance sheet financial instruments**

**Financial assets-measured at fair value**

**Investments**

Market treasury bills	-	71,840,364	-	71,840,364
Pakistan investment bonds	-	13,218,246	-	13,218,246
GOP ijarah sukuks	-	4,810,812	-	4,810,812
Ordinary shares - Listed	2,206,999	-	-	2,206,999
Ordinary shares - Unlisted	-	-	55,152	55,152
Units of open end mutual funds - Listed	68,806	-	-	68,806
Preference shares - Unlisted	-	37,056	-	37,056
Term Finance Certificates and Sukuks	1,089,633	1,447,398	-	2,537,031

**Non-financial assets-measured at fair value**

Operating fixed assets	-	-	6,769,281	6,769,281
Other assets	-	-	4,541,147	4,541,147

**Off-balance sheet financial instruments  
- measured at fair value**

Forward purchase of foreign exchange	-	5,672,541	-	5,672,541
Forward sale of foreign exchange	-	4,404,467	-	4,404,467

**Valuation techniques used in determination of fair value**

Item	Valuation approach and input used
Federal Government Securities	The fair values of Federal Government securities are determined using the PKRV rates.
Units of mutual funds	The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments as per latest available financial statements.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Operating fixed assets (land and building) and Non Banking Assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Group's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.

## 19. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activity is as follows:

Corporate finance	Trading and sales	Retail banking	Commercial banking	Payment and settlement /others	Total
----- (Rupees in '000) -----					

**For the period ended**

**September 30, 2018 (Un-audited)**

Total income	5,155	2,865,442	788,994	4,965,927	193,184	8,818,702
Total expenses	2,217	4,825,558	8,515,718	2,724,078	133,103	16,200,674
Net income / (loss) before tax	2,938	(1,960,116)	(7,726,724)	2,241,849	60,081	(7,381,972)

Segment return on assets (ROA) (%)	58.86	-14.38	-222.18	7.98	9.64
------------------------------------	-------	--------	---------	------	------

Segment cost of funds (%)	304.53	64.30	1720.85	7.74	16.40
---------------------------	--------	-------	---------	------	-------

**For the period ended**

**September 30, 2017 (Un-audited)**

Total income	41,191	4,466,052	669,000	4,703,293	108,004	9,987,540
Total expenses	17,784	2,870,228	4,728,213	2,588,961	43,793	10,248,979
Net income / (loss) before tax	23,407	1,595,824	(4,059,213)	2,114,332	64,211	(261,439)

Segment return on assets (ROA) (%)	65.75	5.35	-53.54	6.52	57.61
------------------------------------	-------	------	--------	------	-------

Segment cost of funds (%)	438.93	22.12	862.85	5.03	4.15
---------------------------	--------	-------	--------	------	------

**As at September 30, 2018 (Un-audited)**

Segment assets (gross)	14,974	43,974,435	11,364,189	103,094,327	3,074,737	161,522,662
------------------------	--------	------------	------------	-------------	-----------	-------------

Segment non performing loans	-	-	947,979	29,146,926	-	30,094,905
------------------------------	---	---	---------	------------	---	------------

Segment provision	-	3,071,072	931,199	18,847,099	1,204,830	24,054,200
-------------------	---	-----------	---------	------------	-----------	------------

Segment assets (net)	14,974	40,903,363	10,432,990	84,247,228	1,869,907	137,468,462
----------------------	--------	------------	------------	------------	-----------	-------------

Segment liabilities	2,184	22,512,772	1,484,566	105,560,853	2,434,140	131,994,515
---------------------	-------	------------	-----------	-------------	-----------	-------------

**As at December 31, 2017 (Audited) (Restated)**

Segment assets (gross)	98,370	112,436,443	22,422,441	113,931,843	380,791	249,269,888
------------------------	--------	-------------	------------	-------------	---------	-------------

Segment non performing loans	-	-	1,025,761	16,039,823	-	17,065,584
------------------------------	---	---	-----------	------------	---	------------

Segment provision	-	1,745,211	837,818	13,660,068	-	16,243,097
-------------------	---	-----------	---------	------------	---	------------

Segment assets (net)	98,370	110,691,232	21,584,623	100,271,775	380,791	233,026,791
----------------------	--------	-------------	------------	-------------	---------	-------------

Segment liabilities	10,879	48,567,561	1,933,551	167,858,238	3,599,658	221,969,887
---------------------	--------	------------	-----------	-------------	-----------	-------------

For the purpose of segmental reporting, unallocated items of income and expenses have been allocated to the above segments in proportion to segment revenue.

**20. RELATED PARTY TRANSACTIONS**

The Group has related party transactions with its parent company, entities having directors in common with the Group, employee benefit plans and its directors and executive officers. Details of transactions with the related parties, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	September 30, 2018 (Un-audited)				December 31, 2017 (Audited)			
	Key management personnel	Directors	Parent company	Other related parties	Key management personnel	Directors	Parent company	Other related parties
	(Rupees in '000)							
<b>Advances</b>								
Balance at beginning of the year	409,534	-	-	1,213,053	324,233	-	-	1,078,078
Disbursements / granted during the period / year	40,474	-	-	3,259,889	293,128	-	-	3,889,335
Payments received / adjustments during the period / year	(171,126)	-	-	(3,629,394)	(207,827)	-	-	(3,754,360)
Balance at end of the period / year	278,882	-	-	843,548	409,534	-	-	1,213,053
<b>Deposits</b>								
Balance at beginning of the year	67,291	32,259	-	860,510	20,770	45,147	-	501,960
Deposits during the period / year	434,739	22,421	-	16,788,566	595,492	82,026	-	7,583,680
Withdrawals / adjustments during the period / year	(483,796)	(34,885)	-	(15,911,490)	(548,971)	(94,914)	-	(7,225,130)
Balance at end of the period / year	18,234	19,795	-	1,737,586	67,291	32,259	-	860,510
<b>Other balances</b>								
Shares issued during the period / year	-	-	-	-	-	137,541	5,060,450	-
Investment in shares / TFC's / Mutual Fund	-	-	-	205,339	-	-	-	277,781
Other receivable	2,533	-	579	5,897	4,821	-	488	45,882
Other payable	-	-	-	-	-	-	-	1,369
Mark-up receivable	524	-	-	33,547	825	-	-	19,981
Mark-up payable	126	79	-	7,655	168	85	-	1,175
<b>Contingencies and Commitments</b>								
Guarantees, letters of credit and acceptances	-	-	-	883,780	-	-	-	869,683
Commitments to extend credit	924	-	-	266,402	548	-	-	547,957

	September 30, 2018 (Un-audited)				September 30, 2017 (Un-audited)			
	Key management personnel	Directors	Parent company	Other related parties	Key management personnel	Directors	Parent company	Other related parties
(Rupees in '000)								
<b>Transactions, income and expenses</b>								
Purchase of investments	-	-	-	54,983	-	-	-	48,786
Disposal of investments	-	-	-	79,905	-	-	-	123,101
Brokerage expenses	-	-	-	-	-	-	-	3,781
Advertisement and Publicity	-	-	-	205	-	-	-	50
Brokerage income	123	-	-	-	620	-	-	6,991
Subscription paid	2,133	-	-	750	2,367	-	-	3,102
Education and training	-	-	-	2,193	-	-	-	1,315
Capital (loss) / gain	-	-	-	(15,505)	-	-	-	975
Dividend income	-	-	-	612	-	-	-	61,314
Contribution to the provident fund	-	-	-	54,681	-	-	-	46,372
Contribution to the gratuity fund	-	-	-	48,217	-	-	-	-
Remuneration paid	144,210	-	-	-	175,160	-	-	-
Post employment benefits	4,786	-	-	-	5,360	-	-	-
Rental income	-	-	-	-	-	-	-	-
Mark-up earned	13,212	-	-	67,930	11,635	-	-	49,556
Mark-up expensed	509	667	-	30,461	188	644	-	23,197
Other income	-	-	-	-	-	-	-	-
Rental expense	-	-	-	26,857	-	-	-	22,571
Provision for diminution in the value of investment	-	-	-	8,247	-	-	-	132,080
Fees paid	-	2,000	-	-	-	3,300	-	-
Professional charges	-	-	-	265	-	-	-	-

## 21. ISLAMIC BANKING OPERATIONS

- 21.1 The Group commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 Islamic Banking Branches (IBBs) (December 31, 2017: 14 IBBs) and 35 Islamic Banking Windows (IBWs) (December 31, 2017: 35 IBWs) as at September 30, 2018.

BSD Circular letter No. 03 dated January 22, 2013 and BPRD circular letter no. 05 dated February 29, 2016 require all Islamic Banks / Other Banks with Islamic Banking Branches to present all financing and advances under Islamic modes of financing and any other related assets pertaining to Islamic mode of financing under the caption 'Islamic Financing and Related Assets' in the statement of financial position.

- 21.2 The condensed interim statement of financial position of Islamic Banking Operations as at September 30, 2018 is as follows:

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
<b>Note</b>	-----	-----
	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	104,839	1,293,159
Balances with other banks	97,825	435,524
Due from financial institutions	10,094,601	5,936,023
Investments	3,986	5,860,690
Islamic financing and related assets	21.5 7,510,605	10,779,551
Operating fixed assets	133,195	150,740
Deferred tax assets - net	4	-
Other assets	252,053	520,975
<b>TOTAL ASSETS</b>	<b>18,197,108</b>	<b>24,976,662</b>
<b>LIABILITIES</b>		
Bills payable	155,016	212,856
Due to financial institutions	250,000	250,000
Deposits and other accounts		
- Current accounts	5,193,614	7,792,141
- Saving accounts	7,471,083	10,366,610
- Term deposits	1,182,170	2,132,391
- Others	559,409	633,563
- Deposits from financial institutions - remunerative	1,020,031	1,513,382
- Deposits from financial institutions - non - remunerative	76,539	111,158
Deferred tax liabilities - net	-	12,261
Other liabilities	480,011	387,758
	<b>16,387,873</b>	<b>23,412,120</b>
<b>NET ASSETS</b>	<b>1,809,235</b>	<b>1,564,542</b>
<b>REPRESENTED BY :</b>		
Islamic banking fund	1,000,000	1,000,000
Reserves	-	-
Unappropriated profit	809,246	541,772
	<b>1,809,246</b>	<b>1,541,772</b>
(Deficit) / surplus on revaluation of assets - net of tax	(11)	22,770
	<b>1,809,235</b>	<b>1,564,542</b>

	Un-audited September 30, 2018	Un-audited September 30, 2017
	----- (Rupees in '000) -----	
<b>21.3 Remuneration to Shariah Advisor (RSBM) / Board for the period</b>	<u>9,034</u>	<u>8,931</u>
	<b>(Un-audited) September 30, 2018</b>	<b>(Audited) December 31, 2017</b>
	----- (Rupees in '000) -----	
<b>21.4 Charitable fund</b>		
Opening balance	63	-
Addition during the period / year	924	121
Payment / utilization during the period / year	-	(58)
Closing balance	<u>987</u>	<u>63</u>
<b>21.5 Islamic financing and related assets</b>		
<b>Financings / investments / receivables</b>		
- Murabaha	276,530	697,323
- Ijarah	977,231	856,163
- Diminishing Musharakah	4,242,737	4,467,802
- Istisna	22,286	2,703
- Tijarah	874,645	2,613,090
- Salam	-	-
- Running Musharakah	996,828	338,304
- Term Musharakah	-	520,000
- Other Islamic modes	-	-
	<u>7,390,257</u>	9,495,385
<b>Advances</b>		
- Advance against Murabaha	-	322,580
- Advance against islamic export refinance - murabaha	-	-
- Advance against Diminishing Musharakah	22,300	84,671
- Advance against Ijarah	23,063	74,074
	<u>45,363</u>	481,325
<b>Inventories</b>		
- Tijarah inventories	-	698,552
- Istisna inventories	84,117	110,836
	<u>84,117</u>	809,388
	<u>7,519,737</u>	10,786,098
Less: Provision against financing and advances - Specific	-	-
Less: Provision against financing and advances - General	(9,132)	(6,547)
	<u>7,510,605</u>	<u>10,779,551</u>

## 22. LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO

The SBP has introduced two liquidity standards through its guidelines on Basel III: Liquidity Standards. These are the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). The objective of LCR is to ensure that Banks have an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant stress scenario. The objective of NSFR is to reduce funding risk over a longer time horizon by requiring Banks to fund their activities with sufficiently stable sources of funding on an ongoing basis.

	(Un-audited) September 30, 2018	(Audited) December 31, 2017
	----- (Rupees in '000) -----	
<b>22.1 Liquidity Coverage Ratio</b>		
Total High quality liquid assets	33,237,823	45,312,100
Total Net cash outflows	34,907,394	40,041,207
Liquidity Coverage Ratio (%)	<u>95.22%</u>	<u>113.16%</u>
Minimum Requirement %	<u>90.00%</u>	<u>90.00%</u>
<b>22.2 Net Stable Funding Ratio</b>		
Total Available stable funding	75,797,942	108,281,876
Total Required stable funding	73,773,860	87,257,481
Net Stable funding Ratio (%)	<u>102.74%</u>	<u>124.09%</u>
Minimum Requirement %	<u>100.00%</u>	<u>100.00%</u>

## 23. RESTATEMENT

During the nine months period ended September 30, 2018, the Group has identified an additional provision charge against a non-performing loan and an investment amounting to Rs. 929.814 million (net of tax Rs. 604.379 million) and Rs. 290.819 million (net of tax Rs.189.032 million) respectively that needs to be incorporated in the annual results for the financial year ended December 31, 2017 for better presentation. Accordingly, in compliance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', this amount has been accounted for by restating the comparative consolidated financial statements as at December 31, 2017. Had this provision not been accounted for by the Holding Company, investments and advances as at December 31, 2017 would have been higher by Rs. 290.819 million and Rs. 929.814 million respectively while accumulated losses and deferred tax assets as at December 31, 2017 would have been lower by Rs. 793.411 million and Rs. 427.222 million respectively.

## 24. GENERAL

- 24.1** The figures in the consolidated condensed interim financial statements have been rounded off to the nearest thousand.
- 24.2** Figures have been re-arranged and re-classified, wherever necessary, for the purpose of better presentation.

## 25. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on September 18, 2020 by the Board of Directors of the Group.

\_\_\_\_\_  
Acting President &  
Chief Executive

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

## BRANCH NETWORK

CONVENTIONAL BANKING BRANCHES

### KARACHI

#### Abdullah Haroon Road Branch

282/3, Abdullah Haroon Road, Area, Saddar, Karachi  
Tel: 021-35685269, 35685393, 35685940  
Fax: 021-35683991

#### Adamjee Nagar Branch

115-A/Z, Block 7/8, Tipu Sultan Road, Karachi  
Tel: 021-34312984-9  
Fax: 021-34312980

#### Atrium Mall Branch

Shop No. 6 and 21 Ground floor, Plot No. 249, Atrium Mall, Staff Lines, Zaibunnisa Street, Saddar, Karachi  
Tel: 021-35641001-7  
Fax: 021-35641008

#### Badar Commercial Branch

Plot No. 41-C, Badar Commercial, Street No. 10, Phase-V Extension, DHA Karachi  
Tel: 021-35348501-3  
Fax: 021-35348504

#### Bahadur Shah Center Branch

Bahadur Shah Center, Urdu Bazar, Off: M.A. Jinnah Road, Karachi  
Tel: 021-32768547, 32768559  
Fax: 021-32765083

#### Bahadurabad Branch

Plot # C-23, Shop # 1&2 Block-3, BMC Commercial Area Bahadurabad, Karachi  
Tel: 021-34913447 & 49  
Fax: 021-34913453

#### Barkat-e- Hyderi Branch

Almas Square, Block-G, North Nazimabad, Karachi  
Tel: 021-36628931, 36706896-7  
Fax: 021-36723165

#### Burns Road Branch

Plot No. 55-A, Survey Sheet A.M., Artillery Maidan Quarters (Burns Road), Karachi.  
Tel: 021-32215174, 75 & 76  
Fax: 021-32215289

#### Clifton Branch

Pearl Heaven Apartments, Khayaban-e-Roomi, Block No-5, Clifton, Karachi  
Tel: 021-35823469, 35824171, 35823619  
Fax: 021-35821463

#### Cloth Market Branch

41, Saleh Muhammad Street, Cloth Market, Karachi  
Tel: 021-32461601-03 & 32461605  
Fax: 021-32461608

#### Defence Branch

55-C, Phase-II, D.H.A, Opp Toyota Motors, Main Korangi Road, Karachi.  
Tel: 021-35387809-35396263 - 35312592  
Fax: 021-35387810

#### DHA Phase I Branch

101-C, Commercial Area 'B', Phase-I DHA, Karachi  
Tel: 021-35314061, 35314063-67, 35314105  
Fax: 021-35314070

#### DHA Phase IV Branch

Plot # 129, 9th Commercial Street, Phase IV, DHA, Karachi  
Tel: 021-35313068-70  
Fax: 021-35313071

#### Dhoraji Colony Branch

Plot No. 133, Block No. 7 & 8 Dhoraji Colony, C.P & Berar Co-operative Housing Society, Karachi  
Tel: 021-34860773-75  
Fax: 021-34860772

#### Dolmen City Branch

Ground Floor Harbor Front, Triangular Towers, Dolmen City Marine Drive Phase IV, Clifton, Karachi  
Tel: 021-35297611-15  
Fax: 021-35297610

#### Electronic Market (Abdullah Haroon Road) Branch

Shop No 1 & 2, Plot # 19, Ghafoor Chambers, Preedy Quarters, Saddar, Karachi  
Tel: 021-32711614-8  
Fax: 021-32716113

#### Fish Harbour Branch

K - 3, Export Zone, Adjacent Main Auction Hall, Fish Harbour, Karachi  
PABX: 021-32315383 - 85  
Fax: 021-32315386

#### Garden East Branch

Shop No. 1,2,3,4,5 & 6, Jumani Centre Plot No. 177-B, Garden East, Karachi  
Tel: 021-32243311-13  
Fax: 021-32243314

#### Gulistan-e-Jauhar - Branch 1

Plot # 118/A-B, Shop # 02, 03, 04 Ground Floor Rufi Paradise Block-18 Gulistan-e-Jauhar, Karachi  
Tel: 021-34621281-4  
Fax: 021-34621285

#### Gulistan-e-Jauhar - Branch 2

Shop No. 5, 6, 7 & Office No. D-2, Farhan Centre Block No. 1. Gulistan-e-Jauhar, Karachi  
Tel: 021-34022259, 34613674, 34016488-9  
Fax: 021-34022639



**Gulshan-e-Iqbal - Branch 1**

Ground Floor, Hasan Center, Block-16, Main University Road, Karachi  
Tel: 021-34829024-27  
Fax: 021-34829023

**Gulshan-e-Iqbal - Branch 2**

B-44, Block 13/A, Main University Road, Gulshan-e-Iqbal, Karachi  
Tel: 021-34987688, 34987739-40  
Fax: 021-34987689

**Hyderi Branch**

D-10 Block-F, North Nazimabad, Hyderi, Karachi.  
Tel: 021-36724991-4  
Fax: 021-36724972

**Unitower I. I. Chundrigar Road Branch I**

Uni Towers, I.I. Chundrigar Road, Karachi.  
Tel: 021-32466410-13  
Fax: 021-32466500

**Jami Commercial, DHA Branch**

64 C, Jami Commercial Phase VII, 7th Street, DHA, Karachi  
Tel: 021-35316200-07  
Fax: 021-35316199

**Jamshed Quarters Branch**

Showroom no. 3 & 4, AB Arcade Plot # 714-6-I Block A, New M.A. Jinnah Road, Karachi  
Tel: 021-34860422-23, 34860425  
Fax: 021-34860424

**Jodia Bazar - Branch I**

A/25/28 Daryalal Street, Jodia Bazar, Karachi  
Tel: 021-32500121-5  
Fax: 021-32500128

**Karachi Stock Exchange Branch**

Office No. 52, 52-A, 52-B, (1st Floor) KSE Building, Karachi  
Tel: 021-32462850, 32462844-9  
Fax: 021-32462843

**Karimabad Branch**

Plot No BS-16, Block 1, FB Area, Karimabad, Karachi  
Tel: 021-36826646-48  
Fax: 021-36826649

**Khayaban-e-Shahbaz Branch**

Plot No. 21-C Khayaban-e-Shahbaz, Phase VI, DHA, Karachi  
Tel: 021-35344952, 353444957 & 35344963  
Fax: 021-35344942

**Khayaban-e-Tanzeem Branch**

C 4-C, Tauheed Commercial, Khayaban-e-Tanzeem, Phase-5, DHA, Karachi  
Tel: 021-35869147-35810977 & 35871640  
Fax: 021-35869342

**Korangi Industrial Area Branch**

33/I, Sector-15, Korangi Industrial Area, Karachi  
Tel: 021-35114290, 35121294, 35122231-32  
Fax: 021-35114282

**M.A. Jinnah Road Branch**

Mezzanine & Ground Floor, Plot Survey # 19, Street # R.B.6. Shop # 3, 4, Ram Bagh Quarters 166 M.A. Jinnah Road, Karachi  
Tel: 021-32218395, 32218409, 32218428  
Fax: 021-32218376

**Muhammad Ali Society Branch**

Plot # 4-C Commercial Area, Muhammad Ali Co-Operative Housing Society, Karachi  
Tel: 021-34168036-37  
Fax: 021-34186045

**Nazimabad (Gol Market) Branch**

Plot # 7, Sub Block 'E', in Block # III (III-E-7), Nazimabad (Gole Market), Karachi  
Tel: 021-36620261-63 & 36620267  
Fax: 021-36620264

**New Challi Branch**

Plot No. 27, Survey No. 27, (New Challi), Altaf Hussain Road, Karachi.  
Tel: 021 - 32423999 - 32423737  
Fax: 021 - 32422051

**North Karachi Industrial Area Branch**

Plot No. R-14, Gabol Town, North Karachi Industrial Area, Karachi  
Tel: 021-32015919, 36995925 & 36963445  
Fax: 021-36975919

**Sea View, Clifton Branch, Karachi**

Plot No. G - 2, Block 2, (Ground Floor), Clifton, Karachi.  
Tel: 021 - 3572020 -22  
Fax: 021 - 3572023

**PAF-Base Faisal Branch**

Camp-2, Faisal Arcade, PF-I, Market PAF-Base Faisal, Karachi  
PABX: 021-34601360-62  
Fax: 021-34601363

**Paper Market Branch**

Al-Abbas Centre, Paper Market, Shahrah-e-Liaquat, Karachi  
Tel: 021-32639671-2 & 32634135  
Fax: 021-32639670

**Plaza Quarters Branch**

Al-Shafi Building Noman Street, Off: M.A. Jinnah Road, Karachi  
Tel: 021-32771515-16-18  
Fax: 021-32771517

**Ranchore Line Branch**

R.C. 11, Old Survey # E-7/143, Ranchore Line, New Lakhpati Hotel, Karachi  
Tel: 021-32767234-36  
Fax: 021-32767460

**Rizvia Society Branch**

B-12, Rizvia Cooperative Society, Nazimabad, Karachi  
Tel: 021-36600956-57  
Fax: 021-36600958

**S.I.T.E. Branch**

B/9-B/3, Near Metro Chowrangi, S.I.T.E., Area, Karachi  
Tel: 021-32586801-4, 32587166-8  
Fax: 021-32586806

**Saeedabad Branch**

Plot # 1004/1 & 1004-A/1 (5G/102-A & 5G/012-A/2), Saeedabad, Baldia, Mahajir Camp, Karachi  
Tel: 021-32815092-94  
Fax: 021-32815095

**Shahrah-e-Faisal - Branch II**

Business Avenue Block-6, P.E.C.H.S., Karachi  
Tel: 021-34386417-18 & 34374476  
Fax: 021-34531819

**Shershah Branch**

Plot # D-175, Industrial Trading Estate Area, Trans Lyari Qtrrs, Shershah, Karachi  
Tel: 021-32588191-93  
Fax: 021-32588195

**Soldier Bazar Branch**

Shop # 4, 5 & 6, Plot No 14, Survey # 13-B-2, Soldier Bazar Quarters, Karachi  
Tel: 021-32231559-60  
Fax: 021-32231556

**Steel Market Branch**

Ground Floor, Shop # G-13, 14, 32, 33 Steel Market, Ranchore lines Quarters, Karachi  
Tel: 021-32763001-07  
Fax: 021-32763009

**Tariq Road Branch**

C-51, Central Commercial Area, Near Pizza Max Tariq Road, P.E.C.H.S., Karachi  
Tel: 021-34556486, 34556682  
Fax: 021-34555478

**Timber Market Branch**

Siddique Wahab Road, Karachi  
Tel: 021-32732729, 32766995  
Fax: 021-32733214

**Malir Cantt Branch**

Army Shopping Complex, Adjacent Tooba Army Store Malir Cantonment, Karachi  
Tel: 021-34196142-44  
Fax: 021-34196145

**Water Pump Branch**

Lateef Square, Block-16, Federal 'B' Area, Main Water Pump Market, Karachi  
Tel: 021-36321387, 36314817  
Fax: 021-36314848

**Com-3, Clifton Branch, Karachi**

Show Room No. 12, "Com-3", (Opp: Bar B. Q. Tonight), Block 6, Clifton, Karachi.  
Tel: 021 - 35148311 - 13  
Fax: 021 - 35148314

**LAHORE**

**DHA Phase-VI Branch**

Property No 16-MB, Block MB, Phase VI DHA Lahore  
Tel: 042-37189650-52  
Fax: 042-37189653

**Allama Iqbal Town Branch**

56/12, Karim Block, Allama Iqbal Town, Lahore  
Tel: 042-35434160-61, 35434163  
Fax: 042-35434164

**Azam Cloth Market Branch**

285-286, Punjab Block, Azam Cloth Market, Lahore  
Tel: 042-37661686, 37660341 & 37660298  
Fax: 042-37661863

**Badami Bagh Branch**

25 - Peco Road Badami Bagh Lahore  
Tel: 042-37724583, 37720382, 37705036  
Fax: 042-37730867

**Bahria Town Branch**

Plot No. 31 - B, Sector 'C', Bahria Town, Lahore  
Tel: 042 - 37862380 - 82  
Fax: 042-37862379

**Bedian Road Branch**

Plot No. 2512/1, Phase-VI, Bedian Road, Talal Medical Center, Lahore  
Tel: 042-37165300-03  
Fax: 042-37165304

**Circular Road Branch**

Babar Centre, 51, Circular Road, Lahore  
Tel: 042-37379371 - 75  
Fax: 042-37379370

**Darogawala Branch**

Near Shalimar garden G.T.Road Darogawala Lahore  
Tel: 042-36520681-83  
Fax: 042-36520684

**DHA G Block Branch**

Plot # 13 G, Commercial Zone DHA, Phase-I, Lahore Cantt.  
Tel: 042-35691173-78  
Fax: 042-35691171

**DHAY Block Branch**

163, Block Y, Phase III, DHA Lahore Cantt  
Tel: 042-35692531-36  
Fax: 042-35692690

**Egerton Road Branch**

27-Ajmal House, Egerton Road, Lahore  
Tel: 042-36364522, 36364532  
Fax: 042-36364542

**Faisal Town Branch**

853/D, Akbar Chowk, Faisal Town, Lahore  
Tel: 042-35204101-3  
Fax: 042-35204104

**Ferozpur Road Branch**

Siza Farmer Factory, Sufiabad, Lahore  
Tel: 042- 35401751-3, 35401754  
Fax: 042-35800094

**Gulberg Branch**

132-E/1 Main Boulevard, Gulberg-III, Lahore  
Tel: 042-35870832-3, 35870975-6  
Fax: 042-35870834

**Ichra More Branch**

House # 146, Muhallah Ferozpur Road, Ichra More, Lahore  
Tel: 042-37572090-93 - 042-37426301  
Fax: 042-37572089

**Johar Town Branch**

Plot # 85, Block G/1, M.A Johar Town-Lahore  
Tel: 042-35291172-74  
Fax: 042-35171047

**Kashmir Block, Allama Iqbal Town Branch**

Plot # 1, Kashmir Block, Allama Iqbal Town  
Scheme, Lahore  
Tel: 042-37809021-24  
Fax: 042-37809026

**Lahore- Cantt Branch**

Day building 1482/A, Abdul Rehman Road, Lahore Cantt  
Tel: 042- 36603061-63  
Fax: 042-36603065

**Lahore Stock Exchange Branch**

Office No. 1, Lower Ground floor # 1, Lahore Stock  
Exchange Plaza, Plot No. 19, Khasra No. 1047, 19,  
Khayaban e Aiwan e Iqbal, Lahore  
Tel: 042-36280853 - 56  
Fax: 042-36280851

**Liberty Market Branch**

Shop No.02 & 03, Ground floor, Diamond Tower,  
28 Commercial Zone, Liberty Market, Gulberg III,  
Lahore  
Tel: 042- 35717273, 35763308  
Fax: 042-35763310

**Mall Road Branch**

56, Ground Floor, Sh-e-Quaid-e-Azam (The Mall), Lahore  
Tel: 042-36284801-3  
Fax: 042-36284805

**Model Town Branch**

14-15, Central Commercial Market, Model Town, Lahore  
Tel: 042-35915540-42 & 35915548  
Fax: 042-35915549

**New Garden Town Branch**

19-A, Ali Block, New Garden Town, Lahore  
Tel: 042-35911361-4  
Fax: 042-35911365

**Empress Road Branch**

Plot #. 29, Empress Road, Lahore  
Tel: 042-36300670-3  
Fax: 042-36310362

**Shah Alam Gate Branch**

12-A, Shah Alam Gate, Lahore  
Tel: 042-37666854 - 57  
Fax: 042-37663488

**Urdu Bazar Branch**

S - 38-R, Urdu Bazar Chowk - 205, Circular Road, Lahore  
Tel: 042-37116001-3  
Fax: 042-37116004

**Wahdat Road Branch**

Mauza Ichra, Wahdat Road, Lahore  
Tel: 042-37503001-3  
Fax: 042-37503004

**Z Block DHA Branch**

323-Z, DHA, Phase-3, Lahore  
Tel: 042-35693112-5  
Fax: 042-35693117

**ISLAMABAD****Bahria Town Branch**

Plot # 3-4, Express VWay, Sufiyan Plaza,  
Phase VII, Bahria Town, Islamabad  
Tel: 051- 5707360 – 63-65  
Fax: 051-5707358

**Barah Koh Branch**

Murree Road, Tehsil / District,  
Islamabad  
Tel: 051- 2321712- 13  
Fax: 051-2321714

**Blue Area Branch**

20 - AI- Asghar Plaza, Blue Area,  
Islamabad  
Tel: 051-2823204, 2872913  
Fax: 051-2274276

**F-10 Markaz Branch**

Plot No. 08, Maroof Hospital, F-10  
Markaz, Islamabad  
Tel: 051-2222860-62  
Fax: 051-2222863

**F-11 Markaz Branch**

Plot # 29, Select Center, F-11  
Markaz, Islamabad  
Tel: 051-2228027-28  
Fax: 051-2228365

**G-11 Markaz Branch**

Shop #. 25-34, Plot # 23, Sajid Sharif  
plaza, G-11 Markaz, Islamabad  
Tel: 051-2220973-6  
Fax: 051-2220977

**I-9 Markaz Branch**

Plot # 3/L, Shops Nos. 6, 7, 13, & 14, I-9,  
Markaz, Islamabad  
Tel: 051-4449832-35  
Fax: 051-4449836

**Stock Exchange Branch**

Plot # 109, East F-7/G-7, Jinnah Avenue,  
Blue Area, Islamabad  
Tel: 051-2806281-83  
Fax: 051-2806284

**Super Market Branch**

Shop No. 9, Block - C, F-6 Markaz, Islamabad.  
Tel: 051-2279168-170 & 051-2824533-34  
Fax: 051-2279166

**RAWALPINDI**

**The Mall Road Branch, Rawalpindi**

Shop No. 31-A/4, The Mall Road,  
Opp: State Life Bldg., Saddar,  
Rawalpindi Cantt.  
Tel: 051-5564123, 051-5120777-80  
Fax: 051-5528148

**Raja Bazar Branch**

Raja Bazar, Rawalpindi  
Tel: 051-5553504, 5557244 & 5777707 - 5534173-5557244  
Fax: 051-5559544

**Shamsabad Muree Road Branch**

DD/29, Shamsabad Murree Road, Ojri Kalan, Rawalpindi  
Tel: 051-4854400, 4854401-03  
Fax: 051-4854404

**FAISALABAD**

**Satiana Road Branch**

679-DGM, Batala Colony, Satiana Road, Faisalabad  
Tel: 041 - 8500569 - 71  
Fax: 041 - 8500568

**Jail Road Branch**

House No. P-62, opposite Punjab Medical College,  
Jail Road, Faisalabad  
Tel: 041-8813541-43  
Fax: 041-8813544

**Kotwali Road Branch**

P-12, Kotwali Road, Faisalabad  
Tel: 041-2412151-53  
Fax: 041-2412154

**Liaquat Road Branch**

Liaquat Road, Chak # 212, Faisalabad  
Tel: 041-2541257-59  
Fax: 041-2541255

**Susan Road Branch**

Chak No. 213/RB Susan Road, Faisalabad  
Tel: 041-8502367-69  
Fax: 041-8502371

**MULTAN**

**Vehari Road Branch**

Plot # 2227-A, Chowk Shah Abbas, Vehari Road, Multan  
Tel: 061-6241015-17  
Fax: 061-6241014

**Abdali Road Branch**

Plot No. 66-A & 66-B/9, Abdali  
Road, Multan  
Tel: 061-4588171, 4588172 & 4588175-78  
Fax: 061-4516762

**Hussain Agahi Road Branch**

2576, Hussain Agahi Road, Multan  
Tel: 061-4548083, 4583268, 4583168 & 4584815  
Fax: 061-4543794

**Qadafi Chowk Branch**

Plot # 43, Block T, New Multan Road, Qadafi Chowk-Multan  
Tel: 061-6770882-84  
Fax: 061-6770889

**SUKKUR**

**Marich Bazar Branch**

B – 885, Marich Bazar, Sukkur  
Tel: 071-5627781-2  
Fax: 071-5627755

**Shikarpur Road Branch**

Shop # D-195, Ward D, Near A Section Police Station  
Shikarpur Road, Sukkur  
Tel: 071-5617142-44  
Fax: 071-5617145

**Workshop Road Branch**

City Survey # 3403/2/1 and C.S # 3403/2M/6,  
Ward-B Tooba Tower Workshop Road, Sukkur  
Tel: 071-5616663, 5616664, 5616582  
Fax: 071-5616584

**GUJRANWALA**

**GT Road Branch**

B/1 I-57/103, G.T. Road, Gujranwala  
Tel: 055-3842751-3842729  
Fax: 055-3842890

**Gujranwala Branch**

G.T. Rd., Opp. General Bus Stand, Gujranwala  
Tel: 055-3820401-3  
Fax: 055-3820404

**Wapda Town Branch**

Plot # B - III, MM - 53, Hamza Centre,  
Wapda Town, Gujranwala  
Tel: 055-4800204-06  
Fax: 055-4800203

**GUJRAT**

**GT Road Branch**

Small Estate, G.T. Road , Gujrat  
Tel: 053-3534208, 3533949 & 3534208  
Fax: 053-3533934

**Gujrat Branch**

Main GT Road Tehsil & Distt., Gujrat  
Tel: 053-3517051-54  
Fax: 053-3516756

**Katchery Chowk Branch**

Shop #. 1263 & 1270 B-II, Katchery Chowk,  
Opp. Zahoor Elahi  
Satadium, Near New Narala Bakers, Gujrat  
Tel: 053-3601021-24  
Fax: 053-3601025

**PESHAWAR**

Deans Trade Center Branch  
Deans Trade Centre, Islamia Road, Peshawar  
Tel: 091-5253081 -3 & 5  
Fax: 091-5253080

**Fruit Market Branch**

Near Fruit Market, G.T. Road, Peshawar  
Tel: 091-2260373-4  
Fax: 091-2260375

**Hayatabad Branch**

Shop# I, Hayatabad Mall, Baghee-Naran Road,  
Phase II, Sector J-I Hayatabad Peshawar.  
Tel: 091-5822923-25  
Fax: 091-5822926

**Main University Road Branch**

Tehkal Payan, Main University Road-Peshawar  
Tel: 091-5850540-41 & 5850548-9  
Fax: 091-5850546

**Milad Chowk Branch**

Milad Chowk, New Gate, Peshawar City  
Tel: 091-2550477, 2550466, 2217131  
Fax: 091-2550488

**QUETTA**

**Fatima Jinnah Road Branch**

Plot No. Khasra No.134 & 138, Ward No. 19,  
Urban # I, Fatima Jinnah Road, Quetta  
Tel: 081-2301094-95  
Fax: 081-2301096

**Liaquat Bazar Branch**

Ainuddin Street, Quetta  
Tel: 081-2837300-1  
Fax: 081-2837302

**M.A. Jinnah Road Branch**

Ground Floor, Malik Plaza, Near Adara-e-Saqafat,  
M.A. Jinnah Road, Quetta.  
Tel: 081-2865590-95  
Fax: 081-2865587

**Regal Chowk Branch**

Regal Chowk, Jinnah Road, Quetta  
Tel: 081-2837028-29  
Fax: 081-2825065

**ABBOTTABAD**

Abbottabad Branch  
Sitara Market, Mansehra Road, Abbottabad  
Tel: 0992- 385931 -34  
Fax: 0992-385935

**ATTOCK**

**Hassan Abdal Branch**

Survey No. 1269/1624, Khasra No. 1935, G.T. Road,  
Hassan Abdal, District Attock  
Tel: 057-2520328-331 & 2520320-321

**Fateh Jang Branch**

Main Rawalpindi Road, Fateh  
Jang Distt Attock  
Tel: 057-2210321-23  
Fax: 057-2210324

**AZAD KASHMIR**

**Dadyal Branch**

Choudhary Centre, Ara Jattan, Dadyal, Azad Kashmir  
Tel: 05827-463475  
Fax: 05827-465316

**Mirpur Azad Kashmir - Branch I**

NS Tower I 19 F/I, Kotli Road  
Mirpur, Azad Kashmir  
Tel: 05827- 437193-97  
Fax: 05827-437192

**Mirpur Azad Kashmir Branch (2)**

Ghazi Archade, 6-B/3, Part II, Allama Iqbal Road,  
Mirpur, Azad Kashmir  
Tel: 05827-446405, 446407-9  
Fax: 05827-446406

**Muzafarabad Branch**

Sangam Hotel, Muzafarabad - Azad Jammu Kashmir (AJK)  
Tel: 05822-924203-5  
Fax: 05822-924206

**Shaheed Chowk Branch**

Deen Plaza, Shaheed Chowk, Kotli, Azad Kashmir  
Tel: 05826-448453-54  
Fax: 05826-448455

**CHAK GHANIAN**

**Chak Ghanian Branch**

Plot No. 547-548, Iqbal Mandi, G.T. Road, Sarai Alamgir.  
Tel: 0544-654402-03, 655155  
Fax: 0544-654401

**CHAKWAL**

**Chakwal Branch**

Al- Noor Plaza Sabzi Mandi, Talagang Road, Chakwal  
Tel: 0543-554796, 540650-51  
Fax: 0543-554797

**Dalwal Branch**

Village & Post Office Dalwal, Tehsil  
Choha, Saidan Shah, Distt Chakwal  
Tel: 0543-582834  
Fax: 0543-582842

**CHAMMAN - Rural**

**Chamman Branch**

Khashra No. 1323 & 2324 Abdali Bazar, Dola Ram Road,  
Tehsil Chaman, District Qila Abdullah, Baluchistan  
Tel: 0826- 618137-39  
Fax: 0826-618143

**DADU**

**Dadu Branch**

CS No. 1036/2, Ward 'B', Station Road,  
Dadu, Sindh  
Tel: 0254-711471-3  
Fax: 0254-711474

**DINA**

**Dina Branch**

Mian G.T. Road Dina  
Tel: 0544-634471 -3  
Fax: 0544-636675

**GAWADAR**

**Gawadar Branch**

Plot Askani Hotel, Mullah Faazul Chowk, Gawadar  
Tel: 0864-212144- 212146  
Fax: 0864-212147

**GHOTKI**

**Ghotki Branch**

CS # 395 & 407, Muhallah Machhi Bazar,  
Opp: Sarkari Bagh, Ghotki, Sindh  
Tel: 0723-681571 - 73  
Fax: 0723-681574

**GILGIT - Rural**

**Gilgit Branch**

Khasra# 1103, 1112, 1113,  
Haji Ghulam Hussain Building  
Raja Bazar Gilgit  
Tel: 05811-457366-68  
Fax: 05811-457369

**GUJAR KHAN**

**Gujar Khan Branch**

Plot # 58-D, 59-C, Sector/Block Area  
Development, Scheme # 1, Akbar Kayani  
Plaza, G.T. Road, Gujjar Khan  
Tel: 051-3516431-4 & 3516436  
Fax: 051-3516435

## HARIPUR

### Haripur Branch

Ground Floor, Akbar Arcade, Main G.T. Road, Haripur  
Tel: 0995- 610832 - 34  
Fax: 0995-610829

## HAZRO

### Hazro Branch

Plot # B -386, 386-A, Dawood Centre, Bank Square,  
Ziaul Haq Road, Hazro  
Tel: 057-2313283 - 85  
Fax: 057-2313286

## HYDERABAD

### Bohri Bazar Hyderabad Branch

41/364, Saddar, Bohri Bazar-Hyderabad  
Tel: 022-2730911-14  
Fax: 022-2730910

### Latifabad No. 7 Branch

Latifabad # 7, 5/D Unit # 7, Hyderabad  
Tel: 022-3810524 & 3810525  
Fax: 022-3810515

### Market Chowk Branch

Shop CS # A/2772/2, Ward -A,  
Market Road, Hyderabad  
Tel: 022-2638451-54  
Fax: 022-2638450

### Qasimabad Branch

Shop No. 23, 24 & 25, Rani Arcade,  
Qasimabad, Hyderabad  
Tel: 022-2650742-43 & 2652204-5  
Fax: 022-2650745

## JACOBABAD

### Jacobabad Branch

C.S. No. 480, Ward # 5, Town, Jacobabad - Sindh  
Tel: 0722-650071 - 73  
Fax: 0722-650074

## JEHLUM

### Jhelum Branch

Plot # 89, Mehfooz Plaza, Kazim Kamal Road, Jhelum Cantt.  
Tel: 0544-720216 - 18  
Fax: 0544-720219

## KAMBAR

### Shahdad Kot Branch

C.S. No. 1048, 1051, 1052, 1054, Ward 'B',  
Taluqa Shahdad Kot, District Kambar, Sindh  
Tel: 074-4014461-63  
Fax: 074-4014464

## KAMOKE

### Kamoke - GT Road Branch

Madni Trade Centre, G.T Road, Kamoke  
Tel: 055- 6815175-76  
Fax: 055-6815184

## KANDH KOT

### Kandh Kot Branch

Registry # 505 & 520, Mukhi Muhallah,  
Adjacent: Press Club, Kandh Kot, Sindh  
Tel: 0722-572604 - 6 & 0722-675607  
Fax: 0722-572607

## KASUR

### Gawadar Branch

Plot Askani Hotel, Mullah Faazul Chowk, Gawadar  
Tel: 0864-212144- 212146  
Fax: 0864-212147

## GHOTKI

### Kasur Branch

Near Pul Qatal Gahri, Kutchery Road, Kasur.  
Tel: 049-2721993  
Fax: 049-2721994

## KHAIRPUR - Rural

### Pacca Chang Branch

CS No. 418/1-08, Deh. Pacca Chang,  
Taluqa Faiz Ganj, District Khairpur, Sindh  
Tel: 0243-557403-5  
Fax: 0243-557406

## KOT ADDU

### Kot Addu Branch

Property # 43, R.H, 48/A-49-50, Ward B-III,  
Kot Addu District, Muzaffar Garh  
Tel: 066-2240206-07  
Fax: 066-2240208

## LALAMUSA

### Lalamusa Branch

G.T. Road, Lalamusa  
Tel: 0537 -515694,515699,515697,519977  
Fax: 0537-515685

## LARKANA

### Larkana Branch

C.S. No. 1808, Pakistan Chowk, Larkana , Sindh  
Tel: 074-4053608-10  
Fax: 074-4053611

## MANDI BAHAUDDIN

### Mandi Bahauddin Branch

Khasra # 143/112, Chak #51, Bank Road,  
Off Railway Road, Ghalla Mandi, Mandi  
Bahauddin  
Tel: 0546-600901, 600903-4-5  
Fax: 0546-600902

## MANSEHRA

### Mansehra Branch

Al- Hadeed Corporation Market Shahrah  
Resham, Mansehra  
Tel: 0997-303186, 303180  
Fax: 0997-303135

## MARDAN

### The Mall Branch

Plot No. 337, 337-A, The Mall, Mardan.  
Tel: 0937-865344-45  
Fax: 0937-865342

## MIRPURKHAS

### Khipro Bus Stand Branch

Plot No. 92-93, Samanabad, Khipro District,  
Ghunanabad Chowk, Khipro Bus Stand - Mirpurkhas  
Tel: 0233-876384 & 874518  
Fax: 0233-875925

### Umer Kot Road Branch

Plot No : 988 to 991 Umerkot Gharibabad,  
Mirpur Khas  
Tel: 0233- 875113-7  
Fax: 0233-875118

## MURIDKE

### Muridke Branch

774, G.T. Road Muridke  
Tel: 042-37950456,37994711-12  
Fax: 042-37994713

## NAROWAL

### Katchery Road Branch

Katchery Road, Narowal  
Tel: 0542-414105-7  
Fax: 0542-414089

## NAWABSHAH

### Nawabshah Branch

Survey No. 77, Masjid Road,  
Nawabshah, Sindh  
Tel: 0244 - 372042 - 44  
Fax: 0244-372045

## GAWADAR

### Gawadar Branch

Plot Askani Hotel, Mullah Faazul Chowk, Gawadar  
Tel: 0864-212144- 212146  
Fax: 0864-212147

## JAMSHORO

### Nooriabad Branch

Ground Floor, SITE Office Building Nooriabad,  
Dist Jamshoro, Sindh  
Tel: 025-4670433-8  
Fax: 025-4670434

## GILGIT - Rural

### Gilgit Branch

Khasra# 1103, 1112, 1113,  
Haji Ghulam Hussain Building  
Raja Bazar Gilgit  
Tel: 05811-457366-68  
Fax: 05811-457369

## OKARA

### Ravi Road Branch

23/A, Ravi Road, Okara.  
Tel: 044-2528755, 2525355  
Fax: 044-2525356



**RABWAH**

**Rabwah Branch**

Plot No-9-10, Block-14, Darul Sadar, Gol Bazar,  
(Chenab Nagar) Rabwah  
Tel: 047-6213795-97 & 6213792  
Fax: 047-621 3797

**RAHIMYAR KHAN**

**Rahim Yar Khan Branch**

31/34 Shahi Road, Rahimyar Khan  
Tel: 068-5877821-5883876  
Fax: 068-5876776

**SADIQABAD**

**Sadiqabad Branch**

Mozzah Khuda Bux Dehar, Macchi Goth,  
KLP Road, Sadiqabad  
Tel: 068- 5951303 & 5951301-2  
Fax: 068-5951300

**SAHIWAL**

**High Street Branch**

558/8-1, Navid, Plaza, High Street Sahiwal.  
Tel: 040-4229247, 4221615, 4229247  
Fax: 040-4460960

**SARGODHA**

**Sargodha Branch**

Prince Cinema Market Railway Road, Sargodha  
Tel: 048-3768113-5  
Fax: 048-3768116

**Satellite Town Branch**

Satellite Town, Ground Floor, Afzal Towers,  
Plot # 302-A, Main Satellite Town, Sargodha.  
Tel: 048-3221025-28  
Fax: 048-3221029

**SHIKARPUR**

**Shikarpur Branch**

C.S.No.52/33/1, Ward 'B', Lakhi Gate, Shikarpur, Sindh  
Tel: 0726-522057-59  
Fax: 0726-522060

**SIALKOT**

**Kashmir Road Branch**

Address: Block 'A', ZHC, Kashmir Road, Sialkot  
Tel: 052-3573304-7  
Fax: 052-3573310

**Paris Road Branch**

BI, 16S, 71/A/I, Paris Road, Sialkot  
Tel: 052-4602712-17  
Fax: 052-4598849

**Small Industrial Area Branch**

Plot No. 32 / A, S.I.E - I, Small Industrial Estate,  
UGOKE Road, Sialkot  
Tel: 052-3242690 - 92  
Fax: 052-3242695

**SWABI**

**Swabi Branch**

Property bearing No. 336 I, Main Mardan Road, Swabi  
Tel: 0938-222968 - 69  
Fax: 0938-221572

**TANDO ALLAH YAR**

**Tando Allah Yar Branch**

C-I, Survey # 274, Main Road, Tando Allah Yar - Sindh  
Tel: 022-2763181-83  
Fax: 022-2763184

**TURBAT**

**Main Bazar Branch**

Main Bazar, Turbat  
Tel: 0852-413874 & 411606  
Fax: 0852-414048

**WAH CANTT**

**Wah Cantt Branch**

Plot No. 17/37, Civic Center, Aslam Market, Wah Cantt  
Tel: 051 - 4902238-39 & 4902241  
Fax: 051-4902240

## ISLAMIC BANKING BRANCHES

### KARACHI

#### I. I. Chundrigar Road Branch 2 (Islamic Banking)

5-Business & Finance Centre, Opposite State Bank of Pakistan, Karachi.

Tel: 021-32438212, 32472176, 32471796

Fax: 021-32438218

#### Super Highway Branch

Shop No. 29 & 30, Plot # I-B/3, Sub Sector I-A, Scheme No. 33, main Super Highway, Karachi.

Tel: 021 - 36830161-3

Fax: 021-36830162

#### Fish Harbour Branch

Plot No. L - 2, Block "L"

Fish Harbour, Dockyard Road,

West Wharf, Karachi

PABX: 021-32312166-68

Fax: 021-32312165

#### Zamzama Branch

Shop No. 3, 4, 5, 6 & 7, Plot No. 16-C, 2nd

Zamzama Commercial Lane DHA - Karachi

Tel: 021 - 35373135-7

Fax: 021 - 35373138"

#### IBL Building Centre, Shahrah-e-Faisal, Branch

Ground Floor IBL Building Center at Plot No. 1,

Block 7 & 8, D.M.C.H.S, Shahrah-e-Faisal, Karachi

Tel: 021-32368002-4

Fax #: 021 - 32368005

### LAHORE

#### PIA Society Islamic Banking Branch

Plot # 40, Block-D, Main Boulevard PIA Society,

Opp Wapda Town Roundabout, Lahore

Tel: 042-35189957 - 59

Fax: 042-35210895

### HUB, BALUCHISTAN - RURAL

#### Hub Branch

Shop No. 12 - 14, Khasra No. 106/4, Int. Shopping Mall Hotel,

Mouza Berot, Tehsil Hub, Lasbella, Baluchistan

Tel: 0853 - 363056 - 058

Fax: 0853 - 363050

### CHILAS - RURAL

#### Chilas Branch

Khasra No. 02, Bazar Area, Chillas, District Baltistan

Tel: 05812 - 450702-3

Fax: 05812-450704

### SKARDU - RURAL

#### Skardu Branch

Khasra No. 1265/39, Yadgar Chowk,

Tehsil Skardu, District Baltistan

Tel: 05815 - 456693-94

Fax: 05815-456696

### ISLAMABAD

#### Naval Anchorage Branch

Plot # 19, Commercial No. 2, Naval Officers'

Housing Scheme Anchorage, Islamabad

Tel: 051 - 5159126 - 28

Fax: 051 - 5159129

#### DHA Phase-2 Branch

Plot No. 7, Street SSZBS Al Nahayaan, Sector-A,

DHA Phase-2, Near Al Ghurair, Main Boulevard, Islamabad

Tel: 051-4918314 -16

Fax: 051-4918317

### CHITRAL - RURAL

#### Chitral Branch

Attalique Bazar, Bank Square,

Opp: NBP Building, Chitral

Tel: 0943 - 412536-37

Fax: 0943 - 414352

### HYDERBAD

#### DHA Plaza Branch

Shop No. 1 & 2, Block "C",

Defence Plaza, Thandi Sarak, Hyderabad

Tel: 022- 2108474, 2108478

Fax # 022-210847

### RAWALPINDI

#### Bahria Town Branch Phase-IV

Plot # 1, Bahria Town, Civic Centre, Phase IV, Rawalpindi

Tel: 051-5733945-46

Fax: 051-5733967

The logo for Summit Bank, featuring the word "Summit" in red, a stylized blue "S" symbol, and the word "Bank" in blue.

Committed to you

Plot No. G-2, Block 2, Clifton, Karachi.  
UAN: 021-1111-24365, Toll Free: 0800-24365  
[www.summitbank.com.pk](http://www.summitbank.com.pk) | [info@summitbank.com.pk](mailto:info@summitbank.com.pk)