

BUILDING TODAY SHAPING TOMORROW

QUARTERLY REPORT MARCH 2020



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

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CORPORATE INFORMATION

Board of Directors

Mr. Waseem Mehdi Syed
Chairman

Mr. Jawad Majid Khan
President & CEO

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

Ms. Fauzia Hasnain
Chairperson

Mr. Zafar Iqbal Siddiqi
Member

Mr. Wajahat Ahmed Baqai
Member

Mr. Jawad Majid Khan
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. Salman Zafar Siddiqi

Company Secretary

Syed Muhammad Talib Raza

Auditors

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

Legal Advisors

Hyat & Meerjees

Share Registrar

THK Associates (Private) Limited
Plot No. 32-C, Jami Commercial Street-2,
D.H.A., Phase-VII, Karachi
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Fax : 021-35310190
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
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Registered Office

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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, we are pleased to present the Directors' Review of the Bank along with the un-audited financial statements for the quarter ended March 31, 2020.

THE BANK'S PERFORMANCE

The highlights of the financial results for the quarter ended March 31, 2020 are as follows:

	March 31, 2020
	Rupees in Millions
Financial Position	
Shareholders' Equity	(7,355)
Total Deposits	87,755
Total Assets	100,217
Advances – net	37,836
Investments – net	19,700
Financial Performance	
Net Interest Income and Non Markup Income (Total Income)	(436)
Non Markup Expenses	1,245
Provisions and write offs (net)	1,314
Loss before tax	(2,995)
Loss after tax	(1,989)
Basic and diluted loss per share - Rupees	(0.75)

The Bank posted Loss before tax of Rs. 2.995 billion and Loss after tax of Rs. 1.989 billion for the quarter ended March 31, 2020, as compared to a loss before tax of Rs. 2.472 billion and a loss after tax of Rs. 1.649 billion respectively for the quarter ended March 31, 2019. This translated into a loss per share of Re. 0.75 (March 2019: loss per share Re. 0.63).

The Bank's earning capacity significantly depleted as a result of which the Bank incurred a net mark up expense of Rs. 692.114 million as against net mark-up income of Rs. 64.487 million earned during the same period last year. This is mainly attributable to volumetric reduction of advances together with the substantial amount of non-performing advances held by the Bank which resulted in major reduction of Bank's interest income. The Bank's cost of deposit rose by 2.65% resulting in a higher mark-up expense for the quarter.

Non mark-up income stood at Rs. 255.963 million, reflecting a decrease of 25% over the corresponding period last year, mainly due to a decline in fee and commission income earned as the Bank's contract with Benazir Income Support Programme ended during November 2019 along with a dip in trade volumes during the first quarter of 2020.

Total non-mark up expenses were reported at Rs. 1.245 billion as against Rs. 1.348 billion during same period last year, declining by 8%. This decrease was mainly attributable to a decrease in legal and professional charges and property related expenses during first quarter of 2020.

The Bank recorded total provisioning expense of Rs. 1.314 billion for the quarter ended March 31, 2020, against a provision expense of Rs. 1.530 billion in the corresponding period last year. Provision against loans and advances was booked at Rs. 1.281 billion as against a provision of Rs. 1.502 billion during the same period last year.

The Bank's net advances portfolio shrank by 13% to Rs. 37.836 billion on March 31, 2020. Nonperforming loans decreased by 1% from Rs. 40.842 billion on December 31, 2019 to Rs. 40.600 billion on March 31, 2020. The Bank's gross NPL ratio (Gross non-performing loans to Gross Advances) as of March 31, 2020 stood at 59.87% as against 56.58% on December 31, 2019, while the coverage ratio at March 2020 stands at 74% (December 2019: 71%).

Total Deposits were reported at Rs. 87.755 billion as against Rs. 88.567 billion reported at December 2019. At the quarter end, the Bank's gross advances to deposits ratio stood at 77% as compared to 82% on December 31, 2019.

As at March 31, 2020, the Bank has deferred tax assets (net) of Rs. 12.527 billion, this has been recognized on the basis of the management's best estimate that these would be realized against the future taxable profits. Based on the updated tax positions, deferred tax income for the current quarter amounted to Rs. 1.032 billion as against an income of Rs. 845.960 million same period last year.

As at March 31, 2020, the Bank's paid up capital (net of losses) stood at negative (-) Rs. 11.246 billion as against the statutory requirement of Rs. 10 billion prescribed by SBP while the Capital Adequacy Ratio of the Bank stood at negative (-) 32.26% as against the minimum requirement of 11.50%.

Despite the current losses, the Board is confident that management has the capacity to turnaround the results of the Bank through the organic growth and capital injection.

CREDIT RATING

In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials are made available. Moreover, 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). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.

ECONOMIC REVIEW

The first quarter of 2020 proved to be challenging for the government due to the outbreak of Covid-19 in Pakistan and the subsequent lock down in the country. For Pakistan, this came at a time when the country was heading towards some economic stability. The economy took a hit in the last month of the quarter despite continued efforts of the government and central bank to combat issues on both, domestic and external fronts. The government announced an Economic Relief Package worth PKR 1.2 trillion to combat the impact of COVID-19 on the economy.

Pakistan's current account deficit stood at \$744 million for the first two months of 2020 reducing by 38% in the comparative period last year, thus, recording a sizeable improvement. While Pakistan's exports declined by 2.5%, the improvement in the current account is mainly due to a reduction in imports by 5% and through workers' remittances increasing by 15%.

Pakistan's FX reserves declined during the quarter by USD 1.5bn mainly on account of the portfolio outflows and external debt repayments. Accordingly, PKR depreciated by 8.1% against the US Dollar during March 2020 and stood at PKR 166.7037 at the end of the quarter. During the quarter, PKR recorded a total depreciation of 7.6%.

Headline Inflation touched a peak of 14.6% in January 2020 before dropping to 10.2% in March 2020. On average, National CPI stood at 12.4% in Q1 of 2020. Declining inflationary trend in the economy due to constrained demand coupled with the need to support the ailing economy under lockdown, the SBP cut its policy rate by a cumulative 225 basis points during the month of March 2020.

The KSE-100 declined during the quarter beginning the quarter at 40,735 index points and ending it at 29,232 index points.

EVENTS AFTER THE BALANCE SHEET DATE

The Bank had received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (The Investor) in which The Investor had communicated his intention to acquire at least controlling stake in the Bank by subscribing to fresh equity in the Bank. 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 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 Investor has now submitted his offer via a letter dated October 01, 2021 for proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the SSA which is duly approved by the Board of Directors. The Bank intends to issue a total of 5,976.096 million new ordinary shares.

ACKNOWLEDGEMENT

On behalf of the Board, we would once again like to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory authorities for their continuous guidance and support. At the same time, we would like to express our gratitude to our shareholders, our customers and the Bank's staff for their continued support.

Jawad Majid Khan
President and Chief Executive Officer

Fauzia Hasnain
Director

Summit Bank
November 19, 2021
Karachi

سرمایہ کے دوران کے ایس ای 100 انڈیکس کا نشانیہ گھٹ گیا، سرمایہ کار کا آنا 140735 انڈیکس پوائنٹس سے، ہوا اور 29232 انڈیکس پوائنٹس پر ختم ہوا۔

بینس شیٹ کی تاریخ کے بعد ہونے والے واقعات

20 مئی 2021 کو لاہور ای ٹی سی کے صدر عبداللہ حسین لوط (سرمایہ کار) کی جانب سے بینک کو ایک مراسلہ موصول ہوا جس میں سرمایہ کار نے بینک میں تازہ سیالیت سہسکرا نب کر کے بینک کے کنٹروولنگ اختیار حاصل کرنے کے ارادے کا اظہار کیا۔ سیکورٹیز ایکٹ 2015ء اور فہرستیکہنیز (ڈونلگ شیئرز اور ریگ اور رز کا کافی حصول) ریگولیشنز، 2017ء کے اس طرح کے لین دین کے لیے قابل اطلاق تقاضوں کی تعمیل کرتے ہوئے، 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۔

سرمایہ کار نے اب تک اکتوبر 2021ء کو ایک مراسلے کے ذریعے بینک میں رعایتی قیمت پر رائٹس آفرنگ کے بغیر نئے ایکویٹی ادخال کے ذریعے 2.51 فی شیئر پر نئے عام حصص کی مجوزہ سہسکرا پنشن کے لیے اپنی پیشکش جمع کرائی ہے۔ سرمایہ کار نے یہ پیشکش ایس ایس اے کے طے کردہ ضابطے کے مطابق پیش کی جسے بورڈ آف ڈائریکٹرز نے باضابطہ طور پر منظور کیا ہے۔ بینک کل 5,976.096 لین نئے عام حصص جاری کرنے کا ارادہ رکھتا ہے۔

تعریف و توثیق

ہم، بورڈ کی جانب سے ایک بار پھر اسٹیٹ بینک آف پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان، اور دیگر ضوابطی حکام کی مسلسل رہنمائی اور معاونت پر شکر گزار ہیں۔ نیز ہم مسلسل معاونت پر ہمارے شیئرز ہولڈرز، ہمارے صارفین اور بینک کے عملے کا شکر یہ ادا کرنا چاہیں گے۔

فوزیہ حسین
ڈائریکٹر

جواد ماجد خان
صدر اور چیف ایگزیکٹو آفیسر

سمت بینک
19 نومبر 2021ء
کراچی

31 مارچ 2020 کو بینک کا خالص ایڈوائس 13 فیصد کیساتھ 37.836 ارب روپے ہو گیا۔ غیر فعال قرضے ایک فیصد کیساتھ 31 دسمبر 2019ء کے 40.842 ارب روپے سے گھٹ کر 31 مارچ 2020ء کو 40.600 ارب روپے ہو گئے۔ 31 مارچ 2020ء تک بینک کا مجموعی غیر فعال قرضوں کا تناسب (مجموعی غیر فعال قرضے اور مجموعی ایڈوائس) 59.87 فیصد رہا جو 31 دسمبر 2019ء کو 56.58 فیصد فیصد تھا، جبکہ کوآرڈنگ کا تناسب مارچ 2020ء میں 74 فیصد ہو گیا۔ (دسمبر 2019ء: 71 فیصد)۔

مجموعی اثاثوں 87.755 ارب روپے درج کی گئیں جبکہ دسمبر 2019ء پر 88.567 ارب روپے کی مجموعی اثاثوں درج کی گئی تھیں۔ سرمایہ کے اختتام پر، بینک کا مجموعی ایڈوائس اور اثاثوں کا تناسب 77 فیصد ہے جو 31 دسمبر 2019ء کو 82 فیصد تھا۔

31 مارچ 2020ء تک بینک 12.527 ارب روپے کے (خالص) مؤخر ٹیکس اثاثوں کا حامل ہے، جنہیں مستقبل میں قابل ٹیکس منافعوں پر حصول کے انتظامیہ کے بہترین تخمینے کی بنیاد پر تسلیم کیا گیا ہے۔ ٹیکس کی تازہ ترین صورت حال کی بنیاد پر موجودہ سرمایہ کے لیے مؤخر ٹیکس آمدنی 1.032 ارب روپے ہے جبکہ گزشتہ برس کی اسی مدت کے دوران یہ 845.960 ملین روپے تھی۔

اسٹیٹ بینک کی جانب سے مقرر کیے گئے 10 ارب کے روپے کی قانونی ضرورت کے مقابلے میں 31 مارچ 2020ء تک، بینک کا ادا شدہ سرمایہ (خسارے کا خالص) منفی (-) 11.246 ارب روپے تھا، جبکہ بینک کی شرح کفایت سرمایہ کم از کم 11.50 فیصد کے تقاضے کے مقابلے میں منفی (-) 32.26 فیصد تھا۔

موجودہ سال کے خساروں کے باوجود، یورڈ کو یقین ہے کہ انتظامیہ نامیہ نموا و سرمائے کے ادخال کے ذریعے بینک کے نتائج کو بہتر بنانے کی صلاحیت رکھتی ہے۔

کرڈیٹ ریٹنگ

2019ء کے دوران، وی آئی ایس کرڈیٹ ریٹنگ ایجنسی نے بینک کی درمیانی تا طویل مدتی ریٹنگ 'بی بی بی' (نرپل بی بی بی) اور قلیل مدتی ریٹنگ 'اے-3' (اے-3) تازہ ترین معلومات کی عدم دستیابی کی وجہ سے معطل کر دی۔ وی آئی ایس کرڈیٹ ریٹنگ ایجنسی نے بینک کی طویل مدتی تا زہ ترین ضروری مالی معلومات کے دستیاب ہونے پر ایک بار پھر ریٹنگ کا دوبارہ جائزہ لے گی۔ مزید یہ کہ، بینک کی ٹی ایف سی ریٹنگ کو ڈی (ذاتیات) تفویض کیا گیا تھا کیونکہ ایجنسی نے اسٹیٹ بینک آف پاکستان (SBP) کے قابل اطلاق ضوابط کے تحت بینک کی لاگ ان دفعہ کے حوالے سے اپنی تازہ ترین سودی ادائیگی نہیں کی تھی۔ بینک کے ٹی ایف سی بولڈرز نے 22 اکتوبر 2021ء کو ہونے والی اپنی بینکنگ میں ٹی ایف سی ایٹو کی مدت میں ایک سال کی مزید توسیع کی منظوری دی اور ساتھ ہی تمام ایٹو کا رقم کی ادائیگیوں میں توسیع کے ساتھ رعیت کی نظر ثانی شدہ تاریخ 127 اکتوبر 2022ء مقرر کی۔ بینک اس وقت تمام قابل اطلاق قوانین، قواعد و ضوابط اور اس سلسلے میں مطلوبہ ضوابطی تقاضوں کی تعمیل کو یقینی بنانے کے لیے مصروف عمل ہے۔

اقتصادی جائزہ

پاکستان میں کوڈ 19 کے پھوٹ پڑنے اور اس کے نتیجے میں لگنے والے ملک گیر لاک ڈاؤن کی وجہ سے 2020ء کی پہلی سہ ماہی حکومت کے لیے دشوار ثابت ہوئی۔ پاکستان اس مسئلے سے اس وقت دوچار ہوا جب ملک کسی قدر معاشی استحکام کی طرف بڑھ رہا تھا۔ ملکی اور بیرونی دونوں محاذوں پر مسائل کا مقابلہ کرنے کے لیے حکومت اور مرکزی بینک کی مسلسل کوششوں کے باوجود سرمایہ کے آخری مہینے میں معیشت کو شدید دھچکا لگا۔ حکومت نے معیشت پر کوڈ 19 کے اثرات سے نمٹنے کے لیے 1.2 ٹریلین روپے مالیت کے اقتصادی امداد کے پیکج کا اعلان کیا۔

2020ء کے پہلے دو مہینوں کے دوران پاکستان کا جاری رکھا گیا خسارہ 744 ملین ڈالر رہا جو گزشتہ برس کی اسی مدت کے مقابلے میں 38 فیصد کم تھا، اس طرح نمایاں بہتری درج کی گئی۔ اگرچہ پاکستان کی برآمدات 2.5 فیصد کم ہو گئیں تاہم، جاری رکھتے ہیں نے والی بہتری کی بنیاد پر، درآمدات میں 5 فیصد کمی اور کارکنوں کی ترسیلات زر میں 15 فیصد اضافہ تھا۔

دوران سرمایہ پاکستان کے زریعہ مالذ غائر میں 1.5 ارب ڈالر کی کمی واقع ہوئی جس کی بنیاد پر مزید ذمہ داری اخراج اور بیرونی قرضوں کی ادائیگی ہے۔ اسی طرح، مارچ 2020ء کے دوران ڈالر کے مقابلے میں روپے کی قدر میں 8.1 فیصد کمی آئی اور سرمایہ کے اختتام پر ڈالر کی قدر 166.7037 روپے تھی۔ سرمایہ کے دوران، روپے میں طور پر 7.6 فیصد کمی درج کی گئی۔

مارچ 2020ء میں 10.2 فیصد سے پہلے عمومی مہنگائی کے جنوری 2020ء میں 14.6 فیصد کی بلند ترین سطح کو چھو لیا۔ 2020ء کی پہلی سہ ماہی میں قومی پی آئی اے اور سلا 12.4 فیصد رہی۔ طلب میں کمی کے ساتھ ساتھ لاک ڈاؤن کے باعث بازار معیشت کی معادلت کے ضمن میں مہنگائی کے رجحان میں کمی کے لیے، اسٹیٹ بینک نے مارچ 2020ء میں اپنی پالیسی کی شرح میں مجموعی طور پر 225 بیس پوائنٹس کمی کی کردی۔

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم بینک کی 31 مارچ 2020ء کو اختتام پزیر ہونے والی سہ ماہی کے لیے ڈائریکٹرز کا جائزہ اور غیر آڈٹ شدہ مالی گوشوارے پیش کرتے ہوئے مسرور ہیں۔

بینک کی کارکردگی

31 مارچ 2020ء کو اختتام پزیر ہونے والی سہ ماہی کے لیے بینک کے مالی نتائج کی جھلکیاں مندرجہ ذیل ہیں:

31 مارچ 2020ء

روپے بلین میں

(7,355)

87,755

100,217

37,836

19,700

مالی صورت حال

شیئرز ہولڈرز کی ایکویٹی

مجموعی اثاثیں

مجموعی اثاثے

ایڈوانس - خالص

سرمایہ کاریاں - خالص

مالی کارکردگی

خالص سودی آمدنی اور غیر سودی آمدنی (مجموعی آمدنی)

(436)

1,245

1,314

(2,995)

(1,989)

(0.75)

غیر سودی اخراجات

پروویڈنڈ اور رائٹ آفس (نیٹ)

خسارہ قبل ازنگس

خسارہ بعد ازنگس

نقدی اور سیال (diluted) خسارہ فی شیئر - روپے

31 مارچ 2020ء کو اختتام پزیر ہونے والی زیر جائزہ سہ ماہی کے دوران، بینک نے 2.995 ارب روپے کا خسارہ قبل ازنگس اور 1.989 ارب روپے کا خسارہ بعد ازنگس درج کیا جبکہ 31 مارچ 2019ء کو اختتام پزیر ہونے والی سہ ماہی کے دوران بالترتیب 2.472 ارب روپے کا خسارہ قبل ازنگس اور 1.649 ارب روپے کا خسارہ بعد ازنگس درج کیا گیا تھا۔ لہذا خسارہ فی شیئر 0.75 فی شیئر رہا (مارچ 2019ء خسارہ فی شیئر 0.63 فی شیئر)۔

بینک کی آمدنی کی گنجائش نمایاں طور پر کم ہو گئی جس کے نتیجے میں بینک نے 692.114 بلین روپے کی خالص سودی اخراجات کیے جبکہ گزشتہ برس کی اسی مدت کے دوران 64.487 بلین روپے کی خالص سودی آمدنی کمائی تھی۔ اس کی بنیادی وجہ بینک کے پاس موجود غیر فعال قرضوں کی کافی مقدار کے ساتھ ایڈوائسز کے حجم میں نمایاں کمی ہے جس کے نتیجے میں بینک کی سودی آمدنی میں بڑی کمی واقع ہوئی۔ بینک کی اثاثوں کی لاگت میں 2.65 فیصد اضافہ ہوا، نتیجتاً سہ ماہی کے دوران سودی اخراجات بڑھ گئے۔

غیر مارک آپڈ آمدنی 255.963 بلین روپے رہی جو گزشتہ برس کے اسی عرصے کے مقابلے میں 25 فیصد کمی کی عکاسی کرتا ہے جس کی بنیادی وجہ فیس اور کمیشن کی آمدنی میں کمی تھی کیونکہ نومبر 2019ء کے دوران بینڈ ٹریڈ پروگرام کے ساتھ بینک کا معاہدہ ختم ہو گیا۔ نیز 2020ء کی پہلی سہ ماہی کے دوران تجارتی حجم میں کمی آئی تھی۔

مجموعی غیر سودی اخراجات 8 فیصد کمی کے ساتھ 1.245 ارب روپے درج کیے گئے جبکہ گزشتہ برس کی اسی مدت کے دوران 1.348 ارب روپے درج کیے گئے تھے۔ یہ کمی بنیادی طور پر 2020ء کی پہلی سہ ماہی کے دوران قانونی اور پیشہ ورانہ چارجز اور املاک سے متعلق اخراجات میں کمی کی وجہ تھی۔

بینک نے 31 مارچ 2020ء کو اختتام پزیر ہونے والی سہ ماہی کے دوران 1.314 ارب روپے کے تمویں اخراجات درج کیے جبکہ گزشتہ برس کی اسی مدت کے دوران یہ 1.530 ارب روپے کے تمویں اخراجات تھے۔ قرضوں اور ایڈوائسز پر یک گئی تمویں 1.281 ارب روپے تھی جبکہ گزشتہ برس کی اسی مدت کے دوران 1.502 ارب روپے تھی۔

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

**FOR THE THREE MONTHS
PERIOD ENDED
MARCH 31, 2020**

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2020

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
Note	-----	(Rupees in '000)	-----
ASSETS			
Cash and balances with treasury banks	6	5,586,438	5,613,556
Balances with other banks	7	1,258,494	930,810
Lendings to financial institutions	8	2,743,886	991,272
Investments	9	19,700,058	21,959,499
Advances	10	37,836,284	43,242,325
Fixed assets	11	9,924,121	10,180,966
Intangible assets	12	133,723	148,557
Deferred tax assets	13	12,527,276	11,606,393
Other assets	14	10,506,678	11,202,160
		100,216,958	105,875,538
LIABILITIES			
Bills payable	16	1,386,758	1,815,836
Borrowings	17	11,207,040	13,504,780
Deposits and other accounts	18	87,754,732	88,567,490
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	5,728,284	6,090,140
		107,572,329	111,473,761
NET ASSETS		(7,355,371)	(5,598,223)
REPRESENTED BY			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21	3,736,939	3,530,354
Accumulated losses		(31,167,461)	(29,203,728)
		(7,355,371)	(5,598,223)
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
Note	----- (Rupees in '000) -----	
Mark-up / return / interest earned	23 1,476,671	1,575,643
Mark-up / return / interest expensed	24 2,168,785	1,511,156
Net Mark-up / interest (expense) / income	<u>(692,114)</u>	<u>64,487</u>
NON MARK-UP / INTEREST INCOME		
Fee and commission income	25 117,657	173,375
Dividend income	14,831	18,321
Foreign exchange income	96,223	115,188
Income / (loss) from derivatives	-	-
Gain / (loss) on securities	26 10,403	(1,555)
Other income	27 16,849	36,078
Total non-markup / interest income	<u>255,963</u>	<u>341,407</u>
Total income	<u>(436,151)</u>	<u>405,894</u>
NON MARK-UP / INTEREST EXPENSES		
Operating expenses	28 1,238,484	1,343,410
Workers' welfare fund	-	-
Other charges	29 6,515	4,451
Total non-markup / interest expenses	<u>1,244,999</u>	<u>1,347,861</u>
Loss before provisions	<u>(1,681,150)</u>	<u>(941,967)</u>
Provisions and write offs - net	30 1,314,341	1,530,015
Extra ordinary / unusual items	-	-
LOSS BEFORE TAXATION	<u>(2,995,491)</u>	<u>(2,471,982)</u>
Taxation	31 (1,006,624)	(822,528)
LOSS AFTER TAXATION	<u>(1,988,867)</u>	<u>(1,649,454)</u>
	----- (Rupee) -----	
Basic loss per share	32 <u>(0.75)</u>	<u>(0.63)</u>
Diluted loss per share	32 <u>(0.75)</u>	<u>(0.63)</u>

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
	----- (Rupees in '000) -----	
Loss after taxation for the period	(1,988,867)	(1,649,454)
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of investments - net of tax	222,922	219,621
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of operating fixed assets - net of tax	8,797	8,835
Movement in surplus on revaluation of non-banking assets - net of tax	-	316
	8,797	9,151
Total comprehensive loss	<u>(1,757,148)</u>	<u>(1,420,682)</u>

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED MARCH 31, 2020

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Revenue reserve.	
	Share premium	Statutory reserve	Reserve arising on amalgamation	Fixed / Non banking assets	Investments	Property held for sale	Accumulated losses	Total	
	(Rupees in '000)								
Balance as at January 01, 2019 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	(1,089,528)	2,911,842	75,415	(19,899,372)	2,752,603
Loss after taxation for the quarter ended March 31, 2019	-	-	-	-	-	-	-	-	(1,649,454)
Other comprehensive income - net of tax	-	-	-	-	219,621	9,151	-	-	228,772
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(25,235)	-	25,235	-
Surplus realized on disposal of fixed assets	-	-	-	-	-	(15,911)	-	15,911	-
Surplus realized on disposal of non-banking assets	-	-	-	-	-	(902)	-	902	-
Balance as at April 01, 2019 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	(869,907)	2,878,945	75,415	(21,506,778)	1,331,921
Loss after taxation for the nine months period ended December 31, 2019	-	-	-	-	-	-	-	-	(7,801,165)
Other comprehensive income - net of tax	-	-	-	-	813,706	56,901	-	414	871,021
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(75,640)	-	75,640	-
Surplus realized on disposal of fixed assets	-	-	-	-	-	(28,161)	-	28,161	-
Surplus realized on disposal of non-banking assets	-	-	-	-	-	-	-	-	-
Balance as at January 01, 2020 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	(56,201)	2,832,045	75,415	(29,203,728)	(5,598,223)
Loss after taxation for the quarter ended March 31, 2020	-	-	-	-	-	-	-	-	(1,988,867)
Other comprehensive income - net of tax	-	-	-	-	222,922	8,797	-	-	231,719
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(25,134)	-	25,134	-
Surplus realized on disposal of fixed assets	-	-	-	-	-	-	-	-	-
Surplus realized on disposal of non-banking assets	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	166,721	2,815,708	75,415	(31,167,461)	(7,355,371)

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(2,995,491)	(2,471,982)
Less: Dividend income	(14,831)	(18,321)
	(3,010,322)	(2,490,303)
Adjustments:		
Depreciation on fixed assets	133,072	158,174
Depreciation on right-of-use assets	138,254	126,376
Depreciation on non-banking assets	10,937	10,937
Finance cost of lease liability	71,390	68,898
Amortization	15,531	15,568
Provision and write-offs excluding recoveries	1,314,943	1,530,633
Charge for defined benefit plan	14,077	15,322
Charge for employees compensated absences	3,500	3,750
Gain on sale of fixed assets	(1,596)	(20,872)
Gain on disposal of non-banking assets - net	-	-
Unrealised loss on revaluation of investments classified as held-for-trading securities - net	470	146
	1,700,578	1,908,932
	(1,309,744)	(581,371)
(Increase) / decrease in operating assets		
Lendings to financial institutions	(1,752,614)	-
Held-for-trading securities	3,000	(2,650)
Advances	4,124,152	2,690,548
Others assets (excluding advance taxation)	703,690	503,399
	3,078,228	3,191,297
(Decrease) / increase in operating liabilities		
Bills payable	(429,078)	(299,337)
Borrowings from financial institutions	(2,148,948)	(4,241,605)
Deposits	(812,758)	850,890
Other liabilities (excluding current taxation)	(280,923)	(263,214)
	(3,671,707)	(3,953,266)
Payments on account of staff retirement benefits	(2,542)	(7,676)
Income tax paid	(31,522)	(22,763)
Net cash used in operating activities	(1,937,287)	(1,373,779)
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	2,567,585	1,517,521
Dividends received	-	2,987
Investment in operating fixed assets	(14,534)	(98,348)
Investments in intangible assets	(697)	-
Proceeds from sale of fixed assets	1,649	154,791
Proceeds from sale of non-banking assets	-	10,000
Net cash generated from investing activities	2,554,003	1,586,951
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(167,358)	(278,675)
Net cash used in financing activities	(167,358)	(278,675)
Effect of exchange rate changes on cash and cash equivalents	97,404	15,871
Increase / (decrease) in cash and cash equivalents	546,762	(49,632)
Cash and cash equivalents at beginning of the period	6,275,907	6,017,850
Cash and cash equivalents at end of the period	6,822,669	5,968,218

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2020

I. STATUS AND NATURE OF BUSINESS

I.1 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 March 31, 2020.

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 (December 31, 2019: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

I.2 In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials are made available. Moreover, 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, 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, 2022, subject to applicable regulatory approvals and compliances.

I.3 During the quarter, the Bank has incurred net loss of Rs. 1,988.867 million resulting in accumulated losses of Rs. 31,167.461 million and negative equity of Rs. 7,355.371 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 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of March 31, 2020. However, the paid up capital of the Bank (net of losses), CAR and LR are negative.

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 had received a revised letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootha (The Investor) in which The Investor had communicated his intention to acquire at least controlling stake in the Bank by subscribing to fresh equity in the Bank. 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 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 Investor has submitted his offer via a letter dated October 01, 2021, as per the Share Subscription Agreement (SSA) dated October 04, 2021 entered between the Bank and The Investor for the proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the Share Subscription Agreement which is duly approved by the Board of Directors. The Bank intends to issue total 5,976.096 million new ordinary shares.

The management and the Board of Directors are hopeful that with the capital injection along with the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve compliance with applicable regulatory requirements.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan 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).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, the SBP vide BPRD Circular No. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. The SBP, vide its BPRD Circular No. 04 of 2019 dated October 23, 2019 directed the banks in Pakistan to implement IFRS 9 'Financial Instruments - Classification and Measurement' with effect from January 01, 2021. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

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

- 2.2** Key financial figures of the Islamic banking branches are disclosed in Note 38 to these unconsolidated condensed interim financial statements.
- 2.3** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2019.
- 2.4** **Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period**

There are certain new and amended standards, interpretation and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2020 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.

- 2.5** **Standards, interpretations of and amendments to published approved accounting standards that are not yet effective**

The following new standards and interpretations of and amendments to existing approved accounting standards will be effective from the dates mentioned below against the respective standard, interpretation and amendment:

Standard, Interpretation and Amendment	Effective date (annual periods beginning on or after)
IFRS 9 - Financial Instruments: Classification and Measurement	January 01, 2021

IFRS 9: 'Financial Instruments' addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'expected credit losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL has impact on all assets of the Bank which are exposed to credit risk. The Bank is in the process of assessing the full impact of this standard.

2.6 Critical accounting estimates and judgements

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2019.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain operating fixed assets and non banking assets in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value and defined benefit obligations which are carried at present value.

3.2 Functional and Presentation Currency

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

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2019.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2019 except for the following additional considerations due to COVID-19:

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The State Bank of Pakistan (SBP) has also responded to the crisis by cutting the Policy Rate by 225 basis points to 11% in March 2020 and again by 200 basis points to 9% on April 16, 2020. Other regulatory measures to provide an impetus to economic activity include the following:

- Reduction in the capital conservation buffer by 100 basis points to 1.5%;
- Increasing the regulatory limit on extension of credit to SMEs to Rs 180 million;
- Relaxing the debt burden ratio for consumer loans from 50% to 60%;
- Allowing banks to defer borrowers' principal loan payments by one year; and
- Relaxing regulatory criteria for restructured / rescheduled loans for borrowers who require relief of principal repayment exceeding one year and / or mark-up.

COVID-19 will impact banks in Pakistan on a number of fronts including increase in overall credit risk pertaining to the loans and advances portfolio, reduced fee income due to overall slowdown in economic activity, continuity of business operations and managing cybersecurity threat as a significant number of the Bank's staff is working from home and an ever increasing number of customers are being encouraged to use digital channels.

5.1 Credit Risk Management

The Risk Management function of the Bank is regularly conducting assessments of the credit portfolio to identify borrowers most likely to get affected due to changes in the business and economic environment. The Bank has further strengthened its credit review procedures in the light of COVID-19. The Bank is continuously reviewing the portfolio, to identify accounts susceptible to higher risk, resulting from the COVID-19 outbreak.

5.2 Liquidity Risk Management

The Bank has received applications for deferral of principal and / or restructuring / rescheduling and is expected to receive further such applications. These applications are being reviewed by the Bank as per its established policies. The Asset and Liability Committee (ALCO) of the Bank is continuously monitoring the liquidity position.

5.3 Equity Risk Management

The carrying value of the Bank's investment in listed equity securities classified as available-for-sale amounts to Rs. 1.371 billion as at March 31, 2020. During the current quarter the Pakistan Stock Exchange fell by 28%, triggering an impairment of Rs. 32.018 million. The Bank has recorded the full amount and has not availed the benefit as allowed by the SBP.

5.4 Operational Risk Management

The Bank is closely monitoring the situation and has invoked required actions to ensure the safety and security of the Bank's staff and uninterrupted service to customers. The senior management of the Bank is continuously monitoring the situation and is taking timely decisions to resolve any concerns.

Business Continuity Plans (BCP) for respective areas are in place and tested. The Bank has significantly enhanced monitoring of cyber security risk during these times. The remote work capabilities were enabled for staff, where required, and related risk and control measures were assessed to ensure that the Bank's information assets are protected from emerging cyber threats and comply with the regulatory protocols required under the circumstances. The Bank is communicating with its customers on how they can connect with the Bank through its full suite of channels including digital and online channels. The Bank has taken all measures to ensure that service levels are maintained, customer complaints are resolved and turn around times are monitored and the Bank continues to meet the expectations of its employees and customers.

5.5 Capital Adequacy Ratio (CAR)

In order to encourage Banks to continue lending despite anticipated pressure on profits and credit risk, the SBP has relaxed the Capital Conversion Buffer (CCB) requirements to 1.5%, resulting in a 1% decline in CAR requirements for all Tiers.

(Un-audited) (Audited)
March 31, December 31,
2020 2019
----- (Rupees in '000) -----

6. CASH AND BALANCES WITH TREASURY BANKS

In hand

Local currency	3,748,605	2,918,520
Foreign currency	400,587	375,536
	4,149,192	3,294,056

With State Bank of Pakistan in

Local currency current account	714,029	961,761
Foreign currency current account	334,241	370,395
Foreign currency deposit account	210,434	146,827
	1,258,704	1,478,983

With National Bank of Pakistan in Local currency current account 168,419 789,312

Prize bonds 10,123 51,205

5,586,438 5,613,556

7. BALANCES WITH OTHER BANKS

In Pakistan

In current account	3,408	31,308
In deposit account	109,887	76,337
	113,295	107,645

Outside Pakistan

In current account	625,917	247,906
In deposit account	519,282	575,259
	1,145,199	823,165

1,258,494 930,810

8. LENDINGS TO FINANCIAL INSTITUTIONS

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
Call money lending	-	200,000
Repurchase agreement lendings (Reverse Repo)	2,743,886	791,272
	2,743,886	991,272
Less: provision held against Lending to Financial Institutions	-	-
Lending to Financial Institutions - net of provision	2,743,886	991,272

9. INVESTMENTS

9.1 Investments by type:

	March 31, 2020 (Un-audited)				December 31, 2019 (Audited)			
	Cost / amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying value
	----- (Rupees in '000) -----							
Held-for-trading securities								
Shares	2,542	-	(470)	2,072	5,850	-	(308)	5,542
Available-for-sale securities								
Federal Government Securities								
- Market Treasury Bills	4,146,754	-	31,810	4,178,564	3,050,459	-	13,210	3,063,669
- Pakistan Investment Bonds	11,888,591	-	167,623	12,056,214	15,551,796	-	(563,399)	14,988,397
- GoP Ijarah Sukuks	1,600,000	-	-	1,600,000	1,600,000	-	(16,000)	1,584,000
Shares								
- Fully paid up ordinary shares - Listed	4,147,681	(2,833,983)	57,061	1,370,759	4,147,681	(2,801,965)	479,726	1,825,442
- Fully paid up ordinary shares - Unlisted	2,830	(1,000)	-	1,830	2,830	(1,000)	-	1,830
- Preference shares - Unlisted	46,035	-	-	46,035	46,035	-	-	46,035
Non Government Debt Securities								
- Term Finance Certificates	1,599,675	(1,437,090)	-	162,585	1,600,350	(1,437,765)	-	162,585
- Sukuk Bonds	200,000	(200,000)	-	-	200,000	(200,000)	-	-
	23,631,566	(4,472,073)	256,494	19,415,987	26,199,151	(4,440,730)	(86,463)	21,671,958
Subsidiary	396,942	(114,943)	-	281,999	396,942	(114,943)	-	281,999
Total Investments	24,031,050	(4,587,016)	256,024	19,700,058	26,601,943	(4,555,673)	(86,771)	21,959,499

9.1.1 Investments given as collateral - Market Value

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
Pakistan Investment Bonds	2,832,911	5,443,670
GoP Ijarah Sukuks	1,600,000	-
	4,432,911	5,443,670

9.2 Provision for diminution in value of investments

Opening balance	4,555,673	3,271,639
Charge / reversals		
Charge for the period / year	32,018	1,287,284
Reversals for the period / year	(675)	(3,250)
	31,343	1,284,034
Closing balance	4,587,016	4,555,673

9.3 Particulars of provision against debt securities

Category of classification

Domestic

Doubtful
Loss

March 31, 2020 (Un-audited)		December 31, 2019 (Audited)	
NPI	Provision	NPI	Provision
----- (Rupees in '000) -----			
	281,567	118,982	281,567
	1,518,108	1,518,108	1,518,783
	1,799,675	1,637,090	1,800,350
			1,637,765

- 9.4** Pursuant to the applicable Prudential Regulations, the Bank has availed the Forced Sale Value (FSV) benefit of securities / collaterals held against a non-performing investment. Had this FSV benefit not been availed by the Bank, the specific provision against investments would have been higher by Rs. 21.802 million (December 31, 2019: Rs. 21.802 million). This has a net of tax positive impact of Rs. 14.171 million (December 31, 2019: Rs. 14.171 million) on the profit and loss account. 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.

10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) March 31, 2020	(Audited) December 31, 2019	(Un-audited) March 31, 2020	(Audited) December 31, 2019	(Un-audited) March 31, 2020	(Audited) December 31, 2019
Note	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	23,402,625	27,027,711	39,663,380	39,955,184	63,066,005	66,982,895
Islamic financing and related assets	3,552,469	3,767,335	859,197	809,541	4,411,666	4,576,876
Bills discounted and purchased	260,648	549,377	77,089	77,089	337,737	626,466
Advances - gross	27,215,742	31,344,423	40,599,666	40,841,814	67,815,408	72,186,237
Provision against advances						
- Specific	-	-	(29,950,731)	(28,903,404)	(29,950,731)	(28,903,404)
- General	(28,393)	(40,508)	-	-	(28,393)	(40,508)
	(28,393)	(40,508)	(29,950,731)	(28,903,404)	(29,979,124)	(28,943,912)
Advances - net of provision	27,187,349	31,303,915	10,648,935	11,938,410	37,836,284	43,242,325

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
	67,541,042	71,880,922
	274,366	305,315
	67,815,408	72,186,237

- 10.2** Advances include Rs. 40,599.666 million (December 31, 2019: Rs. 40,841.814 million) which have been placed under non-performing status as detailed below:

Category of Classification

Domestic

Other Assets Especially Mentioned
Substandard
Doubtful
Loss

	March 31, 2020 (Un-audited)		December 31, 2019 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	----- (Rupees in '000) -----			
	4,859	263	8,963	873
	523,272	18,198	2,057,443	339,271
	1,369,823	474,486	1,668,552	109,872
	38,701,712	29,457,784	37,106,856	28,453,388
	40,599,666	29,950,731	40,841,814	28,903,404

10.3 Particulars of provision against advances

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	28,903,404	40,508	28,943,912	21,502,664	46,988	21,549,652
Charge for the period / year	1,619,173	-	1,619,173	8,222,910	-	8,222,910
Reversals for the period / year	(326,141)	(12,115)	(338,256)	(819,338)	(6,480)	(825,818)
	1,293,032	(12,115)	1,280,917	7,403,572	(6,480)	7,397,092
Amounts written off	(245,705)	-	(245,705)	(2,832)	-	(2,832)
Closing balance	29,950,731	28,393	29,979,124	28,903,404	40,508	28,943,912

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio.

The Bank has maintained general provision against housing finance portfolio at the rate of 1.5% and against unsecured SE portfolio at the rate of 1%.

10.3.2 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. 9,567.196 million (December 31, 2019: Rs. 9,347.484 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 6,218.677 million (December 31, 2019: Rs. 6,075.865 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.

10.3.3 The SBP had 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. Nil (December 31, 2019: Rs. 205.502 million).

	Note	(Un-audited)	(Audited)
		March 31, 2020	December 31, 2019
(Rupees in '000)			
II. FIXED ASSETS			
Capital work-in-progress	11.1	70,289	70,864
Property and equipment		7,898,430	8,016,446
Right-of-use assets		1,955,402	2,093,656
		<u>9,924,121</u>	<u>10,180,966</u>
11.1 Capital work-in-progress			
Civil works and related payments / progress billings		65,663	66,238
Advances and other payments to suppliers and contractors		4,626	4,626
Advances and other payments against capital work in progress considered doubtful		1,158,340	1,158,340
Less: Provision held there against		(1,158,340)	(1,158,340)
		<u>70,289</u>	<u>70,864</u>

	(Un-audited)	
	March 31, 2020	March 31, 2019
	(Rupees in '000)	

11.2 Additions to fixed assets

The following additions have been made to fixed assets during the period:

Property and equipment

Building improvements	2,522	1,644
Furniture and fixture	425	57,633
Electrical, office and computer equipment	12,108	18,826
Vehicles	53	-
	15,108	78,103
Right-of-use assets	-	2,080,752
	<u>15,108</u>	<u>2,158,855</u>

11.3 Transfer / Disposal of fixed assets

The net book value of fixed assets disposed off during the period is as follows:

		(Un-audited)	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
Capital work-in-progress		575	24,055
Property and equipment			
Leasehold land		-	104,010
Building on leasehold land		-	89
Building improvements		-	144
Electrical, office and computer equipment		53	2,114
Vehicles		-	11
		53	106,368
		628	130,423

12. INTANGIBLE ASSETS

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
		----- (Rupees in '000) -----	
Capital work-in-progress	12.1	45,098	47,187
Intangible assets in use	12.2	88,625	101,370
		133,723	148,557

12.1 Capital work-in-progress

Advances to suppliers and contractors		45,098	47,187
Advances against capital work in progress considered doubtful		141,224	141,224
Less: Provision held there against		(141,224)	(141,224)
		45,098	47,187

12.2 Intangible assets in use

Computer softwares		54,932	58,834
Core deposits		19,300	24,547
Brand name		14,393	17,989
		88,625	101,370

12.3 Additions to intangible assets

The following additions have been made to intangible assets during the period:

Directly purchased		2,785	3,496
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12.4 There were no disposals in intangible assets during the current and prior period.

13. DEFERRED TAX ASSETS

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff Compensated absences
- Unrealised Loss on HFT Portfolio
- Provision against other assets

March 31, 2020 (Un-audited)			
At January 01, 2020	Recognised in profit and loss account	Recognised in other comprehensive income	At March 31, 2020
----- (Rupees in '000) -----			

5,889,304	707,080	-	6,596,384
5,826,396	316,414	-	6,142,810
1,594,486	10,970	-	1,605,456
43,107	-	-	43,107
38,358	336	-	38,694
108	57	-	165
149,656	-	-	149,656
13,541,415	1,034,857	-	14,576,272

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Deficit on revaluation of investments
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation
- Unrealized gain / (loss) on forward exchange contracts

(1,026,325)	-	8,797	(1,017,528)
30,262	-	(120,035)	(89,773)
(406,274)	-	-	(406,274)
(156,349)	-	-	(156,349)
(380,630)	11,010	-	(369,620)
4,294	(13,746)	-	(9,452)
(1,935,022)	(2,736)	(111,238)	(2,048,996)

11,606,393	1,032,121	(111,238)	12,527,276
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December 31, 2019 (Audited)

At January 01, 2019	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2019
----- (Rupees in '000) -----			

Deductible Temporary Differences on

- Tax losses carried forward
- Deficit on revaluation of investments
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff Compensated absences
- Unrealised Loss on HFT Portfolio
- Unrealized gain on forward exchange contracts
- Provision against other assets

3,811,924	2,077,380	-	5,889,304
586,669	-	(556,407)	30,262
3,433,882	2,392,514	-	5,826,396
1,145,074	449,412	-	1,594,486
43,107	-	-	43,107
35,380	2,978	-	38,358
-	108	-	108
3,078	1,216	-	4,294
149,656	-	-	149,656
9,208,770	4,923,608	(556,407)	13,575,971

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

(1,063,624)	-	37,299	(1,026,325)
(406,274)	-	-	(406,274)
(141,353)	-	(14,996)	(156,349)
(382,530)	1,900	-	(380,630)
(1,993,781)	1,900	22,303	(1,969,578)

7,214,989	4,925,508	(534,104)	11,606,393
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- 13.1** 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 management's estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. The 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.

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
14. OTHER ASSETS	Note ----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	993,924	1,325,130
Income / mark-up accrued in foreign currency	2,261	1,768
Advances, deposits, advance rent and other prepayments	312,064	294,760
Advance taxation (payments less provisions)	604,154	598,129
Non-banking assets acquired in satisfaction of claims	2,738,890	2,749,827
Receivable from other banks against clearing and settlement	69,916	218,053
Acceptances	274,667	453,864
Mark to market gain on forward foreign exchange contracts	31,453	6,079
Stationery and stamps on hand	8,698	9,093
Dividend receivable	14,831	-
Commission receivable on home remittance	124,282	162,594
Property - Held for sale	3,838,719	3,838,719
Others	474,144	523,758
	9,488,003	10,181,774
Less: Provision held against other assets	14.2 (588,821)	(587,110)
Other assets (net of provision)	8,899,182	9,594,664
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	446,712	446,712
Surplus on revaluation of property - held for sale	1,160,784	1,160,784
Other Assets - total	10,506,678	11,202,160

14.1 This represents a portion of the Bank's self constructed property which has been earmarked for selling in the near future. This property is carried at lower of market value / fair value less cost to sell and carrying amount.

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
14.2 Provision held against other assets	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent & other prepayments	79,664	79,664
Non banking assets acquired in satisfaction of claims	290,547	290,547
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	34,436	34,436
Account receivable - sundry claims	137,759	136,048
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	9,452	9,452
	588,821	587,110

14.2.1 Movement in provision held against other assets

Opening balance	587,110	584,840
Charge for the period / year	1,711	2,317
Reversals for the period / year	-	-
Amount written off	-	(47)
Closing balance	588,821	587,110

15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

16. BILLS PAYABLE

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
In Pakistan	1,386,758	1,815,836
Outside Pakistan	-	-
	<u>1,386,758</u>	<u>1,815,836</u>

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan		
- Under export refinance scheme	6,637,390	6,780,140
- Under Islamic Export Refinance Scheme (IERF)	250,000	250,000
- Under Long-term financing facility	807,453	857,219
- Refinance facility for modernization of SMEs	5,206	5,650
- Repurchase agreement borrowings	2,484,728	5,440,716
	<u>10,184,777</u>	<u>13,333,725</u>

Repurchase agreement borrowings	1,000,000	-
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Total secured	<u>11,184,777</u>	<u>13,333,725</u>
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Unsecured

Overdrawn nostro accounts	22,263	171,055
Total unsecured	<u>22,263</u>	<u>171,055</u>
	<u>11,207,040</u>	<u>13,504,780</u>

18. DEPOSITS AND OTHER ACCOUNTS

March 31, 2020 (Un-audited)			December 31, 2019 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----					

Customers

Current deposits	24,220,156	1,314,204	25,534,360	25,059,806	1,390,243	26,450,049
Savings deposits	41,729,979	1,278,695	43,008,674	41,131,498	1,290,353	42,421,851
Term deposits	10,896,828	2,970,222	13,867,050	11,202,150	3,032,909	14,235,059
Others	3,138,528	26,216	3,164,744	3,323,784	24,352	3,348,136
	<u>79,985,491</u>	<u>5,589,337</u>	<u>85,574,828</u>	<u>80,717,238</u>	<u>5,737,857</u>	<u>86,455,095</u>

Financial Institutions

Current deposits	533,436	58,740	592,176	673,169	286,055	959,224
Savings deposits	1,140,235	5	1,140,240	741,040	5	741,045
Term deposits	447,488	-	447,488	412,126	-	412,126
Others	-	-	-	-	-	-
	<u>2,121,159</u>	<u>58,745</u>	<u>2,179,904</u>	<u>1,826,335</u>	<u>286,060</u>	<u>2,112,395</u>
	<u>82,106,650</u>	<u>5,648,082</u>	<u>87,754,732</u>	<u>82,543,573</u>	<u>6,023,917</u>	<u>88,567,490</u>

18.1 Deposits include Eligible Deposits of Rs. 55,249,257 million (December 31, 2019: Rs. 55,745,364 million) protected under Depositors Protection Mechanism introduced by State Bank of Pakistan.

19. SUBORDINATED DEBT

Issue amount	Rs.1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2021 (December 31, 2019; October 27, 2020)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended thrice by the Bank to October 27, 2019, October 27, 2020 and October 27, 2021 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019 and October 22, 2020. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020 and July 09, 2021. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020 and October 22, 2021.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 26, 2021 have approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules and requisite regulatory requirements for seeking final approval from the State Bank of Pakistan.

Rating	'D' (Default).
Security	Unsecured.
Redemption / profit payment frequency	The redemption / profit payment details are mentioned in the above maturity date clause.
Mark up	Base rate (6 months KIBOR - ask side) plus 325 bps.
Call option	The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised by the Bank.
Lock-in-clause	Neither interest nor principal can be paid (even at maturity) if such payments will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR and CAR.

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
20. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		1,261,748	1,229,525
Mark-up / return / interest payable in foreign currencies		186	459
Unearned income		8,592	8,986
Accrued expenses		73,494	77,216
Advance against sale of property		484,344	476,544
Acceptances		274,667	453,864
Unclaimed dividends		2,213	2,213
Mark to market loss on forward foreign exchange contracts		4,449	18,348
Payable to defined benefit plan		148,750	134,673
Charity fund balance		63	504
Branch adjustment account		17	80
Security deposits against lease		585,633	639,574
Payable to Bangladesh Bank		41,389	41,389
Payable to Rupali Bank - Bangladesh		16,293	16,293
Payable to vendors / creditors		190,513	199,376
Provision for compensated absences		110,550	109,592
Payable to Bank of Ceylon, Colombo		20,163	20,163
Retention money		22,196	29,374
Workers' welfare fund		13,360	13,360
Withholding taxes and government levies payable		30,719	26,010
Federal excise duty and sales tax payable		4,782	10,135
Commission payable on home remittances		103,700	137,909
Lease liability		2,023,714	2,119,682
Others		306,749	324,871
		<u>5,728,284</u>	<u>6,090,140</u>
21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS			
Surplus / (deficit) on revaluation of			
- Available for sale securities	9.1	256,494	(86,463)
- Fixed assets		3,542,877	3,568,007
- Non-banking assets acquired in satisfaction of claims		446,712	446,712
- Property - held for sale		1,160,784	1,160,784
		5,406,867	5,089,040
Deferred tax on surplus / (deficit) on revaluation of:			
- Available for sale securities		(89,773)	30,262
- Fixed assets		(1,017,532)	(1,026,325)
- Non-banking assets acquired in satisfaction of claims		(156,349)	(156,349)
- Property - held for sale		(406,274)	(406,274)
		(1,669,928)	(1,558,686)
		<u>3,736,939</u>	<u>3,530,354</u>
22. CONTINGENCIES AND COMMITMENTS			
-Guarantees	22.1	14,020,018	19,912,355
-Commitments	22.2	15,759,748	24,718,660
-Other contingent liabilities	22.3	12,146,492	11,632,928
		<u>41,926,258</u>	<u>56,263,943</u>
22.1 Guarantees:			
Financial guarantees		23,677	23,677
Performance guarantees		12,445,337	16,025,962
Other guarantees		1,551,004	3,862,716
		<u>14,020,018</u>	<u>19,912,355</u>

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
22.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		2,610,227	6,953,447
Commitments in respect of:			
- forward foreign exchange contracts	22.2.1	3,450,295	5,507,866
- forward lending	22.2.2	5,996,231	6,598,509
- operating leases	22.2.3	32,269	46,310
Commitments for acquisition of:			
- operating fixed assets		79,750	75,637
- intangible assets		106,248	96,175
Other commitments	22.2.4	3,484,728	5,440,716
		<u>15,759,748</u>	<u>24,718,660</u>
22.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		3,371,020	4,815,225
Sale		79,275	692,641
		<u>3,450,295</u>	<u>5,507,866</u>
22.2.2 Commitments in respect of forward lending			
Forward documentary bills		4,297,373	4,465,388
Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1	1,698,858	2,133,121
		<u>5,996,231</u>	<u>6,598,509</u>
22.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.			
22.2.3 Commitments in respect of operating lease			
Not later than one year		32,269	46,310
Later than one year and not later than five years		-	-
Later than five years		-	-
		<u>32,269</u>	<u>46,310</u>
22.2.4 Other commitments			
Purchase (Repo)		3,484,728	5,440,716
22.3 Other contingent liabilities - claims against the Bank not acknowledged as debts		<u>12,146,492</u>	<u>11,632,928</u>
22.4 During the year 2018, 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 sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.			
22.5 Contingency for tax payable			
Contingency related to tax payable is disclosed in note 31.2.			

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
23.	MARK-UP / RETURN / INTEREST EARNED	Note	
	On:		
	Loans and advances	922,606	1,276,256
	Investments	530,611	285,452
	Lendings to financial institutions	18,127	8,678
	Balances with banks	5,327	5,257
		<u>1,476,671</u>	<u>1,575,643</u>
24.	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	1,609,882	982,106
	Borrowings	315,759	325,851
	Subordinated debt	61,819	47,348
	Cost of foreign currency swaps against foreign currency deposits / borrowings	109,935	86,953
	Finance cost of lease liability	71,390	68,898
		<u>2,168,785</u>	<u>1,511,156</u>
25.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	6,545	2,137
	Consumer finance related fees	2,800	703
	Card related fees (debit cards)	16,157	25,255
	Credit related fees	1,606	5,070
	Investment banking fees	5,166	4,216
	Commission on trade	43,179	55,670
	Commission on guarantees	31,961	37,936
	Commission on cash management	257	1,322
	Commission on remittances including home remittances	4,839	16,391
	Commission on bancassurance	373	1,309
	Commission on Benazir Income Support Programme	-	18,281
	Alternate Delivery Channels (ADC)	4,770	4,989
	Others	4	96
		<u>117,657</u>	<u>173,375</u>
26.	GAIN / (LOSS) ON SECURITIES		
	Realised	26.1 10,873	(1,409)
	Unrealised - held for trading	(470)	(146)
		<u>10,403</u>	<u>(1,555)</u>
26.1	Realised gain / (loss) on:		
	Federal Government Securities	10,195	(1,539)
	Shares	678	130
		<u>10,873</u>	<u>(1,409)</u>

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
27.	OTHER INCOME	Note	
	Rent on property / locker	6,135	4,795
	Gain on sale of fixed assets - net	1,596	20,872
	Gain on sale of ijarah assets	2,742	854
	Account maintenance and other relevant charges	3,120	4,883
	Recovery of expenses from customers	3,256	4,373
	Others	-	301
		16,849	36,078
28.	OPERATING EXPENSES		
	Total compensation expense	28.1	419,128
			424,632
	Property expense		
	Rent and taxes	23,257	44,076
	Insurance - property	1,018	1,258
	Insurance - non banking assets	98	80
	Utilities cost	44,375	46,592
	Security (including guards)	49,009	40,898
	Repair and maintenance (including janitorial charges)	31,248	24,925
	Depreciation on owned fixed assets	71,872	97,324
	Depreciation on right-of-use assets	138,254	126,376
	Depreciation on non banking assets	10,937	10,937
		370,068	392,466
	Information technology expenses		
	Software maintenance	15,498	12,456
	Hardware maintenance	24,243	13,962
	Depreciation on computer equipments	24,602	28,444
	Amortisation on computer softwares	6,688	6,725
	Network charges	21,113	22,143
	Insurance	562	96
		92,706	83,826
	Other operating expenses		
	Directors' fees and allowances	900	550
	Fees and allowances to Shariah Board	1,200	1,200
	Legal and professional charges	33,183	110,634
	Outsourced services costs	36,112	30,562
	Travelling and conveyance	40,083	34,306
	NIFT clearing charges	6,460	6,979
	Depreciation	36,598	32,406
	Amortisation of core deposits and brand name	8,843	8,843
	Training and development	1,376	1,119
	Postage and courier charges	12,242	11,931
	Communication	13,262	10,825
	Stationery and printing	25,248	20,397
	Marketing, advertisement and publicity	6,531	13,985
	Brokerage and commission	251	302
	Fee and subscription	20,063	33,187
	Cash transportation and sorting charges	20,508	21,858
	Entertainment	8,248	8,079
	Insurance	31,815	17,496
	Deposit insurance premium expense	25,840	22,378
	Repair and maintenance	21,634	17,014
	Auditors' Remuneration	2,932	4,012
	Others	3,253	34,423
		356,582	442,486
		1,238,484	1,343,410

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
28.1	Total compensation expense	Note	
	Fees and allowances etc.	9,415	9,821
	Managerial remuneration		
	i) Fixed	255,262	259,851
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	1,642	704
	b) Incentives and commission	402	367
	Charge for defined benefit plan	14,077	15,322
	Contribution to defined contribution plan	15,546	12,474
	Charge for employees compensated absences	3,500	3,750
	Rent and house maintenance	82,550	83,837
	Utilities	18,343	18,629
	Medical	18,391	19,877
	Total	419,128	424,632
29.	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	20	266
	Bank charges	6,495	4,185
		6,515	4,451
30.	PROVISIONS AND WRITE OFFS - NET		
	Provisions for diminution in value of investments	31,343	28,558
	Provisions against loans and advances	1,280,917	1,501,692
	Provision against other assets	1,711	210
	Bad debts written off directly	972	173
	Recoveries against written off / charged off bad debts	(602)	(618)
		1,314,341	1,530,015
31.	TAXATION		
	Current	31.1 & 31.2 25,497	23,432
	Prior periods	-	-
	Deferred	(1,032,121)	(845,960)
		(1,006,624)	(822,528)
31.1	This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.		
31.2	The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2018 i.e. tax year 2019.		
	In respect of assessments of Summit Bank Limited from tax year 2008 to tax year 2014, 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 Summit Bank Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed Bank's treatment on certain issues and created additional tax demand of Rs. 9.684 million through amended assessment orders and the same have been paid / adjusted against advance tax paid.		
	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, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region 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 financial statements.

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
32.	BASIC AND DILUTED LOSS PER SHARE	Note	
	Loss for the period		(1,988,867) (1,649,454)
			----- (Number of shares) -----
	Weighted average number of ordinary shares - Basic		<u>2,638,151,060</u> <u>2,638,151,060</u>
			----- (Rupee) -----
	Basic loss per share		<u>(0.75)</u> <u>(0.63)</u>
			----- (Number of shares) -----
	Weighted average number of ordinary shares - Diluted	32.1	<u>2,638,151,060</u> <u>2,638,151,060</u>
			----- (Rupee) -----
	Diluted loss per share		<u>(0.75)</u> <u>(0.63)</u>

32.1 There are no potential ordinary shares outstanding as of March 31, 2020.

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
33.	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	5,586,438	4,805,043
	Balances with other banks	1,258,494	1,198,992
	Overdrawn nostro accounts	(22,263)	(35,817)
		<u>6,822,669</u>	<u>5,968,218</u>

34. FAIRVALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investment in subsidiary, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

34.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

34.2 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

March 31, 2020 (Un-audited)			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal Government Securities	-	17,834,778	-	17,834,778
Shares - Listed	1,372,831	-	-	1,372,831
Non-Government Debt Securities	-	-	-	-

Financial assets - disclosed but not measured at fair value

Investments

Shares - Unlisted	-	-	2,349	2,349
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Non-Financial assets - measured at fair value

Operating fixed assets	-	-	7,319,276	7,319,276
Non banking assets acquired in satisfaction of claims	-	-	2,895,055	2,895,055

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	3,402,474	-	3,402,474
Forward sale of foreign exchange	-	83,724	-	83,724

December 31, 2019 (Audited)			
Level 1	Level 2	Level 3	Total
(Rupees in '000)			

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal Government Securities	-	19,636,066	-	19,636,066
Shares - Listed	1,830,984	-	-	1,830,984
Non-Government Debt Securities	-	-	-	-

Financial assets - disclosed but not measured at fair value

Investments

Shares - Unlisted	-	-	2,349	2,349
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Non-Financial assets - measured at fair value

Operating fixed assets	-	-	7,375,471	7,375,471
Other assets	-	-	2,905,992	2,905,992

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	4,800,861	-	4,800,861
Forward sale of foreign exchange	-	690,545	-	690,545

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. The fair values of GOP Ijarah Sukuks are derived using the PKISRV 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.
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 (MUJFAP) 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.

35. SEGMENT INFORMATION

35.1 Segment Details with respect to business activities

For the quarter ended March 31, 2020 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Others	Total	
(Rupees in '000)						
Profit and loss						
Net mark-up / return / profit	(196)	137,722	(651,070)	(178,570)	-	(692,114)
Inter segment revenue - net	-	(445,072)	-	445,072	-	-
Non mark-up / return / interest income	5,233	157,078	113,948	(20,296)	-	255,963
Total income	5,037	(150,272)	(537,122)	246,206	-	(436,151)
Segment direct expenses	608	90,876	1,073,286	69,292	10,937	1,244,999
Inter segment expense allocation	-	-	(113,413)	113,413	-	-
Total expenses	608	90,876	959,873	182,705	10,937	1,244,999
Provisions / (reversals)	-	31,343	1,299,279	(16,281)	-	1,314,341
Profit / (loss) before tax	4,429	(272,491)	(2,796,274)	79,782	(10,937)	(2,995,491)

As at March 31, 2020 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Others	Total	
(Rupees in '000)						
Balance Sheet						
Cash and bank balances	-	2,133,968	4,436,190	274,774	-	6,844,932
Investments	-	17,860,739	1,557,320	-	281,999	19,700,058
Net inter segment lending	-	75,000	-	14,903,578	-	14,978,578
Lendings to financial institutions	-	2,743,886	-	-	-	2,743,886
Advances - performing	-	-	23,642,969	3,544,380	-	27,187,349
Advances - non-performing	-	-	10,511,039	137,896	-	10,648,935
Others	46,312	6,032,766	14,532,559	660,845	11,819,316	33,091,798
Total assets	46,312	28,846,359	54,680,077	19,521,473	12,101,315	115,195,536
Borrowings	71	3,494,270	7,462,699	250,000	-	11,207,040
Subordinated debt	4,738	640,998	849,779	-	-	1,495,515
Deposits and other accounts	-	-	71,831,809	15,922,923	-	87,754,732
Net inter segment borrowing	-	14,903,578	-	75,000	-	14,978,578
Others	1,488	228,639	4,795,354	1,651,017	438,544	7,115,042
Total liabilities	6,297	19,267,485	84,939,641	17,898,940	438,544	122,550,907
Equity	40,015	9,578,874	(30,259,564)	1,622,533	11,662,771	(7,355,371)
Total equity and liabilities	46,312	28,846,359	54,680,077	19,521,473	12,101,315	115,195,536
Contingencies and Commitments	-	6,878,002	18,902,553	3,813,213	12,332,490	41,926,258

For the quarter ended March 31, 2019 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Others	Total	
(Rupees in '000)						
Profit and loss						
Net mark-up / return / profit	(93)	(598,520)	106,031	557,069	-	64,487
Inter segment revenue - net	-	251,811	-	(251,811)	-	-
Non mark-up / return / interest income	2,590	114,522	219,322	4,973	-	341,407
Total income	2,497	(232,187)	325,353	310,231	-	405,894
Segment direct expenses	575	83,704	1,184,491	68,074	11,017	1,347,861
Inter segment expense allocation	-	-	(92,690)	92,690	-	-
Total expenses	575	83,704	1,091,801	160,764	11,017	1,347,861
Provisions	-	28,558	1,219,718	281,739	-	1,530,015
Profit / (loss) before tax	1,922	(344,449)	(1,986,166)	(132,272)	(11,017)	(2,471,982)
As at December 31, 2019 (Audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Others	Total	
(Rupees in '000)						
Balance Sheet						
Cash and bank balances	-	1,870,617	4,211,474	462,275	-	6,544,366
Investments	-	20,120,181	1,557,319	-	281,999	21,959,499
Net inter segment lending	-	-	-	14,001,113	-	14,001,113
Lendings to financial institutions	-	791,272	-	200,000	-	991,272
Advances - performing	-	-	27,548,061	3,755,854	-	31,303,915
Advances - non-performing	-	-	11,863,059	75,351	-	11,938,410
Others	36,596	4,068,744	16,416,347	735,424	11,880,965	33,138,076
Total assets	36,596	26,850,814	61,596,260	19,230,017	12,162,964	119,876,651
Borrowings	465	5,491,088	7,763,227	250,000	-	13,504,780
Subordinated debt	4,063	440,405	1,051,047	-	-	1,495,515
Deposits and other accounts	-	-	73,119,266	15,448,224	-	88,567,490
Net inter segment borrowing	-	14,001,113	-	1,989,042	-	14,001,113
Others	2,651	319,515	5,156,226	1,989,042	438,542	7,905,976
Total liabilities	7,179	20,252,121	87,089,766	17,687,266	438,542	125,474,874
Equity	29,417	6,598,693	(25,493,506)	1,542,751	11,724,422	(5,598,223)
Total equity and liabilities	36,596	26,850,814	61,596,260	19,230,017	12,162,964	119,876,651
Contingencies and Commitments	-	10,736,460	28,582,452	5,140,291	11,804,740	56,263,943

35.1.1 The Bank does not have any operations outside Pakistan.

36. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiary, employee benefit plans and its directors and Key Management Personnel.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period / year, other than those which have been disclosed elsewhere in these financial statements are as follows:

	March 31, 2020 (Un-audited)				December 31, 2019 (Audited)					
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
	(Rupees in '000)									
Investments										
Opening balance	-	-	396,942	1,692,490	-	-	-	396,942	-	1,713,990
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	(21,500)
Closing balance	-	-	396,942	1,692,490	-	-	-	396,942	-	1,692,490
Provision for diminution in value of investments										
	-	-	114,943	1,613,242	-	-	-	114,943	-	1,613,242
Advances										
Opening balance	-	-	265,793	660,792	-	-	-	259,303	-	932,302
Addition during the period / year	-	-	5,484	25,540	-	-	-	36,601	-	2,139,568
Repaid during the period / year	-	-	(21,580)	(25,540)	-	-	-	(18,393)	-	(2,214,009)
Transfer in / (out) - net	-	-	55,387	1,677	-	-	-	(11,718)	-	(197,069)
Closing balance	-	-	305,084	648,694	-	-	-	265,793	-	660,792
Provision held against advances										
	-	-	-	-	-	-	-	-	-	-

	March 31, 2020 (Un-audited)				December 31, 2019 (Audited)			
	Parent company	Directors management personnel	Subsidiary	Other related parties	Parent company	Directors management personnel	Subsidiary	Other related parties
Other Assets	(Rupees in '000)							
Interest / mark-up accrued	-	-	-	11,320	-	-	-	11,320
Other receivable	699	281	-	-	699	-	-	-
Provision held against other assets	-	-	-	-	-	-	-	-
Deposits and other accounts								
Opening balance	-	20,042	92,926	1,512,961	-	18,463	102,458	1,769,716
Received during the period / year	-	82,942	1,865,961	98,478	-	-	7,270,665	852,565
Withdrawn during the period / year	-	(85,419)	(1,823,131)	(37,722)	-	-	(7,280,197)	(848,128)
Transfer (out) / in - net	-	1,037	-	3	-	(18,463)	78	(261,192)
Closing balance	-	18,602	135,756	1,573,720	-	-	92,926	1,512,961
Other Liabilities								
Interest / mark-up payable	-	186	223	17,274	-	-	103	16,293
Payable to defined benefit plan	-	-	-	148,750	-	-	-	134,673
Brokerage payable	-	-	146	-	-	-	127	-
Contingencies and Commitments								
Guarantees, letters of credit and acceptances	-	-	-	111,255	-	-	-	86,500
Commitments to extend credit	-	-	400,000	-	-	-	400,000	9,915

	For the quarter ended March 31, 2020 (Un-audited)				For the quarter ended March 31, 2019 (Un-audited)			
	Parent company	Directors management personnel	Subsidiary	Other related parties	Parent company	Directors management personnel	Subsidiary	Other related parties
Income								
Mark-up / return / interest earned	-	2,481	49	22,779	-	1,592	-	10,227
Fee and commission income	-	-	98	-	-	-	95	-
Other Income	-	-	797	-	-	-	725	-
Expense								
Mark-up / return / interest expensed	-	366	640	51,199	-	363	603	33,655
Operating expenses:								
- Directors' fees and allowances	900	-	-	-	-	550	-	-
- Brokerage and commission	-	-	701	-	-	-	60	-
- Fee and subscription	-	234	-	-	-	3,114	-	-
- Managerial Remuneration	-	45,548	-	-	-	40,009	-	-
- Contribution to defined contribution plan	-	-	-	15,546	-	-	-	12,474
- Charge for defined benefit plan	-	-	-	14,077	-	-	-	15,322
Provision for diminution in value of Investments	-	-	-	-	-	-	-	11,424

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.

37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)

(Un-audited) (Audited)
March 31, December 31,
2020 2019
----- (Rupees in '000) -----

(11,246,472) (9,282,739)

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier-1 (CET-1) Capital

(24,432,905) (21,621,286)

Eligible Additional Tier-1 (ADT-1) Capital

- -

Total Eligible Tier-1 Capital

(24,432,905) (21,621,286)

Eligible Tier-2 Capital

- -

Total Eligible Capital (Tier-1 + Tier-2)

(24,432,905) (21,621,286)

Risk Weighted Assets (RWAs):

Credit Risk

62,611,124 70,053,222

Market Risk

6,737,629 6,972,343

Operational Risk

6,393,983 8,420,159

Total

75,742,736 85,445,724

Common Equity Tier-1 Capital Adequacy ratio

-32.26% -25.30%

Tier-1 Capital Adequacy Ratio

-32.26% -25.30%

Total Capital Adequacy Ratio

-32.26% -25.30%

Leverage Ratio (LR):

Eligible Tier-1 Capital

(24,432,905) (21,621,286)

Total Exposures

122,236,012 138,263,360

Leverage Ratio

-19.99% -15.64%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

21,324,993 14,935,767

Total Net Cash Outflow

15,886,800 17,180,961

Liquidity Coverage Ratio

134.23% 86.93%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

64,190,032 66,795,162

Total Required Stable Funding

61,387,894 66,682,561

Net Stable Funding Ratio

104.56% 100.17%

38. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2019: 14) Islamic banking branches and 35 (December 31, 2019: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
Note	----- (Rupees in '000) -----		
ASSETS			
Cash and balances with treasury banks		274,691	451,368
Balances with other banks		83	10,907
Due from financial institutions	38.1	14,903,578	14,201,113
Investments		-	-
Islamic financing and related assets - net	38.2	3,682,276	3,831,205
Fixed assets		306,595	320,842
Intangible assets		4,082	4,638
Due from Head Office		-	-
Other assets		350,168	409,944
Total Assets		19,521,473	19,230,017
LIABILITIES			
Bills payable		139,879	194,231
Due to financial institutions	38.3	325,000	250,000
Deposits and other accounts	38.4	15,922,923	15,448,224
Due to Head Office		-	-
Subordinated debt		-	-
Deferred tax liabilities - net		-	-
Other liabilities		1,511,138	1,794,811
		17,898,940	17,687,266
NET ASSETS		1,622,533	1,542,751
REPRESENTED BY			
Islamic Banking Fund		1,000,000	1,000,000
Reserves		-	-
Surplus on revaluation of assets		-	-
Unappropriated/ Unremitted profit	38.5	622,533	542,751
		1,622,533	1,542,751
CONTINGENCIES AND COMMITMENTS	38.6		

**ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020**

	March 31, 2020	March 31, 2019
Note	----- (Rupees in '000) -----	
Profit / return earned	38.7	475,398
Profit / return expensed	38.8	170,140
Net Profit / return	266,502	305,258
Other income		
Fee and commission income	10,643	11,696
Dividend income	-	-
Foreign exchange loss	(34,221)	(7,373)
Income / (loss) from derivatives	-	-
Loss on sale of securities	(1,366)	(1,888)
Other income	4,648	2,538
Total other income	(20,296)	4,973
Total income	246,206	310,231
Other expenses		
Operating expenses	182,648	160,455
Workers' welfare fund	-	-
Other charges	57	309
Total other expenses	182,705	160,764
Profit before provisions	63,501	149,467
(Reversal) / provisions and write offs - net	(16,281)	281,739
Profit / (loss) before taxation	79,782	(132,272)
Taxation	-	-
Profit / (loss) after taxation	79,782	(132,272)

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)			
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
38.1 Due from Financial Institutions	Note ----- (Rupees in '000) -----						
<i>Unsecured</i>							
Bai Muajjal Receivable from other							
Financial Institution	38.1.1	14,903,578	-	14,903,578	14,001,113	-	14,001,113
Musharakah	38.1.2	-	-	-	200,000	-	200,000
		<u>14,903,578</u>	<u>-</u>	<u>14,903,578</u>	<u>14,201,113</u>	<u>-</u>	<u>14,201,113</u>

38.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited.

38.1.2 This represented Musharakah placement to a financial institution at mark-up rate of 9.00% per annum and matured on January 2020.

	(Un-audited)		(Audited)	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
38.2 Islamic financing and related assets	Note ----- (Rupees in '000) -----			
Ijarah	560,911	636,161		
Murabaha	10,183	8,945		
Running Musharakah	809,542	698,301		
Diminishing Musharakah	2,331,032	2,516,321		
Tijarah	699,998	717,068		
Qarz-e-Hasna	-	80		
Gross Islamic financing and related assets	<u>4,411,666</u>	<u>4,576,876</u>		
Less: provision against Islamic financings				
- Specific	(721,301)	(734,190)		
- General	(8,089)	(11,481)		
	<u>(729,390)</u>	<u>(745,671)</u>		
Islamic financing and related assets - net of provision	<u>3,682,276</u>	<u>3,831,205</u>		
38.3 Due to financial institutions				
<i>Secured</i>				
Acceptances from the SBP under Islamic Export Refinance Scheme		250,000		250,000
<i>Unsecured</i>				
Musharakah	38.3.1	75,000		-
		<u>325,000</u>		<u>250,000</u>

38.3.1 This represents Musharakah acceptance with conventional operations of Summit Bank Limited.

38.4 Deposits

March 31, 2020 (Un-audited)			December 31, 2019 (Audited)			
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
----- (Rupees in '000) -----						
Customers						
Current deposits	4,295,125	534,460	4,829,585	4,794,164	487,731	5,281,895
Savings deposits	9,131,243	104,057	9,235,300	8,248,534	86,186	8,334,720
Term deposits	1,400,685	48,075	1,448,760	1,152,052	293,686	1,445,738
Margin accounts	264,039	-	264,039	230,383	-	230,383
	15,091,092	686,592	15,777,684	14,425,133	867,603	15,292,736
Financial Institutions						
Current deposits	75,717	127	75,844	77,812	121	77,933
Savings deposits	69,395	-	69,395	77,555	-	77,555
Term deposits	-	-	-	-	-	-
	145,112	127	145,239	155,367	121	155,488
	15,236,204	686,719	15,922,923	14,580,500	867,724	15,448,224

38.4.1 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 8,359.899 million (December 31, 2019: Rs. 9,033.794 million).

38.6 Islamic Banking Business Unappropriated Profit

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
Opening Balance	542,751	625,195
Add / (less): Islamic Banking profit / (loss) for the period / year	79,782	(82,444)
Closing Balance	<u>622,533</u>	<u>542,751</u>

38.6 CONTINGENCIES AND COMMITMENTS

-Guarantees	3,155,486	3,962,232
-Commitments	657,727	1,178,059
	<u>3,813,213</u>	<u>5,140,291</u>

38.7 Profit / Return Earned of Financing, Investments and Placement

	(Un-audited)	
	March 31, 2020	March 31, 2019
	----- (Rupees in '000) -----	
Profit earned on:		
Financing	90,730	225,047
Placements	450,408	250,241
Balances with banks	53	110
	<u>541,191</u>	<u>475,398</u>

38.8 Profit on Deposits and other Dues Expensed

Deposits and other accounts	260,677	158,325
Due to Financial Institutions	6,518	3,776
Finance cost of lease liability	7,494	8,039
	<u>274,689</u>	<u>170,140</u>

39. DATE OF AUTHORIZATION OF ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on November 19, 2021 by the Board of Directors of the Bank.

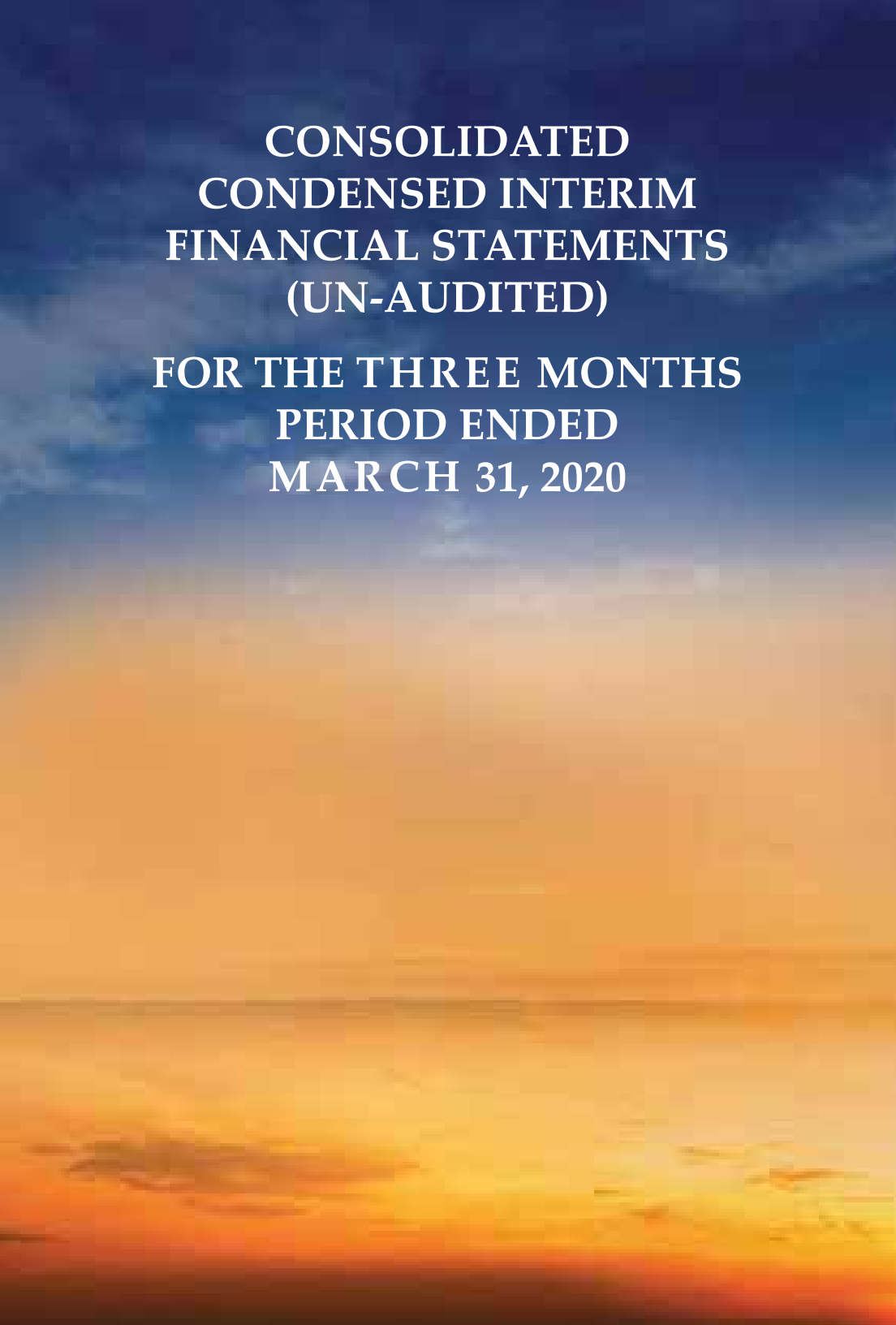
President / Chief Executive

Chief Financial Officer

Director

Director

Director



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

**FOR THE THREE MONTHS
PERIOD ENDED
MARCH 31, 2020**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2020

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
Note	----- (Rupees in '000) -----	
ASSETS		
Cash and balances with treasury banks	6 5,586,448	5,613,561
Balances with other banks	7 1,264,180	947,572
Lendings to financial institutions	8 2,743,886	991,272
Investments	9 19,442,367	21,709,150
Advances	10 37,836,854	43,242,951
Fixed assets	11 9,963,267	10,220,651
Intangible assets	12 138,187	153,027
Deferred tax assets	13 12,493,277	11,572,394
Other assets	14 10,679,873	11,357,267
	100,148,339	105,807,845
LIABILITIES		
Bills payable	16 1,386,758	1,815,836
Borrowings	17 11,207,040	13,504,780
Deposits and other accounts	18 87,618,976	88,474,564
Liabilities against assets subject to finance lease	-	-
Subordinated debt	19 1,495,515	1,495,515
Deferred tax liabilities	-	-
Other liabilities	20 5,879,199	6,183,032
	107,587,488	111,473,727
NET ASSETS	(7,439,149)	(5,665,882)
REPRESENTED BY		
Share capital - net	20,500,194	20,500,194
Reserves	(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21 3,744,936	3,545,693
Accumulated losses	(31,259,236)	(29,286,726)
	(7,439,149)	(5,665,882)
CONTINGENCIES AND COMMITMENTS	22	

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2020

		March 31, 2020	March 31, 2019
Note	-----	(Rupees in '000)	-----
Mark-up / return / interest earned	23	1,478,236	1,577,067
Mark-up / return / interest expensed	24	2,168,385	1,510,473
Net Mark-up / interest (expense) / income		(690,149)	66,594
NON MARK-UP / INTEREST INCOME			
Fee and commission income	25	135,671	186,302
Dividend income		14,831	18,321
Foreign exchange income		96,223	115,188
Income / (loss) from derivatives		-	-
Gain / (loss) on securities	26	10,403	(1,555)
Other income	27	16,470	35,733
Total non-markup / interest income		273,598	353,989
Total income		(416,551)	420,583
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	28	1,265,180	1,366,018
Workers' welfare fund		-	-
Other charges	29	6,526	4,466
Total non-markup / interest expenses		1,271,706	1,370,484
Loss before provisions		(1,688,257)	(949,901)
Provisions and write offs - net	30	1,314,341	1,530,015
Extra ordinary / unusual items		-	-
LOSS BEFORE TAXATION		(3,002,598)	(2,479,916)
Taxation	31	(1,004,955)	(821,374)
LOSS AFTER TAXATION		(1,997,643)	(1,658,542)
----- (Rupee) -----			
Basic loss per share	32	(0.76)	(0.63)
Diluted loss per share	32	(0.76)	(0.63)

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
Note	----- (Rupees in '000) -----	
Loss after taxation for the period	(1,997,643)	(1,658,542)
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of investments - net of tax	215,580	224,174
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in surplus on revaluation of operating fixed assets - net of tax	8,796	8,835
Movement in surplus on revaluation of non-banking assets - net of tax	-	316
	8,796	9,151
Total comprehensive loss	(1,773,267)	(1,425,217)

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED MARCH 31, 2020

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Revenue reserve		Total
	20,500,194	1,000,000	Statutory reserve	Reserve arising on amalgamation	Investments	Fixed / Non banking assets	Property held for sale	Accumulated losses		
Balance as at January 01, 2019 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	(1,072,442)	2,911,842	754,510	(19,947,568)	2,721,493	
Loss after taxation for the period ended March 31, 2019	-	-	-	-	-	-	-	(1,658,542)	(1,658,542)	
Other comprehensive income - net of tax	-	-	-	-	224,174	9,151	-	233,325	233,325	
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	
Transfer in respect of incremental depreciation from surplus	-	-	-	-	-	(25,235)	-	25,235	-	
on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(15,911)	-	15,911	-	
Surplus realized on disposal of fixed assets	-	-	-	-	-	(902)	-	902	-	
Surplus realized on disposal of non-banking assets	-	-	-	-	-	-	-	-	-	
Balance as at April 01, 2019 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	(848,266)	2,878,945	754,510	(21,564,062)	1,296,276	
Loss after taxation for the period ended December 31, 2019	-	-	-	-	-	-	-	(7,828,376)	(7,828,376)	
Other comprehensive income - net of tax	-	-	-	-	807,406	56,901	-	1,911	866,218	
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	
Transfer in respect of incremental depreciation from surplus	-	-	-	-	-	(75,640)	-	75,640	-	
on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(28,161)	-	28,161	-	
Surplus realized on disposal of fixed assets	-	-	-	-	-	-	-	-	-	
Surplus realized on disposal of non-banking assets	-	-	-	-	-	-	-	-	-	
Balance as at January 01, 2020 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	(40,862)	2,832,045	754,510	(29,286,726)	(5,665,882)	
Loss after taxation for the period ended March 31, 2020	-	-	-	-	-	-	-	(1,997,643)	(1,997,643)	
Other comprehensive income - net of tax	-	-	-	-	215,580	8,796	-	-	224,376	
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	
Transfer in respect of incremental depreciation from surplus	-	-	-	-	-	(25,133)	-	25,133	-	
on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	-	-	-	
Surplus realized on disposal of fixed assets	-	-	-	-	-	-	-	-	-	
Surplus realized on disposal of non-banking assets	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2020 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	174,718	2,815,708	754,510	(31,259,226)	(7,439,149)	

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2020

	March 31, 2020	March 31, 2019
Note	-----	-----
	(Rupees in '000)	-----
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(3,002,598)	(2,479,916)
Less: Dividend income	(14,831)	(18,321)
	<u>(3,017,429)</u>	<u>(2,498,237)</u>
Adjustments:		
Depreciation on fixed assets	133,650	158,819
Depreciation on right-of-use assets	138,254	126,376
Depreciation on non-banking assets	11,031	11,330
Finance cost of lease liability	71,390	68,898
Amortization	15,537	15,620
Provision and write-offs excluding recoveries	1,314,943	1,530,633
Charge for defined benefit plan	14,827	16,039
Charge for employees compensated absences	3,660	3,750
Gain on sale of fixed assets	(1,596)	(20,872)
Gain on disposal of non-banking assets - net	-	-
Unrealised loss on revaluation of investments classified as held-for-trading securities - net	470	146
	<u>1,702,166</u>	<u>1,910,739</u>
	<u>(1,315,263)</u>	<u>(587,498)</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	(1,752,614)	-
Held-for-trading securities	3,000	(2,650)
Advances	4,124,208	2,690,637
Others assets (excluding advance taxation)	685,244	521,432
	<u>3,059,838</u>	<u>3,209,419</u>
(Decrease) / increase in operating liabilities		
Bills payable	(429,078)	(299,337)
Borrowings from financial institutions	(2,148,948)	(4,241,605)
Deposits	(855,588)	877,987
Other liabilities (excluding current taxation)	(223,060)	(295,666)
	<u>(3,656,674)</u>	<u>(3,958,621)</u>
Payments on account of staff retirement benefits	(3,292)	(8,427)
Income tax paid	(32,928)	(24,499)
Net cash used in operating activities	<u>(1,948,319)</u>	<u>(1,369,626)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	2,567,585	1,517,521
Dividends received	-	2,987
Investment in fixed assets	(14,573)	(98,277)
Investments in intangible assets	(697)	-
Proceeds from sale of fixed assets	1,649	154,746
Proceeds from sale of non-banking assets	-	10,000
Net cash generated from investing activities	<u>2,553,964</u>	<u>1,586,977</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(167,358)	(278,675)
Net cash used in financing activities	<u>(167,358)</u>	<u>(278,675)</u>
Effect of exchange rate changes on cash and cash equivalents	97,404	15,871
Increase / (decrease) in cash and cash equivalents	<u>535,691</u>	<u>(45,453)</u>
Cash and cash equivalents at beginning of the period	6,292,674	6,029,163
Cash and cash equivalents at end of the period	<u>6,828,365</u>	<u>5,983,710</u>

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2020

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 March 31, 2020.

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 (December 31, 2019: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. VIS Credit Rating Company Limited would reassess the ratings once required information along with latest financials are made available. Moreover, 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, 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, 2022, subject to applicable regulatory approvals and compliances.

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. Chandigarh Road, Karachi. The Group acquired interest in SCPL by virtue of amalgamation of Atlas Bank Limited.

- I.2** During the quarter, the Group has incurred net loss of Rs. 1,997.643 million resulting in accumulated losses of Rs. 31,259.236 million and negative equity of Rs. 7,439.149 million. As per the applicable laws and regulations, the Group is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of March 31, 2020. However, the paid up capital of the Group (net of losses), CAR and LR are negative.

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 Group 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 Group 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 had received a revised letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootha (The Investor) in which The Investor had communicated his intention to acquire at least controlling stake in the Bank by subscribing to fresh equity in the Bank. 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 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 Investor has submitted his offer via a letter dated October 01, 2021, as per the Share Subscription Agreement (SSA) dated October 04, 2021 entered between the Bank and The Investor for the proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the Share Subscription Agreement which is duly approved by the Board of Directors. The Bank intends to issue total 5,976.096 million new ordinary shares.

The management and the Board of Directors are hopeful that with the capital injection along with the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve compliance with applicable regulatory requirements.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements represent financial statements of the Holding Company - Summit Bank Limited and its subsidiary. The assets and liabilities of 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 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan 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).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, the SBP vide BPRD Circular No. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. The SBP, vide its BPRD Circular No. 04 of 2019 dated October 23, 2019 directed the banks in Pakistan to implement IFRS 9 'Financial Instruments - Classification and Measurement' with effect from January 01, 2021. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

2.3 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 effect these return through its power over the investee.

These consolidated condensed interim financial statements incorporate the financial statements of 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 Group. Material intra-group balances and transactions are eliminated.

2.4 Key financial figures of the Islamic banking branches are disclosed in Note 38 to these consolidated condensed interim financial statements.

2.5 The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2019.

2.6 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

In addition to the above, there are certain new and amended standards, interpretation and amendments that are mandatory for the Group's accounting periods beginning on or after January 01, 2019 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated condensed interim financial statements.

2.7 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

The following new standards and interpretations of and amendments to existing approved accounting standards will be effective from the dates mentioned below against the respective standard, interpretation and amendment;

<u>Standard, Interpretation and Amendment</u>	<u>Effective date (annual periods beginning on or after)</u>
IFRS 9 - Financial Instruments: Classification and Measurement	January 01, 2021
<p>IFRS 9: 'Financial Instruments' addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'expected credit losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL has impact on all assets of the Group which are exposed to credit risk.</p>	

The Group is in the process of assessing the full impact of this standard.

2.8 Critical accounting estimates and judgements

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements is the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2019.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain operating fixed assets and non banking assets in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value and defined benefit obligations which are carried at present value.

3.2 Functional and Presentation Currency

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

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2019.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated condensed interim financial statements for the year ended December 31, 2019 except for the following additional considerations due to COVID-19:

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The State Bank of Pakistan (SBP) has also responded to the crisis by cutting the Policy Rate by 225 basis points to 11% in March 2020 and again by 200 basis points to 9% on April 16, 2020. Other regulatory measures to provide an impetus to economic activity include the following:

- Reduction in the capital conservation buffer by 100 basis points to 1.5%;
- Increasing the regulatory limit on extension of credit to SMEs to Rs 180 million;
- Relaxing the debt burden ratio for consumer loans from 50% to 60%;
- Allowing banks to defer borrowers' principal loan payments by one year; and
- Relaxing regulatory criteria for restructured / rescheduled loans for borrowers who require relief of principal repayment exceeding one year and / or mark-up.

COVID-19 will impact banks in Pakistan on a number of fronts including increase in overall credit risk pertaining to the loans and advances portfolio, reduced fee income due to overall slowdown in economic activity, continuity of business operations and managing cybersecurity threat as a significant number of the Group's staff is working from home and an ever increasing number of customers are being encouraged to use digital channels.

5.1 Credit Risk Management

The Risk Management function of the Bank is regularly conducting assessments of the credit portfolio to identify borrowers most likely to get affected due to changes in the business and economic environment. The Bank has further strengthened its credit review procedures in the light of COVID-19. The Bank is continuously reviewing the portfolio, to identify accounts susceptible to higher risk, resulting from the COVID-19 outbreak.

5.2 Liquidity Risk Management

The Bank has received applications for deferral of principal and / or restructuring / rescheduling and is expected to receive further such applications. These applications are being reviewed by the Bank as per its established policies. The Asset and Liability Committee (ALCO) of the Bank is continuously monitoring the liquidity position.

5.3 Equity Risk Management

The carrying value of the Group's investment in listed equity securities classified as available-for-sale amounts to Rs. 1.383 billion as at March 31, 2020. During the current quarter the Pakistan Stock Exchange fell by 28%, triggering an impairment of Rs. 32.018 million. The Group has recorded the full amount and has not availed the benefit as allowed by the SBP.

5.4 Operational Risk Management

The Bank is closely monitoring the situation and has invoked required actions to ensure the safety and security of the Group's staff and uninterrupted service to customers. The senior management of the Bank is continuously monitoring the situation and is taking timely decisions to resolve any concerns.

Business Continuity Plans (BCP) for respective areas are in place and tested. The Group has significantly enhanced monitoring of cyber security risk during these times. The remote work capabilities were enabled for staff, where required, and related risk and control measures were assessed to ensure that the Group's information assets are protected from emerging cyber threats and comply with the regulatory protocols required under the circumstances. The Bank is communicating with its customers on how they can connect with the Group through its full suite of channels including digital and online channels. The Group has taken all measures to ensure that service levels are maintained, customer complaints are resolved and turn around times are monitored and the Bank continues to meet the expectations of its employees and customers.

5.5 Capital Adequacy Ratio (CAR)

In order to encourage Banks to continue lending despite anticipated pressure on profits and credit risk, the SBP has relaxed the Capital Conversion Buffer (CCB) requirements to 1.5%, resulting in a 1% decline in CAR requirements for all Tiers.

(Un-audited) (Audited)
March 31, December 31,
2020 2019

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

6. CASH AND BALANCES WITH TREASURY BANKS

In hand

Local currency	3,748,615	2,918,525
Foreign currency	400,587	375,536
	4,149,202	3,294,061

With State Bank of Pakistan in

Local currency current account	714,029	961,761
Foreign currency current account	334,241	370,395
Foreign currency deposit account	210,434	146,827
	1,258,704	1,478,983

With National Bank of Pakistan in Local currency current account 168,419 789,312

Prize bonds 10,123 51,205

5,586,448 **5,613,561**

7. BALANCES WITH OTHER BANKS

In Pakistan

In current account	9,072	47,525
In deposit account	109,909	76,882
	118,981	124,407

Outside Pakistan

In current account	625,917	247,906
In deposit account	519,282	575,259
	1,145,199	823,165
	1,264,180	947,572

8. LENDING TO FINANCIAL INSTITUTIONS

Call money lending	-	200,000
Repurchase agreement lendings (Reverse Repo)	2,743,886	791,272
	2,743,886	991,272
Less: provision held against Lending to Financial Institutions	-	-
Lending to Financial Institutions - net of provision	2,743,886	991,272

9. INVESTMENTS

9.1 Investments by type:

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)				
	Cost / amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying value
----- (Rupees in '000) -----								

Held-for-trading securities

Shares	2,542	-	(470)	2,072	5,850	-	(308)	5,542
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Available-for-sale securities

Federal Government Securities

- Market Treasury Bills	4,146,754	-	31,810	4,178,564	3,050,459	-	13,210	3,063,669
- Pakistan Investment Bonds	11,888,591	-	167,623	12,056,214	15,551,796	-	(563,399)	14,988,397
- GoP Ijarah Sukuks	1,600,000	-	-	1,600,000	1,600,000	-	(16,000)	1,584,000

Shares

- Fully paid up ordinary shares - Listed	4,152,347	(2,833,983)	65,058	1,383,422	4,152,347	(2,801,965)	495,065	1,845,447
- Fully paid up ordinary shares - Unlisted	14,475	(1,000)	-	13,475	14,475	(1,000)	-	13,475
- Preference shares - Unlisted	46,035	-	-	46,035	46,035	-	-	46,035

Non Government Debt Securities

- Term Finance Certificates	1,599,675	(1,437,090)	-	162,585	1,600,350	(1,437,765)	-	162,585
- Sukuk Bonds	200,000	(200,000)	-	-	200,000	(200,000)	-	-
	23,647,877	(4,472,073)	264,491	19,440,295	26,215,462	(4,440,730)	(71,124)	21,703,608

Total Investments

	23,650,419	(4,472,073)	264,021	19,442,367	26,221,312	(4,440,730)	(71,432)	21,709,150
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(Un-audited) (Audited)
March 31, December 31,
2020 2019
----- (Rupees in '000) -----

9.1.1 Investments given as collateral - Market Value

Pakistan Investment Bonds		2,832,911	5,443,670
GoP Ijarah Sukuks		1,600,000	-
		4,432,911	5,443,670

9.2 Provision for diminution in value of investments

Opening balance		4,440,730	3,156,696
Charge / reversals			
Charge for the period / year		32,018	1,287,284
Reversals for the period / year		(675)	(3,250)
		31,343	1,284,034
Closing balance		4,472,073	4,440,730

9.3 Particulars of provision against debt securities

Category of classification

Domestic

Category of classification	March 31, 2020 (Un-audited)		December 31, 2019 (Audited)	
	NPI	Provision	NPI	Provision
Doubtful	281,567	118,982	281,567	118,982
Loss	1,518,108	1,518,108	1,518,783	1,518,783
	1,799,675	1,637,090	1,800,350	1,637,765

- 9.4 Pursuant to the applicable Prudential Regulations, the Group has availed the Forced Sale Value (FSV) benefit of securities / collaterals held against a non-performing investment. Had this FSV benefit not been availed by the Group, the specific provision against investments would have been higher by Rs. 21.802 million (December 31, 2019: Rs. 21.802 million). This has a net of tax positive impact of Rs. 14.171 million (December 31, 2019: Rs. 14.171 million) on the profit and loss account. 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.

10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) March 31, 2020	(Audited) December 31, 2019	(Un-audited) March 31, 2020	(Audited) December 31, 2019	(Un-audited) March 31, 2020	(Audited) December 31, 2019
Note	(Rupees in '000)					
Loans, cash credits, running finances, etc.	23,403,195	27,028,337	39,663,380	39,955,184	63,066,575	66,983,521
Islamic financing and related assets	3,552,469	3,767,335	859,197	809,541	4,411,666	4,576,876
Bills discounted and purchased	260,648	549,377	77,089	77,089	337,737	626,466
Advances - gross	27,216,312	31,345,049	40,599,666	40,841,814	67,815,978	72,186,863
Provision against advances						
- Specific	-	-	(29,950,731)	(28,903,404)	(29,950,731)	(28,903,404)
- General	(28,393)	(40,508)	-	-	(28,393)	(40,508)
	(28,393)	(40,508)	(29,950,731)	(28,903,404)	(29,979,124)	(28,943,912)
Advances - net of provision	27,187,919	31,304,541	10,648,935	11,938,410	37,836,854	43,242,951

10.1 Particulars of advances (Gross)

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	(Rupees in '000)	
In local currency	67,541,612	71,881,548
In foreign currencies	274,366	305,315
	67,815,978	72,186,863

10.2 Advances include Rs. 40,599.666 million (December 31, 2019: Rs. 40,841.814 million) which have been placed under non-performing status as detailed below:

Category of Classification	March 31, 2020 (Un-audited)		December 31, 2019 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	(Rupees in '000)			
Domestic				
Other Assets Especially Mentioned	4,859	263	8,963	873
Substandard	523,272	18,198	2,057,443	339,271
Doubtful	1,369,823	474,486	1,668,552	109,872
Loss	38,701,712	29,457,784	37,106,856	28,453,388
	40,599,666	29,950,731	40,841,814	28,903,404

10.3 Particulars of provision against advances

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	28,903,404	40,508	28,943,912	21,502,664	46,988	21,549,652
Charge for the period / year	1,619,173	-	1,619,173	8,222,910	-	8,222,910
Reversals for the period / year	(326,141)	(12,115)	(338,256)	(819,338)	(6,480)	(825,818)
	1,293,032	(12,115)	1,280,917	7,403,572	(6,480)	7,397,092
Amounts written off	(245,705)	-	(245,705)	(2,832)	-	(2,832)
Closing balance	29,950,731	28,393	29,979,124	28,903,404	40,508	28,943,912

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages ranges from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio.

The Bank has maintained general provision against housing finance portfolio at the rate of 1.5% and against unsecured SE portfolio at the rate of 1%.

10.3.2 The Group 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 Group, the specific provision against non-performing advances would have been higher by Rs. 9,567.196 million (December 31, 2019: Rs. 9,347.484 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 6,218.677 million (December 31, 2019: Rs. 6,075.865 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.

10.3.3 The SBP had 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. Nil (December 31, 2019: Rs. 205.502 million).

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
11. FIXED ASSETS			
Capital work-in-progress	11.1	72,789	73,364
Property and equipment		7,935,076	8,053,631
Right-of-use assets		1,955,402	2,093,656
		<u>9,963,267</u>	<u>10,220,651</u>
11.1 Capital work-in-progress			
Civil works and related payments / progress billings		68,163	68,738
Advances and other payments to suppliers and contractors		4,626	4,626
Advances and other payments against capital work in progress considered doubtful		1,158,340	1,158,340
Less: Provision held there against		(1,158,340)	(1,158,340)
		<u>72,789</u>	<u>73,364</u>
		(Un-audited)	
		March 31, 2020	March 31, 2019
11.2 Additions to fixed assets		----- (Rupees in '000) -----	
The following additions have been made to fixed assets during the period:			
Property and equipment			
Building improvements		2,522	1,644
Furniture and fixture		425	57,633
Electrical, office and computer equipment		12,149	18,826
Vehicles		53	-
		<u>15,149</u>	<u>78,103</u>
Right-of-use assets		-	2,080,752
		<u>15,149</u>	<u>2,158,855</u>

11.3 Transfer / Disposal of fixed assets

The net book value of fixed assets disposed off during the period is as follows:

		(Un-audited)	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
Capital work-in-progress		575	24,055
Property and equipment			
Leasehold land		-	104,010
Building on leasehold land		-	89
Building improvements		-	144
Electrical, office and computer equipment		53	2,114
Vehicles		-	11
		53	106,368
		628	130,423

12. INTANGIBLE ASSETS

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
		----- (Rupees in '000) -----	
Capital work-in-progress	12.1	45,098	47,187
Intangible Assets	12.2	93,089	105,840
		138,187	153,027

12.1 Capital work-in-progress

Advances to suppliers and contractors		45,098	47,187
Advances against capital work in progress considered doubtful		141,224	141,224
Less: Provision held there against		(141,224)	(141,224)
		45,098	47,187

12.2 Intangible Assets

Computer softwares		55,010	58,918
Core deposits		19,300	24,547
Brand name		14,393	17,989
Trading Rights Entitlement Certificate		4,386	4,386
		93,089	105,840

12.3 Additions to intangible assets

The following additions have been made to intangible assets during the period:

		(Un-audited)	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
Directly purchased		2,785	3,496

12.4 There were no disposals in intangible assets during the current and prior period.

13. DEFERRED TAX ASSETS

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff compensated absences
- Unrealised Loss on HFT Portfolio
- Provision against other assets
- Minimum tax
- Alternative Corporate tax

March 31, 2020 (Un-audited)			
At January 01, 2020	Recognised in profit and loss account	Recognised in other comprehensive income	At March 31, 2020
----- (Rupees in '000) -----			
5,889,305	707,080	-	6,596,385
5,826,396	316,414	-	6,142,810
1,554,256	10,970	-	1,565,226
43,107	-	-	43,107
39,589	336	-	39,925
108	57	-	165
149,656	-	-	149,656
553	-	-	553
4,512	-	-	4,512
13,507,482	1,034,857	-	14,542,339

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Deficit on revaluation of investments
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation
- Unrealized gain / (loss) on forward exchange contracts

(1,026,325)	-	8,797	(1,017,528)
30,262	-	(120,035)	(89,773)
(406,274)	-	-	(406,274)
(156,349)	-	-	(156,349)
(380,696)	11,010	-	(369,686)
4,294	(13,746)	-	(9,452)
(1,935,088)	(2,736)	(111,238)	(2,049,062)
11,572,394	1,032,121	(111,238)	12,493,277

Deductible Temporary Differences on

- Tax losses carried forward
- Deficit on revaluation of investments
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff compensated absences
- Unrealised Loss on HFT Portfolio
- Provision against other assets
- Minimum tax
- Unrealized gain on forward exchange contracts
- Alternative Corporate tax

December 31, 2019 (Audited)			
At January 01, 2019	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2019
----- (Rupees in '000) -----			
3,811,925	2,077,380	-	5,889,305
586,668	-	(556,406)	30,262
3,433,882	2,392,514	-	5,826,396
1,104,844	449,412	-	1,554,256
43,107	-	-	43,107
36,027	3,562	-	39,589
-	108	-	108
149,656	-	-	149,656
773	(220)	-	553
3,078	1,216	-	4,294
4,512	-	-	4,512
9,174,472	4,923,972	(556,406)	13,542,038

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

(1,063,624)	-	37,299	(1,026,325)
(406,274)	-	-	(406,274)
(141,352)	-	(14,997)	(156,349)
(382,627)	1,931	-	(380,696)
(1,993,877)	1,931	22,302	(1,969,644)
7,180,595	4,925,903	(534,104)	11,572,394

- 13.1** 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 deferred tax asset could be realized. The projections includes certain key assumptions underlying management's estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. The management believes that it is probable that the Group would be able to achieve the profits and consequently, the deferred tax amount will be fully realized in future.

	(Un-audited)	(Audited)
	March 31,	December 31,
	2020	2019
14. OTHER ASSETS	Note ----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	993,924	1,325,130
Income / mark-up accrued in foreign currency	2,261	1,768
Advances, deposits, advance rent and other prepayments	379,934	346,680
Advance taxation (payments less provisions)	636,142	630,380
Non-banking assets acquired in satisfaction of claims	2,757,677	2,768,708
Receivable from other banks against clearing and settlement	69,916	218,053
Acceptances	274,667	453,864
Mark to market gain on forward foreign exchange contracts	31,453	6,079
Stationery and stamps on hand	8,698	9,093
Dividend receivable	14,831	-
Commission receivable on home remittance	124,282	162,594
Commission receivable on brokerage	12,551	8,352
Property - Held for sale	14.1 3,838,719	3,838,719
Account receivable	105,136	106,839
Others	474,146	523,761
	9,724,337	10,400,020
Less: Provision held against other assets	14.2 (651,960)	(650,249)
	9,072,377	9,749,771
Other assets (net of provision)		
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	446,712	446,712
Surplus on revaluation of property - held for sale	1,160,784	1,160,784
	10,679,873	11,357,267

14.1 This represents a portion of the Group's self constructed property which has been earmarked for selling in the near future. This property is carried at lower of market value / fair value less cost to sell and carrying amount.

	(Un-audited)	(Audited)
	March 31,	December 31,
	2020	2019
14.2 Provision held against other assets	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent & other prepayments	79,664	79,664
Non banking assets acquired in satisfaction of claims	290,547	290,547
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	34,436	34,436
Account receivable - sundry claims	200,899	199,188
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	9,451	9,451
	651,960	650,249

14.2.1 Movement in provision held against other assets

Opening balance	650,249	648,388
Charge for the period / year	1,711	2,317
Reversals for the period / year	-	(409)
Amount written off	-	(47)
	651,960	650,249

15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
16. BILLS PAYABLE	Note ----- (Rupees in '000) -----	
In Pakistan	1,386,758	1,815,836
Outside Pakistan	-	-
	1,386,758	1,815,836

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan

- Under export refinance scheme	6,637,390	6,780,140
- Under Islamic Export Refinance Scheme (IERF)	250,000	250,000
- Under Long-term financing facility	807,453	857,219
- Refinance facility for modernization of SMEs	5,206	5,650
- Repurchase agreement borrowings	2,484,728	5,440,716
	10,184,777	13,333,725

Repurchase agreement borrowings

	1,000,000	-
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Total secured

	11,184,777	13,333,725
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Unsecured

Overdrawn nostro accounts

	22,263	171,055
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Total unsecured

	22,263	171,055
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	11,207,040	13,504,780
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18. DEPOSITS AND OTHER ACCOUNTS

March 31, 2020 (Un-audited)			December 31, 2019 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----					

Customers

Current deposits	24,220,156	1,314,204	25,534,360	25,059,806	1,390,243	26,450,049
Savings deposits	41,729,979	1,278,695	43,008,674	41,131,498	1,290,353	42,421,851
Term deposits	10,896,828	2,970,222	13,867,050	11,202,150	3,032,909	14,235,059
Others	3,138,528	26,216	3,164,744	3,323,784	24,352	3,348,136
	79,985,491	5,589,337	85,574,828	80,717,238	5,737,857	86,455,095

Financial Institutions

Current deposits	424,870	58,740	483,610	602,199	286,055	888,254
Savings deposits	1,113,045	5	1,113,050	719,084	5	719,089
Term deposits	447,488	-	447,488	412,126	-	412,126
Others	-	-	-	-	-	-
	1,985,403	58,745	2,044,148	1,733,409	286,060	2,019,469

	81,970,894	5,648,082	87,618,976	82,450,647	6,023,917	88,474,564
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18.1 Deposits include Eligible Deposits of Rs. 55,249,257 million (December 31, 2019: Rs. 55,745,364 million) protected under Depositors Protection Mechanism introduced by State Bank of Pakistan.

19. SUBORDINATED DEBT

Issue amount	Rs.1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2021 (December 31, 2019; October 27, 2020)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended thrice by the Bank to October 27, 2019, October 27, 2020 and October 27, 2021 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019 and October 22, 2020. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020 and July 09, 2021. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020 and October 22, 2021.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 26, 2021 have approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules and requisite regulatory requirements for seeking final approval from the State Bank of Pakistan.

Rating	'D' (Default).
Security	Unsecured.
Redemption / profit payment frequency	The redemption / profit payment details are mentioned in the above maturity date clause.
Mark up	Base rate (6 months KIBOR - ask side) plus 325 bps.
Call option	The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised by the Bank.
Lock-in-clause	Neither interest nor principal can be paid (even at maturity) if such payments will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR and CAR.

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
20. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		1,261,797	1,229,525
Mark-up / return / interest payable in foreign currencies		186	459
Unearned income		8,592	8,986
Accrued expenses		87,712	89,293
Advance against sale of property		484,344	476,544
Acceptances		274,667	453,864
Unclaimed dividends		2,213	2,213
Mark to market loss on forward foreign exchange contracts		4,449	18,348
Payable to defined benefit plan		148,750	134,673
Charity fund balance		63	504
Branch adjustment account		17	80
Security deposits against lease		587,328	641,208
Payable to Bangladesh Bank		41,389	41,389
Payable to Rupali Bank - Bangladesh		16,293	16,293
Payable to vendors / creditors		190,513	199,376
Provision for compensated absences		115,046	113,928
Payable to Bank of Ceylon, Colombo		20,163	20,163
Retention money		22,196	29,374
Workers' welfare fund		13,360	13,360
Withholding taxes and government levies payable		30,719	26,010
Federal excise duty and sales tax payable		4,782	10,135
Commission payable on home remittances		103,700	137,909
Lease liability		2,023,714	2,119,682
Account payable		130,194	74,624
Others		307,012	325,092
		5,879,199	6,183,032
21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS			
Surplus / (deficit) on revaluation of			
- Available for sale securities	9.1	264,491	(71,124)
- Fixed assets		3,542,877	3,568,007
- Non-banking assets acquired in satisfaction of claims		446,712	446,712
- Property - held for sale		1,160,784	1,160,784
		5,414,864	5,104,379
Deferred tax on surplus / (deficit) on revaluation of:			
- Available for sale securities		(89,773)	30,262
- Fixed assets		(1,017,532)	(1,026,325)
- Non-banking assets acquired in satisfaction of claims		(156,349)	(156,349)
- Property - held for sale		(406,274)	(406,274)
		(1,669,928)	(1,558,686)
		3,744,936	3,545,693
22. CONTINGENCIES AND COMMITMENTS			
-Guarantees	22.1	14,020,018	19,912,355
-Commitments	22.2	15,359,748	24,318,660
-Other contingent liabilities	22.3	12,146,492	11,632,928
		41,526,258	55,863,943
22.1 Guarantees:			
Financial guarantees		23,677	23,677
Performance guarantees		12,445,337	16,025,962
Other guarantees		1,551,004	3,862,716
		14,020,018	19,912,355

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
	Note	----- (Rupees in '000) -----	
22.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		2,610,227	6,953,447
Commitments in respect of:			
- forward foreign exchange contracts	22.2.1	3,450,295	5,507,866
- forward lending	22.2.2	5,596,231	6,198,509
- operating leases	22.2.3	32,269	46,310
Commitments for acquisition of:			
- operating fixed assets		79,750	75,637
- intangible assets		106,248	96,175
Other commitments	22.2.4	3,484,728	5,440,716
		<u>15,359,748</u>	<u>24,318,660</u>
22.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		3,371,020	4,815,225
Sale		79,275	692,641
		<u>3,450,295</u>	<u>5,507,866</u>
22.2.2 Commitments in respect of forward lending			
Forward documentary bills		4,297,373	4,465,388
Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1	1,298,858	1,733,121
		<u>5,596,231</u>	<u>6,198,509</u>
22.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Group without the risk of incurring significant penalty or expense.			
		(Un-audited) March 31, 2020	(Audited) December 31, 2019
		----- (Rupees in '000) -----	
22.2.3 Commitments in respect of operating lease			
Not later than one year		32,269	46,310
Later than one year and not later than five years		-	-
Later than five years		-	-
		<u>32,269</u>	<u>46,310</u>
22.2.4 Other commitments			
Purchase (Repo)		3,484,728	5,440,716
22.3 Other contingent liabilities - claims against the Group not acknowledged as debts		<u>12,146,492</u>	<u>11,632,928</u>
22.4 During the year 2018, 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 Group 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 sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Group.			
22.5 Contingency for tax payable			
Contingency related to tax payable is disclosed in note 31.2.			

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
23.	MARK-UP / RETURN / INTEREST EARNED	Note	
	On:		
	Loans and advances	922,587	1,276,275
	Investments	530,611	286,855
	Lendings to financial institutions	18,127	8,678
	Balances with banks	6,911	5,259
		<u>1,478,236</u>	<u>1,577,067</u>
24.	MARK-UP / RETURN/INTEREST EXPENSED		
	On:		
	Deposits	1,609,482	981,423
	Borrowings	315,759	325,851
	Subordinated debt	61,819	47,348
	Cost of foreign currency swaps against foreign currency deposits / borrowings	109,935	86,953
	Finance cost of lease liability	71,390	68,898
		<u>2,168,385</u>	<u>1,510,473</u>
25.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	6,447	1,982
	Consumer finance related fees	2,800	703
	Card related fees (debit cards)	16,157	25,255
	Credit related fees	1,606	5,070
	Investment banking fees	5,166	4,216
	Commission on trade	43,179	55,670
	Commission on guarantees	31,961	37,936
	Commission on cash management	257	1,322
	Commission on remittances including home remittances	4,839	16,391
	Commission on bancassurance	373	1,309
	Commission on Benazir Income Support Programme	-	18,281
	Alternate delivery channels (ADC)	4,770	4,989
	Commission on brokerage	18,069	13,082
	Others	47	96
		<u>135,671</u>	<u>186,302</u>
26.	GAIN / (LOSS) ON SECURITIES		
	Realised	10,873	(1,409)
	Unrealised - held for trading	(470)	(146)
		<u>10,403</u>	<u>(1,555)</u>
26.1	Realised gain on:		
	Federal Government Securities	10,195	(1,539)
	Shares	678	130
		<u>10,873</u>	<u>(1,409)</u>

27. OTHER INCOME	Note	(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
Rent on property / locker		5,756	4,450
Gain on sale of fixed assets - net		1,596	20,872
Gain on sale of ijarah assets		2,742	854
Account maintenance and other relevant charges		3,120	4,883
Recovery of expenses from customers		3,256	4,373
Others		-	301
		16,470	35,733
28. OPERATING EXPENSES			
Total compensation expense	28.1	437,832	440,000
Property expense			
Rent and taxes		23,407	44,226
Insurance - property		1,018	1,258
Insurance - non banking assets		98	80
Utilities cost		45,076	47,207
Security (including guards)		49,009	40,898
Repair and maintenance (including janitorial charges)		31,569	24,925
Depreciation on owned fixed assets		71,881	97,593
Depreciation on right-of-use assets		138,254	126,376
Depreciation on non banking assets		11,031	11,330
		371,343	393,893
Information technology expenses			
Software maintenance		15,653	12,994
Hardware maintenance		24,302	13,618
Depreciation on computer equipments		24,680	28,444
Amortisation on computer softwares		6,694	6,777
Network charges		21,886	22,925
Insurance		562	96
		93,777	84,854
Other operating expenses			
Directors' fees and allowances		900	550
Fees and allowances to Shariah Board		1,200	1,200
Legal and professional charges		34,093	109,680
Outsourced services costs		36,193	30,886
Travelling and conveyance		40,987	35,035
NIFT clearing charges		6,460	6,979
Depreciation		37,089	32,782
Amortisation of core deposits and brand name		8,843	8,843
Training and development		1,376	1,119
Postage and courier charges		12,316	11,991
Communication		13,716	11,281
Stationery and printing		25,452	20,511
Marketing, advertisement and publicity		6,531	13,985
Brokerage and commission		150	242
Fee and subscription		20,141	33,315
Cash transportation and sorting charges		20,508	21,858
Entertainment		8,619	8,364
Insurance		32,506	18,150
Deposit insurance premium expense		25,840	22,378
Repair and maintenance		21,634	17,014
Auditors' remuneration		2,967	5,398
Others		4,707	35,710
		362,228	447,271
		1,265,180	1,366,018

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
28.1	Total compensation expense	Note	
	Fees and allowances etc.	9,415	9,821
	Managerial remuneration		
	i) Fixed	270,700	272,248
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	1,642	1,460
	b) Incentives and commission	1,489	1,117
	Charge for defined benefit plan	14,827	16,039
	Contribution to defined contribution plan	16,234	12,527
	Charge for employees compensated absences	3,660	3,750
	Rent and house maintenance	82,550	84,412
	Utilities	18,343	18,749
	Medical	18,972	19,877
	Employee old age benefit institution	-	-
	Total	437,832	440,000
29.	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	20	266
	Bank charges	6,506	4,200
		6,526	4,466
30.	PROVISIONS AND WRITE OFFS - NET		
	Provisions for diminution in value of investments	31,343	28,558
	Provisions against loans and advances	1,280,917	1,501,692
	Provision against other assets	1,711	210
	Bad debts written off directly	972	173
	Recoveries against written off / charged off bad debts	(602)	(618)
		1,314,341	1,530,015
31.	TAXATION		
	Current	31.1 & 31.2 27,166	24,586
	Prior periods	-	-
	Deferred	(1,032,121)	(845,960)
		(1,004,955)	(821,374)
31.1	This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.		
31.2	The Income Tax Returns of the Bank and its subsidiary have been submitted up to and including financial year ended December 31, 2018 i.e. tax year 2019.		
	In respect of assessments of Summit Bank Limited from tax year 2008 to tax year 2014, 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 Summit Bank Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed Group's treatment on certain issues and created additional tax demand of Rs. 9.684 million through amended assessment orders and the same have been paid / adjusted against advance tax paid.		
	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 Group'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 Group'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, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc. The Group 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 Group is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these consolidated financial statements.

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
32.	BASIC AND DILUTED LOSS PER SHARE		
	Loss for the period	<u>(1,997,643)</u>	<u>(1,658,542)</u>
		----- (Number of shares) -----	
	Weighted average number of ordinary shares - Basic	<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupees) -----	
	Basic loss per share	<u>(0.76)</u>	<u>(0.63)</u>
		----- (Number of shares) -----	
	Weighted average number of ordinary shares - Diluted	<u>32.1 2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupees) -----	
	Diluted loss per share	<u>(0.76)</u>	<u>(0.63)</u>

32.1 There are no potential ordinary shares outstanding as of March 31, 2020.

		(Un-audited) Quarter ended	
		March 31, 2020	March 31, 2019
		----- (Rupees in '000) -----	
33.	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	5,586,448	4,805,073
	Balances with other banks	1,264,180	1,214,454
	Overdrawn nostro accounts	(22,263)	(35,817)
		<u>6,828,365</u>	<u>5,983,710</u>

34. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

34.1 Fair value of financial assets

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

34.2 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

March 31, 2020 (Un-audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal Government Securities	-	17,834,778	-	17,834,778
Shares - Listed	1,385,494	-	-	1,385,494

Financial assets - disclosed but not measured at fair value

Investments

Shares - Unlisted	-	-	65,483	65,483
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Non-Financial assets - measured at fair value

Operating fixed assets	-	-	7,343,814	7,343,814
Non banking assets acquired in satisfaction of claims	-	-	2,913,842	2,913,842

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	3,402,474	-	3,402,474
Forward sale of foreign exchange	-	83,724	-	83,724

December 31, 2019 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal Government Securities	-	19,636,066	-	19,636,066
Shares - Listed	1,850,989	-	-	1,850,989

Financial assets - disclosed but not measured at fair value

Investments

Shares - Unlisted	-	-	65,483	65,483
-------------------	---	---	--------	--------

Non-Financial assets - measured at fair value

Operating fixed assets	-	-	7,400,019	7,400,019
Non banking assets acquired in satisfaction of claims	-	-	2,924,873	2,924,873

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	4,800,861	-	4,800,861
Forward sale of foreign exchange	-	690,545	-	690,545

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. The fair values of GOP Ijarah Sukuks are derived using the PKISRV 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.
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.

35. SEGMENT INFORMATION

35.1 Segment Details with respect to business activities

For the quarter ended March 31, 2020 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Brokerage business	Others	Total
(Rupees in '000)						

Profit and loss

Net mark-up / return / profit	(196)	137,722	(651,070)	(178,570)	1,965	-	(690,149)
Inter segment revenue - net	-	(445,072)	-	445,072	-	-	-
Non mark-up / return / interest income	5,233	157,078	112,952	(20,296)	18,631	-	273,598
Total income	5,037	(150,272)	(538,118)	246,206	20,596	-	(416,551)
Segment direct expenses	521	65,135	1,098,118	69,292	27,703	10,937	1,271,706
Inter segment expense allocation	-	-	(113,413)	113,413	-	-	-
Total expenses	521	65,135	984,705	182,705	27,703	10,937	1,271,706
Provisions / (reversals)	-	31,343	1,299,279	(16,281)	-	-	1,314,341
Profit / (loss) before tax	4,516	(246,750)	(2,822,102)	79,782	(7,107)	(10,937)	(3,002,598)

As at March 31, 2020 (Un-audited)						
Corporate finance	Trading and sales	Branch banking	Islamic	Brokerage business	Others	Total
(Rupees in '000)						

Balance Sheet

Cash and Bank balances	-	2,133,968	4,293,087	274,774	148,799	-	6,850,628
Investments	-	17,860,739	1,557,320	-	24,308	-	19,442,367
Net inter segment lending	-	75,000	-	14,903,578	-	-	14,978,578
Lendings to financial institutions	-	2,743,886	-	-	-	-	2,743,886
Advances - performing	-	-	23,642,969	3,544,380	570	-	27,187,919
Advances - non-performing	-	-	10,511,039	137,896	-	-	10,648,935
Others	46,312	6,032,766	14,499,533	660,845	215,832	11,819,316	33,274,604
Total assets	46,312	28,846,359	54,503,948	19,521,473	389,509	11,819,316	115,126,917
Borrowings	71	3,494,270	7,462,699	250,000	-	-	11,207,040
Subordinated debt	4,738	640,998	849,779	-	-	-	1,495,515
Deposits and other accounts	-	-	71,696,053	15,922,923	-	-	87,618,976
Net inter segment borrowing	-	14,903,578	-	75,000	-	-	14,978,578
Others	1,488	228,639	4,795,354	1,651,017	151,061	438,398	7,265,957
Total liabilities	6,297	19,267,485	84,803,885	17,898,940	151,061	438,398	122,566,066
Equity	40,015	9,578,874	(30,299,937)	1,622,533	238,448	11,380,918	(7,439,149)
Total equity and liabilities	46,312	28,846,359	54,503,948	19,521,473	389,509	11,819,316	115,126,917
Contingencies and Commitments	-	6,878,002	18,502,553	3,813,213	-	12,332,490	41,526,258

For the quarter ended March 31, 2019 (Un-Audited)							
Corporate finance	Trading and sales	Branch banking	Islamic	Brokerage business	Others	Total	
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	(93)	(598,520)	106,031	557,069	2,107	-	66,594
Inter segment revenue - net	-	251,811	-	(251,811)	-	-	-
Non mark-up / return / interest income	2,590	114,522	218,442	4,973	13,462	-	353,989
Total income	2,497	(232,187)	324,473	310,231	15,569	-	420,583
Segment direct expenses	575	83,704	1,183,611	68,074	23,503	11,017	1,370,484
Inter segment expense allocation	-	-	(92,690)	92,690	-	-	-
Total expenses	575	83,704	1,090,921	160,764	23,503	11,017	1,370,484
Provisions	-	28,558	1,219,718	281,739	-	-	1,530,015
Profit / (loss) before tax	1,922	(344,449)	(1,986,166)	(132,272)	(7,934)	(11,017)	(2,479,916)

As at December 31, 2019 (Audited)							
Corporate finance	Trading and sales	Branch banking	Islamic	Brokerage business	Others	Total	
(Rupees in '000)							
Balance Sheet							
Cash and Bank balances	-	1,870,617	4,130,983	462,275	97,258	-	6,561,133
Investments	-	20,120,181	1,557,319	-	31,650	-	21,709,150
Net inter segment lending	-	-	-	14,001,113	-	-	14,001,113
Lendings to financial institutions	-	791,272	-	200,000	-	-	991,272
Advances - performing	-	-	27,548,061	3,755,854	626	-	31,304,541
Advances - non-performing	-	-	11,863,059	75,351	-	-	11,938,410
Others	36,596	4,068,744	16,416,347	735,424	218,051	11,828,177	33,303,339
Total assets	36,596	26,850,814	61,515,769	19,230,017	347,585	11,828,177	119,808,958
Borrowings	465	5,491,088	7,763,227	250,000	-	-	13,504,780
Subordinated debt	4,063	440,405	1,051,047	-	-	-	1,495,515
Deposits and other accounts	-	-	73,026,340	15,448,224	-	-	88,474,564
Net inter segment borrowing	-	14,001,113	-	-	-	-	14,001,113
Others	2,651	319,515	5,156,226	1,989,042	93,019	438,415	7,998,868
Total liabilities	7,179	20,252,121	86,996,840	17,687,266	93,019	438,415	125,474,840
Equity	29,417	6,598,693	(25,481,071)	1,542,751	254,566	11,389,762	(5,665,882)
Total equity and liabilities	36,596	26,850,814	61,515,769	19,230,017	347,585	11,828,177	119,808,958
Contingencies and Commitments	-	10,736,460	28,182,452	5,140,291	-	11,804,740	55,863,943

35.1.1 The Group does not have any operations outside Pakistan.

36. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, employee benefit plans and its directors and Key Management Personnel.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period / year, other than those which have been disclosed elsewhere in these financial statements are as follows:

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)				
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
	----- (Rupees in '000) -----							
Investments								
Opening balance	-	-	-	1,692,490	-	-	-	1,713,990
Investment made during the period / year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	(21,500)
Closing balance	-	-	-	1,692,490	-	-	-	1,692,490
Provision for diminution in value of investments	-	-	-	1,613,242	-	-	-	1,613,242
Advances								
Opening balance	-	-	265,793	660,792	-	-	259,303	932,302
Addition during the period / year	-	-	5,484	-	-	-	36,601	2,139,568
Repaid during the period / year	-	-	(21,580)	(13,775)	-	-	(18,393)	(2,214,009)
Transfer in / (out) - net	-	-	55,387	1,677	-	-	(11,718)	(197,069)
Closing balance	-	-	305,084	648,694	-	-	265,793	660,792
Provision held against advances	-	-	-	-	-	-	-	-

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)			
	Parent company	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
Other Assets							
Interest / mark-up accrued	-	-	11,320	-	-	-	11,320
Other receivable	699	281	-	699	-	375	-
Provision held against other assets	-	-	-	-	-	-	-
Deposits and other accounts							
Opening balance	-	20,042	1,512,961	-	18,463	13,421	1,769,716
Received during the period / year	-	82,942	98,478	-	-	224,304	852,565
Withdrawn during the period / year	-	(85,419)	(37,722)	-	-	(217,761)	(948,128)
Transfer (out) / in - net	-	1,037	3	-	(18,463)	78	(261,192)
Closing balance	-	18,602	1,573,720	-	-	20,042	1,512,961
Other Liabilities							
Interest / mark-up payable	-	186	17,274	-	-	245	16,293
Payable to defined benefit plan	-	-	148,750	-	-	-	134,673
Contingencies and Commitments							
Guarantees, letters of credit and acceptances	-	-	111,255	-	-	-	86,500
Commitments to extend credit	-	-	-	-	-	-	9,915

	For the quarter ended March 31, 2020 (Un-Audited)				For the quarter ended March 31, 2019 (Un-Audited)			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
Income								
Mark-up / return / interest earned	-	-	2,481	22,779	-	-	1,592	10,227
Fee and commission income	-	-	3	-	-	-	27	-
Expense								
Mark-up / return / interest expensed	-	-	366	51,199	-	363	61	33,655
Operating expenses:								
- Directors' fees and allowances	-	900	-	-	-	550	-	-
- Fee and subscription	-	-	234	-	-	-	3,114	-
- Managerial remuneration	-	-	46,925	-	-	-	41,285	-
- Contribution to defined contribution plan	-	-	-	16,234	-	-	-	12,527
- Charge for defined benefit plan	-	-	-	14,827	-	-	-	16,039
Provision for diminution in value of Investments	-	-	-	-	-	-	-	11,424

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.

37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)

(Un-audited) (Audited)
March 31, December 31,
2020 2019
----- (Rupees in '000) -----

(11,338,247) (9,365,737)

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier-1 (CET-1) Capital

(24,237,424) (21,424,406)

Eligible Additional Tier-1 (ADT-1) Capital

- -

Total Eligible Tier-1 Capital

(24,237,424) (21,424,406)

Eligible Tier-2 Capital

- -

Total Eligible Capital (Tier-1 + Tier-2)

(24,237,424) (21,424,406)

Risk Weighted Assets (RWAs):

Credit Risk

62,824,602 70,219,585

Market Risk

6,737,689 6,972,343

Operational Risk

6,534,041 5,755,700

Total

76,096,332 82,947,628

Common Equity Tier-1 Capital Adequacy ratio

-31.85% -25.83%

Tier-1 Capital Adequacy Ratio

-31.85% -25.83%

Total Capital Adequacy Ratio

-31.85% -25.83%

Leverage Ratio (LR):

Eligible Tier-1 Capital

(24,237,424) (21,424,406)

Total Exposures

122,162,929 138,078,420

Leverage Ratio

-19.84% -15.52%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

21,324,993 14,935,767

Total Net Cash Outflow

15,886,800 17,180,961

Liquidity Coverage Ratio

134.23% 86.93%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

64,190,032 66,795,162

Total Required Stable Funding

61,387,894 66,682,561

Net Stable Funding Ratio

104.56% 100.17%

38. ISLAMIC BANKING BUSINESS

The Group commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2019: 14) Islamic banking branches and 35 (December 31, 2019: 35) Islamic banking windows at the end of the period.

**STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020**

		(Un-audited) March 31, 2020	(Audited) December 31, 2019
Note	----- (Rupees in '000) -----		
ASSETS			
Cash and balances with treasury banks		274,691	451,368
Balances with other banks		83	10,907
Due from financial institutions	38.1	14,903,578	14,201,113
Investments		-	-
Islamic financing and related assets - net	38.2	3,682,276	3,831,205
Fixed assets		306,595	320,842
Intangible assets		4,082	4,638
Due from Head Office		-	-
Other assets		350,168	409,944
Total Assets		19,521,473	19,230,017
LIABILITIES			
Bills payable		139,879	194,231
Due to financial institutions		325,000	250,000
Deposits and other accounts	38.4	15,922,923	15,448,224
Due to Head Office		-	-
Subordinated debt		-	-
Deferred tax liabilities - net		-	-
Other liabilities		1,511,138	1,794,811
		17,898,940	17,687,266
		1,622,533	1,542,751
NET ASSETS			
REPRESENTED BY			
Islamic Banking Fund		1,000,000	1,000,000
Reserves		-	-
Surplus on revaluation of assets		-	-
Unappropriated/ Unremitted profit	38.5	622,533	542,751
		1,622,533	1,542,751
CONTINGENCIES AND COMMITMENTS			
	38.6		

**ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020**

	March 31, 2020	March 31, 2019
Note	----- (Rupees in '000) -----	
Profit / return earned	38.7	475,398
Profit / return expensed	38.8	170,140
Net Profit / return	266,502	305,258
Other income		
Fee and commission income	10,643	11,696
Dividend income	-	-
Foreign exchange loss	(34,221)	(7,373)
Income / (loss) from derivatives	-	-
Loss on sale of securities	(1,366)	(1,888)
Other income	4,648	2,538
Total other income	(20,296)	4,973
Total income	246,206	310,231
Other expenses		
Operating expenses	182,648	160,455
Workers' welfare fund	-	-
Other charges	57	309
Total other expenses	182,705	160,764
Profit before provisions	63,501	149,467
(Reversal) / provisions and write offs - net	(16,281)	281,739
Profit / (loss) before taxation	79,782	(132,272)
Taxation	-	-
Profit / (loss) after taxation	79,782	(132,272)

	March 31, 2020 (Un-audited)			December 31, 2019 (Audited)			
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
Note	----- (Rupees in '000) -----						
38.1 Due from Financial Institutions							
<i>Unsecured</i>							
Bai Muajjal Receivable from other Financial Institution	38.1.1	14,903,578	-	14,903,578	14,001,113	-	14,001,113
Musharakah	38.1.2	-	-	-	200,000	-	200,000
		14,903,578	-	14,903,578	14,201,113	-	14,201,113

38.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited.

38.1.2 This represented Musharakah placement to a financial institution at markup rate of 9.00% per annum and matured on January 2020.

	(Un-audited)		(Audited)	
	March 31, 2020		December 31, 2019	
Note	----- (Rupees in '000) -----			
38.2 Islamic financing and related assets				
Ijarah		560,911		636,161
Murabaha		10,183		8,945
Running Musharakah		809,542		698,301
Diminishing Musharakah		2,331,032		2,516,321
Tijarah		699,998		717,068
Qarz-e-Hasna		-		80
Gross Islamic financing and related assets		4,411,666		4,576,876
Less: provision against Islamic financings				
- Specific		(721,301)		(734,190)
- General		(8,089)		(11,481)
		(729,390)		(745,671)
Islamic financing and related assets - net of provision		3,682,276		3,831,205

38.3 Due to financial institutions

Secured

Acceptances from the SBP under Islamic Export Refinance Scheme

250,000

250,000

Unsecured

Musharakah

38.3.1 75,000

-

325,000

250,000

38.3.1 This represents Musharakah acceptance with conventional operations of Summit Bank Limited.

38.4 Deposits

March 31, 2020 (Un-audited)			December 31, 2019 (Audited)			
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
----- (Rupees in '000) -----						
Customers						
Current deposits	4,295,125	534,460	4,829,585	4,794,164	487,731	5,281,895
Savings deposits	9,131,243	104,057	9,235,300	8,248,534	86,186	8,334,720
Term deposits	1,400,685	48,075	1,448,760	1,152,052	293,686	1,445,738
Margin accounts	264,039	-	264,039	230,383	-	230,383
	15,091,092	686,592	15,777,684	14,425,133	867,603	15,292,736
Financial Institutions						
Current deposits	75,717	127	75,844	77,812	121	77,933
Savings deposits	69,395	-	69,395	77,555	-	77,555
Term deposits	-	-	-	-	-	-
	145,112	127	145,239	155,367	121	155,488
	15,236,204	686,719	15,922,923	14,580,500	867,724	15,448,224

38.4.1 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 8,359.899 million (December 31, 2019: Rs. 9,033.794 million).

38.5 Islamic Banking Business Unappropriated Profit

	(Un-audited) March 31, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
Opening Balance	542,751	625,195
Add / (less): Islamic Banking profit / (loss) for the period / year	79,782	(82,444)
Closing Balance	<u>622,533</u>	<u>542,751</u>

38.6 CONTINGENCIES AND COMMITMENTS

-Guarantees	3,155,486	3,962,232
-Commitments	657,727	1,178,059
	<u>3,813,213</u>	<u>5,140,291</u>

38.7 Profit / Return Earned of Financing, Investments and Placement

	(Un-audited) March 31, 2020	March 31, 2019
	----- (Rupees in '000) -----	
Profit earned on:		
Financing	90,730	225,047
Placements	450,408	250,241
Balances with banks	53	110
	<u>541,191</u>	<u>475,398</u>

38.8 Profit on Deposits and other Dues Expensed

Deposits and other accounts	260,677	158,325
Due to Financial Institutions	6,518	3,776
Finance cost of lease liability	7,494	8,039
	<u>274,689</u>	<u>170,140</u>

39. DATE OF AUTHORIZATION OF ISSUE

These consolidated condensed interim financial statements were authorised for issue on November 19, 2021 by the Board of Directors of the Group.

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

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

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

Ex. Dolmen City Branch

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

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 Ruffi 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

I. I. Chundrigar Road Branch I - Unitower Branch

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 # 714-6-1 Block A, New M.A. Jinnah Road, Karachi
Tel: 021-34860422-23, 34860425
Fax: 021-34860424

Jodia Bazar - Branch 1

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

33/1, Sector-15, Korangi Industrial Area, Karachi
Tel: 021-35114290, 35121294, 35122231-32
Fax: 021-35114282

Malir Cantt Branch

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

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

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

Sea View, Clifton Branch, Karachi

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

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

Shahrah-e-Faisal Branch

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

Water Pump Branch

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

LAHORE

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/I, Phase-VI, Bedian Road,
Tatal 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

DHA Phase - VI Branch

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

DHA Y 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

Empress Road Branch

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

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/I 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/I, 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: 042-35915540-4
2 & 35915548
Fax: 042-35915549

New Garden Town Branch

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

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 - Al- 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

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

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

FAISALABAD

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

Satiana Road Branch

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

Susan Road Branch

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

MULTAN

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

Vehari Road Branch

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

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/11-S7/103, 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# 1, 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 # 1, 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
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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 119 F/1, Kotli Road
Mirpur, Azad Kashmir
Tel: 05827- 437193-97
Fax: 05827-437192

Mirpur Azad Kashmir Branch II

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

Muzzafarabad Branch

Sangam Hotel, Muzzafarabad - 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

Chamman Branch

Khashra No. 1323 & 2324 Abdali Bazar, Dola Ram Road,
Tehsil Chamman, 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

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 # I, 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

Kasur Branch

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

KHAIRPUR

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, RH, 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,
Ghumanabad 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

JAMSHORO

Nooriabad Branch

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

OKARA

Ghulam Mustafa Centre,

M.A. Jinnah 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

RAHIM YAR 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-I, 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/1, 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. 3361, 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: 051-490224

ISLAMIC BANKING BRANCHES

KARACHI

Fish Harbour Branch

Plot No. L - 2, Block "L"
Fish Harbour, Dockyard Road,
West Wharf, Karachi
PABX: 021-32312166-68
Fax: 021-32312165

I. I. Chundrigar Road Branch II

5-Business & Finance Centre, Opposite State Bank of Pakistan,
Karachi.
Tel: 021-32438212, 32472176, 32471796
Fax: 021-32438218

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

Super Highway Branch

Shop No. 29 & 30, Plot # I-B/3, Sub Sector 1-A,
Scheme No. 33, main Super Highway, Karachi.
Tel: 021 - 36830161-3
Fax: 021-36830162

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

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

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

Chilas Branch

Khasra No. 02, Bazar Area, Chillas, District Baltistan
Tel: 05812 - 450702-3
Fax: 05812-450704

SKARDU

Skardu Branch

Khasra No. 1265/39, Yadgar Chowk,
Tehsil Skardu, District Baltistan
Tel: 05815 - 456693-94
Fax: 05815-456696

ISLAMABAD

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

Naval Anchorage Branch

Plot # 19, Commercial No. 2, Naval Officers'
Housing Scheme Anchorage, Islamabad
Tel: 051 - 5159126 - 28
Fax: 051 - 5159129

CHITRAL

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 a red serif font, a stylized blue "S" symbol, and the word "Bank" in a blue serif font.

Summit S Bank

Committed to you

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